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Federal Election 2019

Despite Peoples Party of Canada leader Maxime Bernier being excluded from the Federal Leadership Debate because of no representation in Parliament, we have invited all parties to attend the Markham-Unionville All Candidates Meeting with details below.



Event : Markham-Unionville All Candidates Meeting - Federal Election 2019

Date : September 9th 2019 (Monday)

Time : 7:00 PM – 9:00 PM

Venue: Markham Panam Centre (community room 3-4)

Hosted By : Unionville Villagers Association UVA Unionville Residents Association URA South Unionville Residents Forum SURF

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Future Urban Area continues to move forward

York Region has approved the Secondary Plans for two of the large tracts within the Future Urban Area, with only minor changes from what was approved by Markham last November (see URA Newsletter, December 2018 for details). The two Secondary Plan areas are:

- ✓ Robinson Glen (between Major Mac and Elgin Mills, east of Kennedy to Robinson Creek), with 4,800 planned residential units
- ✓ Berczy Glen (between Major Mac and Elgin Mills, west of Warden to Hydro Corridor), with 4,200 planned residential units

The Secondary Plans have clear recognition of the need to phase development consistent with transportation infrastructure, but detailed phasing plans have yet to be developed.

Several complete applications by developers for parcels within the Berczy Glen area have been submitted, and presumably will now be processed by staff.

URA will continue to monitor the Future Urban Area closely.



Back-to-Back Town Homes Approved for Markham



Mattamy Homes, a major developer, is proposing a new housing type for Markham, namely back-to-back townhouses. These are similar to traditional townhouses with the garages in the front. But the units share walls on both sides and on the back, so have no rear yard amenity space. The amenity space is usually a rooftop terrace or a balcony facing the street.

This housing form came before Markham Council in May. Some councilors expressed concerns, due to the lack of windows and resulting perceived “darkness” inside the units. Others correctly compared them to condo apartments which also share walls on three sides. It was pointed out that these units were \$150K lower cost than traditional townhouses, helping housing affordability, and that Markham should approve these housing types if the City was serious about affordability.

In the end, Council did approve this new housing type.

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First Time Home Buyer Incentive

The Canadian Housing Market has cooled down since the inception of the stress test by the Office of the Superintendent of Financial Institutions OSFI in 2018. The housing market reached its lowest level since 2010 aggravated by the US-China trade war which caused home buying to slow in early 2019.

However, the housing market apparently has picked up after spring 2019. The RBC August 15th, 2019 Housing Market Report headlined "Market getting over the stress test", showed that resales picked up 3.5% in June and 12.6% compared to a year ago. This is reinforced by Vancouver with a sales gain of 26%, Calgary and Edmonton with moderate growth and Montreal and Ottawa getting hot. Housing markets across Canada were helped by a combination of strong job and population growth. BMO senior economist Sal Guatieri, the keynote speaker of the URA 2017 Housing Forum, asserted "With few exceptions, the market has absorbed earlier measures and is now warming without overheating."

Economists appear to have changed their tune from a housing bubble burst to a soft landing. The stress test did cool the overheated house market, but the 2% additional interest hurt affordability for millennials, as the allowable mortgage (2.83%, 5-yr) limit for a \$100,000 annual income decreased from \$727,000 to \$560,000.



To help housing affordability for millennials, the Federal Liberals announced the \$1.25B Shared Equity Interest-Free First Time Home Buyer Incentive, to take effect September 2nd, 2019. First Time Buyer rules will require

- ✓ one person who has never owned a home or lived with a spouse who owned a home in last 4 years
- ✓ household family less than \$120,000
- ✓ buyer needs to have 5% down payment
- ✓ amount borrowed cannot exceed 4 times household income
- ✓ loan will be repaid within 25 years but based on the assessed value at the time

It is unclear how the first-time buyer incentive will play out, as millennials also see housing as an investment and will be reluctant to share the increased equity. However, it will give a positive signal to the market and may also lead to tighter policy once the market heats up again from any upcoming interest rate reduction. So is government helping millennials or using millennials as bait to manage the market -- your call!!

Federal-Provincial Bilateral Housing Agreements

An RBC research report on housing trends and affordability in March 2019 reported that Canadians spent 51% of their income on housing, with Vancouver as high as 84.7%, Toronto 66.1%, Montreal 44.5%, Ottawa 40.6%, Calgary 40.3% and Edmonton 34.8%. According to the Frontier Centre for Public Policy in 2016, house prices have increased 3-fold since 2000, squeezing household disposable income and affecting quality of life. House affordability tends to be more stable if supply matches demand. But the paradox is that developers are out to make a profit and not to solve affordability, unless required for government compliance.

The Federal Government announced a \$40B National Housing Strategy in the 2017 budget to help 1.75 million families, including the funding of 500,000 existing social housing units, adding 100,000 new affordable units by 2028 and cutting chronic homeless by 50%. The \$40B was increased to \$55B by 2019 to include provincial matching funding, which also includes a \$200 per month Canada housing benefit for 300,000 families, topped up by provincial subsidy by 2020.

The federal and provincial governments have been actively negotiating bilateral agreements and have reached the following 10 year housing funding agreements. At the same time, CMHC has also reached agreements with provinces on a 3 year social housing commitment



Federal provincial 10 yr and CMHC 3 yr agreements

	Federal 10 yr	CMHC 2019-22
British Columbia	\$1B	\$39.6 million
Alberta	\$678 million	\$26.0 million
Saskatchewan	\$449 million	\$30.8 million
Manitoba	\$450 million	\$16.8 million
Ontario	\$4.2B	no agreement
Quebec	no agreement	no agreement
New Brunswick	\$300 million	\$13.5 million
Nova Scotia	\$394 million	\$20.6 million
Prince Edward Island	\$ 15 million	no agreement
Newfoundland Labrador	\$270 million	\$13.5 million
Yukon	\$102 million	\$ 7.7 million
Northwest Territories	\$140 million	\$15.0 million
Nunavut	\$316 million	\$15.0 million

The Federal funding is for domestic violence, seniors, Indigenous people, individuals and families experiencing homelessness, people with disabilities, people with mental health and addiction issues, veterans, young adults, racialized groups and newcomers. According to a Federal government report on "Housing Needs for Seniors", 19.4% of seniors have affordability issues. It is unclear how much funding will be allocated for seniors. However, with 9.1 million baby boomers entering retirement, affordable senior living is not an issue to take lightly.

URA will continue to advocate for more affordable housing for seniors.

