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To: ["Direct to Mayor and Council - DL"](#)

Date: 6/30/2022 2:42:56 PM

Subject: [Council Memo - RTS 15129 "Strengthening the Conditions of Landlord Licensing in Vancouver"](#)

Attachments: DBL - Landlord Licensing Condition Memo.pdf

Dear Mayor and Council,

Please see the attached memo from Andrea Law, General Manager of Development, Buildings and Licensing, which responded to the Council Motion "Strengthening the Conditions of Landlord Licensing in Vancouver" (RTS 15129). A short summary is as follows:

- All businesses, including long-term rental landlords are required under the License By-law to acquire a business licence from the City and display the business licence in conspicuous location on the premises.
- As the City's Chief Licence Inspector is authorized under the License By-law to impose terms and conditions on the business licence to ensure the licensed business does not have a negative impact on the public, the City will be including the notes on the following topics in all long-term rental business licences, starting in 2023:
 - That compliance with the Residential Tenancy Act is a requirement under Section 19.1 of the License By-law; and
 - The purpose and contact information of the Residential Tenancy Branch and the City's Renters Office and 3-1-1.
- This approach will also address Council direction in the Council Motion "Improving the Effectiveness of the Standards of Maintenance By-law" (February 2022), for which staff be providing a status update in a separate memo, also due on July 5.

Should you have any questions, please contact Andrea Law at andrea.law@vancouver.ca.

Best,
Paul

Paul Mochrie (he/him)
City Manager
City of Vancouver
paul.mochrie@vancouver.ca



The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh (Squamish), and səliłwətał (Tsleil-Waututh) Nations.

MEMORANDUM

June 30, 2022

TO: Mayor and Council

CC: Paul Mochrie, City Manager
Armin Amrolia, Deputy City Manager
Karen Levitt, Deputy City Manager
Lynda Graves, Administration Services Manager, City Manager's Office
Maria Pontikis, Chief Communications Officer, CEC
Anita Zaenker, Chief of Staff, Mayor's Office
Neil Monckton, Chief of Staff, Mayor's Office
Alvin Singh, Communications Director, Mayor's Office
Sarah Hicks, Chief Licence Inspector
Iain Dixon, Assistant Director, Legal Services

FROM: Andrea Law
General Manager, Development, Buildings and Licensing

SUBJECT: Response to Council Motion "Strengthening the Conditions of Landlord Licensing in Vancouver"

RTS #: RTS 15129

The purpose of this memo is to respond to the Council Motion "Strengthening the Conditions of Landlord Licensing in Vancouver" ("the Motion"), which was approved on March 30, 2022. A copy of the approved Motion is attached in Appendix A. This memo will also address a policy direction from the Council Motion "Increasing the Effectiveness of the Standards of Maintenance By-law" which was approved earlier on February 8, 2022, and attached in Appendix B.

No amendments to the License By-law ("the Bylaw") are recommended as the posting of the physical business licence in the licensed premise is already required under the Bylaw. The Chief Licence Inspector is also authorized under Section 4(10)(e) of the License By-law to establish terms and conditions on a business licence that are necessary to ensure the licensed business does not have a negative impact on the public. This memo sets out staff's approach.

A. Background

All persons or organizations doing business in the City of Vancouver are required to be licensed and to display the business licence in a conspicuous place on the premise, per Sections 3(1) and 6(5) of the By-law. Long-term rental businesses are further required under the By-law to:

- Comply with the *Residential Tenancy Act* (RTA) (Section 19.1(2)); and
- To advise the City upon request of any decision made by the Residential Tenancy Branch (RTB) in which the landlord, or agent, is named as a party (Section 19.1(3)).

Residential tenancies in B.C. are regulated under the RTA and regulations, with disputes between landlords and tenants adjudicated by the RTB. In 2019, the Province added a compliance and enforcement unit within the RTB to conduct investigations of serious and deliberate non-compliance with the RTA or for failure to follow orders or decisions. This unit is authorized to issue official warnings and administer fines of up to \$5,000 a day.

Landlords are required to comply with the following sections of the RTA and regulations:

- Include the legal name of the landlord, and an address for service and telephone number of the landlord or agent on a tenancy agreement (Section 13(2));
- Maintain the property in a state of decoration and repair that complies with all health, safety and housing standards required by law (Section 32(1));
- Post and maintain in a conspicuous place on the property, or give to tenants in writing, the name and telephone number of a person the tenant is to contact for emergency repairs (Section 33(2));
- Obtain approval from the RTB before ending any tenancies to allow for renovations or repairs (Section 32 of the Residential Tenancy Regulation);
- Compensate to the tenant an amount that is equivalent of 12 times the monthly rent if the landlord evicted a tenant in bad faith (Sections 51 and 51.4); and
- Not providing fixed-term tenancies unless the tenancy agreement is a sub-lease agreement or if the landlord or close family members intends in good faith to occupy the rental unit at the end of the fixed-term tenancy (Section 13.1 of the Residential Tenancy Regulation).

