



# City of Port Moody

## Report/Recommendation to Council

Date: June 16, 2020  
Submitted by: Planning and Development Department – Policy Planning Division  
Subject: Regulations for Market Rental Apartment Businesses (Renoviction Bylaw)

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### Purpose

To report back on recommendations to protect renters from evictions through renovations or repairs.

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### Recommended Resolution(s)

**THAT City of Port Moody Business Licensing and Regulation Bylaw, 2015, No. 3000, Amendment Bylaw No. 5, 2020, No. 3264 (Market Rental Apartment Businesses) and City of Port Moody Municipal Ticket Information Authorization Bylaw, 2020, No. 3218, Amendment Bylaw No. 2, 2020, No. 3272 be read a first, second, and third time as recommended in the report dated June 16, 2020 from the Planning and Development Department – Policy Planning Division regarding Regulations For Market Rental Apartment Businesses (Renoviction Bylaw).**

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### Background

At the Special Council (Committee of the Whole) Meeting on April 21, 2020, Council passed the following resolution:

CW20/047

THAT the report dated April 12, 2020 from the Port Moody Affordable Housing Task Force regarding Interim Report from the Port Moody Affordable Housing Task Force be received for information;

AND THAT staff be directed to:

1. extend an invitation to the Cooperative Housing Federation of BC in order to inform Council of how community land trusts may assist with Council priorities for redevelopment of public property;
2. report back to Council with costs and implications associated with updating Port Moody's laneway housing bylaws as informed by recommendations from the task force in order to increase uptake of that program;
3. establish a renoviction bylaw in line with the municipalities of Port Coquitlam, New Westminster, and Burnaby; and

4. update the Affordable Housing Reserve Fund Terms of Reference, including amending the Affordable Housing Reserve Fund Policy to allow distribution of funding out of the Reserve for rental relief initiatives for renters in need of financial assistance;

AND THAT these recommendations be given high priority.

This report responds to the direction in the third bullet to “establish a renoviction bylaw in line with the municipalities of Port Coquitlam, New Westminster, and Burnaby” by presenting two amendment bylaws for Council’s consideration.

## Discussion

British Columbia’s *Residential Tenancy Act* is the legislation that manages landlord-tenant agreements and what circumstances a landlord can evict a tenant. Under Section 49(6)(b) of the *Residential Tenancy Act*, a landlord may end a tenancy of a rental unit if the landlord has all the necessary permits and approvals required by law, and intends in good faith, to renovate or repair the rental unit in a manner that requires the rental unit to be vacant. In response, a landlord must give four (4) months’ notice to the tenant and one (1) month’s rent. For residential properties containing five (5) or more market rental dwelling units, tenants are also given the right of first refusal to move back into the unit; however it can be at a new rental rate as chosen by the landlord.

To protect tenants from superfluous evictions, the Residential Tenancy Branch has the authority to review cases where tenants are issued evictions by owners through an appeal process. If it is determined a tenant was presented with a notice for eviction for cosmetic or routine maintenance, then the eviction can be denied. However, the *Residential Tenancy Act* does not address specific situations where market rental building owners evict tenants en masse under the pretext of the building requiring extensive renovations.

In 2019, the Cities of New Westminster and Port Coquitlam used their business licensing powers to regulate the manner in which rental apartment businesses must accommodate tenants when a building is repaired or renovated. At the direction of Port Moody’s Council, staff have created an amending bylaw that is also based on the City’s business licensing powers in order to protect tenants from being evicted through renovations.

Through Division 9 of the *Community Charter*, the City can enact legislation that imposes terms and conditions on a business. City of Port Moody Business Licensing and Regulation Bylaw, 2015, No. 3000 currently requires all owners of rental suites to obtain a business licence for the building in which it is contained. To maintain consistency with the *Residential Tenancy Act* and meet the direction of Council, an amendment to the City of Port Moody Business Licensing and Regulation Bylaw, 2015, No. 3000 is proposed to regulate how businesses with five (5) or more rental suites in a market rental building must accommodate tenants during the renovation or repair of the tenants’ dwelling units.

Similar to the Cities of Port Coquitlam and New Westminster, the intention of the amending bylaw is to discourage potential renovictions where tenants are evicted from market rental dwelling units under the guise of renovations for the purpose of increasing rents. The amending bylaw does not restrict repairs or renovations to rental units. Instead, it will ensure landlords repair and renovate units in a manner where the tenant does not have to move, or the tenant is allowed to move back into the unit at the same rental rate, including any increases in rent permitted annually under the *Residential Tenancy Act*.

#### Port Moody's Market Rental Apartment Context

In 2019, staff identified 14 sites containing five (5) or more rental dwelling units, with 532 rental units in total. By adopting the proposed City of Port Moody Business Licensing and Regulation Bylaw No. 3000, Amendment Bylaw No. 5, 2020, No. 3264 (Market Rental Apartment Businesses) (**Attachment 1**) tenants would be protected from evictions due to renovations with or without the intent to increase rents.

For those Market-Rental Apartment sites where a development proposal is submitted, tenants are protected by the Tenant Relocation Assistance Policy (**Attachment 2**) and the Rental Protection Policy (**Attachment 3**). Both of these policies provide development applicants with the minimum expectations the City envisages in replacing market rental units and accommodating tenants.

#### Summary of the changes to the Business Licensing and Regulation Bylaw

The proposed amendment to the City of Port Moody Business Licensing and Regulation Bylaw, 2015, No. 3000 would address the steps a person or individual carrying on the business of, or operating, a Market Rental Apartment would have to undertake when repairing or renovating a dwelling unit. This includes:

- the conditions under which evictions would be considered;
- provisions for temporary accommodation for tenants in situations when evictions are deemed necessary;
- provisions for contravention of the bylaw; and,
- conditions under which exemptions would be considered.

