

NO: R167

COUNCIL DATE: July 27, 2015

REGULAR COUNCIL

TO: Mayor & Council **DATE: July 27, 2015**

FROM: General Manager, Planning and Development **FILE: 0340-05**

**SUBJECT: Manufactured Home Park Redevelopment and Strata Conversion Policy
City Policy No. O-34A**

RECOMMENDATION

The Planning and Development Department recommends that Council:

1. Receive this report as information;
2. Approve the revised City Policy No. O-34-A – Manufactured Home Park Redevelopment and Strata Conversion Policy attached as Appendix I to this report; and
3. Authorize the City Clerk to forward a copy of this report and the related Council Resolution to the Surrey Manufactured Home Owners Association and the Park Mobile Court residents.

INTENT

The purpose of this report is to:

- Review the City's existing policy related to the redevelopment or strata conversion of manufactured home parks;
- Compare the City's current policy with similar policies from other jurisdictions; and
- Recommend modifications to the current policy that address pending and future development or strata conversion proposal issues.

BACKGROUND

In December 1995, Council adopted City Policy No. O-34A - Manufactured Home Park Redevelopment and Strata Conversion Policy, attached as Appendix II to this report. This Policy requires that:

1. Pre-notification notices be sent to all occupants or tenants of a manufactured home park subject to a redevelopment or strata conversion application, once the file has been assigned to a staff member to process;

2. The applicant of any manufactured home park site undergoing redevelopment or strata conversion provide all tenants of the park with a letter at least 10 days prior to the matter being presented to Council for consideration. This letter should advise the tenants of the time and date of the Council meeting when such application is to be considered, and that any tenants who deem their interest to be affected by such redevelopment or strata conversion may contact the City to advise on their views regarding redevelopment or strata conversion;
3. Redevelopment or strata conversion applications include proposed plans for relocation of persons occupying the current manufactured home park site;
4. Any rezoning or strata conversion of existing manufactured home parks where non-CSA approved or older manufactured homes are located not be considered until Council is satisfied that a viable relocation plan for affected units is in place; and
5. The owner of any manufactured home park site proposing to redevelop to another residential zone or strata title the lots, provide present tenants with a first refusal to purchase prior to giving notice to tenants that they must vacate the manufactured home park site.

In April 2015, the City received an application (File No. 7915-0114-00) to rezone and re-develop the Park Mobile Court located at 9525 King George Boulevard. The proposal, which is for two, 6-storey apartment buildings and a 12-storey mixed-use care facility and office building, would replace approximately 41 manufactured homes.

At the June 29, 2015 Regular Council – Land Use Meeting, Council granted first and second reading to Development Application No. 7915-0114-00 and requested that staff update Policy No. O-34A to ensure it meets and exceeds the Provincial Tenancy Branch requirements attached to re-development of manufactured home parks.

DISCUSSION

While the current policy does provide provisions for the notification of residents regarding development proposals and requires the development of a relocation plan, it is limited in the options that are provided to residents. The proposed revisions to the policy, as presented in this report, would ensure early notification, the preparation of a comprehensive communication plan and the identification of a range of options for the provision of affordable housing. In particular, in addition to an option to reimburse the costs of relocating homes to an affordable location, the revised policy would suggest options that could allow the resident to receive cash-in-lieu to be used for alternative affordable housing or to allow residents to remain on the site in affordable rental or market housing.

In reviewing existing policies related to assisting the tenants of manufactured home parks during redevelopment or strata conversions, the policy adopted by the City of Coquitlam was identified as the most comprehensive policy currently in use. Coquitlam's policy is based on a review of existing policies in Abbotsford, Surrey, Kelowna and Peachland. Coquitlam's Mobile Home Park Redevelopment Tenant Assistance Policy is attached as Appendix III.

Coquitlam has dealt with applications to redevelop manufactured home parks for new housing, which led to the development and adoption of their comprehensive policy. The Coquitlam policy contains a number of elements that are in the current Surrey policy, such as the requirement for pre-notification by the applicant and a relocation plan.