B. Staff response

On March 30, 2022, Council directed staff to amend the License By-law to direct landlords to display their business licence in a location that is easily accessible and visible to tenants. Council further directed that the business licence should explicitly include the following:

- a) Name, contact information and address of the landlord or agent;
- b) Notification that adherence to the RTA is a condition of the licence; and
- c) Links to dispute resolution mechanisms and legal rights, including but not limited to the RTA, RTB and Vancouver's Renter Office.

Previously on February 8, 2022, Council also directed staff in the Motion "Improving the

Effectiveness of the Standards of Maintenance By-law” to require owners of designated Single Room Accommodation (SRA) properties to place permanent plaques in their lobbies that would state the mailing address for service of documents to landlords, how to call 3-1-1 with repair and maintenance issues, and the contact information and function of the RTB. Note that operators of SRA properties are considered LTR businesses and require business licensing.

Staff advise that no amendment to the License By-law are required as the posting of the physical business licence in a conspicuous location in the licensed premise is a requirement for all licensed businesses in Vancouver, including LTR businesses. The City is also authorized to publish on the physical business licences, additional notes that are germane to the conduct of the business. As such, the City will be including the following notes in all LTR business licences, including those issued to SRAs, for the 2023 licensing year and thereafter:

- Per Section 19.1 of the License By-law, every landlord or agent must comply with the Residential Tenancy Act, including:
 - Providing the legal name of the landlord, and address for service of documents and telephone number of the landlord or agent in the tenancy agreement;
 - Posting at a conspicuous location of the property, or provide to tenants in writing, the name and telephone number of the person to contact for emergency repairs.

- Contact the following agencies for assistance and information:
 - The Residential Tenancy Branch for information, education and dispute resolution services (604-660-1020 or HSRTO@gov.bc.ca); and
 - The City of Vancouver’s Renter Office for information on City policies and resources that protect renters (3-1-1 or 604-673-8291 or renteroffice@vancouver.ca).

The City is unable to include the name, contact information and address of the landlord or agent in the business licence as the holder of the business licence may not necessarily be the landlord or agent. There are also privacy implications with collecting that information through the licence application process and publishing it in the physical business licence as it may constitute the collection and use of third-party information. Staff further advise that this is already a requirement under the RTA.

Failure to display the business licence in a LTR business would be considered a violation of the License By-law. If brought to the City’s attention, staff would first seek to educate the licence holder to obtain voluntary compliance before considering enforcement actions, including Orders and fines of up to \$1,000 for failure to comply with licence conditions.

Staff sends a renewal notice to all licence holders in November of every year to advise them that their licence expires on December 31 and needs to be renewed if the holder intends to carry on business. To increase awareness of obligations for LTR businesses under the License By-law, staff will add to the renewal notice of all LTR licence holders a reminder that they are required to display the business licence in an area that is conspicuous and accessible for tenants, as well as to comply with the RTA. This information will also be added to the City’s [website](#) for LTR business licensing.

C. Conclusion

The approach as described addresses the Council direction as requested in the Motion without requiring a bylaw change. In addition, the displaying of a business licence with additional information on tenant resources also satisfies Council's direction for SRA owners to display a plaque in the lobby of their SRA properties. Staff believe this approach can increase awareness among tenants of key regulations and resources at both the Province and City that protect their interests. This will also not result in additional regulatory requirements for landlords.

Should Council have any questions on the Memo or the City's LTR business licences, please contact Sarah Hicks, Chief License Inspector, at sarah.hicks@vancouver.ca or 604-873-7546.

A handwritten signature in blue ink, appearing to read 'A. Law'.

Andrea Law
General Manager, Development, Buildings and Licensing

604.873.7160 | andrea.law@vancouver.ca

APPENDIX A

Council Motion: “Strengthening the Conditions of Landlord Licensing in Vancouver”

Final Motion as approved on March 30, 2022.

