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FIRST READING

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HONOURABLE SELINA ROBINSON
MINISTER OF MUNICIPAL AFFAIRS AND HOUSING

BILL 23 – 2018
LOCAL GOVERNMENT STATUTES
(RESIDENTIAL RENTAL TENURE ZONING)
AMENDMENT ACT, 2018

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia, enacts as follows:

Local Government Act

Explanatory Note

1 Section 455 of the Local Government Act, S.B.C. 2015, c. 1, is amended by adding the following definitions:

"form of tenure" means the legal basis on which a person occupies a housing unit;

"housing cooperative" has the same meaning as in section 1 of the *Cooperative Association Act*;

"residential rental tenure" means a form of tenure as such form of tenure is defined by a local government in a zoning bylaw;

"strata corporation" has the same meaning as in section 1 of the *Strata Property Act*;

"strata lot" has the same meaning as in section 1 of the *Strata Property Act*; .

Explanatory Note

2 Section 466 (4) is amended by striking out "of any area, the notice must" and substituting "of any area or the residential rental tenure in any area, or limits the form of tenure to residential rental tenure in any area, the notice must".

Explanatory Note

3 Section 470 (1) (b) is repealed and the following substituted:

- (b) alter and then adopt the bylaw, provided that the alteration does not
 - (i) do any of the following:
 - (A) alter the use;
 - (B) increase the density;
 - (C) without the owner's consent, decrease the density of any area from that originally specified in the bylaw, or
 - (ii) alter the bylaw in relation to residential rental tenure in any area.

Explanatory Note

4 Section 479 (1) is amended by adding the following paragraph:

- (c.1) limit the form of tenure in accordance with section 481.1; .

Explanatory Note

5 The following sections are added:

Residential rental tenure

481.1 (1) A zoning bylaw may limit the form of tenure to residential rental tenure within a zone or part of a zone for a location in relation to which multi-family residential use is permitted.

(2) A limit under subsection (1) may limit the form of tenure to residential rental tenure in relation to a specified number, portion or percentage of housing units in a building.

Strata rental bylaws and housing cooperative rules

481.2 If a local government adopts a zoning bylaw that limits the form of tenure to residential rental tenure, the zoning bylaw in relation to residential rental tenure does not affect the following:

- (a) any lawful bylaw that a strata corporation may pass under Part 8 [*Rentals*] of the *Strata Property Act*;
- (b) any lawful rule that a housing cooperative may adopt in relation to the rental of housing.

Explanatory Note

6 Section 490 (3) is repealed and the following substituted:

- (3) A development permit must not
 - (a) vary the use or density of the land from that permitted in the bylaw except as authorized by section 491 (3) [*variation in relation to health, safety or protection of property*], or
 - (b) vary the application of a zoning bylaw in relation to residential rental tenure.

Explanatory Note

7 Section 498 (2) is amended by adding the following paragraph:

(a.1) the application of a zoning bylaw in relation to residential rental tenure; .

Explanatory Note**8 The following Division is added to Part 14:****Division 14.1 – Non-conforming Form of Tenure****Non-conforming form of tenure: authority to continue tenure**

535.1 (1) If, at the time a zoning bylaw that limits the form of tenure to residential rental tenure is adopted, a housing unit to which the bylaw applies has a form of tenure other than residential rental tenure, the other form of tenure continues as a non-conforming form of tenure.

(2) If, at the time a zoning bylaw that limits the form of tenure to residential rental tenure is adopted, a local government has issued a building permit or a development permit in relation to a building that will contain housing units to which the bylaw would otherwise apply, and the housing units have or may have a form of tenure other than residential rental tenure, the other form of tenure continues as a non-conforming form of tenure.

Non-conforming form of tenure: repair, extension and alteration

535.2 (1) Subject to subsection (2), if a non-conforming form of tenure is authorized, under section 535.1, to continue in relation to a housing unit in a building and the building is maintained, extended or altered, the non-conforming form of tenure continues if the repair, extension or alteration would, when completed, involve no further contravention of the bylaw than that existing at the time the repair, extension or alteration was started.

(2) If the repair, extension or alteration includes the construction of additional housing units, the additional housing units are subject to the zoning bylaw in relation to residential rental tenure.

Change in ownership, tenants or occupants in relation to form of tenure

535.3 For the purposes of this Division and subject to section 535.4, a change of owners, tenants or occupants of a housing unit does not, by reason only of the change, affect the authority to continue a non-conforming form of tenure of the housing unit.

Dissolution of strata corporations

535.4 If

- (a) a non-conforming form of tenure is authorized to continue under section 535.1 in relation to a housing unit in a building,
- (b) the building includes strata lots,
- (c) the strata corporation for the owners of the strata lots is wound up under Part 16 of the *Strata Property Act*, and
- (d) there is a disposition of all of the land and the building of that strata corporation,

the non-conforming form of tenure is no longer authorized to continue.

