

City of Brockville Council Meeting

Tuesday, March 12, 2019, 7:00 pm City Hall, Council Chambers

Council Minutes

Council Members Present:

Mayor Jason Baker

Councillor Jeff Earle

Councillor Jane Fullarton

Councillor Mike Kalivas

Councillor Leigh Bursey

Councillor Larry Journal

Councillor Cameron Wales

Councillor Nathalie Lavergne

Councillor Matt Wren

Staff:

Sandra MacDonald, City Clerk
David Dick, Director of Corporate Services
Peter Raabe, Director of Environmental Services
Robert Nolan, Director of Economic Development

MOTION TO MOVE INTO CLOSED SESSION (6:45 PM)

Moved by: Councillor Journal Seconded by: Councillor Bursey

THAT pursuant to *Municipal Act*, 2001, Section 239 Sub. 2 (b), Council resolve itself Closed Session, closed to the public to consider:

1. personal matters about an identifiable individual, including municipal or local board employees;

Carried

CLOSED MEETING MATTERS

The meeting was called to order at 7:08 pm.

REPORT OF THE CLOSED SESSION

Moved by: Councillor Lavergne Seconded by: Councillor Kalivas

THAT Council rise from the Closed Session without reporting.

Carried

MAYOR'S REMARKS

Mayor Baker noted the upcoming fundraiser for Big Brothers Big Sisters of Leeds Grenville and he encouraged members of council and the public to participate.

1. First 90 Days

Mayor Baker reviewed the accomplishments of the first 90 days of this council.

DISCLOSURE OF INTEREST

Nil.

ADOPTION OF COUNCIL MINUTES

Moved by: Councillor Wales

THAT the minutes of the Council Meeting of February 26, 2019 be adopted and circulated as read.

Carried

CORRESPONDENCE, COMMUNICATIONS AND PETITIONS

1. Appointments to Boards and Committees (Heritage and BCAC)

Moved by: Councillor Fullarton

THAT Jay Martin be appointed to the Heritage Brockville Committee whose term will expire November 14, 2022; and

THAT Lauren Pringle be appointed to the Brockville Cycling Advisory Committee whose term will expire November 14, 2022; and

THAT Peter Lewis be removed from the Brockville Cemetery Board; and

THAT the necessary bylaw be enacted.

Carried

DELEGATIONS

Development Charges (M. Veenstra)

M. Veenstra addressed Council with respect to a request to waive development charges for Wildwood Subdivision Phase 3. (*Note: A copy of his remarks and supporting material are attached to the minutes.*)

2. **Township of Elizabethtown-Kitley**

Mayor Burrow along with Councillor Christina Eady, Councillor Tom Linton and Councillor Susan Prettejohn were in attendance. Mayor Burrow spoke of the desire of the Elizabethtown-Kitley Council to work collaboratively with Brockville Council.

PLANNING AND OPERATIONS COMMITTEE

Councillor M. Kalivas, Chair Councillors L. Bursey and C. Wales J. Sterritt, Citizen Appointee Meeting Date March 5, 2019

POC - CONSENT AGENDA

Moved by: Councillor Kalivas

THAT the following items, as listed on the Planning and Operations Committee agenda are recommended to be passed by Consent Agenda:

For: Councillor Kalivas, Councillor Earle, Councillor Fullarton, Mayor Baker, Councillor Bursey, Councillor Journal, Councillor Wales, Councillor Lavergne, and Councillor Wren

Against: Nil

Carried 9-0

1. **2019-031-03**

Request for Development Charges Freeze for up to Seven (7) years - Wildwood Subdivision Phase III

THAT the request by Mr. Michael Veenstra, on behalf of Spring Valley Homes, that Development Charges, as they apply to Hunters Hills Subdivision-Wildwood Crescent, Phase III, be held at the current rate for up to seven (7) years be denied.

2. **2019-035-03**

Proposed Amendments to the Official Plan and Zoning By-law 050-2014, 6 Osment St. Brockville,

Owner: Thermo Stor Inc. Agent: Zanderplan Inc.

