

Report Date: December 3, 2015
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VanRIMS No.: 08-2000-20
Meeting Date: December 10, 2015

TO: Standing Committee on Planning, Transportation and Environment

FROM: Chief Housing Officer in consultation with the Acting General Manager of Planning and Development Services

SUBJECT: Increased Protection for Renters - Tenant Relocation and Protection Policy and Associated Guidelines

RECOMMENDATION

- A. THAT Council approve the Tenant Relocation and Protection Policy as attached in Appendix A.
- B. THAT Council approve the Tenant Relocation and Protection Guidelines for the Tenant Relocation and Protection Policy, which replaces the Rate of Change Guidelines, as attached in Appendix B.
- C. THAT Council receive for information Staff comments on the Renter Advisory Committee's Rental Recommendations, dated November 17, and recommendations for further advocacy and action, as attached in Appendix C.
- D. THAT the Mayor, on behalf of Council, write to the Premier and Provincial Minister Responsible for Housing, requesting that the Residential Tenancy Act (the "RTA") be amended as recommended by the Renter Advisory Committee, as follows, and further outlined in Appendix D:
 - (i) Alter fixed-term tenancies to prevent significant rent increases;
 - (ii) Offer tenants the right of first refusal following renovations resulting in displacement, including reasonable returning rents to promote stable tenancies;
 - (iii) Maintain affordability in buildings designated under the City's Single Room Accommodation By-law by tying rent increases to specific rooms; and
 - (iv) Review RTA rent increase provisions for major building improvements.
- E. THAT Council instruct Staff to explore options for rental replacement, including strategies to preserve affordability and housing stability, while identifying opportunities to renew and increase the existing stock, and report back with recommended changes to the Rental Housing Stock Official Development Plan (ODP).

- F. THAT Council instruct Staff to explore strategies to support landlords to reinvest in the existing rental stock to improve liveability and sustainability, and to report back on the feasibility of different options.

REPORT SUMMARY

In 2007, City Council adopted the Rental Housing Stock ODP which requires one-for-one replacement of rental housing units in certain RM, FM, and CD-1 zoning districts. The corresponding Rate of Change Guidelines includes requirements for tenant relocation plans during redevelopments when existing tenants are displaced. In 2011, Council adopted Vancouver's Housing and Homelessness Strategy, which contained priority actions to protect the existing rental stock and explore opportunities to improve the Rate of Change regulations. The Mayor's Task Force on Housing Affordability, approved in 2012, recommended an evaluation of the City's rental protection regulations to identify strategies to preserve affordability, while expanding the stock. In May, 2015, Council adopted a motion directing staff to report back with options to amend the Rate of Change guidelines and to improve the protection offered to tenants.

Staff are carrying out this work in two parts:

1. Phase I focuses on increasing protection to renters impacted by redevelopment or major renovation activities.
2. Phase II will explore how to expand the existing protections for existing rental stock. This involves analysing new options for rental replacement, as well as developing strategies to encourage landlords to reinvest in existing rental buildings.

Phase I of the work is now complete. This report provides recommendations based on the outcomes of this first phase. Staff recommend a new Tenant Protection and Relocation Policy and Guidelines that both increases protection to renters, and expands tenant relocation plan requirements to more areas across the city. The Policy and Guidelines also clarify the implementation of tenant relocation plans during development and rezoning application processes.

On March 24, 2015, Council requested the Renter's Advisory Committee to make recommendations to improve provincial and federal legislation regarding tenants and in particular the Residential Tenancy Act ("RTA"). The Committee presented their report "Rental Recommendations - Reforming the BC Residential Tenancy System" to Council on November 18, 2015. Staff was instructed to comment on the Committee's recommendations at that meeting and provide guidance on next steps. This report contains Staff's analysis, along with recommended priority changes that the Province could make to the RTA that would help to balance the needs of tenants and landlords, and to alleviate the impact of displacement resulting from renovation and redevelopment activities.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

Relevant Council policies and decisions for this site include:

- Final Report from the Mayor's Task Force on Housing Affordability (2012)

- Housing and Homelessness Strategy 2012 - 2021 (2011)
- Rental Housing Stock ODP for Certain RM, FM, and CD-1 Zoning Districts (2007)
- Rate of Change Guidelines for Certain RM, FM, and CD-1 Zoning Districts (2007)
- Single Room Accommodation By-law (amended 2015)
- Increase Protection of Renters (Council Motion, March 2015)
- Increase Protection for Tenants and Vancouver's Rental Housing Stock (Council Motion, May 2015)

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

Renters are an important part of the City. Creating more affordable housing choices, such as rental housing, and maintaining the existing rental stock is a priority for Council.

Low vacancy rates and increasing housing costs are adding pressure to renters, who make up over 50% of the households in Vancouver. While renovation and redevelopment help to renew and maintain the existing rental stock, these activities also impact tenants and can cause displacement.

City policies can go a long way towards protecting the rental stock and mitigating the impacts of tenant displacement resulting from redevelopment. The proposed Policy and Guidelines contain significant measures around tenant relocation, and if approved by Council will further Vancouver's regional leadership in this type of policy development. It is also critical that the City has provincial support through stronger tenancy laws and regulations. The proposed Tenant Relocation and Protection Policy as well as the recommended changes to the Provincial RTA are both urgently needed to increase protection to renters and to ensure a resilient rental market.

The acting City Manager and the Chief Housing Officer recommend approval of the foregoing.

REPORT

Background/Context

1. Importance of Rental Housing

Rental housing is a critical part of the housing continuum. It allows for a diverse population to live in Vancouver and is vital to the economic, social and environmental health of the City.

Over 50% of households in Vancouver are renters. Vancouver provides nearly half (45%) of the rental housing in the Lower Mainland and more than a quarter (26%) of the rental housing for all of British Columbia.¹ Renting makes it possible for low and moderate income households to live in Vancouver. The median annual income of renters is \$41,500, which is significantly lower than that of owners (\$78,000).²

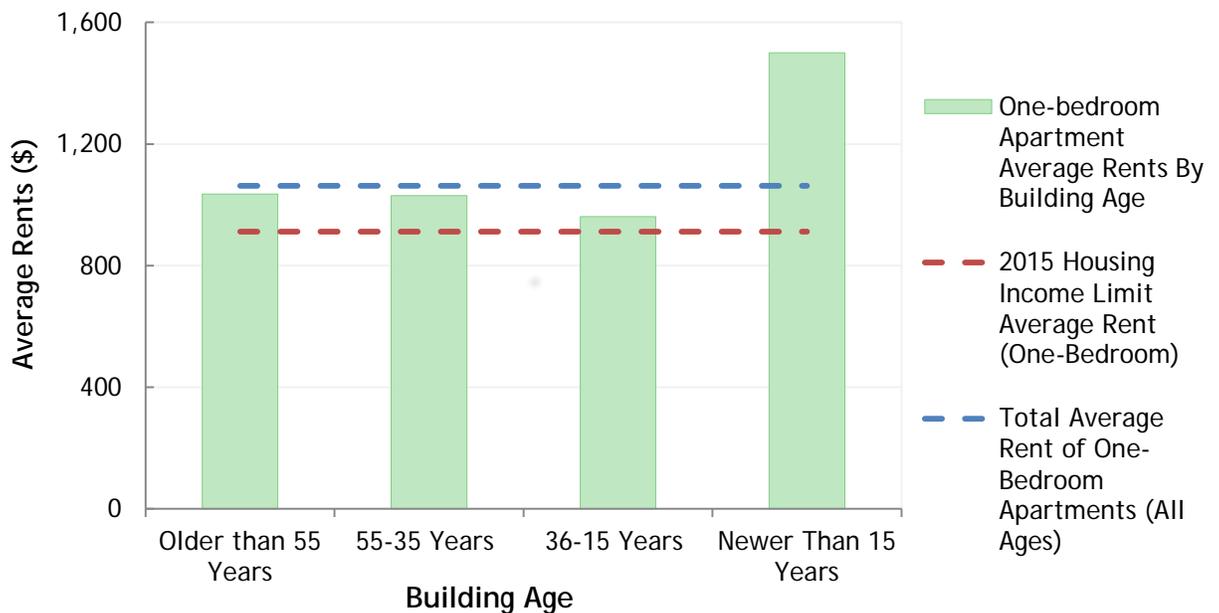
¹ National Household Survey 2011, Statistics Canada

² National Household Survey 2011, Statistics Canada

2. Existing Rental Housing is Affordable

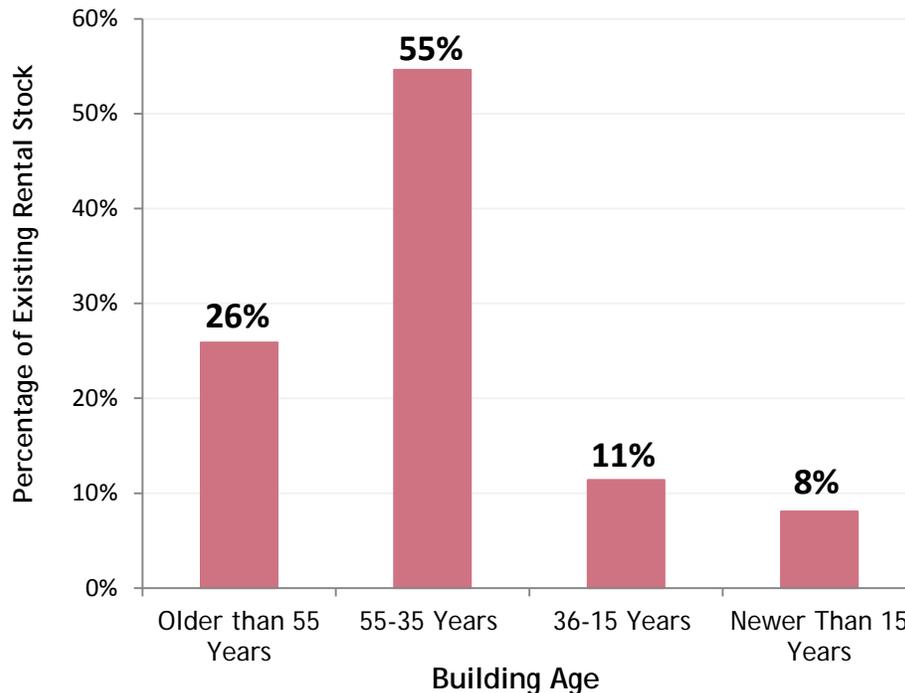
Vancouver’s housing affordability challenges are well documented. Home ownership is out of reach for many households. The city’s existing rental housing stock is vitally important to Vancouver residents, providing some of the most affordable housing in the city. Figure 1 below demonstrates the average rents for one-bedroom apartments by building age. As illustrated in Figure 2, the vast majority of these rental buildings were constructed before 2000. On average, one-bedroom units in this older stock rent for \$200-400 less than newer units built after 2000, and rent at rates below the average for all one-bedroom units in Vancouver. Rents in the older stock are also comparable to one-bedroom social housing units, or Housing Income Limits (HILS), which is used by BC Housing to determine eligibility for social housing.

Figure 1. Private Apartment Average Rents By Building Age in Vancouver³



³ CMHC Rental Market Report, Fall 2014.

Figure 2. Percentage of Private Apartment Rental Stock By Building Age in Vancouver⁴



3. Tight Rental Market

A growing population, increased demand, and limited new supply of purpose-built rental housing in recent decades has contributed to Vancouver's tight rental market. The City has one of the lowest vacancy rates in Canada, averaging 0.9 percent over the last 40 years. A healthy vacancy rate is considered to be between three to five percent.⁵ In the context of a growing population and strong real estate market, low vacancy can increase competition for housing among renters and create incentives for raising rents.

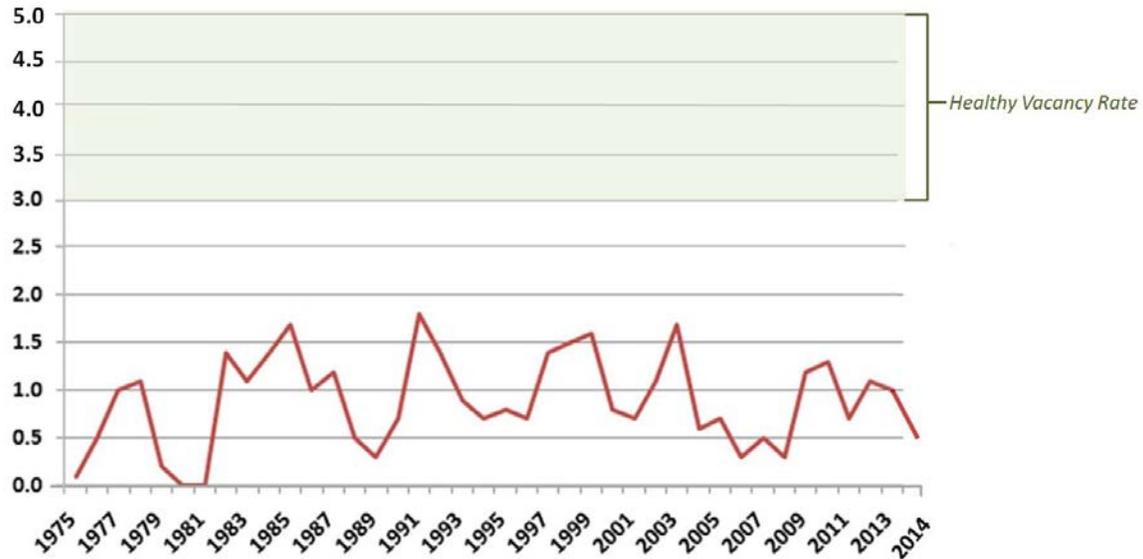
These factors have put increased pressure on renters, especially seniors, households with children, and renters with low or moderate incomes who may already be paying more than they can afford on rent. Although renting is a less costly option than ownership, renters in Vancouver already face significant affordability challenges - 34% of renters pay over 30% of their income on housing, with 14% paying over 50% of income on housing costs.⁶

⁴ CMHC Rental Market Survey, April 2015.

⁵ CMHC Rental Market Report, 1975-2015

⁶ National Household Survey, Census 2011

Figure 3. Vacancy Rate in Vancouver in the Last 40 Years⁷



Impact of Redevelopment and Major Renovations on Renters

Over 81 per cent of the existing stock is now over 36 years old.⁸ While redevelopment and major renovations are important in order to maintain and renew these older rental buildings, these activities can also be motivated by the potential for additional profits from raising rents. Both scenarios will likely disrupt existing tenancies. Given Vancouver’s competitive rental market and aging stock, tenants will continue to feel the pressure from redevelopment and renovation activities, some of which could lead to displacement.

