



POLICY REPORT

Report Date: May 23, 2019
Contact: Dan Garrison
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RTS No.: 13196
VanRIMS No.: 08-2000-20
Meeting Date: June 11, 2019

TO: Vancouver City Council

FROM: General Manager of Planning, Urban Design and Sustainability, in consultation with the General Manager of Arts, Culture and Community Services, and the General Manager of Development, Buildings and Licensing

SUBJECT: Actions to Increase Renter Protection and Amendments to the Tenant Relocation and Protection Policy

RECOMMENDATION

- A. THAT Council approve the amended Tenant Relocation and Protection Policy, generally as set out in Appendix A.
- B. THAT Council instruct staff to prepare an Administrative Bulletin to provide guidance on the application of the amended Tenant Relocation and Protection Policy, generally as set out in Appendix B.
- C. THAT Council instruct staff to explore innovative approaches to tenant relocation with the goal of minimizing displacement in new community and city-wide initiatives (e.g. Broadway Plan, City Plan).
- D. THAT Council instruct the Director of Legal Services, in consultation with the General Manager of Planning, Urban Design and Sustainability, General Manager of Development, Buildings, and Licensing, and the General Manager of Arts, Culture and Community Services, to prepare and submit a formal request to the Province to amend the Vancouver Charter to clarify and broaden the conditions that can be imposed on building or development permit applications submitted for renovations or redevelopment of an existing building that contains rental housing units including, but not limited to, requiring applicants to provide information on existing tenancies and communicating the proposed work related to the requested permit;

FURTHER THAT Council instruct the Mayor to prepare a resolution to UBCM for the same authority under the Local Government Act, generally as set out in Appendix C.

- E. THAT Council request the General Manager of Planning, Urban Design and Sustainability to write a letter to the Province to collaboratively investigate proactive long-term approaches to maintain stable tenancies while encouraging reinvestment of the aging stock, as well as to immediately address gaps in the current system, generally as contained in Appendix D.
- F. THAT Council instruct staff to work with Landlord BC to explore the development of a pilot program to fund major building systems and energy retrofits in existing rental buildings without displacing existing tenants.
- G. THAT Council instruct staff to review the Single Room Accommodation By-law to ensure alignment with the proposed amended Tenant Relocation and Protection Policy, and bring forward an update to the By-law with applicable policies.
- H. THAT Council instruct the Director of Legal Services to bring forward for enactment, a by-law to amend the Licence By-law set out in Appendix E.

REPORT SUMMARY

On December 4, 2018, Council approved the motion “Protecting Tenants from Renovictions and Aggressive Buy-outs” and directed Staff to take action on a number of initiatives, including:

- Amending the Tenant Relocation and Protection Policy to extend the policy to all forms of rental accommodation and offer displaced tenants the opportunity to move back during renovations without ending tenancies
- Advocate to the Provincial government to implement vacancy control and to regulate buy-outs
- Investigating additional authorities required under the Vancouver Charter to increase protection to renters; and
- Providing information to tenants about their rights in buildings that have been recently sold

This report provides an update on this work with a number of recommended short and long-term actions for Council’s consideration. Immediate short term actions include an enhanced Tenant Relocation and Protection Policy that offers increased support to renters affected by redevelopment, as well as new actions to address renovictions. There are also longer term actions to address fundamental gaps in the rental housing market and tenancy laws.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

Relevant Council policies and decisions for this report include:

- Tenant Relocation and Protection Policy and Associated Guidelines (2015)
- Housing Vancouver Strategy (2017)
- Protecting Tenants from Renovictions and Aggressive Buy-Outs (Council Motion, 2018)

- A Renter's Office at the City of Vancouver (Council Motion, 2018)
- Single Room Accommodation By-law (SRA By-law)

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

Renters are important to the diversity and vibrancy of the city. Creating a strong and resilient rental system that supports the needs of all renters is critical to the current and future health of Vancouver.

The current crisis of rental availability and affordability in Vancouver is posing a serious challenge to the ability of renters to stay and thrive in Vancouver. This report is one of several Staff reports to Council on measures to strengthen the rental system in Vancouver, including measures to enhance tenant protections; measures to ensure reinvestment in the stock; and measures to expand the stock of rental. Future reports include an update on the current Rental Incentive Review.

This report describes short and long-term actions to increase protections for existing tenants impacted by development and renovations to existing rental. Immediate actions are proposed for Council approval, including amendments to the Tenant Relocation and Protection Policy and enhanced compliance and enforcement tools. Long-term, systemic approaches are also proposed to address the challenges of affordability and need for reinvestment in the existing rental stock, which will require close and ongoing collaboration with partners at the Province and across sectors.

In response to the motion "Creating a Renters' Office at the City of Vancouver", Staff are bringing a separate report back to Council on June 11, 2019. That Report addresses Council's request to develop a Renter Office to support and advocate for the needs of renters, and ensure coordinated and timely action by City departments to assist renters at risk of displacement. The proposed recommendations in that report intend to ensure renters have adequate supports and services to pursue their rights under the BC Residential Tenancy Act and understand the City's Tenant Relocation and Protection Policy. Through the creation a community-based Renter Centre, the creation of a City of Vancouver Renter Advocacy and Support Services Team, and a new Renter Services Funding program, the City will collaborate to improve housing stability for renters.

REPORT

Background/Context

1. Vancouver's Housing Crisis and its Impact on Renters

Vancouver is experiencing a crisis of affordability and availability in its rental housing stock. Vancouver's purpose-built rental vacancy rate has been less than 1 per cent since 2014; over the same period, average rents in purpose-built rental have increased by over 25 per cent.¹ This situation is the result of several decades of limited construction of market and non-market affordable rental housing, combined with high and rising demand for rental housing from a

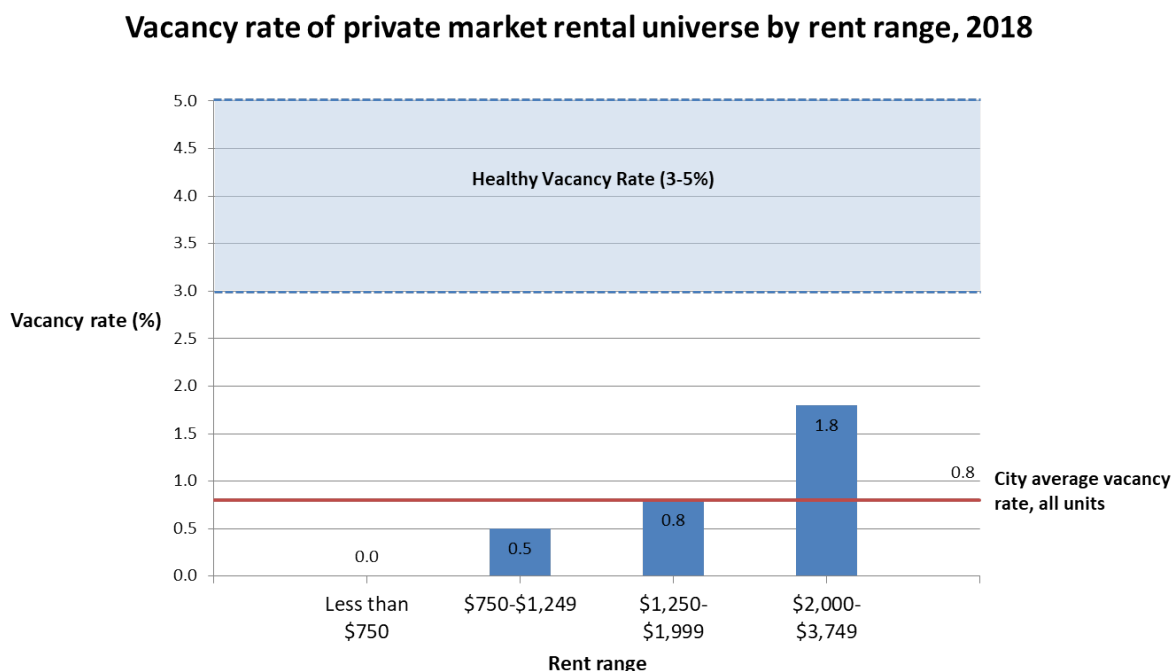
¹ CMHC Rental Market Report 2018

growing population, and rapid increases in housing costs that is putting home ownership out of reach.

The ongoing crisis of rental affordability in Vancouver has meant significant challenges for Vancouver's renters. On average, Vancouver renters generally earn low to moderate incomes, with 2015 median incomes for renting households of approximately \$50,000 compared to approximately \$88,000 for households that own their homes.² Many renter households also experience intersecting barriers to finding and maintaining stable housing, including low incomes, insecure job status, and accessibility needs. As shown in Figure 1, there is very little rental available that is affordable to low and moderate income households. For renters with very low incomes and additional housing barriers, this can mean severe housing insecurity, risks to mental or physical health, and even homelessness.

In consultation with renters and legal advocates, staff learned of additional challenges facing renters at risk of displacement. Renters have told staff about stress and anxiety about the future of their homes when their building is sold to a new owner; pressure and intimidation from landlords to take buy-out agreements rather than accommodate renovations; and fear about inability to find an affordable replacement home due to lack of availability and high rents.

Figure 1: Vacancy Rate of Private Market Rental Universe by Rent Range, 2018 (CMHC Rental Market Report)

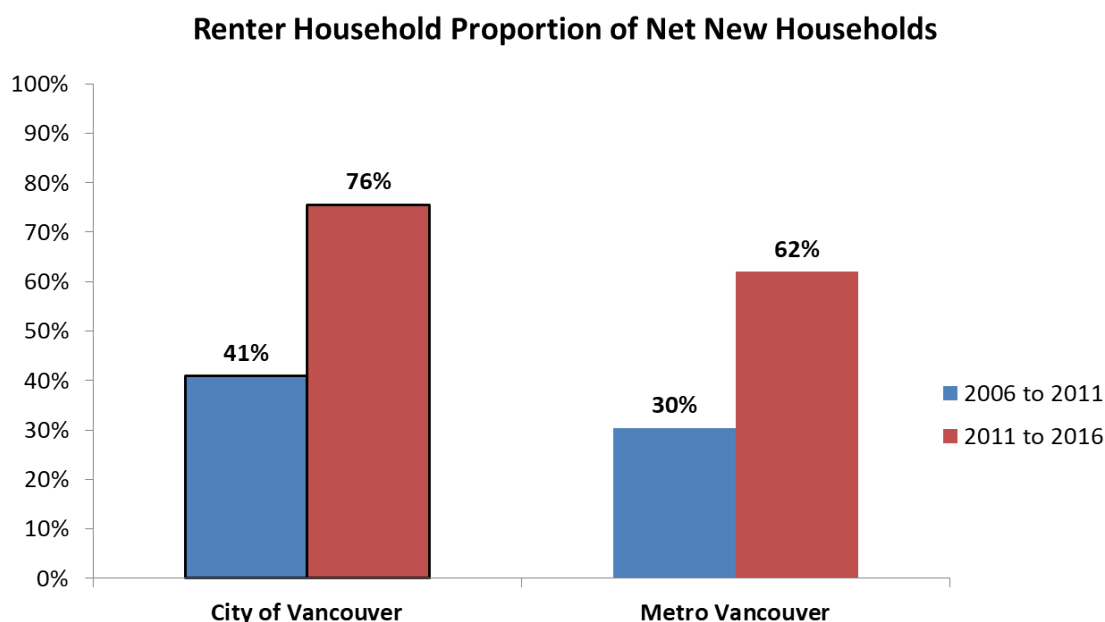


In addition, there is a shortage of rental housing to meet the increasing demand for rental among new households coming to the City and region. The increase in the cost of homeownership has caused a major shift in the tenure from ownership to rental among new households coming to the City and region, as they are increasingly priced out of

² Statistics Canada Census 2016

homeownership. As demonstrated in Figure 2, a much higher share of new households in Vancouver and the region were renting in 2016 compared to 2011.

Figure 2: Renter Household Proportion of Net New Households (Census)



Source: Statistics Canada Census and National Household Survey

Note: Renter household proportion of net new households is calculated by dividing change in # of renter households by change in # of total private households

2. Pressure on Existing Rental Housing

Demand for rental from new households combined with limited new supply has exacerbated the City's already tight rental market, putting high pressure on rents across the City including the older, existing rental stock. Existing rental is generally more affordable than other forms of market housing in the city, renting at rates nearly 30 per cent lower than newly-constructed rental housing.³ As a result, existing rental housing makes it possible for low- and moderate-income households to live in Vancouver, and is critical for fostering and maintaining a diverse population. However, this stock is aging – with over 80 per cent of Vancouver's rental stock constructed prior to 1980, prior to modern seismic, energy, and safety code requirements. As these buildings age, they will require significant upgrades in order to ensure their performance and resilience for future renters.

Vancouver's existing non-market rental stock, including subsidized housing and non-profit co-ops, faces many of the same challenges as existing market rental. Many of these properties are also facing the expiry of senior government operating agreements, which provided ongoing funding to keep rents affordable for existing renters and to subsidize operating and maintenance costs. As buildings age and operating agreements expire, many non-market buildings will need significant upgrades or even complete redevelopment. In these cases, it is crucial to ensure

³ CMHC Market Rental Survey 2017

permanent, affordable housing options to existing residents that are minimally disruptive and in line with residents' preferences where possible.

3. History of tenant and rental stock protections in Vancouver

Vancouver has a history of strong protections for renters and rental housing, including the Rental Housing Stock ODP, first approved by Council in 1989, and the current Tenant Relocation and Protection Policy. Measures to protect existing rental and expand the supply of new market and non-market rental housing are also embedded in recent community plans and citywide policy initiatives.

The Rental Housing Stock ODP has been successful in protecting against loss of the city's crucial existing rental supply by requiring one-for-one replacement of rental units in most RM, FM and CD-1 zones. Approximately 55,060 units of rental housing are protected under the Rental Housing Stock ODP, or 78 per cent of the total private market rental stock. Currently, Vancouver leads the region in terms of net gain of rental housing, which has been accomplished by both preserving the stock of existing rental housing and by adding new rental supply. Even with redevelopment pressure on existing rental in recent years, the Rental Housing Stock ODP has prevented loss of purpose built rental housing, with a net gain of approximately 3,640 units in areas protected by the ODP over the last 10 years, excluding stock changes from renovations or conversions.

In addition to measures to protect the existing rental stock, the City has also taken action to protect renters who are affected by major development. The City's Tenant Relocation and Protection Policy requires additional support and compensation for tenants in purpose-built market and non-market rental buildings who are displaced due to development under rezonings and development permits, the broadest coverage of any municipality in the region. This protection is intended to act as a supplement to the existing protections for renters provided in the BC Residential Tenancy Act, which covers all renters in BC.

Vancouver also has policies in place to incentivize rental construction through new community and area plans and city-wide programs like Rental 100 in ways that minimize impact on existing rental. For example the Rental 100 program does not accept applications that impact existing rental in areas protected by the Rental Housing Stock ODP. Where rental applications have affected existing rental, for instance in current commercial zones that contain only 7% of the City's rental stock, the focus has been ensuring a significant expansion in the overall rental stock. Over the last 10 years, 1,350 new rental units have been created on sites containing existing rental in areas not protected by the Rental Housing Stock ODP; approximately 589 existing units were affected by these applications, for a net gain of 761 units.

4. Gaps in existing renter protections

While the City has significant protections in place for renters and the rental stock, the crisis in rental affordability and availability has revealed gaps in the system of protections for renters in the City and region. Staff heard from renter support groups and advocates that the support and compensation provided under the City's Tenant Relocation and Protection policy is not enough to offset the challenge tenants are facing finding affordable housing when they are displaced. There are also gaps in Provincial protections under the Residential Tenancy Act, since tenants facing displacement due to renovations need to wait until permits have been issued and they have been given a Notice to End Tenancy before they can file a complaint with the RTB and receive clarity on whether their eviction is valid.

These gaps have come to the forefront as the City is looking to meet the high demand for market and non-market rental housing and building owners are looking to make critical reinvestment in existing market and non-market rental. In the context of few existing brownfield development sites and limited areas where multifamily development is permitted, new rental development often involves demolition of existing structures, including existing rental. These projects involve a trade-off between the opportunity for a significant increase in new rental housing that is secured for the life of the building, and the displacement of existing renters on site and higher starting rents in the new building.

In the case of reinvestment in existing rental, the cost of major capital upgrades can also put significant strain on the operating viability of older rental buildings. This is particularly challenging in cases where rents have not been increased for a long time and there are minimal reserves to fund major upgrades. In the context of a tight rental market with rising rents, owners looking to undertake major renovations or modernizations are incentivized to turn over units and increase rents, in some cases via building-wide evictions that may violate the RTA. While the City looks to increase new rental supply and encourage safety, seismic, and energy upgrades to existing rental in order to extend its useful life, it is crucial to take steps to address fundamental gaps in the system that are impacting the needs of existing renters.

5. Conclusion

An aging rental stock, high demand for rental, and continued shortage in new rental housing has led to a crisis of rental affordability and availability. The crisis has revealed significant gaps in the existing system for renters' rights on the one hand and owners' ability to reinvest in their property on the other. Work is required at all levels of government to identify system-wide solutions to these challenges. In the immediate term, Staff priority is to enhance protection to renters using the tools available to us, including the Rental Housing Stock ODP and the Tenant Relocation and Protection Policy, and through new tools like zoning for residential rental tenure. It is also crucial to align and advocate for stronger renter protections in the BC Residential Tenancy Act and associated guidelines, including clarity on the types of renovations that may require tenancies to be ended in order to ensure that the City's policies and practices are in line with the provincial laws. In the longer term, staff will work with the Province and community partners on additional actions to support affordability and security of tenure for renters while also ensuring ongoing renewal of the existing affordable rental stock.

Strategic Analysis

IMMEDIATE ACTIONS

A. Amendments to the Tenant Relocation Plan

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

Please refer to Appendices A and B of this report for the full policy and administrative bulletin on implementation.

A.1 Expanded Policy Coverage

Currently, the Tenant Relocation and Protection Policy is targeted at the primary rental stock, where the purpose of the building is to operate as 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. The policy applies to all redevelopment and major renovations undergoing development permits and rezonings.

The policy does not currently apply to redevelopment or renovation in the “secondary” rental stock, including single-family houses, basement suites, duplexes, or individually rented condos.

During the consultation process, there were differing opinions from a number of stakeholders:

- the City should expand the policy to all rental, including secondary rental (e.g. basement suites and rented condos);
- the City should expand the policy to include all permits, including building and trades permits; and
- concern was expressed the capacity of individual homeowners to meet the requirements of the Tenant Relocation and Protection Policy for secondary rental suites, noting that this may lead to owners choosing not to rent out suites.

The proposed amendments will extend the policy coverage to projects involving consolidation of two or more lots that contain existing secondary rental where the new development is proposing five or more dwelling units. This will provide expanded protection to renters in the secondary stock on redevelopments that are primarily initiated by the development industry. It is anticipated that the expansion of the policy will be focused in recently-approved community plan areas that have enabled new housing choices (e.g. townhouses, low-rise apartments) in lower density areas. This would include areas covered under the Cambie Corridor Plan, Norquay Village, and the Grandview-Woodlands Plan, among others. The proposed approach limits the impact on individual home owners seeking to make renovations or redevelopment on an individual site (e.g. building a new single family home or duplex, infill or addition as part of a character retention project, etc.).

There is also an exclusion in the policy for new tenancies in secondary rental entered into after the purchase of the property that are of a length of two years or less at the date of submission of the development or rezoning application. This exclusion is intended to avoid penalizing owners who are renting out units in order to comply with the City’s Empty Homes Tax during the process of assembling sites for redevelopment.

The proposed policy will continue to apply to development permits and rezonings. The City does not currently have the authority under the Vancouver Charter to require tenant relocation plans as a condition of building or trade permits. Sections A2 and A3 below address the recommended approach to renovations and longer term changes required.

In addition, the proposed policy will now require non-profit co-ops undergoing redevelopment to provide a resident relocation plan to the City. Non-profit co-ops have a distinct decision process for redevelopment, which includes the requirement for a member vote and approval of redevelopment proposals. Recognizing the uniqueness of co-ops, the City’s tenant protection and relocation approach for non-profits will be used as a set of non-binding guidelines to help inform non-profit co-op redevelopment.

For all other applications (i.e. those affecting non-secondary rental), the current requirement will remain the same: tenants must reside in the property for at least one year as of the date of application. This is to encourage applicants to continue filling vacancies while they are preparing their development application rather than leaving them empty, acknowledging that the pre-enquiry/pre-development process can take over a year in some cases.

A.2 Enhanced Protections – Summary of Additional Changes to the Tenant Relocation Policy

In addition to expanding the coverage of the policy, the amended Tenant Relocation and Protection Policy provides increased compensation, support, and requirements for ongoing notice and communication in order to mitigate the impact of relocation on existing tenants, with enhanced support prioritized based on need. The policy proposes:

- increasing the level of financial compensation to all tenants, with additional priority measures for low income tenants with and tenants facing additional barriers to securing housing or relocation (e.g. accessibility needs, low income, those with disabilities, etc.) for market rental providers;
- a new approach for non-profit housing providers (e.g. social housing / co-ops); and
- a temporary relocation option in the case of renovations where the tenancy is not ended.

There are a number of changes intended to improve clarity and implementation of the relocation process. The proposed changes are summarized in the charts below.

Table 1: Tenant Relocation Plans for Market Rental Housing

Current Policy	PROPOSED APPROACH	RATIONALE
<p>Communication and engagement</p> <p>Current policy does not provide clear guidance on communication and engagement. In practice, tenant meetings are generally held as part of major rezonings and for development permit projects in the West End, but this practice has been inconsistent city-wide.</p>	<ul style="list-style-type: none"> • Mandatory meetings between tenants and applicant with City staff in attendance for projects with ten units or more • Require standardized forms and information to be sent to tenants on TRPP and RTA rights, including clarity on buy-outs • Require a Mandatory Needs Assessment be sent to all tenants to identify housing barriers (e.g. low incomes, accessibility needs, etc.) 	<ul style="list-style-type: none"> • Tenants and landlords need to be aware of their rights and responsibilities during renovations and redevelopment • Early and ongoing communication between landlords and tenants is important to ensuring a smooth tenant relocation process • Landlords need a formalized process for identifying tenant needs and potential housing barriers

Current Policy	PROPOSED APPROACH	RATIONALE
<p>Identifying low income tenants and tenants facing housing barriers</p> <p>No clear guidance or standardized method of identification of low incomes tenants and/or tenants with additional housing barriers</p>	<p>Introduce new process / criteria to identify low income tenants and tenants with housing barriers:</p> <p>Low income tenants</p> <ul style="list-style-type: none"> • singles, couples and roommate households without dependents with a gross income of \$30,000 or less • Singles, couples, and roommate households with dependents with a gross income of \$50,000 or less • City may request additional documentation to verify incomes <p>Tenants facing additional housing barriers</p> <ul style="list-style-type: none"> • Based on information provided through the Mandatory Needs Assessment - Staff will apply discretion to identify tenants facing housing barriers (e.g. renters requiring an accessible unit, renters requiring additional support with relocation) 	<ul style="list-style-type: none"> • When faced with displacement, low income tenants and those with additional housing barriers are the most affected and have the fewest resources available to them • It is important to provide clarity for both owners and tenants by establishing a standardized processes and criteria
<p>Assistance finding new accommodations</p> <p>For vulnerable tenants, the applicant must provide one housing option within 10% of the tenant's current rent</p> <p>For those who request help, applicant to provide 3 housing options:</p> <ul style="list-style-type: none"> • At least one in current neighbourhood (2 in West End) <p>At rents no more than CMHC average rents</p>	<p>For low income tenants/tenants facing other barriers to securing appropriate housing:</p> <ul style="list-style-type: none"> • Provide proof that a housing option suited to their needs has been secured (in applicant's portfolio, market, non-market, rent top-up in another unit, etc.) • Assist the tenant in applying for SAFER or RAP • City may require tenant relocation specialist <p>For all other renters who request help, require applicant to provide 3 options that meet tenants' identified priorities, such as:</p> <ul style="list-style-type: none"> • Budget • Neighbourhood • Specific preferences (pets, transit, schools, etc.) <p><i>* Options should be in Vancouver, unless otherwise specified by tenant.</i></p>	<ul style="list-style-type: none"> • Lower income tenants and tenants facing other barriers to securing appropriate housing (e.g. people requiring an accessible unit, assisted living, or supportive housing) require more help finding new accommodations • Focus assistance to those who require the most support and prioritize rehousing for these residents • Tenant relocation specialists are often helpful in assisting tenants with housing barriers <p>All other tenants requesting assistance:</p> <ul style="list-style-type: none"> • Current provisions for tenants requesting assistance are often infeasible and do not account for other tenant

Current Policy	PROPOSED APPROACH	RATIONALE
		<p>priorities; CMHC rents are an arbitrary affordability target.</p> <ul style="list-style-type: none"> The amended policy allows for discretion to prioritize renter needs, while acknowledging the reality of the tight rental market <p>Overall, in practice most tenants do not request assistance finding alternate accommodations. The proposed approach focuses support for those are most likely to experience challenges securing appropriate housing</p>
<p>Compensation</p> <p>Compensation provided based on length of tenancy:</p> <ul style="list-style-type: none"> 1-5 years (2 months' rent) 5-10 years (3 months' rent) 10-20 years (4 months' rent) 20+ years (6 months' rent) 	<p>Higher compensation amounts provided based on length of tenancy:</p> <ul style="list-style-type: none"> 1-5 years (4 months' rent) 5-10 years (5 months' rent) 10-20 years (6 months' rent) 20-30 years (12 months' rent) 30-40 years (18 months' rent) 40+ years (24 months' rent) 	<p>Compensation should be higher overall for all renters to address the burden and costs of relocation. We also heard from the industry that some projects were already offering more than the baseline policy requirements.</p> <p>Longer term tenants are generally more affected by displacement due to having lower rents compared to current market. Additional months' rent for longer-term tenants are required to ensure adequate compensation to reflect current market conditions. The proposed compensation scale is based on advice from experienced tenant relocation specialists.</p>
<p>Moving Expenses</p>	<p>Arrangement, at the choice of the applicant, for an insured moving company or a flat rate payout for moving expenses as follows:</p> <ul style="list-style-type: none"> \$750 for bachelor and one-bedroom units; and \$1,000 for two or more bedroom units. 	<p>No change from existing policy</p>
<p>Additional provisions for tenants with housing barriers</p> <p>Additional support may be requested, but no clear</p>	<p>Additional stipend for special circumstances (e.g. disabilities, pets) up to a maximum of \$2,500 as well as additional relocation supports (e.g. packing, translation services)</p>	<p>Additional supports are often required for tenants with housing challenges beyond low incomes, such as help with packing and moving or accessibility enhancements to</p>

Current Policy	PROPOSED APPROACH	RATIONALE
guidance on what this may entail.		the new unit.
Right of first refusal Right of first refusal at 20% discount from market rents	Maintain right of first refusal at 20% below market for all tenants	See rationale below

Right of First Refusal for Market Rental

Staff heard significant feedback from renters, advocates, and industry on the issue of Right of First Refusal. Advocates and renters noted that the discount of 20% off new market rents provided in the current Tenant Relocation and Protection Policy is unaffordable for most tenants being displaced from their homes. However, housing providers and developers noted significant financial challenges and uncertainty associated with further discount to the Right of First Refusal. It is unknown how many tenants will exercise this option until the occupancy of the new development, since it is often the case that renters who initially express interest in Right of First Refusal ultimately choose not to take it up once they have settled in their new home. This uncertainty has a direct impact on projected revenue streams and project financing.

