

**THE MANIPULATIVE BUSINESS OF VACATING
BURNABY'S APARTMENT BUILDINGS**

EVICTIONS
are
VIOLENCE
AGAINST ♀

TENANT
DISPLACEMENT

STOP ALL
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Displacement



TENANT DISPLACEMENT SPECIALISTS

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Tenant Displacement Specialists:

The manipulative business of vacating Burnaby's apartment buildings

Burnaby is in the midst of a self-inflicted housing crisis. At a time when most municipalities are developing policies that will build affordable housing, the Burnaby Citizens Association's (BCA) policy of mass demoviction in Burnaby is destroying the city's supply of affordable housing. Although Mayor Corrigan has ignored the call for a moratorium, he has bowed to pressure and postponed scheduled rezoning hearings until after the election. Yet, the demoviction and displacement process unleashed by the BCA has not stopped. To this day, tenant relocation specialists, working for landlord and developers, are systematically clearing out buildings of tenants before rezoning applications are approved, leaving much of the Metrotown area's affordable housing stock vacant during an unprecedented housing crisis. A company called LPA Development & Marketing Consultants has cornered the tenant displacement market.

A Tenant's Version of Tenant Relocation:

Lotfi Fetoui lives in the heart of Metrotown, at 4241 Maywood St, and pays a relatively affordable \$900 per month in rent. His three-story apartment is now owned by Anthem properties, who is one of the leading developers in the Metrotown area, as well a significant financial supporter of the BCA. When Anthem started the process for redeveloping 4241 Maywood, one of their first moves was to hire LPA to rid the building of tenants.

In April 2018, Lotfi and other tenants were invited to a meeting where an Anthem representative explained that the building was going to be torn down in 2019 and they had no choice but to move. In many ways the meeting was misleading. Firstly, tenants call tenants meetings - not developers trying to mass evict everyone. Secondly, the false information provided to tenants was given as if they were providing a service to tenants, while in reality this a tactic to force tenants out of their rent-controlled units without a fight.

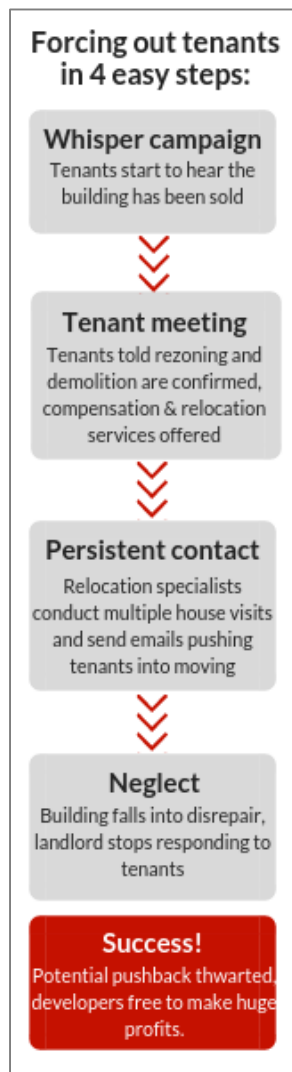
At the meeting, LPA and Anthem began to make offers to tenants, with the aim of incentivizing them to move out. Again, this was presented as a gracious offer to the tenants. Lotfi and his wife had lived in the building for five years. Because of their tenure, they were told they would receive three months' free rent, they would get \$500 moving costs paid for, and Anthem would pay out their full damage deposit, IF they moved out.

The only alternative presented to Lotfi at this so-called "tenant meeting" was for him not to take the offer, and be forced out of his apartment by the summer of 2019 with no compensation. Many tenants in the building accepted the offer and have since moved. But Lotfi, unsure how he would be able to afford the rents being offered at other buildings, decided to remain in his suite. The so-called "three months' free rent" (actually legally required according to Burnaby's tenant relocation policy) would total \$2,800 for Lotfi, but the places he was shown by LPA - tenant relocation specialists - were going for \$1500 and up, at least \$600 more per month than what he is currently paying. That three months' free rent would only pay for around four months' worth of the additional rent he would have to pay when, and if, he moves. Lotfi, and anyone with basic math skills, knows this a raw deal. However, many tenants were scared about what would happen if they didn't accept the offer.

Since refusing the offer, Lotfi has received house visits by representatives from LPA. A representative reminded him that the building was going to be torn down and he was going to have to move. She showed him available units that he and his wife could move to – all of them at least \$600 more in rent per month. Lotfi and other tenants also get routine emails from LPA and Anthem, listing rental vacancies and asking if they can help him move out. Given the persistence of LPA and Anthem, Lotfi was surprised to learn that the demolition and redevelopment of his apartment building was not yet approved, or even certain to happen at all.