When tenants in Vancouver are displaced, it can be extremely challenging for them to find alternate rental accommodation in the same neighborhood, with the same size and number of bedrooms, and at similar rents. Financing an unexpected move can also be very costly, requiring significant planning, time, and resources. There are also substantial non-quantifiable costs of relocation - including the loss of one’s home and community networks. Longer term tenants, especially those who have been in the same building for over 10 years, tend to have significantly lower rents and will have even more difficulty both in finding comparable accommodation and undertaking a stressful move. Vulnerable tenants, such as seniors, persons with disabilities, or those with low incomes, are the groups most affected by redevelopment or renovation. They often require more assistance in the relocation process as there are even fewer choices available to them.

4. Existing Tenant Protection Guidelines

The City’s existing tenant relocation provisions are currently governed by the Rate of Change Guidelines, which apply to certain RM, FM, and CD-1 zones. There are 52,330 market rental units protected under the Rental Housing Stock ODP. This represents approximately 77 percent of the purpose built market rental housing units in the city. The intent of the guidelines is to protect existing tenants and to set out the terms of

⁷ CMHC Rental Market Report, 1975 - 2015

⁸ CMHC Rental Market Survey, April 2015.

the tenant relocation plan to be agreed to during the redevelopment process. This includes a minimum of two months free rent, reimbursement of receipted moving expenses, assistance with finding alternate accommodations, and right of first refusal back into the new building.

This report recommends a new Tenant Protection and Relocation Policy and associated Guidelines that increase renter protections, expand those protections to tenants in more areas of the city, and standardize their application. The new Tenant Protection and Relocation Guidelines are recommended to replace the existing Rate of Change Guidelines.

The City also has rental replacement requirements that are contained in the Rental Housing Stock ODP which require one-for-one replacement of existing rental units for new developments of six or more units. In addition, the Single Room Accommodation By-law manages change in low-income housing in Vancouver's Downtown Core and contains requirements around tenant relocation.

The proposed Tenant Protection and Relocation Policy and Guidelines will work in conjunction with these existing regulations, but is also part of a larger strategy that addresses the housing needs of low and moderate income households.

The Housing and Homelessness Strategy includes priority actions to help renters by protecting the existing rental housing stock, and aims to use financial and regulatory tools to encourage a variety of housing types and tenures that meet the needs of diverse households. As well, the Strategy sets targets by 2021 for new secured market rental housing (5,000 units), social housing (5,000 units) and supportive housing (2,900 units).

The Final Report from the Mayor's Task Force on Housing affordability also recommended that the city develop "new or amended rate of change policies and guidelines" in order to preserve affordability and housing stability and this Report arises from that recommendation.

5. Renter's Advisory Committee

In December 2014, Council established the Renter's Advisory Committee ("RAC") to advise Council on strategic priorities relating to renters and to respond to the impacts of provincial and federal legislation affecting tenants. British Columbia's RTA regulates residential tenancy agreements and outlines the rights and responsibilities of tenants and landlords in residential rental units across the Province. On March 24, 2015, Council approved the motion titled "Increase Protections for Vancouver Renters" which directed the Renter's Advisory Committee to provide recommendations for immediate Council advocacy related to the RTA.

The Renter's Advisory Committee presented their recommendations to Council on November 17, 2015. Staff have reviewed these recommendations and provided a full analysis in Appendix C. Staff have also identified four priority actions for RTA reform based on the recommendations from the Committee's report. These actions would improve protections for tenants facing displacement and help preserve stable and affordable tenancies.

Action is required from both the City and Province in order to address the challenges faced by renters. If the recommended changes to the RTA and the new Tenant

Relocation and Protection Policy and Associated Guidelines are implemented together, the impacts of redevelopment and renovation on tenant displacement and loss of affordability can be best alleviated.

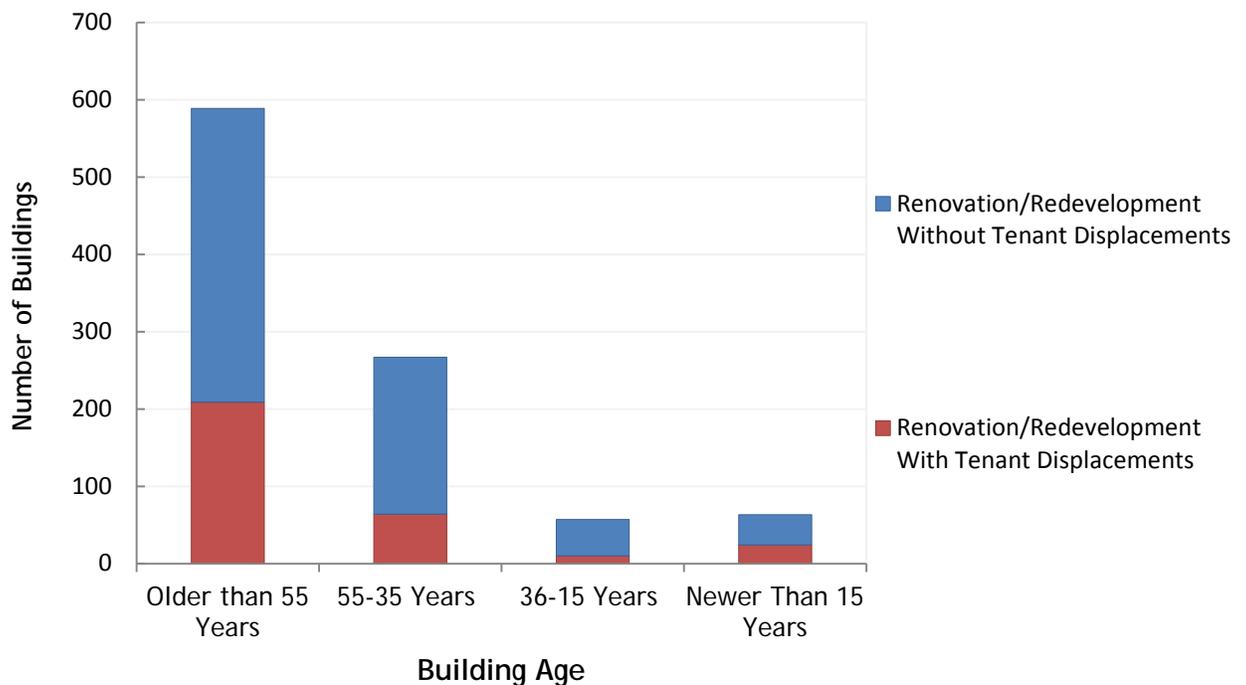
Staff have also considered options for next steps to advance the recommendations proposed by the RAC and Staff. Appendix D contains a letter from the Office of the Mayor to the Premier requesting the Province carry out the recommended amendments to the RTA. The overwhelming support for RTA reforms demonstrated in the public consultation process for this report indicates the significance of this issue to Vancouver renters. Staff will continue discussions with senior levels of government, and work with a broad range of stakeholders, including landlord and tenant advocates, as well as representatives from other municipalities in Metro Vancouver experiencing similar pressures on both tenants and their rental housing stock.

Strategic Analysis

1. Tenant displacement resulting from renovation and redevelopment

Staff have completed an analysis of renovation and demolition activity in the rental housing stock over the last 6 years. This work occurred primarily in the older rental stock, with most upgrades and capital investments made to older buildings constructed 40 or more years ago.

Figure 4. Tenant Displacements in Rental Buildings that were Renovated or Redeveloped By Building Age (2009-2015)⁹



A total of 976 rental buildings city-wide underwent some sort of renovation or demolition activity over the last 6 years. Most this work was done in older buildings built in the 1960s or before, shown in Figure 4. Of the 976 buildings, 307 buildings - containing approximately 1879 individual units- were issued permits that likely

⁹ Coriolis Vancouver Rental Housing Study

resulted in renters being displaced. Extrapolating from this, an average of 51 rental buildings, or 313 units, underwent renovations or redevelopment annually that may have resulted in displacement of tenants.

Though construction activity has the positive impact of preserving and improving the City's rental stock, the negative impact on tenants is also a significant concern. As Vancouver's rental buildings age, the need to undertake major renovation and redevelopment will likely increase. Improved protection for renters is necessary to assist in relocation and to alleviate the impacts of displacement.

2. City Actions to Address Displacement of Renters - New Tenant Relocation and Protection Policy

This section describes the proposed Tenant Relocation and Protection Policy and Guidelines and how it compares to the City's current tenant relocation policy and guidelines.

Expand Protection of Renters to More Areas of the City

Currently, the City's tenant relocation plan provisions, contained in the Rate of Change guidelines, apply to certain RM, FM, and CD-1 zones. The proposed Tenant Relocation Plan Policy and Guidelines would expand tenant relocation plan requirements to all zoning districts, except single family and industrial or agricultural areas. When faced with displacement, tenants face similar challenges regardless of where they live.

This policy is targeted at the primary rental stock, where the purpose of the building is to operate rental housing in the long-term. This includes purpose-built market rental housing, non-market or social housing, buildings with rental units above commercial spaces, and large multiple conversion dwellings with six or more rental units. This policy is intended to inform the rezoning and development permit processes.

Exclusions:

This policy does not affect redevelopment or renovation in the "secondary" rental stock, including single-family houses, basement suites, duplexes, or individually rented condos.

Improve Tenant Relocation Plan Package for Redevelopment and Major Renovations

The recommended Tenant Relocation and Protection Policy proposes tailoring tenant relocation plans based on need. The policy proposes increasing the level of financial compensation and assistance to all tenants, with additional measures and support for vulnerable tenants (e.g. seniors, low income, those with disabilities, etc.). When faced with displacement, these tenants are the most impacted and have the fewest resources available to them. There are also a number of changes intended to improve clarity and implementation of the relocation process. The proposed changes are summarized in the chart below.

Chart 1: Summary of Proposed Tenant Relocation Plan Requirements

Current Tenant Relocation provisions under Rate of Change Guidelines	Proposed Tenant Relocation and Protection Policy	Rationale
Tenant Relocation Plans only requested in Rate of Change areas (RM, FM, and CD-1 zoning districts) for rezoning and development permit applications	Tenant Relocation Plans requested in all zoning districts (except single family and industrial or agricultural areas) for rezoning and development permit applications	Increase protection to tenants across the City
2 months' free rent for relocated tenants	Financial compensation to vary based on length of tenancy: <ul style="list-style-type: none"> - 2 months' free rent for tenancies up to 4 years - 3 months' free rent for tenancies between 5 - 9 years - 4 months' free rent for tenancies over 10 years - 6 months' free rent for tenancies over 20 years 	Longer-term tenants tend to be more vulnerable and are paying lower rents
Reimbursement of receipted moving expenses	Arrangement of insured moving company or flat rate compensation of moving costs: <ul style="list-style-type: none"> - \$750 for bachelor and 1 bedroom units - \$1,000 for 2 or more bedrooms 	Clarifies implementation, reflects true costs of moving
Assistance in finding alternate accommodation	Unless otherwise agreed to, landlord must provide a minimum of 3 options for alternative accommodation for tenants who request assistance: <ul style="list-style-type: none"> - Rents should be at no more than CMHC average rents¹⁰ for the area (all options in Vancouver and 1 in the immediate community) - Units should be of a comparable unit type 	Clarifies and standardizes implementation; provides assistance to those who need it
Tenant has right of first refusal to re-locate into a replacement rental unit on the site in certain RM, FM, and CD-1 zones	Tenant has right of first refusal to move back into new developments when one-for-one replacement is required under rental housing stock ODP or when the new project is proposing new rental housing: <ul style="list-style-type: none"> • a discount of 20% below starting market rents¹¹ should be offered; • If the replacement is with social housing, existing tenants must meet eligibility requirements to qualify 	Clarify current process and increase protection to tenants
No explicit provision regarding the length of notice to end tenancy (Note: in practice, Staff adhere to the the RTA requirement of 2 months's notice to end tenancies once all permits	Tenant is provided 2 months' notice to end tenancies once all permits and approvals are in place	Clarify current practice

¹⁰ These are the average rents of all rental units as published annually in CMHC's Rental Market Survey.

¹¹ This refers to the rent of a brand new or newly-renovated unit. The rents are determined by the market for a new rental unit.

Current Tenant Relocation provisions under Rate of Change Guidelines	Proposed Tenant Relocation and Protection Policy	Rationale
and approvals are in place)		
No additional provisions for vulnerable tenants	Staff have discretion to request additional support to vulnerable tenants (e.g. disabilities, seniors, low income, etc.) Additional supports may include hiring a housing consultant to assist individual tenants, additional financial compensation, and/or working with non-profit agencies to offer alternative accommodation.	Provides additional assistance to those who need it most
No additional provisions for renovations involving development permit not requiring displacement	Tenant Impact Statement: Applicants to provide a Tenant Impact Statement declaring that tenancies will be not be disrupted. If at any time the scope of work changes and permanent relocation of tenants become necessary, applicants will be requested to provide a permanent Tenant Relocation Plan as described above.	When possible, encourage work to be done in a manner that avoids displacing tenants

3. Providing Additional Services to Tenants in their Community

A future report will be brought to council to recommend a \$40,000 grant to one or more non-profit societies with expertise in mediating landlord and tenant conflict to provide additional support to vulnerable tenants. In 2014, the City awarded a grant to First United Church Community Ministry Society to provide this type of support to tenants in the SRA stock in response to recommendations contained in the Downtown Eastside Local Area Plan, and from the SRO Task Force. Staff intend to seek to expand the focus of this service to include all vulnerable tenants. Seniors, low-income, those with mental health issues, often require additional assistance navigating difficult landlord/tenant issues, especially if an eviction is involved. The goal is to provide vulnerable tenants with increased support by utilizing existing community services. A separate Council Report recommending approval of the grant will be brought forward in early 2016.

4. Building Permits - Minor Renovation Activities Not Covered by the Proposed Policy

The Tenant Relocation and Protection Policy aims to mitigate the impacts of rezoning and development on tenants. However, the permitting requirements for redevelopment and renovations vary depending on the type of work being carried out. Major redevelopment and demolition projects require a development permit, while some renovation projects require only a building permit (e.g. for interior alterations that do not require a change in use). Building permits are governed by the Vancouver Building By-law, which allows the City to address issues related to building safety, health, fire protection, accessibility, and energy efficiency. However, under the City's current regulatory framework, the City does not require a landlord who is applying only for a building permit to implement a Tenant Relocation Plan.

City Staff conducted an analysis of building and development permits issued for rental buildings over the past 6 years. As described in Strategic Analysis Section 1.0 above, 307 rental buildings were issued permits that may have required tenants to vacate the building. Of these, approximately 150 buildings (850 tenants) were issued building permits not attached to a development permit, and therefore would not have been covered by existing Rate of Change Guidelines or the new Tenant Relocation and Protection Policy.

