



DISTRICT OF COLDSTREAM MEMORANDUM

TO Mayor and Council

FROM Craig Broderick, MCIP
Director of Development Services

FILE NO. N/A
DATE February 15, 2007

SUBJECT Manufactured Home Park Tenancy Policy

1. Purpose

To provide Council with a report on local government policies, from British Columbia (BC) communities, regarding the displacement of tenants through the rezoning and redevelopment of manufactured home parks and, to present Council with a Manufactured Home Park tenancy policy for their consideration.

2. Origin

Through adoption of the following resolution on November 14, 2006, Council directed staff to review options to address issues related to Mobile Home Park (MHP) redevelopment.

THAT the letter from residents of Kalview Trailer Park received October 31, 2006, and the letter from Julia Gully, representative for Concerned Residents of Manufactured Home Parks dated April 19, 2006; regarding Manufactured Home Park Tenancy, be received;

AND THAT staff be requested to bring forward a report for Council's consideration, including a review of the City of Vernon's proposed bylaw regarding the process for proposed rezoning of manufactured home park lands.

3. Background/Discussion

3.1 Community Concerns

The District of Coldstream received a letter from the *Concerned Residents of Manufactured Home Parks*, as well as a letter from residents of Kalview Trailer Park, urging Council to adopt a policy to provide protection to residents of Mobile Home Parks (MHPs) (see attached). They are seeking protection, over and above that provided in the *Manufactured Home Park Tenancy Act*, in the event of a MHP proposing to be rezoned and redeveloped.

In comparison to other housing forms, mobile homes within MHPs are considered to be an affordable form of housing. However, when the economy is strong and land values increase, MHPs tend to be replaced with more profitable residential housing types such as, apartments, villas, and townhouses.

Communities around BC have been faced with the tenant eviction issues due to MHPs being proposed to be redeveloped to other forms of housing. The District of Coldstream may be faced with this same issue before long. The owner of one MHP has expressed interest in redevelopment and initiated discussions with planning staff regarding the submission of a rezoning application. The District of Lake Country is currently processing an application to redevelop a campground/MHP, named Wood Lake Resort, into a hotel resort on Wood Lake. In the City of Vernon, occupiers of one MHP have received eviction notices to remove their mobile homes however; no formal rezoning application has been submitted. Throughout BC, including Okanagan communities, older MHPs as well as campgrounds are subject to considerable redevelopment pressure.

3.2 Mobile Home Parks in the District of Coldstream

The District of Coldstream has two MHPs; Kalview MHP, located west of Highway 97 on Clerke Road, and Lakeway MHP, located on Kalamalka Road, just south of the City of Vernon/District of Coldstream boundary (see photos below). These parks are one parcel owned by a landlord and contain mobile homes that are situated on pads rented by the mobile home owners. District records show that the Kalview MHP, having approximately 51 units on 3.81 ha (8.84 acres), was established in 1960's. Earliest records show that the Lakeway MHP, having approximately 123 units on 7.43 ha (19.70 acres), was established in the late 1950's. The District also has one mobile home conventional subdivision, Guildford Court, where residents own the land as fee simple titles (see photo below).

Since the respective residents of Guildford Court own individual lots, extensive redevelopment of these properties is not anticipated. On the other hand, because Kalview and Lakeway can be sold as one lot, the prospect of comprehensive development is possible particularly when viewed in light of current market conditions and the fact that these properties are located close to Kalamalka Lake and offer excellent views.

Based on 2.4 persons per household, as outlined in the *Official Community Plan (OCP)*, and 51 mobile home units in Kalview MHP, approximately 122 persons would be affected if redevelopment were to occur. If Lakeway MHP were to be redeveloped, approximately 295 persons (based on 123 units) would be affected. Please note that the Coldstream average of 2.4 persons per household may be lower in MHPs.

3.3 Provincial Legislation

Among other provisions, the *Manufactured Home Park Tenancy Act (MHPTA)* provides guidance with respect to MHPs in BC (see attached). Under the *MHPTA*, the landlord

may end a tenancy agreement to convert all or a significant part of a MHP to a non-residential use or a residential use other than a MHP, provided they give tenants at least one-year's notice or, in the case of a tenancy agreement, until the date specified in the agreement (Part 5, Div. 1, Sec. 42). All the necessary permits and approvals required by law must be in place at the time of notification.

