

STAND UP FOR HOUSING IN SURREY

WIN MUNICIPALLY TO END
THE HOUSING CRISIS



BRITISH COLUMBIA
ACORN

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HOUSING POLICY MATTERS

British Columbia is reeling under a rental housing crisis that is not just the worst in Canada, but across the globe.

A 2019 report by the Canadian Centre for Policy Alternatives illustrated how impossible the situation has become for low-to-moderate income families: a minimum-wage worker in Vancouver would have to put in 84 hours a week to afford the average-priced one-bedroom apartment or work 112-hour weeks for a two-bedroom apartment.

With almost 50% of BC renters spending more than 30% of their income on housing and a further 21% spending more than 50% (according to the 2018 Canadian Rental Housing Index), the status of the housing situation in BC is undoubtedly grim and that of low-and-moderate income renters is dire and getting worse.

Statistics Canada data reveal that BC is referred to as the “eviction capital” of Canada, with the highest rate of evictions and foreclosures in the country. Ten percent of British Columbians who have moved in the last five years have been forced to move out, totalling about 80,000. The reason for this alarming statistic is the new tactics developers and landlords are using to get tenants out and increase rental revenues. According to the 2018 Report on Homeless Counts in B.C, 18% of people reported eviction as a reason for losing their housing.

The government needs to treat the housing crisis as the threat that it is by developing policy that actually stops the crisis, and abandoning policy that worsens it.

Municipalities have a major role to play, as decisions happening at city council meetings have an enormous impact on housing. Cities control land-use, zoning, and building codes, and have underutilized and unrealized regulatory powers that can help end the housing crisis.

Housing Affordability Crisis in Surrey - The Issue of Affordability

The housing crisis is especially worrying in some BC municipalities, including Surrey. This is clearly demonstrated by the facts brought out by the 2018 Affordable Housing Strategy by the City of Surrey and the 2018 Surrey Housing Profile:

- The extent of affordable housing in Surrey has eroded in the last decade. From 2006 - 2016, while household incomes only increased by 29%, rents increased by 48% while home values increased by an unreachable 70%.
- 37% of people spend more than 30% of their income on rent.
- Further, while on the one hand, average rents have gone up, vacancy rates have decreased. In 2019, the average rent in Surrey was \$1161, which increased from \$1092 in 2018. At the median renter household income of \$42,595, households can afford to rent secondary suites and one-or-two bedroom purpose-built rentals. However, households earning less than \$30,000 cannot afford to rent anything larger than a one-bedroom secondary suite.
- Worse still, a single person/parent minimum wage earner or those on income assistance including single parents with children, cannot afford any of the units at average market rents. It is important to highlight here that purpose-built stock represents 14% of Surrey's rental stock, much lower than in Metro Vancouver where purpose-built market rental represents approximately 1/3rd of the total rental stock. Most of the City's purpose-built units can be found in Whalley and Guilford. The number of non-market social housing units in Surrey is very low relative to Surrey's population. For example, while Vancouver has a population of 631,500 and has approximately 16,000 units of non-market housing, Surrey's population is 517,887 and has a non-market housing stock of approximately 5,300 units.
- At the same time, Surrey's vacancy rate has been dropping rapidly since 2012 and is now lower than the regional average of 1.0%.
- 18% of Surrey renter households are living in overcrowded conditions, compared to 6% of owner households. In fact, Surrey has the highest percentage of renters living in overcrowded conditions of all municipalities in Metro Vancouver.
- As per the 2017 Metro Vancouver Homeless Count, 602 homeless individuals were counted in Surrey. Homelessness increased in Surrey by almost 50% from 2014 - 2017, with the municipality having the second largest homeless population in Metro Vancouver.

All the while, the city did not act and use its powers to deal with the large scale housing emergency that stared at its face. On the contrary, it seems to be making the housing crisis worse.

Housing Affordability Crisis in Surrey - The Issue of Liveability

Not only is the housing unaffordable but tenants continue to suffer due to substandard housing conditions.

Substandard Living Conditions: Whether part of a larger strategy to remove tenants from the building in order to circumvent rent control laws, or just out of sheer neglect, Surrey tenants in affordable market rental apartment buildings are forced to live with substandard living conditions. The inadequacy of Standards of Maintenance bylaw in Surrey leaves tenants with no recourse if the buildings and their unit falls into disrepair. Tenants bring a case to the Landlord Tenant Board (LTB) for rent abatements due to problems with their unit (essentially a discount on rent) but the LTB cannot order a landlord to do the actual repairs, only municipalities can do that.

Demovictions happen when developers buy an affordable market rental building, mass evict the tenants, and get municipal approval for rezoning. The vital affordable rental housing is destroyed, tenants are displaced from their communities and social support networks, and unaffordable housing is built.

The city does get increased revenue through development charges, but they pale in comparison to the profits the developer makes on the backs of displaced tenants.

