

Background: Green Plan for Regulating the Housing Market

1. Protect Islanders from illegal rents by establishing a rental registry.

PEI has rent control that runs with the unit; in other words, the rent can't be increased just because there was a change in tenant. However, this is difficult to enforce because new tenants rarely know what the previous tenant paid in rent, exposing them to potentially illegal rents. In some instances, tenants have been overcharged on their rent by thousands of dollars.¹

Among other things, a rental registry would log the rent payable in a rental unit in a publicly accessible database; this would allow tenants to verify whether the rent they are paying is in fact legal. Despite a motion passed by the Legislative Assembly², the Dennis King government has failed to establish a rental registry. Because of this failure of leadership, Islanders have been subject to unlawful rent increases without their knowledge. A Green Government would commit to establishing a rental registry and would immediately begin this work.

2. Amend the *Planning Act* and work with municipalities to improve development processes, promote density, encourage development in transit corridors, and reduce the loss of farmland to development.

The Planning Act exists to provide for efficient planning at the provincial and municipal level, and to encourage the orderly and efficient development of public services. However, the PEI context has evolved greatly since the legislation was first brought in, and as the Land Matters Committee's final report noted: "The Planning Act is outdated and must be modernized." A Green government would work to modernize our legislation to resolve outstanding issues and create a planning framework that works for Islanders and their communities.

3. Promote inclusionary zoning to encourage the creation of more affordable units in new housing projects.

Inclusionary zoning is a planning tool that requires a certain number of new housing units to be affordable. We would work with municipalities to enact planning policies that promote more affordable units.

4. Create a speculation and flipping tax to discourage financial practices that unduly raise the cost of housing for Islanders.

Other provinces, like British Columbia, have created taxes to discourage activities that increase the cost of housing or unduly limit the available supply of housing. A Green government would, in consultation with Islanders, pursue tax measures that discourage house flipping and leaving homes vacant.

¹ <https://www.cbc.ca/news/canada/prince-edward-island/pei-charlottetown-rent-increase-illegal-1.5164764>

² Motion no. 24: Creating a Rental Registry.
[https://docs.assembly.pe.ca/download/dms?objectId=fd12590d-c740-4211-876b-5937633b26e4&fileName=Motion%20No.%2024%20\(Rental%20Registry\).pdf](https://docs.assembly.pe.ca/download/dms?objectId=fd12590d-c740-4211-876b-5937633b26e4&fileName=Motion%20No.%2024%20(Rental%20Registry).pdf)

5. End blind bidding to ensure that the home purchase process is transparent.

The federal government is working to ban blind bidding through its home buyers' bill of rights, though there is no timetable for when this bill of rights would be introduced, and real estate is primarily provincial jurisdiction.³ A Green government would work to develop legislation to ensure there is greater transparency in the home purchase process.

6. Review the Down Payment Assistance Program to ensure it is continuing to meet the needs of first-time homebuyers, wherever they choose to live.

The Down Payment Assistance Program helps Islanders afford their first home. While there are many home purchases in rural areas, where housing is cheaper, there are far fewer home purchases in urban areas through the program. A Green government would review the Down Payment Assistance Program to ensure that Islanders can use it to purchase housing in the community of choice, recognizing that the cost of housing varies from community to community.

7. Produce and publish better data on the financialization of our housing market.

PEI has little to no data on the breadth and impact of financialization in our provincial housing market, unlike other provinces where there is better data on the impacts of investor activity.⁴ A Green government would work to collect better data to support provincial policy-making and publicly report this data.

8. Move toward *Lands-Protection-Act*-styled regulation of housing to protect Islanders against speculative housing activities, and appoint a commissioner to make recommendations on its design and implementation.

The Lands Protection Act is Island legislation used to protect land through ownership limits to ensure the ownership of land is not concentrated in the hands of the few. A Green government would pursue a *Lands-Protection-Act*-styled regulation of housing to ensure homes are available and accessible to Islanders and not controlled by investors who never intend to live in them. A Green government would also appoint an independent commissioner to consult with the public on the design of such regulation, and provide recommendations to government on how best to implement it.

³ <https://globalnews.ca/news/9413108/home-buyers-bill-rights-canada-blind-bidding-timeline/>

⁴ For example, see Fontaine and Gordon. "Residential real estate investors and investment properties in 2020". <https://www150.statcan.gc.ca/n1/pub/46-28-0001/2023001/article/00001-eng.htm>