



Spring 2010

Building BC



Homeowner
Protection Office

Homeowner Protection Act Responsibilities Transferred

As part of government's review of Crown corporations, the Province will transfer a number of the key responsibilities under the Homeowner Protection Act effective April 1, 2010.

The transfer of responsibilities includes:

- Transferring the residential builder and building envelope renovator licensing, owner builder authorization and the research and education responsibilities to BC Housing.
- Transferring the administration of the Reconstruction Program to the Ministry of Finance. HPO stopped accepting new applications for this program in July 2009.

As of June 30, 2010 the PST Relief Grant for owners of homes with completed building envelope repairs will be terminated in conjunction with the introduction of the Harmonized Sales Tax (HST). Applications for the grant will be accepted at the current HPO address until 4:00 p.m. on June 30, 2010.

Requirements for licensing, owner builder authorizations and home warranty insurance under the *Homeowner Protection Act* will remain unchanged.

The HPO website will continue to provide online licensing, new home registration, owner builder authorization, Building Smart seminar registration, and research and education information for the residential construction industry and consumers.

The transfer of the *Homeowner Protection Act* responsibilities to BC Housing will provide the HPO with a more comprehensive infrastructure, an improved regional presence, and the creation of additional synergies and efficiencies that will benefit both organizations.

For the latest information about the transfer of the *Homeowner Protection Act* responsibilities, visit www.hpo.bc.ca.



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Carrying the Olympic Torch – the Job of a Lifetime



HPO CEO, Shayne Ramsay waves to enthusiastic onlookers while carrying the Olympic Torch

Shayne Ramsay, CEO of the HPO and BC Housing had the job of a lifetime on Thursday, February 11 when he proudly carried the Olympic Torch for 300 metres through Burnaby on this leg of the flame's 45,000 kilometre, 106-day journey through 1,000 communities. Shayne said that it was a once-in-a-lifetime honour when VANOC CEO John Furlong invited him to carry the Olympic Torch. This honour reflects BC Housing's work in support of the 2010 Games including: legacy modular housing; funding for an expanded Covenant House for homeless youth; and participation in VANOC's Celebrate 2010 donated tickets program.

New Energy Efficiency Regulations for Water Heaters

Water heaters are among the largest users of energy in the home and are a significant source of residential greenhouse gas emissions. After carrying out a public consultation in late 2008, in the fall of 2009, the Government of British Columbia passed new energy efficiency regulations for water heaters. The regulations, which will come into effect September 1, 2010, cover both electric and gas and propane-fired water heaters. Electric water heaters will also now require installation of a heat trap and pipe insulation. Models compliant with the new regulation may, in some cases, have different dimensions than non-compliant models. The resulting increases in efficiency are expected to have a positive financial impact on the average homeowner and result in over 23,000 tonnes of reduced CO2 emissions per year by 2016.

Questions should be directed to Katherine.Muncaster@gov.bc.ca or 250-952-0154 at the Ministry of Energy, Mines and Petroleum Resources.

Energy Efficiency in Multi-unit Residential Buildings

In Canada, approximately 30% of all secondary energy is consumed in buildings (NRCan 2005). Secondary energy is energy used by final consumers (i.e. operation energy) and does not include energy used in the production and transportation of energy. Sixteen percent (16%) is used in residential buildings and 14% in commercial and institutional buildings. Of the residential portion, 18% is used in multi-unit residential buildings (MURBs). High-rise MURBs are one of the fastest growing housing segments in urban areas and make up a significant percentage of the housing stock in urban areas throughout Canada.

Many residential buildings, especially in the Lower Mainland, have undergone or are undergoing comprehensive rehabilitation largely to remedy moisture-related problems. The rehabilitation of the building enclosure presents a unique opportunity to examine and assess the

actual energy-related performance of the in-service building and to determine the energy impact of the building enclosure improvements (i.e. increased insulation, thermally improved window frames and glazing and improved airtightness).

One of the HPO research studies currently underway is set to review and assess the effects of building enclosure improvements on the space conditioning energy use in typical mid and high-rise multi-unit residential buildings in the Lower Mainland, and to develop better strategies that take into account enclosure repairs, energy conservation and greenhouse gas emissions. The research applies to both new and rehabilitated buildings, and has national relevance as the buildings selected for the study have similarities to those found throughout Canada.

The project looks at the energy consumption in over 40 MURBs in British



Columbia. The data represents over 4,400 residential units where on average 173,000 GJ of natural gas and 44 million kWh of electricity are used every year.

