
TO: CHAIR AND MEMBERS
PLANNING AND DEVELOPMENT COMMITTEE

DATE: 2015 April 23

FROM: DIRECTOR PLANNING AND BUILDING

FILE: 4500-00
Reference: Tenant Assistance

SUBJECT: TENANT ASSISTANCE POLICY

PURPOSE: To outline a recommended Tenant Assistance Policy for implementation as part of the City's rezoning development approval process.

RECOMMENDATION:

1. **THAT** the Committee recommend to Council that a Tenant Assistance Policy be adopted, as outlined in Section 5.0 of this report.

REPORT**1.0 BACKGROUND**

At the Planning and Development Committee meeting on 2015 February 24, the Committee requested that staff prepare a Tenant Assistance Policy, to provide information for applicants and tenants on the City's expectations for relocating tenants, in instances where existing multi-family buildings are included in the rezoning development approval process.

Burnaby has areas with older multi-family housing units. Much of the rental component of this housing was constructed in the 1950s, 1960s and 1970s, and as such some buildings are nearing the end of their expected life cycle. These ageing residential buildings are typically located in adopted Community Plan areas, including the City's four Town Centres, where redevelopment of property is permitted consistent with the prevailing Burnaby Zoning Bylaw district, and/or supported through rezoning in line with adopted City Plans.

When older multi-family buildings are advanced for demolition, the *Provincial Residential Tenancy Act* addresses requirements of notice and assistance to be provided to relocating tenants. The purpose of a City Tenant Assistance Policy is to provide information to applicants and tenants on the City's expectations in this regard, to ensure that a suitable range of resources and considerations are provided for tenants needing to relocate, as part of the City's review and approval of redevelopment applications comprising existing multi-family rental buildings.

The City's current practice is to encourage applicants, early in the development process, to consider this issue in the overall redevelopment process involving existing tenanted multi-unit buildings. Specifically, staff request that the applicant prepare a plan to assist the existing tenants in their

relocation efforts. Although the preparation of these plans is voluntary, applicants have recognized this as standard practice to support the City's approval process and to address the requirements of the *Residential Tenancy Act*.

The purpose of this report is to recommend a formal policy that provides information and guidance on the City's expectations when existing tenanted buildings are proposed for redevelopment through the rezoning process. The proposed policy strives to balance tenant assistance requested by the City with the applicant's responsibilities under the *Residential Tenancy Act*, and reasonable efforts to be made by an applicant.

2.0 BURNABY HOUSING POLICY

Burnaby's housing policies are outlined in the Official Community Plan. One of the priority housing goals is "*to maintain and improve neighbourhood liveability and stability.*" Specifically, it includes the policy direction: "*to seek new methods, regulations and partnerships to encourage the development and protection of affordable and special needs housing in the City.*" Burnaby's Social Sustainability Strategy also articulates and expresses a social sustainability vision for the City. One of the strategic priorities of the Strategy is to meet the basic needs of residents, including "*access to a continuum of safe, accessible and affordable housing, including the support services they need.*"

The proposed Tenant Assistance Policy would further advance and support City policy by ensuring that applicants fully consider and provide suitable assistance to tenants needing to relocate through the development approval process.

The proposed range of support that would be expected or encouraged through the recommended policy, starting from the base provisions of the *Residential Tenancy Act*, includes: additional notice, rent compensation, moving cost assistance, relocation information, and an opportunity for rental or purchase of an available unit in the new development.

3.0 CURRENT TENANT ASSISTANCE FRAMEWORK

Residential tenancy law in British Columbia is primarily governed by the *Residential Tenancy Act*. The *Act* provides the rights and obligations of tenants and landlords in the Province and prescribes the current tenant termination requirements. Municipalities may adopt supplementary policies to encourage or require that the minimum legislated requirements be exceeded when existing tenants need to relocate.

