

Highlights

Homeowner Protection Act Regulations for Licensing and Mandatory Third-Party Home Warranty Insurance for Building Envelope Renovations in British Columbia



Homeowner
Protection Office
Branch of BC Housing

Since September 30, 2000, repair contractors who perform building envelope renovations must be licensed by the Homeowner Protection Office (HPO) and provide mandatory, third-party warranty insurance in order to get a building permit for applicable building envelope renovations. In geographic areas where building permits are not required for such building envelope renovations, licensing and warranty insurance must be in place prior to the commencement of the renovations.

These regulations do not apply to the following categories: buildings with only one or two self-contained dwelling units, multi-unit rental buildings, social housing, hotels and motels, dormitories, care facilities, floating homes, repairs carried out by the original builder at no cost to the owner(s) or when there is a cost-sharing agreement between the original builder and the owner(s), buildings covered with *Homeowner Protection Act* legislated warranty insurance, or when the dollar threshold* and/or the percentage of cladding surface renovated threshold** is/are not met.

* the building envelope renovation cost is greater than or equal to \$10,000 or \$2,000 per unit in the building

** building envelope renovations in which 60% or more of any cladding surface is renovated

Building Envelope Renovator Licensing:

- A contractor must be licensed as a Building Envelope Renovator by the HPO in order to engage in, arrange for or manage applicable building envelope renovations.
- Building Envelope Renovators must complete an HPO Building Envelope Renovation Schedule and provide it to the strata corporation/owner(s) before applying for a building permit or commencing renovations. A building envelope consultant is required to be involved in the renovation and must be named in the HPO Building Envelope Renovation Schedule. This Schedule is also used as proof of licensing and warranty insurance which is needed to obtain a building permit or commence work for an applicable building envelope renovation.
- A registry of licensed Building Envelope Renovators is available on the HPO website.
- Building Envelope Renovator licence fees are \$100 for Licensed Residential Builders, otherwise the fee is \$600. Annual renewal fees are \$500 (only one \$500 renewal fee is required for those acting as both Licensed Residential Builders for new home construction and licensed Building Envelope Renovators). For each building undergoing building envelope renovations subject to the regulations, an additional \$25 per unit is also charged as part of the licensing fee.

Repair Warranty Insurance:

- Building envelope renovation contractors must be licensed by the HPO and arrange for third-party home warranty insurance from an insurance company approved by the Financial Institutions Commission in order to obtain a building permit or commence work on applicable building envelope renovations.
- Minimum coverage and standards for warranty insurance covering applicable building envelope renovations are set by regulations, not by warranty providers. This coverage includes 2 years on labour and materials and 5 years on the building envelope including water penetration.
- The regulations provide for the mandatory third-party mediation of disputes between owners and warranty providers when requested by the strata council/owner(s). This process is performed independently of the HPO.

Visit the HPO website to view the *Homeowner Protection Act* and regulations as well as additional information on the topics above.