Staff performed further analysis on the financial impacts of the Right of First Refusal requirement at varying levels of affordability, where existing tenants would be offered the right to move into the redeveloped site at discounted rents. Based on this analysis and stakeholder consultation, this was identified as one of the most significant potential financial challenges to creating new rental housing under the Tenant Relocation and Protection Policy. Significant additional density may be required for a deeper Right of First Refusal to be financially viable in new rental projects. As a result, Staff do not recommend substantial changes to the Right of First Refusal option under the amended Tenant Relocation and Protection Policy.

Instead the focus of the amended policy is an emphasis on securing permanent housing for those who need it most. Staff will continue to monitor this new approach and explore opportunities for deeper affordability via additional density in certain rental projects moving forward as part of the current Rental Incentive Policy review.

Tenant Relocation and Protection Policy for Non-Profit Social Housing Providers

Through consultation with non-profit social housing providers and previous work with non-profit partners on redevelopment projects, Staff learned that resident relocation for non-profit social housing requires a different approach than market rental housing. Residents in social housing are more likely to have low incomes and face additional barriers to relocation and securing appropriate housing. Existing social housing is also more likely to be home to seniors who face serious health risks due to loss of their homes and community if they are displaced. Due to the community-building role of non-profit housing providers, strong communities often form within these buildings. It is important that tenant relocation approaches respect these community relationships.

The perspective of the non-profit sector and rental advocates is that in these cases, the priority should be identifying a permanent, stable and affordable housing option for existing residents that minimizes the disruption of relocation. Staff also heard from the non-profit sector that the high levels of compensation required in the market tenant relocation policy may pose a challenge to the viability and / or level of affordability of the new non-profit projects.

Acknowledging that non-market housing providers and residents face different needs compared to market housing, the new Tenant Relocation and Protection Policy aims to provide a separate framework for resident protection and relocation in non-profit social housing. Non-profit housing providers, including those on City land, that are seeking a rezoning or development permit will be required to provide a Tenant Relocation Plan when tenants in existing residential rental housing units will be displaced. Details on the new Plan requirements are outlined in the table below.

Table 2: Summary of Tenant Relocation and Protection Policy Requirements for Non-Profit Social Housing

Objective	Requirement	Rationale
Ensure permanent rehousing options that limit disruption for existing residents	<p>The applicant should limit the impact of relocation on existing residents by identifying a permanent replacement option meeting affordability requirements below. This option should minimize moves for each resident and prioritize options in the current neighbourhood. Examples of permanent rehousing options include:</p> <ul style="list-style-type: none"> • If site layout permits, implementing a phased redevelopment process whereby residents can be relocated in stages to other properties on the site without ending tenancies • Identifying available units in other properties in the applicant's portfolio, with preference for the existing neighbourhood • Contacting other non-profit social and co-op housing operators to identify unit availability within their portfolio in an effort to maintain a similar living environment, with preference for the existing neighbourhood • Consideration of options for communities of residents to relocate together • Appointment of a Relocation Specialist to identify suitable accommodation in the existing neighbourhood • Adding residents to BC Housing registry waitlist • Right of First Refusal where applicable (see below) <p>Where the recommendations above have been exhausted and no suitable option has been identified, the applicant will explore other options for suitable alternate accommodation that are affordable to the resident. This may include options in other neighbourhoods or outside of the City of Vancouver if the resident agrees to consider this.</p>	The current market policy does not provide enough flexibility for non-market providers to provide permanent re-housing solutions for existing tenants.

	In all cases, applicants should make effort to time relocations to minimize disruption (e.g. consideration of the school year for families, etc.)	
Maintain affordability for existing residents	<p>The relocation plan must provide a suitable and affordable replacement accommodation option for all residents:</p> <ul style="list-style-type: none"> • <u>For existing non-market housing residents paying rent-geared-to-income</u>, priced at rents that are no higher than what they are eligible for under the current subsidy program • <u>For all other existing non-market housing residents</u>, priced at rents on the door that are no more than the greater of 30% of their income (based on incomes at time of development application) or the resident's current rent • For tenants eligible for or receiving RAP/SAFER the rent will be set at the region RAP or SAFER maximum rent for the region • Of a unit type in accordance with CMHC National Occupancy Standards, with discretion to accommodate other family arrangements. • Income testing by the applicant/operator as per standard practice will be required 	The top priority for existing tenants in non-profit social housing is ensuring they will be provided a permanent housing option that is affordable to their incomes
Support with relocation and consideration of special circumstances	<p>Compensation:</p> <ul style="list-style-type: none"> • For social housing residents, 1 month free rent compensation in line with RTA if applicable - i.e. if tenancies are being ended in accordance with S.49.6 (Four Month Notice to End Tenancy For Demolition, Renovation, Repair, or Conversion of Rental Unit) • The applicant may offer additional compensation as part of a relocation allowance <p>Moving Expenses</p> <ul style="list-style-type: none"> • Moving expenses must be provided both for the initial relocation as well as any additional moves (i.e. in the case of a phased redevelopment or where a resident is returning) • An insured moving company may be hired by the applicant, with all arrangements and costs covered; or a flat rate of \$750 for bachelor and 1-bed; and \$1,000 for 2 or more bed units <p>Support for special circumstances</p> <ul style="list-style-type: none"> • The applicant is encouraged to utilize a resident survey or 1-1 meetings to identify any special circumstances that may need to be addressed as part of the relocation process • In special circumstances additional support, such as partnering with health organizations and other non-profit services, may be requested for residents with special circumstances 	<p>The cost of compensation for existing tenants under the market policy can be a significant barrier to the viability and affordability of non-profit housing projects</p> <p>Additional support may be needed for tenants with special circumstances</p>

Communication and Engagement with Residents	<p>Mandatory meetings between tenants and applicant with City staff in attendance for projects with ten or more units</p> <p>All residents will be provided with advance notice and ongoing communication of the need to relocate, the relocation process, and any additional moves</p>	<p>Early and constant communication is key to ensuring a smooth process for tenants</p>
Right of First Refusal	<p>Non-profit housing providers and residents place high priority on ensuring the option for residents to return to the new development at rents that are affordable to them. However, the ability to guarantee this option for all residents is contingent on availability of funding to secure a comparable level of affordability to current rents. Some residents may also prefer to remain in place in a permanent alternate housing option and waive the option to return to the new development.</p> <p>The applicant will be required to demonstrate that all reasonable efforts have been taken to provide the Right of First Refusal for all eligible tenants to return to the new development at rents at required affordability levels (see above). If the applicant demonstrates that this requirement is not feasible for all residents, then emphasis will be placed on securing an affordable replacement unit as per above.</p>	<p>The ability to guarantee Right of First Refusal at affordable rents is contingent on sufficient upfront and ongoing funding – where this is not feasible and redevelopment is still supportable, non-profits need clear guidance for alternative accommodations that can be offered to tenants</p>

Tenant Relocation and Protection Policy for Non-Profit Co-op Housing

Non-profit co-ops have a distinct decision process for redevelopment compared to other non-profit housing, which includes the requirement for a member vote on the plan in order to ensure member approval of the redevelopment proposal and the plan for member relocation during and after the development process.

Recognizing the unique process for non-profit co-ops during redevelopment, Staff are proposing a set of non-binding guidelines to help shape and frame each co-op's specific relocation plan. This approach intends to provide non-profit co-ops with autonomy to construct their own plan that fits their community while suggesting a baseline level of protection for residents:

- The relocation plan should minimize the impact of relocation on existing members and the co-op community by identifying interim relocation approaches that allow co-op members to move as a block. Co-op members should have right to return to the new co-op, unless otherwise agreed to.
- For existing members paying subsidized housing charges geared to income, returning housing charges should be priced at levels that are no higher than what they are currently paying. For all other existing members, housing charges should be priced at no more than 30% of their incomes, unless otherwise agreed to.
- Moving expenses should be provided **both** for the initial relocation as well as the return to the new co-op
- The co-op is encouraged to utilize a member survey and/or meetings to identify any special circumstances that may need to be addressed as part of the relocation process (e.g. seniors, persons with disabilities, mental health issues, hoarding, etc.).

- All members will be provided with advance notice and ongoing communication of the need to relocate, the relocation process, and any additional moves.

To date, there have been limited instances of non-profit co-op redevelopment in Vancouver. Staff will monitor implementation of the new policy for non-profit co-ops in consultation with individual co-ops and the Co-op Housing Federation and report back as needed. Additional details on the proposed approach for non-profit co-ops are available in Appendix A.

Implementation

For projects currently not covered by the current Tenant Relocation and Protection policy (e.g. secondary rental involving lot consolidation), new systems need to be put into place to identify and process these applications in accordance with current procedures. The new requirements will also need to be communicated to the industry and applicants; however, given the urgency of the housing crisis facing renters, Staff recommend moving to implementation quickly. Implementation of the amended policy will be easier to accommodate within rezonings, which is a longer process compared to the development permit process. For development permit applications, the process is shorter (14-16 weeks from application submitted to Prior-To Issuance). As such, it is proposed that the effective start date for the amended Tenant Relocation and Protection Policy be implemented in a phased approach as follows:

Table 3: Effective Start Date of Amended TRPP Policy for Various Development Applications

Policy Coverage	Effective Start Date of Amended TRPP Policy	
	Rezoning Applications	Development Permit Applications
Buildings / sites already covered under existing policy (e.g. purpose-built rental/Non-Profit Housing, Multiple Conversion Dwellings over 5 units)	Immediately at time of Council approval for all new and in stream applications	Immediately at the time of Council approval for all new applications
Buildings / sites with secondary rental proposing consolidation of 2 or more lots (e.g. multiple dwellings or townhouses in RS, RT, RM, CD-1 zoning areas)	<p>Immediately at time of Council approval for all new and in stream applications</p> <p>Exception: projects that have already been referred to public hearing prior to Council adoption of the amended Tenant Relocation and Protection Policy</p>	Effective as of September 3 rd , 2019 for all new applications

Applicants must submit a Tenant Relocation Application Plan for all rezoning and development permit applications where tenants will be affected. 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.

Increased monitoring and evaluation of the new policy will be key to ensure successful implementation (refer to Renters Office Report Back). Metrics around Tenant Relocation Plans will be included in the new State of Renting in Vancouver Report, slated for Q2 2020, as well as in the Annual Housing Vancouver Progress Report.

Application to Single Room Occupancy Buildings

The SRA By-law prevents the loss of low-income housing and the displacement of tenants in Vancouver's Downtown core. Single room accommodation includes single room occupancy hotels (SRO), rooming houses, and non-market housing with rooms less than 320 square feet. The bylaw mitigates tenant displacement and the loss of this housing stock by regulating its alteration, conversion, and demolition. The bylaw contains tenant protections, including: the requirement to locate a comparable or better accommodation at a comparable or lesser rent for permanent residents; to arrange for the re-location of the resident to such comparable accommodation; to pay actual moving expenses; and to offer the right of first refusal to return to the altered unit at existing rent or the replaced unit at market rent. The bylaw was last amended in 2015.

By bylaw, Council have imposed these tenant protection and relocation conditions on SRA alteration, conversion and demolition permits. In cases where an SRA permit is not required, tenant protection and relocation requirements are unclear. In these cases, the Tenant Relocation and Protection Policy will be used as guidance to inform tenant relocation needs. Staff propose to immediately undertake a review of the SRA By-law, to ensure alignment with the updated Tenant Relocation and Protection Policy. Staff propose to bring a bylaw update in the fall of 2019, along with additional bylaw updates being considered.

Comparison to Other Cities

Staff analyzed the City's proposed amended Tenant Relocation and Protection Policy with comparable tenant protection policies in other cities in the region. The City's Tenant Relocation and Protection Policy continues to provide the broadest policy coverage out of Metro Vancouver municipalities, with protections provided for both rezoning and development permit applications in purpose-built rental housing and in secondary rental housing that is being consolidated to create multi-residential properties. The City is also the only municipality with a specific policy tailored to non-profit social housing and co-ops.

The protections offered in the City's policy, including compensation, moving expenses, and requirements for identifying alternate accommodations, are the strongest in the region. Compensation amounts offered to tenants are scaled based on length of tenure, and compensation requirements are substantially higher than in other municipalities in the region.

Staff are encouraged to see that Burnaby has taken action to protect renters and rental housing, including several measures currently in place in Vancouver such as one-for-one rental replacement and provisions for inclusionary rental requirements. Given the regional nature of the rental affordability crisis, stronger protections in municipalities across the region are positive for renters across Metro Vancouver. One recently approved provision that is not currently in

place in Vancouver is a requirement for Right of First Refusal at current rent levels for existing tenants. Staff intend to consult with Burnaby staff if this provision is implemented and adopt the elements that are proving successful.

Staff also analyzed tenant protections provided in other Canadian municipalities, Toronto and Montreal, as well as several large American cities. Tenant protections in other jurisdictions differ substantially from Vancouver, in terms of policy coverage, requirements, and jurisdictional authority. Some of these cities have stronger protections for tenants, including strict regulations for authorizing evictions, higher levels of compensation, and deeper affordability for returning tenants. However, these requirements are often provided to only a specific sub-set of rental units or application types. American cities also benefit from a different legislative framework, including municipal authority around landlord-renter issues that would fall under Provincial jurisdiction in Canada. It is important to note that many of the strongest tenant protections in other Canadian cities are required under provincial legislation, not municipal policy.

Further analysis of renter protections in other cities is available in Appendix H.

A2. Actions to Address Renovictions

Through consultation with renter advocates and legal support teams, Staff learned that a critical gap in existing protections for renters is in the case of evictions due to renovations, particularly where renovations are happening with building permits only.

In 2018 the Residential Tenancy Branch issued guidelines to clarify that in order to end tenancies for renovations, the renovations or repairs must be so extensive that they require the unit to be empty in order for them to take place, and the only way to achieve this must be by terminating the tenancy. However, there are gaps in the RTB process for contesting evictions, since this is done on a case-by case basis based on arbitration after permits have been issued. This means that tenants do not have clarity on the status of their tenancies until very late in the process.

The absence of a clear and proactive set of guidelines and practices to prevent evictions for renovations has created a situation where tenants are often unsure whether proposed renovations actually require tenancies to end. In some cases, this has allowed suspected illegal evictions to take place, with limited potential recourse from the City, as the City does not currently have authority to impose conditions on building permits other than those related to life/safety requirements.

In its final report and recommendations released in late 2018, the Province's Rental Housing Task Force called for changes to the Residential Tenancy Act that would end renovictions for minor renovations. Work is currently underway at the Province to enhance education and enforcement of existing guidelines, with potential legislative changes in 2020. New guidelines are anticipated to be issued in summer 2019, which may clarify aspects of the existing law around renovictions.

Staff analysis and consultation has indicated that long-term, systemic changes are needed to end renovictions while also ensuring needed upgrades to existing rental housing. Staff propose to work with the Province to develop a framework and actions for systemic change. Further information on this approach is available in a letter to the Province attached in Appendix D.

In the interim, Staff propose taking action on immediate strategies to strengthen City information and protections in a way that complements the RTA, while continuing to work for stronger and clearer RTA protections and processes:

1. **Information bulletin describing typical renovations that are undertaken in older apartment rental buildings**, which describes potential impacts to tenants and whether work can be done with tenants in place. The information provided in this bulletin is drawn from consultation with City building experts and members of the rental industry. The intent is to provide information to tenants and landlords on standard practices for typical renovations. All determinations of whether a residential tenancy agreement may or may not end due to renovation or redevelopment work are governed by the BC Residential Tenancy Act. For the full bulletin, refer to Appendix F.
2. **Request authority to require mandatory disclosure of scope of work for renovations impacting rental**. The BC Residential Tenancy Act does not currently require landlords to provide proof of permits or a description of the scope of work for renovations when tenancies are ended. Staff propose working with the RTB to include mandatory disclosure of the scope of work and need for vacant possession as part of the Notice to End Tenancy. This was also recommended by the Rental Housing Task Force in its final report to the Province at the end of 2018.

While Staff continue to work with the Residential Tenancy Branch on potential changes to provincial processes, Staff also recommend introducing a new requirement for mandatory disclosure of the scope of work and intent to end tenancies into the City's permit process for renovations impacting existing rental. The mandatory disclosure requirement would complement the current RTA process, since tenants would be informed of the landlord's intent to and justification for ending tenancies, which could be useful information if the tenants or landlord wish to pursue dispute resolution as per the RTA.

In order to pursue this new approach, Council must request new Charter authority from the Province to impose conditions related to protection of existing renters in residential rental property including, but not limited to, requiring information on existing tenancies and proposed work in permit applications and communications by the owner to tenants.

Once authority is in place, implementing the program will require additional steps to be added to the permitting process for applicants, which may impact permit issuance times and/or require IT system upgrades in order to proceed. There may also be impacts to staff workload and resourcing as well as timelines for pursuing other priority permit processing improvement initiatives. Communication and education for industry will also be required. Staff would aim to minimize disruption to permit issuance timelines e.g. via phased implementation over time, and would monitor the effectiveness and impacts of the new requirement as it is rolled out.

3. **Notification pilot for renters in recently sold buildings**. Staff are in the process of implementing a notification pilot program targeted to renters in purpose built rental buildings that have been sold in the past 5 years, approximately 350 buildings. Staff have heard anecdotally that renovictions are most likely to occur in buildings that have recently sold to a new owner. The intent of this pilot program is to address the gap in notification of renters affected by work under building permit-only applications as building permits are not currently covered by or tenant relocation and protection policy. Renters

in these buildings will receive a notice informing them of the application and their rights in case of an eviction or buy-out. It is anticipated that the system will be in place by September 2019.

- 4. Temporary relocation option for renovations occurring under Development Permits.** The Residential Tenancy Branch has indicated in existing guidelines that there may be situations where tenants may temporarily vacate their unit to accommodate renovations without ending the tenancy.

In order to ensure City policies are in line with Provincial policy, in cases where renovations are taking place under a Development Permit Staff are proposing a new temporary relocation option as part of the Tenant Relocation and Protection Policy. This option would require the applicant to specify the scope of work required, length of time tenant would need to be out of the unit, and any potential reductions in rent. The applicant would also be required to either waive rent or identify suitable replacement accommodations if tenants need to be out of the unit for a period of time. If the scope of work changes, the landlord would be required to communicate changes to the tenant and revisit their tenant relocation strategy if needed.

A.3 Enforcement Actions

Staff have also explored opportunities to enhance the City's approach to problematic or illegal behaviour from landlords and their agents. Staff are partnering with the Province with new initiatives from the Residential Tenancy Branch to enhance compliance with the Residential Tenancy Act, and are also developing new compliance and enforcement measures to enhance the City's capacity to regulate landlord behaviour.

1. Partner with new RTB Compliance Unit

The Province has announced two new initiatives to enhance compliance with the Residential Tenancy Act:

- A new compliance and enforcement unit within the Residential Tenancy Branch to investigate complaints and take action against landlords who are repeat or serious offenders.
- A new local government liaison position that will coordinate responses to renters and landlords on issues that involve both municipal and provincial governments, including illegal renovictions and demovictions.

Staff have already begun to work with the Province on these two initiatives, and will provide information as requested to supplement case work and investigation of complaints. Staff will also work with the Province to explore additional information sharing opportunities between City inspectors and licensing and the RTB compliance unit in order to enhance work at both levels of government.

2. Amendments to the License By-Law

The City has the authority to regulate businesses operating in the City of Vancouver and has exercised that power through the Licence Bylaw. On review of the Licence Bylaw Staff have determined that amendments to the Licence Bylaw can be implemented that will enhance the City's ability to take enforcement measures against landlords who have violated the Residential Tenancy Act.

The proposed amendments to the license by-law (Appendix E) clarify the definition of a landlord or agent and impose a new requirement to, upon request, produce documents relating to Residential Tenancy Branch decisions involving the licence holder. The ability to demand these documents will enhance the City's ability to take appropriate enforcement action against landlords and agents who are engaged in repeated violations of the RTA.

B. LONGER TERM ACTIONS

Systemic, long-term changes are required to meet the challenge of how to address the needs of existing renters in the City while also ensuring we are investing in the current and future stock of rental housing. This work will involve partnerships across levels of government and sectors across a series of recommended actions through a proposed Provincial-Municipal Task Force. Further detail on these actions and the Staff proposal is in Appendix D.

Table 4: Longer Term Actions for Renter Protections and Rental Reinvestment

Recommended Actions	Rationale	Future work / implications
Proactive RTA process to encourage reinvestment in existing rental while protecting tenancies, aligned with municipal development processes	To address the long-term need to ensure reinvestment in the existing rental stock while protecting tenants, a proactive system is needed with alignment between Provincial rules and municipal permit processes.	Advocate for a provincial-municipal working group
Request authority to impose conditions related to protection of existing renters in rental property, including requiring information on existing tenancies and proposed work in permit applications and communications by the owner to tenants	Rental owners are not currently required to disclose information on the scope of work for renovations when ending tenancies. Staff propose a new process for requiring disclosure of the scope of work and need for vacant possession as a condition of permit issuance.	Request for new authority required Potential impact on permit issuance process and times Potential staff resourcing and training requirements Communication and education for industry

Partner with Province/LandlordBC on a pilot program to support adoption of energy-efficient technologies in existing rental buildings while ensuring no displacement of tenants	Funding support may be required to encourage up-take of new energy-efficient technologies in existing rental; there is also opportunity to develop case studies to demonstrate that energy upgrades can be undertaken with tenants in place and without displacement	Continue to explore partnership with Province and LandlordBC
Explore community and city-wide approaches to tenant relocation	Broader scale approaches to tenant relocation at the community and city-wide level is needed to protect existing renters, while allowing for renewal of the aging stock, and creation of new rental (e.g. phased developments on multiple sites, creation of “swing spaces”, and the use of inclusionary non-market housing units created through community plans “.	Staff to explore broader approaches to tenant relocation in community and city-wide planning programs (e.g. the City-wide Plan, Broadway Plan, etc.)
Investigation of a density transfer program to encourage reinvestment in existing rental	Other Metro municipalities (e.g. City of North Vancouver) are exploring use of density transfers to encourage reinvestment in existing rental.	Staff to explore as part of the Rental Incentive Review
Work with senior government on developing transitional rent supplements and supports for existing renters facing displacement	Financial support may be required for low and moderate income renters to afford interim housing in the market while they wait for a permanent affordable option (e.g. in the non-market stock)	Staff to advocate to senior government for an interim housing benefit for renters displaced by development, including follow up with the federal government on National Housing Strategy commitment to fund a housing benefit program

Analysis of Vacancy Control

In Motion B.10, Council requested that Staff explore the potential impacts of vacancy control as a tool for enhancing affordability in rental housing in Vancouver. Appendix I provides a summary of Staff analysis of existing approaches to limiting rent increases in other cities.