There are two avenues for increasing protection for renters facing eviction from “building permit-only” renovations:

One avenue is for the Province to amend the RTA to allow renters the right of first refusal to return to their unit, at a rent that is no more than what the landlord could have lawfully charged (e.g. including allowable annual increases) if there had been no interruption in the tenancy. By maintaining stable rents after minor renovations, this provision would dis-incentivize questionable evictions (e.g. evictions for minor cosmetic repairs), and create an avenue for tenants to return to their unit rather than seek permanent alternative accommodations. This change has been proposed by the Renter’s Advisory Committee and is supported by City Staff, and would bring the RTA in alignment with tenancy laws in other Canadian provinces like Ontario.¹² See Section 5 below for more details.

A second avenue is for Staff to explore options to incorporate Tenant Relocation Plans in all cases where renters are at risk of being displaced by renovation, including “building permit-only” cases, in a balanced way that also considers impacts on the development community. This would not stop evictions, but would give the City the ability to mitigate the impact of displacement.

Staff will continue to analyse mechanisms to expand Tenant Relocation Plans to apply to “building permit-only” cases, while weighing the impacts to different stakeholders, and report back in Phase II of the Rate of Change Review.

5. How Does Vancouver Compare? Tenant Relocation Practices in Other Cities

When compared to the standards for tenant protection and compensation set by other North American cities facing similar renter pressures, the proposed Tenant Relocation and Protection Policy represents a moderate approach. As shown in Appendix F, cities across the United States and Canada require compensation for tenant relocations resulting from demolition, conversion, and major renovations.

Most of the cities studied have opted to increase the amount of tenant compensation based on need, with consideration given to households with children, seniors, and people with disabilities. Compensation also increases in many cities based on length of tenure or low-income status. Generally, the cities with the strongest tenant protections are backed by strong state or provincial law.

6. Provincial Actions Required to Increase Tenant Protection - Addressing Issues of Affordability, Displacement, and Preservation of the Existing Stock

¹² If the Province were to amend the RTA in the future to include this provision, Staff would bring forward an amendment to the Tenant Relocation and Protection Policy and Guidelines to reflect these changes for renovations completed through building permits only.

A strong legal framework balancing tenant and landlord rights at the provincial level is a necessary foundation for a resilient rental market. In December 2014, Council established the Renter's Advisory Committee to advise Council on strategic City priorities relating to renters and to respond to the impacts of provincial and federal legislation affecting tenants. In response to this request, the Renter's Advisory Committee identified potential changes to the RTA that would increase support and protection for renters and affordable housing in Vancouver in a report presented to Council on November 17, 2015.¹³

The Committee's recommendations emphasize several broad goals:

- Clarify landlord and tenant rights and responsibilities;
- Modernize Residential Tenancy Branch (RTB) monitoring and dispute systems;
- Strengthen protections and affordability for low-income renters; and
- Advance security and stability of tenure for renters.

Staff support these goals and the Committee's recommendations, which also align with the stated objectives of the Vancouver Housing and Homelessness Strategy of enhancing affordability, ensuring a broad range of housing options for renters, and improving customer service and lines of communication between tenants and landlords. Complete staff comments and analysis are found in Appendix C.

Among the Committee's recommendations, staff have identified four priority reforms that would make the greatest impact on renters in BC by enhancing the RTA's capacity to preserve stable and affordable tenancies:

1) Prevent Significant Rent Increases for Tenants through Fixed-Term Leases:

There has been growing attention in Vancouver on an observed increase in the use of fixed-term lease agreements in purpose-built rental apartments. City staff have also observed an increase in the use of fixed-term lease agreements, and share the concern that the leases are being used by some landlords to evade annual allowable rent increases set by the RTA. Staff also recognize that fixed term tenancies serve a purpose in the rental market, and support reforms that retain the availability of fixed term leases for landlords and tenants, while also ensuring safeguards are in place to prevent abuse. Both City staff and the Renters' Advisory Committee recommend that the Province amend the RTA's application to fixed-term tenancy agreements to either prevent significant rent increases upon renewal or revert to month-to-month tenancies after a prescribed number of renewals.

2) Protect Tenants from Eviction Due to Renovations:

The Tenant Relocation and Protection Policy and associated guidelines deal with the impact of displacement resulting from rezonings and development permits, but not for minor renovations requiring only building permits. However, the vast majority of Vancouver's rental stock is over forty years of age and is facing increasing need for repairs and renovations. As landlords undertake these improvements, it is critical that tenants are protected from the risk of displacement or excessive rent increases. City staff and that Renters Advisory Committee recommend an amendment to the RTA that would guarantee renters displaced due to renovations the right of first refusal to re-occupy their unit at a rent that is no more than what the landlord could have lawfully charged (e.g. allowable annual increases) if there had been no interruption in the tenancy. This

¹³ City of Vancouver Renters' Advisory Committee, Rental Recommendations 2015.
<http://former.vancouver.ca/ctyclerk/cclerk/20151117/documents/cfsc3.pdf>

provision would bring the RTA in line with other Canadian provinces, like Ontario, which provide tenants with the right of first refusal after renovations and limit rent increases on return in order to maintain stable, affordable tenancies after renovations.

3) Preserve the City's Most Vulnerable Housing Stock:

Single Room Occupancy (SRO) units provide the most affordable housing stock in the private rental market and are often the last resort before homelessness for vulnerable citizens. The City conducts a biennial survey which shows that rents are increasing. In 2011, 35% of the stock rented at the shelter component of income assistance (\$375) - this decreased to 24% in 2013. The DTES Plan (2014) recommends the Province amend the RTA to create a special category for SRAs that would tie rent increases to the room, as opposed to the tenant, which would slow rent increases given the higher tenant turn over in SRA stock.

4) Encourage Preservation of the Existing Stock while Protecting Tenants:

The RTA currently lacks clear guidance on how to raise rents to reflect major building improvements while maintaining stable tenancies. City staff recommend a broad review of RTA policies governing rent increases, with an emphasis on creating avenues for reasonable rent increases to reflect the cost of structural improvements, while addressing policies that facilitate excessive rent increases or evictions. This approach could help to maximize the potential for stable tenancies, while also facilitating long-term structural improvements to preserve Vancouver's rental stock.

Staff request Council to urge the Province to consider these amendments to the RTA, which is further outlined in Appendix D. The overwhelming support for RTA reforms demonstrated in the public consultation process for this report also suggests the value of a multi-stakeholder advocacy strategy as a possible next step for advancing this agenda. Staff will seek opportunities to continue work with landlord and tenant advocates, as well as representatives from other municipalities in Metro Vancouver experiencing similar pressures on both tenants and their rental housing stock. In addition to advancing an advocacy strategy, Staff propose to build on steps already taken to engage regional partners, including through the process of reviewing and implementing the draft *Regional Affordable Housing Strategy Update* issued by Metro Vancouver in August 2015. The draft *Strategy* recommends a regional strategy for enhancing RTA provisions for tenants facing displacement due to redevelopment.

In addition, Staff have been in discussion with the Residential Tenancy Branch (RTB) regarding the Renter's Advisory Committee's recommendations. RTB Staff are undertaking work on a number of items identified by the Committee. Most notably, they have introduced legislative changes to remove barriers for tenants fleeing domestic violence. Other areas of work are largely focused on clarifying landlord rights and responsibilities and modernizing the RTB. While this is important, there has been minimal emphasis so far on reforming measures in the RTA that preserve affordability and stability of tenancies, and better protect tenants from evictions. City Staff will continue to seek opportunities to discuss and collaborate with the RTB on these issues.

Staff have also received input from the public that there is limited rental housing stock that allows for pets. This is a significant concern for renters and may be an additional driver for displacement, particularly in the West End. Pets are an

important source of companionship for many people, and may also serve important roles in maintaining their owners' health and wellness, especially for seniors and people with disabilities.

Staff have heard concern that restrictive pet policies have a more negative impact on low-income renters who have limited housing options available to them. Staff will continue to work with the Renter's Advisory Committee and other stakeholders to advance policies to accommodate renters with pets, while also protecting landlords' interest in preventing damage to their stock. The City will seek amendments to the RTA to ensure additional pet friendly housing is delivered with new purpose built rental. Staff will also pursue policies to promote education and awareness initiatives to help inform stakeholders about the benefits of pets for tenants and the importance of responsible pet ownership.

7. Summary of Public Input

In October-November 2015, staff conducted public consultation and outreach to inform proposed updates to the City's tenant relocation policy. Staff consulted with over sixty representatives from key stakeholder groups, including tenants and advocates, government officials, and landlords. Consultations took the form of one-on-one interviews and targeted focus group discussions, along with two large group presentations to the West End Senior Housing Roundtable and the City of Vancouver Seniors' Advisory Committee (Subcommittee on Housing). Refer to Appendix E for more information.

Representatives for both tenants and landlords agreed that it is important to support tenants requiring relocation because of redevelopment or renovation, and that support should be further expanded for vulnerable groups. There was a consensus among tenant and landlord representatives that the dual crises of affordability and low vacancy in Vancouver's rental housing have made tenant relocation plans both necessary and extremely challenging. In fact, all groups agreed that the key barrier to executing a successful tenant relocation plan is the absence of alternative housing that is both affordable and connected to the tenant's community. In light of these challenges, nearly all groups agreed that the City's proposal is a reasonable response that will help to create a predictable process for both tenants and landlords. Furthermore, both tenant and landlord groups agreed that reform to rent control and tenant protection provisions in the RTA by the Province are critical to ensure healthy, sustainable growth in the city in the future.

The public consultation process also identified several key considerations relating to the process of implementing the proposed changes. Groups advocating for tenants and seniors emphasized the high level of stress involved in a move, particularly for long-term senior residents. These groups suggested that additional supports may be necessary to identify, communicate with and assist the most vulnerable tenants through the relocation process. This input will be taken into consideration as the new proposals are rolled out, and staff will emphasize outreach and education for all participants in the relocation process.

Landlords also suggested that larger businesses are well-equipped to adapt quickly to the new requirements, but that small- and medium-scaled landlords may require a gradual roll-out process along with education on the requirements. They suggested these same landlords may also need additional supports or programs to

assist with major renovations and retrofits to preserve aging properties. City staff intend to address these needs in Phase II, including exploring building reinvestment programs employed by other jurisdictions to support new rental and preserve existing rental housing.

Staff also engaged the Renters' Advisory Committee for feedback and suggestions. The Committee broadly supported the proposed Policy and Guidelines and agreed that it will help mitigate the burden of relocation for tenants being displaced. However, the Committee also expressed concerns about Vancouver's tight rental market and the challenge of finding alternate accommodation that is both suitable and affordable. The Committee suggested that additional supports may be necessary to help vulnerable tenants relocate, particularly those who wish to stay in the same neighbourhood. The Committee also emphasized the importance of a robust implementation process.

The City of Vancouver's 'Talk Housing' survey, which ran from August 28th - November 2nd, 2015, also informed the public consultation process for the Tenant Relocation and Protection Policy. An interim assessment of survey responses as of October 5th showed that, out of 753 respondents identifying as tenants, 85% agreed with the City's policy of requiring a tenant relocation plan to minimize the impact of redevelopment on renters. Nearly 30% of renters surveyed had one or more children, and a substantial majority of renters reported some or great difficulty finding housing suitable for families. Over 70% of respondents had been a renter for more than 5 years. Critically, many respondents were unaware of the City's tenant relocation and protection policies before they took the survey, an indicator that building additional awareness will be a necessary part of the implementation process moving ahead.

8. Implementation

Applicants must submit a Tenant Relocation Application Plan for all rezoning and development permit applications where tenants will be impacted. As much as possible, the Plan should be tailored to the needs of tenants in each project. Tenant Relocation Plan requirements will be secured through a combination of rezoning and development permit prior-to conditions, and housing agreements where rental replacement is required under the Rental Housing Stock ODP or when new secured market rental housing is proposed. More information about implementation and administration is contained in the Tenant Relocation and Protection Guidelines contained in Appendix B of this report.

Staff proposes that the new Tenant Relocation and Protection Policy and Associated Guidelines would take effect on February 15, 2016 for new projects. All rezoning and development permit applications involving tenant relocation plans that are currently underway will continue to be processed under the Rate of Change Guidelines and will not be impacted by this new policy.

Staff in Housing Policy and Projects will be working with Planning and Development Services to implement the new Tenant Relocation and Protection Policy and Guidelines. Monitoring and evaluation of the new policy and associated guidelines will likely require more focused staff and resources to ensure successful implementation.

Implications/Related Issues/Risk

Financial

The proposed Tenant Relocation and Protection Policy and Guidelines will result in some additional costs to landlords applying for rezoning or development permits. However, these costs are typically not a material percentage of the overall redevelopment costs and so are not expected to have a material impact on the cost of redevelopment nor on the cost of the replacement housing resulting from such redevelopment.

CONCLUSION

Renters are an important part of the City. They are facing significant challenges as a result of low vacancy rates, rising housing costs, and the need to redevelop and renovate an aging rental stock. The recommendations in this report are intended to increase protection to renters by mitigating the impact of displacement resulting from redevelopment and major renovation.

* * * * *

Tenant Protection And Relocation Policy

Vancouver's
Housing and Homelessness
Strategy

A Home for Everyone

Approved X, 2015

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1.0 Introduction

1.1 Affordable Housing Choices

Vancouver is a growing and diverse city with significant housing challenges. Providing affordable housing choices for all Vancouverites is critical to the social and economic health of the city.

Rental housing is key to a healthy and vibrant economy. Essential workers are often renters for a period of time, as are newcomers to Vancouver – both contribute to the economic, environmental and social vibrancy of our city.

Over 50% of households in Vancouver are renters. Vancouver provides nearly half (45%) of the rental housing in the entire Mainland and more than a quarter (26%) of the rental housing for all of British Columbia.¹⁴

Renting allows for moderate income households to live in Vancouver. The median annual income of renters is \$41,500, significantly lower than that of home owners (\$78,000).¹⁵

1.2 Rental Housing Challenges

Vancouver is an attractive place to live and work. It also has the tightest rental market and one of the lowest vacancy rates in Canada – which over the last 30 years, has averaged 0.9 percent.¹⁶ A healthy vacancy rate is considered to be between three to five percent. With a growing population, limited increases in income and limited new supply of purpose-built rental housing in recent decades, the need for suitable housing choices for low and moderate income households has grown dramatically.

1.3 Tenant Relocation Resulting from Redevelopment or Major Renovation of the Existing Rental Stock

The city's existing rental housing stock provides some of the most affordable housing in Vancouver. However, this market rental stock is aging – Figure 2 illustrates that over 81% of the stock is over 35 years old.¹⁷ This older portion of the stock provides affordable rents. Figure 1 below demonstrates the average rents for one-bedroom apartments by building age. On average, this older stock rents for \$400 less than newer units built after 2004 and provides affordable rents at rates similar to those in new social housing units.

