

Vancouver looks to gather data on vacant homes

Website is part of research to find out if vacancies are adding to city affordability crisis

BY JEFF LEE, VANCOUVER SUN APRIL 27, 2015



The city of Vancouver is researching how vacancies affect the city's overheated housing market and is setting up a website so citizens can report vacant properties.

Photograph by: RICHARD LAM, PNG

Vancouver plans to create a database of empty houses and condos to determine how much vacant properties contribute to the city's affordability crisis.

Two of the major questions the city hopes to answer with this research is how much of an influence investors are having and whether housing is being treated as a commodity instead of as a place to live.

But one city councillor worries that in seeking the data, Vancouver may give more oxygen to xenophobic comments that have suggested Vancouver's problems arise from foreign investments, particularly from China.

Coun. Kerry Jang, a third-generation Chinese-Canadian, said he was reminded of that possibility when someone emailed him at City Hall to report an empty house in his neighbourhood that probably owned by "a foreign investor."

When Jang investigated, he found out it was his own home, which he had temporarily moved out of while it was undergoing renovations.

"Somebody sent me an email saying this house was empty and that some Asian guy owned it, probably a foreign investor. I bust a gut laughing. We've had the house for 24 years." he said.

Jang said the city needs to know how many homes are empty, and for what reason. In the natural evolution of a city, some houses will be empty, such as for renovation, demolition or probate.

But Vancouver also appears to be an investor's market that is influencing supply and demand and that resonates with residents who can't find accommodation, he said.

"That is a narrative that I have heard many, many times over, both in the Chinese and the non-Chinese communities. They all think this narrative to be true, a narrative that housing is a commodity that is just being bought and sold at the expense of Vancouverites," Jang said.

An additional narrative is that much of the housing is influenced by money-laundering from China, Jang said. There have been several cases recently in which people sought on corruption charges in China had invested in Vancouver real estate.

But city research to date indicated there was not enough information to conclude whether foreign investment is causing a housing shortage. Accurate data is difficult to obtain.

In a memo to city council last week, Vancouver's chief housing officer, Mukhtar Latif said there are few tools available to determine how many homes are empty, and why. He said the city will use BC Hydro consumption data and national census information to get a handle on the problem. The city will also set up a website where people can report houses they believe to be empty.

Latif cited two studies that indicate between five and eight per cent of Vancouver homes are empty. One, a 2011 Urban Futures Institute report based on census data, suggests 6.7 per cent of apartment dwellings, both condos and purpose-built rental units, are unoccupied. That compares to 6.2 per cent in Metro Vancouver overall and 7.0 per cent across all Canadian metropolitan areas.

The other, a 2009 study of BC Hydro data by Andy Yan, a University of B.C. urban geography professor and architect, suggests five to eight per cent of downtown Vancouver condos are "dark".

David Wachsmuth, a UBC urban geographer, said the city's study will break new ground. Although many cities have housing vacancy problems, Vancouver is in a club of its own.

"There are lot of cities that have really intense housing markets and really intense speculation in housing, like New York or London, where some of that high housing cost is offset by the fact that incomes are going up," Wachsmuth said.

"The problem in Vancouver is that demand for housing doesn't have that strong of a relationship with the local economy, which means that prices that are becoming so out of whack with what people who live and work in the city can afford. In that sense, Vancouver really does stand out in the entire world."

Jang said the city doesn't can't control how investors influence the housing market. But the results of the city's research should be given to the federal and provincial governments, who do.

"We will share it with the province and the feds to see if they want to do anything about it. They are the only ones with the power," he said.

The city could levy special fees for houses that remain empty for investment purposes, but that has potential downsides, Jang said.

"Before we even go down that road, we want to know what the scope of the problem. The last thing you

want to do is start speculating what you might want to do. It can cause all kinds of difficulties. You will be accused of being racist or something like that. We've already seen this kind of undertone," he said.

Jang, whose grandfather moved to Vancouver from China, is acutely aware that Canada has a racist history. **There are still homes in West Vancouver with unenforceable covenants on them indicating they can't be sold to Asians.** In its efforts to determine how many homes are being held by investors, the city should be careful not to reopen that debate.

"That is what personally disturbs me. People see an Asian guy and immediately think he's a foreign investor. I am a third-generation Canadian," Jang said.

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