Housing Needs Assessment

Medicine Hat (CY)

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Preface

Canada's Housing Plan and Budget 2024 both signaled the Government of Canada's intent to use Housing Needs Assessments (HNAs) as a key tool in its evidence-based long-term approach to addressing housing needs across the country. This includes the renewal of the Canada Community-Building Fund and the previously announced permanent transit funding.

As the federal government strives to become a more informed investor, evidence-based tools that provide a clear assessment of local needs and gaps will be required to inform decision making. HNAs will help all levels of government understand the local housing needs of communities - how they may relate to infrastructure priorities - by providing the data necessary to determine what kind of housing needs to be built and where. The intent is to promote systematic planning of infrastructure that takes into consideration current and future housing needs.

Funding Requirement

Under the Housing Accelerator Fund, the Government of Canada currently requires funding recipients to complete an HNA by year 3 of the program, if one has not already been completed within two years of the 2022 federal budget announcement (April 7, 2022).

Going forward, HNAs will be required for:

- Communities with a population of 30,000 and over receiving funding through the Canada Community-Building Fund;
- Communities with a population of 30,000 and over receiving funding through permanent transit funding; and,
- Future federal infrastructure funding applicants as required.

Once an HNA has been completed as a federal program requirement, a community will not be required to complete a new one for other Housing, Infrastructure and Communities Canada programs, other than to update it every five years.

Purpose

When done properly and regularly, an HNA will allow a community to answer fundamental questions such as:

- Where does the greatest housing need exist in our community?
- How can we set meaningful housing targets and measure progress to support the right kind of housing for all residents?
- How much housing, which size and at what price point do we need to ensure that all current and future households can live in suitable, adequate and affordable housing?

HNAs will allow all levels of government (federal, provincial/territorial and municipal) to use this evidence base to inform their investments in enabling and supportive infrastructure as well as guide their policy and regulatory decision-making. HNAs as a tool can help communities plan for and build housing more effectively to address the needs of their residents and instill transparency and accountability across the board.

This HNA template has been informed by best practices from jurisdictions across Canada, consultations with experts, and engagements with provinces and territories. These include the City of Vancouver's *Housing Needs Report* and the City of Edmonton's *Affordable Housing Needs Assessment* (for the affordable housing side of needs assessments), as well as the Housing Research Collaborative at the University of British Columbia which brought together a national network of researchers and experts to develop the Housing Assessment Resource Tool (HART). The HART project provides formatted data from Statistics Canada on key housing indices such as core housing need for a wide variety of jurisdictions and geographic levels.

Based on these best practices, this guidance document includes the following necessary information, explained in more detail below.

1. Development and use of Housing Needs Assessments
2. Community profiles and trends
3. Household profiles and economic characteristics
4. Priority groups
5. Housing profiles
6. Projected housing needs and next steps

Communities completing an HNA as a requirement for federal infrastructure programming will be expected to complete all sections outlined in this template. Communities may use a previously completed HNA if an updated version is available; however, communities would be expected to address any gaps related to any of the sections of the guidance document – both qualitative and quantitative – between their existing HNA and this federal template. Additional details about the timelines for completion and submission of HNAs will be provided with specific infrastructure funding programs (e.g. Canada Community-Building Fund).

While responding to the written questions, please use as much space as required.

1. Methodology

In this section, applicants should outline the research methodology used to inform the completion of the assessment, where the methodology is derived from, any assumptions used, and any necessary justification. While different assessments may incorporate unique methodological elements or considerations depending on context, the following methods should generally be outlined:

- **Quantitative research** such as economic data, population and household forecasts; and,
- **Qualitative research** such as interviews, policy analysis and stakeholder engagement.

Both qualitative and quantitative aspects of this guidance document are equally important.

Communities will be required to engage with key stakeholders in the housing sector, including non-profit housing providers, developers, and public entities, as well as those with specific lived experiences, to develop a comprehensive Housing Needs Assessment (HNA). This section should include what forms of engagement were conducted, with whom, how learnings were incorporated into or informed the HNA's findings, and what engagement opportunities may exist to share findings with the community.

To the extent possible, publicly available data from the following sources will be prepopulated to facilitate automated completion of the quantitative components of the assessments:

- Statistics Canada Census Data
- CMHC Housing Market Information Portal
- Statistics Canada Housing Statistics Dashboard
- CMHC Demographic Projections: Housing Market Insights, June 2022
- CMHC Proximity Measures Database
- Housing Assessment Resource Tool Dashboard
- Canadian Housing Evidence Collaborative – Housing Intelligence Platform

In addition to this data, communities are required to incorporate internal and non-public facing, non-confidential data, into their HNAs in order to more fully capture local contexts and realities as needed.

Data fields highlighted in yellow identify where municipalities will have to source the data.

If this data is unavailable at the time of completion of the first HNA, communities are expected to collect these data points for future iterations. Other fields will be prepopulated. Fields marked with an asterisk (*) indicate data points which are unavailable from the source or suppressed due to low counts.

Please provide data from the latest census except where otherwise indicated.

1.1 Please provide an overview of the methodology and assumptions used to develop this Housing Needs Assessment, using the guidelines above. This should include both quantitative and qualitative methods. Please also identify the publicly available data sources used to complete this assessment beyond the sources listed above, if applicable.

- Labour Market Profile – Medicine Hat (https://www.medicinehat.ca/en/Microsite_MH-Ec-Dev/Documents/2024_Labour-Market-Profile_Medicine-Hat.pdf)
- Medicine Hat Real Estate Board (https://mhreb.ca/stats)
- Alberta Regional Dashboard (https://regionaldashboard.alberta.ca/region/medicine-hat/#/)
- BILD Reports: (https://bildalberta.ca/housing-data/)
- Southeast Alberta Economic Opportunity Strategy (SAEOS): Economic Base Analysis
- Business Retention & Expansion – Industry Specific studies completed on Manufacturing and Aerospace in Southeast Alberta
- Housing Investment Preparedness Program
- Rural Renewal Program Statistics as of February 8, 2025
- Medicine Hat Real Estate Gap Analysis & Underutilized Land Analysis completed by Colliers (October 29, 2024)
- Municipal Development Plan, 2020
- Land Use Bylaw #4168, 2013
- City of Medicine Hat, Development Permit Data, 2021-2024
- Medicine Hat City Council Strategic Plan, 2023-2026
- Medicine Hat Housing Strategy, 2020 MedHat-HousingStrategy.pdf
- Medicine Hat Community Housing Society Business Plan, 2019-2021
- Alberta Government 2025a, Substance use surveillance data | Alberta.ca
- Alberta Government, 2025b, Flood Awareness Map Application
- City of Medicine Hat Assessment Department data 2020-2024

- Consultation with/documentation provided by partner organizations: Medicine Hat Community Housing Society, Medicine Hat College, Miywasin Friendship Centre

1.2 Please provide an overview of the methodology and assumptions used to engage with stakeholder groups, e.g. non-profit housing organizations, in the development of this Housing Needs Assessment. This should include qualitative and quantitative methods. Please provide a description of who was engaged, the type of engagement that took place, and the nature of the engagement (e.g. interviews, consultations)

No studies have been done by Medicine Hat Economic Development to engage specifically for the purpose of developing this Housing Needs Assessment. The descriptions below are for engagements done that support the studies listed in 1.1.

- Rural Renewal Program: Online video consults were held with employers to determine the needs of newcomers to the area and housing was one of the popular responses. The same method was applied to employees to determine living conditions and costs associated with housing.

- Housing Investment Preparedness Program: Builders, developers, real estate professionals, internal City of Medicine Hat staff and municipal staff from other jurisdictions were all interviewed by a consultant. Key messages, themes, and recommended action items were captured and delivered through this report.

- Local Labour Market Profiles: In addition to a review of the available data, employers and employees were surveyed to complete a report detailing current and forecasting future labour market conditions.

- Southeast Alberta Economic Opportunity Strategy: Business owners and service providers in Medicine Hat and Southeast Alberta were engaged through one-on-one conversations as well as three group discussions to develop the SAEOS.

Direct contact (email and telephone) with Medicine Hat Community Housing Society and Medicine Hat College for the purposes of developing this assessment.

1.3 Please provide an overview of the methodology and assumptions used to conduct engagement with the priority groups (identified in Section 4) in the development of this Housing Needs Assessment. This should include qualitative and quantitative methods. Please provide a description of who was engaged, the type of engagement that took place, and the nature of the engagement (e.g. interviews, consultations). If a private individual has been engaged, please anonymize and remove any identifying features from the narrative.

No studies have been done by Medicine Hat Economic Development to engage specifically for the purpose of developing this Housing Needs Assessment. The descriptions below are for engagements done that support the studies listed in 1.1.

- Rural Renewal Program: Online video interviews were held with recent immigrant employees to determine living conditions and costs associated with housing.

2. Community Profile and Trends

In this section, communities are expected to tell their housing story through the lenses of their community and household profiles using both qualitative and quantitative data. Communities may structure this information in different ways, including by providing past benchmarks, present figures, future projections, and current growth rates at a local, regional and provincial level.

2.1 Please detail the existing municipal housing policy and regulatory context, such as approved housing strategies, action plans and policies within Official Community Plans.

The municipal housing policy and regulatory context is controlled by a few key plans and strategies, namely:

- Municipal Development Plan
- Land Use Bylaw
- Medicine Hat City Council Strategic Plan
- Medicine Hat Housing Strategy
- Medicine Hat Community Housing Society Business Plan

The Municipal Development Plan

The Medicine Hat Municipal Development Plan was adopted in 2020 and outlines the long-range vision for the future development of Medicine Hat. The current plan divides the City into 8 typologies. The typologies identified for residential development are the Suburban, General Urban, Urban Core, and Urban Villages and Corridors typologies. Most infill and redevelopment occur in the General Urban, Urban Core, and Urban Villages and Corridors typologies, whereas the Suburban typology is characterized by compact neighbourhoods on the City's edge (Part 2, Sections 2.2, 2.3). Typologies are implemented through sectors. The City is divided into 6 sectors. The sectors identified for residential growth are the City Centre, North Residential, West Residential, and South Residential Sectors (Part 2, Section 2.4).

Part 3 elaborates on 'how' the City should grow. Section 3.1 on a 'Vibrant Downtown' promotes mixed- and high-density housing options to support downtown businesses. Section 3.2 on 'Livable neighbourhoods' encourages a variety of residential options which are supported by several guiding priorities. Guiding priority 1(4) promotes clustering of high-density housing with businesses and public services, creating mixed-use urban villages that serve adjacent neighbourhoods. Guiding priorities 5(a-c) suggest that neighbourhoods should provide a wide range of housing types to cater for shifting demographics and family structures, a range of ages and abilities, and a variety of income levels and tenures. Also, under 'Livable Neighbourhoods', guiding priority 7 encourages development of large private residential sites such as bareland condominium developments or cluster housing projects, provided they do not disrupt neighbourhood connectivity.

Part 4 details 'where' the City should grow. This part encourages greenfield and infill development to meet housing needs and create a balanced housing spectrum, while also ensuring fiscal prudence of City operations. Considerations relate to new residential development occurring in measured stages to focus, consolidate, and systematize the City's investment in servicing infrastructure (Section 4.2), and that increased intensification should occur in already well-serviced areas thereby optimizing use of existing infrastructure (Section 4.3). Guiding priority 3 promotes increased housing options along major transport corridors and in proximity to villages or hubs. Guiding priority 4 advances infill housing that improves the range of housing options within already established neighbourhoods.

Land Use Bylaw

The City's Land Use Bylaw #4168 was adopted in 2013 and outlines the rules and regulations pertaining to residential development in the City. The bylaw identifies which types of housing are allowed in which land use districts, including maximum site coverage and building height, minimum setbacks, densities, and the design, character, and appearance of housing. Housing types are allowed in a land use district as a permitted use or a discretionary use. The following table identifies what types of housing can be developed in which districts.

Land Use District	Permitted Residential Uses	Discretionary Residential Uses
Low Density Residential District (R-LD)	• Attached housing (two principal dwellings) • Single detached house	• Backyard suite • Cluster housing • Duplex • Secondary suite • Single detached house on a small residential site
Medium Density Residential District (R-MD)	• Attached housing (minimum of four dwellings) • Multiple unit residential development • Single detached house provided it legally existed on a site as of January 1, 2015	• Apartments • Attached housing (two or three dwellings) • Backyard suite • Duplex • Secondary suite
Mixed Use District (MU)		• Apartments • Attached housing • Multiple unit residential Development • Secondary suite • Single detached house provided they legally existed on a site as of January 1, 2022
Downtown Mixed Use District (MU-D)		• Apartments • Attached housing • Backyard suite • Duplex • Multiple unit residential development • Secondary Suite • Single detached house provided it legally existed on a site as of January 1, 2022
High Density Mixed Use District (MU-HD)	• Apartments	• Multiple unit residential development
Neighbourhood Commercial (C-N)		• Apartments

Future Urban Development (FUD)	• Single detached houses which existed on the date of the enactment of this bylaw regardless of whether they are non-conforming buildings or non-conforming uses	• Backyard suites • Secondary suites

Section 4.4 of the bylaw comprises definitions for residential uses, including the following.

Type of housing	Definition
Apartment	An apartment is defined as a building that contains three or more dwellings, a common entrance for the dwellings to the exterior, and an internal hallway system.
Multiple Unit Residential Development	Multiple Unit Residential Development means a development where the principal use consists of three (3) or more principal dwellings contained within one (1) or more low-rise principal building(s): (i) where a minimum of fifty (50) per cent of the buildings contain three (3) or more principal dwellings; (ii) where the Multiple Unit Residential Development is used for residential purposes only, except as otherwise allowed by a provision of Land Use Bylaw #4168 or a development permit; (iii) where each principal dwelling has separate, individual access either at grade, or to grade, from an interior or exterior stairwell or a common entrance and internal hallway system; (iv) where each principal dwelling is separate from any adjoining principal dwelling by a vertical and/or horizontal party wall (i.e. adjacent and/or stacked dwellings); and (v) where the Multiple Unit Residential Development must not contain secondary suites or backyard suites.
Cluster Housing	Cluster housing is a comprehensively planned residential development with multiple low-rise buildings containing up to four dwellings each and may include private amenities that are accessory to the residential development, including an internal private roadway, park, recreational facility, community centre, or RV storage.
Backyard Suite	Backyard Suite means a development where an accessory dwelling is located in the rear yard of a site containing a principal dwelling: (i) where the Backyard Suite is an accessory use to the principal dwelling(s); (ii) where the Backyard Suite is located in an accessory building detached from the principal building; (iii) where the Backyard Suite is used for residential purposes only, except as otherwise allowed by a provision of this bylaw or a development permit; and (iv) where the Backyard Suite has cooking, food preparation, sleeping, and sanitary facilities which are physically separate from the principal dwelling.
Secondary Suite	Secondary Suite means a development where one (1) accessory dwelling is located within one (1) principal dwelling in the form of a single detached house or attached housing: (i) where the Secondary Suite is an accessory use to the principal dwelling; (ii) where the Secondary Suite is used for residential purposes only, except as otherwise allowed by a provision of this bylaw or a development permit; and (iii) where the Secondary Suite has cooking, food preparation, sleeping and sanitary facilities which are physically separate from the principal dwelling.

Medicine Hat City Council Strategic Plan 2023-2026

The City's Strategic Plan outlines Council's vision for Medicine Hat. Council's vision is centered on the following key tenets:

- Innovation: The City's organizational culture will encourage and celebrate innovation, creativity, and multidisciplinary collaboration. We will empower individuals in our organization and community to present solutions to problems.
- Economic evolution: We will have a strong, diversified regional economy and an economic ecosystem that encourages entrepreneurship.
- Service orientation: We will be intentional and proactive. We will understand and be responsive to our community and changing circumstances and people will find it easy to deal with the City.

- Partnerships and governance: We will succeed through collaboration with our community and government partners and be a trusted partner in our community and region.
- Community wellness: People will love living and being in our City. Our community will be vibrant and lifelong residents and newcomers alike, from all walks of life, will feel a sense of security and belonging in Medicine Hat.
- Resilience and sustainability: We understand the importance and interdependency of the success of our people, partnerships, environment, economy, and organization to accomplishing our goal of being a vibrant, sustainable, enduring community.