THAT Official Plan Amendment No. 11 respecting lands described as Lots 11 to 14, Block 17, Lots 40 to 43 and Part of Lots 36, 38 & 39, Block 19 and Part of Edgewood Avenue (closed by By-law No. C-791), City of Brockville, County of Leeds, with municipal address 6 Osment Street, to add a new site specific policy to permit a "Self-Service Storage Facility" and associated

screened "Outside Storage" in addition to all other uses permitted within the Corridor Commercial Area, be approved;

THAT Zoning By-law 050-2014 be amended for lands described as Lots 11 to 14, Block 17, Lots 40 to 43 and Part of Lots 36, 38 & 39, Block 19 and Part of Edgewood Avenue (closed by By-law No. C-791), City of Brockville, County of Leeds, with municipal address 6 Osment Street, to permit a "Self-Service Storage Facility" in addition to uses already permitted within the C2 – General Commercial Zone, with separate storage units not exceeding 30.0 sq m., as well as associated screened "Outside Storage" being permitted the front yard, but not closer than 4.0 metres to the front lot line.

THAT the necessary by-laws, be enacted.

POC - REGULAR AGENDA

2019-030-03 Development Charge Background Study and By-law

Moved by: Councillor Kalivas Seconded by: Councillor Bursey

THAT the City retain a consultant to complete a Development Charges Background Study as well as to develop a proposed by-law based upon the results of the study; and

THAT the Development Charges Background Study be funded from the Growth Management Reserve Fund and the Fiscal Policy Reserve Fund.

THAT this be contingent on consultation with the Province regarding changes to the Development Charges Act.

Deferred to the Planning and Operations Committee Meeting of April

Motion to Defer

Moved by: Councillor Kalivas

THAT Staff Report No. 2019-030-03 be deferred to the POC meeting in April pending further details of proposed changes to the Development Charges Act by the Province.

Carried

For: Councillor Earle, Councillor Fullarton, Mayor Baker, Councillor Kalivas, Councillor Bursey, Councillor Journal, Councillor Wales, Councillor Lavergne, and Councillor Wren

Against: Nil

Carried 9-0

ECONOMIC DEVELOPMENT, RECREATION AND TOURISM COMMITTEE

Councillor J. Fullarton, Chair Councillor M. Wren J. Barabash and T. Barnes, Citizen Appointees Meeting held March 5, 2019

EDRTC- CONSENT AGENDA

Moved by: Councillor Fullarton Seconded by: Councillor Lavergne

THAT the following items, as listed on the Economic Development, Recreation and Tourism Committee agenda are recommended to be passed by Consent Agenda

For: Councillor Earle, Councillor Fullarton, Mayor Baker, Councillor Kalivas, Councillor Bursey, Councillor Journal, Councillor Wales, Councillor Lavergne, and Councillor Wren

Against: Nil

Carried 9-0

1. 2019-029-03 Tall Ships Festival Update

To provide Members of Council updated information regarding the Tall Ships Festival.

2. **2019-036-03**

Visitor Wayfinding Signage Image And Design Standards Development

THAT the City of Brockville's Economic Development Department establish a working group including the DBIA, Tourism Office, Chamber of Commerce, Heritage Brockville and the City's Economic Development, Operations and Planning Departments to work with a signage firm to create an image and design standards and to establish an permitting process for visitor wayfinding signage; and

THAT the City's develop a visitor wayfinding signage permitting application process that will include the image and design standards; and

THAT all City attractions and partners be encouraged to use the design standards for visitor wayfinding signage and site identification.

BY-LAWS

- 023-2019 By-law to Adopt Amendment Number 011 to the Official Plan for the City of Brockville (Lots 11 to 14, Block 17, Lots 40 to 43 and Part of Lots 36, 38 & 39, Block 19 and Part of Edgewood Avenue (closed by By-law No. C-791), City of Brockville
- 024-2019 By-law to Amend City of Brockville Zoning By-law 050-2014 (Lots 11 to 14, Block 17, Lots 40 to 43 and Part of Lots 36, 38 & 39, Block 19 and Part of Edgewood Avenue (closed by By-law No. C-791), City of Brockville
- 025-2019 A By-Law to provide the budgetary control policies, practices and procedures by the City of Brockville, known as the "Budgetary Control By-Law"

026-2019 A By-law to amend 083-2018 Being a By-law to Appoint Members to Various Boards and Commissions (Heritage/BCAC/Cemetery)

READING OF THE BYLAWS

Moved by: Councillor Kalivas

Seconded by: Councillor Lavergne

THAT By-laws Numbered 023-2019 to 026-2019 be introduced and the same be now read a first, second and third time, signed by the Mayor and Clerk, sealed with the Seal of the Corporation and be recorded.

