

July 12, 2021

Mayor Linda Buchanan and Council
City of North Vancouver
141 West 14th Street
North Vancouver, BC, V7M 1H9

Re: Updated Residential Tenant Displacement Policy

On behalf of the Urban Development Institute's (UDI's) members, we appreciate the opportunity to provide comments on the proposed changes to the City's *Residential Tenant Displacement Policy (RTDP)*. We understand that displacement as a result of new housing projects can be extremely difficult for tenants, especially long-term tenants, which is why we commend Council for making this policy a priority.

UDI is encouraged by the City's proposed approach to provide clearer expectations for builders and tenants, which is in line with the Notices of Motion (NOMs) put forward by Council earlier this year, and we respectfully provide the comments below for your consideration.

Financial compensation for displaced tenants and housing affordability

UDI commends the proposals, which provide enhanced clarity around the financial compensation offered to tenants by redevelopment applicants. The increase in the baseline amount of financial compensation from 3 months' rent to 4 months' rent, additional financial compensation for tenants whose tenancy began 5 years or more prior to the date of the development application, and generous flat rate payment for moving expenses based on unit size, all demonstrate consideration of the needs of tenants impacted by relocation.

However, they are also additional costs to projects. This ultimately impacts the ability to deliver greater affordability in new housing. If overall project costs are increased, it will affect the affordability of rents for new tenants. In particular, the proposal to require a third-party Tenant Relocation Coordinator is of concern to many of our members due to the limited numbers of consultants in this field. While the intent of this proposal seeks to provide a higher standard for relocation services, many of our members have the in-house capability to carry out this work, and have gone above and beyond City requirements. Instead of stipulating who provides the assistance, we recommend that the policy outline in more detail the specific assistance that needs to be offered to tenants. This would standardize the assistance being provided, while allowing the flexibility for builders to meet the City's objectives without driving up project costs.

Grandfathering for in-stream applications and delayed implementation

We are encouraged to see that grandfathering would apply for in-stream applications, providing certainty for those project proponents, who have already submitted proposals. Unfortunately, due to the timeline of this report, UDI only received notice about

the changes less than two-weeks ago, so there was little opportunity for consultation with builders prior to these proposed changes being presented to Council. As such, we ask that Council consider delaying the implementation date of the proposed changes by six months (in addition to the in-stream protection) in order to give builders time to adjust in anticipation of the new requirements. For builders who have already purchased sites in consideration of the existing *RTRP*, consideration of offsets would also assist them in mitigating unanticipated cost increases. This would help encourage the delivery of more rental housing, while also ensuring displaced tenants receive the assistance they need.

Right of First Refusal for Mid-Market Rental Units

We are especially supportive and would like to commend the City on its proposal to clarify that displaced tenants have the first right of refusal to rent any mid-market rental unit in the new building, provided that they meet the eligibility criteria. This ensures units are being provided to those returning tenants who need them, rather than the unit potentially being taken by another renter who may not need the additional support. While we are supportive of this approach, our members feel that it is important to retain the ability to review applicants for all units, who wish to return to the new building based on reasonable criteria, rather than prior displacement being the sole qualification. Examples include tenant complaints and non-payment of rent.

We thank staff and Council again for their commitment to prioritizing this policy, as we both understand and appreciate the need to protect displaced tenants in the redevelopment process. We ask that the City continue to work collaboratively with builders, landlords and tenants should there be future policy proposals on this and future housing initiatives.

Sincerely,

A handwritten signature in black ink, appearing to read 'Anne McMullin', with a stylized flourish at the end.

Anne McMullin
President and CEO, Urban Development Institute