

Protect Housing in Urban Containment Areas



A new Demographia Housing Affordability report ranks Vancouver the 3rd least affordable housing market, after Hong Kong (1) and Sydney (2).

The report says, “impossibly unaffordable housing in the Vancouver market has also spread to smaller BC markets” including Vancouver Island. “From 2015 to 2023, housing affordability worsened by the equivalent of 2.5 years of median household income in smaller markets outside Vancouver, an even greater loss than the 1.2 years in the Vancouver market itself.”

They say the main cause is high land values caused by urban containment boundaries (UCB).

“The (affordability) crisis stems principally from land use policies that artificially restrict housing supply, driving up land prices and making homeownership unattainable for many. Urban containment policies (greenbelts urban growth boundaries, densification) are designed to limit sprawl and increase density. While well-intentioned, these policies severely constrict the land available for housing. In constrained markets, higher land values translate to dramatically higher house prices.”

New Zealand’s research shows UCBs “add a staggering NZ\$600,000 (US\$370,000) to the cost of land for houses on Auckland’s edges.” As a result, the government adopted a policy called “Going for Housing Growth.” Their new policy promotes “abundant developable land within and around cities, preventing the artificial scarcity that drives up prices.”

Locally, VRBA outlined the problem five years ago in our TC column – “Protect Housing in Urban Containment Zones.”

Municipalities must become more development friendly within the UCB, when establishing greenbelts like the ALR. Otherwise, housing is caught in a squeeze between greenbelts and rising government restrictions in UCBs.

For example, Saanich’s Environmental Development Permit Area (EDPA) bylaw obstructed new housing and renovations, despite lacking evidence of sensitive ecosystems. This caused a public backlash, resulting in council rescinding the bylaw.

Council recently replaced the EDPA with a new “biodiversity strategy.” It remains to be seen if this is similar to the EDPA.

In addition, Saanich council recently put the province “on notice it does not want to allow secondary and garden suites outside the urban containment boundary.”

This is the squeeze driving up housing prices. While greenbelts are protected, more restrictions in the UCB are driving up housing prices.

In the interests of both housing affordability and greenbelts, municipalities must become more development friendly within the UCB.

Protect housing in UCBs intended for housing.



Visit us at vrba.ca and
careawards.ca

Follow us on
Facebook and Twitter