Carried

CONFIRMATORY BYLAW

Moved by: Councillor Kalivas

Seconded by: Councillor Lavergne

THAT By-law Number 027-2019 to confirm the Proceedings of Council at its meeting held on March 12, 2019 be read a first, second and third time, signed by the Mayor and Clerk, sealed with the Seal of the Corporation and be recorded.

Carried

MAYOR'S ANNOUNCEMENTS

Mayor Baker congratulated RM Fitness on their grand opening today.

MEDIA QUESTION PERIOD

City of Brockville				
Council Meeting Minutes -	- Tuesday,	March	12,	2019

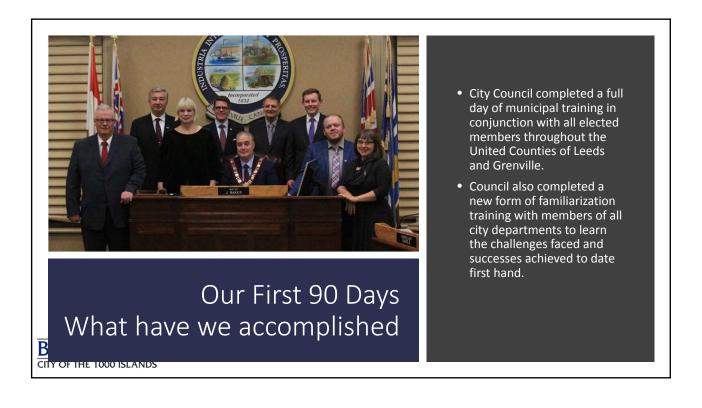
ADJOURNMENT

ADJOURIMENT	
Moved by: Councillor Kalivas Seconded by: Councillor Lavergne	
THAT Council adjourn its proceedings until the next regular meeting schedule March 26, 2019.	ed for
	Carried
The meeting adjourned at 7:47 pm.	
Mayor City Clerk	

Tuesday March 12, 2019

Our First 90 Days

BROCKVILLE
CITY OF THE 1000 ISLANDS





- Created a new standing committee structure that includes direct input from community members.
- Created an additional committee where the three chairs of the standing committee help facilitate council driven priorities at committee level.
- Committed to record every vote of standing committee and council
- Budgeted to implement streaming of every meeting of these same groups

Change and New Ideas

What have we done in 90 days?

- Passed a Code of Conduct Policy for Staff, City Council and Committees
- Passed a conflict of Interest by-law and hired an Integrity Commissioner
- Moved to implement tighter controls on oversight and committee spending by implementing KPMG findings
- Established an annual Community Appreciation Award where each member of council had the opportunity to present an award of appreciation based on their own criteria.



Better in Brockville

- Continued to support Economic Development through a regional effort.
- Continued to work with the Eastern Ontario Mayor's group which combines all separated municipalities from Peterborough to Cornwall.
- Councillor Wales was elected Zone 7 representative for Rural Ontario Municipalities Association.
- Began meeting with the Young Professional's Network to form a partnership to help keep our talent home.



What have we done in 90 days?

- Struck a Transit Review Committee
- Scheduled a Citizen's Fair to coincide with local government week in October
- Reached out to our immediate neighbours to foster better relations
- Supported regional improvements to ambulance service to our rural partners
- Committed to review Emergency Services Bldg.
- Received Youth Friendly Community designation
- Began reviewing our winter control by-law



What have we done in 90 days?

 Passed in affect a 0% increase on our water budget



What have we done in 90

days?

Passed a City Budget increase of 1.99%

Which includes:

- The full amount of the Aquatarium requirement for 2019
- \$500,000 contribution to community recreation development reserve
- Contributes an additional \$300,000 to capital spending
- Fully funds the operating needs of the city
- Maintains the city's infrastructure



Tourism

- Established the criteria for and approved the 2019 Tourism implementation plan for The Municipal Accommodation Tax.
 Council developed a plan for how the MAT fund can help provide transitional funding needed by the Aquatarium while reducing the requirement that it be sourced from reserves and or taxation
- Tourism program will continue to see more money from the MAT fund to help advance tourism marketing and development.



Tourism

- The City through the Mayor's office and in conjunction with the Tourism office are finalizing details with a production company. This could have the city hosting an episode of a television program to be shot in Brockville this coming August.
- The Tall Ships Festival also scheduled for August has presented an update stating they are on schedule and on budget.
- Proposal for a new illuminated letter box sign for the water front coming to EDRTC.



