



November 28, 2018

Mayor Kennedy Stewart and Council
City of Vancouver
453 West 12th Avenue
Vancouver, BC V5Y 1V4

Dear Mayor and Council:

Re: Revised Motion 10 on the November 28, 2018 Council Meeting Agenda

Further to our correspondence of November 13, 2018, I am writing again on behalf of the Urban Development Institute's (UDI's) more than 850 members, to respectfully request that Council not support the proposed revised motion that:

- A. *The City immediately amend its Tenant Relocation and Protection Policy to the extent of its authority under the Vancouver Charter to:
 - i. *Apply to all forms of rental accommodation, all areas of Vancouver and to all permits which will result in the temporary or permanent displacement of tenants; and*
 - ii. *Require landlords to offer displaced tenants the opportunity to temporarily move out for the necessary duration of the renovations without their leases ending or rent increasing, in accordance with the Residential Tenancy Act and the Residential Tenancy Branch Policy Guideline 2 of May 2018; and**
- D. *The City immediately and forcefully call on the province to implement effective vacancy controls for British Columbia, or alternatively, to give Vancouver the power to regulate maximum rent increases during and between tenancies.*

The resolution will have serious and dire consequences on the maintenance of existing rental and stop development of new rental buildings. **If the proposed motion were to be adopted by Council, it would put 5,195 rental homes currently planned for the City of Vancouver at serious risk of cancellation.**

UDI and its members understand that Vancouver is in the midst of a housing crisis and recognize the stress that is associated with moving homes as a result of necessary upgrades and redevelopment of buildings. However, passing this motion would result in the most significant unintended consequence of halting any new rental development, an action that would greatly hinder the City's goals of increasing the number of affordable and secure rental homes in Vancouver.

UDI [recently conducted a survey](#) of our 30 leading rental builders and all respondents agreed that if vacancy control, or tying rent controls to the unit and not the tenant, is adopted that it would be the single, most significant impediment to the maintenance of current rental units and construction of new rental projects.

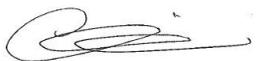
Currently, rental owners have the flexibility to adjust rents between tenancies to account for building and unit upgrades and other increased costs like property taxes, insurance and utilities. Vacancy control, or imposing limits to the maximum allowable rental increase, would remove this ability. The incentive for a rental owner to ensure necessary upgrades are completed to aging buildings is severely compromised under this proposal.

As mentioned in my previous correspondence, it is also unclear how such a policy would work when the City can require expensive building and building improvements. Motion 10 may also conflict with other City objectives. For example, under the [Renewable City Action Plan](#), *"By 2050, nearly half of Vancouver's buildings will have been replaced with zero-emission buildings. The remaining buildings will have undergone deep retrofits to bring their energy performance up to the standards expected of new construction, or have been connected to one of Vancouver's neighbourhood renewable energy systems."* The provincial government, through its [Clean, Efficient Buildings Intentions Paper](#), has also announced a *"New code for existing buildings by 2024."* The effect of these policies will be an expectation that existing buildings be upgraded seismically and become more energy efficient. These improvements will likely be impossible to undertake if the measures contained in Motion 10 are implemented.

UDI and its members implore Mayor and Council to defer deliberation of the policies contained in Motion 10 until after the provincial Rental Housing Task Force releases their recommendations and the resulting actions are fully determined.

If members of Council would like to further discuss the implications of the Motion on the building of new rental housing projects and the details of our rental builder survey, please don't hesitate to contact me directly.

Yours sincerely,



Anne McMullin
President & CEO

