APPENDIX A

PH15.10 Appendix A



Chris Murray, City Manager

City Hall 100 Queen Street West East Tower, 4th Floor Toronto, Ontario M5H 2N2 Community and Social Services
Tel: 416-338-7205

giuliana.carbone@toronto.ca

Giuliana Carbone Deputy City Manager,

www.toronto.ca

June 26, 2020

Standing Committee on Social Policy c/o Tonia Grannum, Clerk of the Committee 99 Wellesley Street West Room 1405, Whitney Block Queen's Park Toronto, ON M7A 1A2

Dear Standing Committee Members:

RE: City of Toronto staff comments on Bill 184, Protecting Tenants and Strengthening Community Housing Act, 2020.

City of Toronto staff have reviewed *Bill 184, Protecting Tenants and Strengthening Community Housing Act, 2020* and are pleased to provide the attached submission for consideration. In general, staff are supportive of the proposed changes to the *Housing Services Act, 2011* and look forward to continued collaboration and discussion with the Ministry of Municipal Affairs and Housing to shape the regulations.

With respect to the other pieces of legislation in Bill 184 namely, the *Residential Tenancies Act, 2006*, the *Ontario Mortgage and Housing Corporation Repeal Act, 2020* and the *Building Code Act, 1992*, the City of Toronto has identified a number of concerns and provided proposed changes for consideration. The proposed changes and other considerations are based on staff analyses and previous Toronto City Council direction, which are outlined in detail in the attached submission document. City Council will be considering the City's submission at its July 28, 2020 meeting and any resulting decision on the submission will be transmitted to the Province.

The ongoing COVID-19 pandemic has highlighted the critical importance of access to safe, adequate and affordable rental housing. It has also emphasized the weaknesses in our housing system and the added risks faced by vulnerable and marginalized individuals when this system comes under strain. The COVID-19 crisis has also shown the interdependencies and interconnectedness of our housing, homeless, public health and socio-economic systems and how important it is for all orders of governments to take a holistic approach when developing public policy and legislation.

It is critical that the proposed changes to Bill 184 be viewed with these factors in mind. To recover from COVID-19 and protect against other vulnerabilities, all orders of government must take bold action that would result in true systemic changes.



Bill 184 provides the opportunity to do just that. As the Bill is finalized and regulations developed, working with tenants, landlords and government partners is critical to protecting the housing that exists today and in the future.

Thank you for your consideration. I look forward to further dialogue on the attached submission and our ongoing collaboration on common housing priorities.

Should you have any questions, please contact Abigail Bond, Executive Director of the City's Housing Secretariat at <u>abigail.bond@toronto.ca</u> or (416) 338-1143.

Regards,

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Giuliana Carbone Deputy City Manager, Community and Social Services

CC. Mayor John Tory Ana Bailão, Deputy Mayor and City of Toronto Housing Advocate Chris Murray, City Manager Abigail Bond, Executive Director, Housing Secretariat

Attachment: City of Toronto Submission to the Standing Committee on Social Policy on Bill 184, Protecting Tenants and Strengthening Community Housing Act, 2020 (June 26, 2020)

City of Toronto Submission to the Standing Committee on Social Policy on Bill 184, Protecting Tenants and Strengthening Community Housing Act, 2020 June 26, 2020

INTRODUCTION:

Over the course of 2019, the City of Toronto consulted over 6,000 members of the public and stakeholders on the development of the HousingTO 2020-2030 Action Plan. Through the public consultations, Torontonians made it clear that there is an affordable housing crisis with many paying more than 30% of their income on rent, living in precarious housing situations and increasingly facing no-fault and illegitimate evictions¹. It is unlikely that anyone would have expected that one year later, there would be a global pandemic that is not only affecting public health but also our social and economic systems, and peoples' ability to pay for housing. The COVID-19 pandemic has reinforced the importance of having access to a home for one to be able to shelter in place during a pandemic. It has also demonstrated the interconnectedness and vulnerabilities of our public systems and how quickly one's housing could be at risk due to external forces and shocks.