¹⁴ National Household Survey, 2011

¹⁵ National Household Survey, 2011

¹⁶ CMHC Market Rental Survey, 1975 - 2014

¹⁷ CMHC Market Rental Survey, April 2015

Figure 1. Private Apartment Average Rents in the City of Vancouver By Construction Date¹⁸

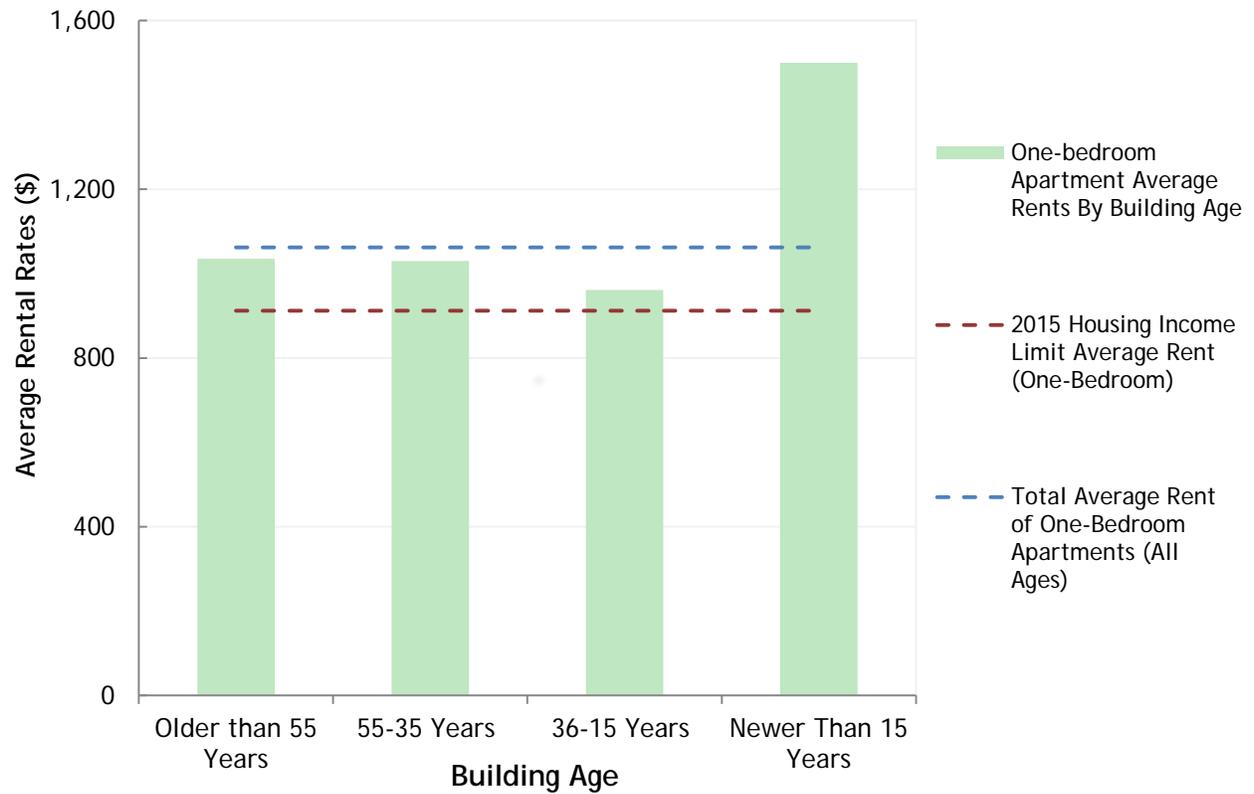
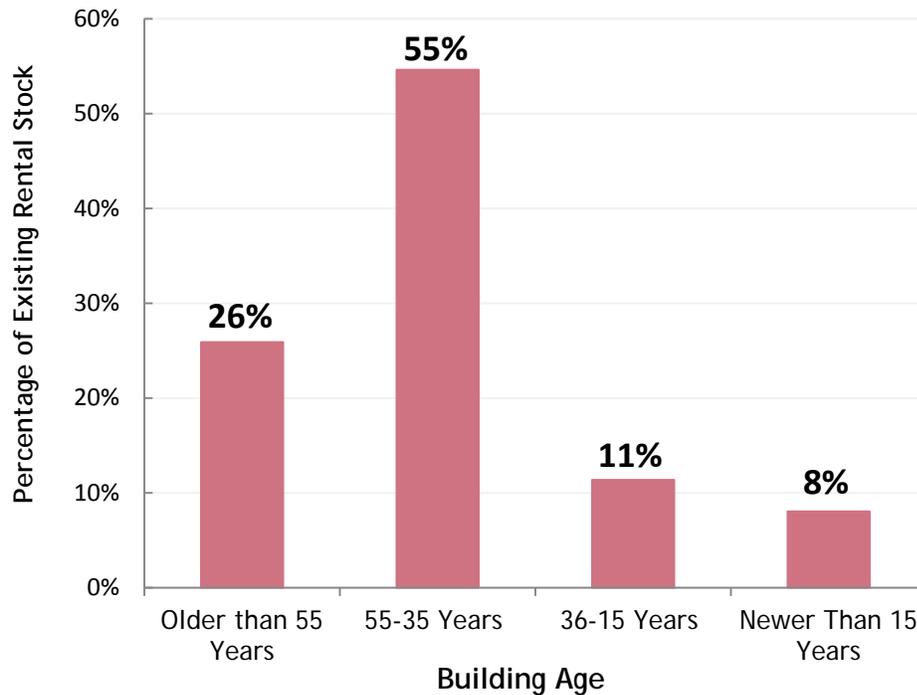


Figure 2. Age of Buildings as a Percentage of Rental Stock in the City of Vancouver¹⁹

¹⁸CMHC Market Rental Report, October 2014.

¹⁹CMHC Rental Market Survey, April 2015.



Vancouver’s aging stock, combined with very high demand for rental, and the subsequent profits to be made, has led to an increase in redevelopment and renovation in recent years. While these activities are important in maintaining and renewing the existing rental stock, there are impacts on tenants. Most often, they are displaced. Finding alternate rental accommodation that is suitable and affordable in a city with historically low vacancy rates is challenging. Despite being more affordable than owning, renting is still costly in Vancouver – 34% of renters pay over 30% of their income on housing, with 14% paying over 50%.²⁰ There are also non-quantifiable costs of relocation - the loss of one’s home and community networks, as well as the stress involved with the moving process.

1.4 Vulnerable Tenants

Vulnerable tenants, such as seniors, persons with disabilities, or those with low incomes, are the groups most affected by redevelopment or renovation. They often require more assistance in the relocation process as there are fewer choices available to them. These individuals also tend to be longer-term residents, and the process of moving may be more challenging for them.

1.5 Policies in this document

The policies in this document are intended to protect tenants by mitigating the impacts of displacement resulting from redevelopment activity, while recognizing that some renewal is necessary to maintain the health of the overall rental stock.

The City has rental replacement regulations contained in the Rental Housing Stock Official Development Plan to protect the existing market rental housing stock in certain RM, FM, and

²⁰ National Household Survey, 2011

CD-1 zones. In addition, the Single Room Accommodation By-law manages the rate of change of low-income housing in Vancouver's Downtown Core and contains requirements around tenant relocation. The Tenant Protection and Relocation Policy will work in conjunction with these existing regulations, but is also part of a larger strategy that addresses the housing needs of low and moderate income households.

The Housing and Homelessness Strategy includes priority actions to help renters by protecting the existing rental housing stock and aims to use financial and regulatory tools to encourage a variety of housing types and tenures that meet the needs of diverse households. As well, the Strategy sets targets by 2021 for secured market rental housing (5,000 units), social housing (5,000 units) and supportive housing (2,900 units).

1.6 Role of the British Columbia Residential Tenancy Act

British Columbia's Residential Tenancy Act (RTA) regulates all tenancy agreements in residential rental units across the province. It is essential for both landlords and tenants to understand their rights and responsibilities under the RTA. As described above, there is significant pressure on the city's existing rental stock, resulting in significant challenges for both landlords and renters. The policies in this document are intended to supplement the RTA, while addressing challenges that are unique to Vancouver.

2.0 POLICY TARGET

This policy is targeted at the "primary" rental stock, where the purpose of the building is to operate rental housing in the long-term. This includes:

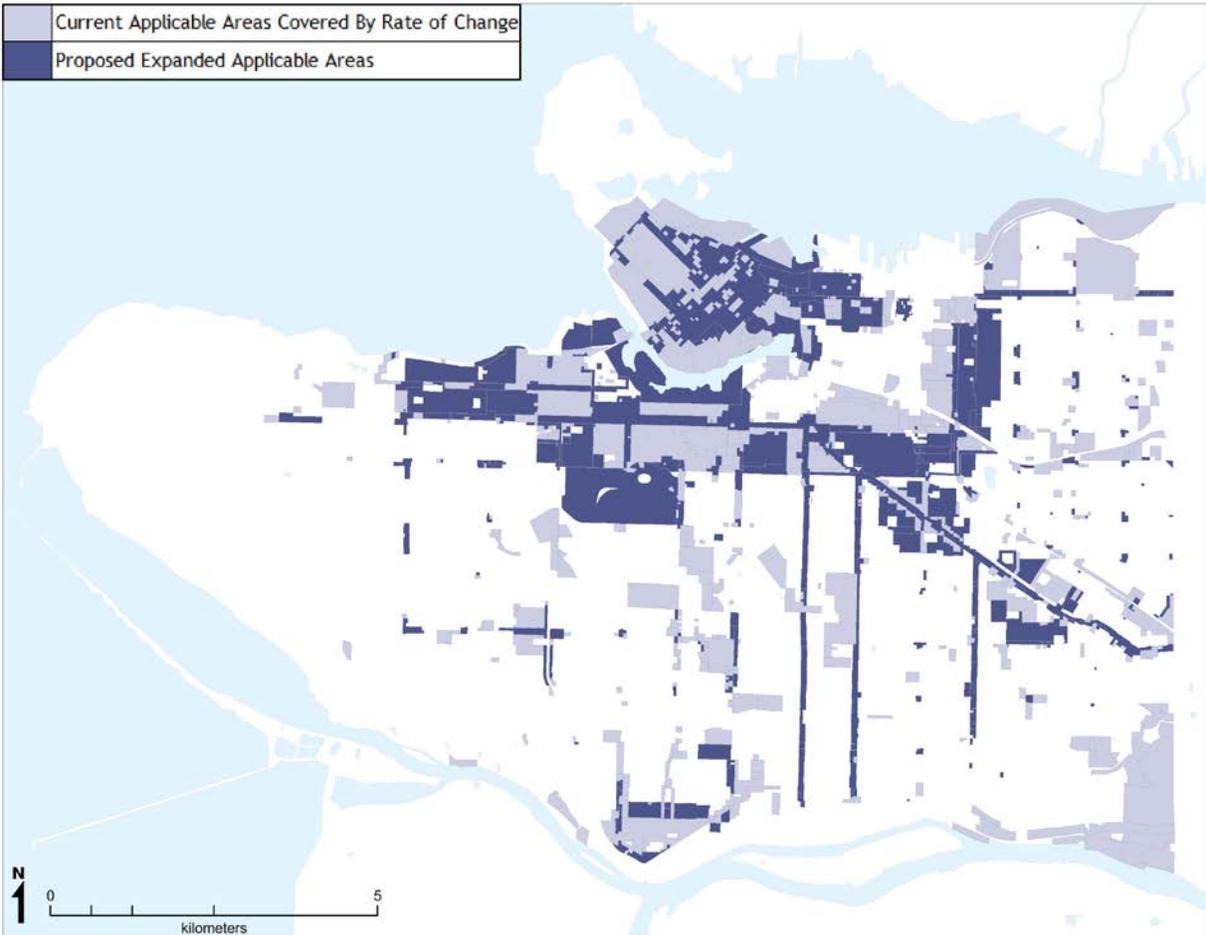
- purpose-built market rental housing;
- non-market or social housing;
- buildings with rental units above commercial spaces; and
- large multiple conversion dwellings with six or more units.

A Tenant Relocation Plan or Tenant Impact Statement will be required when tenants in existing residential rental units are displaced or impacted as a result of redevelopment or major renovation activity. This policy is applicable in all zoning districts, except single family, industrial, and agricultural areas and is intended to inform the rezoning and development permit processes.

Map 1: Areas Applicable to Tenant Protection and Relocation Policy

Exclusions:

This policy does not affect redevelopment or renovation in the "secondary" rental stock, including single-family houses, basement suites, duplexes, or individually rented condos.



2.1 TENANT PROTECTION FOR PERMANENT RELOCATION

Tenant Relocation Plan

Applicants seeking a rezoning or development permit will provide a Tenant Relocation Plan when tenants in existing residential rental housing units will be displaced. The work typically results in the entire building, or part of the building, being demolished or emptied.

At a minimum, the Tenant Relocation Plan must include:

- (a) Financial compensation provided based on length of tenancy:
 - 2 months' rent for tenancies up to 4 years;
 - 3 months' rent for tenancies between 5 to 9 years;
 - 4 months' rent for tenancies over 10 years; and
 - 6 months' rent for tenancies over 20 years.

This can take the form of free rent, a lump sum payment or a combination of both.

- (b) A minimum of 2 months' notice to end tenancies after all permits are issued.

- (c) For tenants requesting assistance finding new accommodations:
- Three options should be offered that are comparable in unit type, unless otherwise agreed to;
 - All options should be in Vancouver, with one in the same neighbourhood²¹;
 - In the West End, there should be two options in the same neighbourhood;
 - All options should rent at no more than Canadian Mortgage and Housing Corporation's average rents for the area; and
 - Where possible, options should be tailored to the tenant (e.g. pet friendly, mobility considerations, smoke-free, etc.).
 - In cases involving vulnerable tenants, applicants are encouraged to provide additional supports as per section (f) below.
- (d) Arrangement for an insured moving company, or, a flat rate payout for moving expenses as follows:
- \$750 for bachelor and 1-bedroom households; and
 - \$1,000 for two or more bedroom households.
- (e) Right of first refusal for existing tenants to move back into the new building with a 20% discount off starting market rents will apply in the following scenarios:
- Projects that propose new secured market rental housing or where one-for-one replacement of rental units are required under the Rental Housing Stock ODP. The new secured market rental housing units or replacement rental units will be secured for a term of 60 years or life of the building, whichever is greater, through legal agreements, or any other legal mechanism deemed necessary by the Director of Legal Services and the Chief Housing Officer.
- Projects that propose new social housing, or where rental units are replaced with social housing (e.g. in certain areas identified in the West End Plan). Tenants will be offered right of first refusal, provided they meet the eligibility requirements for the new social housing unit.
- (f) Additional support for special circumstances
- Additional financial compensation or support, such as partnering with health organizations and other non-profit services, may be requested for vulnerable tenants (e.g. seniors, persons with disabilities, tenants with low income, mental health issues, etc).