Strategic priorities were also identified in the plan. The strategic priorities that directly relate to housing, include the following:

5.1) Recognize that the success of our City's most vulnerable, including those struggling with housing insecurity, mental health issues and substance use issues, is a critical measure of our success as a community.

6.8) Maximize infill and brownfield development and revitalization of existing areas, including by implementing a brownfield redevelopment strategy.

Medicine Hat Housing Strategy

The Medicine Hat Housing Strategy was developed in 2020 and presented an assessment of the housing needs of City residents. This strategy document also developed a Housing Plan to address the gaps in the housing continuum. The following goals and corresponding anticipated outcomes were developed based on the key housing gaps identified and the design principles established by key stakeholders:

Goal One**:** To increase the supply of rental housing that is affordable to households with low incomes.

- Anticipated outcomes – An increase in the number of both small and larger rental units which are affordable to households with low incomes; through building new units, an increase in the number of rent supplement agreements with private landlords; and the repurposing of vacant or underutilized housing stock.

Goal Two**:** To ensure there is adequate and appropriate housing with supports for people who need help to live with dignity and as independently as possible.

- Anticipated outcomes – An increase in the number of housing units with support services for people with disabilities; an increase in the support services available for people who need help to live independently in their own homes; and an increase in the number of barrier-free units for people with physical disabilities.

***Goal Three*:** To optimize the existing purpose-built rental housing stock and ensure it continues to meet the needs of current and future residents.

- Anticipated outcomes – A rental vacancy rate of 3% and a decrease in the proportion of rental units needing major repairs.

***Goal Four*:** To encourage a broad range of dwelling types and tenures which meet the need of current and future residents.

- Anticipated outcomes – Increased diversification of the housing stock, particularly units appropriate for smaller households. An increase in the number of purpose-built rental units.

Medicine Hat Community Housing Society Business Plan

The Medicine Hat Community Housing Society (MHCHS or 'the Society') was established in 1970 as a housing management body under the Alberta Housing Act and is the Community Based Organization/ Community Entity for Medicine Hat. The vision of the Society is as follows.

All citizens of Medicine Hat and the district have the opportunity to access appropriate, affordable housing and related support services.

The mission of the Society is to provide shelter and related support services for individuals and families. MHCHS has two core business functions. These are as follows:

- Housing Programs – MHCHS was established to administer social housing programs for the government under the Alberta Housing Act.
- Homelessness Initiatives – MHCHC, as the Community Based Organization and Community Entity for Medicine Hat, is charged with leading and implementing the local Plan to End Homelessness and to administer funding from the federal and provincial governments for initiatives aimed at ending homelessness.

The 2019-2021 Business Plan identifies five strategic priority areas. These are:

- Maintain an end to homelessness.
- Housing development.
- Service delivery excellence.
- Sustainability.
- Awareness and profile.

MHCHS selected three goals and 11 strategic priorities to focus on. These goals, and their corresponding outcomes, are as follows.

Goal 1: Housing Development

Actively pursue and leverage opportunities to increase the supply of appropriate affordable housing options and rent supplements. Housing will be socially and environmentally conscious and innovative in design and delivery.

- Outcome – There will be an increase in the number of appropriate affordable housing options available in the community through development and/or acquisition, and by increasing the number of rent supplements available.

Goal 2: Service Delivery

Promote a culture that is accountable, client-centered, and committed to serving with excellence. Actively network and engage in professional development to remain current with leading practices. Enhance and integrate operations to meet the changing needs of the community more efficiently and effectively.

- Outcome – Service participants, tenants, staff and stakeholders report stronger engagement and a higher degree of satisfaction with the services provided by MHCHS.

Goal 3: Sustainability

Foster leadership within the organization, recognizing the strategic function of optimizing human capital. Collaborate and capitalize on partnerships and investment opportunities to develop financial sustainability.

- Outcome – MHCHS will have a plan and system in place to undertake value-added efforts to capitalize on special opportunities that emerge to support sustainability efforts.

2.2 Community Profile

2.2.1 Population		
Characteristic	**Data**	**Value**
Total Population (Number)	2016	63260
	2021	63271
Population Growth (Number)	Total	11
	Percentage	0
Age (Years)	Average	42.7
	Median	42.4
Age Distribution	0 - 14 years	10630
	15 - 64 years	39370
	65+ years	13265
Mobility	Non-movers	52595
	Non-migrants	6035
	Migrants	2690

2.2.2 Demographic Information		
Characteristic	**Data**	**Value**
Immigrants	Total	6110
Non-Immigrants	Total	55115
Recent Immigrants (2016-2021)	Total	1310
Interprovincial migrants (2016-2021)	Total	2765
Indigenous Identity	Total	3225

2.3 How have population changes in your community as illustrated by the above data impacted your housing market?

While the data above demonstrates a growth of only 11 people between 2016 and 2021, current population estimates released from Statistics Canada* list a growth from 2021 through 2024 of 4,638 people to an estimated 67,909 total population.

- Census 2021: 63,271 total population.
- Estimated 2022: 65,291 total population.
- Estimated 2023: 66,213 total population.
- Estimated 2024: 67,909 total population (2.57% growth from 2023).

The City of Medicine Hat has seen a growth in population over the last five years that has not seemingly been matched with increasing housing supply. This has resulted in low vacancy rates and limited market availability, increasing the cost of housing which poses a challenge for housing accessibility**.

The Real Estate Gap Analysis highlights several factors contributing to population changes in the community. Historically, Medicine Hat experienced low population growth, particularly from 2016 to 2021. The region also has an aging population, with a higher proportion of seniors and a decreasing number of younger age groups. Additionally, Medicine Hat has been less impacted by immigration compared to the rest of Alberta, with most immigrants from 2016-2021 originating from Asia.

Income levels in Medicine Hat are lower than the provincial average, with many households earning between $40,000 and $59,999 per year. The population is highly skilled, with a significant number of residents holding trades and technical certificates. However, unemployment rates are higher in Medicine Hat than in Alberta and the surrounding county, with a shift away from the oil and gas sector towards more diverse industries.

Population changes in Medicine Hat suggest a need for greater overall diversification of housing and an increase in the number of certain types and sizes of houses. With a growing number of 65+ residents and as children or young adults mature and move out of their parental home, there is a particular need for smaller units with less bedrooms and catering for various mobilities and levels of dependence. Increased options for seniors may include a range of continuing care or supportive housing types as well as self-contained, ‘community-oriented’ apartment, multi-unit, or cluster housing developments that may appeal to their needs. At the same time, larger, more affordable units with a mix of tenure types and good recreation and education options are also needed for millennials entering their prime career years and starting and growing their families. Proximity to schools, parks, libraries, and recreational opportunities continues to be important for positive health and wellbeing outcomes for families as well as seniors.

Population trends indicate a steadily growing middle-aged population, which necessitates a corresponding increase in suitable housing. To meet the needs of all or most groups in Medicine Hat, there is a need for increased housing affordability and a variety of tenure types. Expanding the range of housing types and tenures would also enhance access to the property and rental markets, helping to remove barriers. These observations are supported by Part 1, Section 1.5 in the Municipal Development Plan, which recognizes how transitions from one stage-of-life to another, or generational change, will drive housing demand within the City for several years to come.

Sources:

* https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1710015501

**https://chatnewstoday.ca/2024/08/16/medicine-hat-housing-price-increases-highest-in-alberta-report-finds/

3. Household Profiles and Economic Characteristics

This section should provide a general overview of income, housing and economic characteristics of the community being studied. Understanding this data will make it easier to observe the incidence of housing need among different socio-economic groups within the community. Income categories could be used for this analysis and can be completed in accordance with the HART methodology and CMHC data.

Area Median Household Income (AMHI) can be used as the primary basis for determining income brackets (as a percentage of AMHI) and corresponding housing cost ceilings.

This section should also outline the percentage of households that currently fall into each of the income categories previously established. This will allow a better understanding of how municipalities compare to Canadian averages, and the proportion of households that fall into each household income category. This will also allow for a better understanding of drop-off levels between total households and the number of units required to meet anticipated need or demand in each category. Housing tenures allow for the comparison of renter and owner-occupied households experiences and is important for understanding a community's housing context.

Using a stratified, income-based approach to assessing current housing needs can enable communities to target new housing development in a broader and more inclusive and equitable way, resulting in housing that can respond to specific households in core housing need. This is shown in the next section.

3.1 Household Profiles

3.1.1 Household Income and Profile		
Characteristic	**Data**	**Value**
Total number of households	2016	26652
	2021	27216
Household income (Canadian dollars per year)	Average	94700
	Median	78000
Tenant Household Income (Canadian dollars per year, only available at CMA or CA Level) - Data from Medicine Hat (CA), Alta.	Average	62600
	Median	52800
Owner household income (Canadian dollars per year, only available at CMA or CA Level) - Data from Medicine Hat (CA), Alta.	Average	110900
	Median	94000
Average household size (Number of members)	Total	2.3
Breakdown of household by size (Number of households)	Total	27220
	1 person	8445
	2 persons	10380
	3 persons	3505
	4 persons	3155
	5 or more persons	1740
Tenant households (Number of households)	Total	7930
	Percentage	29.1
Owner households (Number of households)	Total	19285
	Percentage	70.8

3.1.1 Household Income and Profile		
Characteristic	**Data**	**Value**
Percentage of tenant households in subsidized housing	Percentage	11.6
Households within 800m of a higher-order/high frequency transit stop or station (#)	Total	0
Number of one-parent families	Total	3110
	Percentage	17.4
Number of one-parent families in which the parent is a woman+	Total	2410
Number of one-parent families in which the parent is a man+	Total	700
Number of households by Income Category	Very Low (up to 20% below Area Median Household Income (AMHI)	575
	Low (21% – 50% AMHI)	4835
	Moderate (51 – 80% AMHI)	5220
	Median (81% - 120% AMHI)	5610
	High (>120% AMHI)	10890

3.2 Please provide context to the data above to situate it within your municipality. For example, is there a significant number of one-parent families? Are owner household incomes far surpassing tenant household incomes?

In 2016, there were 26,652 households, and by 2021, this number grew slightly to 27,216 households, indicating a steady but modest population increase.

Tenant households have a lower average income of 62,600 CAD and a median income of 52,800 CAD. Owner households have higher average incomes at 110,900 CAD and a median of 94,000 CAD. This suggests a disparity between tenants and owners in terms of income levels.

Two person (10,380 households) make up the largest number of household types. One person (8,445 households) makes up the second largest number of household types. Tenant households make up 29.1% of the total, while owner households are 70.8%. 11.6% of tenant households are in subsidized housing, showing that a portion of the tenant population needs financial assistance.

3,110 one-parent families exist, making up 17.4% of all households. Of these households, **2,410** are led by women and **700** by men, indicating a greater prevalence of female-headed one-parent households.

Households are categorized into income ranges based on Area Median Household Income (AMHI):

- Very Low Income (up to 20% below AMHI): 575 households
- Low Income (21%-50% AMHI): 4,835 households
- Moderate Income (51%-80% AMHI): 5,220 households
- Median Income (81%-120% AMHI): 5,610 households
- High Income (>120% AMHI): 10,890 households

The highest number of households are in the High-income category, indicating a higher-income population. A significant number (10,055) also fall into the Low to Moderate-income categories.

19.2% of Medicine Hat's population makes a moderate income, whereas 17.8% makes a low income. 40.0% of Medicine Hat's population is considered to be making a high income.

3.3 Suppression of household formation (e.g., younger people living with their parents due to affordability pressures) and housing demand (e.g., "driving until you qualify") can both indicate strained local housing market conditions. Please provide any data or information that speaks to how suppression of the formation of new households and suppression of housing demand has impacted your community since 2016, and how projected formation patterns are expected to be impacted over the next 5 to 10 years. Please indicate methods used to determine expected household formation, such as calculating headship rates broken down by specific age estimate impacts.[1]

Referencing the Real Estate Gap Analysis page 43, housing demand amongst Medicine Hat residents is primarily oriented toward single-detached units. It is anticipated that this demand will remain consistent over the next 20 years, with the potential for a slight decrease if consumer preferences and residents' needs shift to reflect slightly denser housing typologies such as low-rise apartment units or row houses.

Amongst households where the primary household maintainer is a resident aged under 25, demand is highest for low-rise apartment buildings. This is another trend that is expected to remain consistent.

2021 Household Maintainers[1] by Age and Dwelling Type

	Under 25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
Single-Detached	320	**2,050**	**3,370**	**3,170**	**3,650**	**2,880**	**1,810**
Movable or Other	50	80	85	115	190	205	125
Semi-Detached	35	265	295	265	155	320	180
Apartment, 1-4 Stories	**490**	640	625	530	740	880	**1,195**
Row House	70	340	335	300	335	250	110
Apartment, Duplex, Other Attached House	60	85	105	50	65	65	45
Apartment, 5+ Stories	10	40	30	30	50	50	10
% of Total Units							
Single-Detached	1.18%	7.55%	12.41%	11.68%	13.44%	10.61%	6.67%
Movable or Other	0.18%	0.29%	0.31%	0.42%	0.70%	0.76%	0.46%
Semi-Detached	0.13%	0.98%	1.09%	0.98%	0.57%	1.18%	0.66%
Apartment, 1-4 Stories	1.80%	2.36%	2.30%	1.95%	2.73%	3.24%	4.40%
Row House	0.26%	1.25%	1.23%	1.10%	1.23%	0.92%	0.41%
Apartment, Duplex, Other Attached House	0.22%	0.31%	0.39%	0.18%	0.24%	0.24%	0.17%
Apartment, 5+ Stories	0.04%	0.15%	0.11%	0.11%	0.18%	0.18%	0.04%

Source: Statistics Canada (2021)

[1] *We recognize that some municipalities may not have this data available at the time of completion but encourage them to do their best in addressing this question. Municipalities will be expected to build this expertise in subsequent iterations of their Housing Needs Assessments.*

3.4 Economic Conditions

3.4.1 Economy and Labour Force		
Characteristic	**Data**	**Value**
Number of workers in the Labour Force	Total	31715
Number of workers by industry (Top 10 only)	Health care and social assistance	5000
	Retail trade	4610
	Construction	2750
	Accommodation and food services	2295
	Educational services	2150
	Public administration	1965
	Other services (except public administration)	1635
	Transportation and warehousing	1455
	Mining, quarrying, and oil and gas extraction	1445
	Professional, scientific and technical services	1420
Unemployment rate and participation rate (Percent)	Unemployment rate	12
	Participation rate	61.9
All classes of workers (Number)	Total	30810
Employees (Number)	Total	26710
Permanent position (Number)	Total	22405
Temporary position (Number)	Total	4310

3.4.1 Economy and Labour Force		
Characteristic	**Data**	**Value**
Fixed term (1 year or more, Number)	Total	1110
Casual, seasonal or short-term position (less than 1 year, Number)	Total	3195
Self-employed (Number)	Total	4100
Number of commuters by commuting destination	Within census subdivision	17170
	To different census subdivision	2360
	To different census division	495
	To another province/territory	240
Number of commuters by main mode of commuting for the employed labour force with a usual place of work or no fixed workplace address	Car, truck or van	23315
	Public transit	375
	Walked	915
	Bicycle	80
	Other method	390

3.5 How have labour conditions (e.g., prevalence of precarious employment, temporary or seasonal workforces, reliance on sectors such as natural resources, agriculture, tourism, etc.) in your community impacted housing supply and demand?

Referencing the Real Estate Gap Analysis page 24), unemployment rates in Medicine Hat are higher than the province and region, suggesting a need for more local jobs as the market diversifies away from oil & gas. By 2046, based on population modeling completed for this work, Medicine Hat's workforce is anticipated to increase by approximately 5,108 new residents, while the population of retirees is expected to grow by 1,721 residents.

Key cohorts include the future potential workforce (residents aged 15-64 years) and the future potential retiree population (residents aged 65 and over). Changes within these age groups are key indicators of potential economic changes, as they may contribute to or detract from the overall makeup of the local labour pool.