Bill 184, Protecting Tenants and Strengthening Community Housing Act, 2020, was introduced five days before the Province of Ontario declared a State of Emergency in response to COVID-19 and when much of the economy was stalled. Ontario remains in a State of Emergency with the economy still not fully re-opened and with a "new normal" yet to be defined. Toronto, as an area with higher COVID-19 cases has only, over the past couple of days, moved on to Stage Two of Ontario's Reopening Framework. This global pandemic has impacted peoples' ability to pay rent, presented challenges with safely managing congregate living and shelter settings, and shone a light on the need to address tenant and landlord rights and responsibilities.

As the pandemic continues, all orders of government have been working together on efforts to implement physical distancing measures in the shelter system and have identified housing as a priority in both COVID-19 response and recovery discussions. In response to the crisis, the Federal government introduced much needed relief measures including the monthly \$2,000 Canada Emergency Response Benefit (CERB), mortgage deferrals, and commercial rental relief, among other changes. The Province's investments in the Social Services Relief Fund (SSRF) have also been appreciated, and used in part to increase funding to the Toronto Rent Bank Program to provide interest-free loans to households experiencing rental arrears.

Despite these supports, unfortunately, there has yet to be a dedicated residential rental assistance program introduced in Ontario, with SSRF invested across a number of priority areas including shelters. While many see CERB as a means to address housing costs, \$,2000 per month does not stretch very far in an expensive housing market like Toronto.

A recent Toronto Foundation brief outlined that there was a 10% rental delinquency rate in May which translates to approximately 53,000 rental households in Toronto not

¹ https://www.toronto.ca/legdocs/mmis/2019/ph/bgrd/backgroundfile-140634.pdf

paying rent. With the impacts of COVID-19 being far from over and Toronto only recently moving to Stage Two of Ontario's Reopening Framework, it is likely that arrears will continue to accumulate and that there could be thousands of eviction orders coming once the moratorium is lifted².

The true impacts of COVID-19 on the rental and broader housing system are still unknown as the crisis persists. As Bill 184 is debated and finalized, the impacts of COVID-19 on the housing system to-date, the fact that the pandemic is still ongoing, and the public's limited ability to fully engage during these challenging times should be considered. The City recommends that there be adequate opportunities to adjust and pivot as the impacts of COVID-19 and the "new normal" are better understood.

The following recommendations on Bill 184, grouped by Statue, are being presented by the City of Toronto for the Standing Committee's consideration:

RESIDENTIAL TENANCIES ACT, 2006:

Toronto is a City of renters where 47% (or 525,830) of households rent their homes. Over 120,000 households earning less than \$30,000 are paying more than 30% of their income on rent. Between 2006 and 2018, the pace of rent increases in purpose built rental buildings grew faster than median incomes. Toronto currently has an unhealthy vacancy rate of about 1.5% which is driving up the cost for rental housing and making it simply unavailable for many³. It also means that many people living in the city are living in inadequate housing due to lack of affordability and available options. As a result, many renters in Toronto today are struggling with unaffordability, poor building conditions and for a growing number, housing instability due to an increasing trend of illegitimate evictions.

The City agrees that one way to increase the affordability of rental housing, and meet growing demand, is to increase supply. It is for this reason the City has set a target to approve 40,000 new affordable rental units by 2030, working in partnership with other orders of government, the private sector and non-profit organizations. The City is also streamlining its internal approval processes, making public land available to create mixed-income communities, and providing financial incentives through waived fees and charges to address the rental housing crisis. As efforts are made to build new affordable rental housing, there is also a need to protect existing rental stock.

In a tight rental market like Toronto, the cost of rent has been seen to rise significantly upon unit turnover in some cases, often resulting in the loss of affordable housing. In other cases, the ability to secure higher rents has led to illegitimate activity to evict tenants.

The City also acknowledges that landlords need sufficient rental revenues to manage expenses and keep their properties safe and well-maintained. As such, changes to the *Residential Tenancies Act, 2006* should balance the importance of protecting existing affordable housing and tenants' rights, as well as the interests of landlords.

