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At Large: Peter Ladner

No need for rental market in city to be shaken or stirred

Are we pretty much over the breaking news that the mayor can swear? (Who knew?!)

Far more relevant are the implications of the mayor's and some fellow councillors' off-mic-whoops-on-mic remarks disparaging public presenters at city hall.

First there's the ongoing question of who neighbourhood advocates really represent. I often wondered about that. But challenging the legitimacy of these "groups" with a city hall-appointed group immediately leads to cries that city hall appointees will be even less legitimate. Point taken.

Why were these people at city hall in the first place? They were unhappy that an inside-track developer was getting permission to spot zone a bigger-than-normal new tower in their West End neighbourhood in the name of providing market rental units that would otherwise not be built. They wanted to hold off until a comprehensive community plan was in place.

The zoning was proposed as part of the city's new short-term investment in rental housing (STIR) program, offering developers extra floors if they build rental housing in them. New market rental was deemed to be more important than the usual payments for parks, daycare and other civic infrastructure costs related to new developments. All this financial contortion was triggered by the lack of new purpose-built rental housing and declining vacancy rates.

"We are having a tough time figuring out how to create rental housing," the mayor admitted after the meeting, perhaps conceding that STIR had stirred up the wrong soup.

What everyone seems to be ignoring is that new market rental housing is being built without anyone at city hall doing anything or offending any neighbourhoods. It's called new condo development. The city even owns a few of these in Southeast False Creek.

I know this thanks to an under-appreciated May 2009 study by Andrew Yan at BTAworks, the architectural and urban research and development consulting division for Bing Thom Architects.

Yan went off in search of data to find out how many of the new downtown condos were actually vacant (about 8%). Along the way he noted that Canada Mortgage and Housing Corp. estimates that more than a third (35%) of private condos in downtown Vancouver are available for rent. For the lower-priced condos Yan studied, almost two-thirds (62%) were rented ("non-owner occupied"). Rental units in the buildings he studied took up from 33% to 75% of the suites.

His conclusion: more than half the units in typical downtown condos were not owner-occupied. With 3,650 new condos being built between the time of his study (May 2009) and December 2011, based on Yan's data, we can expect half of them to be put onto the rental market at the same rates as the new units in the contentious tower in the West End.

That's 1,825 new market rental units being built without any city hall giveaways or disagreeable neighbourhood "hacks" forcing elected officials to reach for their grab bag of expletives.

The West End uprising is over a mere 47 new market rental units. Meanwhile, the private sector is delivering 39 times that number elsewhere in the downtown peninsula – and paying for the additional costs to the city through traditional development cost levies. Why is STIR necessary?

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