URBAN
DEVELOPMENT
INSTITUTE

SUITE 650
1050 W PENDER STREET
VANCOUVER, BC V6E 3S7

November 17, 2026

Mayor Pete Fry and Council
City of Vancouver
453 West 12th Avenue
Vancouver, BC V5Y 1V4

Re: Motion 2, "Enacting The Universal Tenant Rights By-law and Criminalizing Predatory Practices"

Dear Mayor and Council:

I am writing on behalf of the Urban Development Institute (UDI). Our members build much of Vancouver's purpose-built rental housing, and many work with non-profit and co-op providers to deliver non-market homes.

UDI supports housing security for Vancouver renters. Our concern is that this motion would have staff spend months studying a measure the courts have already found is beyond the City's authority and consider new requirements that would result in fewer new rental homes being delivered.

Vancouver does not have the power to impose vacancy control

Rent increases during and between tenancies are governed by the provincial *Residential Tenancy Act*, which allows rent to be reset when a unit turns over. Nothing in the *Vancouver Charter* lets Council override it, and a by-law that conflicts with a provincial statute cannot stand.

The City has tested this before. In 2021, Council adopted vacancy control for single room occupancy buildings. The BC Supreme Court quashed those by-laws in 2022, and the BC Court of Appeal upheld that decision in February 2024.

In 2024 the Province set out what municipalities may do on tenant protection. Those powers cover notice, compensation, relocation assistance and a right of first refusal for tenants displaced by redevelopment. They do not include mandating vacancy control on rents between tenancies, and changing that would take provincial legislation.

Other parts of the motion run into the same problem. The City cannot give tenant unions legal standing in tenancy matters, which the *Residential Tenancy Act* assigns to the Residential Tenancy Branch, and it cannot criminalize conduct, since criminal law is federal. We ask that the staff confirm these limits first, before staff time goes into a report with measures Council cannot adopt.

What happened where rent control was tightened

The motion points to Toronto, Montreal, New York and San Francisco. The record in cities that have imposed strict rent control is not one Vancouver should want to repeat.

Saint Paul, Minnesota voters approved a 3 percent annual cap on rent increases in November 2021. It took effect in May 2022, with no exemption for new or vacant units. The city had permitted more than 2,000 housing units in each of 2020 and 2021. Permits fell to 1,169 in 2022, 404 in 2024 and 357 in 2025. Saint Paul eventually had to exempt new construction for 20 years in 2023 from the annual cap, and in May 2025, it made that exemption permanent. Developers have since begun returning, for example to Highland Bridge, a major site where rental construction had been suspended for several years (Federal Reserve Bank of Minneapolis).

Berlin froze rents in 2020, including on new leases. Asking rents fell by about 11 percent, but the number of apartments advertised for rent fell by 57 percent, leaving renters with far fewer homes to choose from (DIW Berlin). Demand spilled over into Potsdam and other nearby municipalities outside the freeze, increasing rents beyond Berlin. Germany's Constitutional Court struck the law down a year later.

Rental housing gets built when owners and lenders are confident rents will cover the cost of running and maintaining a building over its lifespan. Take that away and construction slows, units are sold out of the rental pool, and reinvestment is put off.

New costs will mean fewer new homes

It now costs more to build a home in Metro Vancouver than many renters or buyers can afford. UDI's research with Altus Group shows construction costs have more than doubled since 2014. The regional development cost charge on a Vancouver apartment was $6,249 in 2024 and is scheduled to reach $17,323 in 2027, even after the Metro Vancouver Board scaled back its planned increases this summer. Many projects that were viable two years ago no longer are.

Non-profit providers face the same arithmetic. The Province's decision earlier this year to pull $1.4 billion from planned housing investments, including suspending the Community Housing Fund, left projects stalled after land had been secured and design and approvals had been completed. This fall, UDI and the Housing Central partners, which represent non-profit, co-op

and Indigenous housing providers, issued a joint statement making that point: new housing costs too much to build, whoever is building it.

The motion would add costs to the redevelopment of older rental buildings, which is how Vancouver replaces aging stock with larger, safer and more efficient homes. Fully developer-funded bridge housing would come on top of the generous compensation and the one-for-one rental replacement required under the City's rental housing stock policies.

Unless the motion's proposed requirements are carefully scoped, non-profit and co-op providers could face them as well.

Our request

We respectfully ask that Council:

1. Direct staff to confirm, at the outset of their work, which elements of the motion fall within the City's authority under the *Vancouver Charter*, so that staff time is not spent on measures that rest with the Province.
2. Require that any element brought forward through the TRPP review be accompanied by a financial feasibility analysis, tested on both market and non-market rental projects, before Council considers it.
3. Ensure that the TRPP review includes direct engagement with rental housing providers, both market and non-market, who will be asked to deliver the homes these policies depend on.

UDI and its members want to work with staff and Council on tenant protections that give renters security without halting new rental construction. I would be glad to meet with you to discuss this further.

Sincerely,



Mike Drummond, Chief Executive Officer
Urban Development Institute