Vacancy Control vs. Rent Control

Rent control is regulation that limits the amount a landlord can increase rent while the same tenant occupies the rental unit. Generally, rent control regulations allow the landlord to increase rent by a fixed percentage on an annual basis. Vacancy control regulation is similar to rent control; however, vacancy control regulation limits rent increases for existing tenants and new

tenants leasing a unit. The amount of rent increase at unit turnover can vary depending on the model of vacancy control. This differs from rent control, as rent control regulation does not limit the rent a landlord can charge to a new tenant moving into the unit.

A high-level analysis by staff identified limited examples of broadly-applied vacancy control in other North American cities. There are more cases of rent control in other cities, though laws vary significantly between cities and are generally applied only to a sub-set of older rental apartments. Many other cities with rent control measures also have additional regulations in place to encourage reinvestment in rental housing while maintaining stable tenancies, e.g. by allowing additional rent increases in scale with the extent of renovations.

Rent Control in BC

In BC the *Residential Tenancy Act* includes rent control provisions that apply to all residential rental tenancies. Compared to other jurisdictions, BC has relatively strong rent control provisions, since rent control applies to all rental regardless of age or type. However, the BC *Residential Tenancy Act* does not include dedicated measures to encourage reinvestment in rental housing while maintaining stable tenancies. Municipalities in BC do not have authority to implement rent control broadly across all rental. The City of Vancouver is piloting approaches to limiting rent increases upon unit turnover using existing tools on a site by site basis through housing agreements under the Moderate Income Rental Housing Incentive Pilot Program (MIRHPP).

It is challenging to predict the impact that introducing broad-based vacancy control would have on the rental system in Vancouver, particularly on longer-term outcomes like rental reinvestment and creating new supply. More research and analysis in conversation with Provincial partners on vacancy control is needed to understand the implications on the rental market. Staff will continue to monitor and report on the impacts of vacancy control via implementation of MIHRPP and continued research and analysis.

Public/Civic Agency Input

The consultation process for changes to the City of Vancouver's Tenant Relocation and Protection Policy took place from March 15th – May 8th, 2019. Staff consulted several stakeholder groups to identify strengths and weaknesses of the City's existing Tenant Relocation and Protection Policy and opportunities for enhancement. Stakeholders consulted included individuals from tenant advocacy and resource groups, the development industry, landlord groups, non-market housing providers, tenant relocation consultants, and the Provincial Residential Tenancy Branch. Feedback was gathered through workshops, meetings, surveys, and written correspondence.

For additional details on engagement and consultation, see Appendix G: Tenant Relocation and Protection Policy Engagement Summary.

Stakeholder Group	Engagement Format
Tenant Advocacy and Resource Groups	<ul style="list-style-type: none"> • Workshops and follow up emails with various groups
Urban Development Institute (UDI) – CoV/UDI Affordable Housing & Rental Housing Stock Sub-Committee	<ul style="list-style-type: none"> • 2 workshops • Survey (9 responses)

	received)
BC Non-Profit Housing Corporation, BC Housing, Non-Profit Housing Providers and Development Consultants	<ul style="list-style-type: none"> • Workshop
Provincial Government – Residential Tenancy Branch	<ul style="list-style-type: none"> • Workshop
Tenant relocation specialists	<ul style="list-style-type: none"> • Meeting
Non-profit Housing Co-operatives and Co-op Housing Federation	<ul style="list-style-type: none"> • Meeting • Mail-out questionnaire to (7 respondents)
LandlordBC	<ul style="list-style-type: none"> • Meeting

Key Themes from Engagement:

In engaging with various stakeholders on the City of Vancouver's Tenant Relocation and Protection Policy, staff identified some key messages and recurring themes. Those key messages are listed below.

Lack of affordable options for renters facing displacement due to renovations and redevelopment

- Current policy does not provide enough financial compensation to mitigate the impact of displacement
- Low-income households and individuals with additional housing barriers (e.g. seniors, families) are at high risk of hardship during displacement and need additional support
- Residents in existing non-market social and co-op housing are at particular risk due to housing barriers and current low rents

Impacts on project viability and new housing supply

- Additional City requirements for tenant relocation add to project costs, which can compromise project viability. This is a particular issue for non-profit social housing providers
- Right-of-first refusal at discounted rents creates uncertainty in future revenue streams and impacts project viability and financing, as it is unknown until building occupancy which tenants will exercise their right-of-first-refusal.
- Right of First Refusal at same/similar rents for existing tenants in non-market housing may not be financially achievable without adequate government funding

Early and ongoing communication between the applicant and tenants

- Strong preference for engagement with tenants to occur at the beginning of the project process
- Strong preference for City staff to be involved in early meetings with tenants to oversee the process and ensure accurate information is being presented

Awareness of tenant and landlord rights and responsibilities

- Many tenants are not aware of their rights under the Residential Tenancy Act and the City of Vancouver Tenant Relocation and Protection Policy
- Some tenants are approached with a Mutual Agreement to End Tenancy by their landlord without full knowledge of their rights and options

Structured approach to identifying tenants in need of additional assistance

- Tenants in need of greater assistance through the relocation process can be difficult to identify
- In some cases, there is a lack of upfront information obtained from the tenants by the applicant

Flexibility in tenant relocation approaches for non-market housing providers

- In many cases, non-profit housing providers are focused on permanent re-housing. This can be achieved through phased redevelopment, re-housing within their portfolio, etc. The current market policy does not provide flexibility for non-market providers to provide permanent re-housing solutions
- In cases where re-housing solutions are achieved, compensation to tenants may be unnecessary and a barrier to the project
- Redevelopment in non-profit co-ops is subject to member vote; member approval will almost always be contingent on a robust plan for existing residents. While a set of guidelines can be useful to inform co-op relocation plans, they should not be mandatory

Temporary relocation under the Residential Tenancy Act

- Under the Residential Tenancy Act (RTA), there are renovation scenarios where tenants may temporarily leave their unit without ending their tenancy agreement; however, the City's current Tenant Relocation and Protection Policy (TRPP) does not offer an aligned temporary relocation option
- Lack of clarity of what scope of building work requires a landlord to end the tenancy agreement

Implications/Related Issues/Risk

Financial

The proposed Tenant Relocation and Protection Policy and Guidelines will provide higher levels of compensation and additional support to renters facing displacement and rising housing costs. However, it will result in additional costs to applicants applying for rezoning or development permits. For market developments, these costs are typically not material to the overall redevelopment costs, and can be reasonably estimated by the applicant prior to application. For projects that have i) a high number of tenants, ii) a high number of tenants with long length of tenure, and/or iii) a high number of low-income tenants or other housing barriers, the additional requirements may have a more substantial impact on redevelopment costs. Over time, these costs should be reflected in the cost of land purchase.

The tenant compensation costs for each project is unique depending on the number of tenants, length of tenures, and other factors. For most projects, the most significant incremental cost will be the proposed additional financial compensation for tenants, which is estimated to double the costs under the current policy. During consultation with the development industry, these additional costs were not flagged as a significant issue as in some cases applicants are already providing higher compensation to tenants than what is currently required. Right of First Refusal may also have implications for access to financing and affordability for certain projects depending on the level of take-up, particularly for non-market projects.

Other proposed requirements for additional support for low-income tenants and tenants with other housing barriers may also create additional costs for redevelopment. These costs are highly dependent on the needs of the existing tenants and will vary for each project. Non-profit developments are more likely to face costs associated with support for low-income tenants, as well as need for additional senior government funding to support affordability in the new site.

Staff will continue to work with senior levels of government on opportunities to provide funding support for non-market renewal and redevelopment projects.

CONCLUSION

Creating a strong and resilient rental system that supports the needs of all renters is critical to the current and future health of Vancouver. Work is required at all levels of government to identify system-wide solutions to the challenges of rental affordability and the need to reinvest in existing rental, while also expanding the rental stock. In the immediate term, Staff priorities are to strengthen existing tools to ensure strong protections for renters, work with our partners across sectors on actions to support affordability and security of tenure for renters, and enable ongoing renewal of the existing affordable rental stock.

* * * * *

Tenant Relocation And Protection Policy

Housing Vancouver Strategy

Approved by Council December 10, 2015.

Amended _____

On _____, Council approved amendments to the Tenant Relocation and Protection Policy originally approved by Council on December 10, 2015. The amendments include the following:

- Changes in policy coverage
- Process changes and requirements for the applicant
- Changes to compensation amounts to be provided to market rental tenants
- Changes to requirements for providing relocation options to tenants requesting assistance
- Special requirements for low-income tenants and tenants facing other housing barriers
- An added temporary relocation option to align with the *Residential Tenancy Act*
- New, separate requirements for non-market housing, as well as non-profit co-operative housing

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New [The Tenant Relocation and Protection Guidelines](https://www.leg.bc.ca/parliamentary-business/legislation-debates-proceedings/41st-parliament/3rd-session/bills/third-reading/gov12-3) have been updated to reflect recent changes to the BC Residential Tenancy Act, which came into force on May 17, 2018. Full text of the legislative changes are available at <https://www.leg.bc.ca/parliamentary-business/legislation-debates-proceedings/41st-parliament/3rd-session/bills/third-reading/gov12-3>

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.

In 2016, 53% of households in Vancouver were renter households.¹ Vancouver provides over half (53%) of the private rental apartment housing in the entire Metro Vancouver region and a third (33%) of all private rental apartment units for all of British Columbia.²

Renting allows for moderate income households to live in Vancouver. The median annual income of renters is \$50,250, significantly lower than that of home owners (\$88,431).³

1.2 Rental Housing Challenges

Vancouver is an attractive place to live and work. It also has one of the lowest vacancy rates in Canada for private rental apartments — at 0.8 percent in 2018 and an average rate of 0.9 percent from 1990-2018.⁴ 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.

Increasing home ownership costs have been significant in recent years, making it challenging for many households to purchase a home. In April 2010, benchmark price for a Vancouver east side apartment was \$298,900 compared to \$547,900 in April 2019, an 83% price increase over a 9 year period.⁵

One impact of increasing home ownership costs is that households that would have previously been seeking to buy a home are now opting to rent. Figure 1 shows that

¹ Statistics Canada Census, 2016

² CMHC Rental Market Survey, 2018. Consists of any building with three or more rental units, all of which at least one unit is not ground oriented. Owner-occupied units are not included.

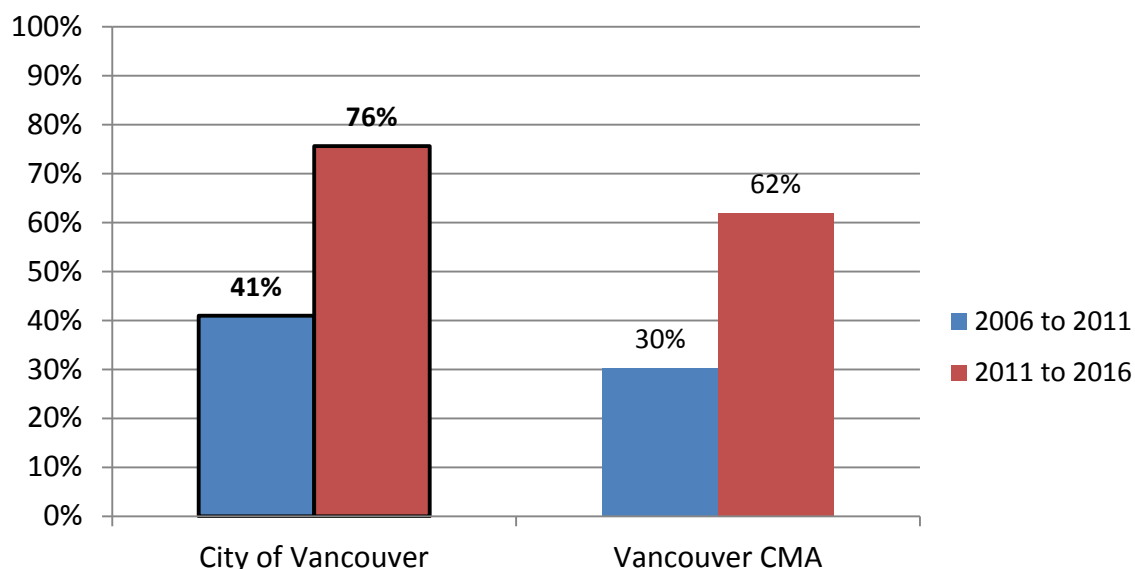
³ Statistics Canada Census, 2016

⁴ CMHC Market Rental Survey, 1990-2018.

⁵ MLS Home Price Index, Real Estate Board of Greater Vancouver, 2019.

between 2011 and 2016, 76% of net new households in Vancouver were renter households, compared to 41% between 2006 and 2011.⁶ This is the trend throughout the Metro Vancouver region, but is heightened in the City of Vancouver.

Figure 1. Renter Household Proportion of Net New Households



Source: Statistics Canada Census and

Note: Renter household proportion of net new households is calculated by dividing change in # of renter households by change in # of total private households

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. Figure 1 shows how in 2018, average rents in private rental 1-bedroom apartments were significantly lower in buildings constructed prior to 2000 compared to buildings constructed after 2000. However, this market rental stock is aging — Figure 2 illustrates that over 3 quarters of the private rental apartment stock is over 35 years old.⁷ This older portion of the stock provides affordable rents.

⁶ Statistics Canada Census (2006 and 2011) and National Household Survey (2011)

⁷ CMHC Market Rental Survey, October 2018

Figure 1: Private Apartment Average Rents in the City of Vancouver by Construction Date - 1 Bedroom Units⁸

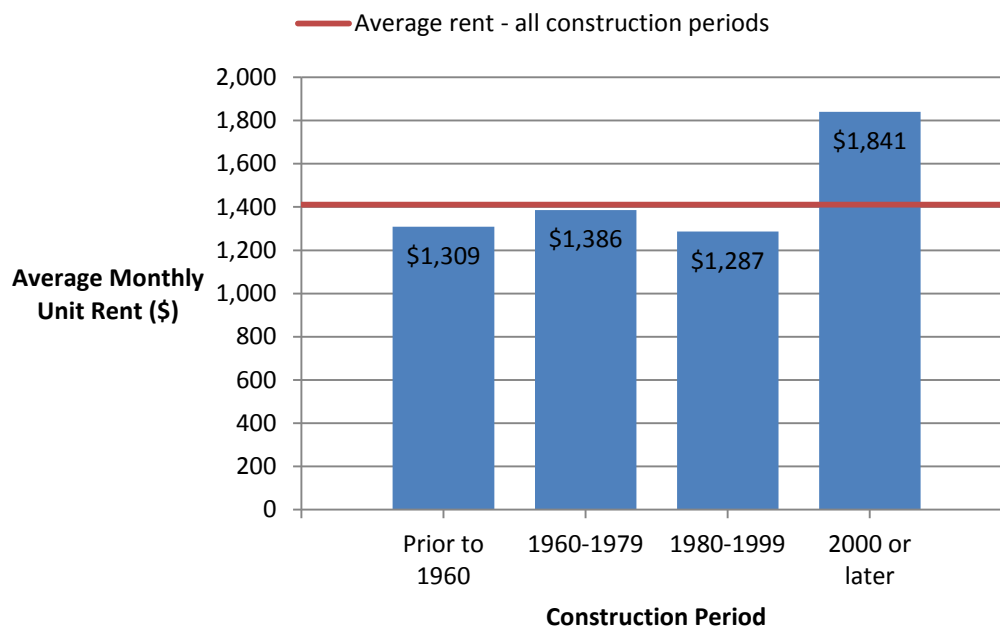
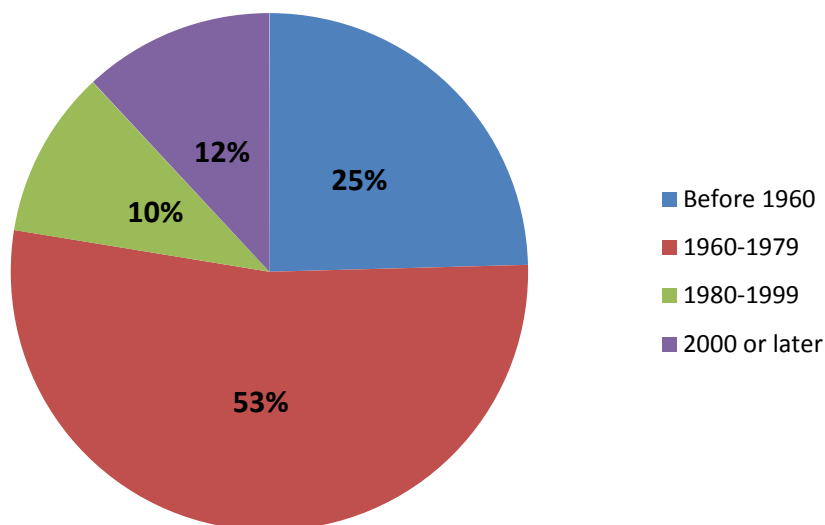


Figure 2: Private Rental Apartment Units by Year of Building Construction, City of Vancouver⁹



Vancouver's aging stock, combined with very high demand for rental housing, particularly from higher income renter households that are unable to afford home ownership, has led to an increase in redevelopment and renovation in recent years.

⁸CMHC Market Rental Survey, October 2018

⁹ CMHC Rental Market Survey, October 2018

While these activities are important for maintaining and renewing the existing rental stock, there are impacts on tenants at risk of displacement. 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 — 35% of renter households pay between 30-99% of their household income on housing, and 13% of renter households pay between 50-99% of their household income on housing.¹⁰ 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 Tenant Relocation in Non-Profit Social and Co-op Housing

As of 2018, there are approximately 26,000 units of non-market housing in the City of Vancouver, including non-profit social housing and non-profit co-ops. The majority of this housing was constructed prior to 1980, and faces increasing maintenance requirements in order to remain safe and secure for existing residents. In addition, several properties are facing the expiration of existing senior government operating agreements, which means the loss of key subsidies to ensure ongoing affordability.

In order to address these challenges, non-profit social housing and co-ops are considering the option of redevelopment of their existing site. Redevelopment can help non-profit social housing and co-ops ensure safe, quality housing for current and future residents, and may also provide the opportunity to expand the number of units available in order to address the shortage of below-market housing in Vancouver.

A key challenge involved in redevelopment of existing non-profit social housing and co-ops is the need for additional funding to deliver affordability at below market rates. The ability to guarantee the same level of affordability currently being delivered on existing sites is contingent on sufficient funding for the project capital costs and revenue for operating costs.

An additional challenge is the need to ensure that existing residents in non-profit social and co-op housing receive the supports they need during redevelopment. Due to the nature of non-profit social and co-op housing, existing residents are more likely to have extremely low-incomes and face other housing barriers. The City is committed to working with non-profit housing providers to support their residents during redevelopment.

1.5 Tenants with Low Incomes and Housing Barriers

Tenants with low incomes and/or facing additional housing barriers, such as seniors, persons with disabilities, or those experiencing health issues, are among those 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.

¹⁰ Statistics Canada Census, 2016

1.6 Policies in this document

Adopted by Council in 2017, the Housing Vancouver Strategy (2018-2027) details the City's vision for ensuring that Vancouver can be a home for people of all incomes and backgrounds. Housing Vancouver includes key actions to strengthen protections for existing residents at risk of displacement, deliver new market rental and non-market housing supply, and reinvest in preserving existing rental housing.

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's jurisdiction in relationship to tenancies is primarily through the oversight of permits. The City's Tenant Relocation and Protection Policy is implemented through the development process as conditions of development approvals and permit issuance.

The City has rental replacement regulations contained in the Rental Housing Stock Official Development Plan to protect the existing rental housing stock by requiring one for one rental replacement in certain RM, FM, and CD-1 zones. In addition, the SRA Bylaw prevents the loss of low income housing and the displacement of tenants in Vancouver's Downtown core. Single room accommodation includes single room occupancy hotels (SRO), rooming houses, and non-market housing with rooms less than 320 square feet. The bylaw mitigates tenant displacement and the loss of this housing stock by regulating its alteration, conversion, and demolition.

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.

1.7 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.

Notice to End Tenancies

The BC Residential Tenancy Act sets out the minimum notice that a landlord must give tenants to move out in the case of renovations to, or demolition of, the existing building. Landlords must give four months' notice to end tenancies for renovation, demolition, and conversions. Tenants have 30 days to dispute the notice. More information is available from the Residential Tenancy Branch.

If a landlord plans to renovate, demolish, or convert the building, they may issue a notice to end tenancy only after all the necessary permits have been issued by the City.

Renovations and Repairs

The Residential Tenancy Act and associated guidelines provide specific guidance pertaining to whether a landlord may end a tenancy in order to undertake renovations or repairs to a rental unit. In order to end tenancies for renovations, the renovations or repairs must be so extensive that they require the unit to be empty in order for them to take place, and the only way to achieve the necessary emptiness or vacancy is by terminating the tenancy. A landlord cannot end a tenancy for renovations or repairs simply because it would be easier or more economical to complete the work.

For more information, please refer to [Residential Tenancy Policy Guideline 2, Ending a Tenancy for Landlord's Use of Property](#).

2.0 POLICY COVERAGE

2.1 APPLICABLE HOUSING TYPES AND GEOGRAPHY

This policy applies to existing rental housing as follows:

- (a) 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;
 - buildings with rental units above commercial spaces; and
 - multiple conversion dwellings with five or more units.
- (b) Non-profit social and co-op housing. This includes:
 - non-profit social housing, defined as rental housing that is owned and/or operated by a non-profit organization or government partner; and
 - non-profit co-op housing, defined as co-op that meets the terms of section 173 of the provincial *Cooperative Association Act* and Section 149 (1) (l) of the federal *Income Tax Act*.
- (c) the “secondary” rental stock (such as rented houses, secondary suites, laneway houses, rented units in strata developments, etc.) where there is a proposal for a new multiple dwelling (e.g. townhouse, apartment) of five or more units involving the consolidation of two or more lots.

Exclusions:

- This policy is applicable in all zoning districts except for agricultural areas
- The policy on the “secondary” rental stock does not apply to:
 - consolidation of contiguous parcels where the principal dwelling straddles the property line(s);
 - instances where a previous owner of a house, strata, or equity co-op unit has sold the property to a developer, and is now occupying the unit as a tenant;
 - tenancies with a length two years or less as of the date of submission of the development permit or rezoning application where the tenancy commenced after transfer of the property;
 - proposed redevelopment or renovation on a single site; and
 - proposed redevelopment of a new multiple dwelling of fewer than five units

Note: In cases where there is existing policy on resident relocation in co-ops (e.g. the *False Creek South Provisional Resident Protection and Retention Plan*), the requirements of existing policy supersede these guidelines.

2.2 APPLICABLE PERMITS

This policy applies to rezoning and development permit application processes involving existing tenants (see 2.1 above).

Note: Stand-alone building and trades permits that are not associated with a development permit are not covered by this policy.

2.3 ELIGIBLE HOUSEHOLDS

Regardless of the type of tenancy, all tenants residing in an applicable housing type, as defined in S. 2.1, for one year or more at the time the rezoning or development permit application is opened are eligible for compensation and assistance under this policy.

In cases where tenants move out prior to receiving a notice to end tenancy from the landlord, tenants are still entitled to full financial compensation and additional supports they are eligible for under the Tenant Relocation and Protection Policy.

For all tenants, compensation and assistance is to be provided on a per household basis, where *household* is defined as one or more individuals who have entered into a single tenancy agreement.

In the case of people under a single tenancy agreement who wish to relocate to separate alternate accommodations (e.g. roommates), additional support may be required. For more information, please refer to the Administrative Bulletin: Tenant Relocation and Protection Policy - Process and Requirements.

3.0 TENANT PROTECTION FOR MARKET RENTAL HOUSING DEVELOPMENTS

3.1 PRINCIPLES

The following core principles shall guide the formation of any Tenant Relocation Plan:

- **Mitigate impacts of the relocation process for existing tenants** by providing financial compensation and the option of additional support based on renter household preferences (e.g. neighbourhood preference, proximity to schools/work/healthcare) wherever possible
- **Prioritize assistance for those who need it most**, including assistance with identifying permanent affordable housing options for low income tenants and additional financial or other support for individuals facing housing barriers - including seniors, people with disabilities, people experiencing health issues, etc.
- **Maintain ongoing communication and engagement** - residents will receive early communication of the intent to redevelop and the supports that will be offered to them, and will get regular updates throughout the development process.