Regulation-making powers

535.5 (1) In relation to this Division, the Lieutenant Governor in Council may make regulations referred to in section 41 of the *Interpretation Act*.

(2) Without limiting subsection (1), the Lieutenant Governor in Council may make regulations respecting non-conforming forms of tenure, including, without limitation,

- (a) regulations prescribing circumstances in which a non-conforming form of tenure is authorized, or is no longer authorized, to continue, and
- (b) regulations in relation to when a non-conforming form of tenure is no longer authorized.

Explanatory Note

9 Section 542 (1) (c) is amended by adding the following subparagraph:

- (vi) vary the application of an applicable bylaw in relation to residential rental tenure.

Explanatory Note

10 Section 610 (8) is repealed and the following substituted:

(8) Before entering into or amending a heritage revitalization agreement, a local government must hold a public hearing on the matter if the agreement or amendment would

- (a) permit a change to the use or density of use that is not otherwise authorized by the applicable zoning of the property, or
- (b) alter a zoning bylaw in relation to residential rental tenure as defined in section 455,

and, for these purposes, Division 3 [*Public Hearings on Planning and Land Use Bylaws*] of Part 14 applies.

Explanatory Note

11 Section 617 (4) is amended by adding the following paragraph:

- (a.1) a zoning bylaw in relation to residential rental tenure as defined in section 455 may not be altered; .

Vancouver Charter

Explanatory Note

12 Section 559. of the Vancouver Charter, S.B.C. 1953, c. 55, is amended by adding the following definitions:

"form of tenure" means the legal basis on which a person occupies a housing unit;

"housing cooperative" has the same meaning as in section 1 of the *Cooperative Association Act*;

"residential rental tenure" means a form of tenure as such form of tenure is defined in a zoning by-law;

"strata corporation" has the same meaning as in section 1 of the *Strata Property Act*;

"strata lot" has the same meaning as in section 1 of the *Strata Property Act*; .

Explanatory Note

13 Section 565. (1) is amended by adding the following paragraph:

(b.1) limiting the form of tenure in accordance with section 565.01; .

Explanatory Note

14 The following sections are added:

Residential rental tenure

565 . 01 (1) A zoning by-law may limit the form of tenure to residential rental tenure within a district or zone or part of a district or zone for a location in relation to which multi-family residential use is permitted.

(2) A limit under subsection (1) may limit the form of residential rental tenure in relation to a specified number, portion or percentage of housing units in a building.

Strata rental bylaws and housing cooperative rules

565 . 02 If the Council adopts a zoning by-law that limits the form of tenure to residential rental tenure, the zoning by-law in relation to residential rental tenure does not affect the following:

(a) any lawful bylaw that a strata corporation may pass under Part 8 [Rentals] of the *Strata Property Act*;

(b) any lawful rule that a housing cooperative may adopt in relation to rental of housing.

Explanatory Note

15 The following sections are added:

Non-compliant form of tenure

568.1 (1) If, at the time a zoning by-law that limits the form of tenure to residential rental tenure is adopted, a housing unit to which the by-law applies has a form of tenure other than residential rental tenure, the other form of tenure continues as a non-compliant form of tenure.

(2) If, at the time a zoning by-law that limits the form of tenure to residential rental tenure is adopted, the Council has issued a building permit or a development permit in relation to a building that will contain housing units to which the by-law would otherwise apply, and the housing units have or may have a form of tenure other than residential rental tenure, the other form of tenure continues as a non-compliant form of tenure.

Non-compliant form of tenure: repair, extension and alteration

568.2 (1) Subject to subsection (2), if a non-compliant form of tenure is authorized, under section 568.1, to continue in relation to a housing unit in a building and the building is maintained, extended or altered, the non-compliant form of tenure continues if the repair, extension or alteration would, when completed, involve no further contravention of the by-law than that existing at the time the repair, extension or alteration was started.

(2) If the repair, extension or alteration includes the construction of additional housing units, the additional housing units are subject to the zoning by-law in relation to residential rental tenure.

Change in ownership, tenants or occupants in relation to form of tenure

568.3 For the purposes of this Division and subject to section 568.4, a change of owners, tenants or occupants of a housing unit does not, by reason only of the change, affect the authority to continue a non-compliant form of tenure of the housing unit.

Dissolution of strata corporations

568.4 If

- (a) a non-compliant form of tenure is authorized to continue under section 568.1 in relation to a housing unit in a building,
- (b) the building includes strata lots,
- (c) the strata corporation for the owners of the strata lots is wound up under Part 16 of the *Strata Property Act*, and
- (d) there is a disposition of all of the land and the building of that strata corporation,

the non-compliant form of tenure is no longer authorized to continue.

Explanatory Note

16 The following section is added:

Regulations

571E (1) In relation to this Division, the Lieutenant Governor in Council may make regulations referred to in section 41 of the *Interpretation Act*.

