



*Access to Information and Privacy  
Strategic Communications and Ministerial Affairs  
L'Esplanade Laurier, East Tower  
140 O'Connor Street, 8th Floor  
Ottawa, Ontario  
K1A 0R5  
Fax: 613-946-6256*

Your file    Votre référence

Our file    Notre référence  
A-2012-00295 / AB

October 30, 2013

Mr. Marcus Brauer  
25 Wheatstone Heights  
Dartmouth, Nova Scotia  
B2Y 4E1

Dear Mr. Brauer:

This is in reply to your request, under the *Access to Information Act*, which was received in this institution on August 16, 2012 for the following:

**Copy of the Bon Accord analysis for depressed market status, a copy of the data used, factors considered as referred to in the TBS letter dated 17 July 2012 to L.Col. J. Larouche (DCBA).**

Further to our letter dated January 21, 2013, please note that all consultations have been completed. As such, we are now in a position to release additional information relevant to your request. Please note that the severed information has been withheld under the following section: 69(1)(g)re(c).

Please be advised that you are entitled to complain to the Information Commissioner concerning the processing of your request within sixty days of the receipt of this notice. Your complaint should be addressed to the Information Commissioner of Canada, Place de Ville, Tower B, 112 Kent Street, 7th Floor, Ottawa, Ontario, K1A 1H3.

Should you have any questions, do not hesitate to contact Alain Beaudry at 613-957-2420 or toll free at 1-866-312-1511 or by e-mail at [alain.beaudry@tbs-sct.gc.ca](mailto:alain.beaudry@tbs-sct.gc.ca).

Yours sincerely,

  
Denise Brennan  
Director

Attachments: 162-169, 171-174, 177-184, 195-196, 206-213, 217-219, 225-228, 229-232, 300-302, 305-307, 310-312, 332-334, and 339-342

69(1) CONFIDENCES OF THE QUEEN'S PRIVY COUNCIL FOR CANADA

69. (1) This Act does not apply to confidences of the Queen's Privy Council for Canada, including, without restricting the generality of the foregoing,

(a) memoranda the purpose of which is to present proposals or recommendations to Council;

(a) notes destinées à soumettre des propositions ou recommandations au Conseil;

(c) agenda of Council or records recording deliberations or decisions of Council;

(d) records used for or reflecting communications or discussions between ministers of the Crown on matters relating to the making of government decisions or the formulation of government policy;

(e) records the purpose of which is to brief ministers of the Crown in relation to matters that are before, or are proposed to be brought before, Council or that are the subject of communications or discussions referred to in paragraph (d );

(f) draft legislation; and

(g) records that contain information about the contents of any record within a class of records referred to in paragraphs (a) to (f).

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Where a certificate under section 38.13 of the Canada Evidence Act prohibiting the disclosure of information contained in a record is issued before a complaint is filed under this Act in respect of a request for access to that information, this Act does not apply to that information.

MEMORANDUM TO THE SECRETARY

c.c. D. Ram Singh (TBS)

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL -  
TÉMISCAMING**

SUMMARY

National Defence is seeking the declaration of Témiscaming, Quebec as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS recommends approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas, defined in the policy as having a decline of 20% or greater.
- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Orleans would not be considered in isolation from the Ottawa market.
- It should be noted that the CF are being subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Current status:**

- Based on data provided by the Canadian Forces, Témiscaming, Quebec is a neighbouring village to areas affected by the Abitibi mining operations which as per press releases has had a detrimental effect in the neighbouring areas.

- According to material provided in this file, this property's value decreased by 44%. At the same time it has to compete with similar area listings faced with similar or greater equity decline.
- The material from real estate brokers indicates that there has been almost non-existing sales and ever increasing listings which will serve to depress the housing market further.

**Recommendation**

That Témiscaming, Quebec and the surrounding area be declared as a depressed housing market area for CF personnel subject to relocation.

**Recommending Office**

<input type="checkbox"/> I approve	<input type="checkbox"/> I do not approve.
_____ Stockwell Day	_____ Date

**WRONG TEMPLATE USED**

Don Graham, A/Assistant Deputy Minister, Compensation and Labour Relations (952-2962)

MEMORANDUM TO THE SECRETARY

c.c. D. Ram Singh (TBS)

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL –  
COMOX, BC**

**SUMMARY**

National Defence is seeking the declaration of Courland, Ontario as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS recommends approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas, defined in the policy as having a decline of 20% or greater.
- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Nepean would not be considered in isolation from the Ottawa market.
- It should be noted that the CF are being subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Current status:**

- Based on data provided by the Canadian Forces, Comox and the surrounding areas have indeed suffered from some economic loss as a result of the lumber industry decline.

- The material provided indicate some job losses however the member seeking this declaration incurred a loss of only 5%.
- The Federal Government and the US Government have ratified several agreements which compounded with recent world incidents will regenerate the lumber industry as communities around the USA and Japan especially, rebuild.

**Recommendation**

That Comox, BC., and the surrounding area not be declared as a depressed housing market area for CF personnel subject to relocation.

Recommending Office

<input type="checkbox"/> I approve	<input type="checkbox"/> I do not approve
_____ Stockwell Day	_____ Date

**WRONG TEMPLATE USED**

Don Graham, A/Assistant Deputy Minister, Compensation and Labour Relations (952-2962)

MEMORANDUM TO THE SECRETARY

c.c. D. Ram Singh (TBS)

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL -  
COURTLAND, ONTARIO**

**SUMMARY**

National Defence is seeking the declaration of Courtland, Ontario as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS recommends approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas, defined in the policy as having a decline of 20% or greater.
- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Scarborough would not be considered in isolation from the Toronto market.
- It should be noted that the CF are being subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Current status:**

- Based on data provided by the Canadian Forces, Courtland, Ontario is a neighbouring village to areas affected by the recent automotive industry upheaval which has led to assembly lines

being closed down and resulting in some related manufacturing plants being closed.

- The material provided indicate some job losses however the member seeking this declaration incurred a loss of only 12%.
- The material from real estate broker states, "we are experiencing a settling back in sales and list prices" and an examination of the file indicate that a desirability issue with the carpeting compounded with the member not listing as per procedures in place.

**Recommendation**

That Courtland, Ontario and the surrounding area not be declared as a depressed housing market area for CF personnel subject to relocation.

Recommending Office

<input type="checkbox"/> I approve.	<input type="checkbox"/> I do not approve.
_____	_____
Stockwell Day	Date

**WRONG TEMPLATE USED**

Don Graham, A/Assistant Deputy Minister, Compensation and Labour Relations (952-2962)



MEMORANDUM TO THE SECRETARY

c.c. D. Ram Singh (TBS)

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL -  
PORT MAITLAND, NS**

**SUMMARY**

National Defence is seeking the declaration of Courtland, Ontario as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS recommends approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas, defined in the policy as having a decline of 20% or greater.
- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Vanier would not be considered in isolation from the Ottawa market.
- It should be noted that the CF are being subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Current status:**

- Based on data provided by the Canadian Forces, Port Maitland and the surrounding areas have indeed suffered from some economic loss with unemployment (Stats., Canada reports) averaging 11.4% as a result of a decline in the area's two main industries (fishing and tourism).

