



Tenant Relocation And Protection Policy

Vancouver's
Housing and Homelessness
Strategy

A Home for Everyone

Approved December 10, 2015



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1.0 Introduction

1.1 Affordable Housing Choices

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

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

Over 50% of households in Vancouver are renters. Vancouver provides nearly half (45%) of the rental housing in the entire Mainland and more than a quarter (26%) of the rental housing for all of British Columbia.¹

Renting allows for moderate income households to live in Vancouver. The median annual income of renters is \$41,500, significantly lower than that of home owners (\$78,000).²

1.2 Rental Housing Challenges

Vancouver is an attractive place to live and work. It also has the tightest rental market and one of the lowest vacancy rates in Canada – averaging 0.9 percent over the last 30 years.³ A healthy vacancy rate is considered to be between three to five percent. With a growing population, limited increases in income and limited new supply of purpose-built rental housing in recent decades, the need for suitable housing choices for low and moderate income households has grown dramatically.

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

The city's existing rental housing stock provides some of the most affordable housing in Vancouver. However, this market rental stock is aging – Figure 2 illustrates that over 81% of the stock is over 35 years old.⁴ This older portion of the stock provides affordable rents. Figure 1 below demonstrates the average rents for one-bedroom apartments by building age. On average, this older stock rents for \$400 less than newer units built after 2004 and provides affordable rents at rates similar to those in new social housing units.