The study is being developed with funding contributions from Canada Mortgage and Housing Corporation, the HPO, the City of Vancouver, Terasen Gas, BC Hydro, FortisBC, RDH Building Engineering Ltd., and with technical expertise from other relevant industry partners.

Research results will be available in summer 2010 and will be posted on the HPO's website. For more information on this project, contact the Homeowner Protection Office at 604-646-7050, toll free at 1-800-407-7757 or hpo@hpo.bc.ca.

Building Smart #12 – Spring 2010

Changes to the BC Building Code and Emerging Green Technologies



Register for Building Smart #12 and learn first hand how British Columbia is setting the standard for environmental and energy responsible home construction, and is ready to take the next steps with revisions to the BC Building Code. The City of Vancouver is also raising the standards for sustainable construction with the goal of becoming the Greenest City on the Planet by 2020.

Building Smart #12 explains the upcoming changes to Greening of the BC Building Code and the City of Vancouver's Greenest City initiative. It also explores emerging technologies, including: solar hot water, photo voltaic electric generation, energy efficient lighting, geotexchange and other heat pump technologies, energy efficient windows, structural insulated panels, and non-potable on-site water treatment and re-use.

Participants will leave this practical and engaging seminar with a better understanding of the anticipated new requirements for the Greening of the BC Building Code as well as the City of Vancouver's new greening requirements.

These new provisions, along with changing trends in consumer requirements, present a challenge for designers, builders and building officials as new technologies and construction methods emerge to meet the increasing priority for sustainable design, energy efficiency and environmental responsibility.

The presentation will respond to questions surrounding the next steps in the greening of the codes, including:

- What are the upcoming changes for the greening of the building code?
- What building technologies can I use to be greener?
- Where is the "Green" going?
- Do these new technologies exist here in B.C.?
- Are these new technologies actually being used?

The HPO's Building Smart seminars are a great way to stay informed on the latest industry trends and requirements. This three hour seminar was developed by the Homeowner Protection Office in collaboration with various industry partners, including: the Ministry of Housing and Social Development, Building and Safety Standards Branch; City of Vancouver; GeoExchange BC; and Solar BC.

The \$35 registration fee includes an informative presentation guide and certificate of completion. Visit the *What's New* section of the HPO website and register online today.



Schedule

April 7 • Prince George
Civic Centre

April 8 • Fort St. John
Super 8 Motel

April 12 • Whistler
Hilton Whistler Resort

April 13 • Sechelt
Seaside Centre

April 14 • Burnaby
Executive Hotel and
Conference Centre

April 15 • Terrace
Best Western Terrace Inn

April 19 • Victoria
Ambrosia Catering and
Event Centre

April 20 • Langford
Olympic View Golf Course

April 29 • Abbotsford
Abbotsford Banquet and
Conference Centre

May 4 • Nanaimo
Coast Bastion Inn

May 5 • Courtenay
Crown Isle Resort and Golf
Community

May 6 • Powell River
Powell River Town Centre
Hotel

May 10 • Cranbrook
Cranbrook Heritage Inn

May 11 • Castlegar
Sandman Hotel

May 12 • Penticton
Ramada Inn and Suites

May 13 • Surrey
Sheraton Guildford Hotel

May 17 • Salt Spring Island
Harbour House Hotel

May 18 • Vancouver
Science World at TELUS
World of Science

May 19 • Kamloops
Kamloops Convention
Centre

May 20 • Kelowna
Ramada Lodge Hotel

Forgot your password?

If you are a Licensed Residential Builder and want to register a home for home warranty insurance, or renew or make changes to your licence, you need to know your account name and your password. If you have forgotten your password, simply go to the licensed builder portal and click on "Forgot your password?" A new password will be generated for you and sent to the email address you have provided to the HPO. Once you receive your new password (don't forget to check your junk mail folder if you do not receive it), go into your account and change it to a password that will be easy for you to remember. If you have not provided your email address, you can call the HPO to reset your password, but this may take up to 24 hours to complete.

Builders Benefit from New Online Licence and Renewal Service

Applying for a residential builder licence or renewing an existing licence is now quicker, easier and more convenient – thanks to new online services designed to streamline and modernize our system.

The Homeowner Protection Office launched the online services for residential builders and building envelope renovators in January this year and the feedback has been resoundingly positive.

Service levels have improved because the wait time for traditional printed forms has been eliminated in favour of convenient digital documents.

Online forms also offer a more environmentally responsible approach to licensing approvals.