² https://torontofoundation.ca/wp-content/uploads/2020/05/Final-BTC-housing-brief-for-release-June-1.pdf

³ CANCEA & CUI (2019): "Toronto Housing Market Analysis: From Insight to Action"

To strike this delicate balance, the City is making recommendations in the following areas:

- a) Protection of affordable rental housing;
- b) Access to justice for tenants and landlords;
- c) Eviction prevention and compensation;
- d) Enforcement and oversight;
- e) Data collection and dissemination;
- f) Landlord & Tenant Board administrative improvements.

a) Protection of Affordable Rental Housing

Protection of existing rental housing is a key theme of the City's HousingTO 2020-2030 Action Plan approved by Council in December 2019⁴. To meet the housing needs of the people of Toronto – and Ontario – it is critical that all governments work together to preserve existing affordable rental housing. In the absence of preserving existing rental supply, people will likely lose their homes, or not be able to secure one in the first place. Governments will also not be able to meet their public policy objectives of ending chronic homelessness, increasing affordability and housing stability and alleviating poverty.

It is recommended that the *Residential Tenancies Act, 2006 (RTA)* and other government programs be amended to protect affordable rental housing through the following actions and considerations:

• Re-introduce Rent Control

Rental rates in Toronto have continued to rise well above increases in income, and as a result, many renters are living in core housing need, some have fallen into homelessness and many others are at risk of becoming homeless. Toronto City Council in 2017 and again in 2019, called for rent control to be introduced on all rental units in Toronto⁵. Limiting the increases in annual rent would provide more predictability for tenants and prevent economic evictions.

• Improve Oversight and Application of Above Guideline Increases Above Guideline Increases (AGIs) are supposed to help landlords cover timelimited and specific expenses. For many tenants, an AGI could make their rents unaffordable and lead to an accumulation of arrears and eventual eviction.

The City acknowledges that much of the existing rental stock is ageing and requires major repairs. For buildings over 25 years old, property owners should be required to consider re-financing the asset to manage major capital repairs and replacements - instead of imposing unreasonable rent increases on tenants.

⁴ http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2019.PH11.11

⁵ <u>http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2019.MM12.33</u> <u>http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2017.MM27.9</u>

In 2018, City Council⁶ requested the Province to amend Section 126 of the *Residential Tenancies Act, 2006,* to include measures such as:

- a) eliminating eligibility of capital expenditures for the purpose of an AGI for items that constitute general repair and maintenance of the property; and
- adding a new subsection requiring Landlords to save 10 percent of rental income to be accessed for capital expenditures related to the categories prescribed subsection (7) a, b and c of the Act.

City staff also acknowledge that the emergence of COVID-19 has resulted in a challenging operating environment for some landlords due to increased maintenance costs (related to enhanced cleaning measures, etc.), and revenue losses as a result of bad debt/non-payment of rent. Such challenges may make it difficult for landlords to save 10% of rental income and could pose a threat to maintaining the rental housing stock in good condition. As such, AGIs should be considered in exceptional circumstances only, and for items that would result in protecting the health and safety of tenants and preserving the rental housing. City Council also recommended that the RTA be amended to require landlords to reduce the rent when an AGI expires and to notify tenants of the decrease. As the useful life of many capital expenditures is over 10 years, it is unreasonable to expect a tenant to keep track of when the AGI expires, to understand that they are allowed to reduce their rent, or to calculate the value of the rent reduction. As such, the City requests that the province develop a mechanism to publicly list when AGIs expire and enforce the reduction in rent for tenants⁷.

Raise Ontario Works (OW) and the Ontario Disability Support Program (ODSP) Shelter Allowances

The current shelter allowances for OW and ODSP do not accurately reflect the real cost of rent in the City of Toronto. In 2018 a single person on Ontario Works (OW) received a monthly shelter allowance of \$390. This is significantly less than the average market rent of \$1089 per month for a bachelor apartment in Toronto. Even using the basic needs allowance for rent, many tenants in Toronto on OW/ODSP fall into arrears and face greater risk of eviction. Only 5% of OW recipients in Toronto live in social housing or receive additional housing benefits.⁸ Increasing OW/ODSP shelter allowances would improve tenants' ability to afford suitable, high quality rental units and reduce the incidence of non-payment of rent or accumulation of arrears, an advantage to both landlords and tenants. In addition, the volume of eviction applications processed by the Landlord and Tenant Board may decrease as more tenants are supported to afford their housing. Every effort should be made to protect the most vulnerable tenancies by increasing the OW/ODSP shelter allowance to reflect regional housing markets.

