



Council Member Motion
Council Meeting of October 7 2021

Date: October 4 2021

From: Mayor Helps

Subject: Reconsideration of a portion of Council Motion on Rental Business Licensing Bylaw

Pursuant to the authority granted Mayors in the Community Charter under section 131 to require an issue for reconsideration within 30 days of the motion passing, I am respectfully exercising that authority for reconsideration of the Rental Business Licensing Bylaw made by Council on September 16th and requesting that Council reconsider a portion of its decision.

Background

On September 16th, Council adopted the following recommendations with respect to the Rental Business Licensing Bylaw:

1. That Council direct staff to report back with an updated bylaw to augment and fill the gaps in the Provincial legislation, with an aim of providing displaced tenants with assistance during renovations and preserving affordability when the renovated unit is ready for occupation.
2. And that Council direct staff to send the drafted bylaw to the Renters Advisory Committee.

That Council direct the Director of Sustainable Planning and Community Development to:

3. Monitor the implementation of the provincial legislative updates and report back to Council in the fall of 2022 on its efficacy and whether future City initiatives to further enhance protections for tenants are needed;
4. Facilitate public awareness and access to information regarding RTA requirements on repair and renovations of rental housing;
5. Undertake tenant capacity-building and outreach activities regarding RTA requirements on repair and renovations of rental housing.

Since Council gave staff direction, new information has come to light which I believe warrants Council's thoughtful consideration with respect to #1 and #2 above, which are the sections I am asking Council to reconsider.

New Westminster Bylaw

In the attached submission from the City of New Westminster to the Supreme Court of Canada, New Westminster's legal counsel notes that "The City's Bylaw 8123 (the 'Impugned Bylaw') – which places restrictions on the practice of 'renoviction' – is no longer operable. It has been made entirely inoperable by legislation that came into force on July 1, 2021."

Council's direction to staff on September 16 to "report back with an updated bylaw to augment and fill the gaps in the Provincial legislation," was premised in part on the existence of New Westminster's bylaw. With New Westminster's bylaw inoperable, staff advise that they would need to start completely from scratch, reconsider and determine the City's legal authority in light of the new Provincial legislation, and develop a bylaw based on filling gaps in the new provincial legislation which has not yet been tested. This will result in a.) a large body of work that will delay other items in the City's Housing Strategy and b.) a guessing game about how to practically fill gaps that may or may not arise depending on how strictly the new Provincial legislation is applied to protect tenants.

Successful Advocacy, Tenant Protection, and New Rental Housing

Council has been advocating to the Province for many years to increase protection for tenants through the Residential Tenancy Act. Council's advocacy helped to bring about the significant changes implemented by the Province in July.

Further advocacy is required to enable Council to apply the City's Tenant Assistance Policy at the time of Development Permit and Building Permit where tenants are to be displaced, not only at Rezoning. This was suggested by local rental building owners as a reasonable compromise – assisting existing tenants while making building safety and energy efficiency upgrades yet not prohibiting their ability to make a return on renovated buildings, which is what is required to undertake significant upgrades.

It is therefore recommended that Council advocate to the Province to allow local governments to have the authority to require tenant protections such as the application of the City's Tenant Assistance Policy at the issuance of Building Permits and Development Permit where tenant relocation is required.

The City's Housing Futures Report recently presented to Council indicates a significant need for new housing. In addition to allowing time for staff to monitor the outcomes of the application of the new Provincial legislation, not having to start from scratch and draft a new bylaw now will allow staff to get to work on the long-awaited rental incentives program to incentivize the creation of much-needed new rental housing and also to begin work on the much-needed family housing policy.

In addition, while there will be some market-based affordable units lost as buildings are upgraded and renovated, there is more new non-market housing under development now

than at an point in recent history in the region, including 745 units in Victoria through the Community Housing Fund program.

Included in this list is all CHF projects in progress in the Capital Regional District (under construction, in development, initiated) that are announced or otherwise known to be public for the **next three years** as at **July 31st, 2021**

Prepared By: BC Housing's Development and Asset Strategies Business Administration Department

Source: Minister's Report – July 31, 2021 & CPS

PROGRAM	PHASE	FILE	PROJ	HOUSING PROVIDER	PROJECT ADDRESS	COMMUNITY	REGIONAL DISTRICT	REGION	UNITS	ESTIMATED COMPLETION DATE
CHF	Under Construction	95735	10610	Capital Regional Housing Corporation	2780 Spencer Rd	Langford	Capital	Vancouver Island	58	2022 SUMMER
CHF	Under Construction	32001	7713	Island Women Against Violence	132 Corbett Rd	Salt Spring Island	Capital	Vancouver Island	30	2022 SPRING
CHF	Under Construction	94238	7715	The Gorge View Society	11 Chown Pl	Victoria	Capital	Vancouver Island	58	2022 FALL
CHF	Initiated	94514	8101	Dawson Heights Housing Society	3700 Cedar Hill Rd	Saanich	Capital	Vancouver Island	85	2023 WINTER
CHF	In Development	37303	8566	Greater Victoria Housing Society	874 Fleming St	Esquimalt	Capital	Vancouver Island	137	2023 FALL
CHF	In Development	94339	8564	The Victoria Cool Aid Society	3020 Douglas St	Victoria	Capital	Vancouver Island	100	2023 FALL
CHF	Under Construction	94667	8354	Pacifica Housing Advisory Association	1025 Johnson St	Victoria	Capital	Vancouver Island	130	2023 JAN
CHF	In Development	94585	8210	Pacifica Housing Advisory Association	496 Cecilia Rd	Victoria	Capital	Vancouver Island	88	2023 WINTER
CHF	Initiated	94797	8515	Capital Region Housing Corporation	1211 Gladstone Ave	Victoria	Capital	Vancouver Island	155	2024 SPRING
CHF	Initiated	95483	10970	Capital Region Housing Corporation	930 Pandora Ave	Victoria	Capital	Vancouver Island	170	2024 FALL
CHF	In Development	91141	8638	Capital Region Housing Corporation	330, 336 Michigan Street	Victoria	Capital	Vancouver Island	44	2023 FALL

This does not include additional projects that are funded through other programs such as the Regional Housing First Program or the new supportive housing units under construction, although the latter are aimed at a different demographic than those who would be displaced from low-end-of-market units through building renovations.

Conclusion

The inoperability of the New Westminster bylaw would require staff to start from scratch in a landscape that is unclear given the untested legislation. This is a large body of work that will take away from staff's ability to get to work on the creation of rental incentives to keep the flow of new rental buildings coming through the development pipeline before the conditions that currently make building rental housing viable come to an end, as well as to develop a new family housing policy. It is therefore recommended that Council adopt the two recommendations below.

Recommendations

1. That Council vote against #1 and 2 above when the matter is on the table for reconsideration, allowing #s 3-5 to stand as this was the original direction from staff.
2. That Council Suspend development of a Rental Business Licensing Bylaw given changes to the provincial Residential Tenancy Act (RTA) designed to prevent evictions carried out to renovate or repair a rental unit that came into effect on July 1, 2021.
3. That Council advocate to the Province to allow local governments to have the authority to require tenant protections such as the application of the City's Tenant Assistance Policy at the issuance of Building Permits and Development Permits where tenant relocation is required.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "L. Helps". The signature is fluid and cursive, with the first letter being a large, stylized capital "L".

Mayor Lisa Helps