Final Tenant Relocation Report

Prior to the issuance of the occupancy permit, a Final Tenant Relocation Report must be submitted and include:

- Names of the tenants;
- Outcome of their search for alternate accommodation; and
- A summary of the monetary value given to each tenant (e.g. moving costs, rent, etc.).

²¹ "Neighborhood" in this context refers to the local planning area in which the tenant currently resides. To learn more, visit <http://vancouver.ca/news-calendar/areas-of-the-city.aspx>

2.2 TENANT IMPACT STATEMENT

In cases where tenants will not be permanently displaced as a result of rezoning or development, applicants will be requested to provide a Tenant Impact Statement.

A Tenant Impact Statement will be notarized and include a declaration that tenancies will not be impacted as a result of the proposed work. If the scope of work changes at any time and permanent displacement of tenants becomes necessary, applicants will be requested to provide a permanent tenant relocation plan as described in Section 2.1.

3.0 Implementation

Applicants must submit a Tenant Relocation Application Form as part of the rezoning and/or development permit application process. Staff will evaluate each Tenant Relocation Plan based on the policies set out in this document. As much as possible, the Plan should be tailored to the needs of tenants in each project.

Staff will track and monitor the number of rental buildings affected by redevelopment and renovation, including the number of tenant relocation plans. This will contribute to a better understanding of trends in the rental housing stock and its impact on tenants.

For more information about implementation and process, please refer to the Tenant Relocation and Protection Guidelines.



City of Vancouver *Planning - By-law Administration Bulletins*

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planning@vancouver.ca

TENANT RELOCATION AND PROTECTION GUIDELINES

Adopted by Council _____, 2015, Effective February 15, 2016

These Guidelines replace the Rate of Change Guideline Guidelines for Certain RM, FM, and CD-1 Zoning Districts, Adopted May 24, 2007

1.0 Intent

These guidelines are intended to be used in conjunction with the Tenant Protection and Relocation Policy to assess rezoning and development permit applications where tenants will be impacted or displaced due to major renovation or redevelopment.

2.0 Policy Target - Where Do These Guidelines Apply?

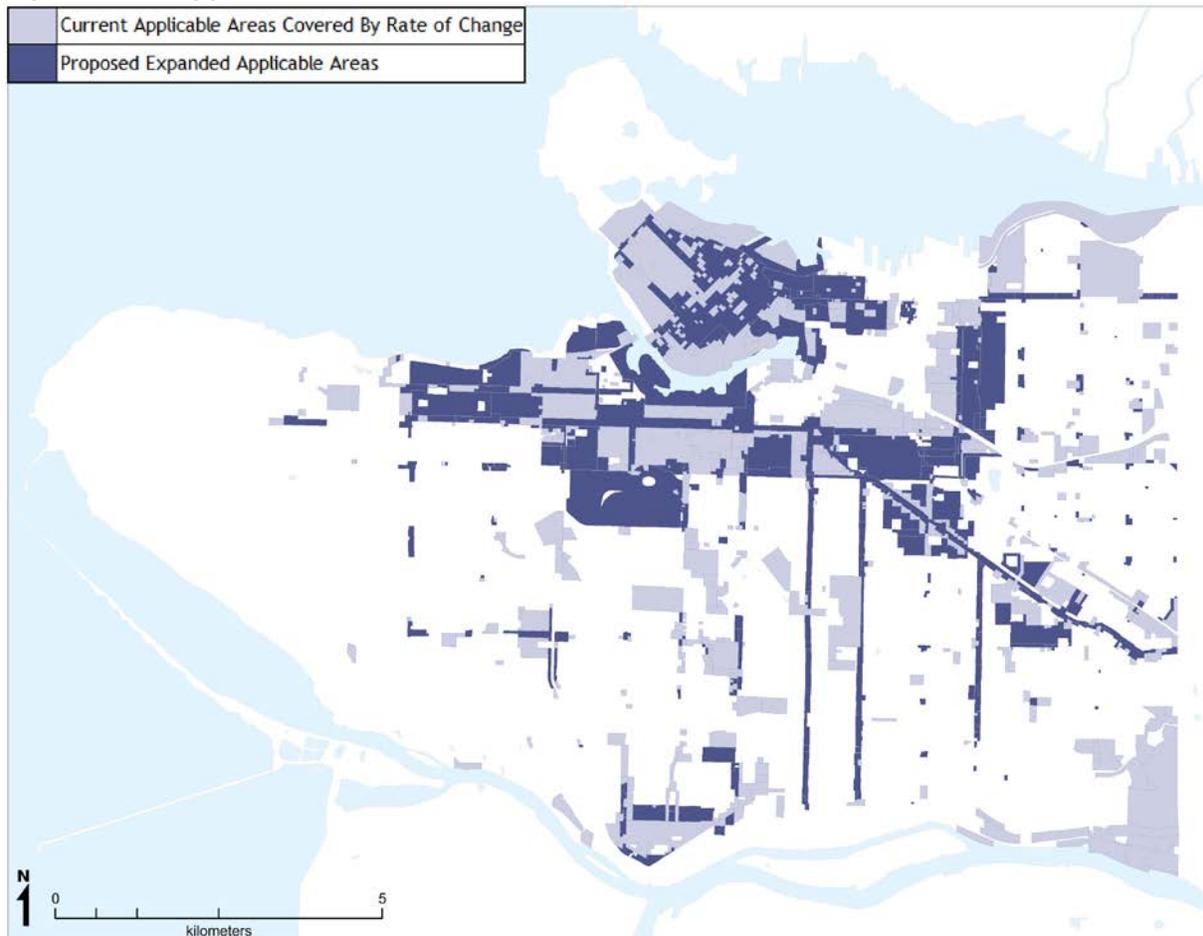
These guidelines apply to the “primary” rental stock, where the purpose of the building is to operate rental housing in the long-term. This includes:

- purpose-built market rental housing;
- non-market or social housing;
- buildings with rental units above commercial spaces; and
- large multiple conversion dwellings with six or more units.

A Tenant Relocation Plan will be required when tenants in existing residential rental units are displaced as a result of redevelopment or major renovation activity as described in Section 3.0 below. A Tenant Impact Statement, as described in 4.0 below, will be required when tenants are not permanently displaced.

This policy is applicable in all zoning districts, except single family, industrial, and agricultural areas and is intended to inform the rezoning and development permit processes. See map below.

Map 1: Areas Applicable



Exclusions:

This policy does not apply to redevelopment or renovation in the “secondary” rental stock, including single-family houses, basement suites, duplexes, or individually rented condos or tenanting of a vacant property after an application for redevelopment or renovation is made.

Renovations that Could Result in Tenant Displacement:

A Tenant Relocation Plan will be required for all redevelopment or renovation activity that results in tenant eviction, if the proposed project requires a rezoning or development permit.

The following are examples of the types of renovations that could result in tenant relocation. It is not a complete list, but is intended to provide guidance to applicants and tenants.

- New construction
- Adding, relocating, or removing walls in units that change the floor plan;
- Increasing or reducing the number and type of units in a rental building; Upgrading rooms (e.g. kitchen and bathroom floor finishing, painting or tiling);
- Installing fire sprinkler systems linked to multiple units in a rental building;
- Extensive repairs to units that have been damaged by fire or flooding; and
- Demolishing buildings that house tenants in rental units.

3.0 Tenant Relocation Plan

At a minimum, every Tenant Relocation Plan should include:

- (a) A list setting out the name of each tenant, the number of the tenant's unit, the length of occupancy, the unit type, the size of the unit, and the rent the tenant pays.
- (b) Financial compensation provided based on length of tenancy:
 - 2 months' rent for tenancies up to 5 years;
 - 3 months' rent for tenancies between 5 to 9 years;
 - 4 months' rent for tenancies over 10 years; and
 - 6 months' rent for tenancies over 20 years.

This can take the form of free rent, a lump sum payment or a combination of both.

- (c) A minimum of 2 months' notice to end tenancies after all permits have been issued.
- (d) For tenants requesting assistance finding new accommodations:
 - a. Three options should be offered that are comparable in unit type, unless otherwise agreed to;
 - All options should be in Vancouver, with one in the same neighbourhood²²;
 - In the West End, there should be two options in the same neighbourhood;
 - All options should rent at no more than Canadian Mortgage and Housing Corporation's average rents for the area;
 - All options offered should be comparable in unit type, unless otherwise agreed to; and
 - Where possible, options should be tailored to the tenant (e.g. pet friendly, mobility considerations, smoke-free, etc.).
 - In cases involving vulnerable tenants, applicants are encouraged to provide additional supports as per section (g) below.

Note: If a tenant's current rent is higher than CHMC average rents for the area, alternate accommodation options will be provided at the tenant's current rental rate.

²² "Neighborhood" in this context refers to the local planning area in which the tenant currently resides. To learn more, visit <http://vancouver.ca/news-calendar/areas-of-the-city.aspx>

- (e) Arrangement for an insured moving company, or, a flat rate payout for moving expenses as follows:
- a. \$750 for bachelor and 1-bedroom households; and
 - b. \$1,000 for two or more bedroom households.

- (f) Right of first refusal, at a 20 per cent discount below starting market rents, will be offered in the following scenarios:

- a. For projects where one-for-one replacement of rental units are required under the Rental Housing Stock ODP. The ODP applies to RM-2, RM-3, RM-3A, RM-4 and 4N, RM-5, RM-5A, RM-5B and RM-5C, RM-6, FM-1, or CD-1 District.
- b. For projects proposing new secured market rental housing units (e.g. through the Secured Market Rental Policy, "Rental 100", or Affordable Housing Interim Rezoning Policy).
- c. For projects proposing new social housing, or where rental units are replaced with social housing (e.g. in certain areas identified in the West End Plan), tenants will be offered right of first refusal, provided they meet the eligibility requirements for the new social housing unit and any criteria described in a Council approved Housing Agreement.

Note: The Right of first refusal does not apply to projects where the new units are not residential rental.

Note: If a tenant's current rent is higher than the proposed 20% below market rent level, the Right of First Refusal will be provided at the tenant's current rental rate.

- (g) Additional support for special circumstances:

- Staff will have discretion to request that additional financial compensation or support be provided to vulnerable tenants (e.g. seniors, persons with disabilities, tenants with low income, mental health issues, etc.).
- Finding alternative accommodation with a lower than average rent, if the current tenant is paying a very low rent and has a limited income; and
- Additional supports may include hiring a housing consultant to assist individual tenants, additional funds for moving expenses, and/or working with non-profit agencies to offer alternative accommodation.

3.1 Final Tenant Relocation Report

Prior to the issuance of the occupancy permit, a Final Tenant Relocation Report must be submitted and include:

- Names of tenants eligible for the Tenant Relocation Plan;
- Outcome of their search for accommodation; and
- A summary of the monetary value given to each tenant (e.g. moving costs, rent, etc.).

3.2 Eligible Tenants

Regardless of the type of tenancy, all tenants residing in the building for one year or more (“Eligible Tenant”) at the time the rezoning or development permit application is opened must be included in the Tenant Relocation Plan.

A tenant that has not resided in the property long enough to be an Eligible Tenant, including a tenant that moves into the property after the rezoning or development permit application is opened, is not required to (but at the applicant’s option, may) be included in the Tenant Relocation Plan. In any event, the applicant is required to comply with the RTA with respect to all tenants (whether Eligible Tenants or not) and with the Tenant Relocation Plan (with respect to Eligible Tenants).

Since the Tenant Relocation Plan has requirements which supplement those in the RTA, compliance with the Tenant Relocation Plan will automatically make the applicant compliant with the RTA. However, it is the applicant’s obligation to ensure that any specific notice, forms, or other documentary requirements specific to the RTA are complied with regardless of whether or not they are dealing with an Eligible Tenant. Applicants should provide written communication apprising all non-Eligible Tenants of the redevelopment, and why they are not entitled to the Tenant Relocation Plan package.

3.3 Ending Tenancies

Under the Residential Tenancy Act (RTA), there are two ways to end tenancies -- a Notice to End Tenancy or a Mutual Agreement to End Tenancy. A Notice to End Tenancy can be issued once all permits and necessary approvals are in place. This typically includes the development permit, building permit, all applicable trades permits, and the demolition permit. As per 3.0 (c) above, applicants will be required to provide 2 months’ notice to end tenancies once all City permits have been issued.

The owner can also use a Mutual Agreement to End Tenancy, where the owner/landlord and tenant agrees to the terms in which a tenancy is ended. At a minimum, Tenant Relocation Plan requirements described in section 2.1 around free rent, moving expenses, alternate accommodation, special circumstances and right of first refusal, must still be offered to eligible tenants in these cases.

4.0 Tenant Impact Statement

Not all renovation activities involving development or rezoning will require a Tenant Relocation Plan. In some instances, work can be done with tenants continuing to occupy the building. In these situations, a Tenant Impact Statement is required. The Statement must be notarized and include a declaration that tenancies will not be ended as a result of the proposed work. If the scope of work changes at any time and permanent relocation of tenants becomes necessary, applicants will be requested to provide a permanent tenant relocation plan as described in Section 2.1.

Type of work where tenants are not relocated permanently may include: major upgrades and repairs to a unit, addition of a unit, etc.

5.0 Vacant Buildings

Special requirements apply where the rental building is vacant at the time of application as a consequence of:

- A vacant possession having been a condition of property purchase; or
- A Notice to Vacate was issued without all proper permits and necessary approvals in place.

In these cases, the application will need to be supplemented by additional information as requested by the Chief Housing Officer and Director of Planning detailing and on request providing the supporting documents and legal notices delivered to the tenants so as to afford the Chief Housing Officer and Director of Planning the ability to confirm and verify that the process by which the building was vacated was, to the best of their knowledge, carried out in compliance with this Policy and the RTA. The City may require follow-up statements and declarations in these circumstances. Applicants should therefore expect longer application and approval timelines in these circumstances

6.0 Submission Requirements

This section describes the tenant relocation submission process and the documentation required.

6.1 For projects where a **Tenant Relocation Plan** is required:

(a) A **Tenant Relocation Application Form** must be submitted with every Rezoning or Development Permit application. All tenants must be included, although the Tenant Relocation Plan requirements will only apply to eligible tenants as described in Section 3.0 above. (b) **Early Communication with tenants** is important. For rezonings, applicants are encouraged to communicate in writing with tenants at the start of the inquiry stage. The objective is to inform tenants about the intent to redevelop and provide information on the process and timelines involved. For development permits, applicants are encouraged to begin written communication with tenants when the application is opened. **Note:** Notices to End Tenancies are not to be issued at this stage.