⁶ http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2018.EX32.20

⁷ https://www.toronto.ca/legdocs/mmis/2016/cd/bgrd/backgroundfile-94153.pdf

⁸ CANCEA & CUI (2019): "Toronto Housing Market Analysis: From Insight to Action" p.17

b) Access to Justice for Tenants and Landlords

Having access to an independent body to address rental disputes between landlords and tenants is important. The Landlord and Tenant Board (LTB) plays this role in Ontario. Unfortunately the landlord-tenant relationship at the LTB is currently unbalanced. The *Residential Tenancies Act, 2006* (RTA) is often unnavigable to the general public and many cannot afford legal representation or access legal aid. A recent study by Advocacy Centre for Tenants Ontario (ACTO) found that 58% of tenants that received eviction notices did not attend their hearing to make their case – they simply moved out. Additionally while an overwhelming majority of landlords had representation at the LTB, most tenants did not.⁹

Given the current imbalance of power in the landlord-tenant relationship, the proposed amendments to the RTA to improve LTB processes deserve more careful consideration. As a first step before any changes are made to streamline or improve the efficiency of LTB processes, funding needs to be restored and increased to Legal Aid Ontario. With the high cost of living in Toronto, people living with low and even middle incomes cannot afford legal representation at the LTB which puts them at a disadvantage¹⁰.

• Restore and enhance provincial investments in legal aid

Unless tenants have access to legal aid, many of the proposed RTA amendments in their current form will still result in tenants being at a disadvantage. There needs to be a balanced and robust system in place where tenants and landlords both have representation.

Expanding specialty community legal clinics for low-income tenants, as well as enhancing the Tenant Duty Counsel Program will improve tenant access to legal support at the LTB.

In addition, the City supports initiatives to encourage small landlords and private homeowners to participate in the rental housing market. The primary rental market is increasingly unaffordable, so the secondary rental market is an important source of rental units in Toronto. Expanding speciality community legal clinics for small landlords is important, particularly those who rent second suites in their own homes, rather than operate rental units in separate properties. Some seniors or first time home owners are only able to afford their homes with the addition of rental income, and are also unable to afford legal representation in a tenancy dispute.

• Amend Section 82 (2) to make advance notice a best practice, not a requirement

While providing advance notice of issues to be raised at a LTB hearing is ideal, some tenants do not have legal support or capacity to file this information. Legitimate issues impacting a tenant's case should not be dismissed or overlooked if they were not filed in advance. Toronto City Council in 2016 recommended this be a best practice not a requirement¹¹. Until adequate

⁹ ACTO , November 2019, "We Can't Wait – Preserving our Affordable Rental Housing in Ontario" p. 19

¹⁰ http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2019.MM7.14

¹¹ https://www.toronto.ca/legdocs/mmis/2016/cd/bgrd/backgroundfile-94153.pdf

resources are in place to support tenants at the LTB, this proposed amendment would put tenants at a disadvantage.

Strike Section 135.1 (1) – Rent Increase Deemed Not Void
 City staff, based on previous Council positions on tenant rights and the need for
 increased access to legal aid, do not support this amendment and recommend its
 removal. Only increases that follow provincial approved guidelines and that are
 provided in writing should be considered valid. If a tenant unknowingly pays an
 illegal increase, or one that has been calculated in error, they should not be
 required to keep paying it. Standardized rental increase communication
 guidelines should also be developed requiring the original rent amount, the
 approved provincial increase and the new rental rate to be stated in notices so
 changes to rent levels are clear. Any AGIs should also clearly communicate
 what they are for and when they will expire.

• Reconsider use of LTB to settle additional tenancy matters

Bill 184 makes several recommendations to add additional issues to the jurisdiction of the LTB. Specifically it makes amendments to permit damages, arrears and outstanding utility costs of tenants that have moved out to be considered by the LTB rather than small claims court. Landlords should be able to collect these damages after a tenant moves out but they should be pursued immediately and through small claims court. The LTB currently has a significant backlog and the addition of these matters, along with a potential increase in evictions post-COVID-19, will result in further delays at the LTB. The City proposes that the province reconsider this amendment to ensure that landlords can recoup legitimate damages while ensuring the broader system does not experience further delays.

