

# I HATE TO SAY I TOLD YOU SO, BUT I TOLD YOU SO

By: Kerry Morris - April 28, 2015

North Vancouver, Boulevard 753 E 15TH ST, V7L 2S5		MLS# V1116524		Residential Detached <b>Sold</b>	
		List Price: \$1,289,000	Sold Price: \$1,410,000	Days on Market: 6	
		Sold Date: 20-Apr-15			
Complex/Subdiv:					
Frontage: 62.00 ft	Bedrooms: 3	PID: 011-170-514			
Depth/Size: 167	Bathrooms: 2	Type: House/Single Family			
Lot Area SqFt: 10442.79	Full Baths: 2	Approx Yr Blt: 1950			
Rear Yard Exp: S	Half Baths: 0	Age at List Date: 65			
Meas Type: Feet	If New GST/HST Incl: No	Taxes: \$4,591 (2014)			
Flood Plain:	Zoning: RS-1				
View: Serv. Connected: Community					

It's the Fall of 2013 and The City of North Vancouver is proposing to pass a new OCP, which imbeds an automatic right for every homeowner in the City to have both a coach-house and a secondary suite.

Till now, the bylaw has allowed either or, but not both. That said, property owners

were always able to seek a variance, and ask council for both. Requests of this nature were a virtual certainty, as has been said by many and admitted by Mayor Darrell Mussatto himself, he's yet to meet a developer he didn't like. So in 9 years as Mayor, Darrell has yet to oppose a single development permit.

When I raised the issue that impressing a right to have both a coach-house and a secondary suite will result in an immediate bump in property values, the effects of which could drive many homeowners out of the community, due to the resulting escalation in property taxes, I'm told I'm wrong by the City, Darrell and President Craig Keating.

In answer to the issue of a tax bump, the Manager of Development services, Mr. Gary Penway, retains a third party consultant, who appears at council along with a representative from the BC Assessment Authority ('BCAA'). The consultant tells council that no increase in property values will result from the impression of the proposed coach-house with secondary suite rights. It turns out later that the consultant was paid by the City, a fact not disclosed to council at the time, and the consultant is both a property appraiser, as well as a developer. Conflict?

The consultant's analysis employs data from Vancouver City, not the North Shore. The consultant tells council that no coach-house data is available from the North Shore. These statements later prove to be untruthful, for beginning with the Mayor's own home, through to the Fall of 2013, over 27 coach-houses have been approved and built in the City alone, and each has resulted in a significant combined property/building value bump, well in excess of the building permit values, for each effected homeowner at time of annual assessment by BCAA. When our own local data is revealed and confirms the consultant's assertions are untruthful, he's brought back on a paid engagement to challenge the data. The fisticuffs occur at the Queen Mary School Town Hall. The consultant claims no one will build a coach house because of the City's failure to expand the allowable FSR (Floor Space Ratio) with the impression of the right. He fails to disclose that the cellar exemption coupled with a right to build secondary suites fully below grade gives City residence an FSR bump advantage, granting us the highest affective RS-1 density limits in the lower mainland. The City holds fast to its assertion that no increase in value will accrue to the owners from the decision to grant a right to construct both a coach-house and a secondary suite.

Fast forward to today. My long time neighbours, the King family, living at 753 East 15th Street, have put the family home up for sale. The property has an assessed value of \$1,037,700. The house goes on the market with an asking price of \$1,289,000, a full \$250k above the assessed value. The house is a single level pan-abode style, with a nearly flat roof in need of replacement. The lot, 62' across by 167' deep. The King family always took care of their home and the place is presentable, but having been built in 1950 it is also very outdated by today's standards, and small.

With the changes to our OCP the house sells in under a week for the incredible price of \$1,410,000. a full \$120K over asking, and \$375K over the assessed value. The good news is that our land values, thanks to that sale and a handful of others in the neighbourhood, if a 62' foot frontage lot, are all worth nearly \$400K more than they were before the 'Slate' past the new OCP a little under 2 months ago. The bad news is, the new value means we all lost our homeowners grant and our taxes are going up about \$1,500 per household next year, excluding the 8% jump already generated by councils 2015 tax increase. So if you've been holding on by your fingernails, on a razor tight budget, you're now officially screwed. You're going to be forced out if for no other reason than by your pending tax increases. What I wouldn't give to be able to stay home and live in my mother's garage like the Mayor. Guess that's why he has no understanding these kinds of financial shocks are tuff on real families, husbands, wives and kids.