Tourism

- Established a working group to create a new Light Up Downtown Christmas event.
- Blockhouse Island to be a seasonal music and light display to attract citizens and visitors downtown during December Christmas shopping season. Potential to expand it to Courthouse Square and King Street as well.



Economic Development

- 1 Hotel under construction in North End
- 1 Hotel under construction in South End
- 1 Hotel seeking building permission with City Planning Dept.



Economic Development – Senior Living

- Wall Street Village working on full occupancy soon. Project on budget. The \$500k contingency the city provided will not be required.
- Royal Brock Expansion well underway



Economic Development - Commercial

- StarBucks, Popeye's Chicken, Wendy's,
- Planet Fitness, Exit Realty, RM Fitness, Micro Brewery and more all either open or under construction.



City Manager Recruitment

- City Council formed a selection committee and hired a professional recruitment firm to help facilitate a search for our next City Manager
- That selection committee reviewed numerous applications and conducted first round interviews with a short list of applicants.
- Full council then was involved in the process and unanimously supported one person and we now have a signed employment contract with our selected candidate.
- An official announcement will be made Friday, March 15th



The bandwagon is rolling

- We know where we want to go.
- We recognize what we have to improve.
- We are all on the same page.
- and we invite all of you to hop on board.



Mayor Baker and Brockville City Council

I am meeting you all this evening to follow up on my recent request for a fair and reasonable agreement on freezing Development Charges.

I understand that there is a move to do another costly study, and there is possibly new provincial legislation related to housing coming into effect, as noted recently in the Recorder and Times.

I believe you are prudent to wait until this matter is clarified on a provincial level before making any decisions regarding the study.

With that said I have had discussions with a couple of my colleagues in our local house building industry, and we are all concerned about costs to build and the housing markets. We were building in the recession of 2008-2009 and experienced the reduced sales and growth for several years afterward.

The local builders are in a similar position right now. The huge stock market correction in December 2018 is hopefully past us, however we are very concerned about how the market has decreased and when it will return.

Mortgages are decreasing - Vancouver's housing market has declined 33% - Canadian household debt is the highest of the G7 countries - Home construction has hit a 3 year low even though our population growth continues to increase.

The share and equity markets rebound much quicker than the housing market. The recovery of the housing market has a much longer and delayed response time lasting up to 4 years, based on previous market corrections.

The Brockville City Council of the 2008 Recession Period wisely 2.

recognized that fact, and made the decision to engage with the builders to find a win-win solution.

The result was to eliminate development charges and to help stimulate building activity by reducing costs. All by creating a supportive and favourable working environment. Houses got built, trades and suppliers were able to survive, and investment occurred, the result for the City was that it benefitted from the increasing tax base, with new disposable income also being spent in Brockville stores.

The same thinking and action still applies today. However we would also like better communication and interaction with city staff.

As local builders, we are not asking for a handout, we are seeking relief from the potential of a new incurred cost to keep our product affordable.

Respectfully,

Michael Veenstra On behalf of the Brockville Builders

Copy: Brockville Builders file Ron Zajac

Brockville Builders | Dev. Chg
s | March 12 $^{\rm th}$ 2019 | 7:00 PM | Brockville Council Chambers

Sandra MacDonald

From: Michael Veenstra <wilddwoodcrescent@gmail.com>

Sent: March-12-19 7:50 PM **To:** Sandra MacDonald

Subject: Brockville Builders sub. 1 | Canada's Housing Market Is Breaking Some Alarming

Records Right Now | HuffPost Canada

https://www.huffingtonpost.ca/

Canada's Housing Market Is Breaking Some Alarming Records Right Now

At least we aren't Australia.

Daniel Tencer



vkyryl via Getty Images

It's quiet out there. Maybe too quiet.

Canada's residential real estate market has slowed considerably over the past year, a fact the industry chalks up to a tough new mortgage stress test and rising interest rates.

This is having an impact on the broader economy. Canada's GDP growth slowed to a snail's pace of 0.4 per cent annualized in the fourth quarter

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of 2018, dragged down in part by falling residential investment, which has slid 7.5 per cent over the past year.

Watch: The extreme measures Canadians go through to buy a house. Story continues below.

Canada is not alone. Housing markets from New York City to China are slowing, in the face of rising borrowing costs and — in many cases — years of rising prices that have pushed homes out of affordability range for many.

