

Commercial Tenant Resource Guides

No. 1: Basics

- Commercial Tenancy Explained
- Legal and Regulatory Protections

2022

1. Commercial Tenancy Basics

What is a “commercial tenant”?

A Commercial Tenant is a person or organization who rents or leases non-residential space and does not live in that space. The lease is between the tenant (the ‘lessee’) and the landlord (the ‘lessor’).

The “commercial” tenant can be a business, a not-for-profit, a social enterprise, a community organization, or a government organization, etc. The term “**commercial**” refers to the non-residential space and not the activities of the tenant.

Resource Guides Overview

- Guide 1 Commercial Tenancy Basics
- Guide 2 Commercial Lease Negotiation
- Guide 3 Relocation and Finding a Space
- Guide 4 Redevelopment Timeline and Process
- Guide 5 Navigating City Permit and Licence Processes
- Guide 6 Support, Resources and Glossary

Cover image: Graeme Jones

Commercial tenant legal and regulatory protections

As a commercial tenant, the lease between you and the landlord defines the terms and conditions of your tenancy. It is highly recommended that you get professional help to negotiate the best possible lease for you.

You can find more information on where to find professional help in [Guide 6: Support, Resources and Glossary](#) and how to negotiate your lease in [Guide 2: Commercial Lease Negotiations](#).

A commercial lease is based on:

- Commercial Tenancy Act
- contract law

THE COMMERCIAL TENANCY ACT

The Province of BC’s Commercial Tenancy Act includes methods for resolving issues and disputes between you and your landlord. The Commercial Tenancy Act does not provide the same kind of legal or regulatory protection that the Residential Tenancy Act provides. This is because commercial leases are typically viewed as contracts where the terms have been negotiated to the mutual agreement of landlord and tenant.

Depending on market conditions, commercial tenants can have considerable negotiating power when negotiating a new lease.

[More info on where to find support.](#)

[More info on how to negotiate a lease](#)

CONTRACT LAW

Commercial leases are governed by contract law – a type of law involving a legally binding agreement between two or more persons for a particular purpose – and are regulated by the Province of British Columbia².

The province does not require commercial leases to have a standard form or template, so each lease can be customized by negotiation between the landlord and tenant. Landlords generally use their own standard form of lease, which they present to the tenant for signature. Before signing, we highly recommend getting professional advice for negotiating and drafting the wording of the lease ([see also Guide 2: Commercial Lease Negotiations](#)).

¹This guide uses “property owner” and “landlord” interchangeably to describe the person leasing out the space.

²British Columbia operates under the ‘common law’ system in which legal disputes are decided by reference to ‘case law’ (decisions in previous cases).

Why is the City of Vancouver important to you as a commercial tenant?

The City of Vancouver acts as the regulator of commercial premises. If you operate in the City of Vancouver, you must:

- meet [zoning](#), [building](#), [parking](#), [signage](#), [patio](#) and other regulations
- meet regulations related to [food](#) and [liquor](#) service
- obtain the [required permits](#) and licenses and pay the applicable fees
- obtain a [business licence](#) (if you operate a business)
[Overview of business licences](#)



For details, please review [Guide 5: Navigating City Permit and Licence Processes](#).

The City of Vancouver will not help you negotiate your lease, resolve a dispute, or intervene if you are being evicted. However, the City supports local businesses indirectly through:

- the [Business Improvement Areas \(BIA\) program](#), which is an excellent resource for local market information
- the [Small Business Commercial Renovation Centre \(CRC\)](#) for renovation help,
- the [Business Communication and Support Office \(BCSO\)](#), as a single point of contact for re-opening protocols and business support programs; and,
- other information on the City's website such as [permit and licence information](#), and [guides to starting or expanding your business](#).

Also see:

- [Guide 2: Commercial Lease Negotiation](#)
- [Guide 3: Relocation and Finding a Space](#)
- [Guide 4: Redevelopment Timeline and Process](#)
- [Guide 5: Navigating City Licence and Permit Processes](#)
- [Guide 6: Support, Resources and Glossary](#)

If you are a food service business, please note that in addition to City of Vancouver permits, [food service permits](#) are issued by Vancouver Coastal Health.



We highly recommend that you seek professional advice for anything concerning your tenancy and relocation. For more information on how to get support, please see [Guide 6: Support, Resources and Glossary](#).

Please note: This guide is intended to be a helpful service for business operators. It is not to be relied on for legal or other professional advice.

City staff recommend that you seek appropriate advice as the need arises.