- The material provided indicate sales a decline in the area from 149 in 2008 to 128 in 2009 with ever increasing decline in listing prices.
- Based on the material provided the state of the economic affairs in the area is harsh in that 3 motels and some resorts have been converted to seniors' apartments while a major hotel has been taking in boarders/roomers instead of guests.

**Recommendation**

That the Port Maitland area be declared as a depressed housing market area for CF personnel subject to relocation.

Recommending Office

<input type="checkbox"/> I approve.	<input type="checkbox"/> I do not approve.
_____ Stockwell Day	_____ Date

**WRONG TEMPLATE USED**

Don Graham, A/Assistant Deputy Minister, Compensation and Labour Relations (952-2962)

MEMORANDUM TO THE SECRETARY

**C.C.**

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL -  
COURTLAND, ONTARIO**

**SUMMARY**

National Defence is seeking the declaration of Courtland, Ontario as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS recommends approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas, defined in the policy as having a decline of 20% or greater.
- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Scarborough would not be considered in isolation from the Toronto market.
- It should be noted that the CF are being subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Current status:**

- Based on data provided by the Canadian Forces, Courtland, Ontario is a neighbouring village to areas affected by the recent automotive industry upheaval which has led to assembly lines

being closed down and resulting in some related manufacturing plants being closed.

- The material provided indicate some job losses however the member seeking this declaration incurred a loss of only 12%.
- The material from real estate broker states, "we are experiencing a settling back in sales and list prices" and an examination of the file indicate that a desirability issue with the carpeting compounded with the member not listing as per procedures in place.

**Recommendation**

That Courtland, Ontario and the surrounding area not be declared as a depressed housing market area for CF personnel subject to relocation.

Recommending Office

<input type="checkbox"/> I approve.	<input type="checkbox"/> I do not approve.
_____ Tony Clement	_____ Date

**WRONG TEMPLATE USED**

Daphne Meredith, Chief Human Resources Officer, Treasury Board Secretariat (952-1225)

MEMORANDUM TO THE SECRETARY

c.c.

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL -  
PORT MAITLAND, NS**

**SUMMARY**

National Defence is seeking the declaration of Courtland, Ontario as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS recommends approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas, defined in the policy as having a decline of 20% or greater.
- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Vanier would not be considered in isolation from the Ottawa market.
- It should be noted that the CF are being subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Current status:**

- Based on data provided by the Canadian Forces, Port Maitland and the surrounding areas have indeed suffered from some economic loss with unemployment (Stats., Canada reports) averaging 11.4% as a result of a decline in the area's two main industries (fishing and tourism).

- The material provided indicate sales a decline in the area from 149 in 2008 to 128 in 2009 with ever increasing decline in listing prices.
- Based on the material provided the state of the economic affairs in the area is harsh in that 3 motels and some resorts have been converted to seniors' apartments while a major hotel has been taking in boarders/roomers instead of guests.

**Recommendation**

That the Port Maitland area be declared as a depressed housing market area for CF personnel subject to relocation.

Recommending Office

<input type="checkbox"/> I approve.	<input type="checkbox"/> I do not approve.
_____ Tony Clement	_____ Date

**WRONG TEMPLATE USED**

Daphne Meredith, Chief Human Resources Officer, Treasury Board  
Secretariat (952-1225)

MEMORANDUM TO THE SECRETARY

C.C.

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL -  
TÉMISCAMING**

**SUMMARY**

National Defence is seeking the declaration of Témiscaming, Quebec as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS recommends approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas, defined in the policy as having a decline of 20% or greater.
- Normally consideration consists of analyzing the geographic location, the local economic state; i.e. the circumstances that may be happening in the surrounding areas such as mill closures, mine closures, unemployment rate, school closures, etc. In addition a review is undertaken of any newspaper articles, memos and objective evidence of market decline (Computation: Loss divided by original purchase price to identify percentile loss).
- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Orleans would not be considered in isolation from the Ottawa market.
- It should be noted that the CF are being subject to a relocation akin to "a forced relocation" and as such are often subjected to

absorbing an equity loss in the disposition of their principal residences at origin.

**Current status:**

- Based on data provided by the Canadian Forces, Témiscaming, Quebec is a neighbouring village to areas affected by the Abitibi mining operations which as per press releases has had a detrimental effect in the neighbouring areas.
- According to material provided in this file, this property's value decreased by 44%. At the same time it has to compete with similar area listings faced with similar or greater equity decline.
- The material from real estate brokers indicates that there has been almost non-existing sales and ever increasing listings which will serve to depress the housing market further.

**Recommendation**

That Témiscaming, Quebec and the surrounding area be declared as a depressed housing market area for CF personnel subject to relocation.

\_\_\_\_\_  
Recommending Office

<input type="checkbox"/> I approve.	<input type="checkbox"/> I do not approve.
_____ Tony Clément	_____ Date

**WRONG TEMPLATE USED**

Daphne Meredith, Chief Human Resources Officer, Treasury Board  
Secretariat (952-1225)



MEMORANDUM TO THE SECRETARY

c.c.

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL –  
COMOX, BC**

**SUMMARY**

National Defence is seeking the declaration of Courland, Ontario as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS recommends approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas, defined in the policy as having a decline of 20% or greater.
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- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Nepean would not be considered in isolation from the Ottawa market.
- It should be noted that the CF are being subject to a relocation akin to "a forced relocation" and as such are often subjected to

absorbing an equity loss in the disposition of their principal residences at origin.

**Current status:**

- Based on data provided by the Canadian Forces, Comox and the surrounding areas have indeed suffered from some economic loss as a result of the lumber industry decline.
- The material provided indicate some job losses however the member seeking this declaration incurred a loss of only 5%.
- The Federal Government and the US Government have ratified several agreements which compounded with recent world incidents will regenerate the lumber industry as communities around the USA and Japan especially, rebuild.

**Recommendation**

That Comox, BC., and the surrounding area not be declared as a depressed housing market area for CF personnel subject to relocation.

\_\_\_\_\_  
Recommending Office

<input type="checkbox"/> I approve.	<input type="checkbox"/> I do not approve.
_____ Tony Clement	_____ Date

**WRONG TEMPLATE USED**

Daphne Meredith, Chief Human Resources Officer, Treasury Board  
Secretariat (952-1225)

MEMORANDUM TO THE SECRETARY

c.c.