Other factors are playing out worldwide as well, such as the retreat of China's burgeoning investor class, which has pushed up demand for housing all over the world outside China — maybe nowhere more so than Australia.



zetter via Getty Images

Apartment buildings overlooking the harbour waters in Sydney, N.S.W., Australia, with the skyline in the background. Sydney house prices are falling at their fastest pace in decades.

There, the housing market is in full-blown correction mode, with prices in Sydney and Melbourne falling at their fastest pace in decades. Experts recently warned the country may be in for <u>its worst housing downturn in 130 years</u>.

So far at least, there are no prognoses that dire for Canada's housing markets. But we are breaking some multi-decade records these days that suggest this may be more than just a short readjustment to new mortgage policies.

Here are four record-breaking phenomena that suggest we have reached a real turning point in Canadian real estate.

1: For the first time ever, there are fewer mortgages in Canada than a year ago

The Canadian Bankers Association <u>reports</u> there were 4.756 million mortgages on the books of Canada's 10 largest banks at the end of October, 2018. That's down 0.3 per cent from the same period a year earlier.

According to data analyst Stephen Punwasi at Better Dwelling, it's <u>the first time on record</u> that the number of mortgages has declined over a one-year period.

Essentially, old mortgages are coming off the books at Canadian lenders faster than new borrowers are showing up. This is all the more remarkable when you consider that those old mortgages were issued decades ago, when Canada's population was smaller.

2: Vancouver's housing market hasn't been this quiet since 1985

Greater Vancouver clocked 1,484 home sales in February of this year, a nearly 33-per-cent decline from a year earlier and the lowest tally for a February since 1985, <u>according to</u> prominent local realtor and blogger Steve Saretsky. A mere 98 single-family homes changed hands.

This is all the more remarkable when you consider that the region's population back in 1985 was about three-fifths as large as it is today. On a per capita basis, this might actually be the slowest housing market the city has seen since the Great Depression.

Earlier on HuffPost Canada:

- Canadian Housing Market This Bad Normally Means Recession: BMO
- Canada's Average House Price Back To 2015 Levels
- Western Canada's Housing Markets Have Become A Rough Investment

As the country's least affordable market, Vancouver was always the most exposed to the mortgage stress test and rising interest rates. Couple that

with the provincial foreign buyers tax and a new municipal vacant home tax, and you have a recipe for a slowdown.

Not to mention — as the head of the city's real estate board told HuffPost Canada last year — prices have simply <u>risen too high for local buyers</u>. There's no one around to buy at these prices.

3: Canadian household debt is growing at the slowest pace in 36 years

The amount of debt Canadians hold has been growing for decades, both in absolute terms and relative to incomes, and this holds true through good times and bad.

So it's certainly significant that the pace of household debt growth has slowed to its weakest pace since 1983, up 3.1 per cent in January from a year earlier, according to data from the Bank of Canada.

With Canadians carrying the largest debt burden among G7 countries, slowing down the rate of debt growth was one of the goals of the mortgage stress test. On this point at least, we can call the policy a success.

4: Home construction hits a 3-year low, as population growth booms

Home construction in Canada took a 13.6-per-cent dive in February, according to Canada Mortgage and Housing Corp., dropping to an annual pace of around 173,000. That's the lowest number of housing units to start construction in more than three years.

Developers are clearly spooked by the slowdowns in some of Canada's largest markets, and have pulled back on new projects.

But that pull-back comes at a time when demand for new homes is accelerating. Faced with a growing labour shortage caused by Canada's aging population, the federal Liberals bumped up immigration levels to above the 300,000-per-year mark in recent years.

The result is that Canada's <u>population growth is the fastest in the G7</u>, and the fastest Canada has seen since the 1980s. Greater Toronto alone is seeing its population grow by around 100,000 people per year, explaining why rents and condo prices continue to surge even as affordability hits its worst level in decades.

Between policies encouraging faster population growth and policies encouraging slower house price growth, it's anyone's guess how this will play out.

Sandra MacDonald

From: Michael Veenstra <wilddwoodcrescent@gmail.com>

Sent: March-12-19 7:51 PM **To:** Sandra MacDonald

Subject: Fwd: Brockville Builders sub 2. | Deep freeze in housing market suggests mortgage

rules have overshot their mark | Financial Post

https://business.financialpost.com/real-estate/deep-freeze-in-housing-market-suggests-mortgage-rules-have-overshot-their-mark

Deep freeze in housing market suggests mortgage rules have overshot their mark

Haider-Moranis Bulletin: A decline in sales in January 2018 was expected, the decline this January was disturbing

Haider-Moranis Bulletin

Murtaza Haider and Stephen Moranis February 21, 2019 11:36 AM EST

The deep freeze in the Canadian housing markets continues. The latest housing market stats show that housing sales and prices in January were lower than the ones recorded a year earlier.