With regards to compensation, the landlord must pay the tenant one-year's rent under the terms of the existing tenancy on or before the effective date of notice (Part 5, Div. 1, Sec. 44). Based on the average pad rental in Coldstream of \$300 per month, a developer would be required to pay each tenant approximately \$3,600 under the *Act*. Given the housing market in the Interior of BC, \$3,600 would not provide much capital for relocation or acquisition of alternative accommodation.

To further complicate this issue, many mobile homes are older and may not be capable of being relocated to another MHP. Even if a mobile home is capable of relocation (i.e. certified), it may be difficult for an owner to find a pad available in a MHP that is willing to accommodate an older unit. Further, many municipalities have zoning regulations prohibiting mobile homes from being used as dwelling units. Such zoning regulations typically require modular manufactured homes rather than mobile homes.

Based on research conducted by staff, the Town of Oliver has fully researched this topic. The following are notes from a Town of Oliver report to Council:

"In developing the draft policy attached, the main guiding principle is that Council is not permitted to fetter its rights and obligations by any policy. Applicants are entitled to be heard by Council despite any policy and Council must conduct its consideration of any application under generally accepted rules of procedural fairness. If Council were to enact a policy that prohibited an application to be considered unless certain conditions were met (e.g. all tenants to agree to the application) it would be of no legal force or effect. Such a policy would be sending a false message to the public and creating an unrealistic level of comfort in the minds of MHP tenants. The principles of this paragraph are outlined in section 4 of the draft policy.

*Furthermore, the municipality is not authorized to impose changes to provincial legislation, such as the MHPTA. **Council cannot force landlords to do more than what is required by the MHPTA.***

*On the other hand, at the time of zoning application, Council may consider any matter it believes to be relevant to the application. **Council is under no obligation to approve any application and it is not required to justify its decision on the application.** What may happen to the tenants in a MHP if an application is approved is certainly a matter that Council can take into consideration at the time of application. In addition, Council can take into account any other matter brought before it at or prior to the public hearing.*

At the advice of Mr. Buholzer, the attached draft policy concentrates on what information Council wishes to receive prior to making a decision on rezoning a MHP.

In the policy itself, the applicant and staff are directed to assemble information for Council on the number and type of manufactured homes affected, demographics of the MHP tenants, proposed relocation assistance or compensation packages being offered and input from individual tenants on the adequacy of the packages being offered.

Mr. Buholzer also advised that a "Council Policy" is not an advisable course of action. He noted that the MHPTA deals with redevelopment of MHPs and that some of the other community policies could be seen as encroaching on provincial legislation. Alternatively, he recommended that Council direct staff to obtain additional information for Council to consider if a MHP redevelopment application is submitted."

3.4 District of Coldstream Bylaws

Both the Kalview MHP and the Lakeway MHP are zoned Residential Manufactured Home Community (R.5) in the District of Coldstream *Zoning Bylaw No. 1382, 2002*, Sec. 706 (see attached), with the exception of 0.4 ha (0.99 acres) of Lakeway being zoned Highway and Tourist Commercial (C.2). The R.5 zone allows for manufactured homes and modular manufactured homes, among other uses (see attached definitions). Guildford Court is zoned Residential Manufactured Home Subdivision (R.4), within which both manufactured homes and modular manufactured homes are also permitted (see *Zoning Bylaw No. 1382, 2002*, Sec. 705 attached).

In order for a property owner to redevelop a manufactured home park to another use, they would need to apply to amend the Zoning Bylaw. Both sites are designated Residential in the OCP. As such, an OCP amendment would not be required for redevelopment unless the proposal involved non-residential land uses.

Council's OCP policies concerning affordable housing are to 1) encourage construction of affordable housing and rental housing as part of new housing developments and 2) integrate affordable rental and special needs housing in areas with other forms of housing (see attached).

The District of Coldstream *Manufactured Home Park Bylaw No. 562, 1972* does not address the issue of displacement of residents due to the rezoning and redevelopment of MHPs. It was adopted specifically to establish standards for the construction, operation, and maintenance of MHPs.

3.5 Other Community Policies

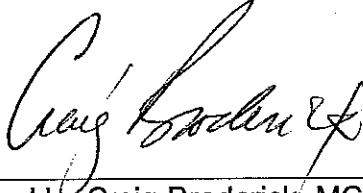
Coquitlam, Surrey, Kelowna, Penticton, Peachland, Lake Country, and Vernon have all adopted policies to address the displacement of tenants through the redevelopment of MHPs. These policies supplement the statutory requirements under the *MHPTA* and vary with respect to compensation and notification requirements (see attached). Some communities have incorporated innovative ways of providing financial compensation to tenants into their policies such as, assisting in finding alternative sites for units, a down payment for a unit within the new development, and/or relocation compensation.