Findings indicate that, by 2046, the city's workforce will be between 35,947 and 47,453, with the most probable outcome (per the Medium growth scenario) thought to be 44,473 (a net change of 5,108 residents). The retiree population is projected between 12,109 and 15,985, with a Medium projection of 14,981 indicating a 1,721 net increase by 2046.

Additionally, the approval of Southeast Alberta's Rural Renewal designation in 2023 increased the desirability of the area for newcomers locating in Canada. This and other factors, including the Ukrainian Rural Alberta Attraction Program*, have resulted in a rapid increase in population over the last 3 years. Naturally, this has had an impact on the housing market causing low supply and higher demand.

Source: *https://ccisab.ca/ukrainian-rural-alberta-attraction-program/

3.6 Households in Core Housing Need

A household is considered to be in core housing need if it meets two criteria:

1. A household is below one or more of the national adequacy, suitability and affordability standards; and,
2. The household would have to spend 30% or more of its before-tax household income to access local housing that meets all three standards.

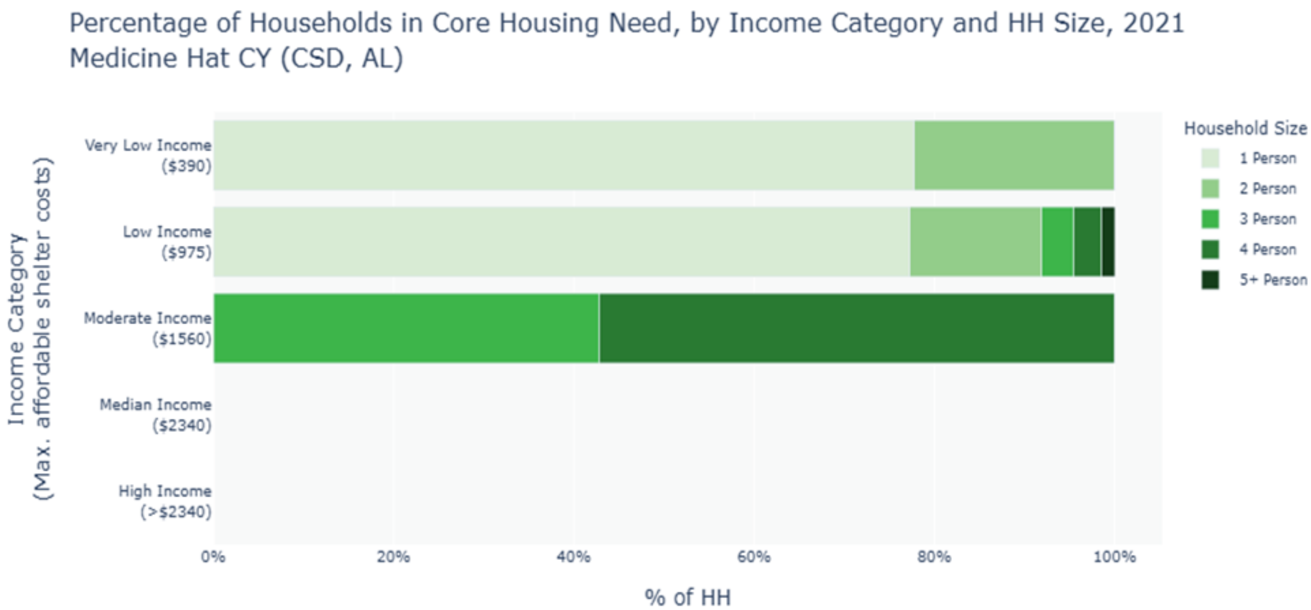
Housing is considered to be affordable when housing costs less than 30% of before-tax household income. Housing is considered to be suitable when there are enough bedrooms for the size and make-up of the household. Housing is considered to be adequate when it is not in need of major repairs. Determining the percentage of core housing need would facilitate comparison with forecasts of population growth and household formation, in turn enabling more accurate projection of anticipated housing needs broken down by different factors such as income, household size and priority population, as explained below. It is important to note that official measures of those in core housing need exclude key groups, including those experiencing homelessness, students living independently of their guardians, people living in congregate housing, and migrant farm workers. This means that core housing need figures may underestimate overall housing need. Due to this, communities should also strive to include as much information as possible about these groups in the Priority Groups section below, in order to provide a comprehensive picture of who is affected by core housing need.

Please use the following section to insert the following Housing Assessment Resource Tools Data Tables (Housing Needs Assessment Tool | Housing Assessment Resource Project)

Income Categories and Affordable Shelter Costs:

			Medicine Hat CY (CSD, AL)
Income Category	% of Total HHS	Annual HH Income	Affordable Shelter Cost (2020 CAD$)
Area Median Household Income		$78,000	$1,950
Very Low Income (20% or under of AMHI)	1.03%	<= $15,600	<= $390
Low Income (21% to 50% of AMHI)	17.86%	$15,600 - $39,000	$390 - $975
Moderate Income (51% to 80% of AMHI)	19.43%	$39,000 - $62,400	$975 - $1,560
Median Income (81% to 120% of AMHI)	20.95%	$62,400 - $93,600	$1,560 - $2,340
High Income (121% and more of AMHI)	40.73%	>= $93,601	>= $2,341

Percentage of Households in Core Housing Need, by Income Category and Household Size:



2021 Affordable Housing Deficit:

Medicine Hat CY (CSD, AL)						
Income Category (Max. affordable shelter cost)	1 Person HH	2 Person HH	3 Person HH	4 Person HH	5+ Person HH	Total
Very Low Income ($390)	175	50	0	0	0	225
Low Income ($975)	1615	305	75	65	30	2090
Moderate Income ($1560)	0	0	15	20	0	35
Median Income ($2340)	0	0	0	0	0	0
High Income (>$2340)	0	0	0	0	0	0
Total	1790	355	90	85	30	2350

Medicine Hat CY (CSD, AL)						
Max. affordable cost	1 Bedroom Homes	2 Bedroom Homes	3 Bedroom Homes	4 Bedroom Homes	5 Bedroom Homes	Total
$390	215	0	0	0	0	215
$975	1745	175	70	70	0	2060
$1560	0	0	0	0	0	0
$2340	0	0	0	0	0	0
>$2340	0	0	0	0	0	0
Total	1960	175	70	70	0	2275

3.6.1 Households in Core Housing Need		
Characteristic	**Data**	**Value**
Affordability – Owner and tenant households spending 30% or more on shelter costs (# and %)	Total	5290
	Percentage	19.5
Affordability – Owner and tenant households spending 30% or more on shelter costs and in core need (# and %)	Total	2285
	Percentage	8.6
Affordability – Tenant households spending 30% or more of income on shelter costs (# and %)	Total	2825
	Percentage	35.8
Affordability – Tenant households spending 30% or more of income on shelter costs and in core need (# and %)	Total	1545
	Percentage	5.8
Affordability – Owner households spending 30% or more of income on shelter costs (# and %)	Total	2465
	Percentage	12.8
Affordability – Owner households spending 30% or more of income on shelter costs and in core need (# and %)	Total	740
	Percentage	2.8
Adequacy – Owner and tenant households in dwellings requiring major repair (# and %)	Total	1300
	Percentage	4.8
Adequacy – Owner and tenant households in dwellings requiring major repair and in core need (# and %)	Total	215
	Percentage	0.8
Adequacy – Tenant households in dwellings requiring major repairs (# and %)	Total	495
	Percentage	6.2
	Total	115

3.6.1 Households in Core Housing Need		
Characteristic	**Data**	**Value**
Adequacy – Tenant households in dwellings requiring major repairs and in core need (# and %)	Percentage	0.4
Adequacy – Owner households in dwellings requiring major repairs (# and %)	Total	805
	Percentage	4.2
Adequacy – Owner households in dwellings requiring major repairs and in core need (# and %)	Total	95
	Percentage	0.4
Suitability – Owner and tenant households in unsuitable dwellings (# and %)	Total	615
	Percentage	2.3
Suitability – Owner and tenant households in unsuitable dwellings and in core need (# and %)	Total	40
	Percentage	0.1
Suitability – Tenant households in unsuitable dwellings (# and %)	Total	385
	Percentage	4.9
Suitability – Tenant households in unsuitable dwellings and in core need (# and %)	Total	35
	Percentage	0.1
Suitability – Owner households in unsuitable dwellings (# and %)	Total	225
	Percentage	1.2
Suitability – Owner households in unsuitable dwellings and in core need (# and %)	Total	0
	Percentage	0
Total households in core housing need	Total	2370
Percentage of tenant households in core housing need	Percentage	20.4

3.6.1 Households in Core Housing Need		
Characteristic	**Data**	**Value**
Percentage of owner households in core housing need	Percentage	4.2

3.7 Please provide any other available data or information that may further expand on, illustrate or contextualize the data provided above.

The Real Estate Gap Analysis shows that despite the larger proportion of older housing in Medicine Hat, 2021 Census data reports that only about 5% of these units require major repairs, indicating that the housing stock is relatively well maintained.

Single-detached housing is the most common housing built-form in the City of Medicine Hat, representing approximately 63% of all residential units, or roughly 17,250 of the 27,205 approximate total dwellings.

Apartment units, particularly in apartment buildings that are fewer than five storeys tall, are next most common, representing about 19% of the total supply.

About 71% of all residences in Medicine Hat are owned by the occupier, with most owning single-detached dwellings. The remaining residential built forms are primarily occupied by rental tenants.

Medicine Hat Housing Supply and Housing Tenure

Source: Stats Canada Census (2021)

	Housing Stock	Stock by Tenure Type *		% of Tenure Type	
		Owner	Renter	Owner	Renter
Single-Detached Dwellings	17,250	15,220	2,035	79%	26%
Semi-Detached Dwelling	1525	830	705	4%	9%
Row House	1740	600	1140	3%	14%
Apartment in a Duplex or Flat	485	195	285	1%	4%
Apartment in Building < 5 Storeys	5095	1740	3355	9%	42%
Apartment in Building >5 Storeys	235	0	225	0%	3%
Other Single-Attached Housing	30	10	20	0%	0%
Movable Dwelling	855	685	170	4%	2%
Total Residential Dwellings	27,205	830	705	100%	100%

** No residential dwellings are provided by First Nations or Indian Bands within the City of Medicine Hat.*

Source: Statistics Canada (2021)

The Medicine Hat Housing Strategy highlights significant challenges in ensuring affordable and adequate housing for residents, particularly those with low and moderate incomes. The data underscores an urgent need to address core housing needs, as the demand for emergency shelters, homelessness services, and community housing is expected to rise without intervention. Medicine Hat Housing Strategy has broken down households in core housing need by level of income:

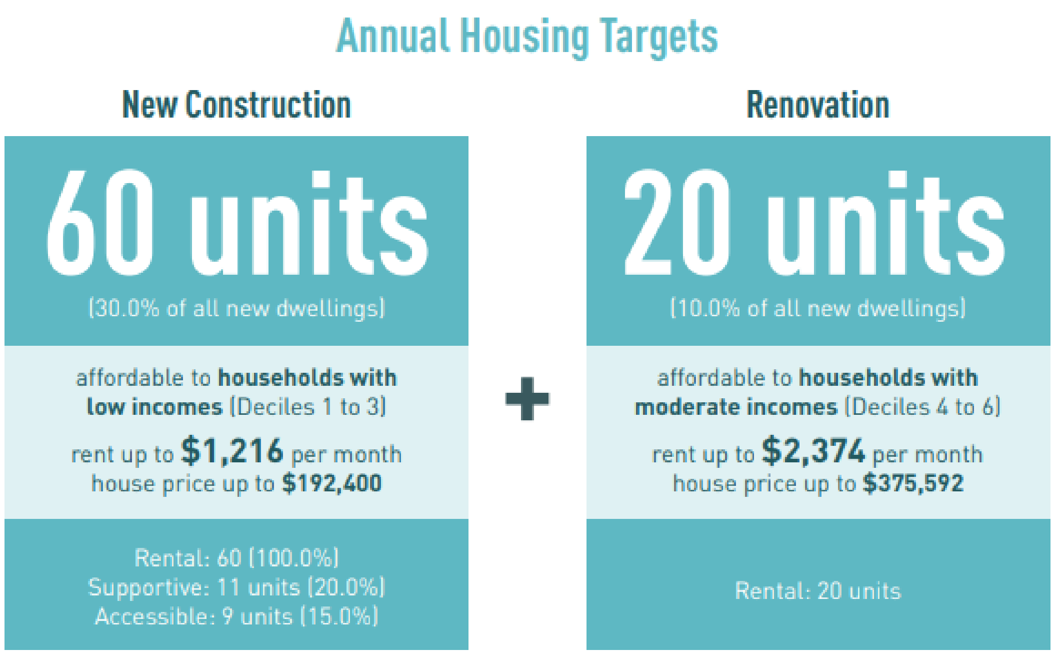
1. Households with Low Incomes ($48,652 or less in 2019)

- Comprising 8,212 households, this group represents those most at risk.
- 31.3% (2,568 households) were in core housing need in 2019, a number expected to grow by 270 households (10.5%) by 2031 if no action is taken.
- The lack of affordable housing options means these households have no viable alternatives in case of financial instability (e.g., job loss, inflation).

2. Households with Moderate Incomes ($48,653 – $94,976 per year)

- A much smaller proportion of moderate-income households (only 21 in 2019, increasing to 23 by 2031) were in core housing need.
- However, 928 households spent over 30% of their income on shelter, with 71.1% being homeowners—many of them under age 45, suggesting a lack of attractive rental options. Providing sufficient rental housing options for this group can be an important strategy to attract skilled employees and young couples without children who are yet to become homeowners to the city.

Figure 2: Annual Housing Targets: City of Medicine Hat: 2019 - 2031



Meeting the targets for households with low incomes would mean decreasing the existing waiting list for community housing by 81.9% by 2026 and reducing it to zero before 2031. In addition, it would reduce the number of households with low incomes who are in core need by approximately 20% by 2031. It would also mean developing housing for 60 individuals and families in need of permanent supportive housing and 60 households with a physical disability in need of accessible housing in 6 years. Meeting the renovation target for moderate income households would reduce the proportion of rental dwellings in need of major repairs by approximately 25.0% from 630 units (2.3% of all dwellings) to 468 units (1.5% of all dwellings) by 2031. In addition, it would allow the community to reduce the number of moderate income households in core need to zero. It is assumed that these targets will be revisited based on the results of the monitoring process as well as when any updates of the Housing Strategy are undertaken.