(2) Without limiting subsection (1), the Lieutenant Governor in Council may make regulations respecting non-compliant forms of tenure, including, without limitation,

(a) regulations prescribing circumstances in which a non-compliant form of tenure is authorized, or is no longer authorized, to continue, and

(b) regulations in relation to when a non-compliant form of tenure is no longer authorized.

Explanatory Note

17 Section 573. is amended by adding the following subsection:

(2.2) The Board shall not allow an appeal about a zoning by-law in relation to residential rental tenure.

Explanatory Note

18 Section 592. (8) is repealed and the following substituted:

(8) The Council must hold a public hearing on the matter before entering into or amending a heritage revitalization agreement if the agreement or amendment would

(a) permit a change to the use or density of use that is not otherwise authorized by the applicable zoning of the property, or

(b) alter a zoning by-law in relation to residential rental tenure as defined in section 559,

and, for these purposes, section 566 applies.

Explanatory Note

19 Section 597. (3.1) is amended by adding the following paragraph:

(a.1) a zoning by-law in relation to residential rental tenure as defined in section 559 may not be altered; .

Commencement

20 This Act comes into force on the date of Royal Assent.

Explanatory Notes

SECTION 1: [**Local Government Act, section 455**] adds definitions for the purposes of provisions in relation to residential rental tenure being added to the Act by this Bill.

SECTION 2: [**Local Government Act, section 466**] establishes requirements in relation to notices of public hearings that give notice of alteration of residential rental tenure or limitations of the form of tenure to residential rental tenure.

SECTION 3: **[Local Government Act, section 470]** provides that after a public hearing a council or board may not, without further notice or hearing, alter a zoning bylaw in relation to residential rental tenure.

SECTION 4: **[Local Government Act, section 479]** provides a local government with the power to limit the form of tenure.

SECTION 5: **[Local Government Act, sections 481.1 and 481.2]**

- provides that the form of tenure may be limited to residential rental tenure within zones or parts of zones for a location in relation to which multi-family residential use is permitted;
- provides that the limits may be in relation to a specified number, portion or percentage of housing units in a building;
- provides that lawful rental bylaws of strata corporations or lawful rules of housing cooperatives are not affected by zoning bylaws in relation to residential rental tenure.

SECTION 6: **[Local Government Act, section 490]** provides that a development permit must not vary the application of a zoning bylaw in relation to residential rental tenure.

SECTION 7: **[Local Government Act, section 498]** provides that a development variance permit must not vary a zoning bylaw in relation to residential rental tenure.

SECTION 8: **[Local Government Act, Division 14.1 of Part 14]**

- establishes when a non-conforming form of tenure may continue, including when a building is maintained, extended or altered;
- provides that specified changes do not affect the authority to continue a non-conforming form of tenure;
- provides how a non-conforming form of tenure ends on the dissolution of a strata corporation;
- provides regulation-making powers in relation to residential rental tenure.

SECTION 9: **[Local Government Act, section 542]** provides that a board of variance must not vary the application of an applicable bylaw in relation to residential rental tenure.

SECTION 10: **[Local Government Act, section 610]** provides that a local government must hold a public hearing before entering into or amending a heritage revitalization agreement if it would alter a zoning bylaw in relation to residential rental tenure.

SECTION 11: **[Local Government Act, section 617]** provides that a heritage alteration permit must not vary or supplement the application of a zoning bylaw in relation to residential rental tenure.

SECTION 12: **[Vancouver Charter, section 559.]** adds definitions for the purposes of provisions in relation to residential rental tenure being added to the Act by this Bill.

SECTION 13: **[Vancouver Charter, section 565.]** provides the Council with the power to limit the form of tenure.

SECTION 14: **[Vancouver Charter, sections 565.01 and 565.02]**

- provides that the form of tenure may be limited to residential rental tenure within districts or zones or parts of districts or zones for a location in relation to which multi-family residential use is permitted;
- provides that the limits may be in relation to a specified number, portion or percentage of housing units in a building;
- provides that lawful rental bylaws of strata corporations or lawful rules of housing cooperatives are not affected by zoning by-laws in relation to residential rental tenure.

SECTION 15: **[*Vancouver Charter, sections 568.1 to 568.4*]**

- establishes when a non-compliant form of tenure may continue, including when a building is maintained, extended or altered;
- provides that specified changes do not affect the authority to continue a non-compliant form of tenure;
- provides how a non-compliant form of tenure ends on the dissolution of a strata corporation.

SECTION 16: **[*Vancouver Charter, section 571E*]** provides regulation-making powers in relation to residential rental tenure.

SECTION 17: **[*Vancouver Charter, section 573.*]** prohibits the Board from allowing an appeal about a zoning by-law in relation to residential rental tenure.

SECTION 18: **[*Vancouver Charter, section 592.*]** provides that the Council must hold a public hearing before entering into or amending a heritage revitalization agreement if it would alter the application of a zoning by-law in relation to residential rental tenure.

SECTION 19: **[*Vancouver Charter, section 597.*]** provides that a heritage alteration permit must not vary or supplement the application of a zoning by-law in relation to residential rental tenure.