

Minister of Finance



Ministre des Finances

Ottawa, Canada K1A 0G5

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JAN 15 2020

Her Worship Lisa Helps  
Mayor  
City of Victoria  
mayor@victoria.ca

Dear Mayor Helps:

Thank you for your correspondence of December 9, 2019 and for your warm wishes. I also appreciate you sharing the City of Victoria's 2019-2022 Strategic Plan.

In your correspondence, you outlined the initiatives currently underway in Victoria to address housing affordability and expressed your eagerness in working with the Government of Canada to implement these projects. I applaud the efforts you are taking to address the various housing issues in Victoria. Every Canadian deserves a safe and affordable place to call home. Yet for many Canadians, finding an affordable place to call home is a challenge, especially in some of Canada's largest cities where the rising cost of living, limited housing supply, and strong population growth have pushed home purchase and rental costs beyond what many people can afford. By taking action on housing supply and affordability, you are ensuring that Canadians are closer to having a home they can afford and that meets their needs.

Our Government is committed to a comprehensive plan supporting housing affordability, in particular for those who are finding it increasingly difficult to purchase their first home. To that end, Budget 2019 announced a number of measures to make housing more affordable, boost supply in Canada's housing and rental markets, and increase fairness in the real estate sector. These include:

- Introducing the First-Time Home Buyer Incentive, a shared equity mortgage that would give eligible first-time home buyers the ability to lower their borrowing costs by sharing the cost of buying a home with the Canada Mortgage and Housing Corporation (CMHC).
- Increasing the Home Buyers' Plan withdrawal limit from \$25,000 to \$35,000, providing first-time home buyers with greater access to their Registered Retirement Savings Plan savings to buy a home.

Canada

- Extending the Rental Construction Financing Initiative to 2027-28 and expanding the program by an additional \$10 billion, for a total of \$13.75 billion in low-cost loans available under the program. This will help to build 42,500 new rental units across Canada.
- Launching a \$300 million Housing Supply Challenge to break down barriers that limit the construction of housing.

These measures build on our Government's previous investments to enhance housing affordability for those who need it most through the National Housing Strategy, a comprehensive 10-year, \$55-billion plan that prioritizes the most vulnerable Canadians and will see up to 125,000 new affordable housing units built, 300,000 units repaired and renewed, and chronic homelessness reduced by half.

On September 4, 2019, the Governments of Canada and British Columbia announced the launch of the Expert Panel on the Future of Housing Supply and Affordability. The six-person panel is chaired by Ms. Joy MacPhail, who is currently the Chair of the Insurance Corporation of British Columbia. The Expert Panel will identify and evaluate potential federal and provincial measures to address affordability and supply issues in British Columbia's high-priced markets and deter unwarranted demand. The Expert Panel will complete their work and provide a report to the Ministers of Finance of British Columbia and Canada by the end of 2020.

The panel is being supported by the Government through a secretariat established by CMHC, led by Mr. Evan Siddall as Executive Secretary. Therefore, I have forwarded a copy of your correspondence and Victoria's 2019-2022 Strategic Plan to CMHC, given its role regarding the Expert Panel.

Thank you for writing.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Bill Morneau".

The Honourable Bill Morneau, P.C., M.P.

c. Mr. Evan Siddall, President and CEO, Canada Mortgage and Housing Corporation