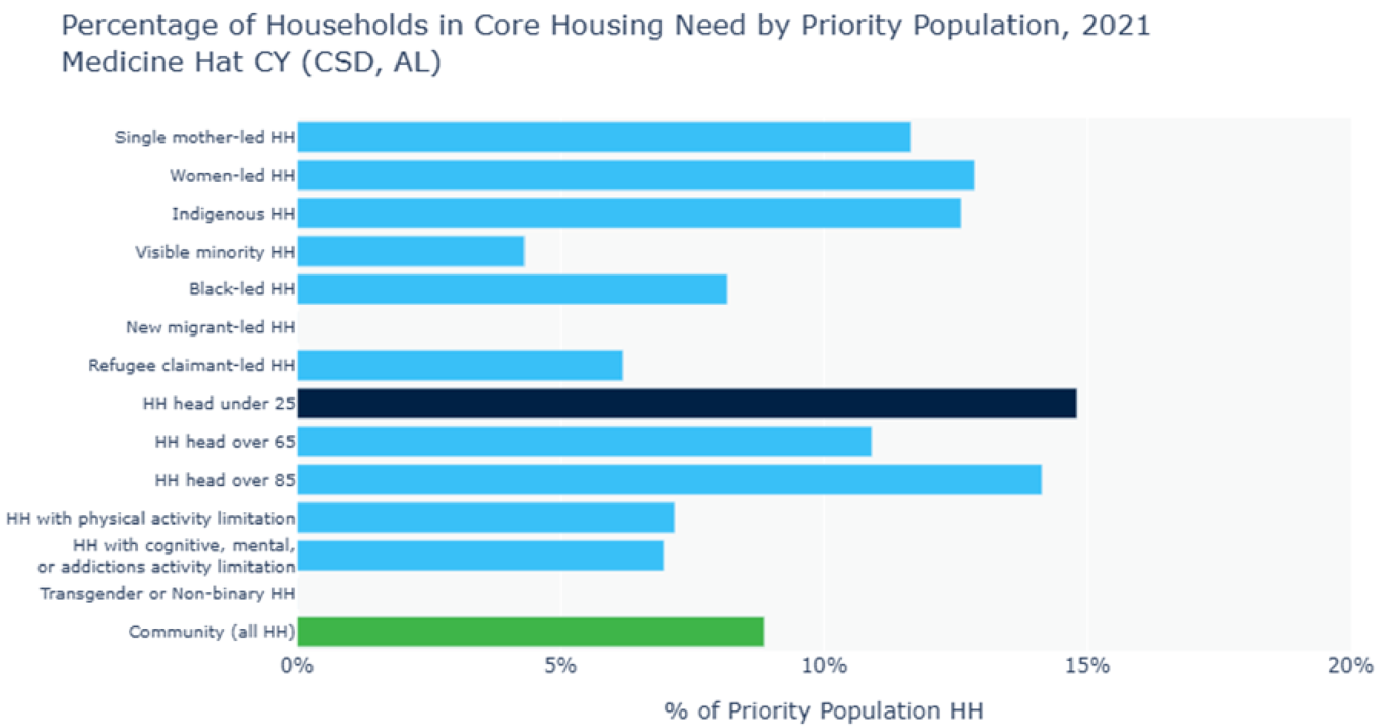
4. Priority Groups

There are 12 groups that CMHC defines as priority populations for affordable homes: groups who face a proportionally far greater housing need than the general population. There is also a 13th group, women-led households and specifically single mothers, implied in the National Housing Strategy which targets 33% (with a minimum of 25%) of funding going to housing for women-led households. Priority population groups are:

- Women and children fleeing domestic violence
- Women-led households, especially single mothers
- Seniors 65+
- Young adults aged 18-29
- Indigenous Peoples
- Racialized people
- Recent immigrants, especially refugees
- LGBTQ2S+
- People with physical health or mobility challenges
- People with developmental disabilities
- People dealing with mental health and addictions issues
- Veterans
- People experiencing homelessness

Census data does not disaggregate core housing need data by all priority populations, including veterans, individuals who identify as LGBTQ2S+, survivors of domestic violence, and individuals experiencing homelessness. Many households may have members in multiple priority categories which may also not be represented in the data. With these limitations in mind, information on housing need by priority population would be helpful for developing inclusive housing policies.

4.1 What information is available that reflects the housing need or challenges of priority populations in your community? If data is available, please report on the incidence of core housing need by CMHC priority population groups in your community. If no quantitative data is available, please use qualitative information to describe the need for these priority populations.



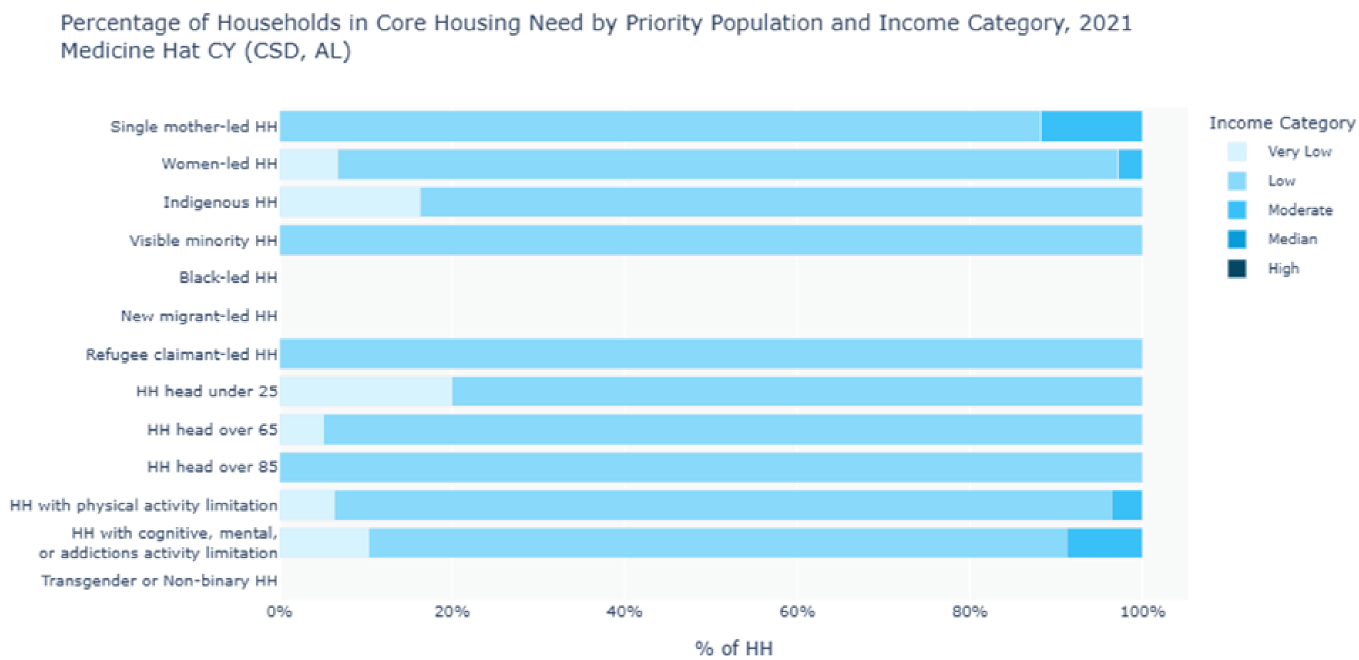
The Housing Needs Assessment Tool (Hart) looks at the following priority populations:

- Single mother-led HH
- Women-led HH
- Indigenous HH
- Visible minority HH
- Black-led HH
- New migrant-led HH
- Refugee Claimant-led HH
- HH head under 25
- HH over 65
- HH with physical activity limitations
- HH with cognitive, mental, or addictions activity limitation
- Transgender or Non-binary HH

Households where the head is under the age of 25 in Medicine Hat have been identified as experiencing a higher rate of Core Need compared to the other priority populations.

HH head under 25 makes up 14.8% of the households experiencing Core Housing Need followed by HH head over 85 (14.14%), and Women-led HH (12.86%). Indigenous HH make up 12.61% of the households experiencing Core Housing Need.

The Housing Needs Assessment Tool also looks at Core Housing Need by Priority Population and Income Category.



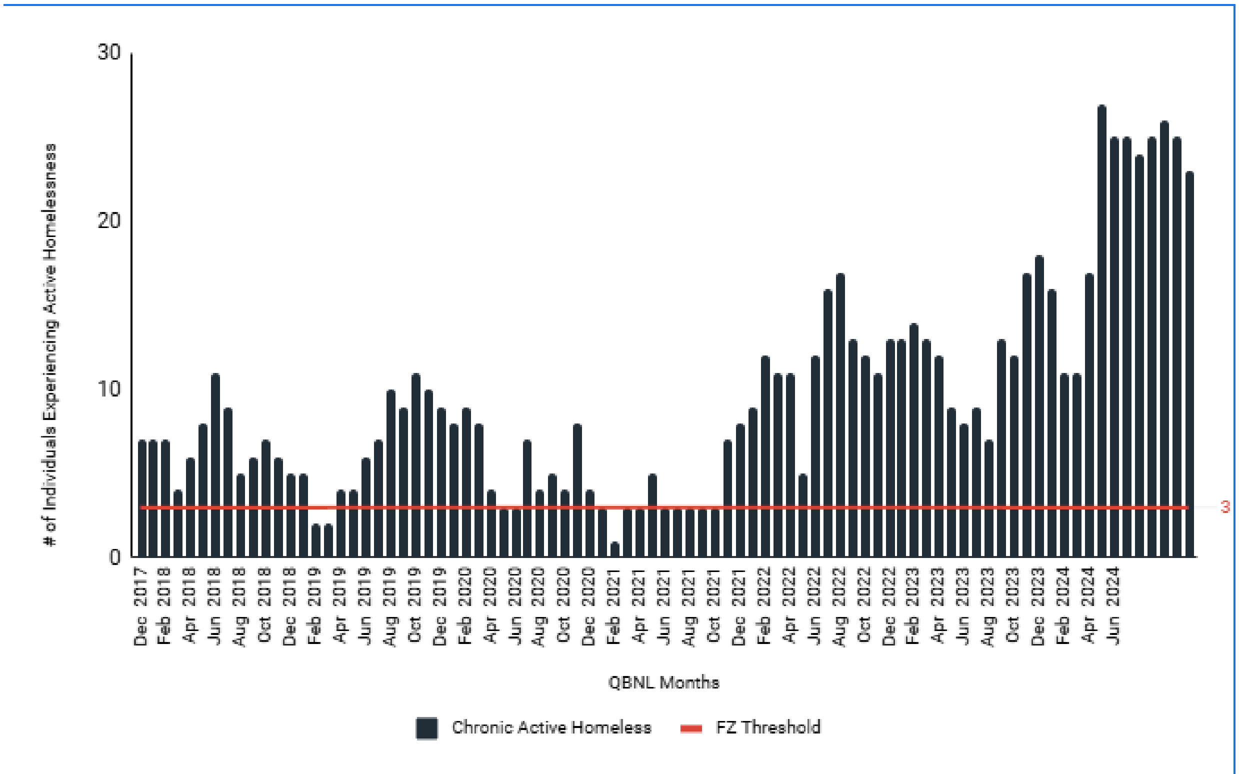
According to the above table, 100.0% of Refugee Claimant-led HH, Visible Minority HH and HH head over 85 that are experiencing Core Housing Need are also considered to be very low income.

4.2 Please describe the incidence and severity of homelessness in your community, including an estimated number of individuals and/or families experiencing homelessness (hidden, visible, chronic, living in encampments, and episodic). If available, please include recent Point-in-Time counts.

The average number of individuals experiencing active homelessness in Medicine Hat doubled in 2024 as compared to 2023. These numbers are reported on the Built for Zero dashboard. Many nights in the winter of 2024-25, the emergency shelter has been at capacity and a winter emergency response required.

ACTIVE CHRONIC HOMELESS & BASELINE REDUCTIONS

This chart displays all active homeless data from the baseline date until the most recent month submitted.



This number does not account for those who are not chronically homeless in the community. When looking at the coordinated access data, shelter data, corrections, and health data, 92 people are currently experiencing homelessness to some degree in the community (Medicine Hat Community Housing Society 2024-25 Service Delivery Plan). This number fluctuates as the inflow and outflow into housing stability occurs,

Medicine Hat Community Housing Society conducted a Point-In-Time Count on September 26, 2022. The count was carried out in various zones throughout the city, as well as at The Mustard Seed Shelter, Medicine Hat Women’s Shelter Society, Roots Youth Shelter, Miywasin Friendship Centre, and Medicine Hat Recovery Centre. The data collected helps to provide a deeper understanding of the characteristics of the homeless population and to measure the impact of various housing initiative and policies. On September 26, 2022, 120 individuals were experiencing homelessness. (Medicine Hat Community Housing Society 2024-25 Service Delivery Plan)

4.3 Please describe local factors that are believed to contribute to homelessness in your community (e.g., the closing of a mental health facility, high numbers of refugee claimants, etc.).

Barriers in achieving positive outcomes (Medicine Hat Community Housing Society 2024-25 Service Delivery Plan)

Implementation timelines for effective responses to substance use and resulting social disorder.

The opioid crisis has continued to have a significant impact on our community. The number of opioid-induced deaths remains high as does the number of daily reversals. Between January and November 2023, 37 drug poisoning deaths were recorded in the community due to opioids. Historically, the location of unintentional opioid poisonings tended to occur in private residences in the community, however, in the third quarter of 2023, the number of unintentional opioid poisoning occurring in public surpassed private residence locations by 17 per cent. Those in the social sector share a sense of fatigue and frustration stemming from inadequate addiction and mental health supports available to individuals needing detox and in-patient treatments. Wait lists for treatment options are not conducive to individuals seeking immediate access to addiction supports.

<u>Mental Health</u>

After monitoring trends of those accessing supports and those refusing supports, a notable shift in the degree of mental health has been observed. The current system was never designed to appropriately deal with individuals with such complex mental health. Typically, these individuals present with significant and unmanageable behavioral issues that impact their housing stability. They are also typically medication noncompliant, thereby exasperating the presentation of their symptoms and behaviours. The level of acuity and need these individuals present with are not conducive to sustainable support under current housing models, including Permanent Support Housing. The need for a health response is required for these individuals. Without such a response, these individuals continue to face housing instability and experience homelessness, while continuing to deteriorate in community. We are optimistic that the ARCH project will help to address some of these behaviours within this population.

<u>Financial Insufficiency</u>

The continued rise in basic living expenses continues to negatively impact many members of the community. Current system users who are receiving income or disability supports are struggling to keep up with additional expenses increasing the risk of imminent homelessness. Additionally, data revealed more individuals are coming into the system for the first time, not due to a lack of income, but insufficient income to cover expense increases. The increasing cost of rent, utilities and food is making it difficult for individuals and families to sustain safe, stable, and affordable housing. In 2021, 19.5 per cent of households in Medicine Hat were spending 30 per cent of more of income on housing costs. By October 2023, vacancy rates for a one-bedroom rental unit were 0.6 per cent and the average rental cost increased to $1,006 from $831 in 2021. To further highlight the increased financial strain on individuals and families, Medicine Hat noted a staggering increase in the number of households accessing the community food bank – Root Cellar Food and Wellness Hub. In 2023, 25,185 unique individuals and 12,162 households were served by the community food bank. This is an increase from 21,775 unique individuals and 9,876 households respectively in 2022. The challenge of financial insufficiency underscores the importance of addressing systemic barriers within a recovery-oriented system of care and building recovery capital.

<u>Individual decision not to engage with supports</u>

There are several individuals identified at the community level that, despite being offered services, continue to not engage with the system of care. More specifically, these individuals utilize the shelter, receive income support or AISH benefits, and are making the choice to continue utilizing public services over getting housed with supports. While affordability is an ongoing issue, the individuals that tend to reside in the shelter have had Rent Geared to Income housing placements and have a history of giving up their housing, so they do not have to contribute anything to housing costs. There is little to no incentive to use one's own resources to find and maintain housing when emergency services are being used. Other individuals are simply not housing-focused and prefer to allocate their benefits and/or income to other use.

<u>Lack of affordable housing units</u>

Low vacancy rates, high rental costs and the reluctance property owners and rental management companies have towards renting to vulnerable populations presents multiple barriers in housing options. Households in the rental market tend to have lower incomes compared to owner households, partly explaining the higher percentage of renters in core housing need. As reported in the 2021 Census, 8.3 per cent of all households, 4.0 per cent of all owners and 19.7 per cent of all renters in Medicine Hat are in core housing need. This further identifies a gap in housing supply for low to moderate income households, highlighting the fact affordable housing demand outpaced available housing stock.

<u>Inflow to community</u>

The primary increase in the number of people experiencing chronic homelessness in the community had one common factor: they are new to our community. This means that the system of care did not lead to people becoming chronically homeless, rather they are arriving with this status.

4.4 Please identify temporary and emergency relief resources available for individuals experiencing homelessness in your community (e.g., number of shelter beds, resource centres, number of transitional beds available). If possible, please indicate whether capacity levels are commensurate with need. There will be an opportunity to provide information on local permanent solutions and resources further down.

Emergency shelter services in Medicine Hat:

Youth - a four-bed youth shelter that provides emergency shelter and supports for up to four youth aged 12-17. Community-based youth who are homeless or at imminent risk and Child and Family Services involved youth can access the beds. Focusing on prevention and early intervention, the primary goal is to reduce the number of nights a youth stays by providing mediation and conflict resolution to reunify the youth with their families as quickly as possible.

Family Violence - a 30-bed emergency shelter for individuals with or without children who are experiencing family violence. The shelter provides a safe haven, meals, support, information, safety planning and referrals to other community resources.