(c) The Tenant Relocation Plan will be evaluated by staff during the rezoning and development permit process. Once the Plan has been agreed to by the applicant and Staff, the applicant should communicate the terms of the Tenant Relocation Plan to all eligible tenants. A **notarized declaration** must be submitted to the City demonstrating that each tenant has been given written notice of the intent to redevelop the property, the number of units occupied on the date of the notice, and includes copies of a letter addressed to each tenant summarizing the Tenant Relocation Plan offer and signed as received by each tenant.

(d) A **Final Tenant Relocation Report**, as outlined in Section 3.1 above, must be submitted prior to the issuance of the occupancy permit.

(e) **Legal Agreements** - for projects where the right of first refusal is required, a 20 percent discount should be offered off starting market rents (as described in section 3.0 above).

- In these cases, the rental units and the right of first refusal will be secured through legal agreements, (e.g. Housing Agreement pursuant to section 565.2 of the Vancouver Charter,

including no stratification and no separate sales covenants), or any other legal mechanism deemed necessary by the Director of Legal Services and the Chief Housing Officer for a term of 60 years or life of the building, whichever is greater.

- For projects proposing new social housing, or where rental units are replaced with social housing (e.g. in certain areas identified in the West End Plan), tenants will be offered right of first refusal, provided they meet the eligibility requirements for the new social housing unit

6.2 For projects where a **Tenant Impact Statement** is required:

(a) A **Tenant Relocation Application Form** must be submitted. All tenants must be included, although the Tenant Relocation Plan requirements will only apply to eligible tenants as described in Section 3.0 above.

(b) If after the evaluation of the Tenant Relocation Application Form, Staff determine that tenants will not be displaced as a result of the proposed work, a Tenant Impact Statement will be provided by the applicant. The Statement must be notarized with a declaration that tenancies will not be impacted as a result of the work completed.

(c) **Communication with tenants:** applicants are encouraged to provide written communication with tenants during the permitting process with information on the proposed project, as well as to let them know tenancies will not be disrupted.

For more detailed information on the tenant relocation process, including access to application forms, templates, and checklists, please see: <http://vancouver.ca/people-programs/creating-new-market-rental-housing.aspx>

Staff Comments on City of Vancouver’s Renters’ Advisory Committee Final Report

<p>A strong and clear set of tenant and landlord rights and responsibilities are a necessary foundation to a resilient rental market in Vancouver and in BC. The changes recommended by the City of Vancouver Renters' Advisory Committee (RAC) to the BC Residential Tenancy Act (RTA) represent a significant step toward increasing the clarity, effectiveness, and fairness of the RTA. This Appendix contains detailed comments on the individual recommendations contained in the RAC final report on <i>Reforming the BC Residential Tenancy System</i>.</p>	
RAC Recommendation	CoV Staff Comment
<p>1. MAKING THE RULES CLEARER Recommendation: The system should be clear about what to do when there’s a problem, who is entitled to what, and where to go to obtain remedies. For many renters, it isn’t.</p>	<p>Clarifying rules and remedies through the RTA creates a more predictable and effective system for all participants in the rental market.</p>
<p>1.1 Roommates Recommendation: Modify the Act to create a clear regime to govern tenants who are renting out one of their rooms with their landlord’s consent.</p>	<p>Staff support the RAC recommended changes clarifying rules in the RTA around shared accommodation and roommates to ensure roles and responsibilities are clear for tenants and landlords.</p>
<p>1.2 Transitional Housing Recommendation: The Residential Tenancy Act should include provisions for transitional housing and provide clarity about whether housing is transitional or not.</p>	<p>Staff agree with and the RAC proposal but suggest that a clarified definition of transitional housing should apply more broadly than just the SRA housing stock, and includes supportive housing. Improved clarity for both tenants and non-profit landlords will help to ensure that the RTA provides the strongest opportunity for stable housing outcomes.</p>
<p>1.3 Accommodation shared with the owner of the unit Recommendation: The Act should include some protections for renters who share their accommodation with the owner of the rental unit, even if the entire Act does not apply.</p>	<p>Clarifying rules in the RTA around shared accommodation and roommates will ensure roles and responsibilities are clear for tenants and landlords.</p>

<p>2. MODERNIZING TECH & SYSTEMS Recommendation: Update the residential tenancy system so that people can file for dispute resolution online, communicate via email, and record their hearings.</p>	<p>Text, e-mail, and online technology are introducing new systems for connecting and communicating within the rental market, making it both more accessible and more complex. It is critical that the RTA reflect the ways that participants in the rental market communicate with each other and access information. Staff support the RAC recommended changes to the RTA modernizing and streamlining systems.</p>
<p>2.1 “Your call may be recorded for quality and training purposes...” Recommendation: Record RTB hearings and keep them on file until the time frame to apply for judicial review expires. Alternatively, remove the rule which prevents tenants and landlords from recording their own hearings.</p>	<p>Recording RTB hearings is a step in ensuring the accountability of the hearing process, particularly in the event that a case is sent to judicial review.</p>
<p>2.2 Online filing Recommendation: Accept fee waivers when an application for dispute resolution is submitted electronically.</p>	<p>See comments on Section 2.0.</p>
<p>2.3 Automatically waive filing fees for low income tenants Recommendation: Tenant fees for accessing dispute resolution procedures should be automatically waived when it is possible to identify that a tenant is low-income.</p>	<p>Because low-income tenants are among the city's most vulnerable renters, they often face greater barriers to accessing resources like the RTB dispute resolution process. Staff support removing filing fees and other barriers to access for these individuals. Staff also suggest that the RTB work with the Ministry of Social Development to identify low-income tenants who are eligible for fee waivers, which would relieve tenants from needing to provide evidence to self-identify.</p>
<p>2.4 Email and text message Recommendation: Allow certain communications between tenants and landlords to occur via email or text message, such as when a tenant provides a forwarding address to their landlord.</p>	<p>See comments on Section 2.0.</p>

<p>2.5 Telephone Infoline Recommendation: Ensure that hold times on the Branch’s information line meet acceptable service standards, especially at key times of the month Recommendation: Expand Infoline Service Hours until 6:30pm.</p>	<p>An accessible tenant branch is a critical component of a fair, effective and transparent system for renters and landlords. Acceptable hold times on the RTB info line are just one way for the RTB be more accessible to landlords and tenants; other ways are for RTB branches to be appropriately staffed for walk-in requests, located in areas with high renter populations, and open on a regular basis for early and late hours.</p>
<p>3. A FASTER, MORE EFFICIENT SYSTEM Recommendation: Make the system more efficient by eliminating unnecessary hearings and ensure that tenants have the information they need prior to a hearing.</p>	<p>Streamlining the dispute process for landlords and tenants helps to make the process more accessible, fair, and transparent for participants. The City of Vancouver supports the RAC's recommendations to modify the dispute process so that each party is informed of the case's evidence and allegations in advance and has adequate time to respond.</p>
<p>3.1 Direct Request for Security Deposits Recommendation: Amend the Act to allow for direct requests for tenants seeking the return of a security deposit.</p>	<p>See comments on Section 3.0</p>
<p>3.2 Translation Services Recommendation: Provide translators for dispute resolution hearings as necessary.</p>	<p>New immigrants with limited language skills are among the City's most vulnerable tenants. Access to translation services over the entire course of the dispute process, from in-take through to hearings, is critical for ensuring that the RTB is a meaningful resource for all tenants.</p>
<p>3.3 People should know what they’re accused of before their hearing Recommendation: The Branch should amend their forms to include a place to write specifics of any allegations so that respondents know what they’re accused of before any hearing. This would include written reasons for, say, the termination of a tenancy, along with particulars of any alleged acts or omissions by the tenant.</p>	<p>Modifying the RTB dispute process according to the RAC recommendation will help to ensure that each party is informed of the case's evidence and allegations in advance and has adequate time to respond.</p>
<p>3.4 Evidence timelines should be staggered so that the party with the burden of proof submits their evidence first Recommendation: Switch evidence submission timelines so that the party with the burden of proof provides their evidence and</p>	<p>See staff comments on Recommendation 3.3.</p>

<p>submissions first, and then the other party has time to submit their evidence and submissions afterwards.</p>	
<p>4. GETTING TOUGH ON RULE-BREAKERS Recommendation: Reform the system to ensure that there are meaningful consequences for landlords who do not follow the law.</p>	<p>The City's experience is that the vast majority of landlords and tenants in the system respect and abide by the RTA. However, meaningful consequences are an important deterrent for the small portion of actors who don't follow the law. The City of Vancouver supports the RAC's recommendations to boost penalties for misconduct by landlords in the eviction process, though more detail is needed on how large an increase is needed to ensure penalties are meaningful.</p>
<p>4.1 Minimum Penalties for Illegal Evictions and Lockouts Recommendation: Create a mandatory minimum penalty that is awarded to a tenant if a landlord breaks the law and evicts them without following the proper legal process.</p>	<p>See comments on Section 4.0</p>
<p>4.2 Effective penalties for bad faith conduct Recommendation: Increase the penalty for a Notice to End Tenancy that was issued in bad faith.</p>	<p>See comments on Section 4.0.</p>
<p>4.3 Prevent landlords from enforcing an order of possession where they know that a tenant has sought review of it Recommendation: Before a landlord is able to hire a bailiff to evict a tenant, the landlord should have to swear that their Order of Possession has not been appealed.</p>	<p>In the case where a landlord has received and is preparing to act on an Order of Possession, it is important to balance a tenant's right to a fair appeals process with the landlord, neighbor, and community's right to a timely eviction process. As further appeals may further draw out the eviction process and exacerbate the impact on all parties. Staff recommend that the RTA streamline the timelines for the Order of Possession and appeals process, per recommendation 6.3 in the RAC report.</p>
<p>4.4 Award administrative monetary penalties Recommendation: The Residential Tenancy Branch should issue administrative penalties in cases where they are warranted Recommendation: The Residential Tenancy Branch should have the</p>	<p>See comments on Section 4.0.</p>

<p>legal power to inspect buildings as part of issuing monetary penalties.</p>	
<p>5. PROTECTING LOW INCOME RENTERS Recommendation: Close loopholes in the rent control system, provide special rules for SROs, stop application deposits, and ensure the system is flexible.</p>	<p>A strong RTA is critical to preserving housing affordability and stability for tenants. The City of Vancouver strongly supports the RAC's recommendations to enhance RTA provisions protecting renters, especially low-income renters, from excessive and unfair rent increases, fees, and evictions.</p>
<p>5.1 Prevent contracting out of rent control Recommendation: The Act should be amended to provide that where parties renew a fixed term tenancy agreement for the same property, rent increases are limited in the same manner as if the tenancy had continued uninterrupted.</p> <p>Recommendation: The Act should be amended to state that if a landlord repeatedly offers a tenant fixed term tenancy agreements with a vacate clause at the end, the second consecutive agreement automatically turns into a month-to-month tenancy at the end of its term.</p>	<p>Priority Action: City staff have also observed an increase in the use of fixed-term lease agreements, and share the concern that the leases are being used by some landlords to evade annual allowable rent increases set by the RTA. Staff also recognize that fixed term tenancies serve a purpose in the rental market, and support reforms that retain the availability of fixed term leases for landlords and tenants, while also ensuring safeguards are in place to prevent abuse.</p> <p>Recommendation 5.1 would increase predictability and affordability for tenants who are able to renew their fixed-term lease, though safeguards would be needed to ensure that the provision does not discourage lease renewal. The recommendation would also help to discourage the abuse of vacate clauses, while continuing to permit their use.</p>
<p>5.2 Permit extensions of time for tenants to pay rent in specified circumstances Recommendation: Provide the ability to restore tenancies for tenants who were prevented from paying rent on time because of specified exceptional circumstances, but are able to remedy the situation expeditiously</p>	<p>See comments on Section 5.0</p>
<p>5.3 Prohibit Application Deposits Recommendation: The Act currently prohibits application and processing fees. We recommend prohibiting application deposits, too.</p>	<p>See comments on Section 5.0</p>

<p>5.4 Special Protections for A Units Recommendation: Place rent control on the unit for Single Room Accommodation Units</p>	<p>Priority Action: Staff agree that SRA units ought to have rent controls that apply to rental units, rather than tenants, in order to protect the affordability of the stock in the face of high turnover. This recommendation is also advanced in Chapter 9, Section 3 of the DTES Plan (2014), which called on the Province to amend the RTA to create a special category for SRAs that would tie rent increases to the room, as opposed to the tenant, which would slow rent increases given the higher tenant turn over in SRA stock. This is particularly critical as a growing percentage of the SRA stock have rents above shelter rates.</p>
<p>5.5 Amending the Rent Increase Formula Recommendation: Review the rent increase formula</p>	<p>Staff also support a broad provincial review of RTA rent increase provisions. Priority Action: There is a need for balance - to reflect the costs of structural upgrades in order to maintain the aging rental stock, while protecting tenants from excessive rent increases. Specifically, the staff recommends that RAC and the RTB examine the provisions adopted by provinces like Ontario governing rent increases after evictions due to renovations and structural improvements, discussed further in our comments on recommendation 6.6.</p>
<p>6. STABLE AND SECURE HOUSING Recommendation: Make changes to the system to ensure that tenants can be secure in their housing: require advance notice where a non-profit will remove a rental subsidy, tackle evictions through renovations by providing tenants with a right of first refusal, and more.</p>	<p>The high cost of real estate in Vancouver has resulted in significant pressure to build and redevelop the city's housing stock. This means new challenges for tenants, both in terms of stability of their current tenure and affordability if they need to move. Staff strongly support the RAC's goal of stable and secure housing for all tenants, and ensuring that the system supports sustainable tenancies as a foundational goal, and eviction as a last-resort option.</p>
<p>6.1 Warnings Before Evictions for Cause Recommendation: Require landlords to issue a notice of problems with a tenancy and to give tenants a reasonable chance to rectify problems before issuing a Notice to End Tenancy for Cause. The Branch should issue a form for landlords to use for giving formal notice of problems with a tenancy.</p>	<p>Early communication of issues with a tenancy in advance of the formal eviction process could be a key tool for eviction prevention, allowing tenants an opportunity to address issues and demonstrate good faith to their landlord. A built-in early notice process could also help to reduce the RTB caseload and the overall burden of eviction proceedings on all participants in the rental market.</p>