WHEREAS

1. Nearly 54% of private households by tenure in Vancouver are renters;
2. All businesses in Vancouver require a licence to operate. This ensures business locations are safe, meet land-use requirements, protect vulnerable populations, and mitigate any potential noise or nuisance. While it is a common practice to display a licence at place of business, the bylaw does not require it;
3. Regulations and conditions to operate a business in the City of Vancouver exist under the Licence Bylaw (No. 4450)¹ and stipulate a number of specific business and operational considerations:
 - a. Section 6(5) of the Licence By-law requires every City-issued licence to be posted in a conspicuous place on the premises; and
 - b. Section 19.1 of the bylaw defines “Landlords” and the requirement that they (or their agents) must comply with the *Residential Tenancy Act* of British Columbia. To rent a residential property for 30 days or more in the City of Vancouver, operators must require a Long-term Rental Property Business Licence;²
4. Offences and penalties for violating the provisions of the Licence Bylaw (No. 4450) range from \$250 – \$10,000 per day per offence. Additionally, under the *Vancouver Charter*, the Chief Licence Inspector is empowered to suspend a licence at any time if the holder of the licence is convicted of any offence under any bylaw of the city with respect to the business;
5. The City of Vancouver’s Open Data portal “Rental Standards – current issues” dataset lists licensed rental properties with five or more units that have current (unresolved) by-law issues. Updated daily, there are over 400 buildings with maintenance, health, or safety issues – several going back many months;
6. Most tenancies in Vancouver are covered under the B.C. Residential Tenancy Act (RTA). The dispute resolution process to protect the interest of tenants and landlords alike involves arbitration, enforcement and compliance by way of the Residential Tenancy Branch (RTB). This process can be onerous: the arbitration process can take weeks or months, and tenants are not always aware of their rights. In response, tenant

¹ <https://bylaws.vancouver.ca/4450c.PDF>

² <https://vancouver.ca/doing-business/long-term-rental-business-licence.aspx>

advocacy groups including TRAC, Vancouver Tenant's Union, and the City's own Renter Office provide support and information for renters;

7. The vast majority of landlords in Vancouver are ethical, responsible, and adherent to the Residential Tenancy Act. Notwithstanding that, recent examples of business practices that might be considered inconsistent with the stated conditions of the RTA, including:
 - a. Failing to post emergency repair contact information onsite per Sec 33(2) RTA;
 - b. Failing to include landlord's legal name and an address for service as part of tenancy agreement, as required by law to serve certain legal documents per Sec 13(2) RTA;
 - c. Misrepresenting conditions of suites and tenancy agreements;³
 - d. Fixed "long term" tenancies in contravention of vacation rental rules;⁴
 - e. Renovictions and evictions under false pretences;⁵
 - f. Failure to maintain appliances or utilities;^{6 7} and/or
 - g. Failure to hold a valid City of Vancouver licence;
8. In February 2022, Council approved the motion "Improving the Effectiveness of the Standards of Maintenance By-law" with an amendment that staff report back on the possibilities of requiring SRO owners to place permanent plaques in their lobbies that would state the mailing address for service of documents to landlords, how to call 311 with repair and maintenance issues, contact info and function of the Residential Tenancy Branch;
9. Notwithstanding the role of the RTA and RTB for protecting tenants in BC, the City of Vancouver has a role to protect and support its residents;
10. While respecting the supremacy of the provincial tenancy acts, other local governments in Canada, including New Westminster, London, Ontario, and Montreal, Quebec are applying conditions to residential rental business licences to supplement and support their respective tenancy ACTS. New Westminster, for instance, has added conditions to their licence to manage renoviction and punish landlords that contravene the bylaw;⁸ and
11. Despite the RTA, and despite assorted City of Vancouver policies and regulations (including but not limited to Tenant Relocation and Protection Policy, Vancouver Building By-law 12511, Single Room Accommodation By-law 8733, and Licence By-law 4450)

³ <https://www.cbc.ca/news/canada/british-columbia/landlord-investigation-short-term-vacation-rental-1.6000836>

⁴ <https://www2.gov.bc.ca/assets/gov/housing-and-tenancy/residential-tenancies/policy-guidelines/gl27.pdf>

⁵ <https://www.cbc.ca/news/canada/british-columbia/vancouver-attempted-evictions-rejected-1.5083931>

⁶ <https://www.cbc.ca/news/canada/british-columbia/vancouver-renter-fights-payment-scheme-1.6171443>

⁷ <https://www2.gov.bc.ca/gov/content/housing-tenancy/residential-tenancies/during-a-tenancy/repairs-and-maintenance>

⁸ <https://www.newwestrecord.ca/local-news/new-westminster-to-fine-or-revoke-licences-of-buildings-that-renovict-tenants-3093042>

there remain opportunities and imperatives to better educate renters about their rights under municipal and provincial policy.

THEREFORE BE IT RESOLVED

- A. THAT Council affirm the role of the City in licensing landlords is to ensure residential rentals are safe, meet land-use requirements, protect vulnerable populations, and mitigate any potential noise or nuisance;
- B. THAT Council direct Legal Services to prepare appropriate amendments to the License By-law (No. 4450) and Long-term Rental Property Business License effective for 2023 licensing year, to direct landlords to display their City of Vancouver Rental Property business licence in a location accessible and visible to tenants and that the document explicitly includes:
 - a. Accurate and up-to-date name, contact information and address of the landlord (or agent);
 - b. Notification that the adherence to the *Residential Tenancy Act* is a condition of the licence; and
 - c. Identifies links to dispute resolution mechanisms and legal rights including but not limited to the Residential Tenancy Act, Residential Tenancy Branch, and Vancouver's Renters Office.

