

Laws needed to protect long-term B.C. leaseholders

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Although most B.C. renters and all condominium owners enjoy guidance and protection under provincial law, nothing protects residents of long-term-lease apartment buildings.

For those who bought an existing lease of more than 20 years (usually originally 99 years), no law or regulation of any kind protects them. This has to change, and our MLA, Carole James, has sent to Housing Minister Selina Robinson numerous letters from constituents who are desperate for action.

The leases that govern these buildings were prepared by construction companies to avoid restrictions on condominium conversions in the early 1970s and a few in the 1980s. Neither the original suite-lease purchasers nor people who buy the remaining years of a lease had then, nor have now, any say in the terms of their lease with the building owner.

These standard-form leases require very little disclosure about building operations, although the suite lessees — tenants, really — must pay all the bills.

Because there is no regulation, monthly fees increased by 38 per cent this year at Victoria's Orchard House tower, which is two blocks from the Legislature. We also have no say about capital-cost projects, even though we must pay astronomical bills, such as for new exterior windows and doors that cost \$37,000 for two-bedroom suites in only the most recent substantial levy at Orchard House. Already, numerous people at our building have lost their homes, while others teeter on the brink.

Keep in mind that it is often people who cannot afford true-ownership condominium homes, much less single-family homes, who turn to leasehold options. Leasehold suites have lower values because one "owns" only the right to live in a suite for a period of years.

We are tenants who paid rent in advance and also paid the B.C. home-purchase tax. We have the right to live where we do only for the remaining years of the lease and to pay all operating and capital expenses.

Almost every other jurisdiction in Canada addressed this problem long ago. What happened in B.C.? The former B.C. Liberal government (Conservative, really) dismissed us as having commercial-lease disputes. But commercial leases are negotiated contracts, while ours are not. Working-class buyers of the remaining years of a suite's lease must sign on the dotted line — no questions asked — or not have an affordable home.

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As we are ignored by B.C. landlord-tenant law, any issue raised must be pursued in court, which is complex and expensive. Certainly, the building owners have no interest in negotiation or compromise, because they hold all the cards in leases that they created to serve themselves.

A law to protect us could be called the B.C. Residential Long Lease Act. It would cap monthly fee increases, ban the rolling of capital costs into operating budgets and prohibit charging residents the building owner's legal costs to fight residents in court. It could also require disclosure of operating budgets and require more than a summary annual audit, so that we can see that costs were properly incurred on our behalf.

These are not the concerns for a handful of people, but of thousands. Here are the 1970s-era leasehold buildings I know of in Victoria:

- Orchard House, 647 Michigan St., 211 suites.
- Villa Royale, 964 Heywood Ave., 128 suites.
- El Mirador, 777 Cook St., 65 suites.
- Ocean Villa, 20 Olympia Ave., 42 suites.

These four buildings in Victoria total 446 suites, while in the Lower Mainland there are about a dozen more housing 1,250 families. We estimate there are 3,000 such suites in all.

Some B.C. long-term leaseholders have already had to sell — often at a loss — due to rising operating and huge capital costs over which we have no say, while others barely hang on financially.

Many are cowed into silence by intimidating letters from management that, at times, have threatened court action to evict a leaseholder over a petty dispute. For reasons of both housing affordability and less dictatorial management, we desperately need provincial law to protect us.

Gerald Rotering is a former city councillor and mayor of Nelson. He has created the website OrchardHouseLeaseholder.ca to address these issues.