



Premier Christy Clark, left, joins Lt.-Gov. Judith Guichon at the legislature before the throne speech on Tuesday in Victoria.

JONATHAN HAYWARD/THE CANADIAN PRESS

THRONE SPEECH

Housing scheme again takes aim at municipal governments

Clark will force builders to disclose all local fees on new dwellings

ROB SHAW
VANCOUVER SUN

VICTORIA — British Columbians buying newly built homes will get a clear breakdown of how local development costs and regulatory fees have driven up the price, says the premier.

Christy Clark said Tuesday all levels of government will have to work together to address the housing affordability crisis in Metro Vancouver, but that her government will also make it clear to homebuyers the hidden costs in new real estate.

"What we expressed today is a real concern about housing affordability," Clark told reporters after her government's throne speech in Victoria. "It's a huge issue ... so we want to do what we can as the province to reduce that pressure. There are a lot of costs that the province and local governments load onto every single unit of housing and we need to be thinking about trying to address that so we can lower the costs."

Clark said last year that someone buying, for example, a new \$450,000 condo in Vancouver is paying \$76,000 in civic fees and levies that the City of Vancouver

adds onto each unit. She will insist that buyers get an itemized list of those fees and levies.

But Tuesday, the premier stopped short of forcing municipalities to reduce their fees.

"They have the right to be able to make these decisions," she said. "Issues around demolition permits, zoning, those are exclusively local government. ... We don't intend to interfere with that. I think local governments are just as concerned about this as I am, so I'm hopeful they will address their end of it."

It's not the first time the province has pushed the issue of housing affordability back onto municipal governments. When Vancouver Mayor Gregor Robertson last year called on the premier to implement a speculation tax on foreign buyers, Clark replied in a letter that Vancouver could increase its housing supply with better land-use planning.

Robertson on Tuesday called the issue "a red herring."

"It's ridiculous to think that the costs that cities charge developers to contribute to community centres, parks and child care are somehow affecting the market," he said. Instead, the province should look at taxes on speculators, high-end homes and empty

homes, Robertson said.

The Clark government remains under pressure to make housing more affordable in the Lower Mainland.

The premier has said she won't do anything to reduce the value of existing homes, but is exploring changes to the property transfer tax as part of next week's budget, as well as unspecified measures to get "cities to try and increase supply" and density.

Clark also took aim at some Lower Mainland real estate agents who may be engaging in "shadow flipping," which allows a property to be resold multiple times before a deal is closed. The practice increases the property price, allows the agent to collect commissions, and costs the government revenue in property transfer taxes it can't collect.

On Tuesday, Finance Minister Mike de Jong asked the Real Estate Council of B.C. to investigate. But NDP Leader John Horgan said allowing the real estate industry to investigate itself is unacceptable.

"There's a distortion in the market and you shouldn't have the foxes taking a look at the henhouse," said Horgan.

Clark said realtors are a self-governing profession and should

clean up their internal issues.

"We're going to give them a chance to try to do their job but if they can't I don't have a lot of patience on this issue. We want to see it get fixed quickly. If they don't fix it, we're going to."

While housing dominated the start of the spring legislative session Tuesday, the government's throne speech also included an admission that B.C. won't meet its promised timelines to create a liquefied natural gas export industry because of how the low price of oil (which slid below \$28 US a barrel Tuesday) has hurt the finances of the energy companies proposing LNG facilities.

"It's gotten hard," Clark said. "We need to just keep working at it. And we'll never be successful if we just decide to be quitters about it."

The throne speech also promised more money for agricultural land, a tax credit for farmers that donate food to non-profits, a modernization of community care and assisted living programs, and hiring of even more additional social workers than was recommended in a recent report by former bureaucrat Bob Plecas.

rshaw@vancouversun.com

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