Emergency shelter – a 30-space supportive haven for individuals experiencing homelessness. Services include shelter, food, clothing, showers and hygiene supplies.

4.5 Some groups, including students, those in congregate housing, and temporary foreign workers, may be excluded from publicly available core housing need data sources. Communities are encouraged to use this section to describe the housing needs of these respective populations to ensure that all groups are represented in their HNA.

There is a high preponderance of organizations utilizing Temporary Foreign Workers in Southeast Alberta (for example, the greenhouse industry). Through interactions with these individuals through Rural Renewal, typical housing needs include affordable rentals and shared rental homes. Some employers have made efforts to provide this to their temporary staff, but structures suitable for these types of arrangements are limited.

Medicine Hat College has 300 units available for student living. For the 2024-2025 school year, the College reported having a waitlist of more than 50 students.

5. Housing Profile

5.1 Key Trends in Housing Stock:

This section should tell a story of housing changes over time in a community through trends in net change of affordable or below-market housing. This should be expressed through illustrations of net losses or net gains in affordable and non-market housing over the previous three census periods.

<u>Affordable housing unit growth in the past three census periods:</u>

- Medicine Hat Community Housing
    - 50 units came online late 2009/early 2010
- City of Medicine Hat
    - 16 units came online in 2013
    - 16 units came online in 2014
- Privately owned
    - 1 bachelor unit and 12 1-bedroom units

5.2 Please provide a brief history of how housing in the community has been shaped by forces such as employment growth and economic development, infrastructure, transportation, climate impacts, and migration. Please include any long-term housing challenges the community has faced:

Employment growth brought with the approval of Southeast Alberta's Rural Renewal designation in 2023 among other growth factors has contributed to a low vacancy rate and shortage in housing availability. This has been particularly impactful for those seeking attainable housing.

Historic market conditions have not been conducive to the attraction of niche developers able to capitalize on economies of scale to address the housing gap. This has limited the ability to diversify our housing supply.

Investment attraction is a primary factor in Medicine Hat Economic Development's strategy. Housing availability is a consideration of investors when investigating sites for expansion. Given the shortage of housing currently experienced in the area, there is a concern that this may be a deterrent to future investment decisions. Furthermore, upon successfully attracting investment, the associated increase in population will exacerbate already tight market conditions.

According to the Real Estate Gap Analysis, Medicine Hat's rental unit supply has remained relatively unchanged over the past 10 years, with a shrinking vacancy rate and rising rents, indicative of demand as seen across the region.

Medicine Hat's rental market consists primarily of 2-bedroom units, followed by 1-bedroom units, with studio units being the least common. The supply of purpose-built rental units has seen little activity over the past decade with no significant new projects introduced.

The vacancy rate has steadily decreased, likely correlated to slight population growth and a relatively unchanged supply, creating demand for the available units. Average rental rates have increased over the last decade, similar to other parts of southern Alberta, suggesting alignment with broader regional trends.

Data on the number of Development Permits issued over several years is one metric helping us to understand patterns of development and growth in the City. In general, the number of Development Permits issued has decreased in the post-pandemic era since 2021. However, at the same time, it should be noted that the number of units approved has increased (aside from a dip in 2022) and experienced a significant uptick between 2023 and 2024. Based on the types of approved housing, an increase in multi-family housing would appear to be the main driver (CMH Development Permit Data, 2021-2024). In 2021, Multiple Unit Residential Developments in the form of fourplexes were approved, and in 2022 a single apartment conversion was approved. However, in the past two years a greater variety of multi-family housing projects were developed with an increased number of smaller Multiple Unit Residential Developments coming up alongside much larger Apartments. All the while, Single Detached House approvals have decreased, but more Backyard Suites and Secondary Suites have been approved (CMH Development Permit Data, 2021-2024).

Other long-term challenges relate to effective calibration of housing stock in meeting dynamic population needs, affordability pressures on both developers and residents, and the increased pushback from the community to multi-unit housing projects. These pressures are leading to higher levels of complexity when developing housing and a disconnect between market expectations and demand, and what is actually delivered by the market.

Residents seek increased housing options at affordable rates, while developers may feel discouraged by mounting risk finding it prudent to wait until prevailing building conditions improve. A case in point would be the single detached housing market in the City, often understood to be the bread-and-butter housing form in the municipality but is now regularly considered prohibitive for developers because of the high costs involved, long building times needed, and difficulties for families to afford them – but is the housing form most likely to remain unopposed throughout the development process. Especially during periods of increased building costs, developers need the economies-of-scale and returns-on-investment that come from quickly building multi-unit dwellings; multi-unit dwellings are also likely to be the types of housing developments that City residents desperately need. (Based on the typical scaling of units, the 'sweet spot' for risk-and-reward for developers appears to be around 4 units minimum, or to build semi-detached houses with secondary suites.) Yet the market for even low-rise, multi-unit housing is also challenging, not least because of community pushback to these projects.

The community continues to have high expectations in respect of transitions between lower and higher density housing forms. Public appeals to multi-unit developments and infill projects have increased and are drawing planning resources and time that could be dedicated to creating more housing.

At the same time, developable land suitable for multi-unit sites is somewhat limited in the City. Many of the sites that are suitable for large infill projects are also City-owned. The City is proactively designing supply-side initiatives to stimulate multi-unit housing developments through various incentive and tax programs, and having control over some of these sites does help to direct and incent growth and development.

Additional long-term housing challenges faced by the community, continue to relate to the long shadows cast by Covid-19 and the associated mental health and addictions problems. Although provincial substance use surveillance data suggest a reduced number of deaths due to overdoses in the province (Alberta Government, 2025a), the negative impacts of addiction have not been visibly reduced within the downtown area of the City and may have increased. Balancing location and the numbers of beds in community and emergency housing continues to be a challenge, especially during grueling winters. A Task Force examining social disorder in the community has been launched by Council, with involvement from provincial government, to investigate these matters and others.

Lastly, climate impacts may affect the developability of some residential land adjacent to the South Saskatchewan River in the City. The new 2024 flood data released by the Alberta government now places a greater number of residential lots in the City within the floodplain; northern parts of the River Flats and the South Flats neighbourhoods are now entirely within the floodplain (Alberta Government, 2025b). The 2024 data also stratify the Flood Fringe category making an additional High Hazard Flood Fringe layer. Although housing development is not forbidden in the floodplain, it can make building slightly more complicated because of needing to mitigate flood risk. Since releasing the new data, the province has encouraged municipalities to develop their own guidelines in dealing with their unique flood challenges. There are concurrent processes to update the Flood Proofing Guidelines for the City.

5.2.1 Housing Units: Currently Occupied/Available		
Characteristic	**Data**	**Value**
Total private dwellings	Total	27215
Breakdown by structural types of units (number of units)	Single-detached	17250
	Semi-detached	1545
	Row house	1730
	Apartment/flat in a duplex	480
	Apartment in a building that has fewer than 5 storeys	5095
	Apartment in a building that has 5 or more storeys	225
	Other single attached	25
	Movable dwelling	855
Breakdown by size (number of units)	Total	27215
	No bedrooms	70
	1 bedroom	2340
	2 bedrooms	6825
	3 bedrooms	8475
	4 or more bedrooms	9500
Breakdown by date built (number of units)	Total	27215
	1960 or before	4680
	1961 to 1980	8495
	1981 to 1990	3070

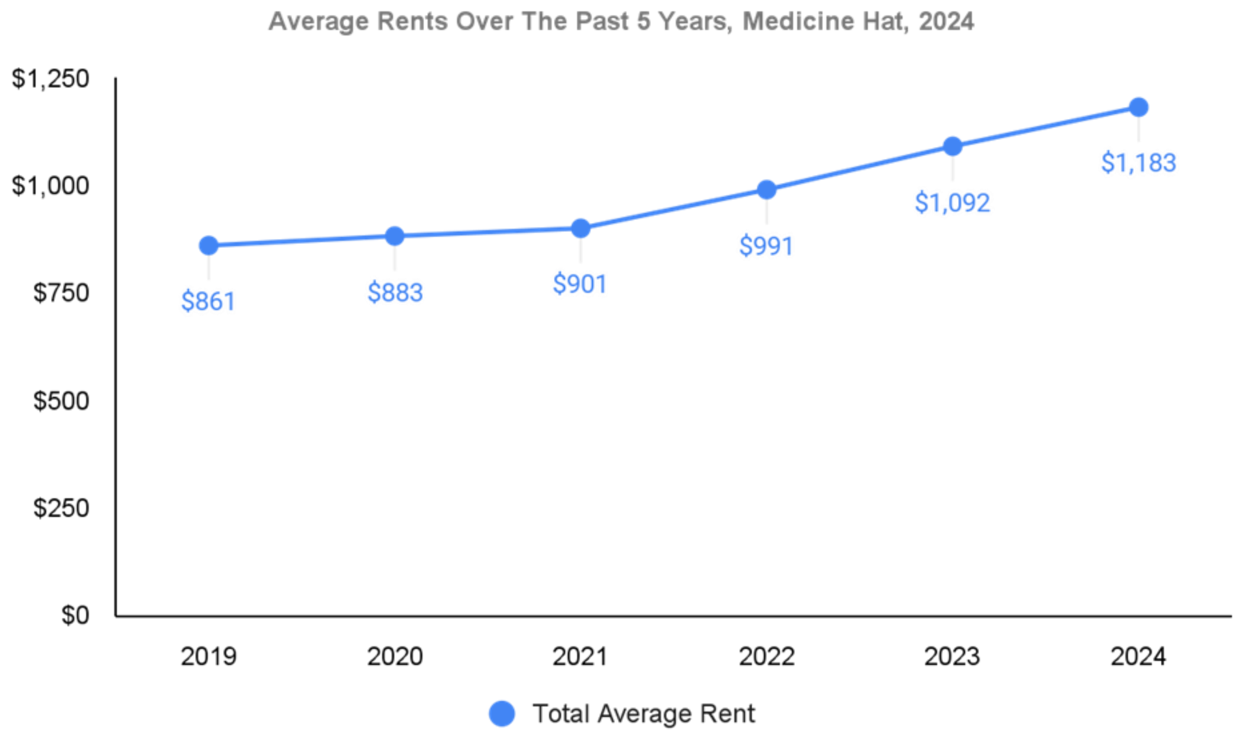
5.2.1 Housing Units: Currently Occupied/Available		
Characteristic	**Data**	**Value**
	1991 to 2000	3780
	2001 to 2005	2435
	2006 to 2010	2650
	2011 to 2015	1285
	2016 to 2021	810
Rental vacancy rate (Percent)	Total	3.1
	Bachelor	9.5
	1 bedroom	2.9
	2 bedrooms	2.5
	3 bedrooms+	4.6
Number of primary and secondary rental units	Primary	3499
	Secondary	147
Number of short-term rental units	Total	189

5.3 In the last five years, how many affordable units for low and very low-income households have been built, and how many have been lost? If data is not available, please describe how the loss of affordable housing units may have impacted your community.

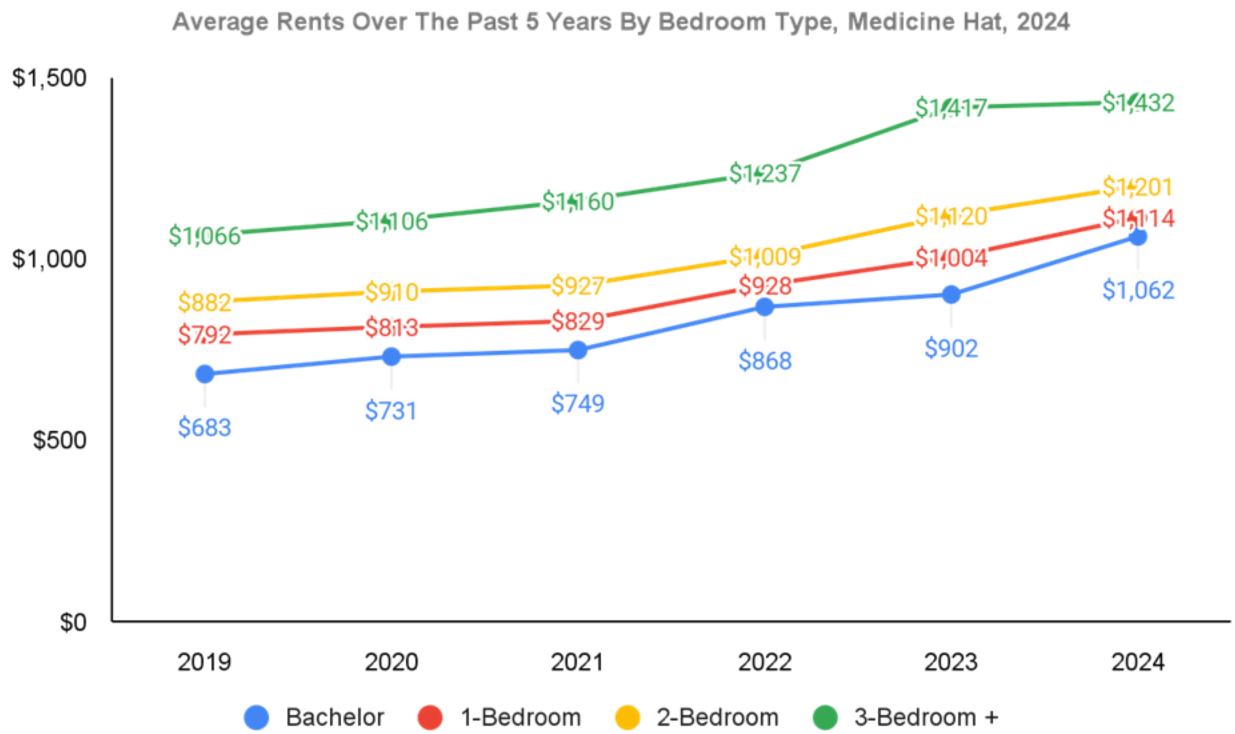
In the last five years, the City has seen an increase in affordable housing units as defined by the Province of Alberta under Ministerial Order 2024-011. The increase includes 1 bachelor unit and 12 1-bedroom units.

Zero affordable housing units have been lost.

5.4 How have average rents changed over time in your community? What factors (economic, social, national, local, etc.) have influenced these changes?



The average rent since 2019 has steadily increased in Medicine Hat. The average rent has increased by $322 between 2019 and 2024, approximately an average yearly increase of 6.56% since 2019. Medicine Hat saw rents increase by 27% between 2021 and 2024. The Canada Mortgage and Housing Corporation reported a 9.5% increase in the average rental rate for an apartment in 2024.



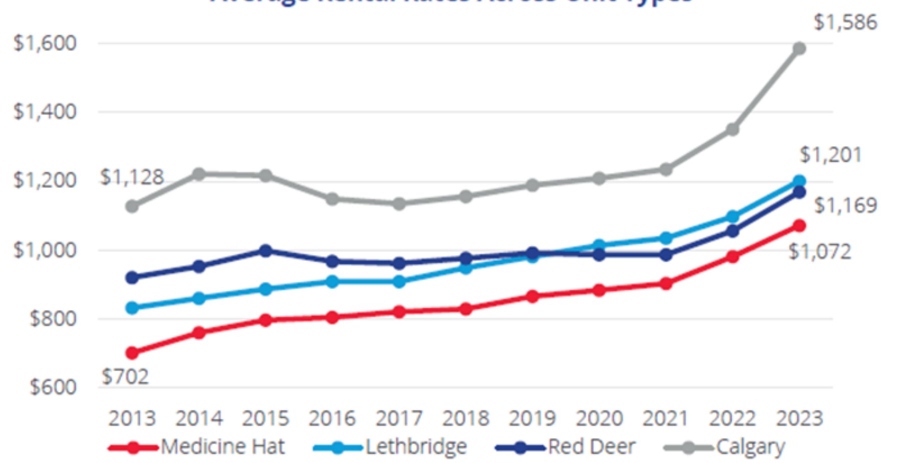
The average rent by bedroom has steadily increased for all four-bedroom types since 2019.

Increasing rental costs can be attributed to several factors such as an influx in interprovincial migration due to Alberta's traditionally lower rental prices, increased competition for larger rental units, and housing that was once rentals being sold.