4. Conclusion

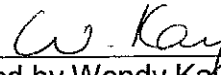
Due to current market conditions the potential for the rezoning and redevelopment of MHPs is mounting, as evidenced by what some communities in BC are facing. The Act provides some security for citizens of MHPs, however some Coldstream residents believe more could and should be done. Other communities have adopted MHP policies to assist Council in evaluating rezoning applications for existing MHPs and to further protect MHP occupiers.

5. Recommendation

That Council agree in principle to the DRAFT policy to address the displacement of tenants due to the rezoning and redevelopment of mobile home parks and that the policy be reviewed by legal Counsel prior to final approval (see attached DRAFT Mobile Home Park Redevelopment Tenant Assistance Policy).



Submitted by Craig Broderick, MCIP
Director of Development Services



Approved by Wendy Kay
Chief Administrative Officer

Attachments:

April 19, 2006 letter from *Concerned Residents of Manufactured Home Parks*
November 2006 letter from residents of Kalview Trailer Park
City of Coquitlam: Mobile Home Park Redevelopment Tenant Assistance Policy
City of Surrey: Manufactured Home Park Redevelopment and Strata Conversion Policy
City of Kelowna: Mobile Home Park Redevelopment
City of Penticton: Redevelopment of Mobile Home Parks Policy
District of Peachland: Mobile Home Park Redevelopment Policy
District of Lake Country: Mobile Home Park Redevelopment Policy
City of Vernon: Rezoning Applications – Existing Mobile Home Parks
Manufactured Home Park Tenancy Act, Part 5
Zoning Bylaw No. 1382, 2002, Sec. 705 and 706
Official Community Plan Bylaw No. 1445, 2005, Sec. 4.3.2 and Sec. 4.7-4.10
DRAFT Mobile Home Park Redevelopment Tenant Assistance Policy