<p>6.2 Notice of Removal of a Subsidy in Subsidized Housing Recommendation: All non-profit housing providers should have to provide two full months' notice when a subsidy is being reduced or removed Recommendation: All non-profit housing providers should have to disclose the amount of subsidy they are providing to renters so that renters know what their rent will be should the subsidy ever be removed</p>	<p>See comments on Recommendation 6.0.</p>
<p>6.3 Set fair timelines when issuing orders of possession Recommendation: The Act should mandate that arbitrators set appropriate timelines that are fair and just in all the circumstances when issuing orders of possession.</p>	<p>See comments on Recommendation 4.3.</p>
<p>6.4 Three months' notice for no-fault evictions Recommendation: Extend the notice period for evictions where a tenant must leave a property because of renovations or a family's use of the property.</p>	<p>Proper advance notice for no-fault evictions is critical for tenants trying to find alternate accommodations in Vancouver's tight rental market. City supports the current practice of issuing Notices to End Tenancies only after all permits and approvals are in place. In addition, the City encourages applicants to begin communication early in the rezoning or development permit application process to inform tenants about the intent to redevelop and provide information about processes and timelines.</p>
<p>6.5 Compensation where a tenant is evicted as a result of a municipal order Recommendation: Amend the Act so that landlords must provide tenants with compensation where the tenant has to vacate a rental unit in order to comply with a municipal order.</p>	<p>In the case where tenants face permanent eviction due to a municipal order, Staff support requiring compensation from the landlord to support tenant relocation. The City also has a number of health and safety By-laws to ensure the rental housing stock is maintained. SROs and rooming houses provide the most affordable housing in the private market and are inspected annually, and on a complaint basis. . Through the work of the City's Coordinated Working Group for Troubled Buildings and the Integrated Enforcement Team, the goal is to work with property owners and landlords to comply with our By-laws, without displacing tenants.</p> <p>The Single Room Accommodation By-law also sets out tenant relocation plan requirements when tenants are required to vacate a room in order for renovations to be completed.</p>

<p>6.6 Right of First Refusal Following Renovations Recommendation: Amend the Act to allow renters first right of refusal with the same rate of rent increase that would have applied had the tenancy not been interrupted by the renovation.</p>	<p>Priority Action: Staff support amending the RTA to allow renters right of first refusal to occupy their unit at a rent that is no more than what the landlord could have lawfully charged (e.g including allowable annual increases) if there had been no interruption in the tenancy. This clause would bring the RTA in alignment with tenancy laws in other Canadian provinces, like Ontario, which provide tenants with the right of first refusal and limit rent increases on return. Priority Action: Staff also recommend a broad review of RTA policies governing rent increases, with an emphasis on creating avenues for reasonable rent increases to reflect the cost of structural improvements, while addressing policies that facilitate excessive rent increases or evictions.</p>
<p>6.7 Fleeing Domestic Violence and Fixed Term Tenancies Recommendation: Amend the Act to allow tenants fleeing domestic violence to have a way out of fixed term tenancies</p>	<p>Staff support the removal of barriers to tenants fleeing domestic violence, including removing penalties for breaking fixed term leases.</p>

Additional Topics not covered in RAC Report

1. *Pet Policy*

Staff have received input from the public that the limited rental housing stock allowing pets, as well as restrictive pet policies when pets are allowed, is significant concern for renters. This may be an additional driver for displacement, particularly in the West End. Pets are an important source of companionship for many people, and may also serve important roles in maintaining their owners' health and wellness, especially for seniors and people with disabilities. Staff have also heard concern that restrictive pet policies have more negative impacts on low-income renters who have limited housing options available to them.

Staff will continue to work with RAC and other stakeholders to advance policies to accommodate renters with pets, while also protecting landlords' interest in preventing damage to their buildings. These policies may include amendments to the RTA, and education and awareness initiatives to help inform stakeholders about the benefits of pets for tenants and the importance of responsible pet ownership.

2. *Increase clarity around types of permits that require units to be vacant to better protect tenants from evictions*

Eviction of tenants due to renovations is an issue of significant concern. The RTA currently allows tenancies to be ended for landlord's use if all necessary permits and approvals are in place to renovate and repair rental units which require the unit to be vacant. However, the RTA is unclear about the types of permit or work that could result in a notice to end tenancy, or whether some types of work may only require temporary displacement. The current system relies on tenants to dispute a questionable eviction notice, which is problematic.

Staff recommend providing clarity around the types of work that require a unit to be vacant. This would increase protection to tenants, and enable municipalities to better monitor applications through the permitting process. This could be done through policies and guidelines, rather than an amendment to the RTA.

Letter to Premier on Needed Reforms to the BC RTA

_____, 2015

Premier Christy Clark
West Annex Parliament Buildings
Victoria, BC V8V 1X4
Fax: 250-387-0087
premier@gov.bc.ca

Dear Premier Clark,

Re: Immediate Action Needed to Protect Tenants from Displacement

The pressure on Vancouver's housing market, including historic high home prices and rates of development, have meant significant challenges for the city's renters, who make up over 50% of Vancouver's population. Low vacancy and availability of housing have led many renters to pay more than they can afford on rent, with 35% of renters in Vancouver paying over 30% of their income on rent. Housing pressures have also made it hard for tenants to find housing that meets their needs.

These challenges are even greater for tenants who are evicted due to redevelopment or renovation of their building. Tenants displaced from their homes may face significant challenges finding a new accommodations to rent in their neighborhood that meets their space, size, and personal needs, all at a rent they can afford. It is clear that while renovation and redevelopment are critical to renewing and maintaining the city's rental stock, these activities are also disruptive and can have major impacts on tenants.

In response, the City is considering increasing and expanding its protections for tenants displaced by redevelopment and major renovations. The City also has policies and regulations in place to protect the existing stock of rental housing and mitigate the issue of tenant displacement, including the Rental Housing Official Development Plan and the SRA Bylaw. Staff have also helped to secure access to Residential Tenancy Branch staff for Vancouver's renters and landlords through the funding of an RTB office at 390 Main Street.

While the City is doing what it can to minimize the incidence and impact of relocations, most of the legal protections for landlords and tenants fall under the jurisdiction of the Province through the Residential Tenancies Act. As a result, changes to the RTA to enhance tenant protections are likely to have the greatest impact. In December 2014, Council established the Renter's Advisory Committee (RAC) to advise on strategic priorities relating to renters. On March 24, 2015, Council approved a motion directing the RAC to provide recommendations for immediate Council advocacy related to the RTA, [which were presented to Council](#) on November 17, 2015.

The changes recommended by the RAC to the RTA, if implemented, would increase the clarity, effectiveness, and fairness of the Province's tenant rights framework. The RAC's

recommendations are also in line with the objectives outlined in the City of Vancouver's Housing and Homelessness Strategy of increasing support to renters, preventing homelessness, and taking a leadership role with local, regional, and provincial partners. Among the reforms suggested by the RAC, the City of Vancouver has identified four priority actions that would enhance the RTA's capacity to preserve stable and affordable tenancies and help to prevent displacement due to redevelopment and renovations:

1) Prevent Significant Rent Increases for Tenants with Fixed-Term Leases:

There has been growing attention in Vancouver on an observed increase in the use of fixed-term lease agreements in purpose-built rental apartments. City staff has also observed an increase in the use of fixed-term lease agreements, and share the concern that the leases are being used by some landlords to evade annual allowable rent increases set by the RTA. Staff also recognize that fixed term tenancies serve a purpose in the rental market, and support reforms that retain the availability of fixed term leases for landlords and tenants, while also ensuring safeguards are in place to prevent abuse. Both City staff and the Renters' Advisory Committee recommend that the RTB amend fixed-term tenancy agreements to either prevent significant rent increases upon renewal or revert to month-to-month tenancies after a prescribed number of renewals.

2) Improve Protection to Tenants from Evictions resulting from Renovations:

The vast majority of Vancouver's rental stock is over forty years of age, and is facing increasing need for repairs and renovations. As landlords undertake these improvements, it is critical that tenants are protected from the risk of displacement or excessive rent increases. City staff and that Renters Advisory Committee recommend an amendment to the RTA that would guarantee renters displaced due to renovations to their unit, the right of first refusal to re-occupy their unit at a rent that is no more than what the landlord could have lawfully charged (e.g including allowable annual increases) if there had been no interruption in the tenancy. This clause would bring the RTA in alignment with tenancy laws in other Canadian provinces, like Ontario, which provide tenants with the right of first refusal after renovations and limit rent increases on return in order to maintain stable, affordable tenancies after renovations.

3) Preserve Vancouver's Most Vulnerable Housing Stock:

SRA provide some of the lowest rents to the City's most vulnerable tenants, yet only 24% of SRA rooms currently rent at shelter assistance rates. City Staff and the Renter's Advisory Committee request that the Province amend the RTA to create a special category for SRAs that would tie rent increases to the room, as opposed to the tenant. This would stabilize the stock and slow rent increases given the higher tenant turn over in SRA buildings.

4) Encourage Preservation of the Existing Stock while Protecting Tenants:

The RTA currently lacks clear guidance on how to raise rents to reflect major building improvements while maintaining stable tenancies. City Staff recommend a broad review of RTA policies governing rent increases, with an emphasis on creating avenues for reasonable rent increases to reflect the cost of structural improvements, while addressing policies that facilitate excessive rent increases or evictions. This approach

could help to maximize the potential for stable tenancies, while also facilitating long-term structural improvements to preserve Vancouver's rental stock.

In addition, the City has identified two additional actions that would greatly preserve affordable and stable tenancies:

- **Increase clarity around the types of permits that require units to be vacant to better protect tenants from evictions**
Eviction of tenants due to renovations is an issue of significant concern. The RTA currently allows tenancies to be ended for landlord's use if all necessary permits and approvals are in place to renovate and repair rental units which require the unit to be vacant. However, the RTA is unclear about the types of permit or work that could result in a notice to end tenancy, or whether some types of work may only require temporary displacement. The current system relies on tenants to dispute a questionable eviction notice, which is problematic. Staff recommend providing clarity around the types of work that require a unit to be vacant. This would increase protection to tenants, and enable municipalities to better monitor applications through the permitting process.
- Finally, the rent supplement program, currently provided by the Province, has been critical to supporting low-income and homeless Vancouverites. We would encourage you to expand the program to assist returning tenants who want to live in the area and cannot afford CHMC local rents if they have been on fixed rent increases over a long period of time and have low to moderate incomes.

We look forward to an opportunity to discuss these recommendations and to work collaboratively with your staff to positively improve the lives of renters in our City.

Thank you for your attention to this matter.

Yours sincerely,

Gregor Robertson

Mayor

C.C.: The Honourable Rich Coleman, Minister Responsible for Housing

Summary of Public Input

Summary of Public Consultation Process

The public consultation process for the City of Vancouver Tenant Relocation and Protection Policy took place from October 1st - December 3rd, 2015. Staff consulted over 80 respondents, including individuals from tenant, advocate, landlord, developer, and other stakeholder groups. Staff identified the most frequently-expressed responses, summarized below, as well as quotes from individual stakeholders identifying key issues.

<p>Question 1: What challenges do tenants face in Vancouver when it comes to finding an affordable apartment when they need to relocate?</p> <ul style="list-style-type: none"> • Absence of affordable replacement housing options, or a significant increase in rent upon moving to a less affordable unit. • Loss of critical community supports and networks if tenant cannot find an alternative housing option in their neighborhood or community, particularly for seniors, low-income families and people with disabilities. • "Many seniors in Vancouver who rent are living on fixed incomes and may be dealing with physical limitations and/or cognitive issues like dementia; these individuals are vulnerable, may live alone, and may not be able to identify themselves needing supports when they are told to relocate. Similarly, many seniors may not be aware of their rights and may be vulnerable to aggressive or sketchy maneuvers from landlords. Lastly, moving itself is highly stressful, especially for seniors who may have been living in the same place for many years."
<p>Question 2: What are the challenges facing landlords and developers as they carry out redevelopments or major renovations in properties with tenants?</p> <ul style="list-style-type: none"> • A lack of education and/or understanding about City policies, particularly among smaller 'mom and pop' landlords, can lead to frustration when they approach the City for permits to get work done. • RTA has limited guidance on renovations; the current clause for raising rents after renovations is too onerous, and needs to look more like Ontario.
<p>Question 3: What do you think are the major stresses or 'pain points' for tenants who move as part of a relocation plan?</p> <ul style="list-style-type: none"> • Difficult for seniors on fixed income to afford security deposit and/or first and last month's rent for a new apartment. • Right of first refusal to a replacement unit may be out of reach if the rent is substantially higher than the tenant's current rent, particularly if the tenant is on a fixed income. • Seniors and other groups may also be particularly vulnerable to contradictory/confusing communications from the city, landlords, etc. • Some tenants with special needs or cognitive issues may have difficulty understanding the process and need extra support with communication, planning, and logistics. • Tenants with pets often have additional challenges accessing an alternative housing option, given shortage of pet-friendly units. • "Oftentimes tenants get notice when the landlord applies for a permit, and are not sure what this means for them. Often this means they move too early and miss out on compensation."
<p>Question 4: What solutions could help mitigate the stress of moving as a result of</p>

<p>redevelopment activity or major renovations?</p> <ul style="list-style-type: none"> • Early, direct communication to tenants about their rights and the tenant relocation timeline, emphasizing that the permitting process may take multiple months or even years before they are required to move. • Access to advocates with skills working with vulnerable tenants, to help with logistics, packing, and other aspects of the moving process. • “Nothing can ease the stress of a move on seniors - extra compensation can make a move possible, but the stress is inevitable part of this highly disruptive process.”
<p>Question 5: Do you agree that tenant relocation policies should provide the greatest amount of support to the most vulnerable tenants?</p> <ul style="list-style-type: none"> • Broad agreement • “Yes - BUT we need to cast a wide net when we talk about vulnerable people, since not all issues are highly visible or easy to categorize, especially physical and mental limitations.” • Caution not to overlook households earning slightly above incomes qualifying for welfare benefits, who may be getting by because of their affordable rents but will be particularly vulnerable to a rent increase if they are displaced from their current home. • “Absolutely - seniors on fixed income who have been living in a unit for a long time need extra supports during a relocation. People with dementia, disabilities, or other issues also need extra physical and logistical supports to mitigate risk of homelessness. We know that the seniors at greatest risk of homelessness are also the least likely to reach out for help or have experience navigating the system.”
<p>Question 6: What are your thoughts on the City’s new proposals for tenant relocation plans?</p> <p>Tenant Group Responses</p> <ul style="list-style-type: none"> • Overall positive response from tenant advocates to extra rent provisions for longer-term tenants, added supports for vulnerable groups, and flat rate compensation for moving costs. • Concern that the three alternative options at CMHC average rents may not be viable options for seniors on fixed incomes or other lower income earners. • Right of first refusal to a replacement social housing unit is ‘a huge win’ for vulnerable seniors; the discounted rent for private replacement units could also be helpful for seniors, particularly if they can find a roommate to help share the cost. • Some doubt about viability of right of first refusal for low- and moderate- income tenants who don’t qualify for social housing, especially after a longer-term displacement. • Some concern that the proposals may be enough for majority of tenants but insufficient for the most vulnerable people, and that additional supports may be hard to implement in practice. The critical first step is being able to identify vulnerable tenants. • On the issue of free rent vs. cutting a cheque, a large sum of money at once could impact eligibility for benefits, but on the other hand free rent for someone on a pension could be an issue. Suggest adding a flag for tenants who are receiving benefits so they can be referred to extra assistance. <p>Landlord Responses</p> <ul style="list-style-type: none"> • Real estate industry perspective is that it is generally positive that the tenant relocation process is being made clearer and more transparent. Free rent costs can be factored into cost of developed upfront, and clarifying moving cost requirements takes