The HPO has taken steps beyond simply publishing the forms in PDF format. Applicants and licensees can now access the following through the HPO Licensed Residential Builder Portal:

- an online application for a new residential builder licence or licence renewal
- an online licence amendment application, for amendments such as a name or company structure change; and
- the ability for licensees to update their public registry information, such as contact information.

The Licensed Residential Builder Portal is the same system builders currently use to register new homes online. To access the portal go to www.bchousing.org/ and enter the account name and password that has been assigned to you. Forgotten passwords may be retrieved online by entering the email address the HPO has on record for you.

Builders who have difficulty accessing a computer and would like a paper application, please contact the Licensing Department toll-free at 1-800-407-7757 or at 604-646-7050 and select option 1 (licensing) for assistance.

To find out more or to access helpful information bulletins with step-by-step instructions on how to use the new services visit www.bchousing.org/ on the *Builders* page of the BC Housing website.



Compliance Update



For a complete summary of recent enforcement actions, check the HPO's website under Enforcement Actions.

As most Licensed Residential Builders know, the HPO Compliance Team spends a significant amount of time ensuring that owner builders comply with owner builder authorizations. What licensees may not be aware of is that the HPO's compliance officers and investigators spend just as much time investigating unlicensed builders and developers who try to avoid compliance through other means.

One scenario the HPO comes across occasionally is a Licensed Residential Builder 'lending' or 'selling' their licence to an unlicensed builder. The licensee enrolls the new homes in home warranty insurance, but the unlicensed builder is actually responsible for the project. If the HPO discovers that this is happening, it can and does take action, requiring the unlicensed builder to take responsibility for the new home by becoming licensed and enrolling the home in home warranty insurance under their own licence. The unlicensed builder may also be subject to penalties for their non-compliant behaviour.

Sometimes the HPO is asked why it matters as long as the home is enrolled in home warranty insurance. The licensing system relies on accountability by persons for their own business activities on a level-playing-field. Undermining the system by avoiding responsibility undermines all licenses. The HPO cautions any Licensed Residential Builder who is considering becoming involved in such a scheme to think twice. Not only would that licensed builder be accepting liability for a project in which there is little control, it may mean exposing the residential builder licence to possible conditions and restrictions in the future.

For a complete summary of recent enforcement actions, check the HPO's website under *Enforcement Actions*.

Survey Monitors the Pulse of Licensed Residential Builders in B.C.

The Licensed Residential Builder survey has been providing the HPO with a snapshot of perceptions on a range of topics since it was first introduced in 2003. Over the years, the survey has attracted a growing number of participants with 1,125 builders participating in November, 2009.



One of the main indications from the 2009 Licensed Residential Builder Survey is that builders across British Columbia continue to be highly satisfied with the HPO residential licensing system.

The survey also revealed that builders strongly believe that more education and training in all areas is needed for the residential construction industry, and that on-the-job experience continues to be the predominant source of training, with nine in ten builders (89%) obtaining their experience and training while working.

The survey results give the HPO a read on the perceptions of builders, provide valuable insights to help ensure that HPO research and education and other programs reflect industry needs, and evaluate builder satisfaction with the residential builder licensing and home warranty insurance systems.

Survey Highlights

Satisfaction with Residential Builder Licensing System

- **The HPO residential builder licensing system continues to satisfy a large majority of BC's residential builders.** About nine in ten builders remain very to somewhat satisfied with the system, both overall and on specific aspects of the system.
- **The proportion of builders who are highly satisfied with the licensing system continues to improve.** Since 2005, more builders now say they are very satisfied with the system overall (31% in 2005 to 36% in 2007 and 38% currently), and with the fairness of the rules (30% to 32% to 36%), the application (35% to 39% to 44%) and renewal processes (39% in 2005 and 2007 to 45% in 2009), and with the timeliness of licensing decisions (37% in 2005, 38% in 2007 to 45% in 2009).
- **While almost all residential builders familiar with the online registration process for the New Homes Registry are satisfied with it, one in three builders say they are unaware of this process (this process is new and not all builders have been using it yet).**

Satisfaction with Warranty Providers

- **Residential builders continue to have a positive relationship with their warranty providers.** Over 80% rate their provider as excellent or good overall (86%), while ratings for the ease of the application process for coverage continue to increase (75% in 2005 to 79% in 2007 to 84% in 2009). Ratings for handling of complaints or claims from consumers are somewhat lower, but consistent with historical levels (72%).
- **The cost of warranty insurance rating for 2007 and 2009 remains consistent.** Forty-five percent (45%) of builders assign positive ratings to the cost and are far more likely to perceive them as good rather than excellent compared to 37% in 2005 and 45% in 2007.