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL –  
COURTLAND, ONTARIO**

**SUMMARY**

National Defence is seeking the declaration of Courtland, Ontario as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS recommends approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas, defined in the policy as having a decline of 20% or greater.
- Normally consideration consists of analyzing the geographic location, the local economic state; i.e. the circumstances that may be happening in the surrounding areas such as mill closures, mine closures, unemployment rate, school closures, etc. In addition a review is undertaken of any newspaper articles, memos and objective evidence of market decline (Computation: Loss divided by original purchase price to identify percentile loss).
- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Scarborough would not be considered in isolation from the Toronto market.
- It should be noted that the CF are being subject to a relocation akin to "a forced relocation" and as such are often subjected to

absorbing an equity loss in the disposition of their principal residences at origin.

**Current status:**

- Based on data provided by the Canadian Forces, Courtland, Ontario is a neighbouring village to areas affected by the recent automotive industry upheaval which has led to assembly lines being closed down and resulting in some related manufacturing plants being closed.
- The material provided indicate some job losses however the member seeking this declaration incurred a loss of only 12%.
- The material from real estate broker states, "we are experiencing a settling back in sales and list prices" and an examination of the file indicate that a desirability issue with the carpeting compounded with the member not listing as per procedures in place.

**Recommendation**

That Courtland, Ontario and the surrounding area not be declared as a depressed housing market area for CF personnel subject to relocation.

Recommending Office

<input type="checkbox"/> I approve.	<input type="checkbox"/> I do not approve.
_____ Tony Clement	_____ Date

**WRONG TEMPLATE USED**

Daphne Meredith, Chief Human Resources Officer, Treasury Board Secretariat (952-1225)

MEMORANDUM TO THE SECRETARY

c.c.

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL –  
PORT MAITLAND, NS**

**SUMMARY**

National Defence is seeking the declaration of Courtland, Ontario as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS recommends approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas, defined in the policy as having a decline of 20% or greater.
- Normally consideration consists of analyzing the geographic location, the local economic state; i.e. the circumstances that may be happening in the surrounding areas such as mill closures, mine closures, unemployment rate, school closures, etc. In addition a review is undertaken of any newspaper articles, memos and objective evidence of market decline (Computation: Loss divided by original purchase price to identify percentile loss).
- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Vanier would not be considered in isolation from the Ottawa market.
- It should be noted that the CF are being subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Current status:**

- Based on data provided by the Canadian Forces, Port Maitland and the surrounding areas have indeed suffered from some economic loss with unemployment (Stats., Canada reports) averaging 11.4% as a result of a decline in the area's two main industries (fishing and tourism); there is an indication that sales in the area declined from 149 in 2008 to 128 in 2009 with ever increasing decline in listing prices
- The material provided indicates that the property was suffering from deferred maintenance. This member's equity loss is at 23%.
- Based on the material provided the state of the economic affairs in the area is harsh in that 3 motels and some resorts have been converted to seniors' apartments while a major hotel has been taking in boarders/roomers instead of guests.

**Recommendation**

That the Port Maitland area be declared as a depressed housing market area for CF personnel subject to relocation.

Recommending Office

<input type="checkbox"/> I approve.	<input type="checkbox"/> I do not approve.
_____ Tony Clement	_____ Date

**WRONG TEMPLATE USED**

Daphne Meredith, Chief Human Resources Officer, Treasury Board Secretariat (952-1225)

MEMORANDUM TO THE SECRETARY

C.C.

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL –  
EDMONTON, ALBERTA**

**SUMMARY**

National Defence is seeking the declaration of Edmonton, Alberta as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS does not recommend approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas, defined in the policy as having a decline of 20% or greater.
- Normally consideration consists of analyzing the geographic location, the local economic state; i.e. the circumstances that may be happening in the surrounding areas such as mill closures, mine closures, unemployment rate, school closures, etc. In addition a review is undertaken of any newspaper articles, memos and objective evidence of market decline (Computation: Loss divided by original purchase price to identify percentile loss).
- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Scarborough would not be considered in isolation from the Toronto market.
- It should be noted that the CF members are subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Current status:**

- Indications from the press, the Provincial government, the Municipality, all indicate a prosperous period as a result of the Alberta oil industry. Certain areas of the Province (Edmonton being one of them) experienced a boom in local housing prices as a result of the "oil Sands Industry" thus resulting in "sky-rocketing" housing prices which at times ended up in a bidding rage....
- Combined with environmentalists concerns, etc., several projects in this Industry were held back, resulting in the housing prices settling back down to their real values (similar to the USA situation), thus leading property owners with properties bought at a high value which today cannot be regained in a re-sale.
- The property in question on file is a mobile home.
- Based on data provided by the Canadian Forces, Edmonton is experiencing a "re-settling" of housing prices. The Alberta oil industry is flourishing in today's oil market.
- The material provided indicate some job losses resulting in an unemployment rate at 4.4%, but "the job market remains one of the best in North America".
- The material from real estate broker states, "with the housing shortage in 2006/07 manufactured housing on leased land became a highly sought after alternative as the buyer did not have to pay for the land and the cost for leasing the land was underpriced.....area have since had significant housing development, large condominium complexes...new expansion, bringing excess inventory to market in late 2008 and 2009, our prices have fallen further...."

**Recommendation**

That Edmonton, Alberta not be declared as a depressed housing market area for CF personnel subject to relocation.

**Recommending Office**

<input type="checkbox"/> I approve.	<input type="checkbox"/> I do not approve.
_____ Tony Clement	_____ Date

**WRONG TEMPLATE USED**

Daphne Meredith, Chief Human Resources Officer, Treasury Board Secretariat (952-1225)



MEMORANDUM TO THE SECRETARY

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL –  
BON ACCORD, ALBERTA**

**SUMMARY**

National Defence is seeking the declaration of Bon Accord, Alberta as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS does not recommend approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas (normally we look at a decline of 20% or greater).
- Normally consideration consists of analyzing the geographic location, the local economic state; i.e. the circumstances that may be happening in the surrounding areas such as mill closures, mine closures, unemployment rate, school closures, etc. In addition a review is undertaken of any newspaper articles, memos and objective evidence of market decline (Computation: Loss divided by original purchase price to identify percentile loss).
- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Scarborough would not be considered in isolation from the Toronto market.
- It should be noted that CF members are subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Current Status:**

- Bon Accord is located approximately 30 kilometres (or 20 minutes) north of Edmonton, Alberta and boasts a favourable quality of life both for its residents and businesses.
- Indications from the press, the Provincial government, the Municipality, all indicate an economic rebound and recovery in the Edmonton area due to the recovery of the economy and the energy sector. With continued increasing demand for oil combined with a decrease in world oil supply, Edmonton is poised for unparalleled economic potential.
- According to Statistics Canada, in 2010, Alberta had increases in the labour market, housing starts and business activity following three consecutive declines.
- Based on government data, the unemployment rate for Alberta is considerably lower than the national average.
- The material provided indicates MLS sales in the area are on the increase and that the housing market is balanced. The property in question is a five bedroom older home. The price of this home is above the average home purchase price for 2010 for Bon Accord.

