

March 2, 2012

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Your Worship,

SUBJECT: INVESTMENT AND ECONOMIC PROSPERITY COMMITTEE

Given the vital and, indeed, pivotal role housing plays in our economy, we were very surprised to learn that housing was not included as one of the areas of focus established for the Investment and Economic Prosperity Committee chaired by Councilor Swan.

Case in point: the City's decade worth of investment of \$2M per year in affordable housing has leveraged \$64M in federal/provincial funding and \$74M in private sector and not-for-profit equity and mortgages, which has, in turn, created a great many jobs, as per the Federation of Canadian Municipalities January 2012 document, *The Housing Market and Canada's Economic Recovery*. And it's not just the economic spin-off and jobs created. It's the money saved by not having to house an individual in a shelter (\$1,450 per month), jail (\$140 a day), psychiatric acute care (\$650 a day) or acute care impatient (over \$1,000 daily.)

Another case in point, this time regarding resale: a 2011 Altus Group Study, commissioned by the Canadian Real Estate Association and entitled *Economic Impacts of MLS® Home Sales and Purchases in Canada and the Provinces*, estimates the expenditures generated by the average housing transaction in Ontario in 2009 in at \$40,350 over a period of three years from the date of purchase. This includes general household purchase, furniture and appliances, moving costs, renovations, professional services and taxes, excluding the GST. The same study also shows that the average annual direct and indirect employment by industry generated by MLS® Home Sales and Purchases in Ontario between 2008 and 2010 was 63,105.

And these figures are based on MLS® sales alone; they do not include new construction or properties not listed on the MLS®.

When it comes to the economy, housing is not merely the canary in the coal mine, it's also the sector that's doing all the heavy lifting – the power shovels and the trucks and the conveyors. To not take housing into account when striving to improve the investment and economic prosperity of our community would be a grievous oversight.

We, therefore, request that Council consider amending the Committee's Terms of Reference to include under "updates on community-based economic strategies and initiatives" and "emerging economic issues," reports on London's Housing Strategy, its Community Plan on Homelessness and any other pertinent issues related to housing.

Sincerely,



Barb Whitney, President
LONDON & ST. THOMAS
ASSOCIATION OF REALTORS®