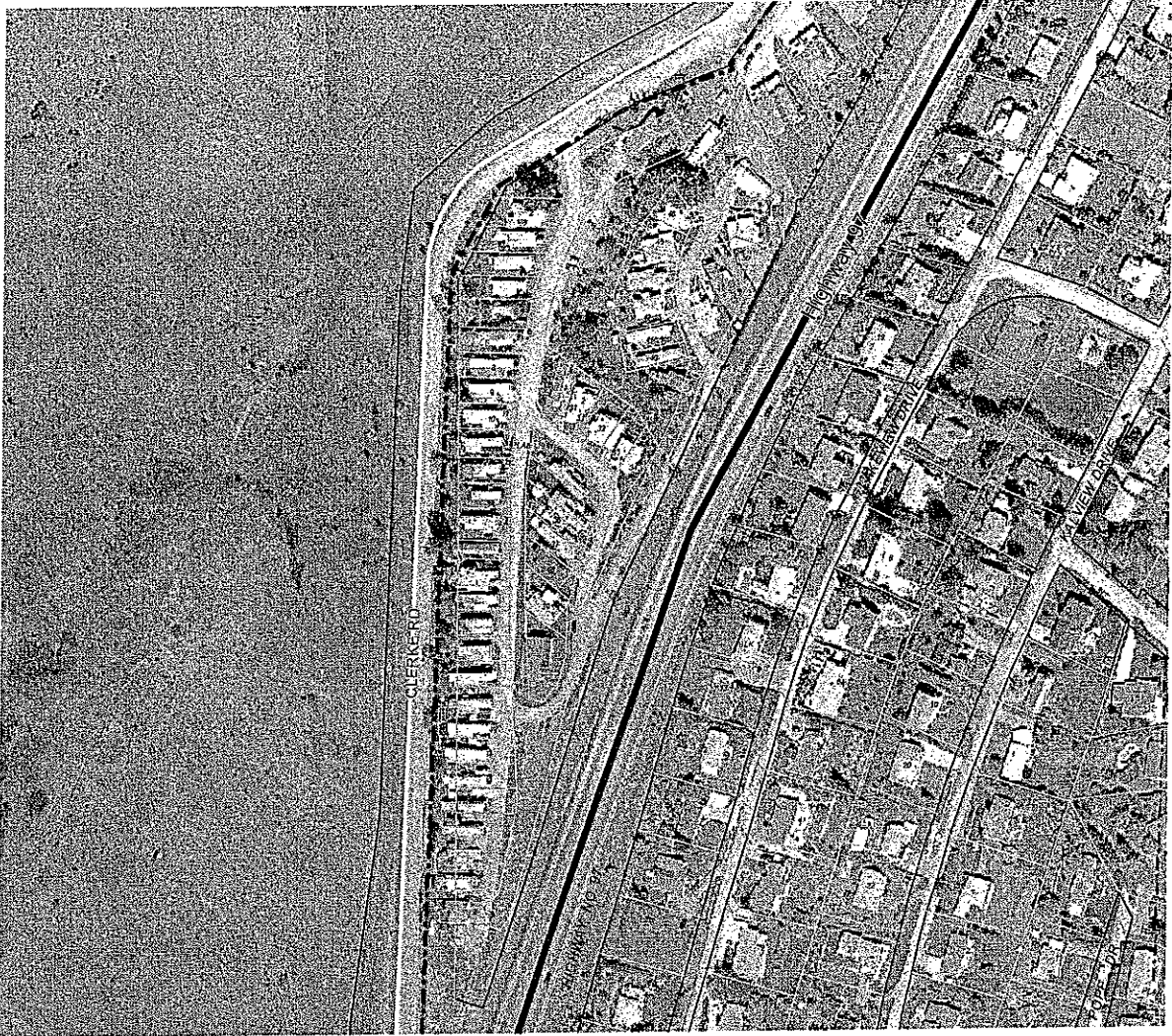


Photo 1: Kalview Mobile Home Park



DISTRICT OF COLDSTREAM MUNICIPAL POLICY

NO. PLD _____

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Title	MANUFACTURED HOME PARK REDEVELOPMENT TENANT ASSISTANCE POLICY		
Purpose of Policy	To address the displacement of tenants due to the rezoning and redevelopment of manufactured home parks through enhanced notification and assistance from development proponents than is currently required under the <i>Manufactured Park Home Tenancy Act</i> .		
Reference	Regular	Date	
Approved By	Municipal Council	Date	
Supersedes		Prepared by	Director of Development Services

POLICY STATEMENT	This policy is subject to any specific provision of the Community Charter, Local Government Act, or other relevant legislation or Union Agreement.
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To make available a breadth of information for Council when considering a manufactured home park rezoning application to allow redevelopment of a manufactured home park to a non-residential use or residential use other than a manufactured home park.

Initial Notice

1. Tenants affected by any proposed manufactured home park redevelopment should be advised by the owner 30 days prior to Council first considering the application for a manufactured home site redevelopment. This notice should include:
 - a. A copy of this policy;
 - b. A description of the proposed application;
 - c. A proposed schedule for the application process and, if approved, the proposed redevelopment; and
 - d. A timetable for considering what relocation assistance or compensation is to be provided to each tenant affected by the application.

Relocation Assistance or Compensation Plan

2. Prior to the public hearing for rezoning of a manufactured home park, staff is directed to seek information from the applicant and report to Council on the following information related to the subject property:
 - a. Profile of resident demographic characteristics such as age, family size/structure, general income levels, housing needs/relocation option preferences;
 - b. Number of manufactured homes that are certified for relocation and their physical condition;
 - c. Number of manufactured homes that are not certified for relocation;
 - d. Current rental rates on each manufactured home pad;

- e. Terms of the current rental agreements in place;
- f. The current assessed value of each manufactured home; and
- g. Details on any relocation assistance or compensation being offered by the applicant to each tenant being affected by the application, such as:
 - Arranging and paying for the disposal of manufactured homes;
 - Monetary compensation such as payment equivalent to the assessed value of the manufactured home;
 - Opportunities for first right of refusal to purchase and purchase discounts on local units developed by the applicant, including new units built on the subject site;
 - An affordable housing option for tenants to remain on the subject site; and
 - Advice on options for relocating in the local and regional context in regards to market housing, non-market housing, and manufactured home park opportunities.

Input from Tenants

3. Prior to the public hearing on the rezoning application, staff is directed to seek input from tenants concerning any relocation assistance or compensation being offered by the applicant and report to Council on the comments received. Comments received will be forwarded to Council and to the applicant.

Council Authority Not Restricted

4. Nothing in this policy shall be taken to restrict or expand the obligations or authorities of Council in connection with any zoning application. Specifically:
 - a. All applicants are entitled to a fair hearing before Council under general rules of procedural fairness;
 - b. There is no precondition of universal tenant acceptance of any relocation or compensation plan offered by an applicant; and
 - c. Council may consider matters contained in this policy along with any other material it believes to be relevant to its decision on any application and need not state its reason for support or refusal of any application.