• Develop a simple, accessible fact sheet on landlord and tenant rights and responsibilities and make this fact sheet a mandatory inclusion in all provincial communications with landlords and tenants

While it may seem like it is an administrative burden to require landlords to provide information on tenant and landlord rights and responsibilities at lease signing, this is often the only time tenants receive or access this information. It is critical that tenants know their responsibilities and rights and those of their landlord. Based on previous Council positions related to improved tenant communications, the City does not support eliminating this requirement. The City also proposes that any provincial communications with landlords and tenants should include this same fact sheet¹².

c) Eviction Prevention and Tenant Compensation

A priority for the City of Toronto continues to be eviction prevention as the loss of one's home can have a de-stabilizing effect on an individual, impacting their overall health and socio-economic well-being. Loss of housing also impacts the City's strained shelter system. According to the City of Toronto's 2018 Street Needs Assessment, approximately 23% of shelter users reported reasons for homelessness that included:

¹² ttp://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2016.CD13.14

inability to pay rent, eviction for non-financial reasons, or experienced a landlord's own use eviction¹³. While there may be reasons to pursue evictions in some cases, in Toronto there is an increasing trend of tenants losing their homes due to no-fault evictions. In many instances, tenants who are in good standing under their lease agreement are evicted so the landlord can occupy the unit for their own use, or undertake renovations that require the tenant to relocate.

The City has received reports of an increasing trend in Toronto and across the Province for these eviction notices – N12s and N13s – to be used illegitimately. Some landlords misrepresent the truth when pursuing these notices while others print the notices from the LTB and issue them to the tenant and never file them with the LTB. A tenant might believe they have been evicted and move out not realizing they were entitled to compensation. In many cases where tenants are evicted, they are unable to find a comparable new home for a similar price. No-fault evictions therefore end up costing the tenant.

An additional concern in Toronto is that tenants have little recourse if a landlord repeatedly ignores work orders to maintain housing in good repair.

The City of Toronto supports the RTA amendments proposed to address illegitimate evictions and to provide compensation to tenants. City staff based on previous Council positions related to eviction prevention and tenant rights, have strong concerns with the proposal to streamline eviction orders for any mediated agreements that are breached.

Remove ability to pursue "ex parte eviction orders" for breached mediated agreements

City staff, based on previous Council positions on eviction prevention and tenant rights, do not support the proposed RTA amendment that would allow a prehearing agreement under Section 206 to contain a Section 78 clause for ex parte eviction for breach of its terms. As part of the COVID-19 recovery, the City is hopeful that the Province, when lifting the eviction moratorium will mandate mediated repayment agreements over evictions for non-payment of rent. If this proposed amendment is passed it would be easier to evict thousands of tenants who fell into arrears during COVID-19. The City supports mediated alternative dispute resolution processes but strongly believes that a hearing is still required to order an eviction.

• Provide at least three months' rent for a comparable home as compensation for tenants in no-fault evictions

The City supports the RTA amendments that enhance compensation for tenants in no-fault evictions – specifically for notice given on behalf of a purchaser and for tenants in buildings with less than five units. Extending benefits to tenants in these building types is a great step forward. The reality for many however is that finding a comparable apartment coupled with moving expenses results in a much greater expense to the tenant.

 Accompany the extended 24 month period to seek remedies for right of first refusal with enforcement and investigative support

¹³ https://www.toronto.ca/wp-content/uploads/2018/11/99be-2018-SNA-Results-Report.pdf

City staff support the amendments to Section 57.1 (2) of the RTA to extend the period that a tenant can seek remedies to two years based on previous Council positions that speak to enhanced tenant rights. A tenant who has moved out may discover that the landlord evicted them illegitimately only to rent the unit to someone at a higher rate. This amendment is welcome but should also be accompanied by enforcement and investigative resources so that the onus does not always fall on the tenant to make the case.