**Recommendation**

That Bon Accord, Alberta not be declared as a depressed housing market area for CF personnel subject to relocation.

**Recommending Office**

<input type="checkbox"/> I approve.	<input type="checkbox"/> I do not approve.
_____ Michelle d'Auray	_____ Date

Daphne Meredith, Assistant Secretary, Compensation and Labour Relations (613-952-1225)

MEMORANDUM TO THE SECRETARY

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL -  
MEDICINE HAT, ALBERTA**

SUMMARY

National Defence is seeking the declaration of Medicine Hat, Alberta as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS does not recommend approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas (normally we look at a decline of 20% or greater).
- Normally consideration consists of analyzing the geographic location, the local economic state; i.e. the circumstances that may be happening in the surrounding areas such as mill closures, mine closures, unemployment rate, school closures, etc. In addition a review is undertaken of any newspaper articles, memos and objective evidence of market decline (Computation: Loss divided by original purchase price to identify percentile loss).
- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Scarborough would not be considered in isolation from the Toronto market.
- It should be noted that CF members are subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Current Status:**

- Indications from the press, the Provincial government, the Municipality, all indicate an economic rebound and expansion in the Medicine Hat area due to the recovery of the economy and the energy sector.
- According to Statistics Canada, in 2010, Alberta had increases in the labour market, housing starts and business activity following three consecutive declines. The growth in business was led by mining, oil and gas extraction support activities, manufacturing and crop production.
- Medicine Hat is located in the southeast part of the province close to the United States and the Manitoba borders. The business forecast for southeast Alberta is strong due to significant natural resources (mainly natural gas) and a diverse economy in the areas of agriculture and greenhouses, advanced technology and manufacturing, energy, and tourism with steady employment and population growth.
- Based on government data, the unemployment rate for Alberta is considerably lower than the national average and the unemployment rate in Medicine Hat is actually below that of the province of Alberta.
- The material provided indicates MLS sales in the area are on the increase. The property in question is a three bedroom home built in 1912. Sales of this type of accommodation are slower as newer and smaller homes are more attractive to buyers.
- Local news papers report on an expansion and increased funding for recreation and leisure activities for the city.

**Recommendation**

That Medicine Hat, Alberta not be declared as a depressed housing market area for CF personnel subject to relocation.

**Recommending Office**

<input type="checkbox"/> I approve.	<input type="checkbox"/> I do not approve.
<hr/> Michelle d'Auray	<hr/> Date

Daphne Meredith, Assistant Secretary, Compensation and Labour  
Relations (613-952-1225)

MEMORANDUM TO THE SECRETARY

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL –  
EDMONTON, ALBERTA**

**SUMMARY**

National Defence is seeking the declaration of Edmonton, Alberta as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS does not recommend approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas (normally we look at a decline of 20% or greater).
- Normally consideration consists of analyzing the geographic location, the local economic state; i.e. the circumstances that may be happening in the surrounding areas such as mill closures, mine closures, unemployment rate, school closures, etc. In addition a review is undertaken of any newspaper articles, memos and objective evidence of market decline (Computation: Loss divided by original purchase price to identify percentile loss).
- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Scarborough would not be considered in isolation from the Toronto market.
- It should be noted that CF members are subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Current Status:**

- Indications from the press, the Provincial government, the Municipality, all indicate an economic rebound in the Edmonton area due to the recovery of the economy and the energy sector.
- According to Statistics Canada, in 2010, Alberta had increases in the labour market, housing starts and business activity following three consecutive declines. The growth in business was led by mining, oil and gas extraction support activities, manufacturing and crop production.
- Edmonton, capital and second largest city of the province of Alberta is located in the central region of the province. Based on news articles and government data, Edmonton is experiencing phenomenal growth. Edmonton serves as the northern anchor of the Calgary-Edmonton corridor and is a staging point for large-scale oil sands projects occurring in northern Alberta and large-scale diamond mining operations in the Northwest Territories.
- Based on government data, the unemployment rate for Alberta is the lowest in Canada.
- The material provided indicates MLS sales were in a boom phase for several years, peaking in 2007 when the property in question was purchased. From 2008 to 2009 the global economy took a downturn which resulted in a recession in Canada in 2008-2009.
- The submitted material states that the housing prices have lowered and stabilized as a result of home price disinflation.
- The property was purchased at an average home price range in 2007 and sold above the average price range in 2009 at a percentage loss of less than 20%.

**Recommendation**

That Edmonton, Alberta not be declared as a depressed housing market area for CF personnel subject to relocation.

**Recommending Office**

<input type="checkbox"/> I approve	<input type="checkbox"/> I do not approve
_____ Michelle d'Auray	_____ Date

Daphne Meredith, Assistant Secretary, Compensation and Labour  
Relations (613-952-1225)





TO  
A

Michelle d'Auray  
Secretary of Treasury Board of Canada

FROM  
DE

*Meredith*  
Daphne Meredith  
Chief Human Resources Officer

SUBJECT  
OBJET

**Depressed Housing Market – Home Equity Assistant Program For Canadian Forces Personnel – ST. ALBERT, ALBERTA**

**Summary**

National Defence is seeking the declaration of St. Albert, Alberta as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 836068, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS does not recommend approval of this request.

**Background**

- Under the Canadian Forces Integrated Relocation Program, there is assistance for situations where members face significant declines in housing prices. In order for members to be able to recover 100% of the home equity under the Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas, defined in the policy as having a decline of 20% or greater in equity value.
- The practice has been for CF to communicate their requests based on case specific instances, but seek a declaration which could be applied to its membership living in the affected area.
- While the policy does not specify other factors for consideration, TBS has developed over time a set of criteria to review. This includes analysis of the local economic state such as: mill closures, mine closures, unemployment rate, school closures, etc. In addition a review is undertaken of any newspaper articles, memos and objective evidence of market decline issued by Statistics Canada and others.