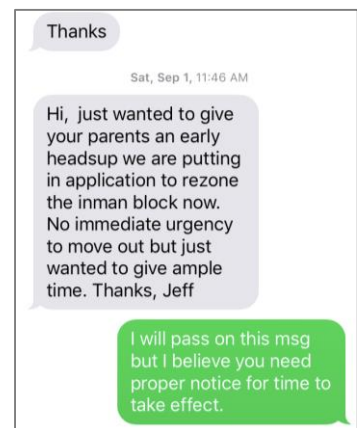
“LPA and Anthem have made our lives very difficult. We like our place. If we have to move, it will be very hard. We can’t afford the rents. We can’t afford a house. Do you think my wages are going to go up at work to cover the extra \$600 I will have to pay if I lose my home? No way!”

The fact is, LPA and Anthems’ tactics are well-known throughout the Metrotown Community.



Forcing Tenants Out

The process starts with a whisper campaign. Tenants hear that the building has been sold. A company like Anthem has bought it, and their building is going to be demolished. This text is representative of how this can play out. Note there is no mention of compensation offered here. While not wise to take this warning as an order to move, sadly many tenants do.



Next, LPA and Anthem call a Tenant Meeting. This so-called tenant meeting is not a tenant meeting at all, but is an orchestrated attempt to manipulate tenants out of their rent-controlled apartments. At the meeting, tenants are told that the rezoning and demolition of their building are done deals, they are offered some compensation, and are told that LPA are there to help them with their move.

Following this comes increasing contact by LPA representatives, all guised as a service provided free of charge to help tenants. LPA representatives make house visits, spreading the message that tenants have no option but to take the offer, because the building will be torn down regardless. ACORN has had reports of increasingly aggressive house visits to tenants the longer they hold out, coupled with regular emails showing them listings of units.

If these tactics don’t push tenants out, the complete disinvestment into the maintenance of the building often does. Tenants in buildings slated

for rezoning often report that repairs and maintenance become non-existent. The rezoning of

Metrotown has made tenants a barrier for redevelopment, meaning that any incentive the landlord had to do timely repairs in the buildings is completely gone. Why make the place liveable if you want tenants to move out?

The end result of this process is half empty buildings in the middle of the worst housing crisis the city has ever experienced.

What are the Benefits for Landlords and Developers?

The benefit of removing tenants before the rezoning process even begins at City Hall is that it removes any potential for organized opposition. The developer avoids the messy tenant disputes, occupations, and resistance that naturally come with mass displacement. The organized pushback by ACORN and its allies are the only opposition the developer faces. It also allows landlords to claim to the public, and to City Hall, that all tenants have been relocated properly and that their housing needs are not an issue. LPA is promoted again as a service for tenants, as opposed to a service for landlords.

Unfortunately, vacant apartment buildings in Metrotown are more valuable than full ones. Rents that would be collected by landlords are dwarfed by the massive increases in speculative land values created by the Metrotown master plan. As a result, at least 50 of the 86 units at 6075 Wilson are now vacant, even though the building has not been to the public hearing process; the building was one of the rezoning hearings cancelled this summer. It is likely that the same is happening in other building in Metrotown.

Property value increases since the Metrotown Downtown Plan was implemented have been upwards of 462%.

