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More Housing or More Red Tape?

The BC government recently announced the Housing Supply Act and the formation of a stand-alone Ministry of Housing.

This long-awaited initiative promised by new Premier David Eby is intended to address a lack of supply and housing affordability.

The Housing Supply Act creates housing targets in consultation with each municipality, which must provide progress reports to the province.

If the province decides the municipality is not making efforts to meet the targets, they can override the municipality.

Unfortunately, this initiative is very government-process driven. There is no mention of enabling secondary suites, nor Premier Eby's earlier suggestion to allow 3 units in single family zones.

Compare this to Ontario's new More Homes Built Faster Act:

- Up to 3 units permitted "as of right" in single family zones without needing a municipal by-law amendment;
- Removal of site plan controls for most projects with fewer than 10 units, which supports missing middle housing;
- More certainty on inclusionary zoning, a maximum 25-year affordability period, 5% cap on the number of units, and a standardized market price or rent;

- Reduced municipal fees for affordable and inclusionary zoning units, as well as non-profit housing developments

Ontario's average home price is \$835,090, while BC's is \$927,205. Yet Ontario has done more for housing supply and affordability.

Ontario's legislation will have an immediate impact, while BC's Housing Supply Act may be mired in government reports and red tape.

An example of similar BC legislation is the Development Cost Charge Best Practices Guide. The guide says fairness, certainty and stable charges should be built into the fee process. It says, "Stability of DCC rates will assist the development industry in the planning of their projects."

DCC increases must be signed off by the Minister of Municipal Affairs.

However, many local DCC's have been anything but fair, certain or stable. The ministry has approved 100%, even 180%+ increases, despite industry complaints that the fees do not follow the BC government's policies.

These large fees caught many builders by surprise, and undermined new housing projects and affordability.

Now a similar system is being put in place to encourage housing supply. Will BC's Housing Supply Act result in more housing or just more red tape?



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