

City of Nanaimo Tenant Protections Project

Focus Group Session

January 15, 2026



Today's Agenda

TIME	DETAILS	PRESENTER
10:00 AM	Opening Remarks + Land Acknowledgement	City of Nanaimo
10:10 AM	Project Presentation	CitySpaces
10:30 AM	Break-out Sessions (30-min)	Facilitated Session
11:00 AM	Report Back	Facilitated Session
11:25 AM	Closing Remarks	City of Nanaimo





Project Overview

Project Timeline

- The objective of this project is to support tenants at the risk of displacement due to the redevelopment of buildings with four or more purpose-built rental units.



Nanaimo's City Plan

- Nanaimo's City Plan policy encourages “*requiring **tenant relocation plans** as a condition of rezoning or redevelopment of existing mobile home parks and purpose-built rental buildings of four or more units*” (C3.2.15).
- An Integrated Action Plan priority action is to “**create a tenant relocation policy to support tenants impacted by redevelopment and displacement.**”

Background

- Nanaimo currently has about 108 purpose-built rental buildings, totaling approximately 4,200 units – many constructed between the 1960s to 1980s.
- As these older buildings reach the end of their life cycle, the City may begin to see redevelopment of existing rental stock, which is supported by City Plan policies and zoning that encourage higher density.
- While redevelopment can improve housing supply, it often results in tenant displacement.

