

**September 17, 2024**

Ravi Kahlon  
B.C. Minister of Housing  
[HOUS.Minister@gov.bc.ca](mailto:HOUS.Minister@gov.bc.ca)

Harwinder Sandhu  
MLA, Vernon-Monashee  
[Harwinder.Sandhu.MLA@leg.bc.ca](mailto:Harwinder.Sandhu.MLA@leg.bc.ca)

Dear Minister Kahlon and MLA Sandhu,

**Re: Concerns Regarding Recent Housing Policies and Their Impact on the Rental Market**

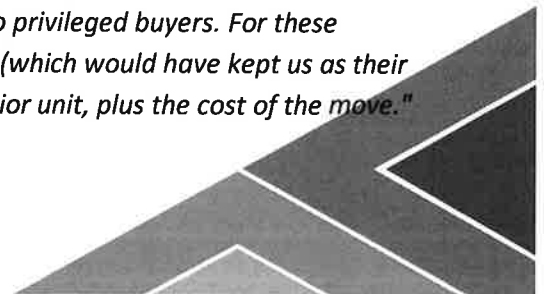
On behalf of the Greater Vernon Chamber of Commerce, we are writing to express our concerns regarding the impact that the recent housing policies will have on our members. While the policies are intended to protect renters, they are likely to have the opposite effect by reducing rental supply and keeping prices high.

Over the past few years, the number one concern among our business and non-profit members has been access to skilled and unskilled labour. The availability of affordable and attainable rental housing is directly correlated to this issue, as workers are struggling to find adequate housing in our community.

We believe that a culmination of policies such as rental increase caps, short-term rental bans, and extended notice periods for eviction is making it far less attractive to be a landlord. These policies overlook the substantial risks landlords face with their investments, including rising interest rates, inflation-driven repair and utility expenses, higher property taxes, and dealing with insolvent tenants. As a result, many landlords are selling off their properties, leading to a decrease in rental supply, which will further impact our members' ability to attract and retain workers in Vernon.

We would like to highlight the experience of Harold Schroth, a long-time landlord from Coldstream, BC, who recently made the decision to sell his 22 rental units. Mr. Schroth shared:

*"The BC provincial government made it clear it was targeting landlords unreasonably by disallowing any rent increase in 2021 and then announced the unrealistically low increases of 1.5% and 2% for the following years, while the costs for insurance, property tax, repairs, maintenance, and utilities soared by double digits. Meanwhile, there is a lengthy waiting list for arbitration, which was often skewed unfairly against landlords. It was a simple business decision that the risks of being a landlord in BC were unacceptable, and it was time to sell off the 22 rental units we owned for over 20 years. Other investments proved to offer a better return with far less risk. Unfortunately, many lower-income renters lost their affordable homes to privileged buyers. For these renters, it meant... instead of absorbing a 10% rent increase over three years (which would have kept us as their landlord), they were forced to move and pay 30 to 40% more rent for an inferior unit, plus the cost of the move."*



Mr. Schroth's experience illustrates the unintended consequences of the current policy framework, where well-meaning measures designed to protect tenants may be contributing to the loss of affordable rental housing, which, in turn, worsens the labour shortages our members face.

To address these issues while still achieving the goal of protecting renters, the Greater Vernon Chamber of Commerce respectfully recommends the following actions:

1. **Consultation with Key Stakeholders:** We urge the provincial government to engage in meaningful consultation with municipalities, real estate and housing associations, economists, and other relevant stakeholders. This engagement should focus on evaluating the impacts and potential unintended consequences of current and proposed policies, with a particular emphasis on strategies to increase rental supply.
2. **Full Review of the Residential Tenancy Act (RTA):** A comprehensive review of the RTA is necessary to restore a better balance between the rights of landlords and tenants. We specifically recommend improving timelines for dispute resolution hearings and providing enhanced training for arbitrators at the Residential Tenancy Branch to ensure fair and efficient resolutions.

We believe that a more balanced approach to housing policy will better serve both renters and property owners while helping to address the ongoing rental housing shortage. This is an issue that is directly impacting our local workforce and members. We are eager to engage further on this matter and would welcome the opportunity to participate in any discussions or consultations.

We look forward to your response and remain committed to working collaboratively to find solutions that benefit all British Columbians.

Thank you for your attention to this critical issue.

Sincerely,

Kirndeeep Nahal  
President  
Greater Vernon Chamber of Commerce



John Rustad, Conservative Party of BC Leader

City of Vernon Mayor and Council

District of Coldstream Mayor and Council

Okanagan-Shuswap Chambers of Commerce