3.2 TENANT RELOCATION PLAN REQUIREMENTS FOR REDEVELOPMENT OR MAJOR RENOVATIONS RESULTING IN PERMANENT RELOCATION

Tenant Relocation Plan

Applicants seeking a rezoning or development permit for redevelopment or major renovations resulting in permanent relocation of tenants in existing residential rental units will provide a Tenant Relocation Plan. This type of 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 the following components:

- (a) Early communication with tenants, including:
- A letter sent by the applicant to all tenants outlining the proposed project and expected timeline, to be pre-approved by City Staff, along with:
 - the City's Fact Sheet on the *City's Tenant Relocation Policy and Information on the Residential Tenancy Act*; and
 - the City's Mandatory Needs Assessment to identify specific preferences, special circumstances, as well as any low income tenants or tenants with other housing barriers;

- A mandatory meeting at the outset of the project with tenants and applicant.
 - For proposed rezoning projects, this meeting must be held during the enquiry process, prior to the submission of the rezoning application. For proposed development permit projects, this meeting must be held shortly after the development permit application has been submitted. City Staff are required to be in attendance at these meetings.
 - For projects with fewer than ten existing rental units on site, one-on-one meetings with the tenants and applicant are required.
 - Materials presented at initial mandatory tenant meetings or one-on-one meetings with tenants must be presented to City staff for approval prior to the meetings.
- Ongoing communication regarding the progress of the development and tenant relocation process. This may include letters to tenants with project updates, regular tenant meetings or office hours on site; and
- Provision of a primary point of contact for tenants

Note: The Mandatory Needs Assessment and City's fact sheet on the *Tenant Relocation and Protection Policy and Information on the Residential Tenancy Act* will be required to be sent to tenants early in the process, and ideally be coordinated with the mandatory tenant meeting where applicable (in buildings of ten or more units).

(b) Financial compensation provided based on length of tenancy:

- 4 months' rent for tenancies up to 5 years;
- 5 months' rent for tenancies over 5 years and up to 10 years;
- 6 months' rent for tenancies over 10 years and up to 20 years;
- 12 months' rent for tenancies over 20 years and up to 30 years;
- 18 months' rent for tenancies over 30 years and up to 40 years; and
- 24 months' rent for tenancies over 40 years

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

(c) Arrangement, at the choice of the applicant, for an insured moving company or a flat rate payout for moving expenses as follows:

- \$750 for bachelor and 1-bedroom units; and
- \$1,000 for two or more bedroom units

(d) Assistance finding new accommodations

All eligible tenants will be offered the option of assistance with identifying alternate accommodations.

- i. Additional support must be provided to low income tenants or tenants facing other barriers to appropriate housing (as defined in S. 3.2 (i)) who request assistance, as follows:

- Assistance in securing an affordable housing option, such as a unit in the applicant's portfolio, a unit in non-market social/co-op housing, or a market unit. Applicant will be required to provide proof that an affordable housing option has been secured. Note: affordable is generally defined as 30% or less of household income, unless otherwise agreed to with the tenant;
- Assistance in securing an accessible unit or other appropriate unit type (e.g. supportive housing, assisted living facility) for tenants with other barriers to securing appropriate housing (as per 3.2(ii));
- If a permanent option cannot be secured immediately, an interim measure may be considered. Interim measures may include providing a rent top-up that bridges the difference between the tenant's current rent, or what they can afford to pay, and the rent in the tenant's new housing until a permanent option is secured. The interim housing option must be suitable for the tenant in the same way as required for the permanent option.
 - Moving expenses must be provided for relocation to permanent housing as well as relocation to and from any interim accommodations.
- The City will not issue an Occupancy Permit until a permanent housing option has been secured. If the General Manager of Arts Culture and Community Services, having considered the interests of the tenants and the applicant, is satisfied that withholding the Occupancy Permit would be unreasonable, the City may accept alternative options to the provision of a permanent housing option, including the continuation of interim measures based on confirmation a permanent option is to be secured in the near-term.

ii. For all other tenants requesting assistance:

The applicant must demonstrate that all reasonable effort has been made to provide three options that best meet the tenant's identified priorities as detailed in the Mandatory Needs Assessment and additional one-on-one conversations, such as:

- Stated budget preference
- Neighbourhood
- Specific preferences (e.g. pet-friendly, close to schools, smoke-free, etc.)

All options should be in Vancouver, unless otherwise specified by tenant

iii. For all tenants requesting assistance:

All options should be in Vancouver, unless otherwise specified by the tenant.

In all cases, applicants should take efforts to minimize disruption to existing residents (e.g. consideration of timing for relocation vis a vis the school year for families).

Staff may also request additional support with alternative accommodations for any/all tenants, such as:

- Assistance with the Provincial SAFER or RAP application process where appropriate; or partnering with health organizations and other non-profit services; and
- a tenant relocation specialist appointed by the applicant. For more information, please refer to the Administrative Bulletin: Tenant Relocation and Protection Policy – Process and Requirements.

If site layout permits, applicants are encouraged to implement a phased redevelopment process whereby residents can be relocated in stages to other units on the site without ending tenancies.

(e) Assistance with relocation

For tenants facing relocation barriers as defined in 3.2 (i), additional supports will be required. The applicant may be required to provide a stipend to offset relocation difficulties (e.g. up to \$2,500) and/or pay for costs related to the relocation, such as unit modifications, etc. Furthermore, relocation supports may be required, such as assistance applying for housing, packing, translation services, etc.

*Note – some tenants may qualify for both support securing an affordable unit as per 3.2(d) and additional relocation support as per 3.2 (e)

(f) Right of First Refusal

Existing tenants shall be provided Right of First Refusal to move back into the new building with a 20% discount off starting market rents, or at the new non-market rents in circumstances when the replacement unit is social housing, in the following scenarios:

- Projects proposing new secured market rental housing, or where one-for-one replacement of rental units are required under the Rental Housing Stock ODP.
- Projects proposing new below-market rental units. Tenants will be offered Right of First Refusal to below-market units provided they meet the eligibility requirements under those policies.
- 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 to the new non-profit housing, provided they meet the eligibility requirements for the new non-profit housing unit. If the project also includes secured rental, they will also be offered right of first refusal to the market rental portion.
- Projects that are renovating existing rental housing units that require vacant possession as per Section 49 of the BC Residential Tenancy Act.

In cases where the tenant previously had a pet under a pet-accommodating tenancy, the tenant shall be offered a pet-friendly unit as part of their Right of First Refusal. This requirement shall be waived if the General Manager of Arts, Culture and Community Services deems the nature of the pet(s) to be unreasonably onerous to accommodate.

(g) Requirements for ending tenancies must comply with rules under the RTA

Under the BC Residential Tenancy Act (RTA), there are two ways to end tenancies for the purposes of renovation, demolition, or conversion of an existing rental property - a notice to end tenancy for landlord's use of the property for renovation, demolition, or conversion or a Mutual Agreement to End Tenancy.

- A 4-month Notice to End Tenancy may not be issued until all City permits are issued (e.g. Development Permit, Building Permit, Demolition Permit)
- For applicants offering tenants a Mutual Agreement to End Tenancy, a Tenant Relocation Plan as per 3(a) - 3(f) above, must also be offered to all eligible tenant households at the same time and in a manner that allows the tenant to easily compare the two offers, and must make clear that the tenant may choose which offer to accept.

(h) Interim and final tenant relocation report

- i. An Interim Report on the Progress of Tenant Relocation must be submitted prior to the issuance of a Demolition Permit in cases where the building is being demolished as a result of redevelopment. In cases of major renovations where the building is not being demolished, the Interim Report will be required prior to the issuance of a Development Permit.

The Interim Report must include:

- Names of tenants who have ended tenancy, the reason for its end (e.g. Tenant Decision or Mutual Agreement to End Tenancy) and the outcomes of their search for alternate accommodation (if assistance requested); and
- Names of tenants remaining in the building and the status of the applicant's search for relocation options (if assistance requested) and/or additional assistance as required through their Tenant Relocation Plan

- ii. 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.).

- (i) Determining low income tenants and tenants facing additional barriers to relocation or securing appropriate housing:

Existing low income tenants and tenants facing additional housing barriers are identified through the Mandatory Needs Assessment and on-going communication with tenants, as per 3.2 (a) above.

- i. Low income tenants: For the purposes of 3.2(d)(i), a tenant is considered to be low income in the following instances:

- Households including singles, couples, and roommates without dependents with (e.g. children under 19, adult children with a disability or senior parent) a gross (before tax) income of \$30,000 or less;
- Households including singles, couples, and roommates with one or more dependents (e.g. children under 19, adult children with a disability or senior parent) with a gross (before tax) income of \$50,000 or less.

The low income thresholds stated above apply for the 2019 calendar year. These income thresholds will be adjusted annually by the same rate as the maximum allowable rent increase under the BC *Residential Tenancy Act*, published for each calendar year by the Residential Tenancy Branch. This maximum allowable rent increase rate is based on the rate of inflation. For details on low income thresholds for the current calendar year, please see Section 3.1(i) of *Administrative Bulletin: Tenant Relocation and Protection Policy - Process and Requirements*.

Self-reported incomes provided via the Mandatory Needs Assessment may be subject to verification by City staff (e.g. provision of tenant household's Notices of Assessment from CRA).

ii. Tenants facing additional barriers to relocation or securing appropriate housing: For the purposes of 3.2(d) and (e), City staff will apply discretion to review information provided by the applicant and tenants (e.g. via the Mandatory Needs Assessment) and identify tenants:

- who face housing barriers apart from, or in addition to, low income that require additional support in securing an appropriate housing unit. These barriers may include: requiring an accessible unit, or having mental or physical health issues that pose a barrier to housing security;
- who may need additional support with the relocation process due to physical, mental or other barriers to relocation (e.g. household requires translation services, is deaf or hard of hearing, is visually impaired, has hoarding issues).

For more information, please refer to Section 3.1(i) of *Administrative Bulletin: Tenant Relocation and Protection Policy - Process and Requirements*.

3.3 TENANT ASSISTANCE FOR RENOVATION WORK WHERE TENANCIES ARE MAINTAINED

The Residential Tenancy Act and associated guidelines provide specific guidance pertaining to whether a landlord may end a tenancy in order to undertake renovations or repairs to a rental unit. For more information, please refer to Residential Tenancy Policy Guideline 2, *Ending a Tenancy for Landlord's Use of Property*.

In order to end tenancies for renovations, renovations or repairs must:

- Be so extensive that they require the unit to be empty in order for them to take place; or

- Significantly alter the rental unit to the point of it being fundamentally different than it was at the start of the tenancy.

Many renovations can be done with tenants remaining in their units; however, there are also cases where tenants are required to leave their units temporarily. It is encouraged that renovations be phased within the building, relocating tenants within the building, where possible.

- (a) **Temporary Relocation Option** - for renovations where tenants are required to leave their unit for more than one day, but where tenancies do not need to end, the applicant must provide a temporary relocation offer to tenants, including:
- Communication to tenants specifying the scope of work required and length of time the tenant needs to be out of the unit;
 - Reduced rent, payment in proportion to the temporary relocation costs incurred by relocating to other suitable accommodation, or provision of temporary accommodation (e.g. in another unit in the building, hotel, etc.)

If the scope of work changes, the applicant will be required to communicate the changes to the tenant. In addition, Staff may require the temporary relocation strategy to be revisited (e.g. provide full Tenant Relocation Plan as per 3.2 above) depending on the new scope of work.

- (b) **Non-Impact Statement** - in cases where tenants will not be affected by renovations (e.g. all work can be completed with tenants in place), applicants will be required to provide a Statement of Non-Impact.

The statement will be notarized and include a declaration that tenants will not be required to leave their units and that tenancies will not be affected as a result of the proposed work.

If the scope of work changes and tenants are required to leave their rental unit for more than a day, applicants will be required to provide a temporary relocation offer as per S. 3.3(a) or a permanent Tenant Relocation Plan as described in 3.2, depending on the nature and extent of the scope change.

4.0 RELOCATION IN NON-MARKET HOUSING

4.1 PRINCIPLES

Acknowledging that non-market housing providers and residents face different needs compared to market housing, the Tenant Relocation and Protection Policy aims to provide a separate framework for resident protection and relocation in non-profit social housing and non-profit co-ops based on meeting a set of core principles.

- **Ensure permanent rehousing options that limit disruption for existing residents:** Relocation plans for non-market housing will minimize disruption for existing residents by providing an alternative accommodation option that involve minimal moves, prioritizes options in the current neighbourhood, and takes into account additional resident considerations e.g. access to schools, transit, etc.
- **Maintain affordability for existing residents:** Due to the low incomes and housing barriers faced by residents in existing social and non-profit co-op housing, emphasis will be placed on providing a suitable permanent affordable accommodation option for all eligible residents.
- **Support with relocation and additional housing barriers:** Residents will be provided support with moving expenses for all moves. Support will be provided for residents with additional needs.
- **Ongoing communication and engagement:** Residents will receive early communication of the intent to redevelop and the support that will be offered to them, as well as regular updates over the course of the development process.

4.2 PLAN REQUIREMENTS FOR NON-PROFIT SOCIAL HOUSING

Applicants seeking a rezoning or development permit for non-profit social housing will provide a Tenant Relocation Plan when tenants in existing residential rental or social housing units will be displaced. This 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 the following components:

(a) Ensure permanent rehousing options that limit disruption to residents

The applicant should limit the impact of relocation on existing residents by making every effort to secure a permanent replacement option meeting affordability requirements in 4.2 (b) that involves minimal moves for each resident and prioritizes options in the current neighbourhood:

- If site layout permits, implement a phased redevelopment process whereby residents can be relocated in stages to other properties on the site without ending tenancies
- Identifying available units in other properties in the applicant's portfolio, with preference for the existing neighbourhood

- Contacting other non-profit social and co-op housing operators to identify unit availability within their portfolio in an effort to maintain a similar living environment, with preference for the existing neighbourhood
- Consideration of options for communities of residents to relocate together
- Identifying other suitable accommodation in the existing neighbourhood
- Adding residents to BC Housing registry waitlist

A relocation specialist may also be required to assist with identifying housing preferences and identifying suitable relocation options.

Where the recommendations above have been exhausted and no suitable option has been identified, the applicant will explore other options for suitable alternate accommodation that are affordable to the resident. This may include options in other neighbourhoods or outside of the City of Vancouver if the resident agrees to consider this.

In all cases, applicants should take efforts to time relocations and find relocation options to minimize disruption (e.g. consideration of the school year for families and/or location with respect to school districts, access to transit, etc.).

(b) Maintain affordability for existing residents

The relocation plan must provide a suitable and affordable replacement accommodation option for all residents that is:

- For existing tenants paying rent-geared-to-income, priced at rents that are no higher than what they are eligible for based on existing subsidy requirements
- For all other existing tenants, priced at rents on the door that are no more than the higher of either 30% of household gross income (based on incomes at time of development application) or the tenant's current rent.
- For tenants eligible for or receiving RAP/SAFER the rent will be set at no more than the regional RAP or SAFER maximum rent.
- Of a unit type in accordance with CMHC National Occupancy Standards, with discretion to accommodate other family arrangements.
- Income testing by the applicant/operator as per standard practice will be required for all units to determine the affordability requirements for alternate accommodations. Assistance with income testing may be provided as deemed necessary.

(c) Support with relocation and consideration of special circumstances

Moving Expenses

- Moving expenses must be provided for relocation to permanent housing as well as relocation to and from any temporary accommodations (i.e. in the case of a phased redevelopment or where a resident is taking up the Right of First Refusal (see Section 4.2 (e) below)):
 - An insured moving company may be hired by the applicant, with all arrangements and costs covered; or
 - A flat rate of \$750 for bachelor and 1-bed; and \$1,000 for 2 or more bed units

Support for special circumstances

- The applicant is encouraged to utilize a Needs Assessment Survey and one-on-one meetings to identify any special circumstances that may need to be addressed as part of the relocation process (e.g. seniors, persons with disabilities, mental health issues, hoarding, etc.).
- In special circumstances additional support, such as partnering with health organizations and other non-profit services, may be requested

Compensation:

- For social housing residents, an amount equal to one month free rent compensation in line with RTA if applicable - i.e. if tenancies are being ended in accordance with S.49.6 (Four Month Notice to End Tenancy For Demolition, Renovation, Repair, or Conversion of Rental Unit)
- The applicant may offer additional compensation as part of a relocation allowance

(d) Communication and Engagement with Residents

All residents will be provided with advance notice and ongoing communication of the need to relocate, the relocation process, and any additional moves, including:

- An upfront mandatory meeting with tenants and applicant for projects with ten or more occupied rental units on site. City Staff are required to be in attendance at these meetings.
- For rezoning applications, this meeting will be held during the enquiry process, prior to the submission of the rezoning application. For development permits, this meeting will be held shortly after the development permit application has been submitted.
- For projects with fewer than ten occupied rental units on site, one-on-one meetings with the tenants and applicant are required. Staff may require documentation of materials presented at meetings.
- A Needs Assessment Survey is encouraged to be sent to all tenants to identify specific preferences or special circumstances.
- The City's fact sheet on the *Tenant Relocation and Protection Policy and Information on the Residential Tenancy Act* must be sent to all tenants.
- Ongoing communication regarding the progress of the development and tenant relocation process, e.g. via regular correspondence, tenant meetings or office hours on site.
- Provision of a primary point of contact for tenants.

Note: The City's fact sheet on the *Tenant Relocation and Protection Policy and Information on the Residential Tenancy Act* will be required to be sent to tenants early in the process. It is recommended that applicants send tenants a Needs Assessment Survey to better understand their needs and preferences for relocation ideally be coordinated with the mandatory tenant meeting. The Needs Assessment Survey may be required in certain circumstances.

Proper notice to end tenancies will be provided in accordance with existing Provincial policy.

(e) Right of First Refusal

Non-profit housing providers and residents place high priority on ensuring the option for residents to return to the new development at rents that are affordable to them. However, the ability to guarantee this option for all residents is contingent on availability of funding to secure a comparable level of affordability to current rents. Some residents may also prefer to remain in place in a permanent alternate housing option and waive the option to return to the new development.

The applicant will be required to demonstrate that all reasonable efforts have been taken to provide all residents with the Right of First Refusal to return to the new development at rents as per Section 4.3(b). If the applicant demonstrates that this requirement is not feasible for all residents, then the applicant may be required to develop priority criteria for Right of First Refusal (e.g. priority for longer-term tenants or tenants who qualify based on income). Tenants who do not receive Right of First Refusal will be provided a permanent affordable housing option as per 4.2(a).

(f) Monitoring and Reporting

For guidance on monitoring and reporting requirements, please see 3.2(h) Final Tenant Relocation Report.

4.3 PLAN REQUIREMENTS FOR RENOVATIONS IN NON-PROFIT SOCIAL HOUSING WHERE TENANCIES ARE MAINTAINED

For guidance on Policy requirements for renovations in existing non-profit social housing, please see section 3.3 (Tenant Assistance for Renovation Work where Tenancies are Maintained).

5.0 GUIDELINES FOR NON-PROFIT CO-OP HOUSING

Non-profit co-ops have a distinct decision process for redevelopment compared to other non-profit housing, which includes the requirement of member vote on the plan in order to ensure member approval of the redevelopment proposal and plan for member relocation during and after the development process.

Recognizing the unique process for non-profit co-ops during redevelopment, the proposed approach for a resident relocation policy for non-profit co-ops is a set of non-binding guidelines to help shape and frame each co-op's specific relocation plan. This approach intends to provide non-profit co-ops with autonomy to construct their own plan that fits their community while suggesting a baseline level of protection for residents.

The Policy requirements for non-profit co-ops are as follows:

- Non-profit co-ops undertaking redevelopment are required to submit a resident relocation plan to the City. The City's policy will provide general guidance to non-profit co-ops for a resident relocation plan based on the draft principles outlined;
- Meeting these resident relocation guidelines will not be mandatory for non-profit co-ops; however, non-profit co-ops proposing a different approach from these guidelines will be asked to provide a rationale for their decision.
- In areas where there is existing policy or guidance on resident protection and relocation (e.g. the *False Creek South Provisional Resident Protection and Retention Plan*), the requirements of existing policy supersede these guidelines.

Non-profit co-ops are asked to consider the following guidelines:

Guideline	Additional Details
Identify options for interim and final relocation that prioritize maintaining the co-op community	<p>The relocation plan should minimize the impact of relocation on existing members and the co-op community by identifying interim relocation approaches that allow co-op members to move as a block.</p> <p>Co-op members should have right to return to the new co-op, unless otherwise agreed to.</p>
Maintaining affordability for existing members in the interim and in the new co-op	<p>For existing members paying subsidized housing charges geared to income, priced at levels that are no higher than what they are currently paying.</p> <p>For all other existing members, housing charges priced at no more than 30% of their incomes, unless otherwise agreed to.</p>
Supporting with relocation and consideration of special	<p>Moving expenses should be provided both for the initial relocation as well as the return to the new co-op</p> <p>The co-op is encouraged to utilize a member survey and/or meetings to identify any special circumstances that may need to be addressed as part of the relocation process (e.g. seniors, persons</p>

circumstances	with disabilities, mental health issues, hoarding, etc.).
Communication and engagement with members	<p>All members will be provided with advance notice and ongoing communication of the need to relocate, the relocation process, and any additional moves.</p> <p>Communications to co-op members should be provided at the following stages:</p> <ul style="list-style-type: none">• Notification of the intent to vote on redevelopment• Following vote on the intent to redevelop• Prior to submission of a formal application to redevelop• Prior to issuance of development permits

6.0 TENANT RELOCATION PLAN - PROCESS AND TIMING

The following section describes the process to prepare and implement tenant relocation plans in relation to the development process. For a rezoning, as an example, the tenant relocation process begins at the enquiry process and ends when the occupancy permit is issued. In total this could span 2-3 years or more, depending on the development.

The following table illustrates the development process for a typical rezoning application and highlights when various requirements for tenant relocation plans occur.

Tenant Relocation Plan Requirements - Rezoning Process

Process	Tenant Relocation Requirements
Pre-Application Enquiry	<ul style="list-style-type: none"> • Applicant sends a letter to tenants notifying them of plans to redevelop (which has been pre-approved by City staff), along with the City's fact sheet on Tenant Relocation and Protection Policy and Information on the Residential Tenancy Act • Applicant hosts a mandatory meeting with tenants with City Staff present • Applicant distributes Mandatory Needs Assessment at the tenant meeting (required for market TRPs and recommended for non-market TRPs) • Applicant meets with tenants who were not able to make the mandatory meeting and distributes the assessment to these tenants
Submission of rezoning application	<ul style="list-style-type: none"> • Eligibility for assistance under the TRP is determined at this stage - all tenants residing in the building for at least one year when the rezoning application is opened are eligible for assistance under the TRPP • Applicant collects Mandatory Needs Assessment and sends copies, along with a summary sheet, to City Staff • Applicant submits a draft Tenant Relocation Plan; Staff review and provide feedback to applicant • Applicants provide information on the Tenant Relocation Policy to tenants, initial details of support and compensation to be provided • At this stage, there is often back and forth communication between tenants and applicants regarding the details of the Tenant Relocation Plan

	<ul style="list-style-type: none"> Note: As of the date of application, all eligible tenants are entitled to full protections offered under the TRP (i.e. if they end their tenancies) even if the project has not yet been approved.¹¹
Rezoning report at Council	<ul style="list-style-type: none"> A finalized Tenant Relocation Plan for all tenants is included in the rezoning report to Council for approval The Final Tenant Relocation Plan includes details on additional support to be provided to tenants with low incomes and facing additional housing barriers Tenants are notified in writing of their individual, final approved assistance and compensation
Development permit application	<ul style="list-style-type: none"> Applicant will continue to implement the Tenant Relocation Plan, including support for tenants who request assistance identifying alternate accommodations.
Prior to development permit issuance / development permit issuance	<ul style="list-style-type: none"> Tenant Relocation Plan requirements (as per the rezoning report) are carried over into the Development Permit_Prior-to letter to applicants;
Demolition permit	<ul style="list-style-type: none"> Interim Tenant Relocation Report due prior to demolition permit issuance As per the RTA, the applicant can issue a four month Notice to End Tenancy once all permits are in place. <p>Note: the demolition permit is usually the last permit that is required before a Notice to End Tenancy can be issued and four month notification period begins)</p>
Prior to Occupancy permit	<ul style="list-style-type: none"> Applicant submits final Tenant Relocation Report that describes the outcomes for each tenancy.

Note on timing of assistance for tenants: During a typical development process, some tenants choose to remain in their existing unit for as long as possible before moving, until the landlord has all necessary permits in place and can issue a Notice to End Tenancy as per the RTA. Other tenants choose to start their process of relocation early, and may give early notice to end tenancy or enter into a Mutual Agreement to End Tenancy based on discussion with the landlord.

