

Shaughnessy homeowners sound alarm over 81-unit rental building

Residents of wealthy neighbourhood fear drop in property values, parking and traffic issues



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Plans for apartment buildings in any low-density neighbourhood often meet opposition, but the debate coming to city council this week has taken a particularly dramatic tone. After all, as many angry residents noted in their correspondence to city hall, this is Shaughnessy, and Shaughnessy is different.

A flyer recently distributed around the expensive, exclusive neighbourhood features a rendering of the four-storey, 81-unit rental building proposed for the corner of West 32nd Avenue and Granville Street.

"URGENT," reads the all-capitals headline. "PREPARE TO LOSE SUBSTANTIAL AMOUNTS OF MONEY ON YOUR PROPERTY VALUE!"

The flyer also sets out other familiar arguments for why council should reject, at a public hearing Tuesday, this proposal to replace two single-family houses on busy Granville Street with 81 rental homes. Many of the same arguments are reflected in dozens of letters sent to the city opposing the rezoning: parking and traffic complaints, the building is too big and belongs somewhere else but not in Shaughnessy, and, again, property values.

"You charge us insane amounts of property taxes because this neighbourhood is wealthy, yet at the same time approve developments to purposely devalue the neighbourhood," one Shaughnessy resident wrote to council. "Please do something productive about home affordability rather than approving idiotic developments such as these. Why not develop near a SkyTrain station? Or Mall?"

It is possible that a four-storey building like this could somewhat reduce the property value for immediate neighbours, say real estate



The front yard of 4750 Granville Street, subject of a rezoning application along with 1494 West 32nd Avenue. A rental building is being proposed on a block where a home is on the market for almost \$29 million. MIKE BELL/PNG

finance experts.

But in a city with a chronically low vacancy rate and unhealthy rental market, council must weigh other considerations in their decisions, beyond the wealth of a handful of already-wealthy homeowners.

"There is a policy trade-off there: the benefits to renters, versus whatever the loss of value is to nearby homeowners," said Tsur Somerville, a professor at the UBC Sauder School of Business. But preserving or boosting property values here — an already very expensive neighbourhood — "is not the only public policy goal," Somerville said.

It's not irrational for adjacent homeowners to oppose something they think may hurt their property values, said Thomas Davidoff, director of the University of B.C.'s Centre for Urban Economics and Real Estate. "Selfish, yes. But irrational, no."

"The next-door neighbour, I

bet, will take a bit of a hit on their property value. But that hit is so small, relative to one person losing out versus telling 81 households they don't get to live there," Davidoff said. "I mean, the math is very unfavourable."

Of course, in this creme-de-la-creme neighbourhood, those property values are substantial. On the same block where this rental building is being proposed from Domus Homes, a single house is currently on the market for \$28,880,000. The listing describes the house as a "Feng-Shui perfect 7-bed 10-bath custom opulent estate."

Davidoff asked: "Does city council care more about 80 people getting to rent a place? Or, unfortunately, that \$28-million Feng-Shui palace now may be only worth \$25 million?"

The neighbouring homeowners who bought recently are obviously wealthy, Dav-

idoff points out, while for the longtime owners, any value they lose will be dwarfed by the gains they've made over the years from that property.

Of course, just because these people are wealthy doesn't mean they aren't entitled to their opinions. But the wealthy people of Shaughnessy haven't typically had trouble getting their voices heard at city hall.

To that point, Davidoff says: "The reason it's expensive in Vancouver is because council coddles these neighbourhoods and doesn't allow any housing there, so when you have a scarcity of housing, prices are high."

If some Shaughnessy residents want fewer neighbours, not more, that's exactly what they've been getting for decades. Between the 1971 and 2016 census, while Vancouver's population grew by more than 45 per cent, the number of people living in Shaughnessy actually decreased by

18 per cent.

This building is not intended to provide housing for low-income people or those at risk of homelessness. But these homes, with starting monthly rents capped at \$1,641 for a studio, \$2,611 for a two-bedroom and \$2,977 for a three-bedroom, would be affordable and suitable for many downsizing seniors, or professionals such as health care workers at nearby hospitals, said Domus principal Richard Wittstock.

Wittstock understands some neighbours don't want Shaughnessy to change, a concern he heard during community engagement and open houses on this project over the past year.

"But I don't know that a neighbourhood that's 100 per cent single-family homes with nothing under \$5 million is a healthy neighbourhood," he said. "Vancouver is always going to be expensive, but how much of the city do we

want to preserve for the one per cent of the one per cent?"

In fact, the only rezoning application for a rental project rejected so far by this council was in Shaughnessy — coincidentally, just across Granville from this week's Domus proposal. That project, a three-and-a-half-storey rental townhouse proposal, was rejected by council last summer by a seven-four vote.

Green Coun. Michael Wiebe, after voting against last year's Shaughnessy rentals, said he hoped the property owner might come back with another attempt at building rental homes on the site. That didn't happen. As many predicted, the property owner instead applied to build a single mansion there, avoiding the uncertainty and years-long effort of attempting another rezoning.

Fellow Green Coun. Pete Fry, who also voted against last year's Shaughnessy rentals, said at the time the rejection shouldn't be seen as a broader symbol of any hesitation about building rentals in wealthy west side neighbourhoods. It was, Fry said, an "exceptional case" because of considerations for a hospice beside the site.

While the Shaughnessy proposal before council this week is just a stone's throw from the one they shot down last year and will face some familiar opposition from homeowners, this time the hospice isn't a factor. So Tuesday's decision will be a measure of how council weighs the cries of angry neighbours against the benefit of replacing two mansions with 81 homes.

"I think there's a lot of fear of the unknown," Wittstock said. "But once a building like this is built, and the landscaping grows in, people will forget that it's even there. ... We hope they're going to be pleasantly surprised that their worst fears of the apocalypse are not actually going to be realized here."

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