



Chambre de commerce
du Montréal métropolitain
Board of Trade of Metropolitan Montreal

May 2, 2005

Mr. Richard Deschamps
Chair of the Council's Standing committee on
territorial development and heritage
City of Montreal
Direction du greffe
275 Notre-Dame Street East, Suite R-126
Montreal, Quebec H2Y 1C6

Subject: **Opinion of the Board of Trade of Metropolitan Montreal with respect to the public consultation on the city of Montreal's inclusion strategy for affordable housing**

Dear Mr. Deschamps:

The Board of Trade of Metropolitan Montreal was interested to read the consultation document titled "Inclusion of Affordable Housing in New Residential Projects." We would like to share with you some of our thoughts and recommendations regarding this document, whose subject relates to one of the major components of the Montreal metropolis: the social mix of its citizens.

The Board of Trade of Metropolitan Montreal has some 7,000 members. Its mission is to represent the interests of the metropolitan Montreal business community and provide an integrated range of specialized services to individuals, merchants, and businesses of all sizes to help them achieve their full potential in terms of innovation, productivity, and competitiveness. The Board of Trade is Quebec's leading economic development organization.

Housing as a component of Montrealers' quality of life

First of all, the Board of Trade is aware that the city of Montreal faces many challenges related to housing and lodging within its territory. The fact that, within the framework of this strategy, the city has deliberately chosen to deal with issues related to affordable housing and not just social housing is completely appropriate in the Board of Trade's view. While aware of the many social housing problems facing the city, the Board of Trade welcomes this initiative to produce an inclusive strategy on affordable housing. This strategy, which targets primarily the development of a diversity of housing types on large sites, the development of social and community housing, and the production of affordable housing for home ownership, should, in the Board of Trade's opinion, promote the social mix within the city.

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In 1989, during the city of Montreal's public hearings on its housing policy statement "Habiter Montréal," the Board of Trade stressed its concern regarding the housing needs of those with average and high incomes, which Montreal was not meeting well compared to the peripheral cities and suburbs. While the politico-economic situation of the city has evolved considerably since those days, the Board of Trade is still concerned about the quality of life offered to residents, particularly young people who have just entered the job market and young families, and also, incidentally, about the predominant position occupied by housing in the planning and urban development of the city.

For the Board of Trade, there is no doubt that the issues linked to improving the housing offered to Montrealers contribute greatly to the competitiveness of the metropolis, not only at the provincial and Canadian levels, but also internationally. Indeed, while Montreal already offers a quality of life envied by many metropolises, the Board of Trade believes this can be significantly improved by making it easier to attract and retain more young households of students, professionals, entrepreneurs, and workers. According to the Institut de la statistique du Québec, 60,000 people, almost half of those between 25 and 39, have left Montreal to settle in other administrative regions of Quebec in the last three years¹. This is primarily because young households simply cannot afford to buy property on the island of Montreal and so tend to buy less costly homes in the suburbs.

For the Board of Trade, therefore, one of the most important results of the city's strategy will be to enable workers to live near their place of work and thus avoid the long travelling times faced by those living in the suburbs. For the Board of Trade, the city's affordable housing initiative is closely linked to one of the avenues proposed last April in the city of Montreal's Master Plan with regard to people living near their workplaces. For the Board of Trade, these two initiatives are closely related and will certainly promote the establishment of residents within the city's borders. In contrast to the creation of new residential developments in the suburbs, the densification of the urban fabric on the island will reduce the need to build new municipal infrastructures and maximize the use of existing ones.

In its brief presented during the public consultation on the city of Montreal's Master Plan, the Board of Trade congratulated the municipal administration on its commitment to densifying Montreal's urban fabric. From the point of view of urban development, increasing the number of affordable housing units in Montreal through urban densification will have two major benefits. On the one hand, more housing will densify Montreal's urban fabric, and this is one of the goals highlighted by the Board of Trade during the public consultation on the city of Montreal's Master Plan. The Board of Trade believes there are many properties near Montreal's downtown core with major development potential, because of their proximity to services and the downtown area, that should be developed quickly.

