

Subject: 2023 Annual Development Report

File Number: ACS2025-PDB-PS-0039

Report to Planning and Housing Committee on 18 June 2025

**Submitted on June 9, 2025 by Derrick Moodie, Director, Planning Services,
Planning, Development and Building Services**

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Ward: Citywide

Objet : Rapport annuel sur l'aménagement de 2023

Dossier : ACS2025-PDB-PS-0039

Rapport au Comité de l'urbanisme et du logement

le 18 juin 2025

**Soumis le 9 juin 2025 par Derrick Moodie, Directeur, Services de la planification,
Direction générale des services de la planification, de l'aménagement et du
bâtiment**

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Quartier : À l'échelle de la ville

REPORT RECOMMENDATION(S)

That Planning and Housing Committee receive this report for information.

RECOMMANDATION(S) DU RAPPORT

**Que le Comité de la planification et du logement prenne connaissance de ce
rapport pour information.**

EXECUTIVE SUMMARY

The Annual Development Report (ADR) provides updates and analysis of demographic and economic statistics and related development activity in the city of Ottawa. It supplements the new Official Plan (OP) Monitoring Report which measures other development and planning data indicators that are directly related to OP policy goals and objectives.

The ADR monitors population and employment change as well as housing, office, industrial, and retail development. In addition, the Annual Development Report provides information on the Québec part of the Ottawa-Gatineau Census Metropolitan Area (CMA) and the Greater Ottawa-Gatineau Area beyond the CMA, where possible, to provide a complete overview of the region.

Highlights of the 2023 ADR include:

- The estimated population for the City of Ottawa was up 1.5 per cent from 2022 to reach 1,083,550 on December 31, 2023.
- The estimated Greater Ottawa-Gatineau Area population grew 1.5 per cent to 1,629,791 on December 31, 2023.
- Net migration to Ottawa-Gatineau CMA increased 52.8 per cent between 2022 to 2023.
- Housing starts were down 14.3 per cent from 2022 with 8,632 new starts, 66.4 per cent of which were apartments.
- All employment clusters experienced growth in 2023, with the Industrial and Resource cluster leading the way, adding 12,500 new employees.
- The Knowledge cluster had the largest employment numbers with 192,600 employed in 2023.
- Ottawa's office vacancy rate increased from 11.2 per cent to 12.2 per cent

RÉSUMÉ

Le Rapport annuel sur l'aménagement (RAA) fournit des mises à jour et des analyses des statistiques démographiques et économiques et des activités d'aménagement correspondantes dans la ville d'Ottawa. Il complète le nouveau Rapport de suivi du Plan officiel (PO) qui permet de suivre d'autres indicateurs de données d'aménagement et de planification directement liés aux buts et objectifs des politiques du PO.

Le RAA permet de surveiller l'évolution de la population et des emplois, ainsi que l'aménagement des logements, des bureaux, des bâtiments industriels et des établissements de détail. Il apporte en outre de l'information sur la région métropolitaine de recensement (RMR) d'Ottawa-Gatineau et sur la grande région d'Ottawa-Gatineau au-delà de la RMR, dans les cas où il est possible de le faire, afin de donner une vue d'ensemble de la région.

Voici quelques faits saillants de 2023 :

- La population estimée de la ville d'Ottawa a augmenté de 1,5 pour cent par rapport à 2022 pour atteindre 1 083 550 habitants au 31 décembre 2023.
- La population estimée de la grande région d'Ottawa-Gatineau a augmenté de 1,5 pour cent pour s'établir à 1 629 791 habitants au 31 décembre 2023.
- La migration nette vers la RMR d'Ottawa-Gatineau a augmenté de 52,8 pour cent de 2022 à 2023.
- Les mises en chantier de logements ont diminué de 14,3 pour cent par rapport à 2022 pour s'établir à 8 632 nouvelles mises en chantier, dont 66,4 pour cent étaient des appartements.
- Tous les pôles d'emploi ont connu une croissance en 2023, le pôle industriel et le pôle des ressources ouvrant la voie, ajoutant 12 500 nouveaux employés.
- C'est le pôle des connaissances qui s'est enrichi du plus grand nombre d'emplois, soit 192 600 employés en 2023.
- Le taux d'inoccupation des bureaux d'Ottawa est passé de 11,2 pour cent à 12,2 pour cent.

BACKGROUND

The Annual Development Report (ADR) is produced each year by the Planning, Development and Building Services Department to review demographic and economic statistics and related development activity for the past year in the City of Ottawa. The 2023 and future editions will supplement the new Official Plan Monitoring report, which includes some of the growth indicators within previous versions of the ADR in addition to other development and planning indicators to monitor the progress towards OP policies, goals, and objectives.

DISCUSSION

The Annual Development Report (ADR) monitors Ottawa's population growth, housing market, and economic trends, offering valuable insights for urban planning and policy decisions. This report provides a snapshot of key developments in 2023 and highlights trends shaping the City's future.

Population

As of December 31, 2023, the estimated population of Ottawa reached 1,083,550, representing a year-over-year increase of 1.5 per cent. The broader Greater Ottawa-Gatineau Area recorded a total population of 1,629,791 residents. Within this total, the population of Gatineau rose to 310,387, also reflecting a 1.5 per cent annual growth. Ottawa-Gatineau is confirmed as Canada's fifth-largest Census Metropolitan Area (CMA) based on population.

