



Blanket re-zoning is not the answer to the Housing Crisis

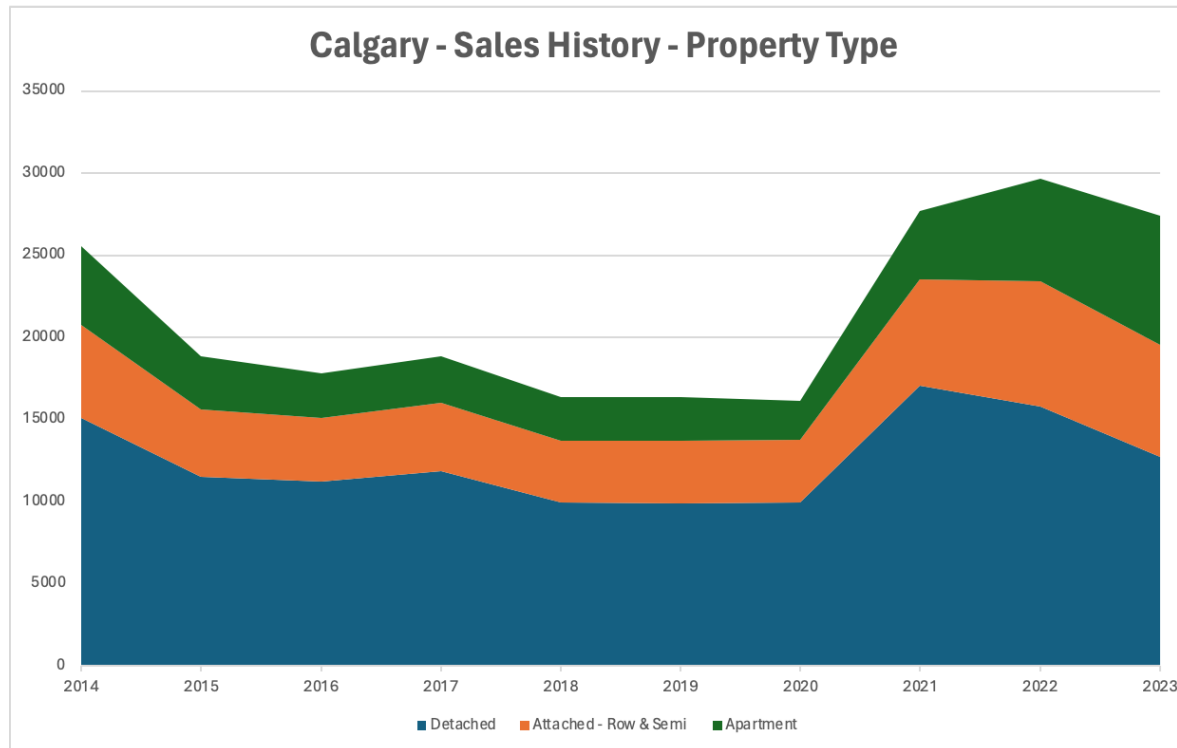
CITY OF CALGARY
RECEIVED
IN COUNCIL CHAMBER

