



## Committee of the Whole Report

### For the Meeting of September 3, 2020

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**To:** Committee of the Whole **Date:** August 13, 2020

**From:** Karen Hoesel, Director, Sustainable Planning and Community Development

**Subject:** **Tenant Assistance Policy – Renters Advisory Committee Amendment for Moving Costs**

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### RECOMMENDATION

That Council direct staff to:

1. Amend the *Tenant Assistance Policy* Item 4.2 as follows:

#### **4.2 Moving Expenses and Assistance**

One of two options should be provided to displaced tenants, at the discretion of the landlord:

- (1) An insured moving company may be hired by the applicant, with all arrangements and costs covered within Greater Victoria; or
- (2) Flat rate compensation (based on unit size) provided to the tenant at the rate of:
  - \$500 for bachelor and one-bedroom households
  - \$750 for two-bedroom households
  - \$1,000 for three or more bedroom households.

When a tenant is exercising the *Right of First Refusal* (Section 4.4), moving expenses should be provided for both the move out and return to the building.

Tenants may request moving compensation different than that proposed by the Landlord per item 6.0: *Tenants Requiring Additional Assistance*.

2. Review the flat rate compensation amounts at regular intervals to ensure that they are adjusted for inflation and reflective of the market rates for moving costs.

### EXECUTIVE SUMMARY

The *Tenant Assistance Policy* was created to mitigate the impacts of residential development leading to evictions of existing tenants and includes provisions for compensation and assistance to tenants by development applicants. One of the components of the *Tenant Assistance Policy* is the provision of funds for moving expenses.

At the Renters Advisory Committee (RAC) meeting of October 29, 2019 members made a motion relating to moving expenses to:

*“increase the flat rate compensation for moving costs to allow tenants to choose between the applicant hiring and paying for all moving costs, or the applicant paying a flat fee to tenants to make their own moving arrangements (currently the Tenant Assistance Policy gives this choice to applicants).”*

This motion was brought to the Committee of the Whole meeting of February 20, 2020. At that meeting, Council moved to direct staff to bring forward proposed amendments for Council consideration.

Staff sought feedback on the proposed changes with the housing provider community including developers, landlords and non-profit housing providers. Concerns were expressed that the updated costs are not representative of actual moving costs in Victoria and that giving discretion to tenants to choose a flat rate over costs paid by the landlord could cause unnecessary financial burden, for example in instances where the landlord has arrangements/discounts with local moving companies in place.

Through costing with local vendors, staff verified that the existing flat rate structure appears adequate and propose Council consider an alternative approach that meets the intent of the RAC motion but is responsive to the evidenced concerns of applicants who will be paying these fees. The proposed solution is to maintain the existing guidelines (with the added clarification that costs should be fully covered for moves within Greater Victoria) but clarify that per Section 6.0 of the *Tenant Assistance Policy* tenants may request additional assistance, including a higher flat rate than those in the guidelines, at their discretion.

## **PURPOSE**

The purpose of this report is to bring forward a motion from the Renter's Advisory Committee to modify the provisions around moving expenses in the City's *Tenant Assistance Policy*.

## **BACKGROUND**

In March 2018, Victoria City Council adopted a *Tenant Assistance Policy (TAP)* to mitigate the impacts of tenant displacement due to redevelopment. The *Tenant Assistance Policy (TAP)* is meant to augment the provincially regulated *Residential Tenancy Act*, which governs tenant landlord relationships in the Province of British Columbia. One component of the *Tenant Assistance Policy (TAP)* is provisions around providing financial compensation for moving expenses.

At the Renters Advisory Committee meeting of October 29, 2019 following a meeting of its *Tenant Assistance Policy (TAP)* sub-committee, members made a motion which was brought forward to Council at the Committee of the Whole of February 20, 2020. The Council motion with amendments was:

*“That Council ratify the following motion and direct staff to report back to Committee of the Whole with proposed amendments to the policy:*

*That the RAC recommend the TAP moving expenses and assistance compensation be amended to include two compensation options for tenants, at the discretion of the tenant, while increasing the maximum compensation per unit as follows:*

*Moving Expenses and Assistance: One of two options be provided to tenants, at the discretion of the tenant:*

- (1) An insured moving company may be hired by the applicant, with all arrangements and costs covered for tenant's relocation; or
- (2) Flat rate compensation (based on unit size) be provided to the tenant at the rate of:
  - \$500 for a bachelor unit
  - \$750 for a 1-bedroom unit
  - \$1000 for a 2-bedroom unit
  - \$1500 for a 3-bedroom+ unit"

The purpose of moving this recommended change was to address a concern that the existing flat rates were insufficient to cover the actual cost of moving, particularly in larger units, and to give tenants the option of having all their moving expenses covered in instances where this tenant displacement is occurring.

## ISSUES & ANALYSIS

Currently, the *Tenant Assistance Policy (TAP)* outlines the following provisions under Section 4.2 Moving Expenses and Assistance:

### 4.2 Moving Expenses and Assistance

One of two options should be provided to displaced tenants, at the discretion of the landlord:

- (1) An insured moving company may be hired by the applicant, with all arrangements and costs covered; or
- (2) Flat rate compensation (based on unit size) provided to the tenant at the rate of:
  - \$500 for bachelor and one bedroom households
  - \$750 for two bedroom households
  - \$1,000 for three or more bedroom households

When a tenant is exercising the *Right of First Refusal* (Section 4.4), moving expenses should be provided for both the move out and return to the building.