Source: https://www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/housing-data/data-tables/rental-market/rental-market-report-data-tables

From Real Estate Gap Analysis:

Average Rental Rates Across Unit Types



Source: CMHC (2024)

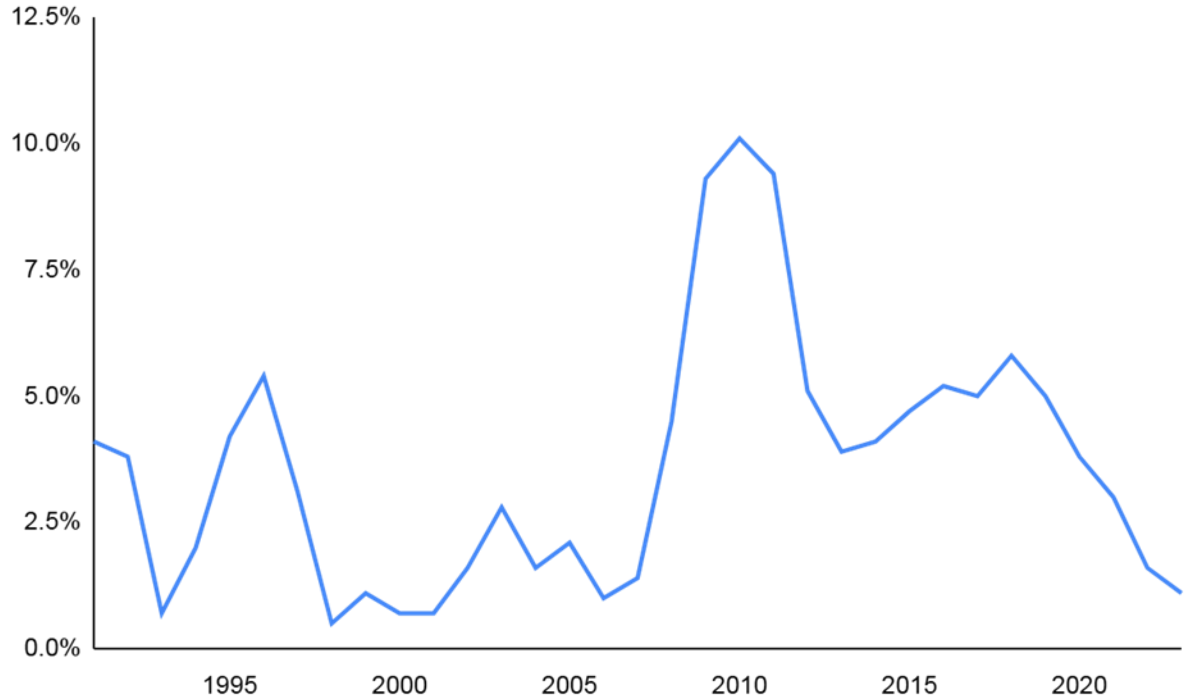
Average Annual Rental Rate % Change

	Medicine Hat	Lethbridge	Red Deer	Calgary
2013	3%	0%	10%	7%
2014	8%	3%	3%	8%
2015	5%	3%	5%	0%
2016	1%	2%	-3%	-6%
2017	2%	0%	-1%	-1%
2018	1%	4%	2%	2%
2019	4%	3%	2%	3%
2020	2%	3%	-1%	2%
2021	2%	2%	0%	2%
2022	9%	6%	7%	9%
2023	9%	9%	11%	17%

Across southern Alberta, rental rates have risen year-over-year, tied to an increase in demand and often resulting from migration to this area from other provinces.

Source: CMHC (2024)

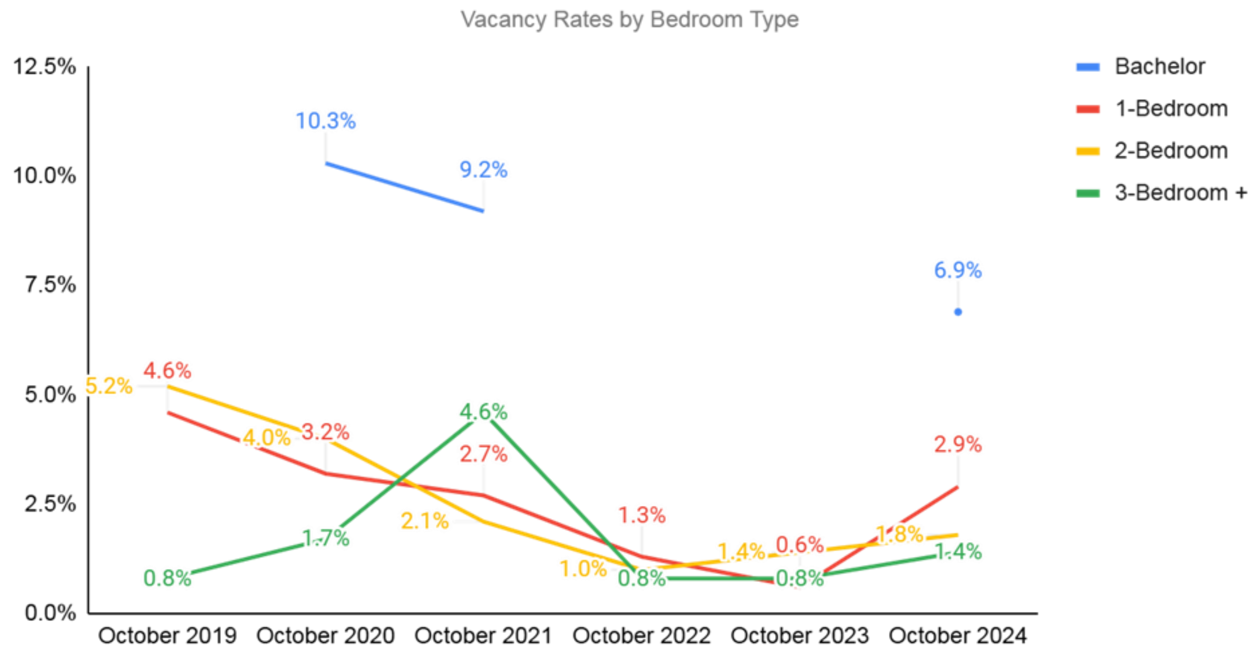
5.5 How have vacancy rates changed over time? What factors have influenced this change?



The data in the above graph was adapted from Statistics Canada, table 34-1001-33 and the Government of Alberta's Rural Apartment Vacancy and Rental Cost Survey. The residential vacancy rate looks at units in non-subsidized rental buildings containing three or more rental units. Medicine Hat's 2023 residential vacancy rate was 1.1%. The year-over-year residential vacancy rate has declined by 31.3% and has decreased by 81.0% in the last five years. The residential vacancy rate between 2022 (1.6%) and 2023 (1.1%), saw a decline of 0.5%.

Sources:
https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3410013301&pickMembers%5B0%5D=1.155&pickMembers%5B1%5D=3.1&cubeTimeFrame.startYear=2020&cubeTimeFrame.endYear=2024&referencePeriods=20200101%2C20240101

https://open.alberta.ca/publications/2369-8780



The Canada Mortgage and Housing Corporation (CMHC) conducts a yearly rental market survey, the survey looks at rental vacancy rates by bedroom type in communities with a population over 10,000. As of October 2024, the vacancy rate for a bachelor apartment was 6.9%, one-bedroom was 2.9%, two-bedroom was 1.8%, and three-bedroom was 1.4%.

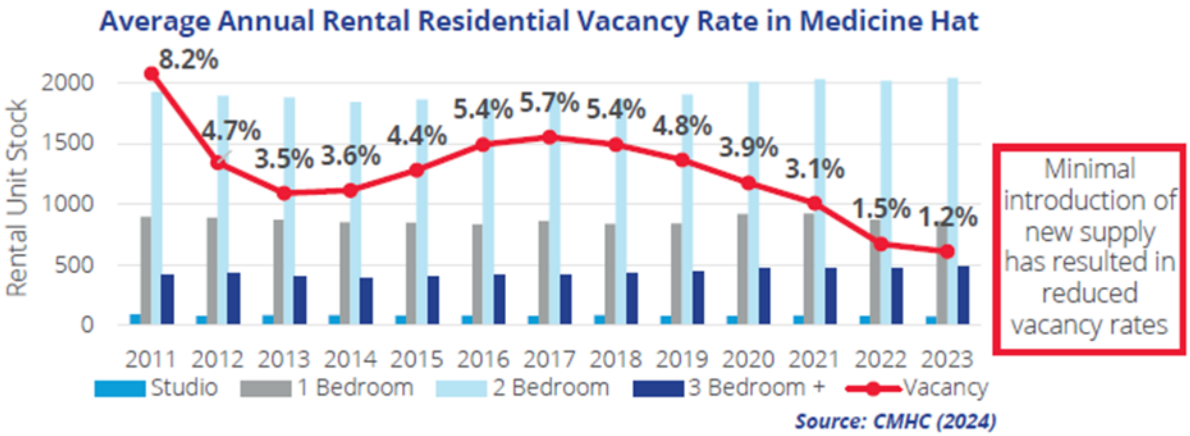
Please note that the vacancy rates for a bachelor apartment for 2019, 2022, and 2023 are suppressed.

The data in both graphs show fluctuation in vacancy rates between years. Low vacancy rates can be attributed to several factors:

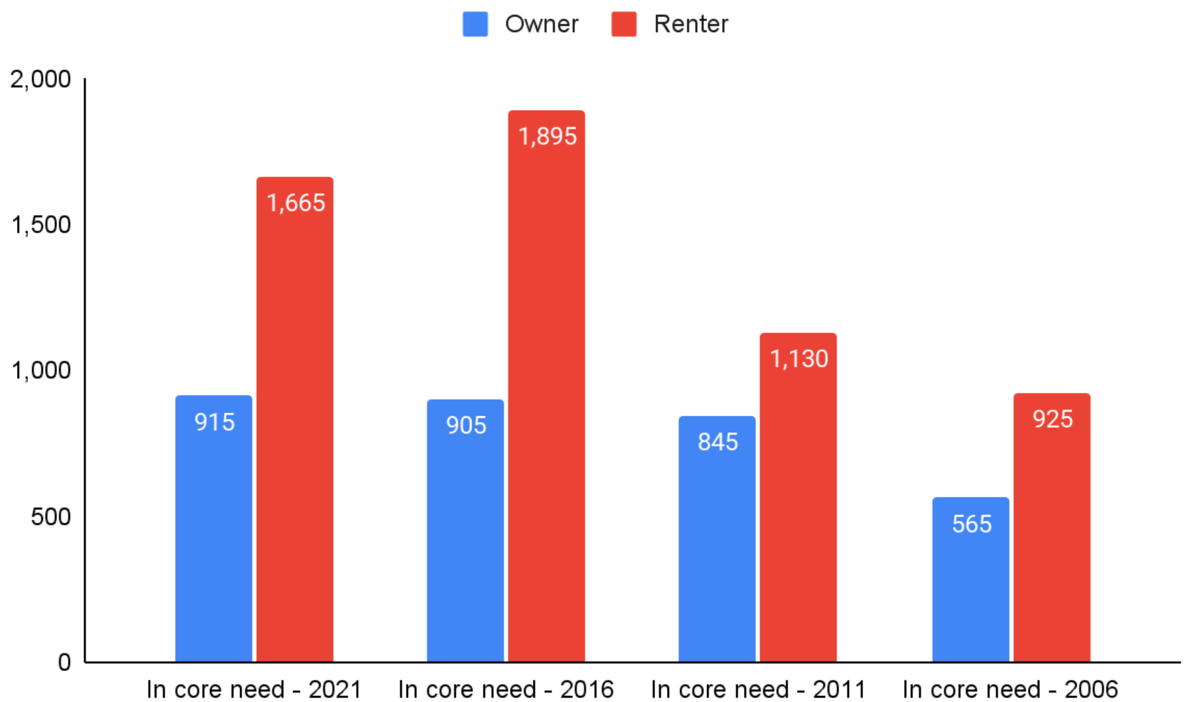
- Strong demand for rental and population growth. The City of Medicine Hat saw a 2.58% population increase between 2023 and 2024, which is approximately an additional 1,691 residents that may be looking for an apartment to rent.
- The decline in the number of housing dwellings available could be due to the dwellings falling into disrepair, natural disasters, changes in zoning or land use, and demolition of existing dwellings for future developments. The City of Medicine Hat saw a 1.64% decline in the number of dwellings between 2022 and 2023, which is an approximate loss of 492 dwellings. The lost dwellings are not identified as rentals or non-rentals, but the decline in a number of dwellings affects vacancy rates due to there being 492 fewer dwellings available to buy or rent.
- A limited number of new housing constructions. If there is a shortage of new housing being built or if construction cannot keep up with demand, vacancy rates can be negatively impacted. Between 2022 and 2023, the City of Medicine Hat saw a 55.7% decline in housing starts, the number of housing starts dropped by 97 housing starts.

Source: https://www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/housing-data/data-tables/rental-market/rental-market-report-data-tables

From Real Estate Gap Analysis:



5.6 How have trends in core housing need changed over time between both tenant and owner-occupied households?



Through CMHC's Housing Market Information Portal, we were able to look at core housing need between 2006 and 2021. This data highlights the following changes:

- There has been a steady increase in the number of owner-occupied households identified as experiencing core housing need between 2006 and 2021.
- In 2006, there were 565 owner households identified as in core need, rising to 915 by 2021, this is an increase of 350 households (approximately a 62% increase over 15 years).
- The trends indicate that a growing proportion of owners are facing housing challenges.
- The number of renter households in core need increased from 925 in 2006 to 1,130 in 2011, showing an increase of 205 households.
- From 2011 to 2016, renter households grew again, from 1,130 to 1,895. This was a sharp increase of 765 households (approximately 68% growth rate).
- Between 2016 and 2021, the number of renter households in core need decreased from 1,895 to 1,665, reflecting a reduction of 230 households (approximately 12%).

The changes seen over the last 15 years indicate that there has been a steady increase in owner-occupied households experiencing core need. This aligns with the growing challenges for homeowners due to rising property prices, cost of living, or other affordability issues.

The slight decrease in renter households experiencing core need indicates some potential improvements or stabilization in the rental market, though the number of households experiencing core need remains high compared to the number of renter households in Medicine Hat. In the 2021 Census, 7,930 renter households were identified, this means approximately 21% of renter households are in core need.

The overall trends show a significant rise in the number of renter and owner households experiencing core housing need since 2006.

Source: https://www03.cmhc-schl.gc.ca/hmip-pimh/en#Profile/1/1/Canada

5.7 Non-Market Housing

5.7.1 Current Non-Market Housing Units		
Characteristic	**Data**	**Value**
Number of housing units that are subsidized	Total	562
Number of housing units that are below market rent in the private market (can either be rent or income-based definition)	Total	13
Number of co-operative housing units	Total	n/a
Number of other non-market housing units (permanent supportive, transitional, etc.)	Total	32

5.8 Please describe any other affordable and community housing options and needs/gaps currently in your community that are not captured in the table above.

Special Designed/Purpose:

- Of the units reported in the table above:
- 228 units are specifically intended for seniors who are capable to live independently with community supports (e.g., Home Care, Meals on Wheels natural supports, etc.)
- 37 units within social and affordable housing sites were built to accommodate households with mobility limitations.
- 21 special purpose units that are used to accommodate individuals with special needs that require 24-hr care.
- 12 supportive housing units exist for those with complex needs.
- 32 units Permanent Supportive Housing units

Known Needs:

- Affordable housing units with deep subsidy (RGI). Roughly ½ of the Housing Programs waitlist requires 1 bedroom units (non-senior).
- Affordable housing units-moderate subsidy.
- Affordable housing for larger unit sizes 4+ bedrooms.
- Supported and Supportive living units for those with complex needs – not age specific.

Rent supplements/assistance programs that deepen affordability for households.

683 households residing in the private market are assisted with a rental subsidy to reduce the rental cost for the tenant.

- Accessible units in regular neighbourhoods are difficult to find.
- Affordable homes that would accommodate 3 clients and a support staff (i.e. 4 bedrooms). These units would have large bathrooms, walk-in showers and could be modified easily to make changes within the unit when advised by an Occupational Therapist.