APR 24 2024

ITEM: 7.2.1 CPC2024-0213
DISTRIB - PRESENTATION: 155
CITY CLERK'S DEPARTMENT

Calgary Sales History

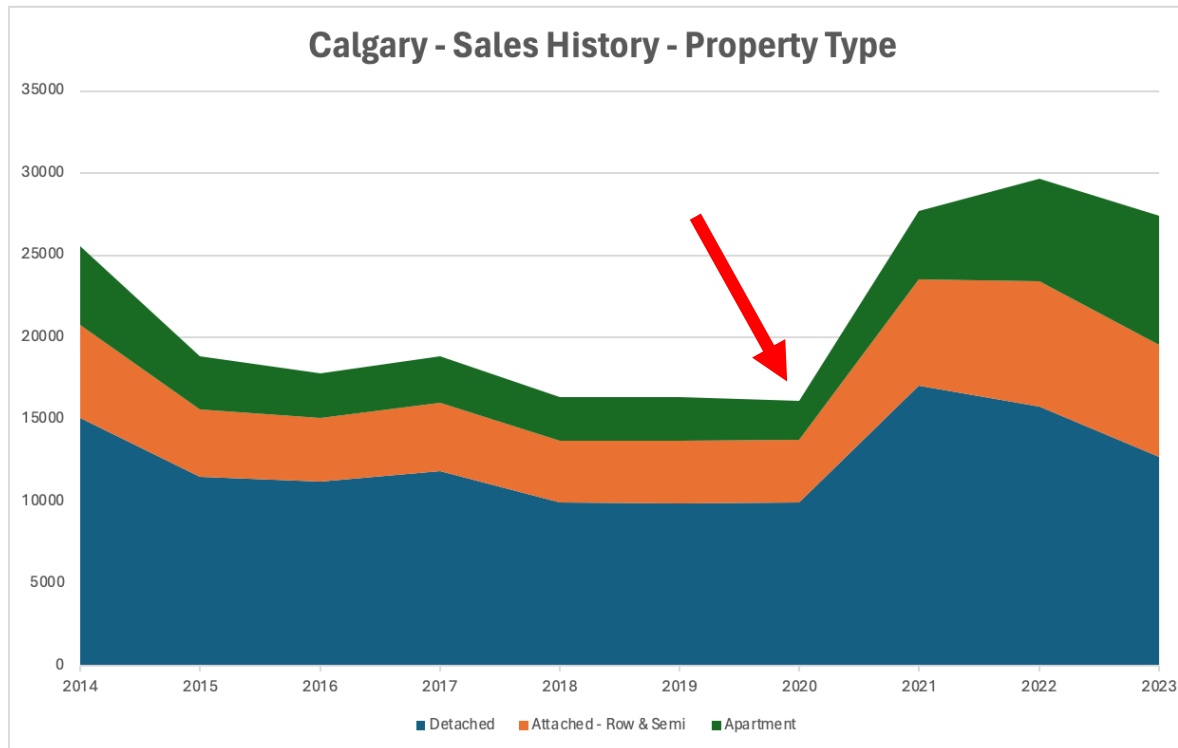
by Property Type – 2014 - 2023



- Demand history reflects a strong preference for Detached homes, hovering at @ 60% year to year
- With inventory pressures in the past two years driving price appreciation we have seen a shift in balance to Apartment Condos, with a slight uptick in Attached.... while Detached has settled at 50%
- **Consumer demand reflects a strong preference for Detached homes**

Calgary Sales History

by Property Type – 2014 - 2023

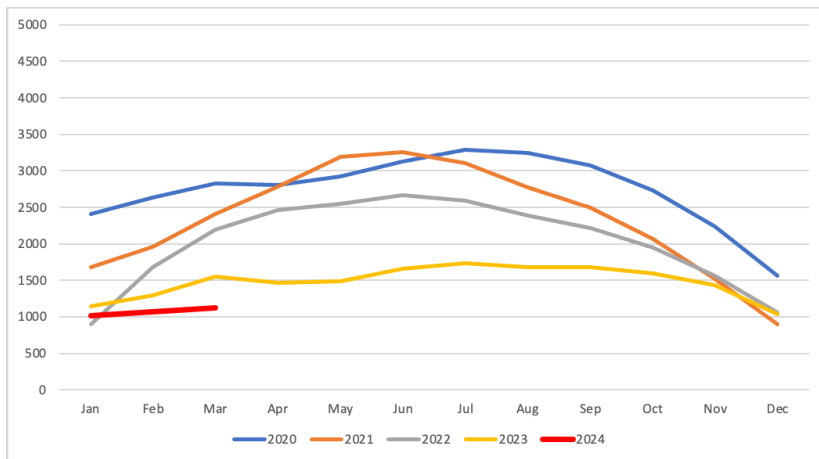


- **Post COVID we have witnessed a step change in demand across all property types, more pronounced among Apartment Condos**