The Coquitlam policy includes the following additional provisions:

- The applicant is required to notify all tenants of plans for redevelopment and that a Relocation Assistance Program is part of these plans. Copies of these communications must be submitted with the application and are attached to the report to Council;
- The applicant must formulate a plan for communicating a Relocation Assistance Program with existing residents;
- The Relocation Assistance Program, which must be submitted with the development application, must include a demographic profile of residents, including general income levels and housing needs/relocation preference options, a profile of the manufactured home's condition and potential for moving and re-use of these homes;
- The Relocation Assistance Program is to be flexible and multi-dimensional, including various options and components to respond to different tenant characteristics, needs and circumstances; and
- The Relocation Assistance Program may include arranging and paying for the disposal of units, compensatory payments of a value that would provide tenants with some amount of equity and greater flexibility in planning for relocation, opportunities for the first right of refusal on the purchase of available units in the new development and advice on options for relocating.

One additional element of the Coquitlam proposal is that where the plans for redevelopment include a residential component, one component of the program "**shall**" be an affordable housing option for tenants to remain on the site. Under this policy the applicant would be required to enter into a housing agreement registered against the title of the property.

As part of re-development proposals that have been approved in Coquitlam, local developers have proposed both an affordable rental housing building and discounted market housing units under the new policy as part of the compensation package for the occupants of the proposed building sites.

Provincial regulations require that tenants in manufactured home parks be given 12 months' notice of the final moving date from the time approvals have been granted and that they be given a payment equivalent to 12 months pad rent.

Proposed Surrey Policy Revisions

It has been some time since the City of Surrey has reviewed its policy with regard to the relocation of residents of manufactured homes. Current market conditions would suggest that there may be additional applications for redevelopment of sites now occupied by manufactured homes.

In reviewing other existing policies, it is recommended that the following elements be considered for addition to the existing policy. A revised policy would focus on ensuring ample notification, comprehensive communication with residents and a range of options for proponents and residents. Proposed enhancements include:

- Advance Notification - Tenants will need to be notified of the proposal at the initiation of the process;
- Communications Plan - The proponent will be required to submit a plan acceptable to the City specifying how and when tenants would be informed of progress in the development application process and on the development of an Affordable Housing Program;
- Affordable Housing Program - Prior to the rezoning application being considered by Council, the proponent would be asked to prepare an Affordable Housing Program supported by background information on the demographic characteristics of the current residents and their affordable housing preferences. This may be prepared in conjunction with a Housing Agreement acceptable to the City, if necessary, to be registered on title. The Affordable Housing Program must provide for reasonable relocation options for the current residents, such as:
 - Relocation Option:
 - Provision of information on relocation options, such as alternative park locations and costs, market and non-market housing units in area; and
 - Reimbursement of reasonable costs to relocate the home and existing improvements to an affordable site in the Lower Mainland;
 - Compensatory Payments: Reasonable payments in addition to those payments mandated in the *Manufactured Home Park Tenancy Act* to be used towards the acquisition of alternative affordable housing. This option may include disposal costs and moving expenses, and should be based on the assessed value of the manufactured home; and
 - On-site Affordable Housing Option: Where a significant number of new housing units are being constructed, the provision of affordable rental or market housing on the development site.

The application of this policy will increase costs to the developer for redevelopment of existing manufactured home park sites, compared to the costs associated with a property unencumbered by existing tenants. However, the location of some of the sites along with projected improvements to transit will likely offset some of the difference and manufactured home sites will be considered viable for re-development including implementation of the policy requirements.

SUSTAINABILITY CONSIDERATIONS

Managing the redevelopment and densification of central and transit-oriented parts of the City in a manner that respects and sensitively considers the needs and situations of existing tenants of manufactured home parks is consistent with the *Sustainability Charter*. Specifically, scope elements *SC9: Adequate, Appropriate and Affordable Housing* and *SC12: Adapting to Demographic Change* within the pillar of Social Sustainability address this issue directly.

CONCLUSION

While Surrey has had a policy in place since 1995 to assist residents of manufactured home parks, Council has requested that the policy be enhanced. After a review of existing policies for Surrey and other jurisdictions, revisions to Policy No. O-34A - Manufactured Home Park Redevelopment and Strata Conversion have been prepared for Council's consideration (Appendix I).