<p>away need for negotiation. Special needs tenants generally require added assistance, even in the absence of policies on the issue. However, there may be a need for phased implementation; for most big projects, there's already an awareness that these policies are in place, but smaller landlords in new zones may be less aware.</p> <ul style="list-style-type: none"> • Some concern about viability of landlords finding three affordable options in Vancouver, particularly smaller landlords without resources to hire special consultants. • Some concern that right of first refusal in rental redevelopments may discourage development activity. • Some concern about additional costs and time added to the development process.
<p>Question 7: Are there ways the City could streamline the tenant relocation planning process and help landlords reinvest in their properties?</p>
<ul style="list-style-type: none"> • There is a great potential for education about City policies for smaller landlords. • Many of the barriers to reinvestment actually exist at the level of the Residential Tenancies Act, since there is limited guidance on ways landlords can increase rents while maintaining stable tenancies after a renovation. However, there are programs that the City ought to explore and examine, as well as opportunities to collaborate with industry groups.
<p>Question 8: Are there areas for improvement? Anything we missed?</p>
<ul style="list-style-type: none"> • Consider ways that the City could help vulnerable tenants into social housing faster, and help them access welfare resources as early as possible in the relocation process. Also try to work with tenants to identify people already receiving welfare benefits, which might be impacted by a move or by the free rent clause. • Consider compensation for moving costs for tenants who take up the Right of First Refusal and move back into a replacement unit. • The city can and should continue to emphasize the contributions of renters to building and shaping the vibrant communities they live in. • "The Province absolutely needs to be at the table" - critical role of RTA reform in ensuring both tenant protections and options for landlords to reinvest in their properties while preserving tenancies.
<p>Question 9: What resources would help tenants have an easier time navigating the relocation process?</p>
<ul style="list-style-type: none"> • Beef up the special circumstances model, make it tenant focused and partner with front-line healthcare resources to identify tenants at risk. Require 3rd party documentation for tenants reinforcing rights. • Consider implementing stricter affordability requirements for the right of first refusal to unit after redevelopment. • One-on-one assistance to help vulnerable people get on social housing rolls; letter to tenants asking them to contact the city for links to extra supports; more public education is critical. • There is a need for advocates to help tenants with the relocation process. • Need lots of help and outreach early on in the process for people who are older, lower incomes, and with mental illness who may not self-disclose their need for extra support. Point people at local hospitals and outreach centres could flag an address and see if anyone in a given building is in the system. Some ideas of community organizations to involve: St. Paul's hospital, VCH, West End, firehalls.

Renter’s Advisory Committee Comments

Staff engaged the Renter’s Advisory Committee for their feedback over two meetings in the Fall of 2015. Overall, the Committee broadly supported the proposed Policy and Guidelines. They agreed the measures will help mitigate the impact to tenants that are displaced by redevelopment activities. However, the Committee also expressed concerns about Vancouver’s tight rental market and the challenges of finding alternate accommodations that is both suitable and affordable. There were questions about the viability of the right of first refusal and alternate accommodation provisions for tenants who previously paid rents far below market levels. The Committee was interested in seeking opportunities to expand these provisions, and felt it was important to ensure a robust implementation process.

Results from City of Vancouver ‘Talk Housing’ Survey

In addition to the consultation process, the City of Vancouver’s [‘Talk Housing’ online questionnaire](#) sought feedback (August - November 2015) on the housing needs of Vancouver residents and their opinions on ways the City can address housing-related issues. The survey included questions targeted to renters, including opinion questions related to the City’s current policies protecting rental housing and tenants. A summary of preliminary high-level responses to those questions are below, as well as a selection of comments from survey respondents:

How long have you been a renter (including outside Metro Vancouver if applicable)?

		Total
Total		761
1	Less than one year	22
		3%
2	1-5 years	181
		24%
3	6-10 years	167
		22%
4	More than 10 years	391
		51%

How likely are you to stay in the rental market in the next 10 years?

		Total
Total		761
1	Very likely	411
		54%
2	Somewhat likely	196
		26%
3	Not very likely	57
		7%

4	Not at all likely	42
		6%
5	Don't know/Not sure	55
		7%

As mentioned, the City has "Rate of Change" regulations that protect the existing rental housing. In order to redevelop an existing rental building (demolish existing building and replace with a new building), the regulation requires all existing rental units on the site be replace one-for-one. The intent is to ensure no net loss in the city's overall stock of rental units. How much do you agree or disagree with this policy of requiring one-for-one replacement?

		Total
Total		753
1	Strongly agree	383
		51%
2	Somewhat agree	200
		27%
3	Neither agree nor disagree	69
		9%
4	Somewhat disagree	39
		5%
5	Strongly disagree	23
		3%
6	Don't know/Not sure	39
		5%

When a rental building is redeveloped, the City's "Rate of Change" regulations also require tenant relocation plans to help minimize the impacts of redevelopment on existing tenants. These plans include providing tenants with two months of free rent, reimbursement for receipted moving expenses, assistance with finding alternate accommodation and the first right of refusal to re-locate into a replacement rental unit on the site. How much do you agree or disagree with this policy of requiring action to minimize the impact of redevelopment on existing tenants?

		Total
Total		753
1	Strongly agree	450
		60%
2	Somewhat agree	186
		25%
3	Neutral	64

		8%
4	Somewhat disagree	17
		2%
5	Strongly disagree	18
		2%
6	Don't know/Not sure	18
		2%

Do you have children under the age of 18 living in your household full or part-time?

		Total
Total		817
1	Yes	196
		24%
2	No	601
		74%
3	No – have children OVER the age of 18 living at home	20
		2%

How easy or difficult has it been for you to find family housing in Vancouver?

		Total
Total		216
1	Very easy	2
		1%
2	Somewhat easy	19
		9%
3	Not easy but not difficult either	33
		15%
4	Somewhat difficult	60
		28%
5	Very difficult	102
		47%

Sample of Comments

- "I strongly agree that tenant protection needs to be in place for cases such as "renovictions" and other redevelopment cases however, the reality is that it can take longer than 2 months to find suitable accommodation especially for low income tenants, tenants with families and especially those with pets."

- "In our neighbourhood in particular, there are many seniors and long time renters. Important to maintain community / sense of place, particularly for seniors."
- "There should be better protection for tenants if redevelopment that causes substantial increase in cost of rental."
- "Again, this doesn't seem to take income into account enough. At a certain income level, you exist in a very precarious balance between affording rent, travelling conveniently to work/school, affording bills and necessities, and something as trivial-sounding as relocation can completely destroy that equilibrium...Reimbursement of moving expenses or assistance with finding accommodation or two months of free rent are only useful up to a point."

Summary of Public Input

	Vancouver (Proposed)	New York City	San Francisco	Los Angeles	Toronto	Seattle	Montreal
Municipal and Provincial/State Regulations Governing Evictions and Tenant Relocation	<p>Tenant Relocation and Protection Policy and Guidelines; Rental Housing Stock ODP</p> <p>BC RTA regulates notice and compensation for evictions with cause; municipal policy governs additional relocation requirements</p>	<p>NYC Rent Stabilization Code</p> <p>New York State governs Rent Control and Stabilization regulations; New York City administers law for units covered by regulations and imposes additional regulations on eviction process</p>	<p>SF Rent Ordinance Section 37.9C: Tenants Rights to Relocation for No-Fault Evictions</p> <p>California Civil Code governs notice requirements for ending tenancies; municipalities have authority to pass rent control ordinances for additional termination and compensation requirements</p>	<p>Tenant Habitability Program Regulations; Los Angeles Municipal Code</p> <p>California Civil Code governs notice requirements for ending tenancies; municipalities have authority to pass rent control ordinances for additional termination and compensation requirements</p>	<p>Municipal bylaw 667</p> <p>Ontario RTA regulates notice and compensation for evictions with cause; City of Toronto Act gives municipality authority to regulate the demolition and conversion of residential rental properties</p>	<p>Seattle Tenant Relocation Ordinance</p> <p>Washington State Residential Landlord/Tenants' Act governs notice requirements for evictions, authorizes certain cities to require relocation compensation for low-income tenants</p>	<p>Quebec Regie de Logement (RTA)</p>
Summary of Tenant Compensation Policy	<p>Compensation for tenants, with additional compensation based on length of tenancy</p>	<p>Very high compensation for tenants rent controlled units</p>	<p>Very high compensation for tenants, with additional compensation for special needs</p>	<p>Very high compensation for tenants, with additional compensation for special needs</p>	<p>High compensation for tenants, with additional compensation based on length of tenancy and for special needs. Foundation of strong RTA rules on right of first refusal</p>	<p>Compensation for low-income tenants, paid in part by City</p>	<p>Compensation for all tenants, based on strong RTA rules on compensation</p>
When does law apply?	<p>Construction or major renovations requiring a rezoning and/or development permit; demolitions</p>	<p>Demolition or conversion of rent controlled and stabilized apartment units (50% of NYC rental housing stock)</p>	<p>Evictions for owner/relative move-in, demolition/permanent removal of unit from housing use, temporary capital improvement work, or substantial rehabilitation (improvements equal or exceeding 75% of cost of</p>	<p>Demolition, renovation, eviction with intent to take possession. Mom and pop landlords (building <4 units, and landlord owns no</p>	<p>Renovation, demolition or conversion of rental units in buildings >6 units (includes interior renovations/alterations that result in a change to number or type of existing rental units)</p>	<p>Applies to tenants who will be displaced by housing demolition, substantial rehabilitation or alteration, change of use or removal of use restrictions</p>	<p>Demolition or renovation of existing rental housing</p>

	Vancouver (Proposed)	New York City	San Francisco	Los Angeles	Toronto	Seattle	Montreal
			new construction). Tenants must have occupied unit for >12 months	more than one <4 unit property and a separate single-family property) pay lower fees.			
Amount of Notice	60 days after all permits and necessary approvals are in place	At least 90 days	60 days (30 days if tenant has resided in unit for <12 months)	60 days for primary renovation; 120 days for demolition; 180 for conversion	120 days (per Ontario RTA)	90 days for demolition or rehabilitation; 120 days for conversion	90 days for any relocation for a renovation >1 week; 6 months for relocation due to dispossession or demolition
Amount of tenant assistance	Vary based on length of tenancy: <ul style="list-style-type: none"> • 2 months free rent for tenancy <4 years; • 3 months for 5-9 years; • 4 months for >10 years; • 6 months for >20 years • Additional assistance for tenants with special needs 	Three options for rent controlled tenants: <ol style="list-style-type: none"> 1) Relocation to unit with equivalent or lower rent, plus moving expenses and a \$5000 stipend; 2) Relocation to unit with higher rent, with landlord paying difference for 6 years or 3) A stipend arrived at by calculation (varies based on rent level and number of rooms, up to \$115,000 for a 2 bedroom 	<ul style="list-style-type: none"> • Each tenant to receive the GREATER of \$5,551 compensation (max \$16,653/unit) PLUS \$3,701.00 for each elderly or disabled tenant or household with minor child(ren) OR the rental payment differential (difference between unit's monthly rent and the monthly market rent) multiplied to cover a two-year period, then divided between the tenants in the unit. • For temporary displacement less than 20 days, owed \$302/day plus actual moving expenses. Rates increase annually based on 	Compensation paid per unit and varies based on whether a tenant is a qualified tenant (elderly, disabled or with one or more dependent children) or an eligible tenant (anyone else): <ul style="list-style-type: none"> • Qualified tenants get \$16,500 (<3 years in property) or up to \$19,500 (3 or more years) • Eligible tenants get \$7,500 (<3 years) or up 	RTA is baseline, then City has right to negotiate additional compensation; typically all tenants receive a \$1500 moving allowance to move out of their unit and 3 months' rent as per the Residential Tenancies Act, as well as: <ul style="list-style-type: none"> • 1-10 years tenure: 1 additional month rent • 10 years tenure: 2 additional months' rent • 15 years tenure: 3 additional months' rent • Special needs tenants will receive an extra 2 months' rent • Any tenant who signs a new lease to return will receive a further 	Tenants are eligible for \$3,340 relocation assistance payments if they qualify as low income (family income of no more than 50% of King County median income) - half paid by landlord and half by city. If a property is being converted to a condominium, the property owner or developer must pay low-income tenants 3 months' rent if they elect not to purchase their unit, if their annual income does not exceed 80% of area median income	Based on RTA: 3 months' rent plus moving costs

	Vancouver (Proposed)	New York City	San Francisco	Los Angeles	Toronto	Seattle	Montreal
		renting at \$500/months) - can also be negotiated resulting in much higher payout	estimated rent growth in the Consumer Price Index.	<p>to \$10,300 (3 or more years).</p> <ul style="list-style-type: none"> Higher fees for households qualifying as low-income by HUD standards. Landlords must also pay a tenant relocation assistance fee to the city. For temporary relocations, landlord is responsible for documented actual moving, rent, and storage costs 	moving allowance of \$1500 to return		
Right of first refusal to new unit?	Yes (when one-for-one replacement required under ODP), at discount of 20% below market rents	No	For temporary capital improvements, tenants have right to return at prior rent, though cost of capital improvements can be passed through to tenants on top of base rent (owner must petition rent board). If there are replacement rental units, tenants have right to return at rents 'not	Residents have right to reoccupy unit after temporary relocation for improvements.	Yes, at rents no higher than they would have been under continuous tenancy; if tenant does not return, units with previous rents below CMHC market level must be kept affordable; no restriction on 'mid-range' rents (between CMHC market and 1.5xmarket levels)	No	No

	Vancouver (Proposed)	New York City	San Francisco	Los Angeles	Toronto	Seattle	Montreal
			greater than those reasonably calculated to produce a fair and reasonable return'				
Other details		After a major capital improvement, landlords may increase rents by 6%			Landlord has right to increase rents by up to 4% for major improvements		

How does Vancouver Compare? Tenant Compensation in Other Cities