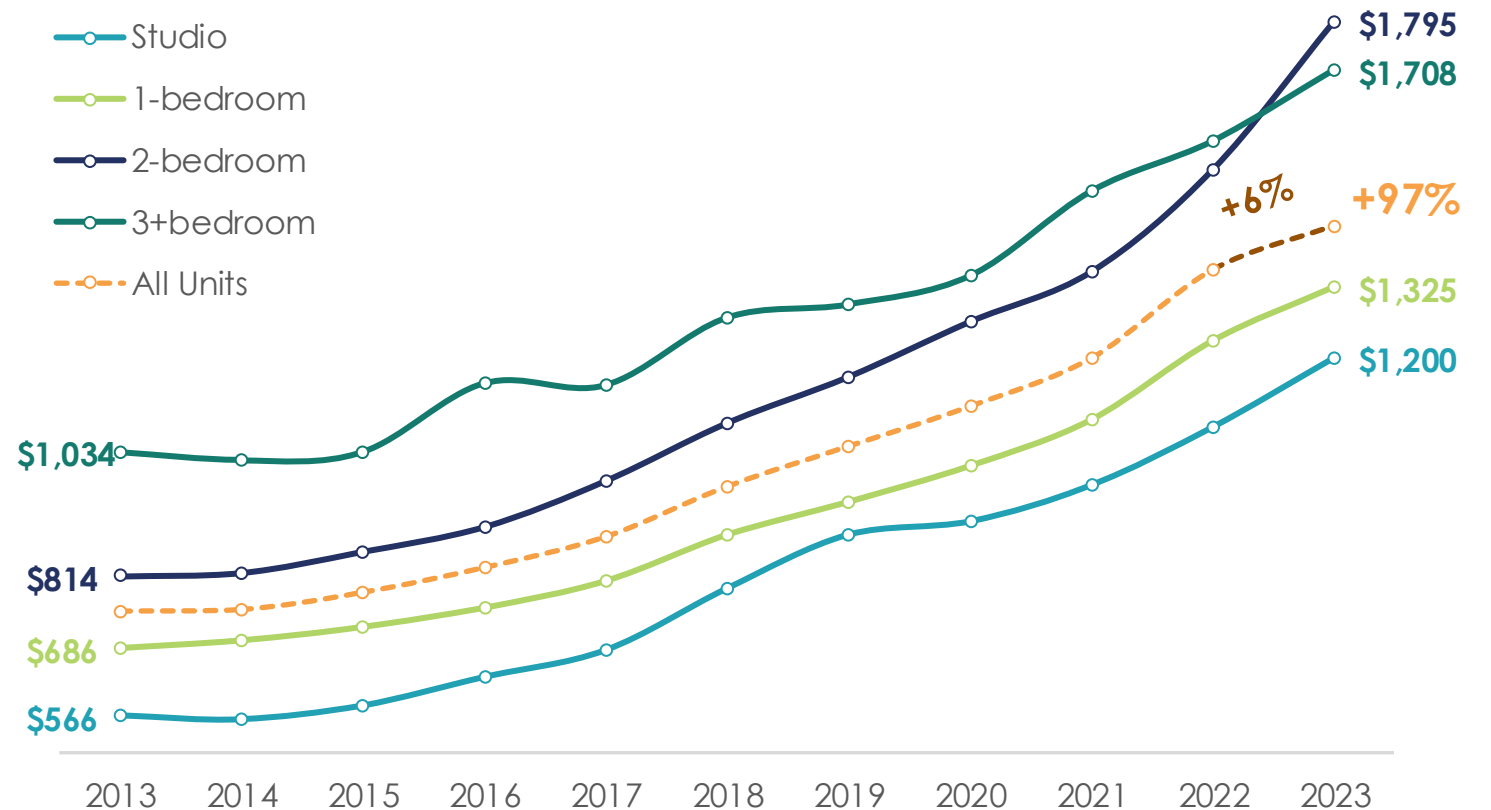


Rents in Nanaimo

- Rents have approximately doubled since 2012 (+97%), with an increase of 6% between October 2022 and 2023.

Median Rents by Unit Size, Purpose-Built Rental, 10-Year Change (2013-2023)

Source: City of Nanaimo Building Permit Data. Nanaimo City Plan. Census of Population, Core Housing Need, City of Nanaimo.

