

Facts - not rhetoric - needed on housing supply, affordability

Participant at recent SFU panel discussion keen to clarify some of the 'egregious statements' attributed to his presentation

BY BOB RANSFORD, SPECIAL TO THE SUN MARCH 30, 2013

We've heard a lot of emotion-charged statements and big leap assumptions over the last few weeks in Vancouver about the changes that real estate development continues to bring to the city.

The rhetoric around these issues often masks the facts. Take, for example, the discussion about foreign investment in Vancouver's real estate market and the impact it might have on housing supply and affordability.

At a recent panel discussion at Simon Fraser University, one presenter solely cited news story headlines and blog content as evidence foreign investment in real estate is un Logo Sh having an impact on affordability. Sandy Garossino argued that the media coverage - both local and international - proves a problem exists. She equated a Vancouver condo to an empty safe deposit box for foreign investors parking their money in Vancouver. The problem is, the news stories didn't cite quantitative evidence, mostly reflecting the concerns of those who believe there is a problem but want more research so they can prove their concern is valid. When the little research that exists on this topic is presented, it is often misrepresented or at least selectively cited. Urban planner Andy Yan at Vancouver's BTAworks has tried very hard to apply some statistical research rigour to analyzing the extent to which unoccupied homes exist in Vancouver. Nailing down that figure would help to assess whether or not unoccupied homes are affecting housing supply and impacting affordability.

Some news stories about Yan's presentation, also at SFU, trumpeted the claim that a quarter of all condominium homes in Vancouver sit empty. eet & Brand Yan has now tried to "clarify some of the more egregious statements" attributed to his presentation. Yan's analysis used Statistics Canada's census data that measures regular private dwelling units that were either "unoccupied" or "occupied solely by foreign residents and/or temporary present residents" on the census reference day, May 10, 2011.

He explains in a recent post on BTA-works' blog:

"The presentation did not make a statement that condos in the entire city of Vancouver were 25 per cent 'empty.' The presentation examined a universe of private regular dwelling units - the formal census definition and did not break down typology. It was properly reported [in the media] that 'nearly a quarter of condos in Vancouver are empty or occupied by non-residents in some dense areas of downtown.' Indeed, 22.8 per cent of dwelling units in the Coal Harbour census tract were non-resident occupied. However, one cannot extend this percentage to the state of housing occupancy in the city of Vancouver.

Guidelines "The overall pattern for downtown Vancouver as defined by the BTA-works PowerPoint slide deck was 14.9 per cent or 5,710 units and is compared to 7.7 per cent for overall citywide and 6.1 per cent for Metro Vancouver-wide patterns. Where 93 per cent of dwelling structures are apartment

buildings greater than five storeys in downtown Vancouver, it is important to note that the dwelling stock greatly diversifies as one exits downtown Vancouver into a number of other structural types such as single-detached houses and duplexes."

Yan has tried to counter stories suggesting that 35 20-storey condominium apartment buildings sit empty in Vancouver.

"There are obviously NOT 35 20-storey empty buildings in downtown Vancouver. Instead, non-resident-occupied units were spread throughout downtown Vancouver and dozens of buildings."

Some of the discussion about "empty condos" and foreign real estate investors is little more than veiled racism. Yan makes an important point in clarifying that, while we might be able to assume that some homes sit empty in Vancouver because they are owned by investors who are happy to leave them empty, we can't automatically assume those investors are foreign.

"It is troubling that the popular press and the blogosphere is automatically attributing 'foreign' to investment ownership. While through other methods and data sources, we strongly believe that many downtown condos are investor owned/non-owner occupied. However, there is no simple and direct method of determining whether this investment is held by a Canadian or not. The nationalities/citizenship status of these investors are not readily known through these data sets," Yan explains in his blog post.

Discussion of important issues like housing supply and affordability is vital. In order to make good public policy decisions about these issues, that public discussion needs to be informed discussion.

Bob Ransford is a public affairs consultant with Counterpoint Communications Inc. He is a former real estate developer who specializes in urban land-use issues. Email: ransford@counterpoint.ca or Twitter @BobRansford

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