Security classification	Classification de sécurité
<b>PROTECTED BY ATIP</b>	
Originator/Telephone number	Auteur/Numéro de téléphone
Claudia Zovatto – 613 957-9678	
Our file	Notre référence
RDIMS # 982944, 1000528	
Your file	Votre référence
WEBCIMS #103216	
Date	

- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Cumberland would not be considered in isolation from the Ottawa market. Thus a decline in property value due to a local issue such as non-availability of public transportation or other social issues in the locale does not influence the decision.
- It should be noted that members of the CF are being subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

#### **Current status**

- Based on data provided by the Canadian Forces, St. Albert and the surrounding areas have indeed suffered from a market decline in values but there are no economic indicators to support economic loss in the area. It would appear that the current trend is simply a re-settling of market values that were escalated earlier (peaked).
- The material provided by the real estate broker clearly indicates that the sale suffered as a result of property size ("too small in compared to other available properties in the marketplace.") and the property was situated in a below average location. The real estate broker further indicated that there was market competition for the sale in the area.
- Policy allows for members to recover 100% of their equity loss (difference between purchase price and sale price): up to 80% from the Core funding envelope capped at \$15,000; and 100% of the loss from the other funding envelopes subject to funding availability in places designated by TBS as depressed market areas.
- The member provided material which claims that oil prices declined drastically in 2008/2009 leading to housing market being affected and jobs being lost. However, at the time of sale (2010) oil prices were increasing.
- The data indicates that this member's equity loss is an 18% decline in market value while 100% recovery from Core requires a 20% or more decline.

**Recommendation**

That the St Albert area not be declared as a depressed housing market area for CF personnel subject to relocation.

*Smith*  
I approve  
*for /*

\_\_\_\_\_  
I do not approve

\_\_\_\_\_  
Michelle d'Auray

*August 8, 2011*  
Date

**Marc-Arthur Hyppolite, Assistant Deputy Minister, Compensation and Labour Relations  
(952-3000)**

Jones, Leslie

**From:** Landry, Theresa  
**Sent:** March 7, 2012 1:53 PM  
**To:** Singh, Ram  
**Cc:** Labelle, André  
**Subject:** HEAP files

**Importance:** High

**Follow Up Flag:** Follow up  
**Due By:** March 8, 2012 12:00 AM  
**Flag Status:** Flagged

Ram,

The Memos came back and were re-formatted and re-worded.

All four will be changed to be in the same format, etc.

They have used Medicine Hat as the standard.

Would you please review the proposed text below (particularly the explanation of how the percentage is calculated) and advise if it is okay to proceed or make suggested changes?

Thanks so much.

### **Depressed Housing Market – Home Equity Assistance Program for Canadian Forces Personnel – MEDICINE HAT, ALBERTA**

#### **Summary**

- The Department of National Defence is requesting that Medicine Hat, Alberta be declared as a depressed Housing Market area for relocating Canadian Forces (CF) personnel.
- Under TB 829899, the Secretary of the Treasury Board has been granted the delegation to designate a depressed market area which provides affected personnel with additional financial assistance.
- Taking into consideration the factors presented below, it is recommended that you do not approve this request.

#### **Background**

- In order for CF members to be able to recover 100% of their home equity under the Government's Home Equity Assistance Program (HEAP), the Treasury Board Secretariat (TBS) is required to review the identified area based on data provided and decide whether or not to declare the area as a depressed housing market (normally we look at a decline\* of 20% or greater). \*(Calculated by taking the original purchase cost of the home, less the sale price, divided by original purchase price to identify the percentile loss).

Comment [R1]: Please re-word to make this clearer.

- When reviewing an identified area, consideration is given to the geographic location and the state of the local economy (e.g. the unemployment rate, mill closures, mine closures, school closures, etc.). The analysis also includes a review of any newspaper articles or other relevant news sources that provide objective evidence of market decline

- In conducting such a review, the area is looked at in its entirety and not at a specific neighbourhood. For example, Laval would not be considered in isolation from the Montreal market.
- It should also be noted that CF members are subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Analysis (Medicine Hat area)**

- The local press along with the provincial and municipal governments all indicate an economic rebound and expansion in the Medicine Hat area due to the recovering energy sector.
- According to Statistics Canada, in 2010, Alberta had increases in the labour market, housing starts and business activity following three consecutive years of decline. This growth is attributed to well-performing industries such as mining, oil and gas, manufacturing and crop production.
- Medicine Hat is located in the southeast part of the province close to the United States and the Manitoba borders. The business forecast for southeast Alberta is strong due to significant natural resources (mainly natural gas) and a diverse economy in the areas of agriculture, technology and manufacturing, energy and tourism. This all results in a steady employment and population growth.
- Based on government data, the unemployment rate for Alberta is considerably lower than the national average and the unemployment rate in Medicine Hat is actually below that of the province of Alberta.
- Local newspapers report an expansion and increased funding for recreation and leisure activities for the city.
- The material provided indicates MLS sales in the area are increasing.
- The sample property is a three bedroom home built in 1912. This home, if sold at the expected asking price, would have decreased 6.9% from the original cost. The average home cost in July 2007 and the forecasted average home cost for 2011 shows an increase of 1.8%.

## **Recommendation**

It is recommended that Medicine Hat, Alberta not be declared as a depressed housing market area for CF personnel subject to relocation.

**Theresa Landry**

Special Projects Coordinator | Agent de projets spéciaux

Compensation and Labour Relations Sector | Secteur de la rémunération et des relations de travail

Office of the Chief Human Resources Officer | Bureau du dirigeant principal des ressources humaines

Treasury Board of Canada Secretariat | Secrétariat du Conseil du Trésor du Canada

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Jones, Leslie

**From:** Landry, Theresa  
**Sent:** March 12, 2012 1:59 PM  
**To:** Zovatto, Claudia  
**Cc:** Labelle, André; Singh, Ram  
**Subject:** FW: question regarding CF

Claudia, as per our discussion, I contacted Al and this is the information I received from him.

Given this information, would it be acceptable to amend the paragraph in the Memos as follows?

Original text:

### Summary

National Defence is seeking the declaration of Medicine Hat, Alberta as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS does not recommend approval of this request.

New proposed text:

### Summary

National Defence is seeking the declaration of Medicine Hat, Alberta as a depressed Housing Market area for relocating Canadian Forces personnel (CF). the Secretary of the Treasury Board has been granted authority to make amendments to the IRP program and directives for the organizations involved during the five-year period (and option years) of the contract, to meet changing needs and requirements, within current cost limitations. This can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS does not recommend approval of this request.

I await your reply.

Thanks.

Theresa Landry  
Special Projects Coordinator | Agent de projets spéciaux  
Compensation and Labour Relations Sector | Secteur de la rémunération et des relations de travail  
Office of the Chief Human Resources Officer | Bureau du dirigeant principal des ressources humaines  
Treasury Board of Canada Secretariat | Secrétariat du Conseil du Trésor du Canada



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**From:** Strynadka, Al W.  
**Sent:** March 12, 2012 1:38 PM  
**To:** Landry, Theresa  
**Subject:** FW: question regarding CF

Theresa,  
As discussed, here is the proposal that  
would have given the Scty the authority to designate a depressed market area for  
CF personnel.