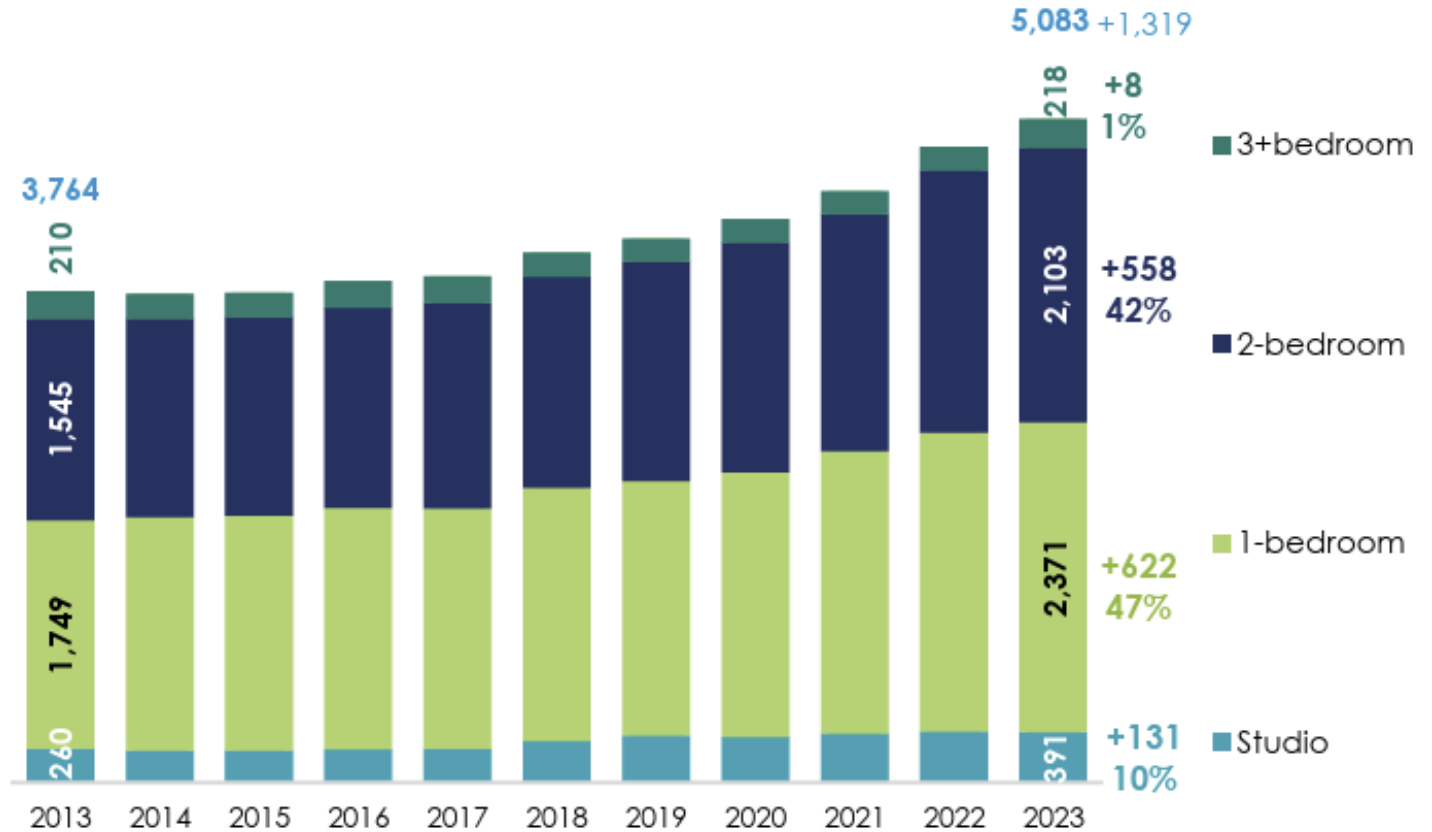


Rental Construction

- The 2024 vacancy rate was 2.9%, a reflection of the significant increase in rental building construction in recent years.
- 89% of new purpose-built rental units in the past 10-years have been 1-and 2-bedroom units.

Nanaimo Purpose-Built Rental Units, 10-Year Change (2013-2023)

Source: Canada Mortgage and Housing Corporation, Rental Market Survey



Strata Conversions

- The City has not seen stratification of existing rental units due to policies limiting conversions when **vacancy rates are below 3%** and costly building upgrade requirements.
- Nanaimo's 2024 **vacancy rate is 2.9%**, nearing the threshold that may permit strata conversions.
- Rising housing market values could make redevelopment and strata conversions more financially viable.




New Legislation for Tenant Protections

New Legislation

- *Bill 16 – Housing Statutes Amendment Act, 2024* provides municipalities with the authority to develop a **tenant protection bylaw**.
- Bylaws can require property owners/developers to provide supports for tenants facing displacement in cases of **redevelopment** (e.g. financial compensation, moving costs, finding new homes, etc.)




New Legislation



MUNICIPALITIES

Community Charter

- Provides authority to enact Tenant Protection Bylaws (TPBs).
- Provides types of tenant protections that may be set out in a TPB.
- Provides limits on TPBs.



MUNICIPALITIES + REGIONAL DISTRICTS

Local Government Act

- Provides the authority to request Development Approval Information (DAI) regarding tenant displacement.
- Authorizes the designation of a new Development Permit Area (DPA) to mitigate the effects on tenants displaced by redevelopment.
- Makes fulfilling the terms of a TPB a condition for obtaining a development permit.



Tenant Protection Bylaw (TPB)

Authority through
Community Charter



Enforced by
municipality



Triggered by termination of tenancies
in relation to development

WHO

Owners of redeveloped buildings
where tenancies are terminated

MEASURES

Determined by municipality
within what is allowable
under the *Community Charter*



Residential Tenancy Act (RTA)

Authority through
RTA



Enforced by
Residential Tenancy Branch (RTB)



Triggered by landlord applying
for an Order of Possession
(to end tenancy)

— OR —

Triggered by a tenant receiving
a notice to end tenancy
from the landlord

WHO

Tenants impacted
by no-fault evictions and
landlords seeking eviction

MEASURES

Determined by *RTA*

Residential Tenancy Act

Community Charter Section 63.3 (2)

If an owner is required to pay
financial compensation
under both schemes,
the *Residential Tenancy Act*
amount must be deducted from
the Tenant Protection Bylaw
compensation.



What does this mean?

- Prior to Bill 16, municipalities primarily relied on a **rezoning** process for a specific property as a key tool to guarantee tenant protections, by adopting a Tenant Protection Policy.
- New authority under Bill 16 allows municipalities to create Tenant Protection Bylaws (TPBs) to require tenant protections as part of the development permit process **for all eligible redevelopment projects.**
- A **Tenant Protection DPA** must be created to require compliance to the TPB via a development permit.

Specific Authority for Municipalities

- Municipalities can make Tenant Protection Bylaws a **condition of development permits** via a Tenant Protection DPA.
- Without this mechanism, municipalities must rely on **rezoning** applications and negotiations with developers.
- Some municipalities may still use a **policy approach** rather than adopting a bylaw.



