

Housing Minister Says Migration Chains Key to Affordability



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Last week, Housing Minister Eby expressed his dismay over Victoria council's lack of approval for a new rezoning plan to address "missing middle" housing.

Missing middle is a term used to describe small multi-family housing such as townhomes, duplexes, triplexes often sought by young families.

The plan would expedite the development of these homes on lots zoned single family. However, council voted to send the initiative back to staff for further review.

Eby made a couple of points that are also supported by an important study called *The Effect of New Market-Rate Housing Construction on the Low-Income Housing Market* by economist Evan Mast.

First, Eby says the government can't tackle the housing affordability crisis "on its own." His government is already spending \$7 billion on subsidized housing and it's not enough.

The Mast study supports his observation. Simply building government housing will not solve the affordability problem. The resources available are nowhere near the scope of the challenge.

Second, Eby says council's delay means "that family only stays in rental housing. They don't move into a home they own. They don't free up

that unit for someone else to move in. They compete with other people and outbid renters for that available rental housing."

This is again supported by Mast's study of families moving in and out of homes in 12 cities. He reveals housing is an ecosystem of migration chains impacting all price points.

For every two market-rate homes, approximately one affordable home is created in terms of reducing the displacement of low-income people.

The study shows that encouraging market supply at all price points, thereby producing more migration chains, is critical to addressing more housing affordability.

Unfortunately, this ecosystem of migration chains is rarely understood by municipal councils. They often choke new market housing with delays and high fees, while expecting government-subsidized housing to address the issue.

In other words, they are doing the opposite of what the Mast study recommends. It's no wonder we have record low housing supply and record high prices.

Now that BC's Housing Minister has accurately articulated the problem and solution, his government must act to ensure municipalities encourage supply through efficient rezonings and permit approvals.



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