The share of Ottawa's population residing inside the Greenbelt remained relatively stable at approximately 52 per cent in 2023. The balance of population growth inside and outside the greenbelt shows equal opportunities for net population growth between the two areas.

Migration data release is delayed by one year and the ADR 2023 reports on migration patterns that occurred up to 2022. From 2021-2022 Ottawa net migration rose sharply from 2021 to 2022, with the city welcoming 23,507 new residents, representing a 116 per cent increase. More than 90 per cent of this increase came from international migration and with broader national patterns of urban growth and reflects Ottawa's ongoing appeal as an economically vibrant and livable city.

Housing

Residential development in Ottawa continued to trend toward higher-density forms of housing in 2023. By year-end, the total number of households in the city reached 465,300, representing an increase of almost 2 per cent increase compared to 2022. Despite this growth, housing starts declined by 14 per cent, with a total of 8,632 new units initiated during the year.

Apartment construction constituted the majority of new starts, accounting for 5,733 units or 66 per cent of all housing starts, an increase from 54 per cent in the previous year. In contrast, single-detached starts decreased to 14 per cent, down from 21 per cent in 2022 and represents the lowest annual growth share measured in the last 20 years. Semi-detached starts represented 1 per cent of new construction, declining from 2 per cent, while rowhouse development also fell, comprising 18 per cent of starts compared

to 23 per cent in the previous year, also representing the lowest annual growth share measured in the last 20 years.

In terms of market activity, the average resale home price in Ottawa declined by 3.5 per cent, reaching \$667,794. The number of resale transactions also decreased, from 15,307 units in 2022 to 11,978 in 2023—a decline of 22 per cent.

The city's rental vacancy rate remained at 2.1 per cent, unchanged from the previous year and below the Official Plan's 3.0 per cent target. This continued low vacancy rate signals persistent demand pressure within the rental market.

Although sales volumes declined, Ottawa remained a seller's market throughout 2023. However, prevailing market conditions point toward an emerging trend of moderation and potential rebalancing in the coming period.

Economic

Ottawa's economy demonstrated stable growth in 2023, supported by continued gains in employment. According to Statistics Canada's Labour Force Survey, Ottawa's labour force expanded by 5.7 per cent, resulting in an increase of approximately 34,700 employed residents. While the unemployment rate rose marginally to 4.5 per cent, up from 4.2 per cent in 2022, it remained well below both the provincial average of 5.7 per cent and the national average of 5.4 per cent.

Employment gains were recorded across several sectors. The industrial and resource sector led with an addition of 12,500 jobs, with more than half, being 7,000 jobs, being attributed to the construction sub-sector. The retail sector followed closely, adding 9,900 jobs, while the government sector grew by 8,800 jobs. The knowledge sector experienced moderate growth, contributing 2,300 new jobs, and the office sector added 1,400 positions. Employment in the culture and tourism sector increased modestly by 300 jobs. Despite slower growth, the knowledge cluster retained its position as the city's largest employment sector, with a total of 192,600 workers.

In the commercial real estate market, Ottawa's office space inventory reached 4.1 million square metres (43.8 million square feet). The office vacancy rate rose to 12.2 per cent in 2023, up from 11.2 per cent the previous year. This increase reflects the continued impact of hybrid work models and shifting workplace requirements.

Retail market indicators showed a generally positive trend. The overall retail vacancy rate improved, decreasing from 3.6 per cent in 2022 to 2.9 per cent in 2023. Notably, power centres and regional shopping centres saw vacancy rates fall to 3.5 per cent, and community shopping centres dropped to 2.3 per cent. However, general retail spaces

recorded an increase in vacancy from 3.1 per cent to 4.6 per cent, suggesting emerging shifts in consumer preferences and retail dynamics.

FINANCIAL IMPLICATIONS

There are no direct financial implications.

LEGAL IMPLICATIONS

There are no legal impediments to receiving this report.

COMMENTS BY THE WARD COUNCILLOR(S)

This is a City-wide report – not applicable.

CONSULTATION

This report deals with research and analysis matters which do not require consultation or public notification.

ACCESSIBILITY IMPACTS

As Ottawa continues to be developed, the City is committed to ensuring accessibility for persons with disabilities and older adults. All City-controlled projects follow the City of Ottawa Accessibility Design Standards and the Accessibility for Ontarians with *Disabilities Act* (2005).

The 2023 Annual Development Report will be available in accessible format on the City website.

ASSET MANAGEMENT IMPLICATIONS

There are no direct asset management implications associated with the recommendations of this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications.

RURAL IMPLICATIONS

There are no direct rural implications associated with this report.

TERM OF COUNCIL PRIORITIES

This report monitors data related to the following 2023-2026 Term of Council Priorities:

- A city that has affordable housing and is more liveable for all;

- A city with a diversified and prosperous economy

SUPPORTING DOCUMENTATION

Document 1 – 2023 Annual Development Report

DISPOSITION

Planning, Development and Building Services staff will continue to monitor and report on changes to the city's population, housing, and economy on an annual basis.