"Provide authority to the Secretary of the Treasury Board (TB) to make  
amendments to the IRP program and directives for the organizations involved  
during the five-year period (and option years) of the contract, to meet changing  
needs and requirements, within current cost limitations."

Cheers, Al

Alan W Strynadka  
Senior Policy Advisor | Conseiller principal Politique  
Compensation and Labour Relations Sector | Secteur de la rémunération et des relations de  
travail  
Office of the Chief Human Resources Officer | Bureau du dirigeant principal des ressources  
humaines  
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**From:** Strynadka, Al W.

**Sent:** March 12, 2012 12:12 PM  
**To:** Landry, Theresa  
**Subject:** RE: question regarding CF

Theresa,  
I've reviewed TB 829889. Please call to discuss.  
Cheers, Al

Alan W Strynadka  
Senior Policy Advisor | Conseiller principal Politique  
Compensation and Labour Relations Sector | Secteur de la rémunération et des relations de travail  
Office of the Chief Human Resources Officer | Bureau du dirigeant principal des ressources humaines  
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**From:** Landry, Theresa  
**Sent:** March 9, 2012 1:49 PM  
**To:** Strynadka, Al W.  
**Cc:** Labelle, André  
**Subject:** question regarding CF

Hi Al.

Claudia Zovatto suggested that I contact you for some information.  
I am working with Ram Singh in Relocation and we are sending up some Memos to the Secretary on behalf of the CF for a decision on Depressed Housing Market-Home Equity Assistance Program.  
Claudia advises that there was a TB submission (#829899) that provided a new policy under which the Treasury Board Secretariat was delegated with the authority to designate a depressed market area for CF personnel.

What I am looking for is confirmation and proper wording to put into the Memo to explain/describe this authority.

Would you be able to assist?

Thanks.

Theresa Landry  
Special Projects Coordinator | Agent de projets spéciaux  
Compensation and Labour Relations Sector | Secteur de la rémunération et des relations de travail  
Office of the Chief Human Resources Officer | Bureau du dirigeant principal des ressources humaines  
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**MEMORANDUM NOTE DE SERVICE**

TO  
A

Michelle d'Auray  
Secretary of Treasury Board of Canada

FROM  
DE

Daphne Meredith  
Chief Human Resources Officer

SUBJECT  
OBJET

**Depressed Housing Market – Home Equity Assistance Program for  
Canadian Forces Personnel – BON ACCORD, ALBERTA**

Security classification	Classification de sécurité
<b>PROTECTED/PROTÉGÉ</b>	
Originator/Telephone number	Auteur/Numéro de téléphone
Edith Kehoe (613 957-9678)	
Our file	Notre référence
RDIMS #1039768	
Your file	Voire référence
WEBCIMS #108204	
Date	

**Summary**

National Defence is seeking the declaration of Bon Accord, Alberta as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted authority to make amendments to the Integrated Relocation Program (IRP) and directives for the organizations involved during the five year period (and option years) of the contract with Brookfield Global Relocation Services (which does not expire until November 30, 2014), to meet changing needs and requirements, within current cost limitations. This can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS does not recommend approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas (normally we look at a decline\* of 20% or greater). \* (Calculated by taking the original purchase cost of the home, less the sale price, divided by the original purchase price to identify the percentile loss.)
- Normally consideration consists of analyzing the geographic location, the local economic state; i.e. the circumstances that may be happening in the surrounding areas such as mill closures, mine closures, unemployment rate, school closures, etc. In addition a review is undertaken of any newspaper articles, memos and objective evidence of market decline. In

application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Scarborough would not be considered in isolation from the Toronto market.

- It should be noted that CF members are subject to a relocation akin to “a forced relocation” and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Current Status:**

- The town of Bon Accord is located approximately 30 kilometres (or 20 minutes) north of Edmonton, Alberta and is considered part of the province's capital region or Greater Edmonton metropolitan area ([www.bonaccord.ca](http://www.bonaccord.ca)); and is influenced by the nearby Edmonton Garrison and the growth of Northern Alberta's oil and gas industry.
- Indications from the press, the Provincial government, the Municipality, all indicate an economic rebound and recovery in the Edmonton area due to the recovery of the economy and the energy sector. With continued increasing demand for oil combined with a decrease in world oil supply, Edmonton is poised for unparalleled economic potential.
- According to Statistics Canada, in 2010, Alberta had increases in the labour market, housing starts and business activity following three consecutive declines.
- Based on government data, the unemployment rate for Alberta is considerably lower than the national average.
- The material provided indicates MLS sales in the area are on the increase and that the housing market is balanced. The property in question is a five bedroom older home. The house was purchased in 2007 for \$405,000 (average home cost as per Statistics Canada in Bon Accord for 2006 was \$179,177). This home sold for \$317,000 which is above the average home purchase price of \$275,000 for 2010 for Bon Accord. Although this represents a loss of 21.7% from the original purchase price for the home owner, the average home cost for Edmonton from 2007 to 2010 only decreased by 2.9% and the provincial ratio was even lower at 1.4%.
- While the individual lost slightly more than 20%, it is clear from the other factors that this was an exception and the Edmonton area is not a depressed market.

**Recommendation**

Based on the forgoing, we recommend that you do not declare Bon Accord, Alberta a depressed housing market area for CF personnel subject to relocation.

**Decision**

- Bon Accord, Alberta is not declared a depressed housing market area for CF personnel subject to relocation.
- Bon Accord, Alberta is declared a depressed housing market area for CF personnel subject to relocation.

*Michelle d'Auray*

Michelle d'Auray

JUL 05 2012

Date

Marc-Arthur Hyppolite, Assistant Deputy Minister, Compensation and Labour Relations (613 952-3000)



TO  
À

Michelle d'Auray  
Secretary of Treasury Board of Canada

FROM  
DE

Daphne Meredith  
Chief Human Resources Officer

Security classification	Classification de sécurité
<del>PROTECTED</del> ATIP	
Originator/Telephone number	Auteur/Numéro de téléphone
Edith Kehoe (613 957-9678)	
Our file	Notre référence
RDIMS #1015838	
Your file	Votre référence
WEBCIMS #109810	
Date	

SUBJECT **Depressed Housing Market – Home Equity Assistance Program for Canadian Forces Personnel – EDMONTON, ALBERTA**  
OBJET

**Summary**

- The Department of National Defence (DND) is requesting that Edmonton, Alberta be declared as a depressed housing market area for relocating Canadian Forces (CF) personnel.
- Under TB 829899, the Secretary of the Treasury Board has been granted authority to make amendments to the Integrated Relocation Program (IRP) and directives for the organizations involved during the period of the contract with Brookfield Global Relocation Services (expires November 30, 2014) to meet changing needs and requirements, within current cost limitations. This may be used to designate a depressed market area which provides affected personnel with additional financial assistance.
- Taking into consideration the factors presented below, it is recommended that you do not approve this request.

