

Rental Business Licensing Bylaw

September 2, 2021



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Purpose

- Provide Council with an update on new provincial legislation designed to improve protections for tenants
- Provide recommendations regarding the previously initiated Rental Business Licensing Bylaw in light of this new legislation
- Propose new actions that the City can take to further strengthen tenant protections.

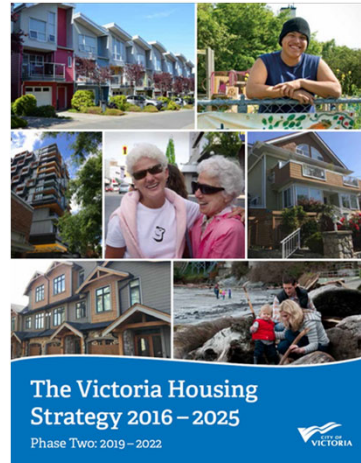


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Background

- Housing Strategy focus on renters:
 - ✓ Tenant Assistance Policy
 - ✓ Rental Property Standards of Maintenance Bylaw
- Rental Business Licensing Bylaw prioritized as part of COVID-19 recovery
- Main objective to supplement the RTA with more robust tenant protections.



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What Are Renovictions?

The Province of BC defines 'renovictions' as an event where tenants are evicted in order to repair or renovate the unit, and the rent for the unit is increased following completion of the upgrade.

Distinction between disingenuous, minor and major repairs.



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Jurisdictional Review

- New Westminster, Port Coquitlam, Port Moody
- Their bylaws restrict evictions by requiring:
 - ✓ alternative accommodation while renovation work is being carried out, and
 - ✓ right of first refusal to return to the renovated unit or alternative unit at the same rent (subject to increase permitted under BC RTA)
- Do not apply to secondary rental units, i.e. garden suites or laneway houses



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Preliminary Work

- Draft Rental Business Licensing Bylaw prepared (similar to New Westminster's bylaw)
- Engagement on draft bylaw held from February 1 – March 15, 2021
- Province announced legislative improvements to RTA after engagement complete
- New legislation considered



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Key Changes to Provincial RTA

- Landlords must apply for approval from RTB for all eviction notices for renovations:
 - ✓ RTB determines whether tenants can be reasonably accommodated (temporary accommodation etc.)
 - ✓ Where landlords prove that long-term unit vacancy is required, tenants will be evicted, with 4 months notice and one months rent compensation
- Landlords must apply for permission to increase rent, following the completion of a renovation
- In effect since July 1, 2021



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Key Changes to Provincial RTA

Types of Work	Examples	Vacancy
Cosmetic Repairs and Renovations	<ul style="list-style-type: none"> •Repainting •Replacing baseboards, cabinets, or doors 	Almost Never
Repairs or Renovations that cause temporary, intermittent, or short-term loss of services	<ul style="list-style-type: none"> •Re-piping •Electrical Service Replacement •Building Envelope Repair 	Unlikely
Extensive Repairs and Renovations, Significant disruption to tenants	<ul style="list-style-type: none"> •Rental unit re-wire •Fire sprinkler installation or replacement •Seismic upgrades •Interior wall or ceiling demolition 	May be Required



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Considerations

- RTA improvements aim to prevent nearly all evictions relating to repair or renovations
- RTB improvements to undertake enforcement and arbitration
- Need for a municipal bylaw now uncertain with increased Provincial oversight
- City bylaw would create duplication, confusion, conflicts
- City bylaw would require additional resources for low benefit



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Complementary Actions by City

There are other actions Victoria can take to improve housing security, prevent renovations and complement Provincial improvements, including:

- ✓ Monitoring the outcomes
- ✓ Reporting to Council on efficacy of legislation
- ✓ Improving public awareness
- ✓ Building capacity with tenants – Shift Initiative



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Recommendations

1. Suspend development of a Rental Business Licensing Bylaw given changes to the RTA
2. Monitor implementation of the provincial legislation and report back to Council in the fall of 2023 on its efficacy and whether further City action is needed
3. Facilitate public awareness and access to information regarding new RTA requirements
4. Undertake tenant capacity-building and outreach activities regarding new RTA requirements