In order to enforce the changes to the City of Port Moody Business Licensing and Regulation Bylaw, 2015, No. 3000, staff also recommends that the City establish the following fines in City of Port Moody Municipal Ticket Information Authorization Bylaw, 2020, No. 3218, Amendment Bylaw No. 2, 2020, No. 3272 (**Attachment 4**) for instances of non-compliance with the regulations proposed:

- Eviction without Permits – \$500.00; and
- Eviction without Tenant Relocation – \$500.00.

#### Potential Effects of the Market Rental Apartment Bylaws

While the importance of protecting renters from unnecessary evictions cannot be overstated, the proposed amendment to the City of Port Moody Business Licensing and Regulation Bylaw, 2015, No. 3000 could affect the renewal of some of the older rental stock. With the majority of the city's rental stock having been built before 1977, many of the buildings are likely nearing the end of their lifespan and will be in need of upgrades or replacement. As of 2016, 8% of

Port Moody's renter households lived in housing deemed to be below the adequacy standard. Future action may be required to ensure the older rental units are appropriately upgraded.

### Other Option(s)

1. THAT City of Port Moody Business Licensing and Regulation Bylaw, 2015, No. 3000, Amendment Bylaw No. 5, 2020, No. 3264 (Market Rental Apartment Businesses) be amended as follows: ...  
AND THAT City of Port Moody Municipal Ticket Information Authorization Bylaw, 2020, No. 3218, Amendment Bylaw No. 2, 2020, No. 3272 be amended as follows: ...
2. THAT staff arrange for public input options prior to consideration of adoption of City of Port Moody Business Licensing and Regulation Bylaw, 2015, No. 3000, Amendment Bylaw No. 5, 2020, No. 3264 (Market Rental Apartment Businesses) and City of Port Moody Municipal Ticket Information Authorization Bylaw, 2020, No. 3218, Amendment Bylaw No. 2, 2020, No. 3272 by advertising the proposed changes in local newspapers and referring the bylaw changes to Landlord BC and UDI.
3. THAT the implementation of City of Port Moody Business Licensing and Regulation Bylaw, 2015, No. 3000, Amendment Bylaw No. 5, 2020, No. 3264 (Market Rental Apartment Businesses) and City of Port Moody Municipal Ticket Information Authorization Bylaw, 2020, No. 3218, Amendment Bylaw No. 2, 2020, No. 3272 be postponed until after the appeal against New Westminster's renovation bylaw is resolved.
4. THAT the report dated June 16, 2020 from the Planning and Development Department – Policy Planning Division regarding Regulations for Market Rental Apartment Businesses be received for information.

### Financial Implications

Additional staff and resources may be required to implement and enforce the Bylaw.

### Communications and Civic Engagement Initiatives

Changes to Business Licencing Bylaws require notice under section 59(2) and (3) of the *Community Charter*. It allows Cities with the flexibility to determine what type of notice is given. In the past, the City's notice has been given through publishing the agenda and having a public input period at the meeting.

Additional public input could be sought prior to Bylaw adoption from interested community members or affected property owners or organizations that represent market rental apartment owners such as Urban Development Institute Pacific Region (UDI) and Landlord BC for further feedback.

### Council Strategic Plan Objectives

The recommendation in this report aligns with the Council Strategic Objectives of ensuring that available housing meets the community's diverse and emerging needs.

## Attachment(s)

1. City of Port Moody Business Licensing and Regulation Bylaw, 2015, No. 3000, Amendment Bylaw No. 5, 2020, No. 3264 (Market Rental Apartment Businesses).
2. Corporate Policy – 10-5080-2018-02 – Tenant Relocation Assistance.
3. Corporate Policy – 10-5080-2018-01 – Rental Protection.
4. City of Port Moody Municipal Ticket Information Authorization Bylaw, 2020, No. 3218, Amendment Bylaw No. 2, 2020, No. 3272.

## Report Author

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## Report Approval Details

Document Title:	Regulations for Market Rental Apartment Businesses.docx
Attachments:	<ul style="list-style-type: none"><li>- Attachment 1 - City of Port Moody Business Licensing and Regulation Bylaw, 2015, No. 3000, Amendment Bylaw No. 5, 2020, No. 3264.pdf</li><li>- Attachment 2 - Corporate Policy - 10-5080-2018-02 - Tenant Relocation Assistance.pdf</li><li>- Attachment 3 - Corporate Policy - 10-5080-2018-01 - Rental Protection.pdf</li><li>- Attachment 4 - Municipal Ticket Information Authorization Bylaw, 2020, No. 3218, Amendment Bylaw No. 2, 2020, No. 3272.pdf</li></ul>
Final Approval Date:	Jul 20, 2020

This report and all of its attachments were approved and signed as outlined below:

Mary De Paoli, Manager of Policy Planning - Jul 16, 2020 - 4:38 PM

André Boel, General Manager of Planning and Development - Jul 16, 2020 - 4:40 PM

Dorothy Shermer, Corporate Officer - Jul 16, 2020 - 10:41 PM

Rosemary Lodge, Manager of Communications and Engagement - Jul 17, 2020 - 12:22 PM

Paul Rockwood, General Manager of Finance and Technology - Jul 17, 2020 - 12:39 PM

Tim Savoie, City Manager - Jul 20, 2020 - 1:36 PM