Renovictions happen when landlords mass evict tenants from an entire building under the guise of renovating or repairing a rental unit, all so that landlords can increase rents and maximize revenue. The absence of vacancy rent control laws at the provincial level gives landlords a financial incentive to renovict tenants: when the unit is vacant, they can raise the rent to whatever the market allows.

Renovictions have led to rising rents throughout the country, and nowhere more so than in Metro Vancouver.

These housing issues are not unique to Surrey. Developers have always had an inordinate amount of power in municipal decision making. But, when tenants get organized, use a variety of tactics, and are willing to work with others, they can win.

CASE STUDY - ACORN TAKES ACTION AGAINST DEMOVICTIONS IN BURNABY

Burnaby ACORN is a perfect example of how tenants can win.

This past decade, the City of Burnaby began the process of adding housing density to the central area surrounding the Metrotown Mall and Skytrain station. One problem, among many, was that adding density destroyed and displaced one of the largest tenant communities in Western Canada.

By changing zoning bylaws to allow for highrises in the Metrotown apartment neighbourhood, the city essentially incentivised developers to come in and tear down affordable market rental buildings, and got a housing crisis in return.

Destruction of buildings began in 2014 and continued until public outcry caused the city to agree to ACORN's demand for a moratorium in June 2018, five months before the municipal election. In the end, 2500 tenants were displaced, with another estimated 600 being displaced through buyouts, before the buildings were even approved by the city for so-called 'redevelopment'.

ACORN Canada is a multi-issue, mass-based union of low-to-moderate income people. The purpose of the union is to give low-to-moderate income people power so that they can have their voices heard at the highest levels of the country. With chapters across the region, province, and country, ACORN is able to be both a local-based union winning local campaigns, as well as a large organization combining forces to fight national corporations and governments that are at the root of most of our problems.





BC ACORN mobilized hundreds of Metrotown tenants during the demoviction crisis, and our leaders became the voice of tenants in the community, and to policy and decision makers in the city. Through persistent efforts by tireless volunteers, BC ACORN was able to make demoviction the ballot box issue for the election. The issue was polarized and the choice on election day was clear for voters.

The election of Mayor Hurley, and the campaign that led up to it, was the turning point. Mayor Hurley met with ACORN on his first day in office and agreed to appoint ACORN to the Mayor's Taskforce on Community Housing, which he set up to provide him expert guidance on how to reshape Burnaby's housing policies.

With a base of tenants in the community providing political power, and a direct line to the new Mayor, BC ACORN was positioned to move groundbreaking housing policy in Burnaby and show the rest of the province what was possible.

On the Mayor's Taskforce on Community Housing, BC ACORN maintained its long held position that tenant displacement needed to be stopped and made it clear that all recommendations put forth by the taskforce must reflect that. ACORN provided the policy recommendations that would stop tenant displacement, even if developments were approved and apartment buildings were demolished.

After months of meetings, community consultations, and heated policy debates, ACORN succeeded. With the new Tenant Assistance Policy in Burnaby, BC ACORN was able to create a first in Canada by including the country's most robust tenant protections against demovictions and renovictions.

It should be noted that ACORN's involvement in the process does not mean that ACORN is in favour of the developments; rather, that when it is happening, there are clear policies that can be put into place to stop mass tenant displacement.

TENANT FRIENDLY MUNICIPAL HOUSING POLICIES

Burnaby Tenant Assistance Policy

One to One Rental Replacement at the Same Rent: This policy emphasises one to one rental replacement. For example, units lost to redevelopment must be replaced at a ratio of 1:1 or 20% of the total number of proposed units, whichever is greater. Tenants have the right of first refusal to a suite in the new building at their existing rent. If they are paying \$900 per month for a two bedroom apartment, they will be able to move into a two bedroom unit in the new building at the same rent.

Moving Costs: The developer has to pay a set amount to cover tenants' moving expenses.

Rent Stabilization: It can take years between eviction and the completion of the new building, and in the meantime people will need to find new apartments. The problem is that due to the current rent control laws and absence of vacancy control, the rent for these apartments will likely be much higher than they are currently paying, and most tenants will struggle to afford this.

Rent Stabilization enables tenants to remain in their neighborhoods, despite massive changes in the amount of rent. Under Burnaby's Rent Stabilization rules, the developer has to give a monthly rental top-up to each tenant to ensure that tenants' rents don't go up beyond what the Residential Tenancies Act allows. The amount given to tenants is up to median market rent for the area +30%, which is \$1542 for one bedroom, \$1820 for a two bedroom.



Monthly Rent Top-Up Example for Metrotown Tenants

	1 Bedroom	2 Bedroom
CMHC Median Rent for Metrotown Zone (CMHC)	\$1186	\$1400
CMHC Median Rent +30%	\$1542	\$1820
Example of Tenant's Current Rent	\$850	\$1200
Monthly Top Up Amount	\$692	\$620
Amount over 3 Years	\$24,912	\$24,320





New Westminister's Renoviction Bylaw

Another important policy victory at the municipal level that BC ACORN played a role in was New Westminister's Renoviction Bylaw which, as part of the new Rental Housing Revitalization Initiative, disincentivises renovictions and incentivises the maintenance of purpose-built rental buildings.

