

RE: LETTER FROM WENDIE NELSON, #105 - 5050 HALIFAX STREET,
BURNABY, B. C. WHICH APPEARED ON THE AGENDA FOR THE
COUNCIL MEETING OF 1990 APRIL 30
INCREASES IN RENT AT 5050 HALIFAX STREET

MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendation of the Director Planning
& Building Inspection be adopted.

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TO: MUNICIPAL MANAGER 1990 MAY 09

FROM: DIRECTOR PLANNING & BUILDING INSPECTION Our File: 12.300

SUBJECT: CORRESPONDENCE FROM WENDIE NELSON REGARDING INCREASES IN RENT AT 5050 HALIFAX STREET

PURPOSE: To respond to Council's inquiries resulting from the correspondence from Wendie Nelson that appeared on the agenda of 1990 April 30.

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RECOMMENDATION:

1. THAT a copy of this report be sent to Wendie Nelson,
#105-5050 Halifax Street, Burnaby, B.C.

R E P O R T

1.0 INTRODUCTION

At its meeting of 1990 April 30, Council received correspondence from Wendie Nelson, a tenant of an apartment building located at 5050 Halifax Street. In her letter, Ms. Nelson informed Council of her increased rent, and stated her wish that Burnaby Council do what it can to investigate unjustified rent increases, and to put pressure on the provincial government to impose rent controls.

Arising from discussion of this correspondence, Council requested that staff investigate whether the Provincial Government had replied to previous correspondence from Council that requested re-instatement of a rent review process to roll back excessive rent increases.

2.0 BACKGROUND

At its meeting of 1989 June 26, Council considered a report from the Housing Committee that discussed various alternatives to deal with the issue of the supply of rental housing and rent increases. This report recommended a number of actions that Council could pursue with senior governments regarding these issues, including a recommendation that the Provincial Government reinstate a rent review process with the power to review and roll back excessive rent increases. This report has been sent to appropriate agencies and ministries in both the Provincial and Federal governments.

A reply to Council's recommendation from the Honourable Lyall Hanson, who was then the Minister of Labour and Consumer Affairs, appeared on the agenda of the Council Meeting of 1989 September 11.

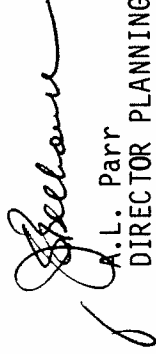
3.0 REPLY FROM THE MINISTER OF LABOUR AND CONSUMER AFFAIRS

The letter from the Minister of Labour and Consumer Affairs is attached to this report. On the issue of rent review, the letter notes:

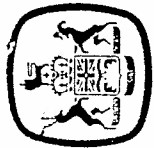
"On the issue of rent review, I can advise that the provincial government is reluctant to intervene by imposing rent regulation; experience in various other jurisdictions has indicated that government intervention in the rental market make supply problems worse, and landlords are more likely to take the maximum allowable rent increase.

Since rent control was removed in British Columbia in 1983, the majority of rent increases have been for moderate amounts usually reflecting the rate of inflation. Considerable pressure on the housing market and low vacancy rates in the larger urban areas, including Lower Mainland and Victoria, have resulted in larger than average rent increases in these areas."

Staff have contacted an official at the Residential Tenancy Branch who confirmed that there has been no change from this position.



A.L. Parr
DIRECTOR PLANNING &
BUILDING INSPECTION



Province of
British Columbia

OFFICE OF THE MINISTER

Ministry of
Labour and
Consumer Services

Parliament Buildings
Victoria
British Columbia
V8V 1X4

ITEM 6
MANAGER'S REPORT NO. 35
COUNCIL MEETING 90/05/14

August 29, 1989

RECEIVED

His Worship William J. Copeland
Mayor of Burnaby
4949 Canada Way
Burnaby, British Columbia
V5G 1M2

SEP 01 1989

MAYOR'S OFFICE

Dear Mayor Copeland:

Thank you for your recent letter enclosing the recommendations of the Council of the Corporation of the District of Burnaby on the subjects of rental housing supply and rent increases.

I share Burnaby Council's concern about the availability of affordable rental accommodation, particularly in our major urban areas. I have discussed this serious matter with my colleagues in Cabinet many times over the last few months and I am pleased to outline the recent new initiatives that government has introduced to address this problem.

As you are aware, in March, the Honourable Mel Couvelier, Minister of Finance and Corporate Relations, announced in his Budget speech a new \$890 million Provincial Housing Action Plan which addresses the issues of affordable housing and the supply of rental accommodation. This multi-ministry plan is currently being implemented.

The Ministry of Municipal Affairs, Recreation and Culture has introduced a new program of incentives to municipalities aimed at stimulating the construction of affordable rental housing throughout the province. The Municipal Incentive Program will provide grants to help local government identify rental housing needs and to prepare and implement strategies to address those needs. Participating municipalities will be expected to withhold approval on conversion from rental to condominium units while vacancy rates are low.

My colleague, the Honourable Claude Richmond, Minister of Social Services and Housing, recently announced

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Mr. William J. Copeland - 2 - August 29, 1989

the details of the B.C. Rental Supply Program...a new initiative to expand rental housing opportunities in the province. The program will encourage investment in new rental development by reducing interest costs for projects meeting the objectives of the program. Preference will be given to affordable family housing projects and 4,000 units will be funded this year. As well, the SAFER program, which helps low and moderate income seniors who want to rent, has been improved by lowering the age eligibility to 60 and raising rent ceilings to help those most in need. Most recently, the Minister announced a Government Land for Housing Task Force.

A number of the suggestions contained in your Housing Committee report relate to matters within the jurisdiction of the Minister of Social Services and Housing. I have taken the liberty of forwarding a copy of your correspondence to the Honourable Claude Richmond, as I am sure that the recommendations of Burnaby Council will be of interest to him.

On the issue of rent review, I can advise that the provincial government is reluctant to intervene by imposing rent regulation; experience in various other jurisdictions has indicated that government intervention in the rental market may make supply problems worse, and landlords are more likely to take the maximum allowable rent increase.

Since rent control was removed in British Columbia in 1983, the majority of rent increases have been for moderate amounts usually reflecting the rate of inflation. Considerable pressure on the housing market and low vacancy rates in the larger urban areas, including Lower Mainland and Victoria, have resulted in larger than average rent increases in these areas. The Rental Housing Council of British Columbia, an association of owners and managers of residential rental properties, has been investigating cases of high rent increases and offers to act as a mediator between landlords and tenants. Should you wish to contact the Council, please write Mr. Jack Hayes, Executive Director, 605 - 825 Granville Street, Vancouver, B.C. V6Z 1K9, telephone 691-0045.

ITEM 6
MANAGER'S REPORT NO. 35
COUNCIL MEETING 90/05/14

Mr. William J. Copeland - 3 - August 29, 1989

Thank you for providing me with a copy of your Housing Committee report and recommendations. My Ministry is continuing to monitor the situation very closely by studying the rental markets in other jurisdictions and discussing options in the event the situation worsens.

Yours sincerely,



Lyall Hanson
Minister

cc: Honourable Claude Richmond