3.1 Provincial Legislation

As noted, the established process to guide property owners and tenants is regulated by the *Provincial Residential Tenancy Act*. The *Act* generally regulates tenant notice and compensation prior to the end of the tenancy, including for the purpose of the demolition of a building with existing tenants. In these circumstances, the *Act* generally requires that:

- notice be given to tenants a minimum of two months prior to the end of tenancy;
- that the tenant be compensated with the equivalent of one month's rent; and,
- that tenants provide the landlord with 10 days' notice if they wish to leave at any time during the two months notice period.

3.2 Burnaby's Current Voluntary Approach for Tenant Assistance

In recent years, Burnaby's Planning and Building Department has received several rezoning applications to redevelop existing residential buildings that are tenanted. Without the specific guidance of a Tenant Assistance Policy, staff have requested that the applicant voluntarily prepare a tenant assistance plan. The range of commitments made by applicants as part of Burnaby's voluntary approach includes:

- two to three months notice, after the issuance of a demolition permit;
- one to three months rent compensation;
- universal moving assistance for tenants;
- relocation offers to other buildings in the area that are managed by the applicant; and,
- completion of a communications plan with tenants.

The assistance provided by applicants has varied. Some applicants have provided no additional support over and above the stated requirements of the *Residential Tenancy Act*. In other cases, the proposed tenant assistance reaches beyond the minimum requirements of the *Act*, and involves additional notice, rent compensation, and moving assistance.

4.0 MUNICIPAL APPROACHES IN METRO VANCOUVER

Staff reviewed the tenant assistance and relocation policies of other municipalities in Metro Vancouver, including Vancouver, North Vancouver (City), Richmond, Coquitlam, and New Westminister. A review of these municipalities revealed three distinct approaches, as detailed below.

4.1 Voluntary Approach by Applicant

The Cities of North Vancouver and Richmond do not have Council adopted tenant relocation policies. However, these municipalities commonly request a tenant assistance or protection plan as part of the development approval process. While the approach is voluntary, it has often resulted in better outcomes for tenants than would have been achieved under the *Residential Tenancy Act*, such as longer notice periods and increased financial compensation. This approach is similar to Burnaby's current practice.

4.2 Adopted Council Policy

New Westminister and Coquitlam have adopted tenant assistance policies that require tenant relocation and rental replacement plans through the development approval process. These policies generally include documentation on existing on-site rental housing, relocation options, proposed financial assistance for relocation, and a plan to manage communications between the developer and the existing tenants. There is an expectation that the applicant provide assistance beyond the minimum requirements of the *Residential Tenancy Act*.

4.3 Adopted Council Policy with Specific Guidelines

The City of Vancouver has implemented a tenant assistance policy and guidelines that describes minimum provisions that must be provided for tenants facing relocation as a result of redevelopment. The guidelines require applicants to provide the following, at the time of rezoning:

- A minimum of two months free rent;
- Full coverage of a tenant's moving expenses;
- First-right-of-refusal for tenants to relocate into a replacement rental unit on-site or alternative in another building off-site; and,
- Providing tenants with options for alternative housing.

A recent example of the application of these guidelines involved the Metro Vancouver Housing Corporation's (MVHC) redevelopment of its Heather Place project. For market rental units, the MVHC offered existing tenants the following:

- reimbursement of moving expenses to a maximum of \$750, issued after the rezoning was approved;
- priority to transfer to a vacant unit on-site after all subsidized unit tenant transfer requests had been satisfied;
- cash compensation (\$300) for utility hookups for relocation; and,
- priority for a market unit in the new Heather Place and two months free rent.

The commitments provided through this example indicate that better outcomes can be achieved for tenants beyond the baselines requirements set out in the *Residential Tenancy Act*.

4.4 Analysis of Municipal Approaches

Municipal tenant assistance policies and strategies are becoming more common in Metro Vancouver and are accepted as good business practice by members of the development community. The strategies typically include a notification period for existing tenants and financial compensation tied to the rent. In practice, applicants typically provide additional notice prior to demolition. Applicants often also provide compensation for moving assistance, for example, reimbursing moving costs or providing free access to moving equipment and vehicles.