The bylaw licenses landlords in New West, something ACORN has championed nationally since 2005. The licensing system works as an effective ban on renovictions because it takes out any financial incentive landlords have to renovict tenants. This is done by providing clear requirements that the landlord must adhere to before any evictions can take place:

- Developers need to obtain all permits from the city needed to do the renovation. This includes plumbing permits, development permits, heritage alteration permits, and building permits. This takes some time, and also clearly informs the city that renovations and potential evictions are taking place at a local apartment building.
- Once all permits are obtained, and it is proven that tenants must vacate in order for the renovations to take place, the landlord must do either of the following steps to ensure that tenants are not displaced.
 - Enter into a new lease with the tenant that is identical or more favourable to the tenant, with provision of a comparable rental unit in the same building OR
 - Agree that tenants can move back under the terms of the existing lease AND find temporary accommodation for the tenant during the renovation period.

If a landlord violates these rules, they will be fined by the city and lose their business license. Arguments against the bylaw are that without the increase in rental revenue, landlords will be unable to keep the buildings up to livable standards.

That argument is put aside by two more things the City of New Westminster did: First, a strong Standards of Maintenance bylaw is now enforced through the landlord licensing system. Landlords are required to keep their buildings up to stringent minimum standards or face penalties, or the loss of their license.

Second, the City introduced a fee and tax reduction incentive program for landlords who have to do large scale renovations to their buildings.

The city also has done outreach to tenants, informing them of their new rights, making it difficult for landlords to circumvent the rules by misleading tenants.

The City of New Westminster understood the importance of its affordable market rental stock, and developed a way to protect both affordable houses and the tenants who live in them.

This cutting edge policy is also moving forward in Burnaby, after being included as a key recommendation of the Mayor's Community Housing Taskforce, and in Port Moody.

The victories in New Westminster and Burnaby show that something can be done by cities to deal with the housing crisis. It is ACORN's position that the City of Surrey must act now to deal with its growing housing crisis. ACORN is proud to act as a voice for tenants and working class people and is eager to work with Surrey City Council moving forward.

SURREY ACORN HOUSING PLATFORM – STAND UP FOR HOUSING!

Standards of Maintenance Bylaws

Currently, the City of Surrey's Standards of Maintenance bylaw is inadequate, that is why ACORN calls on the City of Surrey to review and update its Standards of Maintenance bylaw immediately.

- Standards of Maintenance bylaws are a detailed list of conditions that buildings and units need to maintain in order to be legal within a city.
- Some landlords deliberately disinvest in their buildings so that conditions deteriorate to the point that redevelopment, or renovation, is needed. Standard of maintenance laws, coupled with proper enforcement mechanisms like licensing, force landlords to keep buildings up to standard, ensuring affordable rental housing stock remains livable over the long term.

Renoviction Bylaw and Landlord Licensing

The City of Surrey should follow the lead of New Westminster and implement a renoviction bylaw and a landlord licensing system.

- Doing so takes away the financial incentive landlords have to renovict tenants by requiring landlords get a license and removing financial incentive to renovict tenants.
- Landlord Licensing also provides enforcement of the Standards of Maintenance bylaw, ensuring that buildings remain in good condition.

One to One Rental Replacement: Current Rental Replacement laws in Surrey do little to protect tenants and retain the existing affordable housing stock. As it currently stands the replacement units are able to have much higher rents than the existing ones. That is why ACORN calls on the City of Surrey to follow the lead of Burnaby and implement a rental replacement law that gives tenants a unit they can afford in their neighbourhood and stops the mass displacement of tenants through demotion.

- Tenant given right of first refusal to new units in redeveloped building
- Rents are set at existing rents in the new buildings.

Rent Stabilization: The current Tenant Relocation Policy in Surrey provides an inadequate plan for tenants when they are evicted to make way for a new development. A tenant who accepts a unit in a new development (at a higher rent) is forced to pay a large rent increase during the construction of the new building. This is why ACORN calls on the City of Surrey follow the lead of Burnaby and implement a Rent Stabilization program for affected tenants and ensure that tenants are not displaced from their communities.

- Tenants get a 'top-up' to their rents to cover the additional rental charges they have to pay in their new apartments.
- Top-ups enable tenants to remain in the community during the construction phase.
- Top-up amounts are set at rates high enough to allow tenants to rent an apartment in the neighbourhood.

TAKE ACTION IN SURREY

Municipalities have a vital role to play in ending the housing crisis in BC, and ACORN is set and ready to take action to get them to do just that.

ACORN is always willing to help and support tenant groups and willing partners in Surrey! We need to work together to win for tenants!

Reach out to learn more