5.9 Housing Trends

5.9.1 Housing Values		
Characteristic	**Data**	**Value**
Median monthly shelter costs for rented dwellings (Canadian dollars)	Median	1050
Purpose-built rental prices by unit size (Average, Canadian dollars)	Total	904
	Bachelor	737
	1 bedroom	823
	2 bedrooms	903
	3 bedrooms+	1101
Purpose-built rental prices by unit size (Median, Canadian dollars per month)	Total	895
	Bachelor	760
	1 bedroom	845
	2 bedrooms	850
	3 bedrooms+	1100
Sale prices (Canadian dollars) 2024	Average	$359,974
	Median	$356,500
Sale prices by unit size (Average, Canadian dollars)	Average	$355,744
	Bachelor	Not Available
	1 bedroom	$183,428
	2 bedrooms	$366,724
	3 bedrooms+	$441,800
Sale prices by unit size (Median, Canadian dollars)	Median	*
	Bachelor	*
	1 bedroom	*
	2 bedrooms	*

5.9.1 Housing Values		
Characteristic	**Data**	**Value**
	3 bedrooms+	*

The sales prices (Canadian dollars) were identified using City of Medicine Hat Monthly Statistics provided by the Alberta Real Estate Association. The sales prices by unit size (average) were identified using Royal LePage's Medicine Hat Market Report. The sales prices by unit size (median) were not able to be determined due to a lack of data.

Sources: https://www.centralalbertahomesource.com/reports/city/ab/medicine%20hat/

https://21979963.fs1.hubspotusercontent-na1.net/hubfs/21979963/City%20of%20Medicine%20Hat%20-%200217%20-%20Public-3.pdf

5.9.2 Housing Units: Change in Housing Stock		
Characteristic	**2024 Data**	**Value**
Demolished – breakdown by tenure	Tenant	NA
	Owner	4 Development Permits
		6 Units
Completed – Overall and breakdown by structural type (annual, number of structures)	Total	*
	Single	*
	Semi-detached	*
	Row	*
	Apartment	*
Completed – Breakdown by tenure (annual, number of structures)	Tenant	*
	Owner	*
	Condo	*
	Coop	*
	Total**	52 Development Permits

5.9.2 Housing Units: Change in Housing Stock		
Characteristic	**2024 Data**	**Value**
Housing starts by structural type and tenure		389 Units

**Includes backyard suites and secondary suites.

5.9.2 Housing Units: Change in Housing Stock (expanded)

Characteristic	Data	Type as Per LUB #4168	Number of Permits Issued	Number of Units
		New Residential Builds		
Residential New Builds According to Development Permits Issued	Single	Single Detached Houses	33	33
	Semi-Detached	Attached Housing (two Principal Dwellings)	7	14
	Row		0	
	Apartment	Apartments	2	299
		Multiple Unit Residential Development	4	37
	Other***	Backyard Suites	4	4
		Secondary Suites	2	2
TOTAL		**All Types**	**52 Development Permits**	**389 Units**

* Full residential demolitions (excluding partial demolitions or Accessory Building demolitions)
**Structure counts (not representative of total residential units)
***Not on the original list, but another type of housing stock.

Changes over Time

2021-2024 CMH Development Permit Data

Type	2021	2022	2023	2024
Residential Demolitions				
Demolition*	9 Permits	5 Permits	3 Permits	4 Permits
	9 Units	5 Units	4 Units	6 Units

Type	2021	2022	2023	2024
New Residential Builds				
Single Detached Houses	57 Permits	51 Permits	30 Permits	33 Permits
	58 Units	51 Units	30 Units	33 Units
Attached Housing (two Principal Dwellings)			5 Permits	7 Permits
			16 Units	14 Units
Duplex**	6 Permits	7 Permits		
	12 Units	14 Units		
Apartments		1 Permit	1 Permit	2 Permits
		18 Units	76 Units	299 Units
Multiple Unit Residential Development	3 Permits		1 Permit	4 Permits
	53 Units		25 Units	37 Units
Backyard Suites			2 Permits	4 Permits
			2 Units	4 Units
Secondary Suites	5 Permits	7 Permits	3 Permits	2 Permits
	5 Units	7 Units	3 Units	2 Units
TOTAL	**71 Permits**	**66 Permits**	**42 Permits**	**52 Permits**
	128 Units	**90 Units**	**152 Units**	**389 Units**

*Demolition numbers appear to have been going down. However, it is important to note that Development Permits for demolition are only required if there are no plans to rebuild immediately.

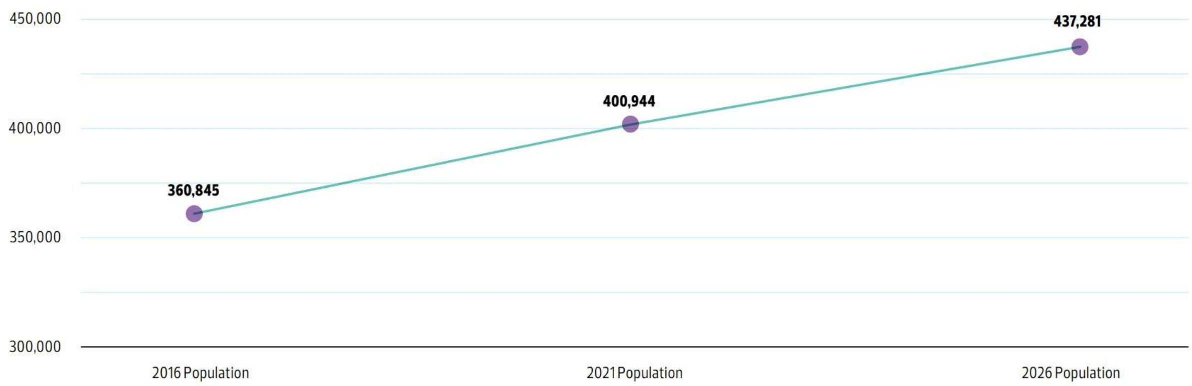
**Land Use Bylaw #4168 used to allow a side-by-side Duplex, which is what many of the approved Duplexes from 2021 and 2022 were. The current definition of a Duplex indicates that one (1) Principal Dwelling is placed over the other in whole or part. The built form of a side-by-side Duplex is very similar to Attached Housing. However, the ownership structure and servicing can be quite different between the two.

Source: 2024 City of Medicine Hat Development Permit Data

6. Projected Housing Needs and Next Steps

This section aims to answer the question, how much and what type of housing is needed to meet the needs of the population over the next 10 years? How will this Housing Needs Assessment (HNA) be meaningfully used in planning and investment decisions?

This section projects population trends from the previous 10 years, dividing by income category and target housing costs while considering migration trends. An example of a benchmarked projection from Edmonton's Affordable Housing Needs Assessment is provided below.



Household Growth Projection 2016- 2026. Source: Edmonton Affordable Housing Needs Assessment – August 2022

HNAs should be able to convey through their data-driven narrative how many housing units are needed by income category, household size and dwelling type over the next 10 years. In completing this section, communities must carefully consider their past growth trends and future demographic projections, including recent immigration patterns, aging population dynamics, and economic trends. Furthermore, it is also crucial for communities to consider any pre-existing housing shortages, as evidenced by indicators such as recent trends in rental vacancy rates, growth in prices/rents, the number of households in core housing need, and the aging of their current housing stock.

6.1 Projection Methodology Guidelines

There are several projection methodologies that can be used to project housing demand, including the HART housing needs projection here. The federal government recommends using the HART methodology as a reference point, with additional considerations and data points to improve the validity of the methodology. These considerations, including economic data integration and supply capacity and gaps as well as steps for calculating the methodology are noted below. Provinces and territories, in consultation with their municipalities/communities, are invited to use a methodology that fits their regional circumstances, ensuring the assumptions that inform their preferred methodology are also clearly explained The federal government will review the HNAs as a requirement for its various funding programs and assess the methodology and assumptions that inform it for their validity and robustness. If needed, further engagements can take place to better align the preferred methodology with the federal government's expectations.

In employing a projection methodology, jurisdictions may find the following list of key considerations and steps useful. The following approach involves first projecting the population into the future, then projecting household formation from headship rates, and then **demand for housing by tenure, dwelling type and size, family type and income groups**. Following the Population Projection, Household Projection and Housing Demand Projection steps, a table is presented of the key considerations for each step in the process.

<u>Step 1: Population Projection</u>

- Conceptually the projected population is calculated as the survived population + births + projected net migrants. An example of an accepted method to calculate population projection is the Cohort-Component population projection method.

<u>Step 2: Household Projection</u>

- Project family and non-family households separately by multiplying the projected population by age group in a given year with projected headship rates (household formation) by age group in a given year.
  - A headship rate represents the probability that a member of a given age group will head (maintain) a household of a given type (family or non-family). Historical headship rates are calculated as the ratio of household heads in an age group to the population of that age group.
  - Total headship rates can be determined by adding family and non-family headship rates together for a given age group and year. An increase in the total headship of any particular age group means that overall, a higher proportion of that group heads households than previously. The converse holds true for a decrease in the total headship rate. Thus, the total rate is an overall indication of the propensity to form households in a particular age group.
- Project both family and non-family households by household type (composition), including couples without children, couples with children, lone parents, multiple-family households, one-person households, and other non-family households. This can be achieved by multiplying the projected number of households in a particular age group by the projected household type proportions for that age group.
  - Historical proportions for family households are the ratio of the number of family households of a given type in an age group to the total number of family households headed by that age group.

    - Historical proportions for non-family households are the ratio of the number of non-family households of a given type in an age group to the total number of non-family households headed by that age group.
- Project net household formation according to family and non-family household types by calculating the difference between projected households in successive years.

Step 3: Housing Demand (Need) Projection

- Project the number of owner households within a particular age range and household type by multiplying projected household by type (family and non-family) by projected ownership rates.
- Project the number renter households by calculating the difference between projected households and the number of projected owner households.
    - Historical ownership or renter rates are the ratio of the number of owning/ or renter households of a given type and age of head to the total number of households (owners and renters combined) of that type and age of head.
- Project dwelling type (single, semi, row, apartment) by multiplying projected age-specific renter and owner dwelling choice propensities by household type (family and non-family) with the projected number of renter and owner households of the given household type and age group.
    - Historical dwelling choice (occupancy) propensities describe the proportion of a given household type, tenure, and age of head group occupying each of the four dwelling types.
- Finally, communities should integrate assessments of pre-existing housing shortages into their final calculations. This integration should be informed by a thorough review of the preceding quantitative and qualitative analyses within the HNA. Additionally, communities should utilize the data and more advanced methodologies detailed in the Annex to ensure a comprehensive estimation of these shortages.

HART Household Projections – Projected Households by Household Size and Income Category

- The HART methodology estimates the total number of units by type (number of bedrooms) and with reference to income categories that will be needed to house a community's projected population.

Please use the Housing Assessment Resource Tools Households Projections tab to fill out the table below for your jurisdiction – Housing Needs Assessment Tool | HART

6.1.1 Projected Households by Household Size and Income Category						
HH Income Category	**1 person**	**2 person**	**3 person**	**4 person**	**5+ person**	**Total**
Very Low Income	450,669	47,599	7,854	195	1,846	508,163
Low Income	2,100,023	691,105	107,034	32,663	7,161	2,937,986
Moderate Income	1,252,940	1,250,439	307,744	132,608	72,569	3,016,300
Median Income	748,224	1,517,294	544,643	330,081	206,951	3,347,193
High Income	417,166	2,150,101	1,340,766	1,556,092	1,028,745	6,492,870
Total	4,969,022	5,656,538	2,308,041	2,051,639	1,317,272	16,302,512

Key Considerations

Population

- It is strongly advised to use the updated post-census population estimates for 2022 as your base population provided by Statistics Canada's demographic estimates division. These estimates account for any discrepancies in population counts, whether they are undercounts or overcounts. These estimates also smooth out the sharp downturn in immigration due to the pandemic in 2020/21. Please refer to annex for links to Statistics Canada CSD and CMA estimates.

- If historical fertility, survival and mortality rates by age category are stable and not trending, apply average historical rates to current population by age to project forward. If rates do trend by age over time, estimate the average change in rates in percentage points and add to current rates when projecting forward for the baseline scenario.

- For larger communities and centres where the data exists, disaggregate and project baseline net migration flows for respective components (i.e., net interprovincial, net intra migration and net international). Disaggregate net international migration and project its components further (emigration, returning Canadians, non-permanent residents, etc.) and use recent growth trends per flow to project total net international migration. In projecting international migration, it will be important for communities to use the more updated federal immigration targets as an anchor.

- Because of the economic uncertainty triggered by the COVID-19 pandemic and potential future shocks, larger communities are expected to create one additional population scenario (high) to supplement the baseline. Utilize StatsCan projection methodology for fertility, survival, and migration to establish the high scenario. Consult Statistics Canada's population projection report cited in the appendix. Communities should avoid using low population or migration scenarios to prevent housing need undercounting.

- **Smaller Communities:**

  – In smaller centers where population projection scenarios are unavailable from StatsCan, but there is the capacity to generate them, cities can resort to using historically high population growth rates or migration scenarios as alternative methods for projecting future population.
  – One industry communities should also develop multiple population scenarios to manage economic volatility.

Household Projections

- Headship rate is commonly defined as the ratio of the number of households by age to the population of adults by age in each community and can be used to project future households.

- If historical headship rates data is not trending or stable by age, apply the average historical census family/non-family headship rates by age group to the corresponding population within each age group.

- If historical headship rates by age is showing a trend over time, include the average historical census family/non-family headship rates percentage point change to the current headship rate. Subsequently, apply these adjusted headship rates by age to the corresponding population within each age group. By incorporating average historical headship rates into household projections, communities can mitigate the impact of potential decreases in recent headship rates that may be due to housing unaffordability, therefore avoiding artificially low household projections.

- **Optional for Smaller Communities:**

  - For the younger population aged 18-34, predict family/non-family headship rates using economic modeling. See UK study in annex for further guidance.

  - Project household composition by family/non-family households using latest census proportions by family type.

  - Project household size by age for family/nonfamily type by dividing population by households.

Housing Demand

<u>To project housing demand by tenure:</u>

- If ownership rates for family/non-family households within specific age groups are not showing a trend over time, apply the average historical ownership rates to projected households by age. The remaining households are considered renter households by age.

- If ownership rates for family/non-family households within specific age groups are trending over time, include the average historical percentage point change to the current ownership rates. Apply these adjusted ownership rates to household counts by age to project tenure by age. The remaining households are considered renter households by age.

<u>To project housing demand by dwelling type:</u>

- If historical dwelling propensities by family type, age, and tenure are not exhibiting a trend, apply the average historical demand propensity by type, age, and tenure to project households by type, age, and tenure.

- If historical demand type propensities are trending, incorporate the average percentage point change in demand type propensities to the current propensities. Apply these adjusted propensities to household types to estimate future dwelling propensities.

Economic Data Integration

- Relying solely on traditional demographic approaches to forecast housing needs can underestimate housing demand.

- Headship rates by age and family type can be projected by considering economic factors as explanatory drivers. These factors could include income, unemployment rates, prices, rents, and vacancy rates.

- CMHC is developing models to project headship rates for household maintainers aged 18-34 in provinces and larger metropolitan areas. Larger communities can benefit from leveraging these projections.

- Using an economic approach to project headship rates and incomes facilitates the estimation of household counts by age, size, tenure, and income. When integrated with dwelling type, price, and rent data, this approach assists in identifying potential households in core housing need.

Supply Capacity & Supply Gaps

- Housing need projections should be adjusted upwards or downwards to account for the **net effects** of conversions, demolitions, and vacant units in each community.

- Where data is available, communities should assess future capacity by compiling data on draft approved serviced lots, categorized by dwelling type and tenure, that will be available for residential development. When combined with household projections by dwelling type and tenure, help estimate supply gaps.

- In addition, larger communities can leverage supply gap estimates from CMHC to help inform where need is greatest and to identify housing shortages.

- **Optional for Smaller Communities:**

  – Comparing housing need projections with supply capacity will enable communities to identify potential gaps in supply by dwelling type and tenure.