It is less common that applicants directly re-locate tenants to new accommodation. In Vancouver, there have been examples where the development has provided on-site or off-site units for tenants. In these cases, the applicant can provide the tenant with the opportunity to relocate into the new development.

As noted, Burnaby currently does not have a formal policy or guidelines that provide specific direction for applicants to provide tenant relocation assistance when multi-unit housing sites are to be redeveloped. Staff currently suggests that applicants submit a tenant assistance plan on a voluntary basis. The adoption of a comprehensive Tenant Assistance Policy would provide a consistent standard for all applicants.

Based on the review of general practices and options for this policy area, to ensure suitable assistance and consideration is given to existing tenants in buildings advancing through the development approval process under rezoning, staff are proposing that a consistent, comprehensive, and supportive tenant assistance approach be established through an Council adopted policy.

5.0 RECOMMENDED POLICY

A proposed Tenant Assistance Policy is presented below:

5.1 Recommended Policy

For Burnaby, it is proposed that staff continue to request a tenant assistance plan at the development application stage, with the added support of a Council adopted *Tenant Assistance Policy*.

It is proposed that the following statement form the basis of the City's *Tenant Assistance Policy*:

Where a development application would involves six or more tenanted dwelling units within a multi-family building, and would include the anticipated demolition of the units, applicants must submit a Tenant Assistance Plan.

5.2 Recommended Guidelines for the Tenant Assistance Plan

It is proposed that the policy be supported by guidelines that would provide direction on the preparation, contents and minimum requirements of the Tenant Assistance Plan. The following proposed guidelines focus on the support to be provided during the application and development approval process.

The guidelines are as follows:

The submitted Tenant Assistance Plan must include:

- *A written commitment to exceed the minimum requirements of the Provincial Residential Tenancy Act;*
- *Documentation of the on-site applicable units including the number and size of units, rental rates, and existing vacancy rates;*
- *A plan to guide communications between the applicant and the tenants;*
- *A minimum of the equivalent of three months rental payment compensation payable to each tenant relocating to compensate for moving expenses, utility reconnection fees, and relocation costs; and,*
- *A minimum of three months notice provided to each tenant.*

The applicant through the Tenant Assistance Plan is to provide assistance to tenants seeking alternate accommodation, by way of:

- *An offer to interested tenants to secure any available rental housing unit in the new development, or in an off-site rental housing unit managed by the same applicant;*

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- An offer to interested tenants to purchase an available housing unit in the new development; and
- Information on other accommodation options for tenants to re-locate in the same area and/or other areas.

The Planning and Building Department will confirm that the Plan has been completed, or provided for, prior to the final adoption of the rezoning bylaw.

The proposed policy and guidelines would exceed and expand upon the *Provincial Residential Tenancy Act*, which generally only requires that tenants be given two months' notice and one month's free rent.

The Tenant Assistance Plan would be required to be submitted prior to the Public Hearing associated with the development application to ensure this information is available to tenants and the public. Completion of the Plan would become a standard prerequisite condition for the rezoning.

It is noted that while the policy would be required to be implemented as part of a rezoning application, it would continue to be applied as a voluntary measure for the very limited number of applications that are advanced through a Preliminary Plan Approval (PPA) application under prevailing zoning.

6.0 CONCLUSION

The Planning and Development Committee and Council have requested that staff prepare and advance recommendations for a new Tenant Assistance Policy.

The City has been working with applicants on a voluntary basis to ensure that tenant assistance plans are considered as part of the development approval process. The proposed policy and guidelines would provide clear direction on the preparation, contents and minimum requirements of a Tenant Assistance Plan to be required through the rezoning development approval process.

The proposed policy and guidelines would provide for specific direction and information on this matter for applicants, tenants, and the community.

It is recommended that the Planning and Development Committee advance the proposed Tenant Assistance Policy for the consideration of Council.


Lou Pelletier, Director
PLANNING AND BUILDING

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cc: City Manager Deputy City Managers
Director Finance Chief Building Inspector
City Solicitor City Clerk

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