



## OFFICE OF THE MAYOR

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April 9, 2020

File: 0110.00

Hon. Premier John Horgan  
West Annex Parliament Buildings  
501 Belleville Street  
Victoria, BC V8V 1X4

Hon. Minister Selina Robinson  
Room 310 Parliament Buildings  
501 Belleville Street  
Victoria, BC V8V 1X4

VIA Email: [premier@gov.bc.ca](mailto:premier@gov.bc.ca); [selina.robison.mla@leg.bc.ca](mailto:selina.robison.mla@leg.bc.ca)

Dear Premier Horgan and Minister Robinson:

**Re: Support for Reform Proposals Put Forward by the Insurance Brokers Association of BC to Stabilize the Strata Insurance Market in BC**

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At its April 6, 2020 Regular Council meeting, Council passed a resolution to urge the Province to consider the two legislative reform proposals put forward by the Insurance Brokers Association of British Columbia (IBABC) in February of this year to provide stability for the strata insurance market in BC and protect millions of strata owners by mitigating future insurance market cycles.

In the City of Langley, 71% of the townhouse and apartment housing stock are strata-controlled properties. As you are aware, the strata market has recently been faced with sudden and sometimes extreme spikes in insurance premiums and deductibles. These increases have placed unreasonable financial burden on strata corporations and condominium owners, warranting a need for government intervention through changes to provincial legislation to mitigate that burden.

The Insurance Brokers Association of BC (IBABC) has proposed two legislative reforms to the province's Strata Property Act. The first reform is to include a \$50,000 cap on upper loss assessments. The cap would be for deductible assessment and non-insured loss assessment that would help owners access adequate, affordable insurance products to protect their residences from potentially unmanageable financial loss.

The second reform is a change to the standard definition of a strata unit that would ensure the basic components of a condo — walls, ceilings, drywall, sub-floor, basic electrical and plumbing — are covered by strata insurance whereas any finished items like carpets, countertops, plumbing fixtures, appliances and upgrades would be the owner's responsibility to maintain and insure.

IBABC stated that these changes would assist with proper insurance-product pricing and start the journey back to stability for the strata insurance market in BC. The changes could also protect millions of strata unit owners from further risk of losing their homes and likely help mitigate future insurance market cycles.

Your consideration of the proposed legislative proposals will send a message to strata corporations and condominium owners that you recognize the challenges they are faced with as a result of the extraordinary increases to insurance premiums and deductibles. We respectfully urge you to give the proposals serious consideration.

Yours truly,  
CITY OF LANGLEY



Val van den Broek  
Mayor

cc      Langley City Council