

Minister of
Families, Children and
Social Development



Ministre de
la Famille, des Enfants et
du Développement social

Ottawa, Canada K1A 0J9

MAYOR'S OFFICE
MAY 12 2016
VICTORIA, B.C.

Her Worship Lisa Helps
Mayor
City of Victoria
1 Centennial Square
Victoria BC V8W 1P6

MAY 03 2016

Dear Mayor Helps:

Thank you for your February 9, 2016, letter to the Prime Minister, the Right Honourable Justin Trudeau, in which you raise concern over the availability of affordable housing for seniors and request that the federal government identify mechanisms to support the refurbishment and retention of affordable rental housing. I am pleased to respond to the matters you raised in your letter.

I commend the City of Victoria for its commitment to taking a leadership role in finding innovative and creative ways to support affordable housing, such as through inclusionary zoning and incentives for secondary and garden suites.

Helping vulnerable Canadians find sound, suitable and sustainable housing is a priority for the federal government. As a demonstration of this, the recent federal budget contained over \$2.3 billion in new housing investments over the next two years. This will include \$200 million over two years to build new and renovate existing affordable housing for seniors.

In addition, the federal government is more than doubling investments under the Investment in Affordable Housing (IAH) program by providing an additional \$502 million over the next two years, bringing the total federal investment through the IAH close to \$1 billion. More than 100,000 households could benefit from new construction and repair of existing affordable housing, or rental assistance to improve affordability.

The Budget also announced two new initiatives to help increase the supply of affordable rental housing units. The Affordable Rental Housing Innovation Fund will provide \$208 million over five years to assist municipalities and rental housing proponents in developing, testing and launching new funding and operating models, and partnerships with the private sector to help leverage new sources of capital to develop more affordable units that do not require ongoing government subsidy.

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In addition, the federal government will provide low-cost financing to municipalities, non-profit and for-profit developers for the construction of affordable rental housing through a new Canada Mortgage and Housing Corporation \$2.5 billion lending initiative. Loans through this initiative will cover the most risky and therefore costly phases of development, which will in turn lower the costs and risks associated with the development of rental housing and attract investment from private sector developers, operators and lenders.

These measures will address the pressing needs of low-income and vulnerable Canadians in the short-term. Over the coming year, the federal government will also undertake consultations on a new approach through the development of a national housing strategy. We will work closely with provinces, territories and municipalities, Indigenous and other communities, and key stakeholders to develop a strategy that meets the housing needs of Canadians.

There is a role for all levels of government in the provision of housing. Finding the right approach will be part of discussions with municipalities and others. I encourage you to take part in this very important process and look forward to working with you to improve housing outcomes for your community and all Canadians.

Yours sincerely,



The Honourable Jean-Yves Duclos, P.C., M.P.
Minister of Families, Children and Social Development