Applicants are required to provide compensation as per the Tenant Relocation Policy to all eligible tenants, including all tenants that leave prior to the formal Notice to End Tenancy. Applicants are encouraged to keep tenants informed throughout the redevelopment process, and to provide relocation support and assistance as tenants

• ¹¹ If the applicant withdraws the application or the application is refused, tenants are no longer entitled to protections as of that date. On occasion an application may be amended; in the case that an amended application is substantially different than the original application, the TRP must be resubmitted and dated the same as the revised application.

make the choice to move out on their own volition. It is important that the process respect of tenants' preferences and choices.

7.0 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 Administrative Bulletin: Tenant Relocation and Protection Policy - Process and Requirements.



City of Vancouver *Planning By-law Administration Bulletin*
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TENANT RELOCATION AND PROTECTION POLICY – PROCESS AND REQUIREMENTS

Authority - Director of Planning

Effective **ADD DATE**

This Bulletin replaces the Tenant Relocation and Protection Guidelines, adopted by City Council on December 10, 2015, amended February 15, 2016, June 22, 2018, and August 15, 2018.

1 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 affected or displaced due to major renovation or redevelopment.

2 Policy Target

2.1 Applicable Housing Types and Geography

This policy applies to the following instances:

- (a) the “primary” rental stock, where the purpose of the building is to operate rental housing in the long-term. This includes existing:
 - purpose-built market rental housing;
 - buildings with rental units above commercial spaces; and
 - multiple conversion dwellings with five or more units.
- (b) Non-profit social and co-op housing. This includes existing:
 - non-profit social housing, defined as rental housing that is owned and/or operated by a non-profit organization or government partner; and
 - non-profit co-op housing, defined as co-op that meets the terms of section 173 of the provincial *Cooperative Association Act* and section 149 (1) (l) of the federal *Income Tax Act*.
- (c) the “secondary” rental stock (such as rented houses, secondary suites, laneways, rented units in strata developments, etc.) where there is a proposal for a new multiple dwelling (e.g. townhouse, apartment) of five or more units involving the consolidation of two or more lots

Exclusions:

- This policy is applicable in all zoning districts except for agricultural areas
- This policy does not apply to other types of co-ops aside from non-profit co-ops as defined in 2.1(b) (e.g. equity co-ops)
- The policy on the “secondary” rental stock does not apply to:
 - consolidation of contiguous parcels where the principal dwelling straddles the property line(s)
 - instances where a previous owner of a house, strata, or equity co-op unit has sold the property to a developer, and is now occupying unit as a tenant;
 - tenancies with a length two years or less as of the date of submission of the development permit or rezoning application where the tenancy commenced after transfer of the property;
 - proposed redevelopment or renovation on a single site; and
 - proposed redevelopment of a new multiple dwelling of fewer than five units

Note: In cases where there is existing policy on resident relocation in co-ops (e.g. the *False Creek South Provisional Resident Protection and Retention Plan*), the requirements of existing policy supersede these guidelines.

2.2 Applicable Permits

This policy applies to rezoning and development permit application processes involving existing tenants (see 2.1 above).

Note: Stand-alone building and trades permits that are not associated with a development permit are not covered by this policy.

2.3 Eligible Households

- a) Regardless of the type of tenancy, all tenants residing in an applicable housing type, as defined in 2.1, for one year or more at the time the rezoning or development permit application is opened are eligible for compensation and assistance under this policy.

For all tenants, compensation and assistance is to be provided on a per household basis, where household is defined as one or more individuals who have entered into a single tenancy agreement.

- b) Roommates: In the case of people under a single tenancy agreement who wish to relocate to separate alternate accommodations, additional support may be required. In these cases, City staff will have discretion to require that each person under the tenancy agreement is provided individual assistance. This applies to the following Tenant Relocation Plan components:
- moving expenses (Section 3.1 (c));
 - finding new accommodations if requested (3.1 (d)); and/or
 - determining whether individuals under a single tenancy agreement are low income or facing additional barriers to relocation or securing appropriate housing (3.1(i)) and associated support (3.1(d)).

- c) Timing of assistance: In cases where tenants move out prior to receiving a notice to end tenancy from the landlord, tenants are still entitled to full financial compensation and additional supports they are eligible for under the Tenant Relocation and Protection Policy.

2.4 Residential Tenancy Act requirements for all residential tenancies

In all cases, including where the Tenant Relocation and Protection Policy does not apply, landlords issuing a notice to end tenancy for landlord's use for renovation, demolition, or conversion must still provide renters with notice, compensation, and right of first refusal as required by the Residential Tenancy Act.

- As per Section 49(2) of the RTA, a landlord giving notice to end tenancy for landlord's use for renovation, demolition, or conversion may end a tenancy no earlier than 4 months after the date the tenant receives the notice.
- A tenant who receives a notice to end a tenancy for landlord's use of property is entitled to receive from the landlord on or before the effective date of the landlord's notice an amount that is the equivalent of one month's rent payable under the tenancy agreement.
- A tenant has a right of first refusal to enter into a new tenancy agreement at a rent determined by the landlord if the landlord ends their tenancy to renovate or repair the rental unit. This right of first refusal applies only to a rental unit in a residential property containing 5 or more units. Tenants may exercise their right of first refusal using the approved form (RTB 28): <https://www2.gov.bc.ca/assets/gov/housing-and-tenancy/residential-tenancies/forms/rtb28.pdf>.

Note: The Residential Tenancy Act and associated guidelines provide specific guidance pertaining to whether a landlord may end a tenancy in order to undertake renovations or repairs to a rental unit. In order to end tenancies for renovations, the renovations or repairs must be so extensive that they require the unit to be empty in order for them to take place, and the only way to achieve the necessary emptiness or vacancy is by terminating the tenancy. A landlord cannot end a tenancy for renovations or repairs simply because it would be easier or more economical to complete the work.

More information on these requirements is available on the RTA website (<https://www2.gov.bc.ca/gov/content/housing-tenancy/residential-tenancies/changes-to-tenancy-laws>) and in the following RTA guidelines:

2. [Ending a Tenancy for Landlord Use](#)
50. [Compensation for Ending a Tenancy](#)

3 Tenant Protection for Market Rental Housing Development

3.1 Tenant Relocation Plan

Applicants seeking a rezoning or development permit for redevelopment or major renovations resulting in permanent relocation of tenants in existing residential rental units will provide a Tenant Relocation Plan. This type of 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 the following components:

- (a) Early communication with tenants, including:
- A letter sent by the applicant to all tenants outlining the proposed project and expected timeline, to be pre-approved by City Staff, along with:
 - the City's Fact Sheet on the *City's Tenant Relocation Policy and Information on the Residential Tenancy Act*; and
 - the City's Mandatory Needs Assessment to identify specific preferences, special circumstances, as well as any low income tenants or tenants with other housing barriers;
 - a mandatory meeting at the outset of the project with tenants and applicant for projects with ten or more occupied rental units on site. City Staff are required to be in attendance at these meetings.
 - For proposed rezoning projects, this meeting will be held during the enquiry process, prior to the submission of the rezoning application. For proposed development permit projects, this meeting will be held shortly after the development permit application has been submitted.
 - For projects with fewer than ten occupied rental units on site, one-on-one meetings with the tenants and applicant are required.
 - Materials presented at initial mandatory tenant meetings and one-on-one meetings with tenants must be presented to City staff for approval prior to the meetings.
 - ongoing communication regarding the progress of the development and tenant relocation process. This may include letters to tenants with project updates, regular tenant meetings or office hours on site; and
 - provision of a primary point of contact for tenants.

Note: The Mandatory Needs Assessment and City's Fact Sheet on the *City's Tenant Relocation Policy and Information on the Residential Tenancy Act* will be required to be sent to tenants early in the process, and ideally be coordinated with the mandatory tenant meeting (in buildings of ten or more units). Applicants are required to use the City template form for the Mandatory Needs Assessment.

- (b) Financial compensation provided based on length of tenancy:
- 4 months' rent for tenancies up to 5 years;
 - 5 months' rent for tenancies over 5 years and up to 10 years;
 - 6 months' rent for tenancies over 10 years and up to 20 years;
 - 12 months' rent for tenancies over 20 years and up to 30 years;
 - 18 months' rent for tenancies over 30 years and up to 40 years; and
 - 24 months' rent for tenancies over 40 years

This can take the form of free rent, a lump sum payment, or a combination of both. This is generally at the discretion of the owner, but tenant may express preference.

In cases where tenants leave the building prior to receiving a notice to end tenancy from the landlord, tenants are still entitled to financial compensation under the Tenant Relocation and Protection Policy, as noted in Section 2.3.

- (c) Arrangement at the choice of the applicant for an insured moving company or a flat rate payout for moving expenses as follows:
- \$750 for studio or 1-bedroom households; and
 - \$1,000 for two or more bedroom households.

In the case of roommates under a single tenancy agreement who wish to relocate to separate alternate accommodations, City staff may require the applicant to cover moving arrangements for each tenant relocating separately. Staff discretion will be used to determine cases when separate moving expense coverage for each tenant will be required. Staff judgment will be based on reasonably accommodating the tenants' wishes.

In cases where tenants leave the building prior to receiving a notice to end tenancy from the landlord, tenants are still entitled to insured moving company assistance or moving expense payment under the Tenant Relocation and Protection Policy.

- (d) Assistance finding new accommodations

All eligible tenants will be offered the option of assistance with identifying alternate accommodations.

- i. Additional support will be required for low income tenants or tenants with other barriers to housing (as defined in Section 3.1 (i)) who request assistance, such as:
- Assistance in securing an affordable housing option, such as a unit in the applicant's portfolio, a unit in non-market social/co-op housing, or a market unit. Applicant will be required to provide proof that an affordable housing option has been secured (e.g. documentation that an affordable housing option has been secured through the applicant's portfolio, other options in the market, non-market housing). Note: affordable is generally defined as 30% or less of household income, unless otherwise agreed to with the tenant;
 - Assistance in securing an accessible unit or other appropriate unit type (e.g. supportive housing, assisted living facility) for tenants with other barriers to securing appropriate housing (as per 3.1(i));
 - If a permanent option cannot be secured immediately, an interim measure may be considered. Interim measures may include providing a rent top-up that bridges the difference between the tenant's current rent, or what they can afford to pay, and the rent in the tenant's new housing until a permanent option is secured. The interim housing option must be suitable for the tenant in the same way as required for the permanent option.
 - Moving expenses must be provided for relocation to permanent housing as well as relocation to and from any interim accommodations.
 - The City will not issue an Occupancy Permit until a permanent housing option has been secured. If the General Manager of Arts Culture and Community Services, having considered the interests of the tenants and the applicant, is satisfied that withholding the Occupancy Permit would be unreasonable, the City may accept alternative options to the provision of a permanent housing option, including the continuation of interim measures based on confirmation a permanent option is to be secured in the near-term.

ii. For all other tenants requesting assistance:

The applicant will be required to demonstrate that all reasonable effort has been made to provide 3 options that best meet the tenant's identified priorities as detailed in the Mandatory Needs Assessment and additional 1-1 conversations, such as:

- Stated budget preference
- Neighbourhood
- Specific preferences (e.g. pet-friendly, close to schools, smoke-free, etc.)

With respect to the tenant's stated budget preferences, City staff discretion will be used to assess whether the applicant has identified housing options for the tenant that meets reasonable tenant stated budget preference. Staff will assess reasonable tenant budget preferences for alternate accommodation in relation to average market rent for a private rental apartment for the respective year, as published by the Canadian Mortgage and Housing Corporation in its annual Rental Market Report.

iii. For all tenants requesting assistance:

All options should be in Vancouver, unless otherwise specified by the tenant.

In all cases, applicants should take efforts to minimize disruption to existing residents, e.g. consideration of timing for relocation vis a vis the school year for families.

Staff may also request additional support with alternative accommodations for any/all tenants, such as

- Assistance with the Provincial SAFER or RAP application process where appropriate; or partnering with health organizations and other non-profit services; and
- a tenant relocation specialist appointed by the applicant (e.g. cases where there are a large number of low income tenants, tenants facing housing barriers, or other circumstances as needed).

If site layout permits, applicants are encouraged to implement a phased redevelopment process whereby residents can be relocated in stages to other properties on the site without ending tenancies.

(e) Assistance with relocation

For tenants facing additional housing or relocation barriers as defined in 3.1 (i), additional supports will be required. The applicant may be required to give a stipend to offset relocation difficulties (e.g. up to \$2,500) and/or pay for costs related to the relocation such as pet deposit payment, unit modifications, etc. Furthermore, relocation supports may be required, such as assistance applying for housing, packing, translation services, etc.

*Note – some tenants may qualify for both support securing an affordable unit as per 3.1(d) and additional relocation support as per 3.1 (e).

(f) Right of First Refusal

Existing tenants shall be provided Right of First Refusal to move back into the new building with a 20% discount off starting market rents, or at the new non-market rents in circumstances when the replacement unit is social housing, in the following scenarios:

- Projects proposing 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.
- Projects proposing new below-market rental units. Tenants will be offered Right of First Refusal to below-market units provided they meet the eligibility requirements under those policies.
- 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. If the project also includes secured rental, they will also be offered right of first refusal to the market rental portion.
- Projects that are renovating existing rental housing units that require vacant possession as per Section 49 of the *BC Residential Tenancy Act*.

Returning tenants will have first choice of a unit in advance of tenancing to the general public.

In cases where the tenant previously had a pet under a pet-accommodating tenancy, the tenant shall be offered a pet-friendly unit as part of their Right of First Refusal. This requirement shall be waived if the General Manager of Arts, Culture and Community Services deems the nature of the pet(s) to be unreasonably onerous to accommodate.

Tenants are required to indicate their interest in the taking up the right of first refusal to the applicant via the City Right of First Refusal form prior to vacating their unit. Applicants are required to contact tenants 6 months prior to expected occupancy of the new building to offer tenants to return to the building. Tenants then have 45 days to respond with their continued interest in returning to the building via email, phone, or letter. If the tenant has expressed continued interest, the applicant must arrange for a viewing and lease offer upon building completion. Note: Expressing an interest in returning to the building via the Right of First Refusal form does not require the tenant to return.

(g) Requirements for Ending Tenancies must comply with rules under the RTA

Under the BC Residential Tenancy Act (RTA), there are two ways to end tenancies for the purposes of renovation, demolition, or conversion of an existing rental property - a notice to end tenancy for landlord's use of the property for renovation, demolition, or conversion or a Mutual Agreement to End Tenancy.

- A 4-month Notice to End Tenancy may not be issued until all City permits are issued (e.g. Development Permit, Building Permit, Demolition Permit)
- For applicants offering tenants a Mutual Agreement to End Tenancy, a Tenant Relocation Plan as per 3(a) – 3(f) above, must also be offered to all eligible tenant households at the same time and in a manner that allows the tenant to easily compare the two offers, and must make clear that the tenant may choose which offer to accept.

(h) Interim and Final Tenant Relocation Report

- i. An Interim Report on the Progress of Tenant Relocation must be submitted prior to the issuance of a Demolition Permit in cases where the building is being demolished as a result of redevelopment. In cases of major renovations where the building is not being demolished, the Interim Report will be required prior to the issuance of a Development Permit. For rezonings, the City may request an additional Interim Report after Public Hearing in cases where a significant period of time has elapsed since the Public Hearing.

The Interim Report must include:

- Names of tenants who have ended tenancy, the reason for its end (e.g. Tenant Decision or Mutual Agreement to End Tenancy) and the outcomes of their search for alternate accommodation (if assistance requested); and
 - Names of tenants remaining in the building and the status of the applicant's search for relocation options (if assistance requested) and/or additional assistance as required through their Tenant Relocation Plan.
- ii. 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.).

City staff may require evidence of the outcome of the search for alternate accommodations, including:

- Proof of options provided;
- Proof of units secured for low-income tenants (e.g. copy of the lease); or
- Proof of other interim assistance provided for low-income tenants.

(i) Determining low income tenants and tenants facing additional housing barriers to relocation or securing appropriate housing:

Existing low income tenants and tenants facing additional housing barriers are identified through the Mandatory Needs Assessment and on-going communication with tenants, as per 3.1 (a) above.

- i. Low income tenants: For the purposes of 3.1(d)(i), a tenant is considered to be low income in the following instances:
 - Households including singles, couples, and roommates without dependents with (e.g. children under 19, adult children with a disability or senior parent) a gross (before tax) income of \$30,000 or less;
 - Households including singles, couples, and roommates with one or more dependents (e.g. children under 19, adult children with a disability or senior parent) with a gross (before tax) income of \$50,000 or less.

The low income thresholds stated above apply for the 2019 calendar year. These income thresholds will be adjusted annually by the same rate as the maximum allowable rent increase under the BC Residential Tenancy Act, published for each calendar year by the Residential Tenancy Branch. This maximum allowable rent increase rate is based on the rate of inflation.

Self-reported incomes provided via the Mandatory Needs Assessment may be subject to verification (e.g. provision of tenant household's Notices of Assessment from CRA) by City staff prior to final approval of the Tenant Relocation Plan. For rezonings, this is prior to public hearing; for development permits, this is prior to Development Permit issuance.

- ii. Tenants facing additional barriers to relocation or securing appropriate housing: For the purposes of 3.2(d) and (e), City staff will apply discretion to review information provided by the applicant and tenants (e.g. via the Mandatory Needs Assessment) and identify tenants:
- who face housing barriers apart from, or in addition to, low income that require additional support in securing an appropriate housing unit. These barriers may include: requiring an accessible unit, or having mental or physical health issues that pose a barrier to housing security;
 - who may need support with the relocation process due to physical, mental or other barriers to relocation (e.g. household requires translation services, is deaf or hard of hearing, is visually impaired, has hoarding issues).

3.2 Tenant assistance for renovation work where tenancies are maintained

The Residential Tenancy Act and associated guidelines provide specific guidance pertaining to whether a landlord may end a tenancy in order to undertake renovations or repairs to a rental unit. In order to end tenancies for renovations, renovations or repairs must be:

- So extensive that they require the unit to be empty in order for them to take place, and;
- The only way to achieve this necessary emptiness or vacancy must be by terminating the tenancy.

For more information, please refer to Residential Tenancy Policy Guideline 2, Ending a Tenancy for Landlord's Use of Property.

- Temporary Relocation Option - for renovations where tenants are required to leave their unit for more than one day, but where tenancies do not need to end, provide a temporary relocation option to tenants, including:
 - Communication to the tenant specifying the scope of work required and length of time the tenant needs to be out of the unit;
 - Reduced rent, payment in proportion to the temporary relocation costs incurred by relocating to other suitable accommodation, or provision of temporary accommodation (e.g. in another unit in the building, hotel, etc.).

Documentation may be required to verify the offer of temporary accommodation or reduced rent.

If the scope of work changes, the applicant will be required to communicate the changes to the tenant. Correspondence with tenants may be requested by Staff. In addition, Staff may require the tenant relocation strategy to be revisited (e.g. provide full Tenant Relocation Plan as per 3 above) depending on the new scope of work.

- Non-Impact Statement - in cases where tenants will not be affected from renovations (e.g. all work can be completed with tenants in place), applicants will be requested to provide a Statement of Non –Impact.

The statement will be notarized and include a declaration that tenants will not be required to leave their units and that tenancies will not be affected as a result of the proposed work.

Applicants will also be required to post notices in visible locations and provide each unit with a letter giving information of the ongoing work, expected timelines, and stating that no tenancies will be required to end as a result of the work. Copies of communications will be required by City Staff.

If the scope of work changes and tenants are required to leave their rental unit for more than a day, applicants will be required to provide a temporary relocation offer as per S. 3.3(a) or a permanent Tenant Relocation Plan as described in 3.2, depending on the nature and extent of the scope change. These changes will also need to be communicated to tenants in a letter and by posted notice.

4 Resident Relocation in Non-Market Housing

4.1 Plan requirement for redevelopment of non-profit social housing

Applicants seeking a rezoning or development permit for non-profit social housing will provide a Tenant Relocation Plan when tenants in existing residential rental or social housing units will be displaced. This 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 the following components:

- (a) Ensure permanent rehousing options that limit disruption to residents

The applicant should limit the impact of relocation on existing residents by making every effort to secure a permanent replacement option meeting affordability requirements in 4(b) that involves minimal moves for each resident and prioritizes options in the current neighbourhood:

- If site layout permits, implement a phased redevelopment process whereby residents can be relocated in stages to other properties on the site without ending tenancies
- Identifying available units in other properties in the applicant's portfolio, with preference for the existing neighbourhood
- Contacting other non-profit social and co-op housing operators to identify unit availability within their portfolio in an effort to maintain a similar living environment, with preference for the existing neighbourhood

- Consideration of options for communities of residents to relocate together
- Identifying other suitable accommodation in the existing neighbourhood
- Adding residents to BC Housing registry waitlist

A relocation specialist may also be required to assist with identifying housing preferences and identifying suitable relocation options.

Where the recommendations above have been exhausted and no suitable option has been identified, the applicant will explore other options for suitable alternate accommodation that are affordable to the resident. This may include options in other neighbourhoods or outside of the City of Vancouver if the resident agrees to consider this.

In all cases, applicants should take efforts to time relocations and find relocation options to minimize disruption, e.g. consideration of the school year for families and/or location with respect to school districts, access to transit, etc.

City staff will assess the Tenant Relocation Plan by determining that the applicant has made all reasonable efforts to minimize disruption to residents through the redevelopment process. To determine that the applicant has made all reasonable efforts, City staff may request the applicant to provide information outlining the details of the applicant's attempt to identify affordable housing options that limit disruption to tenants and align with tenant priorities identified through the recommended Non-market Needs Assessment. Information may include:

- Documentation of housing search
- Applicant statements detailing rationale of the tenant relocation approach to minimize disruptions to tenants

(b) Maintain affordability for existing residents

The relocation plan must provide a suitable and affordable replacement accommodation option for all residents that is:

- For existing non-market housing residents paying rent-geared-to-income, priced at rents that are no higher than what they are eligible for under the current subsidy program.
- For all other tenants, priced at rents that are no more than the higher of either 30% of household gross (before tax) income (based on incomes at time of development application) or the tenant's current rent.
- For tenants eligible for or receiving RAP/SAFER the rent will be set at no more than the regional RAP or SAFER maximum rent.
- Of a unit type in accordance with CMHC National Occupancy Standards, with discretion to accommodate other family arrangements.
- Income testing by the applicant/operator as per standard practice will be required for all units to determine the affordability requirements for alternate accommodations. Assistance with income testing may be provided as deemed necessary.

City staff may require proof that an affordable replacement accommodation has been

provided to each tenant. Documentation that may be requested by staff includes:

- Details on replacement accommodation, including rent level
- Tenant income levels to determine affordability
- RAP or SAFER proof of application

(c) Support with relocation and consideration of special circumstances

Moving Expenses:

- Moving expenses must be provided for relocation to permanent housing as well as relocation to and from any temporary accommodations (i.e. in the case of a phased redevelopment or where a resident is taking up the Right of First Refusal (See section 4.1 (e) below);
 - An insured moving company may be hired by the applicant, with all arrangements and costs covered; or
 - A flat rate of \$750 for bachelor and 1-bed; and \$1,000 for 2 or more bed units.

Support for special circumstances

- The applicant is encouraged to utilize a Needs Assessment Survey and one-on-one meetings to identify any special circumstances that may need to be addressed as part of the relocation process (e.g. seniors, persons with disabilities, mental health issues, hoarding, etc.).
- When special circumstances are identified, staff may require the applicant to provide additional supports to assist the tenant with any significant additional challenges, such as partnering with health organizations or other services.

Compensation:

- For social housing residents, an amount equal to one month free rent compensation in line with RTA if applicable - i.e. if tenancies are being ended in accordance with S.49.6 (Four Month Notice to End Tenancy For Demolition, Renovation, Repair, or Conversion of Rental Unit)
- The applicant may offer additional compensation as part of a relocation allowance

(d) Communication and Engagement with Residents

All residents will be provided with advance notice and ongoing communication of the need to relocate, the relocation process, and any additional moves, including:

- An upfront mandatory meeting with tenants and applicant for projects with ten or more existing rental units on site. City Staff are required to be in attendance at these meetings.
- For rezoning applications, this meeting will be held during the enquiry process, prior to the submission of the rezoning application. For development permits, this meeting will be held shortly after the development permit application has been submitted.
- For projects with less than ten existing rental units on site, one-on-one meetings with the tenants and applicant are required. Staff may require documentation of materials presented at meetings.
- A Needs Assessment Survey is encouraged to be sent to all tenants to identify specific preferences or special circumstances.
- The City's fact sheet on the *Tenant Relocation and Protection Policy and Information on the Residential Tenancy Act* to be sent to all tenants.

- Ongoing communication regarding the progress of the development and tenant relocation process, e.g. via regular correspondence, tenant meetings or office hours on site.
- Provision of a primary point of contact for tenants.