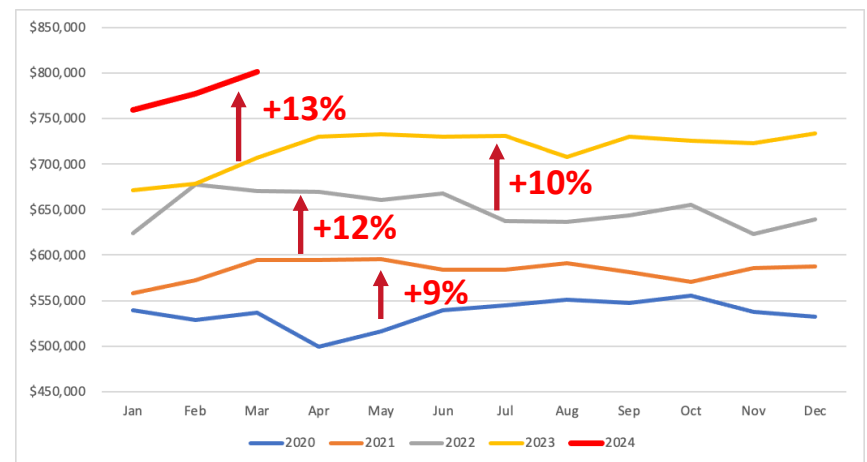
Inventory Drives Price

Inventory trends and Average Sale Price

Inventory – Detached



Average Sale Price – Detached **+45%**



- The detached market in Calgary has experienced four continuous years of declining inventories, with a clear & direct impact on Average Sale Price, appreciating by +45% since 2020
- **Inventory must be in balance with demand to protect against further price appreciation**

Calgary Sales History

by Property Type – 2014 - 2023

| | 2014 | 2020 | % Change | 2023 | % Change vs '20 |
|------------------|------------|------------|----------|------------|-----------------|
| Detached | \$ 557,273 | \$ 539,118 | -3% | \$ 719,811 | 34% |
| Apartment | \$ 309,372 | \$ 252,181 | -18% | \$ 306,315 | 21% |

- In a reasonably stable market, from 2014 – 2020 we witnessed a -3% decline in the Average Sale Price for a Detached home while Apartment Condo's declined by -18%
- POST COVID - In the past three years, 2020 – 2023 Detached homes have appreciated by +34% while Apartment Condos have seen a +21% increase in the Average Sale Price
- **Inventory pressure on Detached homes is driving significantly stronger price appreciation in this property type, with a ripple effect across all property types**