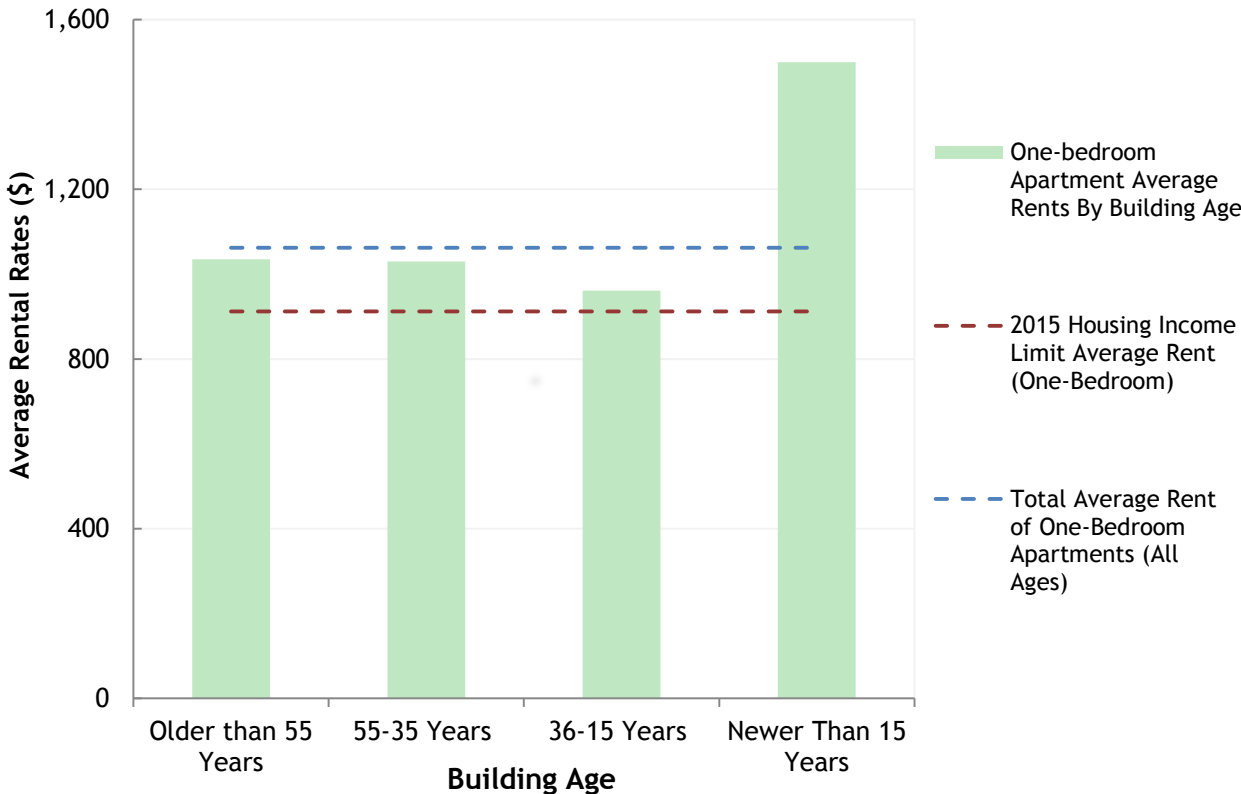
¹ National Household Survey, 2011

² National Household Survey, 2011

³ CMHC Market Rental Survey, 1975 - 2014

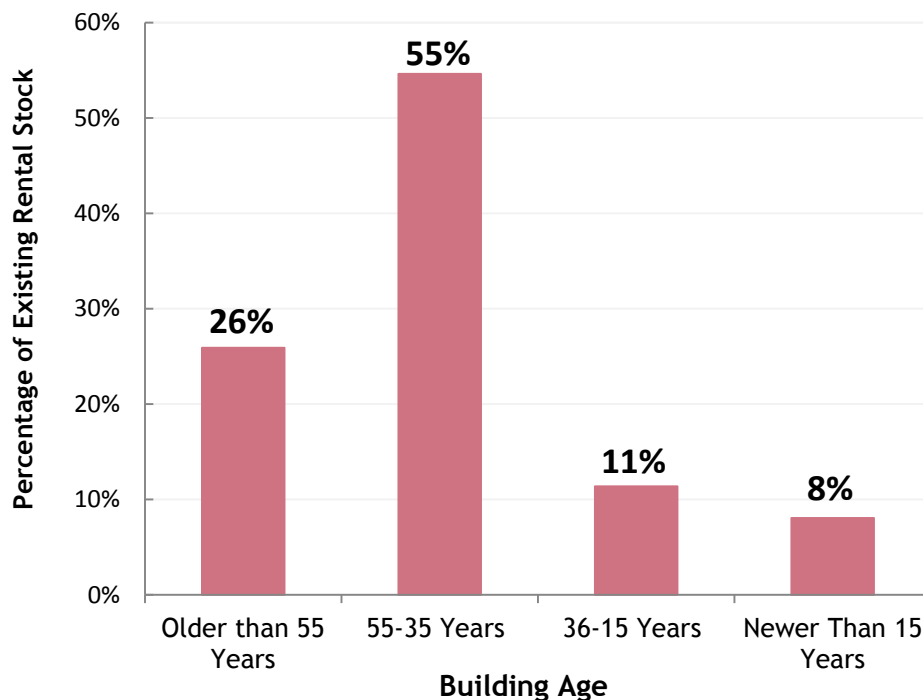
⁴ CMHC Market Rental Survey, April 2015

Figure 1: Private Apartment Average Rents in the City of Vancouver By Construction Date⁵



⁵CMHC Market Rental Report, October 2014.

Figure 2: Age of Buildings as a Percentage of Rental Stock in the City of Vancouver⁶



Vancouver's aging stock, combined with very high demand for rental housing, and the subsequent profits to be made, has led to an increase in redevelopment and renovation in recent years. While these activities are important for maintaining and renewing the existing rental stock, there are impacts on tenants. Most often, they are displaced. Finding alternate rental accommodation that is suitable and affordable in a city with historically low vacancy rates is challenging. Despite being more affordable than owning, renting is still costly in Vancouver – 34% of renters pay over 30% of their income on housing, and 14% of renters pay over 50% of their income on housing.⁷ There are also non-quantifiable costs of relocation - the loss of one's home and community networks, as well as the stress involved with the moving process.

1.4 Vulnerable Tenants

Vulnerable tenants, such as seniors, persons with disabilities, or those living on very low incomes, 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.

⁶ CMHC Rental Market Survey, April 2015.

⁷ National Household Survey, 2011

1.5 Policies in this document

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

The City has rental replacement regulations contained in the Rental Housing Stock Official Development Plan to protect the existing market rental housing stock in certain RM, FM, and CD-1 zones. In addition, the Single Room Accommodation By-law manages the rate of change of low-income housing in Vancouver's Downtown Core and contains requirements around tenant relocation. The Tenant Protection and Relocation Policy will work in conjunction with these existing regulations, but is also part of a larger strategy that addresses the housing needs of low and moderate income households.