**Background**

- In order for CF members to be able to recover 100% of their home equity under the Government's Home Equity Assistance Program (HEAP), the Treasury Board Secretariat (TBS) is required to review the identified area based on data provided and decide whether or not to declare the area as a depressed housing market. Normally we look at a decline of 20% or greater, which is calculated by taking the original purchase cost of the home, less the sale price, divided by the original purchase price to identify the percentile loss.
- When reviewing an identified area, consideration is given to the geographic location and the state of the local economy (e.g. unemployment rate, mill closures, mine closures, school closures, etc.). The analysis also includes a review of any newspaper articles or other relevant media sources that provide objective evidence of market decline. In conducting such a review, the area is

looked at in its entirety and not at a specific neighbourhood. For example, Scarborough would not be considered in isolation from the Toronto market.

- It should also be noted that CF members are subject to relocation akin to a "forced" relocation and, as such, are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

### **Analysis (Edmonton area)**

- Indications from the press, the provincial government and the municipality, all indicate a prosperous period as a result of the Alberta oil industry. Certain areas of the province, Edmonton being one of them, experienced a boom in local housing prices as a result of the oil sands industry, thus resulting in "sky-rocketing" housing prices.
- Several projects in this industry were held back as a result of environmental concerns, which resulted in housing prices settling back down to their real values (similar to the US situation) and leaving property owners who bought high, unable to recover their investment at resale.
- Based on data provided by the Canadian Forces, Edmonton is experiencing a "re-settling" of housing prices.
- The material provided indicates some job losses resulting in an unemployment rate at 4.4%, but "the job market remains one of the best in North America" and the Alberta oil industry is flourishing.
- The material from a real estate broker states, "with the housing shortage in 2006/07 manufactured housing on leased land became a highly sought after alternative as the buyer did not have to pay for the land and the cost for leasing the land was underpriced... area has since had significant housing development, large condominium complexes...new expansion, bringing excess inventory to market in late 2008 and 2009, our prices have fallen further...."
- The property in question is a condominium. Although the individual personally took a 29.77% loss on the sale of the home, the average home price for Edmonton decreased only 5.4% in 2009 from the 2007 level. The individual has already been reimbursed \$20,000 of the loss. In order to be compensated for the remainder of approximately \$54,000.00, DND is requesting that Edmonton be identified as a depressed housing market.
- We maintain that the real estate market in Edmonton has become a balanced market, not a depressed market. This has been supported by material gathered from the Canada Mortgage and Housing Corporation as well as the Canadian Real Estate Association.

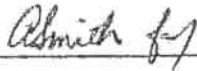


**Recommendation**

Based on the foregoing, we recommend that you do not declare Edmonton, Alberta a depressed housing market area for CF personnel subject to relocation.

**Decision**

- Edmonton, Alberta is not declared a depressed housing market area for CF personnel subject to relocation.
- Edmonton, Alberta is declared a depressed housing market area for CF personnel subject to relocation.



Michelle d'Auray

JUL 05 2012

Date

Marc-Arthur Hyppolite, Assistant Deputy Minister, Compensation and Labour Relations  
(613 952-3000)



Treasury Board of Canada  
Secrétariat

Secrétariat du Conseil du Trésor  
du Canada

**MEMORANDUM NOTE DE SERVICE**

Security classification	Classification de sécurité
<b>PROTECTED</b> <small>Declassified by ATIP</small>	
Originator/Telephone number	Auteur/Numéro de téléphone
Edith Kehoe (613 957-9678)	
Our file	Notre référence
RDIMS #1039772	
Your file	Votre référence
WEBCIMS #108205	
Date	

TO  
À

Michelle d'Auray  
Secretary of Treasury Board of Canada

FROM  
DE

Daphne Meredith  
Chief Human Resources Officer

SUBJECT  
OBJET

**Depressed Housing Market – Home Equity Assistance Program for  
Canadian Forces Personnel – MEDICINE HAT, ALBERTA**

**Summary**

- The Department of National Defence is requesting that Medicine Hat, Alberta be declared as a depressed Housing Market area for relocating Canadian Forces (CF) personnel.
- Under TB 829899, the Secretary of the Treasury Board has been granted the delegation to designate a depressed market area which provides affected personnel with additional financial assistance.
- Taking into consideration the factors presented below, it is recommended that you do not approve this request.

**Background**

- In order for CF members to be able to recover 100% of their home equity under the Government's Home Equity Assistance Program (HEAP), the Treasury Board Secretariat (TBS) is required to review the identified area based on data provided and decide whether or not to declare the area as a depressed housing market (normally we look at a decline\* of 20% or greater). \* (Calculated by taking the original purchase cost of the home, less the sale price, divided by original purchase price to identify the percentile loss.)
- When reviewing an identified area, consideration is given to the geographic location and the state of the local economy (e.g. the unemployment rate, mill closures, mine closures, school closures, etc.). The analysis also includes a review of any newspaper articles or other relevant news sources that provide objective evidence of market decline.

- In conducting such a review, the area is looked at in its entirety and not at a specific neighbourhood. For example, Laval would not be considered in isolation from the Montreal market.
- It should also be noted that CF members are subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

#### **Analysis (Medicine Hat area)**

- The local press along with the provincial and municipal governments all indicate an economic rebound and expansion in the Medicine Hat area due to the recovering energy sector.
- According to Statistics Canada, in 2010, Alberta had increases in the labour market, housing starts and business activity following three consecutive years of decline. This growth is attributed to well-performing industries such as mining, oil and gas, manufacturing and crop production.
- Medicine Hat is located in the southeast part of the province close to the United States and the Manitoba borders. The business forecast for southeast Alberta is strong due to significant natural resources (mainly natural gas) and a diverse economy in the areas of agriculture, technology and manufacturing, energy and tourism. This all results in a steady employment and population growth.
- Based on government data, the unemployment rate for Alberta is considerably lower than the national average and the unemployment rate in Medicine Hat is actually below that of the province of Alberta.
- Local newspapers report an expansion and increased funding for recreation and leisure activities for the city.
- The material provided indicates MLS sales in the area are increasing.
- The sample property is a three bedroom home built in 1912. This home, if sold at the expected asking price, would have decreased 6.9% from the original cost. The average home cost in July 2007 and the forecasted average home cost for 2011 shows an increase of 1.8%.

**Recommendation**

Based on the forgoing, we do not recommend that you declare Medicine Hat, Alberta a depressed housing market area for CF personnel subject to relocation.

**Decision**

- Medicine Hat, Alberta is not declared a depressed housing market area for CF personnel subject to relocation.
- Medicine Hat, Alberta is declared a depressed housing market area for CF personnel subject to relocation.