Based on the above discussion it is recommended that Council:

- Approve the revised City Policy No. O-34-A – Manufactured Home Park Redevelopment and Strata Conversion Policy attached as Appendix I to this report; and
- Authorize the City Clerk to forward a copy of this report and the related Council Resolution to the Surrey Manufactured Home Owners Association and the Park Mobile Court residents.

Original signed by
Jean Lamontagne
General Manager,
Planning and Development

JLL:saw

Attachment:

Appendix I Revised City Policy No. O-34A

Appendix II Current City Policy No. O-34A

Appendix III City of Coquitlam Mobile Home Park Redevelopment Tenant Assistance Policy

 CITY OF SURREY	City of Surrey Policy No. O-34A
Policy Title:	MANUFACTURED HOME PARK REDEVELOPMENT AND MANUFACTURED HOME PARK STRATA CONVERSION POLICY
Approval Date:	11 DEC 1995 (RES.95-4166)
Revision Date:	
Department:	Planning and Development

This Policy applies to all applications for development and/or redevelopment of a manufactured home park where existing manufactured homes are proposed to be displaced. This Policy also applies to all applications for conversion of a manufactured home park into a strata development.

1. The Affordable Housing Program outlined in this policy shall be considered to be in addition to any provincially mandated requirements, such as the provision of minimum notice of termination of a tenancy and financial compensation.
2. Notices to residents regarding the redevelopment or strata conversion proposal shall be provided to residents by the Proponent as soon as possible and not later than two weeks after an application is received by the City. The notice shall include a copy of this policy.
3. A Communications Plan acceptable to the City shall be provided by the Proponent to the City showing when and how residents will be notified of the application process steps.
4. Timely process updates shall be provided to residents by the Proponent, including notice of Council meetings related to the application, public hearing dates and methods for advising City staff and Council of resident concerns.
5. Demographic profiles, affordable housing preferences, assessment of home condition and potential/cost for relocation/reuse shall be provided by the Proponent to the City for each home on the application site, where available.
6. Comprehensive information on relocation options, such as alternative park locations and costs, market and non-market rental units in the area, shall be made available to residents by the Proponent.
7. An Affordable Housing Program shall be prepared by the Proponent for all residents. A range of options should be presented, which should include any or a combination of the following:
 - (a) A right of first refusal for park residents to purchase a housing unit or, in the case of a strata conversion, a strata lot within the new development, for rent or purchase at or below market value;
 - (b) As part of an affordable housing proposal, payment of all reasonable costs associated with relocating existing homes to an appropriate affordable location in the Lower Mainland.

This policy is subject to any specific provisions of the Local Government Act, or other relevant legislation or Union agreement.

Provision should be made in this option to cover additional costs associated for relocating non-CSA and older units in an acceptable state;

- (c) As part of an affordable housing proposal, provision of reasonable compensatory payments to displaced tenants in addition to those mandated by the *Manufactured Home Park Tenancy Act* that may be used for affordable housing, along with reasonable disposal costs and moving expenses. Compensation should be based on the assessed value of the manufactured home;
 - (d) Reserving a proportion of the new units for affordable rental or market housing for the existing manufactured home park residents and the reimbursement of reasonable living and moving expenses. The allocation and cost of these units should be related to housing need and the income of the residents; and
 - (e) Other affordable housing options.
8. The Proponent may enter into a Housing Agreement acceptable to the City, as provided for in Section 905 of the *Local Government Act*, which is registered with the Land Title Office and will provide the City with complete documentation on the Affordable Housing Program. The proponent will provide a summary of the Affordable Housing Program and any Housing Agreements that describes the disposition of the affordable housing options provided to residents affected by the redevelopment or strata conversion for a staff report to Council on the proposal.



CITY POLICY

No. O-34A

REFERENCE:	APPROVED BY:	CITY COUNCIL
REGULAR COUNCIL MINUTES 11 DECEMBER 1995 PAGE 10	DATE:	11 DEC 1995 (RES.95-4166)
	HISTORY:	NEW

**TITLE: MANUFACTURED HOME PARK REDEVELOPMENT AND STRATA CONVERSION
POLICY**

The following is a policy for the redevelopment and strata conversion of existing manufactured home parks which supplements the provisions outlined in the Condominium Act and the Residential Tenancy Act.