1

A retrospective view of the housing markets raises significant concerns. The impact of stringent mortgage regulations appears to be longer lasting than was initially expected.

In January 2018, housing sales declined after stricter mortgage regulations, including a stress test, were enacted. The January 2019 numbers are the first piece of evidence suggesting that housing market slowdown is deeper rooted than a direct and immediate reaction to policy interventions.

The sustained slowdown in housing markets presents at least two alternatives to the government. The first alternative is to maintain the status quo and do nothing. The second alternative is to rethink the policy interventions made in the recent past and see if there is any new evidence that warrants a change in policy.

The decline in housing sales in January 2018 was expected. A whole host of new regulations designed to tighten mortgage lending became effective on the first day of January last year. Sales in December 2017 were higher than usual as households rushed to close deals to avoid being subject to stricter mortgage regulations a month later.

When January 2018 sales were 14.5 per cent lower than the month before, there was no surprise, and the decline was attributed to the new stress test. Similarly, year-over-year sales were down 2.4 per cent from January 2017.

The January 2019 sales figures are more disturbing. Compared to the year before, sales last month were down by four per cent. In fact, the Canadian Real Estate Association (CREA) revealed that sales in January 2019 have been the weakest since 2015.

In addition to sales, housing prices have also softened. The average house price across Canada was \$455,000, 5.5 per cent lower than the same time last year.

The January 2019 statistics offer the first opportunity to compare the annual change in housing market dynamics after the stress test came into effect. The decline in last month above and beyond what was observed a year ago is indicative of the fact that the markets are not

merely reacting to new regulations, but the markets have embraced a more systematic response that is characterized by fewer transactions and lower prices.

The weakness in housing markets also affects mortgage lending, a business The Big Five banks continue to dominate in Canada. The continued slowdown in housing sales may have influenced banks' mortgage portfolios — the first signs of such an effect could soon be visible when the banks release their updated earnings report in the coming days.

The past few weeks have witnessed diverse voices both questioning and supporting the efficacy of the more stringent mortgage regulations. Some believe that stress tests are working fine. Phil Soper, CEO of Royal Lepage, thinks that the stress tests are needed "for the longer term health of the economy."

Others believe that the stress tests have adversely impacted homebuyers who are either unable to buy at all or are forced to consume less adequate shelter space than they would have afforded in the absence of stress tests.

After reviewing the sustained decline in housing sales, Dave Wilkes, President and CEO of the Building Industry and Land Development Association (BILD), believes that the stress test "has overshot its target."

BILD has advanced two proposals for the feds to contemplate. First, to consider lowering the stress test threshold that requires borrowers to qualify at 200 basis points above the contracted rate. As the interest rates have been revised upwards since the stress test was implemented, there is merit in reviewing the threshold.

Housing trade groups are also advocating to reintroduce the 30-year amortization for CMHC insured mortgages, which was available until July 2012.

First-time homebuyers are likely to benefit more from these changes. The ability to stretch the amortization period to 30 years lowers the monthly payment and allows many to participate in homebuying who

would otherwise be forced to rent at a time when rental vacancy rates are at historic lows in large urban housing markets.

Critics of the 30-year mortgage point out its two obvious shortcomings. First, borrowers end up paying considerably more in interest. Second, longer amortization periods contribute to house price inflation.

Good public policy should be responsive and rooted in evidence. Recent housing market data indicates that the impact of tighter mortgage regulations has been longer lasting than what most housing experts expected. A course correction might be a prudent way forward.

Murtaza Haider is an associate professor at Ryerson University. Stephen Moranis is a real estate industry veteran. They can be reached at www.hmbulletin.com.

Sandra MacDonald

From: Michael Veenstra <wilddwoodcrescent@gmail.com>

Sent: March-12-19 7:53 PM **To:** Sandra MacDonald

Subject: Sub 3. | Deep freeze in housing market suggests mortgage rules have overshot their

mark | Financial Post

https://business.financialpost.com/real-estate/deep-freeze-in-housing-market-suggests-mortgage-rules-have-overshot-their-mark

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Murtaza Haider is an associate professor at Ryerson University. Stephen Moranis is a real estate industry veteran. They can be reached at www.hmbulletin.com.