



## STAFF REPORT INFORMATION ONLY

### Information Concerning a Tenant Support Grant under Tenant Defence Fund for 927 St. Clair Avenue West Tenants

<b>Date:</b>	October 22, 2007
<b>To:</b>	Community Development and Recreation Committee
<b>From:</b>	General Manager, Shelter, Support and Housing Administration
<b>Wards:</b>	Ward 17 – Davenport
<b>Reference Number:</b>	

#### **SUMMARY**

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This report provides information about the tenant evictions that occurred at 927 St. Clair Avenue West and the recommendation by the Tenant Defence Sub-Committee to fund York Community Services to advertise in order to contact former tenants of this rental property. Funds would come from the Tenant Support Grants Program of the Tenant Defence Fund.

#### **FINANCIAL IMPACT**

There is no new financial impact beyond what has already been approved in the 2007 Tenant Defence Fund Program.

#### **DECISION HISTORY**

This report provides information on the September 25, 2007 request by the Tenant Defence Sub-committee to provide up to \$5,000 in funding from the Tenant Support Grants Program to York Community Services.

Staff have no authority to approve such grants under the Toronto Municipal Code Chapter 797. Council approval of the grant request is necessary.

## **ISSUE BACKGROUND**

At the July 9<sup>th</sup> meeting of the Tenant Defence Sub-Committee (the Sub-Committee) and again at its meeting on September 25<sup>th</sup>, the Sub-Committee heard from a tenant of 927 St. Clair Avenue West and his legal representative from York Community Services about a seemingly illegal eviction of all tenants in the building.

According to the representatives' deputation, the property consists of a four-storey apartment building containing a total of 21 units made up of 11 bachelor and 10 one-bedroom units. The rents were in the \$600-\$700 range, and were lower than the rents in two identical adjacent buildings.

On December 10, 2006, a fire occurred in a vacant unit, causing damage to that unit and minor damage to an adjoining unit. Following an inspection by Fire Services staff later that day, tenants were allowed to return to their apartments. On December 12, 2006, all tenants were given notice by the landlord requiring them to leave by December 14, 2006. The notice advised the tenants that City officials informed the landlord that the building was not sound, that the landlord must begin construction within four days after the fire due to the extent of the damage, and that while the repair was carried out, the building must be vacant for the tenants' health and safety. To the knowledge of the tenant representatives and City staff, no such instruction was given by any City division.

All but four tenants moved out when they received the notice. The landlord then proceeded to strip the building down to the stud walls and sub-floors. The last remaining tenant moved out at the end of May. The landlord eventually applied for a building permit on July 19 and obtained the permit on September 19.

One tenant has made an application to the Landlord and Tenant Board (the Board) contesting the eviction and seeking remedies. Two hearings have been held on the matter, and a third and final hearing is scheduled for October 31, 2007.

## **COMMENTS**

### **Relevant Sections of the Residential Tenancies Act**

The new *Residential Tenancies Act* (RTA) sets out the obligations and requirements for landlords regarding notice period, content of the notice, format of the notice, right to reoccupy renovated units and compensation for tenants, for situations where the tenancy is terminated as a result of extensive renovations in a building.

Section 50 of the RTA requires that tenants be given at least 120 day notice of eviction in the proper form where renovation work is so extensive as to require vacant occupancy and a building permit. The notice must advise the tenants of their right of first refusal to re-occupy the premises after the work is completed. The RTA also requires that the rent for the renovated unit not exceed what the landlord could have charged if there had been

no interruption in the tenancy {section 53(3)}. In addition, the landlord is required to compensate the tenant by either offering another rental unit acceptable to the tenant, or by payment equivalent to up to three months rent {section 54(1)} (exceptions apply for properties with less than five units or where the repair or renovation was ordered to be carried out under the authority of the RTA or any other Act). Based on the information provided by the tenant representatives, it does not appear that the landlord has complied with the requirements of the RTA.

While 19 tenants were affected by the eviction, only one tenant to date has contested the eviction with an application to the Board. Under the RTA, the Board's decision only applies to the tenant who has made an application to the Board. This means that even if the tenant applicant is successful in presenting his case and receives a Board order in his favour, other tenants will not be able to benefit from the order. Furthermore, if former tenants do not take up their right of first refusal, the landlord will benefit from the evictions by being able to charge whatever rent the market will bear rather than having to re-offer the units at rents that could have been charged had there been no eviction.

It is not known why the other 18 tenants did not make applications, however, it is important that they are informed of their rights and have an opportunity to contest their eviction and seek remedies. The RTA requires that such an application must be made within one year after the former tenant vacated the rental unit {section 57(2)}. This means that tenants wishing to apply should do so soon otherwise their applications will be out of time.

Since the whereabouts of the former tenants are unknown and the deadline for applications to the Board is imminent, the Sub-Committee requested the tenant representative from York Community Services to place public advertisements to reach out to the tenants. To facilitate this activity, the Sub-Committee recommended that the City reimburse the organization for its advertisement and related costs of up to \$5,000 from the Tenant Support Grants Program of the Tenant Defence Fund.

### **Providing a Grant from the Tenant Defence Fund**

Currently, the Tenant Support Grants Program assists tenant groups who wish to dispute their landlords' applications for above-guideline rent increases, demolitions, or conversion of their buildings into condominiums. The program does not provide funding for groups disputing eviction as a result of extensive renovations to their buildings, nor does it cover advertisement costs that a community organization incurs in order to contact former tenants who were evicted because of renovations.

Staff have delegated authority to approve a grant only if the request falls within the mandate and requirements of the administrative by-law of the Grants Program (Toronto Municipal Code Chapter 797). Where the request is not within the mandate or does not meet the administrative requirements, Council approval is necessary.

While funding for advertisement costs does not fall within the mandate of the Tenant Defence Fund, staff support providing a grant to York Community Services to contact the former tenants of 927 St. Clair Avenue West, for the following reasons:

1. A significant number of tenants from a rental property with affordable rents were forced to leave their rental apartments without proper legal notice or compensation. As there is no contact information for the tenants, advertising is an effective way to reach out and inform them of their rights about application for compensation and re-occupying their rental units.
2. There would be a loss of affordable rental apartments, as the rents for the renovated units would likely be raised if the former tenants do not apply to the Board to enforce their rights to re-occupy the units at a similar rent as what would have been charged without the renovation.
3. York Community Services is a Legal Aid Ontario funded service, and well qualified to provide advice and support to any tenants who may decide to come forward. The City has previously partnered with York Community Services to support tenants.
4. This grant request meets the spirit and intent of the Tenant Defence Fund program. Council has previously approved grants for two similar situations where the tenants were evicted as a result of renovations.

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## **SIGNATURE**

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