

# Report to Council



**Date:** March 3, 2025  
**To:** Council  
**From:** City Manager  
**Subject:** Tenant Protection – Next Steps  
**Department:** Housing Policy & Programs

---

**Recommendation:**

THAT Council receives, for information, the report from the Housing Policy and Programs Department dated March 3, 2025 with respect to tenant protection;

AND THAT Council directs staff to prepare the necessary bylaw amendments to implement the approach to tenant protection outlined in the report from the Housing Policy and Programs Department dated March 3, 2025.

**Purpose:**

To advance tenant protection measures and direct staff to prepare bylaw amendments.

**Council Priority Alignment:**

Affordable Housing  
Homelessness

**Background:**

As one of the fastest growing cities in Canada, Kelowna is rapidly evolving. The City of Kelowna’s Official Community Plan outlines key pillars that guide the City’s growth, which includes accommodating growth in existing, developed neighbourhoods. An inevitable result of growth within existing neighbourhoods is the incremental redevelopment of older rental housing stock. While redevelopment results in greater densities and increased numbers of rental units becoming available, redevelopment can lead to displacement of residents and relocation can be challenging for those who need to find new, affordable housing. In some cases, this can lead to increased housing precarity or homelessness.

Housing Statutes Amendment Act, 2024 (“Bill 16”)

New Provincial legislation was enacted on April 25, 2024. This legislation introduced new authority for local governments in relation to tenant protections, including the authority to require:

- Notices or information with respect to a redevelopment;
- Financial compensation for the termination of tenancy agreements;
- Financial or other assistance to find and relocate tenants to comparable replacement units; and

- The opportunity to exercise rights to enter new agreements for the rental of comparable units in other properties in which owners have an interest.

#### Council Direction

In March 2024, in response to concerns about development applications being considered by Council, staff were directed to report back on policy options for tenant relocation. Since 2022, only four redevelopment applications for existing rental buildings have been received by the City impacting a total of 66 rental units.

On October 21, 2024, staff brought forward three tenant protection policy options for Council to consider:

- Status Quo: Only *Residential Tenancy Act (RTA)* requirements apply.
- Moderate Shift (staff recommended option): Requirement for developer to submit a Tenant Relocation Plan and provide a proposal to minimize the impact of tenant relocation.
- Major Shift: Developer submits a standardized Tenant Relocation Plan, including mandatory requirements such as extended tenant notification, tenant relocation coordinator services, financial compensation, and a right of first refusal.

Council directed staff to further explore the Moderate shift option.

#### *Previous Council Resolution*

<b>Resolution</b>	<b>Date</b>
<p>THAT Council receives for information the report from the Housing Policy and Programs and Social Development departments, dated October 21, 2024, regarding Tenant Protection and Relocation Assistance;</p> <p>AND THAT Council directs Staff to further explore and report back on Option 2, Moderate Shift, as an action in the Housing Action Plan as described in the report from the Housing Policy and Programs and Social Development departments, dated October 21, 2024.</p>	October 21, 2024

#### **Discussion:**

Outlined below, staff have provided an approach that is consistent with Option 2, Moderate Shift as per the Council resolution. The proposed approach aligns with Official Community Plan (OCP) Policy which provides direction to protect citizens from displacement due to redevelopment by creating a policy to ensure tenants receive fair relocation assistance from the developer. Development of a Tenant Assistance Policy is an implementation action identified in the OCP. In addition, a high-impact action identified as part of the recently adopted Housing Action Plan (HAP) is to support tenants who are being evicted due to redevelopment, by implementing a bylaw and guidelines to support tenants without unreasonably limiting development. The proposed requirements would be evaluated concurrently with an associated Form & Character Development Permit application to streamline the process.

#### Approach

##### *Applicability*

The proposed tenant protection measures would apply to properties which:

- Contain five or more rental dwelling units; and
- Are being redeveloped, resulting in the tenancy agreements of rental-dwelling units being terminated.

### *Tenant Protection Plan*

An applicant would be required to submit a Tenant Protection Plan as part of a development application. Redevelopment would be required to proceed in accordance with the Tenant Protection Plan which would require a developer to outline:

- Information on how the applicant's obligations under the *Residential Tenancy Act* are being met;
- Any voluntary, additional proposals by the applicant respecting protection and relocation of tenants during redevelopment.

Staff would provide examples of practices to serve as a guide for each applicant when creating a Tenant Protection Plan. This would include a list of measures that an applicant could consider when preparing their Plan.

### Implementation

In order to implement the tenant protection measures, the following bylaw amendments are necessary:

- Official Community Plan Bylaw No. 12300 Amendment - to create a Tenant Protection Development Permit Area to require applicants to submit a Tenant Protection Plan and ensure that developments proceed in accordance with those plans and to update OCP policies to reflect the new tenant protection measures.
- Development Application Procedures Bylaw No. 12310 Amendment - to add application procedures and processing requirements for Tenant Protection Development Permits.

