

CAP MUNICIPAL FEES AND REGULATIONS ON NEW HOUSING



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BC's Ministry of Housing recently identified ten municipalities where housing targets will be set.

The goal is so “housing can get built faster, including updating zoning bylaws and streamlining local development approval processes.” Municipalities in the CRD are Saanich, Oak Bay and Victoria. They will be “encouraged” to rezone and speed up their permit processes.

This will require lots of encouragement – they are three of the slowest, most costly municipalities for construction.

Local layers of regulatory hurdles are added annually along with rising fees. After boosting Development Cost Charges by more than 100%, Saanich is planning to require thousands of dollars in Community Amenity Contributions per new townhome. Housing starts have declined 40% since 2017.

Victoria will charge a \$19,500 fee as part of deconstruction bylaw in September, despite the CRD banning wood and other materials from the landfill. The materials must be recycled, yet the city continues adding more costs to housing.

Oak Bay was identified in Housing Needs Reports as a municipality to be avoided, even by non-profits, due to obstruction of rezonings. They were likely high on the ministry's list after council rejected a 14-unit rezoning last year on Oak Bay Ave.

While the province's efforts to boost density and efficiency are welcome (and long overdue), there remains a loophole large enough to drive a truck through.

The loophole is high fees and obstructive regulations.

Some CRD municipalities have made little effort to pull their weight to address housing supply and affordability.

Even if rezonings are achieved, rising permit fees, Community Amenity Contributions, Development Cost Charges, etc can make new construction unaffordable.

Many municipalities are posting million-dollar surpluses from building permits alone. Other hurdles include extreme environmental regulations, such as Saanich's past EDPA, causing challenges to build anything in the Urban Containment Zone, allegedly intended for housing.

If reasonable financial numbers can't be realized for a project, housing won't get built, or what does get built will be the least affordable.

The province needs to cap municipal fees and regulations if housing supply is going to increase and achieve more affordability.

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