

AFFORDABLE HOUSING

Soaring land costs drive some buyers away from transit hubs

Report warns 'drive until you qualify' phenomenon is pushing out those who can least afford it

KELLY SINOSKI

VANCOUVER SUN

As the appeal of living near rapid transit continues to push up the price of land around SkyTrain stations, Metro Vancouver is grappling with ways to keep affordable housing near transit.

An updated affordability report, which will be distributed to municipalities for discussion, suggests the high cost of land around rapid transit is forcing young families, seniors and emergency workers — whose wages aren't keeping pace with housing prices — to move further out of urban centres.

This, in turn, is feeding the "drive until you qualify" phenomenon and urban sprawl, the report suggests, and is creating a financial burden for those who can least afford it. The report notes transit and housing go hand in hand because those who live closer to transit aren't as dependent on using a vehicle.

"The lower your income, the more you should not be forced to have a car and live way out somewhere," said Metro Vancouver's housing manager Don



Rising housing prices at SkyTrain hubs such as Metrotown are forcing young families out.

Littleford. "The big planning goal in the regional growth strategy is to put more housing near transit ... not to displace the need for lots of condominium and market rental, but we want to have affordable rental near rapid transit."

The report notes that within the next 10 years Metro Vancouver will need an estimated

190,000 more housing units. Of these, 65,000 would be needed for rentals and 121,000 for ownership units.

Dwellings are considered affordable when monthly rents or mortgage payments (including property taxes and heating costs) do not exceed 30 per cent of the household's gross monthly income.

Margaret Eberle, a senior housing planner with Metro, said while progress is being made on the market rental side, there hasn't been as much movement for low-income rentals.

This is partly because developers are apt to build more condos than rental housing. And even if there is market

rental or low-income housing included in a project, it is likely to be more expensive.

The new Evergreen Line, for instance, is expected to provide walking and transit amenities around its stations but this will likely push up land costs and housing prices.

"It's almost impossible to get purpose-built market rental housing development in the suburbs. Economically it doesn't work," said Coquitlam Mayor Richard Stewart.

"We do have to pressure developers, particularly where there's low-density. One of the challenges of the chosen (Evergreen) alignment is that it puts the stations close to rental houses. The rental houses then become unviable.

"We'll end up with better housing but it will undoubtedly be more expensive housing."

The report recommends that Metro Vancouver consider acquiring transit-oriented locations for mixed-income and housing rentals before the land value gets too high, as well as identify suitable sites for mixed housing developments on lands near the transit network.

The situation has prompted some Metro housing committee members to warn of an

impending affordable housing crisis. Vancouver Coun. Geoff Meggs noted his city saw two years of record housing construction but there's been no improvement in affordability.

"Rental housing is key and we're not getting much built; we're really facing a struggle to protect and enhance that stock," he said.

"The challenging thing is that rents are always higher in newer buildings than they are in older ones. What seems like desperation will become full-blown crisis in a few years."

Meggs noted that while his city, along with New Westminster, has some good policies to protect rental housing, there should be a universal policy across the region because everyone is facing the same problem.

"It's very difficult to send prescriptions to Burnaby about how they should behave," he said.

In New Westminster, the city is offering density bonuses and lower parking standards in exchange for more market rentals, said Beverly Grieve, director of that city's development services.

ksinoski@vancouver.sun.com