

COVID-19 and Rental Housing Providers

March 19, 2020

I could never have imagined a situation where I would need to communicate with my clients two or three times weekly on the same subject. COVID-19 has made that a reality.

First, the BC government declared a provincial state of emergency March 18. Almost immediately the rumours started – or grew – that renters can't be evicted during a state of emergency, that all dispute resolution hearings are on hold, that no dispute resolution application will be accepted, and a couple more of which I've lost track.

Rumours

These are the facts - at least as of 4:00 pm March 19!

- Neither the Solicitor General nor the Minister of Municipal Affairs and Housing have issued – or hinted at issuing – an order preventing or restricting the legitimate ending of residential tenancies. Such an edict is not encompassed by the *Emergency Program Act*. I believe it would take a Cabinet order to prevent or restrict evictions permitted under the *Residential Tenancy Act*.
- Similarly, there have been no orders issued by the Government permitting renters to defer or not pay rent when it is due. Again, I believe this would require a Cabinet order.
- There have been no orders or statements issued preventing notices of rent increases being issued. Same criteria.
- The Residential Tenancy Branch has issued no statements or releases that their services are being reduced in any way. I don't see this happening, particularly regarding the dispute resolution process, as everything is done online or by phone and some arbitrators were already working from home.
- Renters do not have the right to prevent routine condition inspections or legally scheduled showings to prospective purchasers.

Showing Rental Units

Neither the Real Estate Council, the BC Real Estate Association, nor the provincial government have issued any directions preventing or restricting the legal inspections or showings of rental units. However, we suggest the following:

- Communication is critical. Talk to the renters about the importance of the showings. If for prospective renters, tactfully let the current renters know that if they prevent showings, they could be liable for your lost rent if you have to delay in signing up new renters.
- Suggest restricting showings to 3 or 4 time periods, outside of which you will not schedule a showing. For example, between 1:00 and 5:00 pm Mondays and Thursdays, 5:00 and 9:00 pm Wednesdays, and 10:00 and 3:00 Saturdays.
- Confirm any agreements in writing, by email, or a Notice of Entry.
- Assure the renters that you and your prospects will use an effective hand cleaner immediately before entering the unit. Have that cleaner with you and use it immediately before entering the unit.
- Assure the renters that, as much as possible, you and your prospects will avoid touching anything in the unit.
- These last two actually protect you and your prospects more than the renters!

Relevant Federal Financial Assistance

- Prime Minister Trudeau's announced Emergency Care Benefit will give those who qualify up to \$900 bi-weekly for up to 15 weeks. (He and Finance Minister Morneau later said 14

weeks.). This benefit is intended for workers who don't qualify for Employment Insurance but have to stay home because "they are sick with COVID-19, have been asked to self-isolate, or have to care for children or sick family members."

- There will be an increased GST credit to low income earners.
- Businesses will be able to benefit immediately from a temporary wage subsidy reducing their remittances of income tax withheld on their employees' wages "by up to 10% of the employees' salaries. Employers benefiting from this measure will include corporations eligible for the small business deduction." I suspect there will be some eligibility criteria showing that the business is losing revenue; so, this might not apply to rental housing providers.
- Businesses can defer without interest or penalty any income tax payments, including installments, owing between March 18 and August 31.

Stay tuned and stay safe!

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