Who will this impact?

- This project is anticipated to focus on tenant protections for **rental apartment buildings** with **4+ units** in the following cases:
 - Demolition and redevelopment of existing residential structures; and
 - Conversion of formerly occupied residential buildings into strata ownership.
- Tenancies ended due to **renovations or repairs (renovictions)** **are** covered under the Residential Tenancy Act (RTA). Including rental buildings with 5+ rental units.
 - Tenant is entitled to enter into a new tenancy agreement for the renovated rental unit.



A blue-tinted photograph of a waterfront promenade. In the foreground, a paved walkway with a white metal railing runs along a body of water. In the background, there are several buildings, including a tall modern apartment building and a lower brick building. The sky is overcast with dark clouds. The overall scene is a coastal urban environment.

Options for Tenant Protections

Notices and Information

- Municipalities may establish **requirements regarding the timing and nature of information** that property owners must provide to impacted tenants
 - e.g., Information on proposed development, project schedules and updates, formal notices related to termination of tenancy

Best Practices & Considerations

- Most municipalities require a **Tenant Assistance Plan with specifics on communication**
- Consider aligning timing of notice delivery with the RTA's four-month notice to end tenancy

Financial Compensation

- Municipalities may establish requirements regarding the type and amount of financial compensation provided to tenants, including payment type and disbursement timing

Best Practices + Considerations

- Compensation is often based on a **sliding scale based on length of tenancy**
- Many municipalities allow flexibility in how compensation is delivered, including lump-sum payments, free rent, or a combination

Example: District of Saanich Compensation Scale

Tenancy Length	Compensation Required
Up to 5 years	3 months' rent
5-9 years	4 months' rent
10-19 years	5 months' rent
20+ years	6 months' rent

Moving & Relocation Assistance

- Municipalities may establish requirements to provide:
 - **Moving assistance**
 - Coordinating and fully covering the cost of moving services or providing a lump-sum payment
 - **Relocation assistance**
 - Identifying and securing alternative housing options (typically three)

Best Practices + Considerations for Relocation Assistance

- Comparable units based on location and price, such as **within city boundaries or 10% of current or CMHC average rent.**

Tenant Relocation Support

- Tenant Relocation Coordinator (TRC) Role
 - Communication with tenants (eligibility, rights, project updates)
 - Relocation + moving assistance, connect vulnerable tenants to supports
- Challenges + Considerations
 - Limited capacity in the sector
 - Third-party organizations vs. applicant-led vs. municipality
 - Distinct role and/or criteria may be outlined in TPB

Best Practices + Considerations

- The City of Victoria requires owners to engage a third-party TRC for redevelopments impacting 20+ rental units (can be waived)



Right of First Refusal

- The Right of First Refusal (ROFR) offers displaced tenants the right to return to a unit in the redevelopment or another unit owned by the property owner.

Best Practices + Considerations

- ROFR provisions typically include discounted rents or purchase prices, often benchmarked to **10-25% below CMHC average rents**.
- ROFR introduces **uncertainty and risk for owners** as it may be hard to predict how many tenants will opt to exercise; it can also impact financial planning and the overall project feasibility and often works best for larger projects.
- Working with tenants to **find permanent new homes** can reduce the need to house tenants in the new development and reduce multiple moves for tenants.

Regulatory Framework

- Tenant protection measures can be established through either a policy or a bylaw.
 - **Policy:** Applies only to redevelopment projects that require rezoning.
 - **Bylaw:** Applies to all redevelopment (where the bylaw applies)
 - May require information and reports **before issuance of demolition, development, building, and occupancy permits**, including a tenant protection or assistance plan.
 - Enforcement can be carried out using standard bylaw tools, such as municipal ticketing.

Considerations for Nanaimo

- **Applicability** including the number of existing units and types of applications the project will apply to.
- **Communication Plan** with ongoing updates for tenants.
- **Tenant Relocation Plan** for each resident to support relocation (including provision of a tenant relocation coordinator).
- **Right of First Refusal** to move into the new development, if applicable.
- **Financial Compensation** for each resident, as well as moving assistance and other supports.
- **Additional Supports** for vulnerable tenants.

Thank you!

Questions? Get in Touch:

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