Note: The City's fact sheet on the *Tenant Relocation and Protection Policy and Information on the Residential Tenancy Act* will be required to be sent to tenants early in the process. It is recommended that applicants send tenants a Needs Assessment Survey to better understand their needs and preferences for relocation ideally be coordinated with the mandatory tenant meeting. The Needs Assessment Survey may be required in certain circumstances. Applicants are encouraged to use the City template form for the Non-market Needs Assessment.

Proper notice to end tenancies will be provided in accordance with existing Provincial policy.

(e) Right of First Refusal

The applicant will be required to demonstrate that all reasonable efforts have been taken to pursue funding in order to provide all residents with the right of first refusal to return to the new development at rents as per Section 4 (b). If the applicant demonstrates that this requirement is not feasible for all residents, then the applicant may be required to develop priority criteria for Right of First Refusal e.g. priority for longer-term tenants or tenants who qualify based on income. Tenants who do not receive Right of First Refusal will be provided a permanent affordable housing option as per 4 (a).

Tenants are required to indicate their interest in the taking up the right of first refusal to the applicant via the City Right of First Refusal form prior to vacating their unit. Applicants are required to contact tenants 6 months prior to expected occupancy of the new building to offer tenants to return to the building. Tenants then have 45 days to respond with their continued interest in returning to the building via email, phone, or letter. If the tenant has expressed continued interest, the applicant must arrange for a viewing and lease offer upon building completion. Note: Expressing an interest in returning to the building via the Right of First Refusal form does not require the tenant to return.

(f) Interim and Final Tenant Relocation Report

- i. An Interim Report on the Progress of Tenant Relocation must be submitted prior to the issuance of a Demolition Permit in cases where the building is being demolished as a result of redevelopment. In cases of major renovations where the building is not being demolished, the Interim Report will be required prior to the issuance of a Development Permit. For rezonings, the City may request an additional Interim Report after Public Hearing in cases where a significant period of time has elapsed since the Public Hearing.

The Interim Report must include:

- Names of tenants who have ended tenancy, the reason for its end (e.g. Tenant Decision or Mutual Agreement to End Tenancy) and the outcomes of their search for alternate accommodation (if assistance requested); and
- Names of tenants remaining in the building and the status of the applicant's search for relocation options (if assistance requested) and/or additional assistance as

required through their Tenant Relocation Plan.

- ii. 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.).

City staff may require evidence of the outcome of the search for alternate accommodations, including:

- Proof of options provided;
- Proof of units secured for low-income tenants (e.g. copy of the lease); or
- Proof of other interim assistance provided for low-income tenants.

4.2 Plan requirement for renovations in non-profit social housing where tenancies are maintained

For guidance on policy requirement for renovations in existing non-profit social housing, please see Section 3.2 (Tenant assistance for renovation work where tenancies are maintained).

5 Guidelines for Non-Profit Co-op Housing

The Policy requirements for non-profit co-ops are as follows:

- Non-profit co-ops undertaking redevelopment are required to submit a resident relocation plan to the City. The City's policy will provide general guidance to non-profit co-ops for a resident relocation plan based on the draft principles outlined;
- Meeting these resident relocation guidelines will not be mandatory for non-profit co-ops; however, non-profit co-ops proposing a different approach from these guidelines will be asked to provide a rationale for their decision; and
- In areas where there is existing policy or guidance on resident protection and relocation (e.g. False Creek South), the requirements of existing policy supersede these guidelines.

Non-profit co-ops are asked to consider the following guidelines:

Guideline	Additional Details
Identify options for interim and final relocation that prioritize maintaining the co-op community	<p>The relocation plan should minimize the impact of relocation on existing members and the co-op community by identifying interim relocation approaches that allow co-op members to move as a block.</p> <p>Co-op members should have right to return to the new co-op, unless otherwise agreed to.</p>
Maintaining affordability for existing members in the interim and in the new co-op	<p>For existing members paying subsidized housing charges geared to income, priced at levels that are no higher than what they are currently paying.</p> <p>For all other existing members, housing charges priced at no more than 30% of their incomes, unless otherwise agreed to.</p>
Supporting with relocation and consideration of special circumstances	<p>Moving expenses should be provided both for the initial relocation as well as the return to the new co-op</p> <p>The co-op is encouraged to utilize a member survey and/or meetings to identify any special circumstances that may need to be addressed as part of the relocation process (e.g. seniors, persons with disabilities, mental health issues, hoarding, etc.).</p>
Communication and engagement with members	<p>All members will be provided with advance notice and ongoing communication of the need to relocate, the relocation process, and any additional moves.</p> <p>Communications to co-op members should be provided at the following stages:</p> <ul style="list-style-type: none"> • Notification of the intent to vote on redevelopment • Following vote on the intent to redevelop • Prior to submission of a formal application to redevelop • Prior to issuance of development permits

6 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 General Manager of Arts, Culture and Community Services and Director of Planning detailing and on request providing the supporting documents and legal notices delivered to the tenants so as to afford the General Manager of Arts, Culture and Community Services 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.

7 Submission Requirements

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

7.1 For projects where a Tenant Relocation Plan is required:

- 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.
- 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.
- 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.

Applicants are strongly encouraged to provide tenants with the form Tenant Notice: Exercising Right of First Refusal, as part of their communication with tenants. See Section 3.1 (f) for more information.

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

- Legal Agreements - for projects where the right of first refusal is required, (as described in section 3.1 (f) and 4.1 (e) 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 General Manager of Arts, Culture and Community Services for a term of 60 years or life of the building, whichever is greater.

7.2 For projects where tenancies are maintained:

- (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 permanently displaced as a result of the proposed work, a Temporary Relocation Option or Non-Impact Statement will be provided by the applicant.
 - A Temporary Relocation Option Statement must include details on temporary relocation options provided and/or reductions in rent for each tenant and must be notarized with a declaration that tenancies will not be affected as a result of the work completed.
 - A Non-Impact Statement must be notarized with a declaration that tenancies will not be affected 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/peopleprograms/creating-new-market-rental-housing.aspx>

Proposed UBCM Motion: Expanded Authority to Notify Renters Impacted by Renovations

WHEREAS renters are facing risk of displacement and housing insecurity as a result of renovations to existing rental buildings;

WHEREAS the Residential Tenancy Act does not currently require landlords to provide proof of permits or a description of the scope of work for renovations where tenancies are likely to be terminated, and municipalities have limited authority to require notification related to tenancy issues as a condition of issuance of certain permits;

WHEREAS existing renters facing evictions due to renovations could benefit from information on the type and extent of renovations being undertaken to their buildings in order to support potential cases with the Residential Tenancy Branch;

NOW THEREFORE BE IT RESOLVED, THAT the Union of BC Municipalities request the Province to amend the Local Government Act, in alignment with the Vancouver Charter, to clarify and broaden the conditions that can be imposed on building or development permit applications submitted for renovations or redevelopment of an existing building that contains rental housing units including, but not limited to, requiring applicants to provide information on existing tenancies and communicating the proposed work related to the requested permit.

* * * * *



CITY OF VANCOUVER
PLANNING, URBAN DESIGN, AND SUSTAINABILITY
Gil Kelley, General Manager of Planning, Urban Design, and Sustainability

June 4, 2019

Kaye Krishna
Deputy Minister of Municipal Affairs and Housing
800 Johnson Street
Victoria, BC V8W193

Dear Deputy Minister Krishna:

RE: Next Steps on Renter Protection and Rental Reinvestment

I am writing to you today with a request for partnership to address the crisis of affordability and displacement facing renters in aging rental buildings in Vancouver and across BC's lower mainland. Renters across the region have spoken up regarding the serious challenges they face in maintaining safe, stable, and affordable rental housing. Landlords have also spoken to the mounting costs of maintaining an aging rental stock, limited options for raising revenue to pay for costly repairs without displacing renters, and substantial financial barriers to creating new rental supply. Failure to address these challenges could ultimately lead to significant disinvestment in affordable rental housing Vancouver and across the Lower Mainland.

We recognize and applaud the initial steps taken by the Province through the Rental Housing Task Force to address the challenge of addressing renovictions in aging rental buildings. The City of Vancouver has also taken action to protect tenants while encouraging renewal of the rental stock. These include enhanced protections under the Tenant Relocation and Protection Policy for renters facing displacement due to renovations and redevelopment of existing rental, as well as amendments to City licensing by-laws and permitting processes to ensure alignment with Residential Tenancy Act rules and protections.

However, our work with stakeholders across the rental system has revealed significant gaps in the existing system for renters' rights and rental reinvestment, which require long-term and systemic solutions. Our vision for the future is for a proactive system where municipal and provincial policies are aligned around the goal of ensuring a resilient, sustainable rental stock and security of tenure for existing renters. We would like to work with your staff to advance this vision.

This letter outlines the key gaps and risks identified through our work and potential opportunities to address these gaps. We also propose interim measures that can be explored in partnership while systemic changes are being identified.

The Reinvestment Challenge

Over half (52%) of Vancouver's purpose-built market rental apartments were constructed between 1950 and 1980. Due to the age of the stock, major upgrades and retrofits will be necessary in coming decades, including structural, fire safety, seismic, and energy-efficient retrofits. While most landlords report that they undertake repairs promptly as needed, there is concern that some landlords – especially smaller landlords who may only own one or two buildings – may not have the capacity or resources to undertake major needed upgrades coming years. In some older rental buildings, major repairs and maintenance may have been deferred over time in order to minimize disruption to tenants and limit rent increases, likely contributing to the current level of affordability across much of the existing apartment stock. However, a lack of proactive investment over decades may have led to a growing capital repair backlog in many of these buildings. The ultimate risk is deterioration across much of the rental stock, with risk to the health and safety as well as security of many renters.

The Renoviction Challenge:

In addition to the challenges in the existing stock of purpose built rental, there are also significant challenges facing the existing renters living in these properties. When we consult with Vancouver renters about their housing challenges, one of the top concerns we hear is the risk of being evicted due to renovations to their unit or building, with the primary motive being to turn over the unit and increase rents up to new market levels. The significant increase in market rents in recent years has created an environment where unit turnover can mean significant yield for owners, and low rental vacancy rates make for relative ease in finding new tenants willing to pay new, higher rents. We hear about these cases most often when a rental property is sold to a new owner. These evictions are extremely challenging for existing renters earning low and moderate incomes, as rising rents and extremely low rental vacancy in Vancouver means that there is very little rental available.

Policy Gaps:

The view of staff is that the existing policy framework for renters' rights and rental reinvestment is not structured appropriately to facilitate the broad-scale renewal of the existing rental stock that we can expect in coming decades while protecting existing renters. Key gaps include:

1. **Limited provisions to encourage needed capital and energy upgrades to existing rental while maintaining tenancies.** Many older apartments may not have adequate reserves in place to fund upgrades to major systems, including capital and energy upgrades. There are only limited provisions in the RTA to allow for reasonable rent increases for existing tenants to fund renovations and retrofits, and very few incentives offered to fund capital maintenance planning and upgrades such as those offered for the non-market stock. In the absence of these types of provisions, landlords may instead defer maintenance or sell to a new owner, increasing the risk of renovictions in order to raise rents.
2. **Lack of clarity around tenants' right to security of tenure in the case of renovations.** The Residential Tenancy Act includes provisions around a landlord's ability to end tenancies in order to undertake renovations. However, the Act does not provide clear guidance on the type and scale of renovations that may or may not require a tenancy to end, and final judgement is often left to arbitrators only after a notice has

been issued. The absence of a clear standard has created uncertainty both on the side of renters and owners, and created a serious risk to the security of tenure for renters in older apartments.

3. **Lack of alignment between Provincial and Municipal processes.** Jurisdiction over the legality of evictions due to renovations lies with the Province, with decisions about individual cases being made at arbitration once all necessary permits have been issued. This means municipalities cannot make determinations about whether evictions are legal. However, the growing urgency around renovations has led to many municipalities being called upon to prevent evictions through their permitting or licensing tools. This puts municipalities in the difficult position of determining how to take action on renovations without surpassing their jurisdiction.
4. **Lack of affordability supports for low- and moderate- income renters.** The rising cost of homeownership and market rents has put housing costs far out of reach for many existing renters. There are currently limited affordability supports for low-income renters displaced from existing affordable homes, and few if any such supports for renters earning moderate incomes. This means renters facing displacement due to renovations are facing difficult decisions about whether and how they can remain in their communities.
5. **Limited new rental supply.** Across BC, there has been very limited supply of new rental created since the early 1980s up until the current decade. This lack of new rental supply has contributed to the pressure on existing rental, particularly in the context of increasing demand for rental from households that have been priced out of homeownership in recent years.

These gaps are not rooted in the work of any one order of government, and instead are systemic across jurisdictions. This means solutions must necessarily involve collaboration between municipalities, the province, and federal government. We have already seen important steps from the province in assisting cities with protecting existing rental and renters and creating and securing new rental housing, particularly the recent legislation giving municipalities authority to zone for rental tenure, recent RTA changes, and the Rental Housing Task Force. At the federal level, there is a proposed National Housing Benefit that could provide housing assistance to as many as 300,000 households across Canada, as well as significant funding for reinvestment in existing non-market rental housing. However, we believe that more can and must be done to ensure a stable, healthy rental system in coming years.

Initial Directions:

The following recommendations suggest potential long-term approaches to addressing the gaps identified above – some of which would be easily adaptable within the current system, and others which may require systemic change. Several are modeled off of alternative systems in other jurisdictions, which may be useful models for reform. These ideas represent a starting point for discussion and not necessarily the solutions, and we look to expand on them as part of our request for a joint municipal-provincial working group.

1. **Explore system-wide approaches to supporting reinvestment in existing rental while maintaining stable tenancies.** A new approach is required to encourage proactive reinvestment in existing rental, prevent long-term deterioration in the existing rental stock, and support security of tenure and affordability for existing renters. City staff have identified a number of approaches for further analysis and discussion, including:

- Funding for capital upgrades conditioned on affordability. The need for financing to support major capital upgrades is a major barrier for landlords who are averse to taking on debt or adding to high existing financing costs. An alternative to financing could be provision of grants or low-interest loans to landlords aiming to undertake major capital projects, conditioned on undertaking the work with minimal tenant impact.
- Proactive requirements for renovations along with provisions for modest rent increases. Several American cities, including Los Angeles and San Francisco, have authority to require robust plans for conducting work while keeping tenants in place, allowing modest and controlled rent increases to reflect the cost of additional work on condition that the work does not require tenant displacement. These models are based on a different framework for state/municipal authority than what currently exists in BC. However, we believe there are aspects of these approaches that could be embedded in the RTA and/or municipal charters, in order to create a more robust framework for rental improvement.
- Additional incentives. There may be other opportunities to support landlords with the cost of major upgrades, such as financing, tax incentives, and/or grant assistance to support needed capital repairs and energy-efficient retrofits, conditioned on maintaining affordability and/or minimizing renter displacement

2. Ensure a clear right for renters that they cannot be evicted for minor renovations.

As demonstrated in the new information guide prepared by City of Vancouver staff in consultation with building experts, many of the structural upgrades and energy retrofits required in existing rental buildings as part of regular or long-term maintenance can be done with tenants in place or with only short-term, temporary displacement. The Residential Tenancy Act should ensure clarity around the right for tenants to remain in place for these types of renovations.

3. Provide affordability supports for renters who are displaced due to renewal of the rental stock. As the cost of rent and homeownership continues to rise, we are seeing housing cost challenges grow across a broader range of incomes than ever before, from those earning extremely low incomes to singles and families earning moderate incomes. Ensuring vibrant, diverse communities may mean exploring new approaches to supporting a broad range of households with affordability, such as targeted housing benefits. These types of supports will be most critical for those facing displacement from existing, affordable homes.

4. Support expansion of the supply of rental housing. In addition to ensuring strong protections for renters and reinvesting in the existing rental stock, the third pillar for a healthy rental system is supporting expansion in the stock of new rental housing. Municipalities have a key role to play in this work through land use tools and process enhancements, and Vancouver in particular is working to support new rental housing through the Rental 100 program and our new Moderate Income Rental Housing Pilot Program. However, all orders of government need to be aligned around encouraging investment in new rental supply, and opportunities to support new rental housing through low-cost financing or through potential tax incentives are critical to ensure a resilient stock of housing for current and future renters.

Opportunities for Current Action

In addition to the long-term ideas suggested above, there are also opportunities for short-term action to address the challenge facing renters and the existing stock. These include near-term measures to increase support for renters, as well as policy options to encourage critical renewals in existing purpose-built rental housing.

- **Require proof of permits as part of the Notice to End Tenancy for renovations.** At the City, we often hear from renters seeking information about permits issued for their buildings, in order to understand the basis of a Notice to End Tenancy for renovation or to support a complaint being filed with the Residential Tenancy Branch. The City has taken action to facilitate this process, including waiving fees for file research requests submitted by a tenant or non-profit advocates to provide documents that are required to meet obligations of the Residential Tenancy Branch. However, considerable clarity could be introduced to the Notice by requiring proof of permits (such as specific permit numbers and proof of issuance) as part of the Notice to End Tenancy for renovations, as well as evidence regarding the need to end tenancies.
- **Pilot new approaches to reinvestment.** City staff have committed to partnering with industry and the Province on pilot initiatives to demonstrate energy-efficient technologies in existing non-market and market rental housing. These initiatives are aimed at testing new technologies and approaches, such as heat pumps, while also developing clear case studies of how renewal projects can be undertaken with tenants in place. Partnership with the Province on these types of pilots can help to expand the number of properties that can participate and contribute to key learnings.
- **Promote long-term capital planning and energy assessments in existing rental.** Through our work understanding the future needs of the City's rental stock, we learned that a key barrier to renewing existing rental is a limited knowledge and/or capacity among smaller landlords to undertake long-term capital planning and energy benchmarking for buildings they own. A long-term capital and financial plan, when coupled with an assessment of the condition of major building systems and an energy assessment, can reduce deferral of major capital expenditures and facilitate planning and implementation of major projects and energy-efficient retrofits. The province could support this work through initiatives such as encouraging building condition assessments in purpose-built rental buildings, with the addition of energy assessments to promote energy efficient retrofits.
- **Explore options for transitioning existing private rental into non-profit or co-op ownership.** We heard through consultation with renter advocates and the rental industry that securing the long-term affordability of existing rental may require transitioning this housing to non-market housing. There may be opportunities to transition rental buildings to non-profit or co-op ownership when the existing private owner chooses to sell, by reducing or waiving capital gains taxes upon sale of an existing rental property if it is transferred into ownership by a non-profit housing society.

Conclusion

For our policy environment for rental to succeed over time, it must reflect the realities of the rental market and be amenable to change to reflect the changing needs of renters, rental owners, and the rental stock over time. Our recommendations are designed to position the City

of Vancouver and all of BC's cities in building an equitable housing system to address the current housing crisis for current and future renters.

Yours truly,

Gil Kelley, FAICP
General Manager | Planning, Urban Design & Sustainability
City of Vancouver | 515 W. 10th Ave.
604-873-7456 | gil.kelley@vancouver.ca

DRAFT By-law to amend License By-law No. 4450
Regarding Renter Protections

Note: A By-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

1. Council strikes out section 19.1 “Landlords” and substitutes the following:

“19.1 (1) In this section,

“Landlord” means a person engaged in the business of providing residential rental accommodation whether personally, through an agent, or otherwise.

- (2) Without limiting the generality of section 4(12) of this By-law, every landlord, or person acting on behalf of a landlord, must comply with the Residential Tenancy Act of British Columbia.
- (3) Every landlord, or person acting on behalf of a landlord, must advise the Inspector upon request of any decisions made by the Residential Tenancy Branch in which the landlord, or the person acting on behalf of the landlord, is named as a party.”.



**HOUSING
VANCOUVER**

Renovations in Rental Apartments

Information for Landlords and Renters

Background

Vancouver's existing purpose-built rental housing, generally contained in apartments, is an important part of the City's affordable housing stock, providing safe, secure, and affordable housing to over one third of Vancouver's renting households. However, over 80% of Vancouver's existing rental apartment stock was constructed before 1980 - with the oldest generation coming up to over 60 years of age by 2020. As Vancouver's rental stock ages, it is important to understand the type of renovations and development that might be required to ensure the safety and resilience of the stock, as well as the potential impact on residents.

Intent

This guide is intended to provide information on the types of renovations typically seen in rental apartment buildings, the types of permits generally required by the City of Vancouver under the Zoning and Development By-law and Vancouver Building By-law, and the potential impact on existing residents.

The information in this guide has several limitations that should be considered:

- The information in this guide provides the typical impacts on tenants for various types of work, as specified by building professionals; however, each project is unique and the scope of work may vary and/or change over time, which will result in different tenant impacts. The information provided in this guide is not definitive and actual impact on tenants will vary for each project.
- The information in this guide is specific to the City of Vancouver and does not consider permit types, scope of renovation or development, and impact on residents in other locations and jurisdictions.

The City of Vancouver cannot make a determination about when a residential tenancy agreement may or may not end under the Residential Tenancy Act. All determinations of whether a residential tenancy agreement may or may not end due to renovation or redevelopment work are governed by the Residential Tenancy Act.

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Introduction

Renovations and the Life Cycle of a Rental Building

The life cycle of a typical concrete or wood frame building in Vancouver depends on a number of factors, including the types of construction materials, impact of external factors like climate, and the level of maintenance over time. Upgrades and renovations are an important part of the life cycle of buildings. As buildings age, core systems come due for repair or replacement, including windows, interior and exterior walls, pipes, and electrical wiring. Buildings constructed prior to modern seismic, fire, and energy codes may require upgrades to bring them into compliance and to meet Council objectives for resilient buildings – such as introducing sprinklers and emergency exits, installing energy-efficient heat pumps, or undertaking seismic upgrades. These renovations are often crucial for resident comfort and safety and for the long-term resilience of the building.

Owners of aging buildings may also opt to undertake more ‘cosmetic’ upgrades to modernize the building’s internal and external features. These upgrades – such as re-piping to allow dishwashers or washer/dryers, or new kitchen or bathroom layouts are generally not critical to ensuring the safety or resilience of rental buildings, but may help to make older units more livable or suitable to the needs of households like families.

In some cases, as a rental building reaches the end of its ‘life cycle,’ the level of upgrades needed may approach or exceed the cost of replacing the building entirely. In these cases, redevelopment may become a more economically viable option. Redevelopment may be more economically viable in cases where a new building could achieve greater height or density than what is currently on the site, or where the building layout could be reconfigured to allow more overall units.

Understanding Landlord Responsibilities and Tenant Rights During Renovations and Redevelopment

Residents of existing rental buildings have rights and protections. The *Residential Tenancy Act* governs all residential tenancies throughout the province and includes rights and responsibilities for landlords and tenants in the case of redevelopment and renovation. According to the Residential Tenancy Policy line on [Ending a Tenancy: Landlord’s Use of the Property](#), in order to end tenancies for renovations, renovations or repairs must be so extensive that they require the unit to be empty in order for them to take place, and the only way to achieve this must be by terminating the tenancy. A landlord cannot end a tenancy for renovations or repairs simply because it would be easier or more economical to complete the work. Furthermore, if repairs or renovations require the unit to be empty and the tenant is willing to vacate the suite temporarily and remove belongings if necessary, ending the tenancy may not be required.

Understanding the City’s Process: Permits and Renter Protections

City of Vancouver development and building by-laws regulate development to ensure work is being undertaken in a way that is safe for workers and residents and meets code and building requirements, and that existing buildings are upgraded as needed to ensure life/safety requirements. These objectives are carried out through two main policies – the [Vancouver Building By-law](#) and the [Zoning and Development By-law](#), and regulated via the permitting process, which includes mandatory application materials and reviews by development and

building staff prior to permit issuance, as well as mandatory inspections throughout the construction process.

For certain types of permits where existing tenants in primary rental housing will be displaced as a result of redevelopment or major renovation, the City of Vancouver also has additional protections for renters under the Tenant Relocation and Protection Policy. The City of Vancouver's Tenant Relocation and Protection Policy applies to both rezoning and development permits for primary rental buildings where existing renters will be permanently displaced and tenancy agreements will end. Primary rental housing includes purpose-built market rental housing, non-market or social housing, buildings with residential rental units above commercial spaces, and large multiple conversion dwellings with six or more units.¹ A Tenant Relocation Plan under the City's policy must include compensation based on length of tenure, moving expenses, right of first refusal to return to the new building at discounted rents, and assistance finding new accommodations.

Table 1 outlines the types of permits typically issued for development in residential buildings and associated resident protections from the Province and City where applicable.