APPENDIX B

Council Motion: “Improving the Effectiveness of Standards of Maintenance By-law”

Final Motion as approved on February 8, 2022.

WHEREAS

1. The City of Vancouver had a Standards of Maintenance By-law No. 5462 (“the By-law”) which prescribes standards for the maintenance and occupancy of building within the City of Vancouver to ensure that the buildings are free from hazard and are maintained continuously in conformity with accepted health, fire and building requirements;
2. Section 23.6 (1) of the By-law states that “Every person who commits an offence against this By-law is liable to a fine and penalty of not less than \$250.00 or more than \$10,000.00 for each offence.”;
3. Section 23.6 (2) of the By-law states that “Despite the minimum fine referred to in subsection (1), every person who commits an offence against section 11.1(1), 15.1(1), 16.1(2), 17, 18, 21.4(a), 21.13(a), 21.13(b), 21.14 or 23.3 is liable to a fine of not less than \$500.00 for each offence.” A significant number of the specific offences noted under Section 23.6 (2) of the By-law related to the requirement to provide heat and hot water to the tenants of a building as well as related fire prevention measures;
4. Section 23.7 of the By-law states that “Every person who commits an offence of a continuing nature against this By-law is liable to a fine of not less than \$250.00 and not more than \$10,000.00 for each such offence continues.”
5. Section 23.5 (1) of the By-law states that “Every person is guilty of an offence against this By-law” wherever and whenever they violate the provisions of the By-law, suffer or permit any act or thing to be done in contravention or violation of the By-law, or neglect or refrain from doing these things required by the By-law along with various related provisions of this section;
6. Section 23.5 (2) of the By-law states that “Each day that a violation is permitted to exist, shall constitute a separate offence.”;
7. Section 23.8 of the By-law states that “Notwithstanding any other provisions of this By-law, where any building or land does not comply with standards set out in this By-law, the Council may, by resolution, order that failure to remedy any default specified in such order within 60 days after service of such order, will result in the work being carried out by the City at the expense of the owner.”;
8. In December 2020, the City of Vancouver reached a settlement with the owners of the Balmoral and Regent Hotels to expropriate the properties. The settlement which was approved by Vancouver City Council, ensured that the buildings – (after many years of enforcement and legal action “against the owners, who oversaw decades of underinvestment and unaddressed life-safety issues that resulted in the closure of these

two derelict buildings in 2017 and 2019”) – could be turned into safe and secure low-income housing in partnership with BC Housing;

9. At the September 22, 2021, Standing Committee on Policy and Strategic Priorities, Council unanimously endorsed a staff recommendation to commence legal action in relation to the Regal Hotel located at 1046 Granville Street in order to bring this property into compliance with City By-laws and address an unsafe condition identified by the Chief Building Inspector; and
10. Over the recent Christmas holiday in December of this year, residents of the Regal Hotel were widely reported to be without heat for multiple days, at a time when the outside temperature and wind chill factor were expected to drop to minus 20 degrees. Living without heat during these incredibly cold temperatures clearly represented a life-threatening situations for the residents of the building as well as significant violation of the City’s Standards of Maintenance By-law No. 5462 and its intent to safeguard and ensure the necessities of life for all Vancouver residents.

THEREFORE BE IT RESOLVED THAT Council direct staff to report with recommendations and options to improve the effectiveness of the Standards of Maintenance By-law No. 5462 before the end of Q2, 2022 with respect to problematic properties that exhibit a history of non-compliance, such as – but not restricted to – giving consideration to raising the maximum and minimum fines for certain violations where an immediate impact on the life and limb of building residents (such as non-functioning heating systems) is clearly evident, as well as shortening the period of time in which the City can step in to carry out any and all necessary work to bring a building into compliance under the By-law at the expense of the property owner;

FURTHER THAT staff include in this report an analysis of the impact of these measures on building closures and tenant evictions;

FURTHER THAT staff report back on the possibility of requiring Single Room Occupancy (SRO) owners to place permanent plaques in their lobbies that would state the mailing address for service of documents to landlords, how to call 311 with repair and maintenance issues, contact info and function of the Residential Tenancy Branch;

FURTHER THAT staff report back on the possibility of requiring City inspectors to contact tenants after they have made inspections so the tenant knows the results of their complaints;

FURTHER THAT Council direct staff to report back with considerations for adding language related to cooling within the Standards of Maintenance By-law No. 5462, so that in addition to requiring buildings to be able to maintain a minimum temperature during cold snaps, that we also require buildings be able to not exceed a maximum temperature during future heat waves;

AND FURTHER THAT considerations around options for adding building cooling requirements within the Standards of Maintenance By-law No. 5462 be aligned with action on zero emission buildings within Vancouver’s Climate Emergency Action Plan.