Compliance

- **The HPO's compliance efforts are regarded as more effective than in previous years.** Eight in ten builders in 2009, compared to just seven in ten in previous years, regard efforts to monitor and enforce compliance with mandatory builder licensing and home warranty insurance requirements and the owner builder exemption are now considered as very or somewhat effective.
- **While a majority of residential builders consider non-compliance with the mandatory residential builder licensing and home warranty insurance requirements to be a problem, a quarter or less regard it as a very serious one.**

Education and Training

- **Unchanged since 2007, six in ten (59%) residential builders provide positive evaluations of both the quality and availability of education and training available in their area.**
- **As in 2007, residential builders strongly believe more education and training in all areas are needed for the residential construction industry.** Code knowledge and building technologies are considered somewhat or very important topics of education by virtually all builders, while over nine in ten feel it is important to provide more training in green building/energy efficiency, project supervision and management, after-sales customer service, and business and financial management.

Availability of Qualified Workers

- **Perceptions of current and future access to skilled workers reflect the economic downturn and its impact on the construction industry.** Residential builders express much less concern for a shortage of skilled workers in 2009 than they did two years ago.

Building Smart Online Now Available



Builders interested in online training can now purchase and view the HPO's first Building Smart Online seminar.

The introduction of online seminars provides a convenient and effective solution for builders who ask, "How can I see the seminars that I have missed?"

Entitled, *Avoiding Moisture Problems in Houses*, the first presentation is based on the original Building Smart #1 live seminar held previously in various communities across the province. The seminar provides practical information that will help builders to understand and avoid moisture problems in the construction of single-family detached houses and townhouses.

This online training module will appeal to licensed builders, suppliers, manufacturers, building designers, building officials and other building professionals. It will also be of interest to previous Building Smart #1 attendees who are looking for a refresher on how moisture affects design and construction.

Today, builders recognize that training is more critical than ever. In a recent province-wide survey of Licensed Residential Builders, 52% of builders indicated their preference for training online. Furthermore, 46% of builders expressed interest in taking previously-delivered HPO Building Smart seminars online.

Attendees can take part in the virtual training session from their home or office – anywhere they have a computer and an Internet connection. This reduces travel costs and expands audience reach. Other benefits include self-paced learning which allows participants to focus on the presentation at their convenience in an environment of their choosing.

To access Building Smart Online, visit the *What's New* section of the BC Housing website at www.bchousing.org/. The seminar, which takes about one-and-a-half hours to watch depending on your preferred learning pace, can also be accessed at www.bchousing.org/

Signing up and paying the \$35 seminar fee is made simple by either a PayPal account or credit card through a secure link, and will provide a single-user licence for 14 days.



Licensing and New Home Enrollments

Region	Number of Licences Issued – New Licences and Licence Renewals			Number of New Homes Enrolled in Warranty Insurance ¹		
	Oct-Dec 2009	Oct-Dec 2008	% Change	Oct-Dec 2009	Oct-Dec 2008	% Change
Lower Mainland/Fraser Valley/ Sunshine Coast ²	669	606	10%	3,739	2,748	36%
Vancouver Island/Coast ³	254	240	6%	982	797	23%
Central/Okanagan/Kootenay ⁴	229	234	-2%	525	721	-27%
North/Central ⁵	31	30	3%	105	69	52%
Total	1,183	1,110	7%	5,351	4,335	23%

Notes:

1. New homes enrolled include homes constructed by Licensed Residential Builders for which the HPO has received verification that warranty insurance is in place.
2. Includes the Regional Districts of Fraser Valley, Greater Vancouver, Powell River, Squamish-Lillooet and Sunshine Coast.
3. Includes the Regional Districts of Alberni-Clayoquot, Capital Region, Central Coast, Comox-Strathcona, Cowichan Valley, Mount Waddington, Nanaimo and Skeena-Queen Charlotte.
4. Includes the Regional Districts of Central Kootenay, Central Okanagan, Columbia-Shuswap, East Kootenay, Kootenay Boundary, North Okanagan, Okanagan-Similkameen and Thompson-Nicola.
5. Includes the Regional Districts of Bulkley-Nechako, Cariboo, Fraser-Fort George, Kitimat-Stikine, Northern Rockies, Peace River and Stikine.



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Building BC is published by the Homeowner Protection Office primarily for Licensed Residential Builders and Licensed Building Envelope Renovators

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The Homeowner Protection Office is a provincial Crown Corporation.