Table 1: General Permitting Requirements for Typical Scopes of Work for Renovations in Existing Rental Apartments and Applicable Renter Protections

Permit Type	Typical Scopes of Work Requiring This Type of Permit	Applicable Renter Protections
Development Permit	A development permit is required for scopes of work involving: <ul style="list-style-type: none"> • Complete redevelopment • Major renovation involving a change of use or dwelling count, or unit layout or configuration • Alteration to external appearance of the building (e.g. re-cladding, balconies) 	City of Vancouver Tenant Relocation and Protection Policy AND <i>Residential Tenancy Act</i>
Building Permit	A building permit is required for alternations involving physical changes to the interior or exterior of a building, except as excluded below	<i>Residential Tenancy Act</i>
Trades Permits	A trades permit is required for any and all work impacting gas, plumbing, electrical, and sprinkler systems	<i>Residential Tenancy Act</i>
No Permit Required	Some types of work may not require a permit such as: <ul style="list-style-type: none"> • Replacing fixtures, cabinets, and flooring • Painting interior walls • Carrying out non-structural maintenance or minor repairs to exterior 	<i>Residential Tenancy Act</i>

For specific information on what permits are required, please visit the Development and Building Services Centre website at <https://vancouver.ca/home-property-development/building-and-renovating.aspx>

¹ Certain types of secondary rental are also covered by the Tenant Relocation and Protection Policy; please refer to the Policy for additional information.

Renter Impacts from Typical Renovations

Overview

This chapter provides an overview of common work undertaken in rental buildings and the potential impact on residents. This information comes from building professionals based on general experience in the City of Vancouver; however, each project is unique and the scope of work may vary and/or change over time, which will result in different tenant impacts. The information provided in this guide is not definitive and actual impact on tenants will vary for each project.

General information on common work undertaken on rental buildings and potential impacts on residents in this chapter includes:

- Types of permits required
- General impact on suites, including length of impact
- Potential service or other disruption types on tenants
- Aspects of work that may require units to be vacated

Section 2.2 describes the potential impacts on tenants from upgrades/work to individual building systems. Section 2.3 describes the potential impacts on tenants from upgrades/work on multiple building systems and/or major development.

The information in this guide and the City of Vancouver cannot make a determination about when a residential tenancy agreement may or may not end under the *Residential Tenancy Act*. All determinations of whether a residential tenancy agreement may or may not end due to renovation or redevelopment work are governed by the *Residential Tenancy Act*.

Typical Tenant Impacts of Upgrades to Individual Building Systems

Table 2 outlines the typical impacts on tenants for various types of work to individual building systems. The typical impact on tenants listed in Table 2 are based on the expertise of building professionals; however, each project is unique and the scope of work may vary and/or change over time, which will result in different tenant impacts. The information provided in this table is not definitive and actual impact on tenants will vary for each project.

Table 2: Typical Tenant Impacts of Upgrades to Individual Building Systems

Type of Upgrade		Does work involve disruptions to tenants? If yes, for how long?	What aspects of work might require tenants to leave the unit?
Upgrades to kitchen and bathroom finishes, flooring replacement or repairs	Permit generally not required for repairs and upgrades to kitchen/bathroom fixtures or flooring	Workers in suites, tenants may have limited access to kitchen/bathroom while work is underway.	Work is unlikely to require tenants to leave units.
Re-piping	Plumbing Permit Building Permit may be required in some cases (e.g. where new firestopping and wall repairs are required)	Water shut off + workers in units; 3-8 hours per day per suite. Total time to complete varies based on invasiveness of work; ranges from 3 to 17 days per suite.	Presence of asbestos in drywall taping compound or ceiling spray texture may require a few hours' absence for abatement. If work is more invasive then tenants may need to leave the unit for duration of the work
Boiler replacement	Plumbing Permit and Gas Permit	Water may be shut off in units for a maximum of 1-2 days.	Work is unlikely to require tenants to leave units.
Upgrades to hydronic heating systems (valves & piping)	Plumbing Permit	Work requires 1-2 hours in each suites to replace heating equipment.	Work is unlikely to require tenants to leave units.
Renewal or installation of fire sprinkler systems	Sprinkler permit	Water shut off + workers in units; 3-8 hours per day per suite. Total time to complete varies based on invasiveness of work; ranges from 3 to 17 days per suite.	Presence of asbestos in drywall taping compound or ceiling spray texture may require a few hours' absence for abatement. If work is more invasive then tenants may need to leave the unit for work to proceed.

Heat pump installation - Central Systems	Electrical Permit + Plumbing Permit	Water shut-off, 3-8 hours during the day. Installation of a make-up air unit (for corridor and central space ventilation) does not involve any impact on suites.	Work is unlikely to require tenants to leave units.
Heat pump installation - Suite Based Systems	Electrical Permit + Building Permit	2-4 hours per suite.	Work is unlikely to require tenants to leave units.
Modernization of elevators	Building permit and electrical permit	Elevator may need to be shut down for the duration of work - could require several months depending on the type of upgrade and number of elevators in the building.	Work is unlikely to require tenants to leave units.
Repairs and upgrades to the electrical system	Electrical permit	Suite impact depends on extent of repairs; repair of main switch only does not involve construction in suites but a full re-wiring (rare) does impact suites. Main switch repair may require temporary shutdown of power (typically 1 day).	A full re-wire is generally combined with renovations to other building systems as part of a building-wide upgrade. The combination of these upgrades may require tenants to leave units for the duration of the work.
Re-roofing (could include energy efficient upgrade)	No permit required for replacement Building Permit may be required for certain scopes of work	Minimal impact on suites.	Work is unlikely to require tenants to leave units.
Balcony and decks	Development Permit + Building Permit	Temporary removal of sliding glass doors, worker access to balconies + noise. Minor repairs may require 1-2 days per suite; extensive repairs may require 3-5 days per suite.	Work is unlikely to require tenants to leave units.

Rehabilitation of cladding/envelope (could include energy efficient upgrade)	Development Permit + Building Permit	Minimal impacts on individual suites; work involves construction noise and lack of light due to scaffolding for up to 6 months.	Potential asbestos but not likely to require tenants to leave units Commonly combined with window replacement
Replacement of windows and sliding glass doors (could include energy efficient upgrade)	Development Permit + Building Permit	Work requires 1-2 days per suite. May involve disruption and noise; potential asbestos exposure depending on level of work.	Potential asbestos exposure in suites - may require tenants to leave units for a few days while work is underway Commonly combined with cladding/envelope repairs

Typical Tenant Impacts of Redevelopment or Upgrades to Multiple Building Systems

Table 3 outlines the typical impacts on tenants for major development or work to multiple building systems. Compared to the types of work to individual building systems outlined in Section 2.2, redevelopment and upgrades to multiple building systems are typically more complex projects involving multiple scopes of work. This work is more likely to involve longer-term impact on tenants. The typical impact on tenants listed in Table 3 are based on the expertise of building professionals; however, each project is unique and the scope of work may vary and/or change over time, which will result in different tenant impacts. The information provided in this table is not definitive and actual impact on tenants will vary for each project.

The City of Vancouver cannot make a determination about when a residential tenancy agreement may or may not end under the Residential Tenancy Act. All determinations of whether a residential tenancy agreement may or may not end due to renovation or redevelopment work are governed by the Residential Tenancy Act.

Table 3. Typical Tenant Impacts of Redevelopment or Upgrades to Multiple Building

Type of work	Permit required	Impact on suites /renters
Seismic upgrades	Development Permit + Building Permit. Some upgrades may require Building Permit only.	<ul style="list-style-type: none"> • Tenant impact varies based on building structure and scope of seismic upgrades required • Some work may involve extensive structural upgrades impacting exterior and interior walls, residential units and parking, etc. • Some buildings will only require minimal improvement or less invasive forms of upgrade
Multiple renovations not involving changing unit layouts or moving walls - E.g: Structural work plumbing and/or electrical systems involving repairs to walls and ceilings	Building Permit.	<ul style="list-style-type: none"> • Impact on suites will vary based on scope of work • Work involving disconnection of services/plumbing or impacting interior walls may require tenants to leave units in order to proceed • In some cases, work could be staged in a way that minimizes impact of work
Multiple renovations involving changes to use or number of dwellings, unit layouts, moving walls	Development Permit + Building Permit.	<ul style="list-style-type: none"> • Impact on suites will vary based on scope of work • Work involving changing/removing walls in order to change unit layouts will may require tenants to leave units in order to proceed • In some cases, work could be staged in a way that minimizes impact of work
Redevelopment involving demolition of existing structure	Development Permit + Building Permit.	Full redevelopment of a rental building will require renters to vacate

	Rezoning may also be required if applicant is seeking greater height or density than permitted under existing zoning.	
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Additional Resources

- Learn tenant and landlord rights and responsibilities under the BC Residential Tenancy Act [🔗](http://www2.gov.bc.ca/gov/content/housing-tenancy/residential-tenancies): <http://www2.gov.bc.ca/gov/content/housing-tenancy/residential-tenancies>
- Get tenant information and representation from the Tenant Resource and Advisory Centre [🔗](http://tenants.bc.ca/): <http://tenants.bc.ca/>
- Take the free online course Renting it Right [🔗](http://www.rentingitright.ca/): <http://www.rentingitright.ca/>
- Look up residential rental buildings in Vancouver with health, safety, maintenance, tidiness, and other issues: https://app.vancouver.ca/RPS_Net/search.aspx
- Contact the City of Vancouver Renters enquiry line: 604-673-8291 or renteroffice@vancouver.ca

Tenant Relocation and Protection Policy Engagement Summary

Summary of Consultation Process

The consultation process for changes to the City of Vancouver's Tenant Relocation and Protection Policy took place from March 15th - May 8th, 2019. Staff consulted several stakeholder groups to identify strengths and weaknesses of the City's existing Tenant Relocation and Protection Policy and opportunities for enhancement. Stakeholders consulted included individuals from tenant advocacy and resource groups, market developers, landlord groups, non-market housing providers, tenant relocation consultants, and the Provincial Residential Tenancy Branch. Feedback was gathered through workshops, meetings, surveys, and written correspondence.

Stakeholder Group	Engagement Format
Tenant Advocacy and Resource Groups	<ul style="list-style-type: none"> • Workshops with various groups
Urban Development Institute (UDI) – CoV/UDI Affordable Housing & Rental Housing Stock Sub-Committee	<ul style="list-style-type: none"> • 2 workshops • Survey (9 responses received)
BC Non-Profit Housing Corporation, BC Housing, Non-Profit Housing Providers and Development Consultants	<ul style="list-style-type: none"> • Workshop
Provincial Government – Residential Tenancy Branch	<ul style="list-style-type: none"> • Workshop
Tenant relocation specialists	<ul style="list-style-type: none"> • Meeting
Non-profit Housing Co-operatives and Co-op Housing Federation	<ul style="list-style-type: none"> • Meeting • Mail-out questionnaire to (6 responses received)
LandlordBC	<ul style="list-style-type: none"> • Meeting

Key Issues

In engaging with various stakeholders on the City of Vancouver's Tenant Relocation and Protection Policy, staff identified some key issues and recurring themes. Those key issues are listed below.

Lack of affordable options for renters facing displacement due to renovations and redevelopment

- Current policy does not provide enough financial compensation to mitigate the impact of displacement
- Low-income households and individuals with additional housing barriers (e.g. seniors, families) are at high risk of hardship during displacement and need additional support
- Residents in existing non-market social and co-op housing are at particular risk due to housing barriers and current low rents.

Impacts on project viability and new housing supply

- Additional City requirements for tenant relocation add to project costs, which can compromise project viability. This is a particular issue for non-profit social housing providers.

- Right of first refusal at discounted rents creates uncertainty in future revenue streams and impacts project viability and financing, as it is unknown until building occupancy which tenants will exercise their right of first refusal.
 - For project financing, lenders make conservative assumptions on projected revenue streams for the project. When right of first refusal at discounted rents is required, project funding is more difficult to obtain, as lenders assume that tenants will return to the building at discounted rents.
- Right of first refusal at same/similar rents for existing tenants in non-market housing may not be financially achievable without adequate government funding.

Early and ongoing communication between the applicant and tenants

- Strong preference for engagement with tenants to occur at the beginning of the project process.
- Strong preference for City staff to be involved in early meetings with tenants to oversee the process and ensure accurate information is being presented.

Awareness of tenant and landlord rights and responsibilities

- Many tenants are not aware of their rights under the Residential Tenancy Act and the City of Vancouver Tenant Relocation and Protection Policy.
- Some tenants are approached with a Mutual Agreement to End Tenancy by their landlord without full knowledge of their rights and options.

Structured approach to identifying tenants in need of additional assistance

- Tenants in need of greater assistance through the relocation process can be difficult to identify.
- In some cases, there is a lack of upfront information obtained from the tenants by the applicant.
- Applicants support providing more assistance to tenants in need, but prefer that tenant need is verified through income testing or other measures.

Flexibility in tenant relocation approaches for non-market housing providers

- In many cases, non-profit housing providers are focused on permanent re-housing. This can be achieved through phased redevelopment, re-housing within their portfolio, etc. The current market policy does not provide flexibility for non-market providers to provide permanent re-housing solutions.
- In cases where re-housing solutions are achieved, compensation to tenants may be unnecessary and a barrier to the project.
- Redevelopment in non-profit co-ops is subject to member vote; member approval will almost always be contingent on a robust plan for existing residents. While a set of guidelines can be useful to inform co-op relocation plans, they should not be mandatory.

Temporary relocation under the Residential Tenancy Act

- Under the Residential Tenancy Act (RTA), there are renovation scenarios where tenants may temporarily leave their unit without ending their tenancy agreement; however, the

City's current Tenant Relocation and Protection Policy (TRPP) does not offer an aligned temporary relocation option.

- Lack of clarity of what scope of building work requires a landlord to end the tenancy agreement.

Summary of Comments/Feedback

In addition to key messages, below is a summary of the general comments expressed throughout Staff consultation with various stakeholders, categorized by topic. General feedback for each topic is listed for each relevant stakeholder group, as opinions staff received varied between different groups.

Policy Coverage and Approach	
Tenant advocacy groups	<ul style="list-style-type: none"> • Apply the Tenant Relocation and Protection Policy to all permit types, not just rezonings and development permits. • Explore putting conditions on business licenses that mandate landlords to comply with the TRPP. • Apply the Tenant Relocation and Protection Policy to all rental units, including secondary rental stock (rented condos, secondary suites, etc.). • Provide TRPP eligibility to tenants who move into the building after the permit has been applied for.
All housing providers (market and non-market)	<ul style="list-style-type: none"> • Barriers to re-tenanting units after existing tenants have chosen to move out after receiving assistance – 4 month notice after all permits are issued adds delays to redevelopment. • Property owners wish to avoid having empty buildings due to life safety concerns with empty buildings.
Market housing development industry	<ul style="list-style-type: none"> • Benchmarks are useful for tenants and applicants to set expectations for compensation, moving expenses, etc.
Non-market housing providers	<ul style="list-style-type: none"> • Need for different tenant relocation approach for non-market (social and co-op) housing providers. • Flexibility in a tenant relocation policy is important for non-profit housing societies, as non-profit's focus is on re-housing.
Tenant Engagement and Information	
All stakeholders	<ul style="list-style-type: none"> • Early and ongoing communication between the applicant and tenant is beneficial. • Information on tenant rights under the RTA and the City's Tenant Relocation and Protection Policy should be

	<p>provided upfront.</p> <ul style="list-style-type: none"> City involvement in conversations between the applicant and tenants is valuable to ensure accuracy of information.
Market housing development industry	<ul style="list-style-type: none"> Allow for more forms of communication between landlord and tenants (i.e. allow email communication). Retaining a third party tenant relocation specialist is valuable for assisting tenants with unique needs.
Non-market housing providers	<ul style="list-style-type: none"> In some cases, one-on-one meetings between landlord and tenant are preferable due to lack of attendance at group meetings. Timing of communication with tenant is important. Should be early in the process, but not too early as to alarm tenants before any concrete directions.
Tenant advocacy groups	<ul style="list-style-type: none"> Information on City permits should be available to tenants to help establish tenant rights under the Residential Tenancy Act. Standard City forms should be used to inform tenants and obtain tenant information for consistency.
Identifying Tenants in Need of Greater Assistance	
Market housing development industry	<ul style="list-style-type: none"> Identifying the unique needs of each tenant early on in the process is essential. Generally, additional compensation/financial supports should be based on income/tenant need. Other demographics that should be considered for additional assistance include the elderly, those with disabilities (physical and mental health), tenants who have lived in the building for a long time, and tenants with language barriers. It is important to prioritize assistance and support based on verified need.
All stakeholders	<ul style="list-style-type: none"> Tenants need to feel comfortable being transparent about their circumstances and needs without creating vulnerability.
Assistance Finding New Accommodations and Re-Housing Tenants	
Tenant advocacy groups	<ul style="list-style-type: none"> There is very little housing in the market at rents that are affordable to low and moderate income tenants in existing

	<p>rental – even at CMHC average rents as specified in current policy.</p> <ul style="list-style-type: none"> Some tenants are at even higher risk of hardship due to additional barriers to finding replacement housing – e.g. seniors, people with disabilities, families, LGBTQ, tenants with pets. It is unclear how the City policy applies in cases where there is no housing available to all tenants in the market.
Market housing development industry	<ul style="list-style-type: none"> It takes more time to find new housing options for tenants with need of greater assistance. Applicant may not be equipped to assist tenants in need of additional support; may be necessary for third party assistance.
Non-market housing providers	<ul style="list-style-type: none"> City policy could provide more guidance on how to permanently re-house tenants. For non-market co-ops, preference is to relocate the entire membership together.
Tenant relocation specialists	<ul style="list-style-type: none"> It is difficult to find new housing options for tenants; the process should begin early to help ensure options can be found for tenants.
All stakeholders	<ul style="list-style-type: none"> The current policy requirements for finding alternate accommodations are unrealistic given what is available in the market. Applicants should explore options to relocate tenants within their property portfolio.
Compensation and Supports for Tenants	
Tenant advocacy groups	<ul style="list-style-type: none"> Compensation amounts should be based on market rents, not current rents paid by the tenant. Compensation levels should escalate based on length of tenure. Additional stipends should be provided to tenants with additional barriers to obtaining alternate housing. Compensation should be provided for all occupants, not on a per unit basis.
Market housing development industry	<ul style="list-style-type: none"> Some tenants do not require additional support finding a new home and compensation is most important to them.

	<ul style="list-style-type: none"> • In practice, some applicants are offering higher levels of compensation than the minimums required under the City's policy.
Non-market housing providers	<ul style="list-style-type: none"> • The non-market housing sector is focused on re-housing; therefore, compensation for tenants is not always necessary or impacts project costs and future affordability.
Tenant relocation specialists	<ul style="list-style-type: none"> • Some tenants do not require additional support finding a new home and compensation is most important to them. • In practice, some applicants are offering higher levels of compensation than the minimums required under the City's policy. • Compensation levels should escalate based on length of tenure.
Mutual Agreements to End Tenancy	
Tenant advocacy groups	<ul style="list-style-type: none"> • Many tenants being approached with mutual agreement to end tenancy offers unaware of their rights, including compensation/support they may be entitled to under the City's policy. • Create a "buy-out" registry to provide information to tenants.
Right of First Refusal to Return to the New Building	
Market housing development industry	<ul style="list-style-type: none"> • Current policy of offering right of first refusal to return to the new building at discounted rents creates uncertainty on project finances, particularly if there are many existing tenants. • Provide a cap on number of tenants who can exercise right of first refusal at discounted rents. This should be offered to low-income tenants. • Very few existing tenants exercise their right of first refusal and return to the new building. It is often easier to provide tenants with other supports instead.
Non-market housing providers	<ul style="list-style-type: none"> • Feasibility of right of first refusal to return to the new building at affordable rents is contingent on adequate project funding. • To provide right of first refusal, the housing provider may have to increase rents in other units within the building to offset costs. • Rather than right of first refusal, the focus should be on

	permanent, secure, and affordable re-housing of tenants.
Tenants advocacy groups	<ul style="list-style-type: none"> Existing tenants should receive right of first refusal to return to the new building with rents within 10% of the rent being paid prior to renovation/redevelopment. The applicant should subsidize temporary tenant relocation to a similar unit in the time work is being completed before the tenant returns to the unit. Right of first refusal for new tenancy agreements should include all allowances under the original lease (e.g. pets, parking, etc.).
Tenant relocation specialists	<ul style="list-style-type: none"> It is difficult to implement right of first refusal from a process timing perspective, as the applicant does not know if tenants will exercise this right until the building is ready to be occupied.
All stakeholders	<ul style="list-style-type: none"> Current right of first refusal with a 20% discount off market rents is not affordable to many existing tenants.
Financial Impacts of Tenant Relocation on Housing Supply/Reinvestment	
Market housing development industry	<ul style="list-style-type: none"> City should prioritize its various requirements for development to ensure that projects are still economically viable. Tenant relocation costs and limits to rent increases may be prohibitive for landlords who are upgrading older rental buildings without increasing rents or number of units. Tenant relocation costs should be included in Community Amenity Contribution (CAC) calculations.
Temporary Relocation Without Ending Tenancy Agreement	
Tenant advocacy groups	<ul style="list-style-type: none"> Need more clarity around when tenants can maintain their tenancy agreement under the Residential Tenancy Act during renovation/redevelopment.
Market housing development industry	<ul style="list-style-type: none"> Best practice in market when tenants must temporarily leave units to accommodate renovations is to provide temporary replacement accommodation in another building at no more than current rents. This option should be revenue neutral for both the tenant and the landlord.

Alignment With Other Tenant Protections	
Market housing development industry	<ul style="list-style-type: none"> • Ensure clarity between the City's Tenant Relocation and Protection Policy and the Residential Tenancy Act. • Desire for consistent tenant relocation policy across Metro Vancouver.

Ideas Raised to Explore for Tenant Relocation and Protections

In addition to the feedback City staff received from various stakeholders during consultation on the Tenant Relocation and Protection Policy, several new ideas for tenant relocation/protection were raised. The ideas most frequently proposed are listed below.

- A community planning approach to tenant relocation. This could include leveraging “swing space”, phased redevelopment and relocation amongst the community, and other innovative approaches to minimizing the impacts of redevelopment on existing tenants.
- A rent supplement system, which would provide tenants who are displaced financial support to bridge the gap between rent that is affordable given their income and market rents. Several key questions would need to be further explored, including funding sources, eligibility, duration of supplement, and sustainable long-term affordable housing solutions.

Consultation Schedule and Events

Format	Stakeholders	Attendees or Participants	Date
Workshop	UDI		March 15, 2019.
Survey	UDI membership	9	April 2019
Workshop	TRAC and West End Seniors Network	4	
Workshop	VTU and West End Seniors Community Planning Table	3	
Meeting	LPA Development	2	
Workshop	Province – Residential Tenancy Branch	3	
Workshop	BC Housing, BCNPHA, and various non-market housing providers and development consultants	13	April 30, 2019.
Mail-out	Housing co-operatives	13	
Meeting	UDI		May 3, 2019.
Meeting	LandlordBC	1	May 8, 2019.

Research on Tenant Relocation Policies in Other Jurisdictions

Staff analyzed the City's proposed amended Tenant Relocation and Protection Policy with comparable tenant protection policies in other cities in Metro Vancouver, the rest of Canada, and North America. This analysis helped inform updates to the Tenant Relocation and Protection Policy and other tenant protection work. This analysis is not exhaustive; however, it provides a high-level overview of different approaches to tenant relocation in the region, country, and continent.

Policies in other jurisdictions differ substantially from Vancouver, in terms of policy coverage, requirements, and jurisdictional authority. In the Canadian cities examined in this section, there are various approaches to tenant protections under provincial legislation, with further protection provided under municipal policy in most cities. In many American cities, municipalities have authorities around landlord-tenant relations that are reserved for the Provinces in Canada.

Staff investigated a number of topics for each jurisdiction, including:

- policy coverage;
- notice to tenants;
- compensation and tenant assistance required;
- right of first refusal to return to the building, and;
- other policy details related to both municipal policies and Provincial/State tenancy laws.

The tables in this section describe the tenant protections in place in different cities, including the City of Vancouver's proposed amended Tenant Relocation and Protection Policy.

