

Update on Tenant Protections: Applicability of a Proposed Tenant Protection Bylaw

Recommendation:

THAT Council direct Staff to prepare a Tenant Protection Bylaw for Council's consideration.

Report Purpose and Summary Statement:

This report provides information on the provisions introduced through Provincial Housing Legislation – Bill 16 (2024) that would enable the City's existing Tenant Relocation Assistance Policy to be repurposed into a Tenant Protection Bylaw, and to recommend that staff consider a proposed scope and process and prepare a new Tenant Protection Bylaw to further strengthen tenant protections in the City for Council's consideration.

Previous Council Action:

On September 26, 2023, Council endorsed an updated Tenant Relocation Assistance Policy and the Manufactured Home Park Redevelopment Tenant Assistance Policy. Staff were directed to monitor developments and provide an update report in alignment with other housing-related work.

Strengthening rental protections aligns with the City's Housing Needs and Housing Strategy reports. These initiatives, including the potential feasibility of introducing a Tenant Protection Bylaw, are being pursued as part of the City's 2024 Proposed Housing Action Plan, endorsed by

Council on November 12, 2024.

Strategic Alignment:

Liveable Community

Applicable Legislation/ Bylaw/Policy: Bill 16: The Housing Statutes Amendment Act (2024)

 Provincial Interim Guidance: Tenant Protection Bylaws (Sep 11, 2024)

Community Charter, Section 63

Maple Ridge: Tenant Relocation Assistance Policy (Policy 6.32)

Maple Ridge: Manufactured Home Park Redevelopment

Tenant Assistance Policy (Policy 6.27)



To: Mayor and Council **File number:** 13-6440-20

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BACKGROUND

In the Spring of 2024, the B.C. Legislature passed *Bill 16: The Housing Statutes Amendment Act* (2024), which made changes to the *Community Charter* and the *Local Government Act* to provide municipalities with explicit authority to develop tenant protection bylaws (TPBs). Municipalities can adopt these bylaws to require developers to provide added support for tenants facing displacement in cases of redevelopment.

The City's Tenant Relocation Assistance Policy, introduced in 2018 and most recently reviewed in September 2023, aims to align tenant protections and compensation with other municipalities in the region. This report provides Council with an overview of the Policy and the enabling legislation, Bill 16. It explores the feasibility of transitioning the current Policy into a Tenant Protection Bylaw, which could strengthen tenant protections in response to the anticipated increase in redevelopment projects within key growth areas of the City.

DISCUSSION:

Existing Landscape: Rental developments and the Tenant Relocation Assistance Policy:

Maple Ridge has an estimated 2,194 rental units in rental properties built between 1955 to 2020, and approximately 205 units of manufactured homes in home park sites across the City (Attachment A). Tenants are currently protected by the provisions of the <u>Tenant Relocation Assistance Policy (Policy 6.32)</u> to support tenants displaced by redevelopment. The policy applies to development applications involving five or more purpose-built rental units requiring rezoning, heritage revitalization agreements, strata conversion, or changes to units secured by a Housing Agreement. Key provisions of the policy include: early notification and communication, financial compensation, relocation assistance, including moving cost compensation an, assistance finding comparable alternative housing options, access to a Tenant Relocation Coordinator, and the right of first refusal for new rental units (Attachment B). To date, no development applications have triggered the updated 2023 policy.

Aging Purpose-built Rental Housing:

A significant portion of the City's purpose-built rentals were built prior to the 1980s, mainly within the Town Centre and Lougheed Transit Corridor, and are mostly 2 to 3 storeys. (Attachment A). Many of these properties have not maximized their allowable density under current zoning. As a result, redevelopment may often proceed without rezoning, meaning the City's tenant protections are not enforceable since they are tied to the rezoning process.

For example, the recent redevelopment at 11872 Laity Street, which replaced 12 rental units with a 60-unit multi-storey development, did not require rezoning, so the 2023 tenant relocation policy did not apply. The applicant voluntarily followed the 2018 policy, but there was no legal requirement to do so. (Figure 1 below).

