

ni? ct xafəmətəl, tə ʔnimət, tə təmɔxʷ ʔi? tə kʷaʔkʷə 1 *
We watch over the land and sea and in turn they watch over us.

May 22, 2015

The Honourable Christy Clark
Premier of British Columbia
West Annex
Parliament Buildings
Victoria, B.C. V8V 1X4

Dear Premier Clark,



I was heartened to read your recent comments regarding the unaffordability of the Vancouver housing market, and your recognition of the growing demand for action against unwarranted speculation that is driving housing prices out of sight.

In particular, I was glad to learn that your government is open to new ideas to tackle the unprecedented situation we find ourselves in, with a housing market that has seen house prices rise much faster than inflation or incomes. The significant changes required to enhance affordability and fairness in the Vancouver housing market rest with the Province through legislation such as the *Land Title Act*, the *Assessment Act* and the *Property Transfer Tax Act*. I am writing to you to express what I believe those policy changes could and should be.

The rapidly escalating housing prices in Vancouver are creating despair on the part of many hard-working, middle-income citizens and families. I hear on a daily basis from young people who are educated, have good-paying jobs, but are unable to find quality rental housing in a near-zero vacancy market, and who are not even within shouting distance of being able to buy in Vancouver. While the boom in housing prices benefits those fortunate to buy into the market many years ago, it is creating an enormous disparity that threatens our ability to keep and attract the best and brightest.

The concerns I hear from residents are that they believe fair access to decent housing is a right, not the privilege of a few; and that housing should not be a speculative commodity that can even be left empty in the expectation of automatic gains. These views, which I believe we all can endorse, are a challenge to elected leaders at every level.

As you are aware, the Metro Vancouver housing market is experiencing unprecedented price gains, with average home prices rising to record levels this spring. A recent VanCity report concluded that the average property in Metro now requires more than 48 per cent of the median household monthly income to buy, while the Canada Mortgage and Housing Corporation recommends a debt-load of no higher than 32 per cent of income. The same study also shows that if housing prices remain unchecked, the average detached home in Vancouver will cost more than \$2.1 million by 2030, and require more than 100 per cent of the median household income to maintain.

The escalation in housing prices coincides with increasing reports of Vancouver's housing market being treated as a commodity for the world's wealthiest citizens, with people parking their money in Vancouver real estate simply for profit. I firmly believe that housing should not be treated solely as an investment commodity.

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The City of Vancouver would welcome urgent discussions with your government to create the housing that our residents deserve, as well as steps to create a fairer playing field when it comes to buying a home.

The single biggest step the Province could do to address the soaring housing costs in Metro Vancouver is to generate thousands of new housing units that are affordable for lower and middle income taxpayers. Even a sharp correction in the housing market won't enable opportunities for people to rent or buy without an increase in supply of housing geared to low and middle incomes.

Such a program could include:

- A program to stimulate the creation of market rental housing across the province;
- Increase provincial investments in social housing, by building on the success of BC Housing's partnership with the City on the 14 sites, to increase the stock affordable to families with lower household incomes; and
- Stronger support for non-profit and co-operative housing operators to assist them to maintain, improve and expand their share of the housing market.

The City has set aside \$61 million in our 2015 Capital Plan to invest in housing and support our Affordable Housing Agency. We would welcome the opportunity to partner with you on new affordable housing geared to families, first-time buyers and seniors. As well, with a federal election this fall, I would be pleased to collaborate with you on calling for increased housing investments from the Federal Government. As you know, successive Federal Governments have drastically scaled back funding for affordable housing, and shifted more of the burden onto our levels of government.

In addition, we think it is timely for the Province to ensure that BC taxpayers see some benefit from the remarkable rise in residential land values in many parts of the province. We believe there is a strong case for the Province to curb unwarranted speculation through a series of measures, including:


- An increased property transfer tax on the most expensive properties, with the proceeds invested into affordable housing;
- Taxation measures to discourage the quick resale or 'flipping' of new housing, which would reduce speculation and help level the playing field for first-time buyers;
- Amendments to the Vancouver Charter and the Community Charter, if necessary, to strengthen the ability of municipalities to track property ownership and ensure timely occupancy of vacant units.

Premier, I believe that these measures would help moderate the excesses of the Vancouver housing market, without unfairly punishing those who have built up home equity through hard work and personal savings. These policies would slow the surging prices that are forcing renters and prospective buyers to leave the City in search of more affordable housing, and send a signal that our housing is for living in, not for investor speculation.

Our generation had the good fortune to enter the housing market at the beginning of a long, steady climb in housing prices. We have a responsibility to ensure that the next generation can share in the benefits, and have the opportunity to pursue their aspirations right here in BC.

I look forward to hearing from you.

Sincerely,

Call me anytime to discuss!


Mayor Gregor Robertson