

Request for Recommendation Finance Committee



Type of Decision									
Meeting	March 7, 2007				Report Date	March 7, 2007			
Decision Requested		Yes	X	No	Priority	X	High		Low
	Direction Only				Type of Meeting	X	Open		Closed

Report Title
2007 Budget Parking Lot - Tenant Protection Question

Budget Impact / Policy Implication	Recommendation
This report has been reviewed by the Finance Division	

NOT APPLICABLE

FOR INFORMATION ONLY

x Background Attached


Recommendation Continued

Recommended by the Department

C Matheson
Catherine Matheson
General Manager, Community Development

Recommended by the C.A.O.

M. Mieto
Mark Mieto
Chief Administrative Officer

Report Prepared By	Division Review
 Denis Desmeules Manager, Housing Services	Name Title

At the March 1, 2007, Finance Committee Meeting, the following question was raised by Mayor Rodriguez; **“Given the low vacancy rate, what mechanisms, if any, are in place to protect low income households?”**

The following response is provided:

- The Provincial Residential Tenancy Act oversees the relationship between landlords and tenants. The Act established a new Landlord & Tenant Board to resolve disputes and ensure that the legislation is properly administered. The CGS has no legal role in this area
- The Act regulates rent increases. For most units, a rent can only be increased once in a 12 month period. This provides some stability to low income households as they know in advance what their rental cost will be for a 12 month period.
- The Act requires landlords to give 90 days notice of a rent increase. The notice must meet Provincial requirements in order to take effect. The 90 period normally provides time for the tenant to assess their needs and finances to determine if they wish to stay or move. The 90 days may not be sufficient for tenants to locate a new unit in tight housing markets.
- Units built prior to 1991 (the bulk of units) are subject to the Provincial Rent Guideline. This guideline, based on the CPI, is set annually by the Province. This protects existing tenants from high rent increases which may occur in tight rental markets.
- Landlords cannot unilaterally increase rents beyond the Guideline for existing tenants without first obtaining the Board's approval. This provides due process for the tenant as they are made aware of the landlord's request and can provide input to the Board.
- On vacancy or unit turnover, rents for new tenants can be negotiated between the tenant and the landlord. In tight markets, it is more likely that landlords will set the new rent unilaterally. Low income households may be at an economic disadvantage when bidding for units in a tight market place. This may result in tenants remaining in unsuitable units as they cannot afford to move.
- There is an appeal process for tenants should landlords act outside the legislation or an order issued by the Board. This process provides a mechanism for tenants to challenge landlord rent increases or the lack of proper maintenance done by the landlord.
- Tenants can contact the Landlord and Tenant Board at 1-888-332-3234 for assistance. Tenants can seek legal counsel or the assistance of a legal clinic to assist them in their landlord disputes.