Figure 1. Proposal at 11872 Laity Street





Before After

Thus, the City would have limited ability to require developers to deliver on financial compensation and offer relocation assistance to tenants as required through the provisions of the existing Policy.

Application of Tenant Protection Bylaws:

The recent changes introduced through Bill 16 (2024) expand Council's authority to establish TPBs [Community Charter, Section 63]. enabling tenant protections outside of the rezoning process. A TPB would provide the City with additional legislative tools to require notices, financial compensation, and relation support for tenants displaced by redevelopment, mandate the first refusal for tenants to rent in the redeveloped property, and establish penalties for noncompliance. This bylaw would also allow the City to designate Tenant Protection Development Permit Areas, ensuring tenant protections are integrated into development permit requirements. Enforcement measures would include civil proceedings, prosecution under the Offence Act, bylaw offence ticketing, and other measures as prescribed by regulations on any land subject to a permit.

What do Tenant Protection Bylaws do?

With the recent amendments to the *Community Charter*, TPBs can now apply to tenancies that are ended by "redevelopments", defined as:

- "to demolish residential property for the purpose of constructing a new structure on the parcel on which the property was located; or
- to partially demolish residential property to the extent that one or more rental units within the residential property are completely and irreversibly destroyed" (section 63.1, Community Charter).

TPBs would require owners of residential property to give tenants one or more of the following:

- "notices or information with respect to a redevelopment, a proposed redevelopment [or other matters as outlined in the TPBs];
- financial compensation for the termination of tenancy agreements;
- financial or other assistance to find and relocate to comparable replacement units;
- the opportunity to exercise rights to enter new agreements for the rental of comparable units in property in which owners have an interest" [also known as the "right of first refusal"] (section 63.2(1), Community Charter).

TPBs made for the above purposes may do one or more of the following:

- "provide for the nature and extent of compensation and assistance, the manner in which it is determined, the manner in which it is given to tenants and the period in which it must be given;
- define the characteristics of comparable replacement units;
- require owners who have, or will have after redevelopment, new units available for rent to offer to rent those units to tenants
 - o in priority to other persons, and
 - o at a rental rate that is less than the rate provided for under an applicable zoning bylaw or housing agreement" (section 63.2(2), Community Charter).

Tenant Protection Bylaws and the Residential Tenancy Act

TPBs do not replace the rights and responsibilities of landlords and tenants under the *Residential Tenancy Act* (the "Act"). Local tenant protection bylaw supports are in addition to tenant protections under the *Act*. The *Act* applies to a broader range of no-fault evictions, whereas the TPB applies to cases of redevelopment where the rental units are irreversibly destroyed resulting in the displacement of tenants. However, if a tenant is entitled to receive financial compensation under the *Act* as well, this amount would be deducted from the amount of financial compensation or financial assistance provisioned in the TPB (section 63.3, *Community Charter*).

Other Considerations:

Rationale for a Tenant Protection Bylaw

The City currently has very limited means to enforce the Tenant Relocation Assistance Policy. There is a likelihood that some of the City's existing purpose-built rental buildings could bypass the rezoning process when developing, as many of the existing rental developments in the Town Centre area are zoned RM-2 and RM-3 which permits redevelopment up to 6 storeys [for RM-2 zoned lots] and above [for RM-3] (Attachment A).

Introducing a TPB would close the enforcement gap by applying tenant protections beyond rezoning-triggered developments, strengthen safeguards for tenants as redevelopment pressures increase, provide clarity for developers, renters and property owners, and help mitigate housing precarity, as highlighted in the City's Housing Needs Report (2024), which identified a need for 2,000 new affordable units over the next 20 years, half of which must be affordable rentals.

Through financial assistance, rent banks help renters move beyond their immediate crisis through loans and grants (non-repayable). Over the fiscal year between April 1, 2023 and March 31, 2024, the Maple Ridge Rent Bank supported 69 households with loans and grants totaling \$108,478 in financial assistance. These applicants report that over 61% of their income goes to shelter costs, reflecting extreme core housing need. Data from the profile of applicants suggests that many are single and often living with a disability, and a quarter of the applicants are single parents with children. About half of the applicants identify as BIPOC or Indigenous and a third of applicants are older adults over 50 years old (Attachment C).