*Michelle d'Auray*  
Michelle d'Auray

JUL 05 2012  
Date

Marc-Arthur Hyppolite, Assistant Deputy Minister, Compensation and Labour Relations (613 952-3000)



Treasury Board of Canada  
Secrétariat

Secrétariat du Conseil du Trésor  
du Canada

**MEMORANDUM NOTE DE SERVICE**

TO  
A

Michelle d'Auray  
Secretary of Treasury Board of Canada

FROM  
DE

Daphne Meredith  
Chief Human Resources Officer

Security classification	Classification de sécurité
<del>PROTECTED</del> by ATIP	
Originator/Telephone number	Auteur/Numéro de téléphone
Edith Kehoe (613 957-9678)	
Our file	Notre référence
RDIMS #1039770	
Your file	Votre référence
WEBCIMS #108206	
Date	

SUBJECT  
OBJET

**Depressed Housing Market - Home Equity Assistance Program for Canadian Forces Personnel – CALGARY, ALBERTA**

**Summary**

National Defence is seeking the declaration of Calgary, Alberta as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted delegation to designate a depressed market area which provides affected personnel with additional financial assistance. TBS does not recommend approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas (normally we look at a decline\* of 20% or greater). \* (Calculated by taking the original purchase cost of the home, less the sale price, divided by the original purchase price to identify the percentile loss.)
- Normally consideration consists of analyzing the geographic location, the local economic state; i.e. the circumstances that may be happening in the surrounding areas such as mill closures, mine closures, unemployment rate, school closures, etc. In addition a review is undertaken of any newspaper articles, memos and objective evidence of market decline

- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Kanata would not be considered in isolation from the Ottawa market.
- It should be noted that CF members are subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Current Status:**

- Indications from the press, the Provincial government, the Municipality, all indicate an economic rebound in the Calgary area due to the recovery of the economy and the energy sector.
- According to Statistics Canada, in 2010, Alberta had increases in the labour market, housing starts and business activity following three consecutive declines. The growth in business was led by mining, oil and gas extraction support activities, manufacturing and crop production.
- Calgary is the largest city in Alberta and is located 294 kilometers south of the capital, Edmonton. Economic activity in Calgary is centered on the petroleum industry, agriculture and tourism.
- Based on government data, the unemployment rate for Alberta is the lowest in Canada.
- The material provided indicates MLS sales were in a boom phase for several years, peaking in 2007 when the property in question was purchased. From 2008 to 2009 the global economy took a downturn which resulted in a recession in Canada in 2008-2009.
- The submitted material states that the housing prices have lowered and stabilized as a result of home price disinflation.
- The property was purchased at an average home price range in 2007 and sold above the average price range in 2009 at a percentage loss of 7%. The market decline for the average home cost for Calgary from 2007 to 2010 was 6.8%.

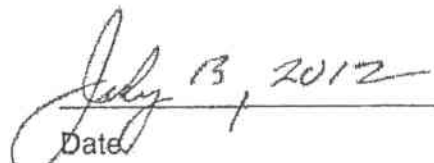
**Recommendation**

Based on the forgoing, we do not recommend that you declare Calgary, Alberta a depressed housing market area for CF personnel subject to relocation.

**Decision**

- Calgary, Alberta is not declared a depressed housing market area for CF personnel subject to relocation.
- Calgary, Alberta is declared a depressed housing market area for CF personnel subject to relocation.

  
\_\_\_\_\_  
Michelle d'Auray

  
\_\_\_\_\_  
Date

Marc-Arthur Hyppolite, Assistant Deputy Minister, Compensation and Labour Relations (613 952-3000)

MEMORANDUM TO THE SECRETARY

C.C.

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL -  
TÉMISCAMING**

**SUMMARY**

National Defence is seeking the declaration of Témiscaming, Quebec as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS recommends approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas, defined in the policy as having a decline of 20% or greater.
- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Orleans would not be considered in isolation from the Ottawa market.
- It should be noted that the CF are being subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Current status:**

- Based on data provided by the Canadian Forces, Témiscaming, Quebec is a neighbouring village to areas affected by the Abitibi mining operations which as per press releases has had a detrimental effect in the neighbouring areas.



- According to material provided in this file, this property's value decreased by 44%. At the same time it has to compete with similar area listings faced with similar or greater equity decline.
- The material from real estate brokers indicates that there has been almost non-existing sales and ever increasing listings which will serve to depress the housing market further.

**Recommendation**

That Témiscaming, Quebec and the surrounding area be declared as a depressed housing market area for CF personnel subject to relocation.

~~Recommending Office~~

<input type="checkbox"/> I approve.	<input type="checkbox"/> I do not approve.
_____ Tony Clement	_____ Date

**WRONG TEMPLATE USED**

Daphne Meredith, Chief Human Resources Officer, Treasury Board  
Secretariat (952-1225)

MEMORANDUM TO THE SECRETARY

C.C.

**DEPRESSED HOUSING MARKET - HOME  
EQUITY ASSISTANCE PROGRAM FOR  
CANADIAN FORCES PERSONNEL -  
COMOX, BC**

SUMMARY

National Defence is seeking the declaration of Courland, Ontario as a depressed Housing Market area for relocating Canadian Forces personnel (CF). Under TB 829899, the Secretary of the Treasury Board has been granted a delegation that can be used to designate a depressed market area which provides affected personnel with additional financial assistance. TBS recommends approval of this request.

**Background**

- In order for members to be able to recover 100% of the home equity under the Government's Home Equity Assistance Program (HEAP), Treasury Board Secretariat (TBS) is required to review the areas identified based on data provided and decide whether to declare those identified areas as depressed housing market areas, defined in the policy as having a decline of 20% or greater.
- In application, an area is looked at in its entirety and not at a specific neighbourhood. For example, Nepean would not be considered in isolation from the Ottawa market.
- It should be noted that the CF are being subject to a relocation akin to "a forced relocation" and as such are often subjected to absorbing an equity loss in the disposition of their principal residences at origin.

**Current status:**

- Based on data provided by the Canadian Forces, Comox and the surrounding areas have indeed suffered from some economic loss as a result of the lumber industry decline.

- The material provided indicate some job losses however the member seeking this declaration incurred a loss of only 5%.
- The Federal Government and the US Government have ratified several agreements which compounded with recent world incidents will regenerate the lumber industry as communities around the USA and Japan especially, rebuild.

**Recommendation**

That Comox, BC., and the surrounding area not be declared as a depressed housing market area for CF personnel subject to relocation.

Recommending Office

<input type="checkbox"/> I approve.	<input type="checkbox"/> I do not approve.
_____ Tony Clement	_____ Date

**WRONG TEMPLATE USED**

Daphne Meredith, Chief Human Resources Officer, Treasury Board  
Secretariat (952-1225)