On the other hand, the social mix of the metropolis is a major component of the quality of life enjoyed by Montrealers. The presence of a variety of housing types and residents from varied socio-economic backgrounds ensures the economic vitality of neighbourhoods and access to diversified services.

In addition, the Board of Trade believes that the process undertaken by the city of Montreal can only be carried out effectively if creative initiatives are set in place to involve the various government levels, municipal authorities, promoters, and potential residents in the affordable housing construction projects. From this point of view, the Board of Trade supports the city in its decision to yield its own lands or encourage government or paragonmental organizations to

¹ City of Montreal, Inclusion of affordable housing in new residential projects, 2005.

provide lands for the construction of real estate projects, a portion of which would be devoted to this type of housing.

Another factor contributing to the quality of life of Montrealers that is directly linked to housing is that Montreal is one of the few North American metropolises with such a dynamic and heavily frequented downtown area, due largely to the fact that it is largely inhabited compared to other downtown cores, such as those of Toronto and Pittsburgh, for example.

Priority considerations

It is within this context and in light of the positive impact of this strategy on Montreal's competitiveness – as well as on its urban and social development – that the Board of Trade wishes to highlight certain elements it believes should be prioritized:

- According to the consultation document, "The approach adopted by the municipal government is of an incentive nature and aims to maximize its response capability within the framework of the powers conferred upon it by the Charter of the City of Montreal." The Board of Trade welcomes this approach since it focuses on existing initiatives within the organization rather than on creating new structures and programs. The Board of Trade also believes this strategy should maintain its incentive nature to guarantee promoters involved in the projects the necessary financial viability.
- The Board of Trade recommends that the initiatives promoted by the city of Montreal for the construction of affordable housing should be in line with geographic priorities and the concern for densifying the urban fabric. The Board of Trade also suggests that, when choosing locations, particular attention be paid to abandoned industrial zones and vacant lots near the downtown core, where access to the city centre offers strong development potential. Notable examples of such areas are the banks of the Lachine Canal and some parts of the Montréal Harbourfront which belong to the federal government.
- In the brief presented by the Board of Trade last February to the Office de consultation publique de Montréal as part of the consultation process on Montreal's Heritage Policy, the Board of Trade stressed the importance of the quality of developments and the fact that quality should be a prerequisite for the implementation of projects. Insofar as quality generally ensures the durability of investments, the Board of Trade noted that "it is through high-quality growth-generating projects that companies are encouraged to invest and participate in projects." In the context of the inclusion strategy for affordable housing, the Board of Trade therefore encourages the city to undertake only high-quality real estate projects as well as projects enhancing our existing heritage when they affect heritage elements. For the city to be graced with high-quality buildings is, for the Board of Trade, an undeniably positive factor in attracting and retaining companies and workers while contributing to the international reputation of the metropolis.
- The Board of Trade also believes that submitting an annual report to city council on the production of affordable housing and monitoring the evolution of the residential real estate market are both critical to the success of this strategy.
- Finally, the Board of Trade encourages the city of Montreal, as catalyst for the resources of higher government levels and public bodies, to act quickly to launch the first affordable housing real estate projects. Given that such partnerships with government entities may involve long time frames, particularly for the provision of lands and buildings, the launching of the first projects will serve as models and encourage investors to quickly participate in future ones.

With this letter and the recommendations it contains, the Board of Trade wishes not only to participate in the process of implementing the strategy for including affordable housing in new residential projects but also, at this preliminary stage, to help identify those initiatives with the greatest potential for generating a positive impact on the quality of life of residents and the development and competitiveness of the city.

In addition to the role it must play as catalyst for the resources of the various government levels in promoting the construction of affordable housing within its territory, the city of Montreal must also ensure that its strategy is implemented in a way that is consistent with the urban development tools represented by its Master Plan and Heritage Policy.

And, in pursuit of these objectives, the Board of Trade of Metropolitan Montreal wishes to assure the city of Montreal of its full cooperation and unflagging support.

With highest regards,

A handwritten signature in black ink, appearing to read 'Isabelle Hudon'.

Isabelle Hudon
President and CEO