In considering the Renters Advisory Committee's proposed amendment, staff sent proposed changes to the development industry and non-profit housing providers for feedback. A range of responses were received and are included in Attachment 1. Some expressed concern that the proposed changes brought the flat rate costs above the typical rate for moving expenses in Victoria. Others identified the issue that providing tenants with the choice between the flat rate or paid expenses could lead to unnecessary and costly expenditures (for example where the landlord has a relationship or special discount with a moving company, or where a tenant is moving to a location outside Greater Victoria).

Staff sought quotes from local movers and found that the costs established in the *Tenant Assistance Policy (TAP)* are already aligned with the median cost of moving in Victoria (Attachment 2). Moving companies did acknowledge that costs could vary greatly due to the volume or type of belongings a tenant may have.

In consideration of average moving costs and in response to the feedback received, staff believe the current direction in the TAP as general guidance is adequate and equitable. However, to accommodate the varied needs of tenants, including moves that may cost more than the flat rates indicated in the policy, staff recommend adding a provision to section 4.2 *Moving Expenses*, to

indicate that tenants have the option to request alternate moving arrangements per Section 6.0 *Tenants Requiring Additional Assistance*. Section 6.0 states, in part (emphasis added):

“...The City may, at its discretion, request that additional financial compensation or support be provided to tenants requiring additional assistance. Additional supports could include:

- Providing additional compensation in the form of free rent, lump sum payments or a combination of both
- Hiring a Tenant Relocation Coordinator to assist individual tenants
- **Providing professional movers (costs and arrangements covered) and additional funds for moving expenses**
- Working with non-profit agencies to offer alternative accommodation
- Prioritizing rent-geared-to-income tenants for relocation assistance...”

While Section 6.0 is intended to support tenants for whom relocation may be particularly challenging such as long-term tenants paying significantly below-market rent, tenants with a disability, seniors, families with young children and others, this list is non-exhaustive and any tenant may request additional assistance.

This additional provision in Section 4.2 will ensure tenants are aware that personal circumstances can be accommodated and additional support with regards to moving expenses can be requested per Section 6.0 *Tenants Requiring Additional Assistance*. As part of development application processes involving potential tenant displacement, applicants are strongly encouraged to be consistent with City policy, including responding to requests for additional assistance.

Given tenants have discretion to request their landlord fully cover the cost of moving, further clarification is proposed to be included to limit this coverage to moves within Greater Victoria. However, as with the flat rates, tenants may request alternative arrangements, including coverage for moves outside the region. As with other requests for additional assistance, staff will use discretion in determining whether these requests are reasonable and/or should be met by the landlord in order to meet policy.

#### *Additional RAC Input*

Staff brought the proposed recommendation to the RAC for feedback at the committee's meeting of August 12, 2020. Members were supportive of this approach given the evidence presented, but made the following motion:

*“That the compensation amounts be reviewed at regular intervals to ensure that they are adjusted for inflation and be reflective of the market rates for moving costs.”*

Staff believe this motion is supportable and have added a recommendation to Council to consider directing staff to review the flat rates from time to time to ensure they adequately reflect the cost of moving in Victoria.

## **OPTIONS & IMPACTS**

### **Option One (Recommended)**

Maintain the current flat moving rates for guidance and clarify in the TAP under Section 4.2 that fully expensed moves must be within Greater Victoria but indicate that flexibility exists within the policy to accommodate alternative moving arrangements.

This option is recommended because it meets the intent of the RAC motion and is supported by evidence of local moving costs.

### **Option Two (Not Recommended)**

Adopt the proposed amendment to update Section 4.2 of the TAP as follows:

#### **4.2 Moving Expenses and Assistance**

One of two options be provided to tenants, at the discretion of the tenant:

- (1) An insured moving company may be hired by the applicant, with all arrangements and costs covered for tenant's relocation; or
- (2) Flat rate compensation (based on unit size) be provided to the tenant at the rate of:
  - \$500 for a bachelor unit
  - \$750 for a 1-bedroom unit
  - \$1000 for a 2-bedroom unit
  - \$1500 for a 3-bedroom+ unit.

This option is not supported by evidence, and current policy already allows for tenants to request alternative arrangements, including higher flat rates if requested.

#### *Accessibility Impact Statement*

Increasing moving expenses with the option to provide full coverage of moving costs could positively benefit individuals with accessibility concerns.

#### *2019 – 2022 Strategic Plan*

The proposed recommendation supports Strategic Objective 3: *Affordable Housing*.

#### *Impacts to Financial Plan*

As compensation increases are to be borne by applicants, the proposed recommendation has no impact on the Financial Plan.

#### *Official Community Plan Consistency Statement*

This action is consistent with the goals and objectives in Section 13: *Housing and Homelessness*.

### **CONCLUSIONS**

Updating the *Tenant Assistance Policy* to clarify that renters may request alternative moving arrangements is responsive to both tenants displaced by redevelopment and applicants who will be compensating displaced tenants.

Respectfully submitted,



Lindsay Milburn  
Senior Planner, Housing Policy



Karen Hoes  
Director, Community Planning and Sustainable  
Development

**Report accepted and recommended by the City Manager:**



**Date:** August 24, 2020

**List of Attachments** (if relevant)

ATTACHMENT A: Landlord Feedback on RAC Proposed Amendment  
ATTACHMENT B: Comparison of Moving Costs