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To: "Direct to Mayor and Council - DL"

CC: "City Manager's Correspondence Group - DL"
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Date: 7/29/2020 3:09:15 PM

Subject: Memo: Impending lift of non-payment of rent eviction ban by Province

Attachments: ACCS -PDS - GM - Memo (Mayor and Council) Impending lift of non-paymentpdf

Dear Mayor and Council,

Attached is a memo from the General Manager of Arts, Culture and Community Services, Sandra Singh, and the General Manager of Planning, Urban Design and Sustainability, Gil Kelley, regarding the Province's plans to lift the moratorium on evictions for non-payment of rent and implement a rent repayment framework.

- The COVID-19 pandemic and resulting Provincial State of Emergency have serious implications for many Vancouver renters, especially low-income renters, including those living in SROs, low-to-moderate income renters across the city experiencing job/income loss, and renters impacted by the on-going overdose crisis.
- On July 16, the Province announced its plans to lift the moratorium on evictions for non-payment of rent by September 1, at which time renters will need to pay monthly rent in full and set up a plan with their landlord to repay rent arrears accrued because of COVID-19.
- The memo includes staff-identified key risks as well as next steps for liaising with the Province and strategies to mitigate the potential impacts of lifting this eviction ban, with a focus on low-income and marginalized groups.
- Staff will update Council as they progress with meeting Provincial partners to ensure concerns are reviewed and considered.

If you have any further questions, please do not hesitate to email Sandra Singh at sandra.singh@vancouver.ca or Gil Kelley at gil.kelley@vancouver.ca

Best,
Sadhu

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Pronouns: he, him, his



Waututh peoples.

MEMORANDUM

July 28, 2020

TO: Mayor & Council

CC: Sadhu Johnston, City Manager
Karen Levitt, Deputy City Manager
Paul Mochrie, Deputy City Manager
Lynda Graves, Administration Services Manager, City Manager's Office
Rena Kendall-Craden, Civic Engagement & Communications Director
Rosemary Hagiwara, Acting City Clerk
Anita Zaenker, Chief of Staff, Mayor's Office
Neil Monckton, Chief of Staff, Mayor's Office
Alvin Singh, Communications Director, Mayor's Office
Celine Mauboules, Acting Managing Director, Homelessness Services and Affordable Housing Programs
Dan Garrison, Assistant Director, Housing Policy and Regulation
Susie Saunders, Managing Director, Non Market Housing and Social Operations
Susan Haid, Deputy Director, Planning, Urban Design and Sustainability

FROM: Sandra Singh, General Manager, Arts, Culture and Community Services
Gil Kelley, General Manager, Planning, Urban Design and Sustainability

SUBJECT: Impending lift of non-payment of rent eviction ban by Province

PURPOSE

This memo is provided to Council as an update on the Province's intention to lift the current moratorium on evictions for non-payment of rent and implement a rent repayment framework, to highlight the risks that City staff have identified for renters, and to include suggested next steps to ensure the protection of renters through this uncertain time. The City recognizes the pressure landlords are facing with loss of income from reduced or unpaid rent, the integral role landlords play in the community, and the importance of sustainability of the rental housing sector.

BACKGROUND

Provincial actions to date

- On March 18, 2020, the Province declared a State of Emergency for COVID-19 that is currently extended to August 4.

- Prior to COVID-19, another provincial public health emergency was already in place related to the significant rises in opioid-related deaths. This public health emergency was enacted in April 2016, and includes the mobilization of the Overdose Emergency Response Centre and Vancouver's Community Action Team.
- On March 30, in response to significant concern about the risk of eviction for those experiencing loss of income as a result of COVID-19, a Provincial Ministerial Order was signed into law to be in effect during the State of Emergency as a temporary amendment to the Residential Tenancy Act (RTA). The order included:
 - A ban on all evictions and rent increases during the state of emergency
 - The availability of the BC Temporary Rent Supplement (BC-TRS) through July
 - BC was the only province to introduce such a supplement
 - The prevention of landlords entering rental units without renter's consent.
- On June 19, in response to increasing concerns raised by the landlord/industry sector, the Order was amended to enable landlords to serve eviction notices for reasons other than non-payment of rent and announced that renters will be responsible for outstanding rent when the ban on evictions for non-payment is lifted. They also extended the BC-TRS until August 31, 2020.
- As of June 24, BC has entered Phase 3 of the Province's Restart Plan. Since the Phase 1 lockdown was ended in early May, travel within the Province has resumed, businesses have been permitted to re-open with safety precautions, and K-12 in-person classes resumed on a trial basis prior to the end of the school year.
- On July 10, the COVID-19 Related Measures Act came into force enabling provisions created for people and businesses in response to the pandemic to continue as needed after the Provincial State of Emergency ends.

