
Policy Title: RENTAL HOUSING REDEVELOPMENT: RENTAL REPLACEMENT AND TENANT RELOCATION ASSISTANCE

Approval Date: April 9, 2018
Res.R18-651

History:

Department: Planning and Development

PURPOSE

The *Surrey Affordable Housing Strategy* includes specific strategies to prevent the loss of purpose-built rental housing and strengthen protection for tenants.

The Rental Housing Redevelopment Policy sets out the requirements for redevelopment of purpose-built rental housing and provision of assistance to tenants when redevelopment occurs.

The requirements outlined in this Policy shall be considered to be in addition to any provincially mandated requirements under the Residential Tenancy Act.

APPLICATION

The Rental Housing Redevelopment Policy applies to all applications for redevelopment that involve the demolition of six or more purpose-built rental units within a multi-family residential building.

The policy does not apply to the secondary rental market such as single family homes, duplexes, secondary suites and coach houses, or individual condominium units rented out by owners.

Note: If a non-profit housing operator seeking to redevelop a non-market housing site has its own tenant relocation policy, the requirements outlined in that policy may be considered in lieu of the requirements outlined in the City of Surrey Policy.

RENTAL REPLACEMENT: REQUIREMENTS

- Redevelopment of a purpose-built rental site requires replacement of the existing rental units within the new development.
- Replacement of purpose-built rental units shall include, at a minimum, the same number of total bedrooms as in the original development.

- Replacement units are required to be 'affordable rental' for low to moderate income households, rented at a maximum of 10% below current Canadian Market and Housing Corporation (CMHC) average rents for the applicable unit size in the City of Surrey. Current average rental rates for Surrey are provided in CMHC's Rental Market Report: Vancouver CMA, which is released annually in the fall.
- Affordable rental replacement rental units shall be secured as rental with a Housing Agreement. In addition to tenure, the Housing Agreement shall specifically target households (low to moderate income households, with reference to BC Housing's Housing Income Limits), rental rates, and administration and management of the units, and the requirement of annual reporting to the City on the operations of the affordable rental replacement units.
- The affordable rental replacement units must be managed by a non-profit organization or a non-profit / social enterprise property management firm as approved by the City.
- Replacement rental units shall be located on the same development site as the original units. In special cases, replacement units off-site may be considered, at a location in the same neighbourhood.
- A proposal acceptable to the City shall be provided by the Proponent with the development application. The proposal shall outline how the Proponent's application meets the rental replacement requirements of the Policy.

Note: For non-market developments operated by charitable non-profit housing organizations, other considerations may apply to rental rates such as the total number of non-market rental units being provided in the new development.

TENANT RELOCATION ASSISTANCE: REQUIREMENTS

1. Current Occupancy Summary

Documentation on the existing rental building shall be provided by the Proponent to the City with the development application. The summary should include:

- Number of units;
- Unit size and bedroom type;
- Rental rates for each unit;
- Existing vacancy / occupancy rates;
- Demographic profiles including mobility limitations and / or accessibility requirements, pets, and number of people per unit; and
- Length of tenancy for each tenant.

2. Communications Plan

A Communications Plan acceptable to the City shall be provided by the Proponent to the City with the development application. The Communications Plan should show when and how residents will be notified of the application process steps and opportunities for input, and should include sample notices to tenants.

Notice to residents regarding the redevelopment 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.

Timely process updates shall be provided to the 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. Early communication with tenants is strongly encouraged.

The Proponent should submit to City staff a copy of all written correspondence and notification to tenants.

3. Tenant Relocation Coordinator

The Proponent will designate a Tenant Relocation Coordinator to facilitate communications with tenants, and to implement the Tenant Relocation Plan.

4. Tenant Relocation Plan

The Proponent will prepare a Tenant Relocation Plan to assist tenants in finding new housing. The Tenant Relocation Plan shall be provided by the Proponent to the City with the development application.

All tenants residing in the building at the time that the development application is submitted shall be provided with relocation assistance under the Plan.

The Plan shall be tailored to the needs of the tenants as much as possible. At a minimum, the Plan shall include:

a. Financial Compensation

- The Proponent shall provide, at a minimum, the equivalent of at least 3 months' rent to each tenant. This can be provided as a lump sum payment, or free rent or a combination, at the discretion of the tenant.

b. Relocation Assistance

Tenants that want assistance in relocating should be provided with:

- Assistance in finding a minimum of 3 options of comparable units in the City of Surrey, with at least one option in the same neighbourhood where possible, unless otherwise agreed to by the tenant.
- Options should be no more than 10% above the Canadian Mortgage and Housing Corporation (CMHC) average rent for the applicable unit size in the City of Surrey, unless agreed to by the tenant.

- In cases where the tenant's current rent is more than 10% above the CMHC average rent, options should be provided at a maximum of the tenant's current rent.
- The tenant's needs and requirements should be considered including affordability, accessibility, household size, and need for pet friendly accommodations.
- For vulnerable tenants with additional requirements, the Proponent is encouraged to work with a non-profit housing provider, health or social service agency to meet the tenant's needs.
- Tenants that do not want to be provided with relocation assistance shall provide written notice to the Proponent.

c. *Right of First Refusal*

- The Proponent will provide tenants with the right of first refusal to rent a unit in the redevelopment, at no more than 10% below the CMHC average rent for the applicable unit size in the City of Surrey.

5. Reporting

- The Proponent shall submit to City staff regular status updates showing evidence that the Communication Plan and Tenant Relocation Plan are being implemented.