### Engagement

The City engaged with the following organizations to solicit feedback regarding tenant protection measures, including additional measures (ex: financial compensation, financial assistance for moving expenses) discussed at the October 21, 2024 Council meeting:

- Canadian Home Builder's Association (CHBA) – development industry;
- Urban Development Institute (UDI) – development industry;
- Canadian Mental Health Association (CMHA) – non-profit housing provider & administrator of the Central Okanagan Rent Bank;

CMHA Kelowna (Attachment A) was generally supportive of increased tenant protections, but raised concerns about additional financial support for tenants, displacement, and the long-term challenge of securing affordable housing.

Both UDI (Attachment B) and CHBA (Attachment C) raised concerns about the impacts of proposed regulations on the development of new housing supply, including an increased administrative burden, discouragement of investment, and impacts on affordability. These organizations suggested that Council not introduce any measures beyond the *Residential Tenancy Act*.

The Tenant Resource & Advisory Centre (TRAC), a non-profit legal education, representation, and advocacy organization on residential tenancy matters was also contacted, but did not provide comments.

### **Conclusion:**

The proposed approach will require applicants to submit a Tenant Protection Plan prior to redevelopment of a property containing rental dwelling units. Enacting tenant protection measures aligns with the OCP Policy and the Housing Action Plan. If Council endorses the proposed approach, staff will return with the necessary bylaw amendments.

**Internal Circulation:**

Communications  
 Development Planning  
 Long Range Planning  
 Office of the City Clerk  
 Real Estate  
 Social Development

**Considerations applicable to this report:****Legal/Statutory Authority:**

*Community Charter*, s.63.2 Protection of tenants on redevelopments and s.63.3 Limits on tenant protection bylaws

*Local Government Act*, s.491 Development permits: specific authorities

*Residential Tenancy Act*, Part 4 – How to End a Tenancy

**Existing Policy:**1.1 Official Community Plan (OCP)

<b>Objective 4.13 Protect citizens from displacement due to Urban Centre development.</b>	
Policy 4.13.2 Displacement Effects of Gentrification	Ensure Urban Centre planning initiatives and significant redevelopment opportunities include affordable housing and access to services to ensure low to moderate income renters are protected from displacement effects of gentrification.
Policy 4.13.3 Tenant Assistance	Work towards the creation of a Council policy to protect tenants displaced by redevelopment through fair relocation assistance from the developer. Such relocation assistance should ensure that tenants retain their access to services and amenities, such as employment, transportation and schools.
<b>Objective 5.12 Protect citizens from displacement due to Core Area development</b>	
Policy 5.12.2 Displacement Impacts of Gentrification	Ensure Core Area planning initiatives include affordable housing and access to services to ensure low to moderate income renters are protected from displacement effects of gentrification.
Policy 5.12.3 Tenant Assistance	Work towards the creation of a Council policy to protect tenants displaced by redevelopment through fair relocation assistance from the developer. Such relocation assistance should ensure that tenants retain their access to services and amenities, such as employment, transportation and schools.
<b>Objective 6.10 Prioritize the construction of purpose-built rental housing.</b>	
Policy 6.10.4 Tenant Assistance	Ensure that tenants displaced by redevelopment are protected through relocation assistance from the developer.
<b>Objective 9.1 Incorporate equity into planning decisions and resource allocation in our community.</b>	
Policy 9.1.1 Equity in Planning Decisions	Incorporate an equity lens into land-use planning decisions and resource allocation in our community.
<b>Table 16.1: Implementation Actions</b>	
Action #42	Develop a Tenant Assistance Policy.

1.2 Housing Action Plan

**High Impact Action:** Action 1.7 – Support tenants who are being evicted due to redevelopment

As Kelowna continues to grow, existing rental buildings may be redeveloped. Redevelopment processes can break-up existing tenant communities and force tenants into an unaffordable rental market, increasing housing insecurity and precarity.

The *Residential Tenancy Act* provides supports and protects the right of both landlords and tenants. Bill 16, passed in April 2024, gives municipalities new authority to establish stronger tenant protections. Kelowna will introduce measures requiring developers to create tenant relocation plans when redevelopment removes 5 or more rental units. A bylaw and guidelines will be implemented to protect and support tenants without unreasonably limiting redevelopment projects that help achieve the community's housing objectives.

***Consultation and Engagement:***

Staff contacted the following organizations to solicit feedback regarding the proposed changes:

- CMHA Okanagan: See Attachment A
- Urban Development Institute (UDI): See Attachment B
- Canadian Homes Builders Association (CHBA): See Attachment C
- Tenant Resource & Advisory Centre – did not provide comments

***Communications Comments:***

Bylaw amendments to implement the tenant protection measures will require a Public Hearing. Once adopted, the City's webpage will be updated to provide information on the new requirements.

**Considerations not applicable to this report:**

***Legal/Statutory Procedural Requirements:***

***Financial/Budgetary Considerations:***

**Submitted by:** M. Tanner, Planner Specialist

**Approved for inclusion:** James Moore, Housing Policy and Programs Manager  
Ryan Smith, Divisional Director, Planning, Climate Action & Development Services

**Attachments:**

Attachment A: Letter from CMHA

Attachment B: Letter from UDI

Attachment C: Letter from CHBA