July 16 announcement

- The Province announced it plans to lift the moratorium on evictions for non-payment of rent by September 1. On September 1, renters will need to pay monthly rent in full and set up a repayment plan with their landlord to repay COVID-19 related rent arrears.
- The Province has put in place a repayment framework that landlords will be required to implement, and will give renters until July 2021 to repay unpaid rent as allowed under the COVID-19 Related Measures Act, unless they negotiate different terms at their landlord's discretion.

CURRENT SITUATION

- Little comprehensive data exists on the housing market and renter impacts since March 2020, making it difficult to identify and verify COVID-19 impacts on renters and rental housing in Vancouver. PDS and ACCS staff held a workshop in June with the Province and CMHC to discuss key data gaps related to COVID-19.
 - Specific gaps identified include data on renter impacts, including number of renters in arrears or who had to move because of COVID-19, and data disaggregated by income, race, and other factors to enable an equity-based analysis and mitigation strategy.

- A June Ipsos survey found that 16% of BC residents have lost jobs because of COVID-19, and a further 24% are working reduced hours or have lost pay.
- As of June, approximately 27,000 renters in Vancouver had applied for the BC-TRS. There is no data available on the number who have received the supplement or on the income and occupation status of applicants and recipients.
- The costs associated with maintaining rental housing have increased in recent years and some landlords have faced financial challenges as a result of COVID-19 with a loss of income because of reduced or unpaid rent.
- According to a UDI/Landlord BC survey of 301 residential landlords, 88% collected full rent payments in June 2020, likely assisted to some extent by benefits like the federal Canada Emergency Response Benefit (CERB) and BC-TRS. 5% received partial rent payments, and 1% received no rent payments.
 - Note: the data is limited because of its small sample size (n=301) and does not provide a complete picture for the province or Vancouver.
- The economic impacts of COVID-19 emergency measures have likely disproportionately impacted younger people, those earning lower incomes and people with less secure employment; all are more likely to be renters. For example, renters working in the survival and street economy (e.g. sex workers, binners, vendors) have been impacted by loss of safe revenue generating opportunities. Undocumented migrant and immigrant renter households are not eligible for federal and provincial income benefits.
- Other impacts of COVID-19 include Indigenous renters' inability to practice ceremony, illicit drug users using alone, and seniors, people with disabilities and renters with mental health challenges experiencing decreases in access to caregiver and social/cultural support systems. All of these impacts, in addition to increased isolation and financial burden, are likely to negatively affect the mental health and wellness of residents.

KEY RISKS

The lifting of the ban for non-payment of rent by September 1 and requirement for arrears repayment by July 2021 present significant risks for Vancouver renters, especially low-income renters, including renters in private SROs, and low-to-moderate income renters across the city experiencing job/income loss because of COVID-19, and renters impacted by the on-going overdose crisis. The section below outlines key risks for different groups.

Low-income and marginalized renter populations

- Risk of increased overdose and related death as a result of loss of housing and support networks if residents are evicted
 - Approximately 180 overdose deaths have occurred in Vancouver in 2020 alone, with over 1,300 deaths in the city since April 2016. VFRS is responding to an average of 79 overdose calls/week.
 - Private residences continue to be the most common place of overdose deaths in BC (56.6%). Further isolation resulting from loss of existing networks of support and options to use together may lead to a spike in overdoses if evictions increase because of lifting this ban.

- Risk of increases in evictions into homelessness for very low-income renters including those renting in private SROs
 - Over half of all private SRO building owners identified that their primary renter population received some kind of social assistance, e.g. seniors receiving disability or pension payments, which may provide some insulation from rent arrears and evictions. However, it is unclear how many private SRO renters may be in arrears even if government supports remain in place. Given that only 18% of private SROs were renting at \$375 in 2019, up to 82% of private SRO renters may be struggling to pay their rent in light of COVID-19 and other systemic challenges.

