

OFFICE OF THE MAYOR

FILE: 01-0410-17

June 16, 2025

The Honourable Diana Gibson Minister of Jobs, Economic Development and Innovation Via Email: <u>JEDI.Minister@gov.bc.ca</u>

Dear Minister Gibson:

Re: Commercial Rent

On behalf of the City of Mission and our downtown business community, I am writing to urge your government to explore and implement tools to regulate commercial rent increases, similar to the mechanisms already in place for residential tenancies in British Columbia.

In October 2018, our City completed a \$4.5 million Downtown Beautification Project, a major public investment more than a decade in the making. The Mission Downtown Business Association (MDBA) was a key partner, contributing time, advocacy, and ongoing maintenance support.

Since then, we have continued to invest in our downtown core with improvements such as new parking infrastructure, transit improvements, accessibility upgrades, enhanced snow removal, and the introduction of our "Engaged Community Guides" ambassador program. We have also supported new construction and building renovations through density bonusing, creative partnerships and incentive programs. In recent years, your government has been a robust partner too by helping us to re-route heavy trucks from First and Railway Avenues, and by supporting us in using those roads for major civic events. Together, the City, Province and local community have done their part to make the area safe, attractive and functional for both businesses and visitors.

Today, despite those efforts and taxpayer contributions, our work is being undermined by unscrupulous landlords.

Since the completion of the beautification project, many of our most dedicated downtown businesses have been forced to close or relocate due to sudden and substantial rent increases. Some landlords have also introduced triple net lease terms for the first time. These changes have led to a troubling rise in vacancy rates, threatening the vibrancy of our core commercial district.

Many of the properties in question are owned by individuals or entities located outside of Mission, with some even outside of Canada. There appears to be little interest among them in balancing their returns with the long-term health of our community, or even in responding to the needs of their tenants. Many landlords are not reinvesting in their properties or maintaining safe and clean premises. Increasingly, the City is shouldering the cost of addressing issues related to absentee and neglectful property owners, including graffiti, garbage, and substandard housing above retail units.

This is not just a policy concern. In a community of our size, it is deeply personal. Just last week, I visited a long-standing local business I've supported for years, only to find it had closed suddenly due to a rent hike. I later learned that several neighbouring businesses are also at imminent risk. The same concerns were echoed loudly and clearly at a recent community town hall.

Our downtown was once the birthplace of some our most treasured local businesses, many of whom later grew into more outlets and expanded opportunities for employment. Without a vital downtown, our ability incubate new businesses is severely curtailed.

We know that downtown revitalization is not a one-time effort, but it becomes an exercise in futility when unchecked commercial rent increases erase the very businesses we're trying to support. If market forces will not self-regulate in a sustainable or responsible manner, then we respectfully ask your Ministry and the Province to step in.

Specifically, we ask the Province to:

- 1. Explore a framework for regulating commercial rent increases, akin to those used in residential tenancy.
- 2. Examine the value proposition for tenants, ensuring rents align with the services and conditions provided by landlords.
- 3. Investigate the creation of an oversight body or branch to support commercial tenants facing issues related to building safety, property maintenance, and non-responsive landlords.

Without prompt and meaningful action, we risk losing the small businesses that give our downtown—and many like it across BC—its identity, vitality, and resilience. We stand with the City of New Westminster and other municipalities in calling for urgent reform.

Thank you for your attention to this matter. I would welcome the opportunity to discuss this further at your convenience.

Sincerely,

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PAUL HORN MAYOR

Cc. City of New Westminster Community Futures North Fraser Fraser Valley Regional District Mission Downtown Business Association Mission Regional Chamber of Commerce Union of BC Municipalities Reann Gasper, MLA, Abbotsford – Mission Lawrence Mok, MLA, Maple Ridge East City of Mission Council City of Mission – Regular Council Agenda Correspondence