

NO: R232

COUNCIL DATE: NOVEMBER 12, 2013

REGULAR COUNCIL

TO: Mayor & Council **DATE: November 12, 2013**
FROM: General Manager, Planning and Development **FILE: 4815-01**
SUBJECT: FCM National Housing Campaign – "Fixing Canada's Housing Crunch"

RECOMMENDATION

The Planning and Development Department recommends that Council:

1. Receive this report as information;
2. In support of the campaign launched by the Federation of Canadian Municipalities ("FCM") titled "Fixing Canada's Housing Crunch", adopt the resolution attached as Appendix I to this report titled the "Development of a Long-Term Federal Plan to Fix Canada's Housing Crunch"; and
3. Request that the Mayor, on behalf of City Council, forward a letter along with a copy the above-referenced Council resolution to the federal Minister of Employment and Social Development and the federal Minister for Multiculturalism that advises of the City of Surrey's strong support for the development of a new long term federal housing plan and forward a copy of the letter and resolution to each of the FCM, the provincial Minister of Natural Gas Development and Minister Responsible for Housing, Surrey's Members of Parliament and the UBCM.

INTENT

The purpose of this report is to provide information about the Federation of Canadian Municipalities' ("FCM") national campaign calling on all orders of government to focus on the high cost of housing as the most urgent financial issue facing Canadians and to seek a resolution of Council calling on the federal government to commit to a long-term plan for housing.

POLICY CONSIDERATIONS

The resolution contained in Appendix I on the "Development of a Long-Term Federal Plan to Fix Canada's Housing Crunch" responds to priorities contained in a number of the City's plans including:

- The Plan for the Social Well-Being of Surrey Residents;
- The Master Plan for Housing the Homeless in Surrey; and
- THIS Is How We End Poverty in Canada: Surrey Poverty Reduction Plan.

BACKGROUND

On October 28, 2013, the FCM launched a campaign that calls on the federal government and all political parties to work with provincial, territorial and municipal leaders, as well as the private sector, to develop a credible long-term housing plan for Canada.

FCM officials plan to take the campaign, entitled "Fixing Canada's Housing Crunch", to decision makers in Ottawa in the coming months in advance of the 2014 budget. As a first step, the FCM has requested that municipalities in every region of the country adopt a resolution calling for the federal government to take action.

As part of the campaign, FCM is launching an interactive website at www.fcm.ca/housingcrunch.

DISCUSSION

The high cost of housing in Canada is viewed by FCM as being an urgent financial issue facing Canadians for the following reasons:

- according to Statistics Canada and the Bank of Canada, rising housing costs have pushed Canadians' personal debts to record levels and are putting Canada's national economy at risk with Canadians carrying more than \$1.1 trillion worth of mortgage debt;
- a growing number of Canadians are being priced out of the housing market, putting pressure on a crowded rental market and crumbling affordable housing units, and forcing the most vulnerable citizens onto the streets; and
- compounding these problems is the looming expiry of \$1.7 billion in annual federal affordable housing dollars with the greatest drop in funding, being \$500 million a year, occurring between 2014 and 2019. This will put 200,000 units at risk and could lead to a crisis unless all orders of government take action.

The FCM has drafted a resolution titled the "Development of a Long-Term Federal Plan to Fix Canada's Housing Crunch" that is attached as Appendix I to this report and has requested that local governments in Canada adopt this resolution and forward it to the federal government in support of the FCM campaign.

Housing affordability is a particularly critical issue in the Metro Vancouver region, including the City of Surrey. Rising house prices, an aging rental housing stock and little new market and/or non-market rental housing supply along with the expiration of federal housing agreements are all issues that are impacting residents of Surrey now and which will be more pronounced in the future if the current circumstances as described above are not changed.

The City of Surrey has supported UBCM resolutions calling for a national housing strategy. The proposed FCM-drafted resolution, attached as Appendix I, is consistent with the City's past advocacy efforts.

SUSTAINABILITY CONSIDERATIONS

The resolution on the "Development of a Long-Term Federal Plan to Fix Canada's Housing Crunch" is consistent with and supportive of the objectives of the Sustainability Charter; more particularly action item "SC9: Adequate, Appropriate and Affordable Housing".

CONCLUSION

Based on the above discussion, it is recommended that Council:

- In support of the campaign launched by the FCM titled "Fixing Canada's Housing Crunch", adopt the resolution attached as Appendix I to this report titled the "Development of a Long-Term Federal Plan to Fix Canada's Housing Crunch"; and
- Request that the Mayor, on behalf of City Council, forward a letter along with a copy the above-referenced Council resolution to the federal Minister of Employment and Social Development and the federal Minister for Multiculturalism that advises of the City of Surrey's strong support for the development of a new long term federal housing plan and forward a copy of the letter and resolution to each of the FCM, the provincial Minister of Natural Gas Development and Minister Responsible for Housing, Surrey's Members of Parliament and the UBCM.

Original signed by
Jean Lamontagne
General Manager,
Planning and Development

AM:saw

Attachment:

Appendix I Resolution: "Development of a Long-Term Federal Plan to Fix Canada's Housing Crunch"

RESOLUTION**Development of a New Long-Term Federal Plan to Fix Canada's Housing Crunch**

WHEREAS, a stable and secure housing system that creates and maintains jobs and allows for a range of living options is essential to attracting new workers, meeting the needs of young families and supporting seniors and our most vulnerable citizens; and,

WHEREAS the high cost of housing is the most urgent financial issue facing Canadians with one in four people paying more than they can afford for housing, and mortgage debt held by Canadians now standing at just over \$1.1 trillion; and,

WHEREAS housing costs and, as the Bank of Canada notes, household debt, are undermining Canadians' personal financial security, while putting our national economy at risk; and,

WHEREAS those who cannot afford to purchase a home rely on the short supply of rental units, which is driving up rental costs and making it hard to house workers in regions experiencing strong economic activity; and,

WHEREAS an inadequate supply of subsidized housing for those in need is pushing some of the most vulnerable Canadians on to the street, while \$1.7 billion annually in federal investments in social housing have begun to expire; and,

WHEREAS coordinated action is required to prevent housing issues from being offloaded onto local governments and align the steps local governments have already taken with regard to federal/provincial/territorial programs and policies; and,

WHEREAS, the Federation of Canadian Municipalities (FCM) has launched a housing campaign, "Fixing Canada's Housing Crunch," calling on the federal government to increase housing options for Canadians and to work with all orders of government to develop a long-term plan for Canada's housing future; and,

WHEREAS FCM has asked its member municipalities to pass a council resolution supporting the campaign;

AND WHEREAS, our community has continuing housing needs, such as the urgent and immediate need for an additional 450 units of supportive housing to accommodate people who are homeless or at-risk of homelessness as identified in the Master Plan for Housing the Homeless in Surrey, that can only be met through the kind of long-term planning and investment made possible by federal leadership;

THEREFORE BE IT RESOLVED that council endorses the FCM housing campaign and urges the Minister of Employment and Social Development to develop a long-term plan for housing that puts core investments on solid ground, increases predictability, protects Canadians from the planned expiry of \$1.7 billion in social housing agreements and ensures a healthy stock of affordable rental housing for Canadians.

BE IT FURTHER RESOLVED that a copy of this resolution be sent to the minister noted above, to the BC Minister of Natural Gas Development and Minister Responsible for Housing, to Surrey's Members of Parliament, to the Federation of Canadian Municipalities and to the Union of BC Municipalities.