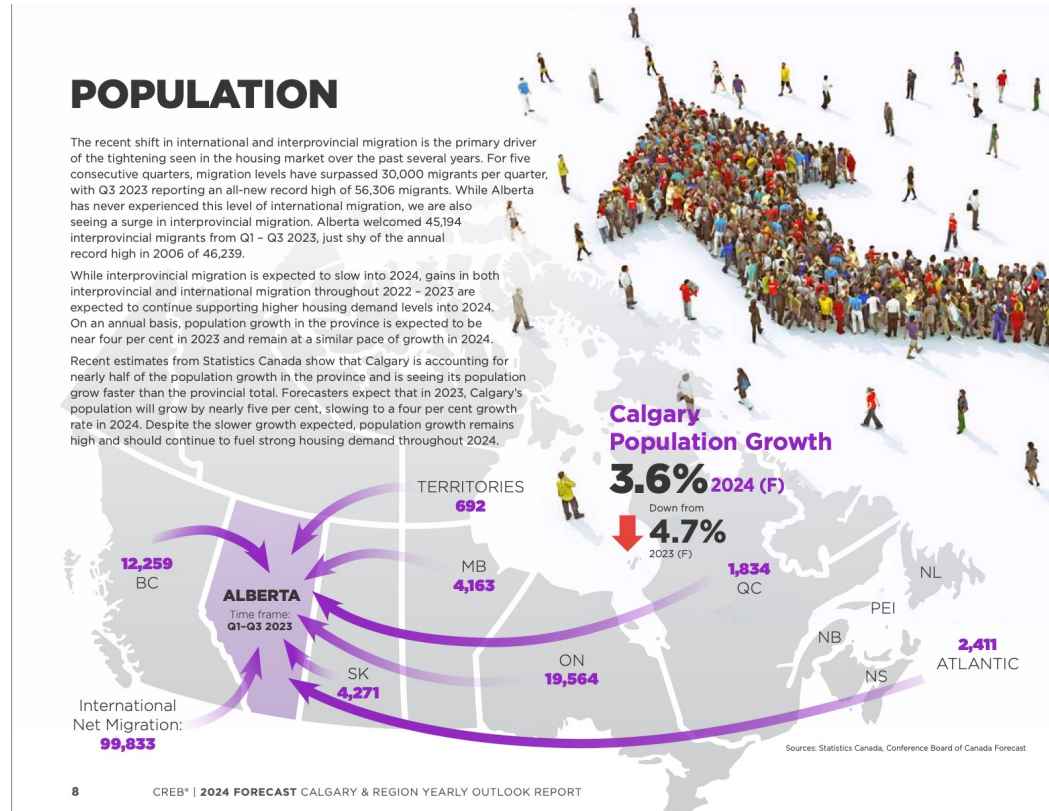


**Detached homes
are the preferred
property type**



**Ensuring a balance
of inventory across
all property types
is critical to
controlling price
appreciation**

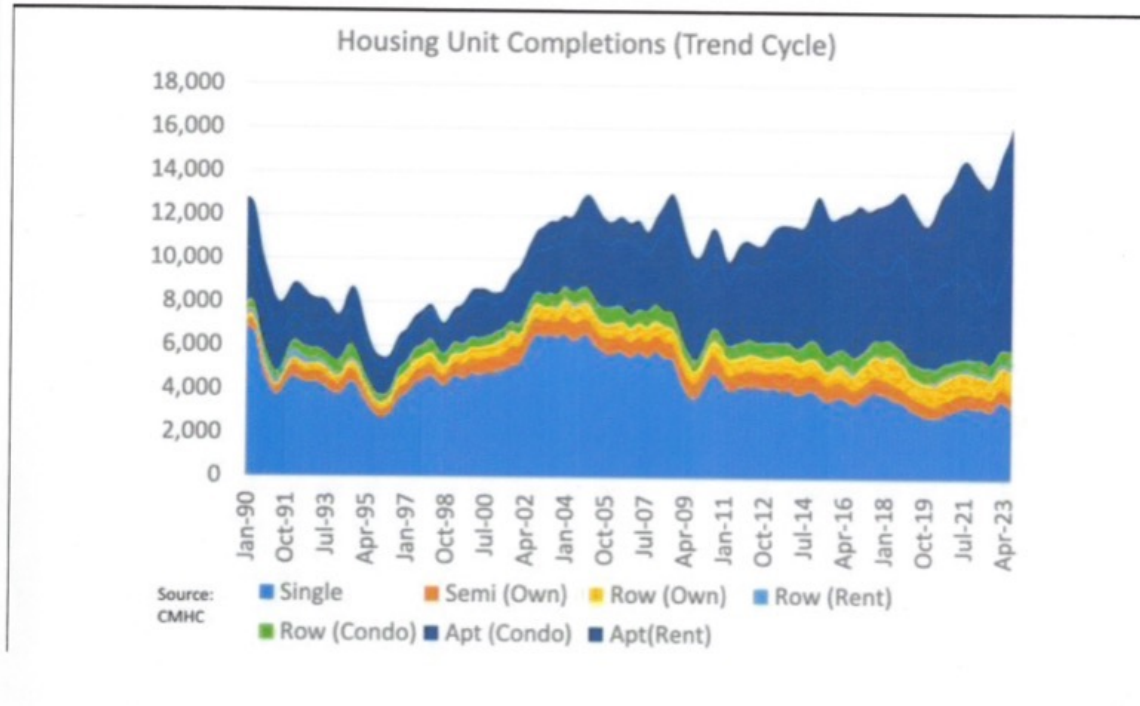
What is Driving Demand?



- In 2023 Calgary experienced population growth of +4.7%
- 31,823 Canadians migrated from Ontario & BC while 99,833 people arrived from outside of Canada
- **This migration is putting undue pressure on our housing position...
AT THIS TIME!**

Housing Starts - Canada

by Property Type – 1990 - 2023



- Housing starts across the country have skewed strongly in favour of Condo Apartments for years
- The City of Calgary’s focus on densification, and “Blanket Re-zoning” specifically, will further exacerbate an imbalance in inventory among Detached homes
- **An imbalance of inventory in the dominant Detached market will have a ripple affect across all property types**



**Housing starts
must come across
all property types,
including Detached
homes**



**Housing starts
must not come at
the expense of
existing Detached
inventory**



**Funding must not
come with the
caveat to eliminate
Detached zoning**



**This is a time for
leadership, our
elected officials
here in Calgary
must be challenged**



**A viable housing
market will not be
achieved if the
strategy eliminates
Detached zoning**


The Ring Rd is the Solution



- Our Prairie location provides an abundance of land, the Ring Rd has made this accessible
- This considerable investment in infrastructure, a transportation & utility corridor, must be utilized to build new communities offering a full variety of housing types, on the perimeter

**The solution to the
Housing Crisis
should not come at
the expense of
existing,
established
communities**





**Eliminating
Detached zoning
must be denied...
This is NOT the
solution!**