6.2 Projection Methodology

Please outline the methodology and calculations used to complete the projections here, including any assumptions made.

6.2.1 Projections, 2031			
Characteristic	**Data/Formula**	**Value**	**Methodology Notes**
Women by age distribution (# and %)	0-14	5,048 (13.3%)	The age distribution for women, male births and female births was populated using Alberta Health Population Projections by Local Area - Both Sexes - 2022 to 2051 to determine the anticipated population numbers for 2031, using the Health Zone: Z1.4.A - Medicine Hat. Alberta Health uses demographic modeling techniques based on the cohort-component method. This method breaks down the population into age and sex groups. It models population changes based on factors like mortality, fertility, migration (both external and inter-regional), and applies these changes to the 2021 base population.
	15-19	2,146 (5.7%)	
	20-24	2,257 (5.9%)	
	25-64	18,412 (48.5%)	
	65-84	8,651 (22.8%)	
	85+	1,437 (3.8%)	
Male Births	Births x Estimated Proportion of Male Births	334	
Female Births	Total births – Male Births	650-334 = 316	
Survival Rate	Survival rate for those not yet born at the beginning of the census year	Infant Survival Rate (9 years) = 96.0%	Using data from Statistics Canada and Alberta Health's Infant Mortality Rates - by Fine Level Geography. We calculated the Infant Survival Rate (1-Year) using the following formula: 1 - Infant Mortality Rate / 1,000. From there we could project to the 2031 infant survival rate by using the formula:(Annual Survival Rate) 9. It was calculated using 9 years as the mortality rate, looked at 2022 data, and it is 9 years till 2031. This calculation assumes that the survival rate remains constant.
Net Migrations	Net migration (in and out) of those	Not Enough Data Available	

6.2.1 Projections, 2031			
Characteristic	**Data/Formula**	**Value**	**Methodology Notes**
	not yet born at the beginning of the census year		
Projected Family Households	Age-group population x projected age-specific family headship rate	19,488	Ratio of current family split as reported by Statistics Canada applied to 2031 population estimation.
Projected Non-family Households	Age-group population x projected age-specific non-family headship rate	11,446	Ratio of current non-family split as reported by Statistics Canada applied to 2031 population estimation.
Total Projected Headship Rate	Family headship rates + non-family headship rates	43.5%	Based on 2031 population estimates over the 2031 household estimates.
Projected Net Household Formation	Projected households by type (family and non-family) (Year 2) – Projected households by type (family and non-family) (Year 1)	312 (annually family) 183 (annually non-family)	Annual change from the estimated family/non-family households applied to current family/non-family households.
Projected Owner Households	Projected households by type, year and age group x Projected ownership rate by type, year and age group	22,990	These projections assume that the percentage of renters and owner households remains consistent with current trends. Ratio of 2021 owner households multiplied by the anticipated total number of households for 2031.
Projected Renter Households	Projected households by type, year and age group – projected owner households by type, year and age group	9,436	These projections assume that the percentage of renters and owner households remains consistent with current trends. Ratio of 2021 renter households multiplied by the anticipated total number of households for 203.
Projected Dwelling Choice	Projected households by type, tenure and	Single-detached House:	The projections were made assuming that proportional distribution of dwelling types

6.2.1 Projections, 2031			
Characteristic	**Data/Formula**	**Value**	**Methodology Notes**
	age group x projected dwelling choice propensities by type, tenure and age group	Owner = 18,139, Renter = 2,425 Semi-detached House: Owner = 989, Renter = 830 Row house: Owner =713, Renter =1,359 Apartment or flat in a duplex: Owner = 230, Renter = 349 Apartment in a building that has fewer than five storeys: Owner = 2,069, Renter = 3,991 Apartment in a building that has five or more storeys: Owner = 23, Renter = 632 Movable dwelling: Owner = 828, Renter = 198	remains similar over the years, with slight adjustments for aging and possible preferences for apartments or small dwellings. Using 2021 Census data, we broke down the dwelling types by owner and renter to better identify the percentage of each tenure in each dwelling type. We assume the number of households will be 32,427 in 2031 based on the projections made in Table 6.3.1. We then took the projected number of owners and renters and applied the 2021 dwelling type percentages to each of the housing types, this gave us the projected number of each housing type by renter and owner.

The projections in Table 6.2.1 use data from the Alberta Regional Dashboard, Statistics Canada, and the Alberta Health Projections.

6.3 Population and Households Projections

6.3.1 Anticipated Population by 2031			
Characteristic	**Data**	**Value**	**Methodology Notes**
Anticipated population	Total	74,582	The Alberta Health Population Projections by Local Area - Both Sexes - 2022 to 2051 to determine anticipated population numbers for 2031.
Anticipated population growth	Total	7,268	2031 population projection minus the 2024 Alberta Regional Dashboard Population count.
	Percentage	10.8%	% growth between 2024 and 2031
Anticipated age	Average	51.7	The anticipated average and median age were calculated by assuming the population will be 7 years older on average due to aging and using Medicine Hat's population growth rate of 2.58% as identified on the Alberta Regional Dashboard.
	Median	48.4	
Anticipated age distribution (# and %)	0-14	10,266 (13.8%)	The Alberta Health Population Projections by Local Area - Both Sexes - 2022 to 2051 to determine anticipated population numbers for 2031.
	15-19	4,371 (5.9%)	
	20-24	4,676 (6.3%)	
	25-64	36,910 (49.5%)	
	65-84	16,062 (21.5%)	
	85+	2,297 (3.1%)	

6.3.2 Anticipated Households by 2031			
Characteristic	**Data**	**Value**	**Methodology Notes**
Current number of households	Total	27,220	Taken from the 2021 Census
Anticipated number of households	Total	32,427	Growth between 2021 Census and 2031 Alberta Health Projections.
Anticipated Household Age	Average	55	We first find the average age by considering the "middle" age for each group (like 20 years for 15-24 years) and how many households are in each group. Then, we multiply the middle age by the number of households in that group to get the "weighted" age for each group. Finally, we add up all the weighted ages and divide by the total number of households to get the average age.
	Median	51	To find the median, we look at the middle point of all households. We add up the number of households in each group until we reach the middle (50%) of the total. The group where this middle point falls tells us the median age, which is the age of the household in the middle of all households.
Anticipated Households by Tenure	Renter	22,694	Ratio of 2021 owner/renter households over the 2021 population applied to the estimated 2031 population.
	Owner	9,315	
Anticipated Units by Type	Total	27,100	In 2023, the Alberta Regional Dashboard identified 29,586 dwellings; it also identified a 5-year decrease of -1.09% in the number of dwellings. The 2021 Census identified a total of 30,006 dwellings and the following number of each housing type: single - 17,250, semi-detached - 1,545, row - 1,730, and apartments 5,8000. Using the following formula: 29,586 x (1 - 0.0109)8, we identified the projected number of dwellings for
	Single	15,525	
	Semi-detached	1,396	
	Row	1,564	
	Apartment	5,230	

6.3.2 Anticipated Households by 2031			
Characteristic	**Data**	**Value**	**Methodology Notes**
			2031 as 27,100. From there we calculated the percentage of each housing type from 2021 and multiplied the percentage by 27,100 to provide a projection on the number of each housing type for 2031.
Anticipated Units by Number of Bedrooms	1 bedroom	2,114	Using the total bedroom data from Census Table: 98-10-0239-01 and the total projected number of dwelling units for 2031 (27,100), we were able to distribute the projected units by bedroom count based on the percentages from the data taken from the Census Table. We then applied these percentages to the projected number of dwellings in 2031.
	2 bedrooms	6,422	
	3 bedrooms	8,537	
	4 bedrooms or more	9,946	
	5 bedrooms	Data not available	
Anticipated Households by Income	Average	Data not Available	
	Median	5,826	Source: Housing Assessment Resource Tool (HART)
	Very Low	544	
	Low	5,388	
	Moderate	6,109	
	High	11,999	
Anticipated average household size	Total	2.3	We determined the anticipated average household size by using the 2031 projected population and the projected anticipated number of households.
Draft approved lots by planned housing type	Total		Data Not Available
Draft approved lots by tenure	Tenant		
	Owner		

The projections in Table 6.3.2 use data from the Alberta Regional Dashboard, Statistics Canada, Alberta Health Projections, and HART.

7. Use of Housing Needs Assessments in Long-Term Planning

7.1 This final section aims to determine how your community anticipates using the results and findings captured in the Housing Needs Assessment to inform long-term planning as well as concrete actions that can address identified needs. Please use the following questions to describe how those linkages will be made.

- **How will this HNA inform your official community or development plan, housing policies and/or actions going forward?** For example, if the HNA identifies specific needs in your community across the housing spectrum – such as housing needed for priority populations, units for large households in denser form factors, more diverse structural types such as missing middle housing, or more affordable and higher-density housing near transit - how could actions and changes in policy and planning help address those needs?

- **How will data collected through the HNA help direct those plans and policies as they aim to improve housing locally and regionally, and how will this intersect with major development patterns, growth management strategies, as well as master plans and capital plans that guide infrastructure investments?**

- **Based on the findings of this HNA, and particularly the projected housing needs, please describe any anticipated growth pressures caused by infrastructure gaps that will need to be prioritized and addressed in order to effectively plan and prepare for forecasted growth. This can relate to any type of enabling infrastructure needed for housing, including fixed and non-fixed assets, as well as social, community or natural infrastructure that your local government has identified as a priority for fostering more complete and resilient communities.**

Examples may include:

- Will your public transit system have the capacity to meet increasing demand?
- Will your water and wastewater system have the capacity for additional connections based on the amount of new housing units that will need to be built?
- Will new roads or bridges need to be built to serve new or growing communities?
- Will new schools, parks, community or recreational centres need to be built to serve new or growing communities?
- Will broadband service and access need to be significantly expanded to help new residents and businesses connect? Are there any climate risks or impacts that will affect new growth?

This report will complement the key policy and regulatory documents of the City. Specifically, the report will support concurrent proposals for changes to the Municipal Development Plan and Land Use Bylaw, as planning staff work to update and further align these documents with the wishes of Council and the public. A key aspect of the noted changes is providing greater clarity on which housing forms can be developed in which districts, thereby removing doubt for developers and providing greater precision in the extent of developability of land for the community. Accordingly, these proposed changes to the MDP and Land Use Bylaw seek to disaggregate and further refine densities and forms allowed in particular districts, while paying particular attention to the spaces where transitions between housing densities occur. It is hoped that these changes would reduce development appeals and enhance transparency in the permitting process. This report will help to better zone residential land and align highest-and-best use with community expectations.

New data collected in this report could also help guide infrastructure investments supporting housing development. The report could assist City staff in ensuring that policies, plans, strategies, and bylaws are continuing to maximize infrastructure investments by locating servicing and transportation infrastructure near medium- and high-density housing where they are in highest demand. Servicing constraints often arise during infill projects. Electricity distribution and water servicing capacity constraints can inhibit the ability to develop larger housing projects on certain sites without costly upgrading. Intensification corridors already indicate roadway networks that would better accommodate future growth. Planning would need to ensure that deep and surface infrastructure continues to be well coordinated with expected growth areas. These considerations are already factored into the Growth Management Strategy and Municipal Development Plan. However, this report can help in bringing new insights and evidence to these matters as some of these documents may require minor adjustments to accommodate unforeseen changes or events. The report could help raise awareness concerning these pressure points and help in designing suitable collaborative partnerships between the City, developers, community housing providers, and the public in dealing with them.

Additionally, incentives are used to drive priority development of specific housing types based on the market need. Considerations for incentive development include changes to the labour market based on economic conditions including industry expansion and population migration. In recent years, incentives have been provided to accelerate multi-family and infill development as this has been identified as a shortage in the community. These efforts to increase density and expand the supply of missing middle housing are in-line with the needs identified that support Temporary Foreign Workers, newcomers, and other priority populations in the community. Incentive programs are revisited at regular intervals to ensure that current and long-term municipal needs are addressed.

Ample availability of utilities, including power, water, and gas, are critical to securing future economic investment in the community. As the community grows, there should continue to be a priority placed on ensuring exemplary infrastructure, including broadband and transit services, to support a growing economy. A 2024 Business Retention & Expansion study found that services that enhance quality of life are an important part of attraction and expansion of business in the City of Medicine Hat. Adequate resource availability supports mandated efforts by City Council made toward investment attraction and business retention and expansion, which are critical to the continued livelihood of the community.

Annex A: Relevant Links for Developing Housing Needs Projections

Data and Analysis

Housing Statistics - Statistics Canada

Population estimates, July 1, by census subdivision, 2016 boundaries (statcan.gc.ca)

Population estimates, July 1, by census metropolitan (statcan.gc.ca)

Population and demography statistics (statcan.gc.ca)

Population Projections for Canada (2021 to 2068), Provinces and Territories (2021 to 2043) (statcan.gc.ca)

Housing Market Information Portal

UrbanSim – Scenario Modeling

Reports & Publications

Housing Markets Insight - CMHC's household projections for 8 of Canada's major urban centres until 2042

CMHC - Housing Shortages in Canada Report

University of British Columbia - Housing Assessment Resource Tools (HART)

University of London - Affordability targets: Implications for Housing Supply

Nova Scotia Housing Needs Assessment Report Methodology

Ontario Land Needs Assessment Methodology

British Columbia Affordable Housing Need Assessment Methodology

Annex B: Glossary

Affordable Housing: A dwelling unit where the cost of shelter, including rent and utilities, is a maximum of 30% of before-tax household income.

Area Median Household Income: The median income of all households in a given area.

Cooperative Housing: A type of residential housing option whereby the owners do not own their units outright. This would include non-profit housing cooperatives, as stand-alone co-operatives or in partnership with another non-profit, including student housing co-ops, as well as Indigenous co-ops, including those in partnership with Indigenous governments and organizations. This does not, however, include homeownership co-ops or equity co-ops that require an investment, which along with any profit earned, is returned to co-op investors.

Core Housing Need: Refers to whether a private household's housing falls below at least one of the indicator thresholds for housing adequacy, affordability or suitability, and would have to spend 30% or more of its total before-tax income to pay the median rent of alternative local housing that is acceptable (attains all three housing indicator thresholds).

- *Adequate* – Does not require any major repairs, according to residents. Major repairs include those to defective plumbing or electrical wiring, or structural repairs to walls, floors or ceilings.
- *Suitable* – Has enough bedrooms for the size and make-up of resident households, according to guidelines outlined in National Occupancy Standard (NOS).
- *Affordable* – All shelter costs total less than 30% of a household's before-tax income.

Household: A person or a group of persons (other than foreign residents) who occupy a private dwelling and do not have a usual place of residence elsewhere in Canada.

Household Formation: The net change in the number of households.

Supportive Housing: Prioritizes people experiencing chronic homelessness and other vulnerable people who have the highest support needs. It provides long-term affordable housing and a diversity of customized support services.

Permanent Supportive Housing: Prioritizes people experiencing chronic homelessness and other vulnerable people who have the highest support needs. It provides long-term affordable housing and a diversity of customized support services.

Purpose-Built Rental: Also known as the primary rental market or secure rentals; multi-unit buildings (three or more units) which are built specifically for the purpose of providing long-term rental accommodations.

Short-Term Rentals: All or part of a dwelling unit rented out for less than 28 consecutive days in exchange for payment. This includes bed and breakfasts (B&Bs) but excludes hotels and motels. It also excludes other accommodations where there is no payment.

Suppressed Household Formation: New households that would have been formed but are not due to a lack of attainable options. The persons who would have formed these households include, but are not limited to, many adults living with family members or roommates and individuals wishing to leave unsafe or unstable environments but cannot due to a lack of places to go.

Missing Middle Housing: Housing that fits the gap between low-rise, primarily single-family homes and mid-rise apartment buildings, typically including secondary and garden suites, duplexes, triplexes, fourplexes, rowhouses and townhouses, courtyard housing, and low-rise apartment buildings of 4 storeys or less. These housing types provide a variety of housing options that add housing stock and meet the growing demand for walkability. The missing middle also refers to the lack of available and affordable housing for middle-income households to rent or own.