

Developers fear new green bill will drive up local housing costs

Legislation gives municipalities the power to create bylaws to conserve energy and reduce greenhouse gas emissions

Joel McKay

Victoria's latest green legislation could drive housing prices even higher in B.C.

Bill 10, presented earlier this month by B.C. housing minister Rich Coleman, changes the B.C. building code and gives municipalities the authority to create bylaws to conserve energy or water and reduce greenhouse gas emissions.

That means some building materials and practices might not meet local government or B.C. building code standards.

The bylaws could increase the number of hoops developers have to jump through, and while Victoria retains the authority to overrule local decisions, developers are concerned that more bylaws will result in higher housing prices.

"If anything, greener requirements will simply add a lot of cost to the buildings, which will impact affordability," said Neil Chrystal, president and CEO of Polygon Homes Ltd.

He added that interpretation of the bylaws will be crucial in addressing higher production costs. "The risk in all of this is that people react too quickly to impose new standards, that maybe have not been properly tested."

But Coleman told Business in Vancouver that the legislation won't affect housing prices and will improve the interpretation of bylaws.

"This just allows for the water and the other applications with regards to energy to be ... enforced in a municipal level."

Coleman added that it's just one step toward improving the B.C. building code.

"We do have the ultimate authority through legislation. That's what this gives us."

Maureen Enser, executive director of the Urban Development Institute, believes the bill is a positive step forward for the province.

"The good thing here is that there should be some consistent interpretation. The issue around the cost of green technology, the jury is still out, because, depending on what the municipality is going to ask for, it could have a serious impact."

Enser said local governments should focus on innovation not regulation and that new regulations almost always drive costs higher.

"There's a lot of good green technology that's already in place, and there's a lot that can be done, but once you start regulating and requiring these things, they become more costly."

Bob Laurie, co-chairman of the Vancouver Fair Tax Coalition, said prices will rise because there aren't enough green technologies available for developers.

"Industry is behind in the evolution of technological change."

He added that the smart developers will help consumers understand that higher startup costs mean lower energy costs in the long run.

"We know the cost of energy is escalating; we know the cost of everything is escalating. So it means less of it over a period of time ... you're saving money."

Laurie said the construction industry will only hurt itself if it doesn't adjust its practices to combat climate change. "The sky isn't falling, but there are definitive signs that we've got to start doing things differently, and frankly, suicide is not a rational act, so if we don't change, we're committing suicide." •

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