Table 1. Tenant Relocation Policies in Metro Vancouver

	Vancouver	Burnaby	New Westminster	North Vancouver
Bylaw/Ordinance / Policy	Tenant Relocation and Protection Policy (TRPP) - <i>Proposed</i>	Tenant Assistance Policy	Tenant Relocation Policy	Residential Tenant Displacement Policy
When does regulation apply?	<p>To development permits and rezonings where tenancies end.</p> <p>Applies to:</p> <ul style="list-style-type: none"> • primary rental housing (purpose-built rental housing, rental units above commercial spaces, multiple conversion dwellings); and • secondary rental housing (secondary suites, rented houses, rented condos) when lots are being consolidated and the proposed development is for 5 or more units. 	<p>Rezoning applications that involve six or more tenanted dwelling units in a multiple family rental building where tenants must permanently relocate.</p>	<p>Rezoning applications and heritage revitalization agreements which involve the demolition of six or more purpose-built market rental units within a multi-family building.</p> <p>Applied on a voluntary basis for demolition and development permits.</p>	<p>To rezoning applications seeking to redevelop or demolish existing purpose-built rental buildings on medium and high density sites. The policy does not apply to low density sites or secondary rental units.</p> <p>The policy is voluntary for the applicant. The policy does not apply to developments that are permitted outright under the Zoning Bylaw.</p>
Amount of notice required	4 months, as per Residential Tenancy Act	4 months, as per Residential Tenancy Act	4 months, as per Residential Tenancy Act	4 months, as per Residential Tenancy Act

	Vancouver	Burnaby	New Westminster	North Vancouver
Amount of tenant assistance required	<p>Financial compensation provided based on length of tenancy:</p> <ul style="list-style-type: none"> • 4 months' rent for tenancies up to 5 years; • 5 months' rent for tenancies between over 5 years; • 6 months' rent for tenancies over 10 years; • 12 months' rent for tenancies over 20 years; • 18 months' rent for tenancies over 30 years • 24 months' rent for tenancies over 40 years <p>The landlord must also pay tenant moving costs, either by hiring an insured moving company or providing additional payment to the tenant, as follows:</p> <ul style="list-style-type: none"> • \$750 for a studio or 1-bedroom unit • \$1,000 for a 2-bedroom+ unit <p>An additional stipend of up to \$2,500 for tenants facing additional housing or relocation barriers</p>	<p>Minimum of 3 months' rent compensation to each tenant. For tenants who have resided in the unit for at least ten years, 4 months' rent compensation is required.</p>	<p>Compensation equal to or greater than 3 months' rent.</p>	<p>3 months' rent plus moving expenses</p>

	Vancouver	Burnaby	New Westminster	North Vancouver
Right of first refusal to new unit	Right of first refusal must be offered to all tenants at 20% discount from starting market rents in the redeveloped/renovated building.	Right of first refusal at market rents. <i>*Recent Council directions stipulate when purpose-built rental housing is being redeveloped, the applicant must offer existing tenants right of first refusal to return to the building at current rents (+ allowable annual rent increases under the RTA); amendments have yet to be made to the Tenant Assistance Policy at this time.</i>	None	Right of first refusal offered to all tenants to return to the new building at a rent negotiated between the property owner and tenants.
Other details	<p>The landlord must also provide assistance finding alternate accommodations for each tenant who requests assistance.</p> <p>For low-income tenants and tenants facing other housing barriers, the landlord must provide additional assistance.</p> <p>Additional requirements in the policy include a mandatory needs assessment to identify tenant needs and enhanced communications with tenants.</p> <p><i>*The BC Residential Tenancy Act provides additional tenant protections in cases where municipal policy does not apply.</i></p>	<p>Applicants are required to assist tenants seeking alternative accommodation, by:</p> <ul style="list-style-type: none"> a unit in the new development, or another unit in the applicant's portfolio; an offer to interested tenants to purchase a unit in the new development; Information on other suitable rental; accommodations; and designation of a tenant relocation coordinator or other key contact to assist tenants <p><i>*The BC Residential Tenancy Act provides additional tenant protections in cases where municipal policy does not apply.</i></p>	<p>The applicant must assist all tenants in locating appropriate housing. In finding appropriate housing, there is no specific set of requirements, due to recognition that in specific circumstances, it may be difficult to find tenants appropriate accommodations at similar rent levels.</p> <p>In assisting tenants in finding appropriate housing, the applicant should consider factors pertaining to individual tenants, such as ability to pay, household size, and presence of pets.</p> <p><i>*The BC Residential Tenancy Act provides additional tenant protections in cases where municipal policy does not apply.</i></p>	<p>The applicant must also provide tenants with relocation options with 10% of CMHC average rents.</p> <p><i>*The BC Residential Tenancy Act provides additional tenant protections in cases where municipal policy does not apply.</i></p>
Resources		https://www.burnaby.ca/Assets/Tenant+Assistance+Policy.pdf	https://www.newwestcity.ca/database/files/library/Tenant_Relocation_Policy_(June_2018)(1).pdf	https://www.cnv.org/city-services/planning-and-policies/housing/market-rental-housing

Table 2. Tenant Relocation Policies in Other Canadian Municipalities

	Toronto	Montreal
Bylaw/Ordinance/ Policy	Residential Tenancies Act (Provincial Legislation) Toronto Official Plan Toronto Municipal Code, Chapter 667	Quebec Regie de Logement (Provincial Legislation) No municipal tenant relocation policy.
When does regulation apply?	Residential Tenancies Act <u>Compensation:</u> Applies to residential complexes which contain at least five residential units <u>Notice and ROFR:</u> All residential tenancies Toronto Municipal Code Residential rental properties with six or more dwelling units only	Quebec Regie de Logement Eviction to divide the dwelling, enlarge it substantially, or change its destination.
Amount of notice required	120 days as per Residential Tenancies Act	For leases of more than 6 months, notice to be provided 6 months prior, as per Quebec Regie de Logement
Amount of tenant assistance required	Toronto Municipal Code An acceptable Tenant Relocation and Assistance Plan must be submitted. Plans often include additional compensation for tenants. Residential Tenancies Act For demolition or conversion to non-residential use for properties with at least five dwelling units: 3 months rent or offer tenant another rental unit acceptable to the tenant. For landlord or family use: 1 month rent	Quebec Regie de Logement 3 months' rent and reasonable moving expenses
Right of first refusal to new unit	Toronto Municipal Code When units are demolished, rental units must be replaced with rental units at similar rents and tenant relocation and other assistance must be provided, including right of first refusal Residential Tenancies Act When a tenancy is ended due to repairs or renovations, existing tenants have right of first refusal at rents no more than what the landlord could have lawfully charged if there had been no interruption in the tenant's tenancy.	No

	Toronto	Montreal
Other details		Quebec Regie de Logement The landlord may not evict a tenant if the tenant, or the tenant's spouse, at the time of the eviction, is 70 years of age or over, has occupied the dwelling for at least 10 years, and has income equal to or less than the maximum threshold to qualify for a dwelling in low-rental housing under the By-law respecting the allocation of dwellings in low rental housing.
Resources	https://www.toronto.ca/legdocs/municode/1184_667.pdf https://www.ontario.ca/laws/statute/06r17#BK67	https://www.rdl.gouv.qc.ca/en/lessor-s-right-to-terminate-a-lease/eviction-to-divide-the-dwelling-enlarge-it-substantially-or-change-its-destination

Table 3. Tenant Relocation Policies in Other North American Cities

	New York City	San Francisco	Los Angeles	Seattle
Bylaw/Ordinance/ Policy	NYC Rent Stabilization Code	San Francisco Residential Rent Stabilization and Arbitration Ordinance Section 37.9C: Tenants Rights to Relocation for No-Fault Evictions	Rent Stabilization Ordinance: Section 151.09 - Evictions; Los Angeles Municipal Code	Tenant Relocation Assistance Ordinance
When does regulation apply?	Demolition or conversion of rent controlled (1% of rental units) and stabilized (44% of rental units) apartment units	Eviction for landlords use or family member use if no comparable unit owned by the landlord is vacant, demolition, capital improvements, or rehabilitation. Tenants must have resided in the unit for 12 or more months. Relocation rights for each tenant of each unit. Applies only to rental units in buildings with first certificate of occupancy issues before 1979.	Eviction with landlord intent to take possession (landlord or their family), demolition, or code violation. Does not apply to single-family dwellings when only one dwelling unit is on a single parcel, non-profit cooperatives, housing with first certificate of occupancy issued after 1978, luxury housing accommodations, units with certified substantial renovation after 1980, or affordable housing accommodations (e.g. social housing).	Displacement caused by demolition, change of use, substantial rehabilitation, or removal of use restrictions from any dwelling unit. This excludes conversion of rental housing to condominiums, in which case separate relocation assistance requirements apply under the Condominium Conversion Ordinance.
Amount of notice required	at least 90 days	60 days (30 days if tenant has resided in unit for <12 months)	60 days for renovation, 120 days for demolition (1 year for residents 62 years of age or disabled and have been living in the unit for 1 year or more), 180 days for conversion	90 days

	New York City	San Francisco	Los Angeles	Seattle
Amount of tenant assistance required	<p>Three options for rent controlled (1% of purpose-built rental housing stock) tenants:</p> <ol style="list-style-type: none"> 1. Relocation to unit with equivalent or lower rent, plus moving expenses and a \$5,000 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 renting at \$500/mo) - can also be negotiated resulting in much higher payout 	<p>\$6,980 per tenant (50% at time of notice to end tenancy, 50% once unit is vacated). In no case shall the landlord be obligated to pay more than \$20,939 in relocation expenses for all eligible tenants in the same unit.</p> <p>For tenants age 60 years or older, who is disabled, and each household with at least one child under 18, an additional \$4,654 to be paid (50% within 15 calendar days of landlord's receipt of written notice of eligibility and 50% when unit is vacated).</p> <p>Amounts adjusted at CPI each year. Dollar amounts are written in ordinance are from March 1, 2007 dollars.</p>	<p>Qualified tenants:</p> <ul style="list-style-type: none"> • \$16,650 for tenants who have lived there fewer than 3 years • \$19,700 for tenants who have lived there 3+ years <p>Other eligible tenants:</p> <ul style="list-style-type: none"> • \$7,900 for tenants who have lived there fewer than 3 years • \$10,400 for tenants who have lived there 3+ years <p>Tenants whose household income is 80% or below Area Median Income, adjusted for household size, regardless of length of tenancy:</p> <ul style="list-style-type: none"> • \$19,700 for qualified tenants • \$10,400 for other eligible tenants <p>If landlord is taking possession for personal use and rental units contains four or fewer rental units and landlord owns no more than 4 units of residential property and a single-family home in the City of Los Angeles, then landlord pays relocation fee of \$14,000 for qualified tenants and \$7,000 for all other tenants.</p> <p>For temporary relocation, landlord must pay temporary relocation costs, regardless of if costs exceed rent paid by the tenant. Also includes costs of returning to tenant's apartment unit.</p>	<p>Displacement \$3,998 for low-income tenants, adjusted annually based on Consumer Price Indices. Low income is defined as 50% of the median income, adjusted for inflation, in King County, WA.</p> <p>Half of the amount of payment for low-income tenants is paid by the property owner and the other half is paid by the City of Seattle.</p> <p>Condominium Conversion The greater of:</p> <ul style="list-style-type: none"> • 3 months' rent or • For elderly or special needs tenants with income less than or equal to 80% of median income, 3 months' rent plus up to \$1,500 in additional assistance associated with reasonable costs resulting from relocation

	New York City	San Francisco	Los Angeles	Seattle
Right of first refusal to new unit	No	<p>No right of first refusal for redevelopment.</p> <p>For capital improvements (three months or less) the tenant has the right to reoccupy at prior rent adjusted. Adjustment is for capital costs certified by Board. Owner may pass on 50% of the costs certified; however, no increased shall exceed, in a twelve-month period, 10% of the tenant's base rent or \$40, whichever is greater.</p> <p>For temporary displacement less than 20 days, each tenant household is owed \$379/day plus actual moving expenses OR the landlord shall have the option to provide a comparable dwelling unit and pay any actual moving expenses. Rates are adjusted annually based on CPI increase.</p>	<p>If eviction is due to the landlord going out of rental business, and the units are later re-rented within 5 years, right of first refusal must go to previous tenants who requested to be notified, at same rents plus annual adjustments. Rates for re-renting are to be the same regardless of if the existing tenant returns.</p> <p>If there are the same eviction circumstances and new rental units are constructed, replacement rental units must be rented at initial rents plus annual adjustment. Exemption for new units can be obtained for affordable housing units, hardship, and owner occupancy.</p> <p><i>*Note: only applies to units described in 'When does regulation apply?' section.</i></p>	For condo conversion, tenants have the right of first refusal to purchase the a condominium unit.
Other details	After a major capital improvement, landlords may increase rents by 6%	Compensation equal to the difference between tenant's current rent and market rent for a period of 24 months when landlords were exiting the rental business was in place previously, but was ruled against in court and rescinded.		<p>Relocation assistance under the Tenant Relocation Assistance Ordinance is subject to tenant income verification, submitted to the City.</p> <p>The owner/applicant pays for half of the relocation assistance and the City pays for the other half.</p>
Resources	https://hcr.ny.gov/system/files/documents/2018/09/factsheet11demolitiontenantshallnotvacateuntilfinaldhsrorder.pdf	https://sfrb.org/rent-ordinance	http://library.amlegal.com/nxt/gateway.dll?f=templates&fn=default.htm&vid=amlegal:lamc_ca	https://library.municode.com/wa/seattle/codes/municipal_code?nodeId=TIT22BUCOCO_SUBTITLE_IIHQ_CO_CH22.210TEREAS

Vacancy Control

Background

On December 4, 2018, Council considered and carried a motion entitled *Protecting Tenants from Renovictions and Aggressive Buy-Outs*. This motion provided several directions to staff, including a resolution for staff to report back on the impact on renters and rental supply of implementing maximum rent increases during and between tenancies.

THAT the following be referred to staff with direction to report back as early as possible in the first quarter of 2019 on the impact these policies would have on renters and rental supply in Vancouver:

The City immediately and forcefully call on the province to work with the City to implement effective vacancy controls for the City of Vancouver, or alternatively, to give Vancouver the power to regulate maximum rent increases during and between tenancies.

Recent Provincial Actions

Effective September 2018, the Province made amendments to the *Residential Tenancy Regulation* to limit the maximum annual rent increase a landlord can impose on a tenant. Prior to January 1, 2019 the maximum annual rent increase was calculated at the inflation rate + 2%. As of January 1, 2019, the maximum annual rent increase has been limited to the inflation rate, published in September of each year on the Residential Tenancies website. In 2019, the maximum annual rent increase was 2.5%. This control on rent increases is tied to existing tenancy agreements, not the rental unit.

In April 2019, Premier John Horgan appointed a Rental Housing Task Force to advise on how to improve security and fairness for renters and rental housing providers throughout the province. In November 2018, after consultation with stakeholders across the province, the Rental Housing Task Force released their final report with recommendations. Recommendation 10 of that report was to maintain rent tied to the renter, not the unit. The general rationale for why the Task Force did not recommend regulating maximum rent increases on the unit rather than the renter was the potential adverse effects it could have on existing and new rental housing supply.

Rent Control vs. Vacancy Control

Rent control is regulation that limits the amount a landlord can increase rent while the same tenant occupies the rental unit. Generally, rent control regulations allow the landlord to increase rent by a fixed percentage on an annual basis. So long as the same tenant is in the rental unit, rent charged to the tenant can only escalate at a rate set annually by the respective governing authority.

Vacancy control regulation is similar to rent control; however, vacancy control regulation is tied to the unit and limits rent increases for existing tenants and new tenants leasing a

unit. This differs from rent control, as rent control regulation does not limit the rent a landlord can charge to a new tenant moving into the unit.

As outlined in the previous section, British Columbia, under the *Residential Tenancy Act*, currently has rent control provisions. These rent control provisions apply to all residential rental tenancies, regardless of housing type.

City Tools

Currently, the City of Vancouver does not have authority to regulate allowable rent increases. This authority lies with the Provincial government under the *Residential Tenancy Act*. This limits the City's ability to limit rent increases upon unit turnover for all rental units.

The City is exploring its ability to keep rents more in line with local incomes by limiting rent increases upon unit turnover on a site-by-site basis by securing Housing Agreements with property owners. An example of rent levels tied to the unit is being explored through the City's Moderate Income Rental Housing Incentive Pilot Program (MIRHPP). Under MIRHPP, at least 20% of the residential floor area in the building is made available to moderate income households earning \$30,000 to \$80,000 and rent escalation in moderate income units will be capped at the maximum annual rent increase rate set by the *Residential Tenancy Act*, regardless of tenant turnover.

With the pilot program, the City is testing methods to address challenges in implementation of regulations to restrict rent increases to the unit upon tenant turnover, including enforcement and monitoring. Further learnings will be available once MIRHPP projects are approved and occupied.

Precedents From Other Cities

Table 1 provides a general overview of rent and vacancy controls throughout Canadian jurisdictions, and Table 2 does the same for American cities. This overview is not exhaustive, but is intended to provide general information on various rent and vacancy control measures across Canada and the United States. Rent and vacancy control differs in each city, as there are differences in rental housing context, organizational structures, and jurisdictional authority.

Currently, no vacancy control exists in Canadian jurisdictions. There are some vacancy control examples in the United States; however, generally, where vacancy control does exist, regulation only applies to a small sub-set of the rental housing stock or allows for substantial rent increases upon unit turnover. Additionally, in many cases in the U.S., policy allows for landlords to raise rents beyond the allowable increase in specific circumstances to recover costs of building upgrades.

Table 1. Rent and Vacancy Control Regulations in Canadian Jurisdictions

City	Rent tied to tenant or unit	Scale of application	Regulation
Vancouver/British Columbia	Rent tied to tenant	All tenancy agreements	Annual maximum rent increase is limited to annual rate of inflation.
Ontario	Rent tied to tenant	All tenancy agreements, except for in residential units first occupied after Nov. 15, 2018.	Annual maximum rent increase is limited to annual rate of inflation. Landlord can apply for further rent increases for specific landlord capital expenditures.
Quebec	None	All tenancy agreements	No regulation unless disputed. New tenants: At the time of entering into the lease, the landlord must indicate the lowest rent paid in the last 12 months to the new lessee. If the tenant objects to the rent, they may file a request with the Regie du Logement to have the rent adjusted based on the landlord's operating costs, property taxes, and renovations or major repairs. Renewing leases: Rent increases between leases agreed upon by the landlord and tenant if lease is being renewed. When the rent increase amount is disputed, the Regie du Logement will determine the allowable rent increase. Allowable rent increase is based on the landlord's operating costs, property taxes, and renovations or major repairs.

Table 2. Rent and Vacancy Control Regulations in American Cities

City	Rent tied to tenant or unit	Scale of application	Regulation
New York City	Rent tied to tenant/family (rent control) and rent tied to tenant and unit (rent stabilization)	<p><u>Rent control:</u> residential buildings built before 1947. The tenant or a lawful successor, such as a family member must have been living in the unit continuously since 1971. Once a rent controlled unit becomes vacant, it either switches to rent stabilization or becomes deregulated. Accounts for approximately 1% of rental units in the city.</p> <p><u>Rent stabilization:</u> residential buildings built after 1947 and before 1974. Rent stabilized units are deregulated once they reach a certain rent level. Accounts for approximately 44% of rental units in the city.</p>	<p><u>Rent control:</u> A maximum base rent is established for each apartment and adjusted every two years to reflect operating costs. Owners who certify that they are providing essential services and have removed violations are entitled to raise rents up to 7.5% each year until they reach the maximum base rent.</p> <p><u>Rent stabilization:</u> Lease renewal rents are allowed to increase annually at a percentage specified by the New York City Rent Board (1.5% in 2018-2019). A different higher maximum rent increase is set for vacant units (19% in 2018-2019).</p>
Washington, DC	Rent tied to tenant and rent tied to unit.	All tenancy agreements in residential rental housing built after 1975 and is owned by a natural person (i.e. not a corporation) who owns no more than four rental units.	<p>For an existing tenant, the landlord may raise rent annually based on increase in Consumer Price Index (CPI) plus 2 percent, but not more than 10 percent. For elderly or disabled tenants, the maximum increase is CPI, but not more than 5 percent.</p> <p>When the unit become vacant, rent can increase from the previous tenant's rent by 10 percent or to rent for a comparable rental unit, but not more than 30 percent.</p>

City	Rent tied to tenant or unit	Scale of application	Regulation
San Francisco	Rent tied to tenant. California State law does not allow vacancy control tied to the unit. It also limits the ability to apply rent control to newer rental units.	Applies only to most residential rental units in buildings constructed prior to June 1979.	Annual maximum rent increase is set by the San Francisco Rent Board each year for “rent controlled” units. Landlords can apply for further rent increases for a number of reasons, including certified capital improvements, utilities, water usage, and property taxes. For units that are not “rent controlled”, rent increases are not regulated.
Los Angeles	Rent tied to tenant. California State law does not allow vacancy control tied to the unit. It also limits the ability to apply rent control to newer rental units.	All tenancy agreements in multi-family residential buildings built before October 1978	Annual rent increases are set each year between 3 and 8%, based on the Consumer Price Index (CPI).
Seattle	None	All tenancy agreements	Landlords cannot raise rent during a fixed-term lease. Landlords may increase rents however they see fit for month-to-month tenancies or on lease renewal, so long as they provide 30 days written notice to the tenant. If rent increases more than 10% in a 12-month period, landlords must provide 60 days written notice to the tenant.

Relevant Research

A significant amount of research has been done on the effects of various rent and vacancy control models on the overall health of the housing system for current and future residents.

As rent and vacancy control differ due to unique rental housing contexts, organizational structures, and jurisdictional authorities, it is difficult to compare systems across cities. In

many cases, rent or vacancy control only applies to a specific sub-set of the rental housing stock. Additionally, some jurisdictions have guidance to allow additional rent increases to fund building reinvestment and renovation work.

Research Examples:

A recent study on rent control used a dynamic stochastic spatial equilibrium model to evaluate the effect of housing policies such as zoning, rent control, housing vouchers, and tax credits.¹ The study measures the impact of these policies on house prices, rents, residential construction, income and wealth inequality, and other key outputs. The model is used in the context of the New York Metropolitan Statistical Area. The finds are that there are significant welfare gains from expanding rent control, among other housing policies.

A recent working paper from the Stanford Graduate School of Business found that rent control in San Francisco has created a welfare increase for current residents, but has created a substantial welfare loss for future residents of the city.² In San Francisco, rent control applies primarily to residential rental buildings built in 1979 or prior. Findings indicate that rent control has negative impacts on rental housing supply, as many landlords with buildings impacted by rent control choose to redevelop or convert their building to condo units to avoid being subject to rent controls. This has led to a 15% decrease in the supply of rental housing, causing a 5.1% city-wide rent increase.

There has also been research done on the impact of rent control on building maintenance and upgrades. A study on rent controlled apartment buildings in New York City found that, after controlling for building location and age, rent controlled units had an increased probability of being in unsound condition compared to uncontrolled units.³ However, another study found that the effect of rent control on housing maintenance is ambiguous, as other studies on the topic failed to recognize essential features of actual rent control regulations and responses.⁴

Research from Dr. David Hulchanski at the University of Toronto suggests that rent controls do not have an effect on market supply, but rather macroeconomic factors that affect market demand are what impacts rental housing supply.⁵ Moreover, Hulchanski

¹ Favilukis, Jack Y and Mabilie, Pierre and Van Nieuwerburgh, Stijn. (2019). Affordable Housing and City Welfare. Columbia Business School Research Paper No. 18-77. Available at SSRN: <https://ssrn.com/abstract=3265918>

² Diamond, Rebecca and McQuade, Tim and Qian, Franklin. (2018). The Effects of Rent Control Expansion on Tenants and Inequality: Evidence from San Francisco. NBER Working Paper No. 24181. <https://www.gsb.stanford.edu/faculty-research/working-papers/effects-rent-control-expansion-tenants-landlords-inequality-evidence>.

³ Gyourko, Joseph and Linneman, Peter. (1990) Rent Controls and Rental Housing Quality: A Note on the Effects of New York City's Old Controls. *Journal of Urban Economics* 27, 398-409. <http://www.socsci.uci.edu/~jkbrueck/course%20readings/gyourko%20and%20linneman.pdf>.

⁴ Olsen, Edgar. (1988.) What do economists know about the effect of rent control on housing maintenance? *The Journal of Real Estate Finance and Economics*, Vol 1., Issue 3, pp 295-307.

⁵ Hulchanski, J. David. (1997). "The Economics of Rental Housing Supply and Rent Decontrol in Ontario." Presentation to the Ontario Legislature Standing Committee on General Government Hearings on Bill 96, Residential Tenancies.

states that rent controls are neither inherently good nor bad, but the need for rent control depends on the market context.

Next Steps

The research on rent and vacancy controls illustrates the complexity of potential implications that policy of this nature can have on the rental housing system in a city. There are impacts on welfare of current residents and future residents, building reinvestment, and new supply of rental housing. Additionally, much of the research is contextual and uses specific case studies from a number of cities. Throughout these cities, rent/vacancy control regulations and the rental housing landscape can differ.

A key takeaway from much of the research on rent/vacancy controls is that its effectiveness is highly dependent on the local context and the overall housing system conditions.

Through future housing policy work streams, Staff will continue to investigate potential impacts of rent and vacancy control in Vancouver. Further investigation will be done as part of the following:

- implementation of vacancy control provisions included in the City's Moderate Income Rental Housing Pilot Program (MIRHPP);
- review of City rental incentives programs;
- potential work with the Province on exploring proactive processes for reinvestment in existing rental while protecting tenancies (as outlined in Appendix D, recommendation E); and
- any other additional research opportunities.