

OPINION

Time for a real estate reality check

Election distraction: Municipal candidates should admit they can't do a thing about the high cost of housing



Pete McMartin

Housing in Metro Vancouver is prohibitively expensive. There. Said that.

Now, can we please move on? It's a non-issue.

It's a distraction that municipal candidates are wasting too much of their time on in their campaigns because — while they would eagerly tap into the collective angst and, let's be honest, the simmering prejudices the issue inspires — there is practically nothing they can do about it. They are lying if they say they can.

Worse, they haven't even examined the question of whether they should. (Or the *cojones* to admit that they shouldn't.)

Do invested homeowners, many of whom have sizable mortgages, want municipal governments trying to devalue the worth of their homes in the name of affordability? Do they want their local governments trying to restrict the market forces that might lead to that devaluation? Because that's the other side of this coin.

Or would they limit access to the market itself? And how would they do that?

Levy a surcharge on wealthy immigrants who buy but do not live here?

Great, but does anyone believe that a surcharge would have any significant effect on affordability? And what are the logistics and cost of levying that surcharge? Can it even be done? And would it deter wealthy immigrants from buying here?

And is levying a surcharge on wealthy immigrants consistent with our own beliefs? The largest number of foreign landowners in Florida, Arizona and California are Canadians. Snowbirds, mostly, or those well-off enough to buy distressed properties in those states at bargain basement prices. Would they have themselves placed under the same restrictions we would place on immigrants?

Or how about we embrace the xenophobe's answer to everything and limit the number of immigrants



Municipal candidates eagerly tap into the collective angst over Vancouver's prohibitively expensive real estate, but few will admit that the only real solution is densification, which established neighbourhoods fight tooth and nail.

coming to Vancouver?

Even if it could be done, and it can't, that's a federal power, not a municipal one. And show me the municipal politician who would champion that cause in public, other than the one with the swastika tattooed on his bicep. Hands up any of you mayoral candidates who want to send that message to our immigrant communities, or to the global investment communities we try so hard to cultivate.

What about attracting more industry that would supply better paying jobs? Absolutely. It should be a priority. But there's not necessarily a correlation between higher incomes and better housing affordability. It could, in fact, be the opposite, with more money chasing a limited housing supply.

How about densification?

Great, it's the best possible means of, at the very least, increasing the housing stock.

But show me the neighbourhood in Vancouver that hasn't fought densification tooth and nail. There has been pushback on densification from every neighbourhood in the city, and the neighbourhood that has most bemoaned high housing prices — the wealthy west side — has fought densification the hardest. They would have it both ways: an edenic single-family neighbourhood in the middle of a major metropolitan area at prices last seen in a time capsule. Not possible.

The one honest voice I have heard on this issue — and I wish the guy was running for mayor — has been Tsur Somerville, director of UBC's Centre for Urban Economics and Real Estate.

"Cities," Somerville said, "can contribute to (affordability) in terms of what they allow to be built. I don't want to let cities off the hook in terms of the supply side.

"I think cities should do the most they reasonably can to ensure there is a variety of housing available across all neighbourhoods. I think cities and provinces should work together to help the most vulnerable because they need government help whether it's social housing or housing vouchers.

"(But) tripling the supply of condos is not going to help the homeless. To the extent that we do not let single-family neighbourhoods ever, ever be touched, we're not giving the full set of choices. And that's what I have a problem with. "But you give me the politician who's willing to take on neighbourhood opposition to change."

That's the real issue in these municipal elections:

Finding leaders who would address issues they can affect, rather than pandering to those issues they can't.

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