1. That pre-notification notices be sent to all occupants or tenants of a manufactured home park subject to a redevelopment or strata conversion application, once the file has been assigned to a staff member to process.
2. That the applicant of any manufactured home park site undergoing redevelopment or strata conversion provide all tenants of the park with a letter at least 10 days prior to the matter being presented to Council for consideration. This letter should advise the tenants of the time and date of the Council meeting when such application is to be considered, and that any tenants who deem their interest to be affected by such redevelopment or strata conversion may contact the City to advise on their views regarding redevelopment or strata conversion.
3. That redevelopment or strata conversion applications include proposed plans for relocation of persons occupying the current manufactured home park site.
4. That any rezoning or strata conversion of existing manufactured home parks where non-CSA approved or older manufactured homes are located not be considered until Council is satisfied that a viable relocation plan for affected units is in place.
5. That the owner of any manufactured home park site proposing to redevelop to another residential zone or strata title the lots, provide present tenants with a first refusal to purchase prior to giving notice to tenants that they must vacate the manufactured home park site.

This policy is subject to any specific provisions of the Local Government Act, or other relevant legislation or Union agreement.

City of Coquitlam Policy

MOBILE HOME PARK REDEVELOPMENT TENANT ASSISTANCE POLICY

The following is a Council policy to address the displacement of tenants through the rezoning and redevelopment of mobile home parks. The policy is meant to provide tenants with the opportunity for greater notification and assistance from development proponents than is currently required under the *Manufactured Park Home Tenancy Act*.

The applicant shall:

- **notify existing tenants of plans for redevelopment; and**
- **communicate with and formulate a relocation assistance program for existing tenants**

according to the following guidelines.

I. Communication of Plans for Redevelopment

1. At the pre-application stage, the applicant should notify in writing all tenants that plans for redevelopment are being made and that a relocation assistance program is part of these plans. Notices should also be posted on communal notice boards and facilities in the mobile home park. Copies of these communications shall be submitted with the application for the development and will be attached to the report that is forwarded to Council.
2. The applicant shall formulate a plan for communicating the relocation assistance program with existing residents. The communication plan should provide tenants with information that will assist them in making plans for alternative living arrangements. Proponents should provide updates to resident as the process progresses, including when the application for redevelopment is considered at Committee of the Whole, Council meetings, and Public Hearings.

II. Relocation Assistance Program

1. Content

The relocation assistance program shall:

- a. Include a profile of resident demographic characteristics such as age, family size/structure, general income levels, housing needs/relocation option preferences, where this information is attainable;
- b. Include a profile of mobile home condition and potential for moving and re-use of homes, where this information is attainable;
- c. Be flexible and multi-dimensional by including various options and components in order to respond to different tenant characteristics, needs and preferences;

II. Relocation Assistance Program

- d. Components may include, in addition to the statutory requirements under the *Manufactured Home Park Tenancy Act*:
 - i. Arranging and paying for the disposal of mobile homes;
 - ii. Unconditional compensatory payments of a value that would provide tenants with some amount of equity and greater flexibility in their plans for relocation (e.g. a payment equivalent to the assessed value of the mobile home). This would be in addition to the mandatory payment under the *Manufactured Home Park Tenancy Act*;
 - iii. Opportunities for first right of refusal to purchase and purchase discounts on local units developed by the applicant, including new units built on the subject site;
 - iv. Advice on options for relocating in the local and regional context in regards to market housing, non-market housing, and mobile home park opportunities.

Where plans for redevelopment include a residential component, one of the program components shall be an affordable housing option for tenants to remain on the subject site. The applicant will be required to enter into a Housing Agreement to secure any affordable housing options offered to existing residents as part of new development on the site. As per the *Local Government Act*, a Housing Agreement must be registered on title;

- e. Include a status report on the implementation of the program, indicating preferred options for the tenants.

III. Timing

The applicant shall formulate, communicate, and begin implementing components of the program as soon as possible after plans for redevelopment are made. The relocation assistance plan shall be submitted with the development application.

IV. Evaluation and Securing of the Plan

City staff will evaluate the proposed relocation assistance program in conjunction with the redevelopment application to ensure that it meets the objectives of this policy. Staff will include this information in the development application evaluation report that is forwarded to Council for its consideration of the application, along with any other documentation relating to the program.

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