Balancing New Development and Tenant Protections

Going forward, the growth and development of established areas in the City will inevitably result in more tenant displacements. This will likely disproportionately impact equity deserving groups and the most vulnerable within the community, as only purpose-built rental buildings often provide the greatest affordable housing options for those on fixed and lower-incomes. While it is acknowledged that tenant compensations can place a financial burden on a development's viability and impact the affordability of new units, developers also stand to benefit from the financial gains that result from the redevelopment at higher densities than that which exists on the property. Tenant protections offer the much-needed safety net for displaced tenants to find alternative options and to mitigate the potential for homelessness. Alongside, the City could continue to focus on and encourage the supply of new non-market rental housing in the coming years, acknowledging that results will be seen over the long-term.

Tenants in Manufactured Home Parks

In addition to the provincial protections under the *Manufactured Home Park Tenancy Act*, the City's <u>Manufactured Home Park Redevelopment Tenant Assistance Policy</u> (Policy 6.27, 2023), which is triggered by a rezoning application for the subject property, can provide other safeguards tenants facing displacement due to redevelopment (Attachment D). Specifically, it addresses situations where tenants own their manufactured homes but lease the pads on which they are situated. For tenants who rent both the home and the pad, the Tenant Relocation Assistance Policy would apply. For the seven manufactured home park sites across the City, upon redevelopment, all these sites would require a rezoning application for which the City's existing policies would apply.

NEXT STEPS:

This work advances the City's overall housing affordability initiatives including a new rental replacement policy and other initiatives to increase non-market and below-market housing units in Maple Ridge. It will be supported by the anticipated release (in Spring 2025) of comprehensive guidance from the Province relating to the new Bill 16 tools provided for tenant protections; to date only interim guidance has been released (September 2024).

Subject to Council's feedback and direction, staff will use the City's existing policies as a basis for creating a Tenant Protection Bylaw for Council's consideration. Staff will: explore the feasibility of designating a city-wide tenant protection development permit area, including requirements to comply with all or part of the tenant protection provisions in the TPB; work with other internal departments to ensure that enforcement tools and potential penalties serve as effective deterrents; and continue to engage with the development industry to share information in support of implementation. To establish these requirements, amendments to the Official Community Plan (OCP) may be necessary but could be incorporated as part of the OCP update work planned for later in 2025.

CONCLUSION:

With new legislative tools available through Bill 16 (2024), Maple Ridge has an opportunity to strengthen tenant protections by developing a Tenant Protection Bylaw. This would build on the City's existing policies, better supporting tenants facing displacement due to redevelopment and ensuring the City can enforce protective measures. Staff seek Council's direction to move forward with drafting the bylaw for future consideration.

"Louisa-May Khoo"
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Attachments:

- (A) Map: Purpose-Built Rental Buildings and Manufactured Home Parks in Maple Ridge
- (B) <u>Maple Ridge: Tenant Relocation Assistance Policy</u> (Policy 6.32)
- (C) Maple Ridge Rent Bank Report
- (D) <u>Manufactured Home Park Redevelopment Tenant</u> <u>Assistance Policy</u> (Policy 6.27)

Report Approval Details

Document Title:	Update on Tenant Protections_TPB.docx
Attachments:	 Attachment A - Map_Rentals and Mobile Homes.pdf Attachment B - Tenant Relocation Assistance Policy .pdf Attachment C - Maple Ridge Rent Bank Report.pdf Attachment D - Manufactured Home Park Redevelopment Tenant Assistance Policy.pdf
Final Approval Date:	Feb 27, 2025

This report and all of its attachments were approved and signed as outlined below:

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James Stiver, Director of Building, Development and Planning

Carolyn Mushata, Director of Legislative Services and Corporate Officer

Scott Hartman, Chief Administrative Officer