6444 Willingdon Ave:

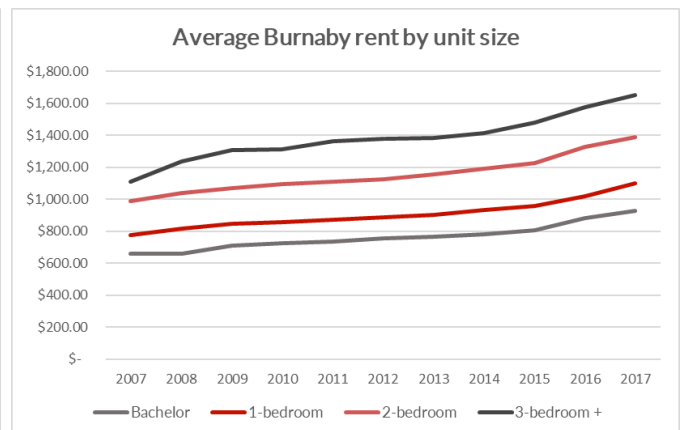
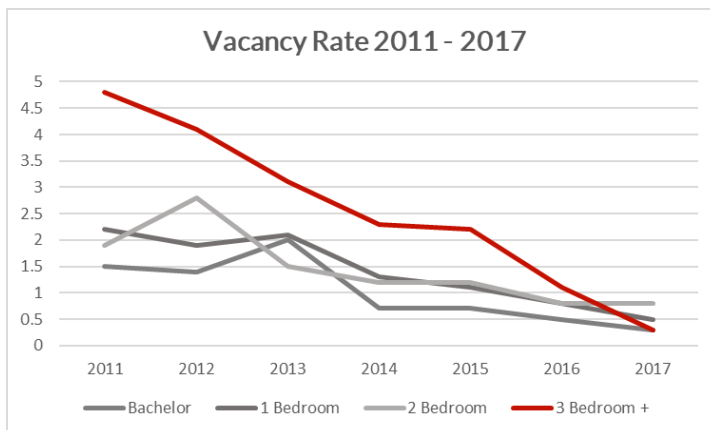
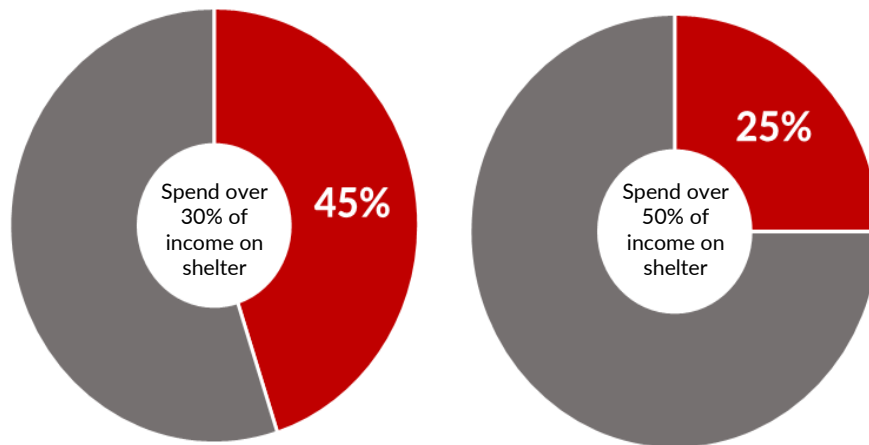
Year	Land (assessed value)	Improvements (assessed value)
2018	\$ 39,173,000	\$ 135,000
2017	\$ 20,076,000	\$ 135,000
2016	\$ 6,961,000	\$ 7,961,000
2015	\$ 6,240,000	\$ 4,743,000
2014	\$ 6,240,000	\$ 4,023,000
2013	\$ 5,520,000	\$ 4,780,000
2012	\$ 5,040,000	\$ 4,566,000
2011	\$ 4,560,000	\$ 4,816,000
2010	\$ 3,840,000	\$ 4,713,000
2009	\$ 4,080,000	\$ 5,356,000
2008	\$ 4,080,000	\$ 5,356,000

6075 Wilson Ave:

Year	Land (assessed value)	Improvements (assessed value)
2018	\$ 51,113,000	\$ 165,000
2017	\$ 26,195,000	\$ 165,000
2016	\$ 9,082,000	\$ 8,991,000
2015	\$ 8,143,000	\$ 5,158,000
2014	\$ 8,143,000	\$ 4,277,000
2013	\$ 7,203,000	\$ 5,291,000
2012	\$ 6,577,000	\$ 4,370,000
2011	\$ 5,950,000	\$ 4,732,000
2010	\$ 5,011,000	\$ 4,782,000
2009	\$ 5,324,000	\$ 5,395,000
2008	\$ 5,324,000	\$ 5,395,000

Burnaby Rental Market

Demovictions disproportionately impact low and moderate income renters, as it forces tenants into a punishing rental market, with unaffordable rents. In the past ten years, Burnaby rents have risen by over 41 per cent. In fact, 45 per cent of renters now spend more than a third of their income on rent; while 25 per cent spend more than half their income. Rental listing site Padmapper has ranked Burnaby as the third most expensive Canadian city to live in. At the same time, vacancy rates are almost zero, having plummeted since 2011 when demovictions started in Burnaby. Since then, the City has destroyed 769 units and has another 893 rental units are in the demovictions process (see Appendix 1: Demovictions Map). ACORN members are concerned that almost 3,000 Burnaby rental units are at risk of demoviction.



LPA: Not a Tenant's Friend

LPA clients are major donors to the Burnaby Citizens Association. Anthem Properties – the developer featured in this report - gave \$5,000 to the BCA in 2014. One of their architectural firms, Chris Dikeakos (who is developing demovicted properties), gave an additional \$5,500. In total, developers cashing in on the housing crisis gave a whopping \$147,975 to the BCA in the 2014 election cycle, far outweighing any other sector in support.

If developers like Anthem really wanted to help tenants, they would not be hiring LPA to displace tenants. Anthem could offer apartments at the same rents as existing units in the new buildings, or offer units for displaced tenants in other apartment buildings they own, or properly compensate tenants for the loss of a rent-controlled, affordable suite. The truth is, developers like Anthem are not in the business of housing people. They are in the business of maximizing profits, and displacing tenants in the most efficient way possible clears the way to do that.

ACORN is calling for a permanent moratorium on all demovictions in the City of Burnaby.