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

1.6 Role of the British Columbia Residential Tenancy Act

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

2.0 POLICY TARGET

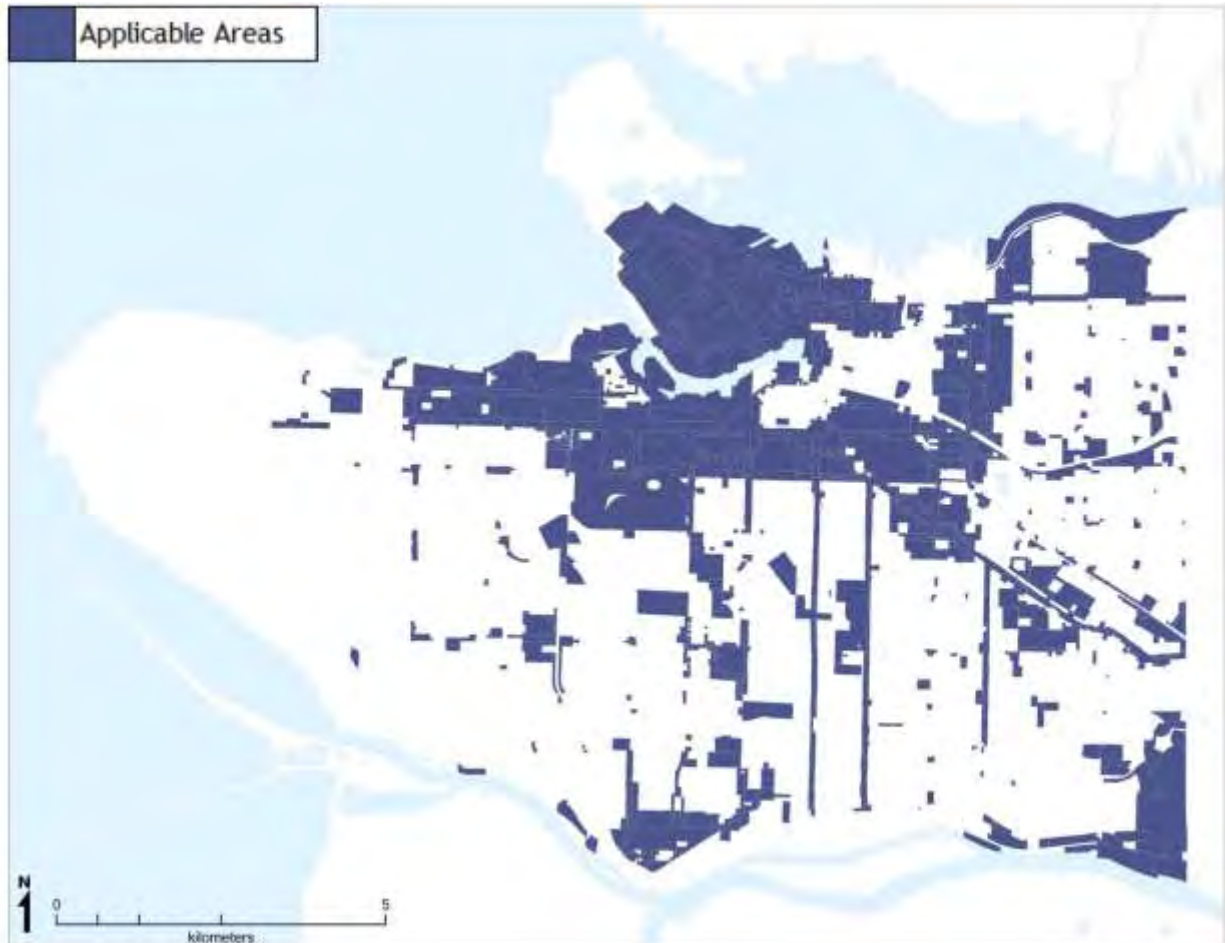
This policy is targeted at the "primary" rental stock, where the purpose of the building is to operate rental housing in the long-term. This includes:

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

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

Exclusions:

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

**2.1 TENANT PROTECTION FOR PERMANENT RELOCATION****Tenant Relocation Plan**

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

At a minimum, the Tenant Relocation Plan must include:

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

- 4 months' rent for tenancies over 10 years; and
- 6 months' rent for tenancies over 20 years.

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

- (b) A minimum of 2 months' notice to end tenancies after all permits are issued.
- (c) For tenants requesting assistance finding new accommodations:
 - Three options should be offered that are comparable in unit type, unless otherwise agreed to;
 - All options should be in Vancouver, with one in the same neighbourhood⁸;
 - In the West End, there should be two options in the same neighbourhood;
 - All options should rent at no more than Canadian Mortgage and Housing Corporation's average rents for the area;
 - Where possible, options should be tailored to the tenant (e.g. pet friendly, mobility considerations, smoke-free, etc.); and
 - In cases involving vulnerable tenants, applicants are encouraged to provide additional assistance and supports as per section (f) below.
- (d) Arrangement for an insured moving company, or, a flat rate payout for moving expenses as follows:
 - \$750 for bachelor and 1-bedroom households; and
 - \$1,000 for two or more bedroom households.
- (e) Right of first refusal for existing tenants to move back into the new building with a 20% discount off starting market rents will apply in the following scenarios:
 - Projects that propose new secured market rental housing or where one-for-one replacement of rental units are required under the Rental Housing Stock ODP. The new secured market rental housing units or replacement rental units will be secured for a term of 60 years or life of the building, whichever is greater, through legal agreements, or any other legal mechanism deemed necessary by the Director of Legal Services and the Chief Housing Officer.
 - Projects that propose new social housing, or where rental units are replaced with social housing (e.g. in certain areas identified in the West End Plan). Tenants will be offered right of first refusal, provided they meet the eligibility requirements for the new social housing unit.
- (f) Additional support for special circumstances

⁸ "Neighborhood" in this context refers to the local planning area in which the tenant currently resides. To learn more, visit the City's local area map: <http://vancouver.ca/news-calendar/areas-of-the-city.aspx>

- Additional financial compensation or support, such as partnering with health organizations and other non-profit services, may be requested for vulnerable tenants (e.g. seniors, persons with disabilities, tenants with low income, mental health issues, etc).
- Additional support for special circumstances to include identifying at least one alternate accommodation option within 10% of the tenant's current rent, if the tenant has a low income and is paying significantly lower than CMHC average rent for the area.

Final Tenant Relocation Report

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

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

2.2 TENANT IMPACT STATEMENT

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

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

3.0 Implementation

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

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

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