General renter population

- Risk that low and moderate income renters will struggle to pay arrears and full rent without income sources
 - Renters with sustained COVID-related job loss may struggle to repay rent arrears, future rent and other basic needs.
 - Once the BC-TRS and CERB end, renters without new income sources may be at risk of eviction if they cannot afford current rent or repayment of arrears.
 - The September lifting of the eviction ban could have an additional impact on families with children returning to school if required to relocate at that time.
- Risk that eviction notices and repayment plans will not be monitored or tracked as no mechanism or process is in place.
- Risk that a second wave of COVID-19 could result in additional job/income losses for renters and in the moratorium being re-instituted leading to potential confusion around repayment plans.

Advocacy and support sector

- Risk that this already-stretched sector will not have adequate time, resources or capacity to respond to renters at risk of eviction
 - Many offices have reduced hours or have closed, leaving staff more challenged to engage and provide supports, in particular to marginalized renters.
 - The proposed timeline provides insufficient time for the sector to plan ahead or to ensure advocates, renters and landlords understand the new policies.
 - The lifting of the ban could place additional pressure on rent banks with insufficient capacity and funds to provide grants and/or loans to help renters during the repayment time period.

RECOMMENDATIONS FOR RISK MITIGATION

In light of the risks identified above, staff recommend exploring the following strategies to mitigate the potential impacts that may arise from the lift of the eviction ban, with a focus on low-income and marginalized groups.

- *Principle of not creating homelessness*
 - Agree to a principle of not creating homelessness as a result of lifting this ban.

- *Advance notice*
 - Ensure adequate advanced notice is given in order for renters and advocates to plan their next steps.

- *Resources and supports*
 - Ensure adequate resources and supports are prioritized for renters most at risk of eviction and homelessness, particularly those in the DTES and marginalized and low-to-moderate-income populations across the city, including:
 - Enhance resources for the renter-serving sector, including translated and Indigenous-specific materials and enhanced RTB service in priority areas.
 - Enhance supports for renters impacted by the dual health emergencies, including for Indigenous organizations and cultural programming.
 - Ensure alignment between housing and overdose response by engaging local health authorities.

- *Changes to provincial policies and programs*
 - Apply an equity lens to policies and programs to ensure most marginalized renters are not at risk of eviction, including:
 - Consider extending the repayment plan timeline to July 2022 and banning evictions for defaults in rent re-payments.
 - Consider extending the BC-TRS beyond August 2020 for renters with the most income need.
 - Require landlords to file eviction notices for non-payment of rent and repayment plans with the RTB so they can be tracked.

- *Consultation & data analysis*
 - Work with local renter-serving organizations, landlord/industry organizations, and municipalities to monitor evictions after restrictions are lifted, including nature of evictions, decisions made and proportionate impact on Black, Indigenous and People of Colour (BIPOC) renters. These should be tracked and reported.
 - Conduct further research and data gathering on renter/landlord impacts and long-term measures in light of the potential second wave of the pandemic, including race-based analysis as per above.

NEXT STEPS

Staff will engage the Provincial Government in a discussion on the concerns and recommended strategies highlighted in the previous sections. As the Province moves into recovery, the rental housing sector will need to move to normalize policy and practices. The City's concern is ensuring adequate resources and policy clarity to ensure good resolution for both landlords and renters, particularly those renters who are most at risk of eviction.

Staff note that a key gap is the lack of comprehensive data on renter and landlord impacts. We are interested in pursuing opportunities with government partners and key stakeholders to better collect and improve this data in order to better understand the current situation.

FINAL REMARKS

In conclusion, we recognize the significant financial impact COVID-19 has had on both renters and landlords. However, we know that Black, Indigenous and People of Colour (BIPOC) renters, those with very low incomes, and those who are precariously housed have been disproportionately impacted by COVID-19 and the concurrent opioid crisis. Staff are in the process of convening a meeting with Provincial government partners to ensure these concerns are reviewed and considered.

If Council has any further questions, please feel free to contact Sandra Singh or Gil Kelley.



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