• Strengthen Section 53 of the Act so that tenants are able to exercise their right of first refusal

In many cases where a tenant is evicted due to renovation, their first choice is typically to return to their home post-renovation, rather than be compensated to move. When a tenant chooses to return to their home post-renovation, this should be accommodated by the landlord and enforced by the LTB. Toronto City Council on March 27, 2018 adopted a motion calling on the Province to strengthen the RTA to reinstate tenancies where tenants who have been "renovicted" can return to their homes when the renovation is complete¹⁴.

 Institute a rent freeze in rental buildings for non-compliance with work orders, beyond work orders related to elevators
 Tenants should not be required to pay rent if the landlord continues to ignore work orders to keep the building in a state of good repair. Toronto City Council continues to call for rents to be frozen in buildings where property managers ignore work orders¹⁵.

d) Enforcement and Illegitimate Activity

In housing markets like Toronto where vacancy rates are low and rental costs are high some landlords and property managers are illegitimately evicting tenants. Some are misrepresenting the use of N11s (buy-outs), N12s (owner's own use) and N13s (renovations) to evict tenants to increase their profits. To address this growing trend in Toronto, City Council has established a Sub-Committee on the Protection of Affordable Rental Housing. On November 20, 2019 approximately 50 individuals made presentations to the Sub-Committee outlining their personal experiences with illegitimate evictions. Several of the presentations focussed on the lack of information about tenants' rights to compensation or the right to return where applicable. Others spoke to the need for increased enforcement and investigation for illegitimate evictions¹⁶. The Province has taken some good first steps with Bill 184 to begin to deter illegitimate activity, but more needs to be done to ensure these strengthened protections are enforced and to address the growing trend of illegitimate evictions.

• Regulate N11s and buy-out agreements

It has been brought to the attention of the City that tenants are being pressured to sign buy-out agreements, in some cases under duress, without fully understanding their rights. Many times the buy-out amount is insufficient for a

¹⁴ http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2018.MM38.15

¹⁵ <u>http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2017.EX25.11</u>

¹⁶ http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.RH2.1

tenant to find a suitable or comparable new home. While many N11s are entered into legitimately, it is important to take steps to regulate their use to ensure they are not being abused. City staff propose that the Province work with the housing sector to better understand this trend and take appropriate steps to track buyouts and ensure that tenants are informed of their rights in this regard.

• Strengthen Section 71.1 by also requiring additional documentation for N13s and invest in enforcement

The City supports the enhanced measures aimed at deterring illegitimate evictions proposed in Bill 184. In addition to the requirements listed in the amendment, City staff propose that a copy of the building permit be required as part of N13 applications. Additional enforcement measures should be put in place to undertake random checks six months or later to ensure that the eviction orders were filed in good faith. Enforcement resources will also be necessary since these more stringent requirements at the LTB may result in more landlords undertaking illegitimate activity to avoid these new requirements.

• Accompany increased penalties for violating the RTA with resources for investigation and enforcement

The City supports the increase in penalties for individuals and corporations that violate the RTA. The increased charges should act as a deterrent for illegitimate activity. Without significant investments in enforcement, however, the onus is still on the tenant to prove the violation has taken place. Increased resources need to be invested in enforcement to ensure that those violating the RTA are held to account.

 Increase the resources of the Rental Housing Enforcement Unit (RHEU) to better serve tenants and landlords

The RHEU is the provincial body where tenants and landlords can file a complaint about offences under the Residential Tenancies Act, 2006. It is comprised of a small team of four investigators and ten compliance/customer service officers for the whole province. Complaints can only be filed by phone and during regular office hours. As it stands many tenant-landlords issues arise outside of regular office hours. The City has received many calls about tenants being locked out of their home with nowhere to turn. City staff recommend that the role of the RHEU be evaluated in consultation with the housing sector and tenants to determine opportunities for improvement. A first priority would be the consideration of an after-hours emergency line for tenants or landlords needing help outside of regular office hours.

e) Data Collection and Dissemination

Good policy and programs need to be informed by good data. Currently, all orders of government are working together to build new affordable housing, preserve existing housing and provide income and housing stability supports. Much of this work is taking place in the absence of good data collection and data sharing across governments. Data is not collected centrally that tracks asking rents, registered AGIs and their expiry, LTB eviction filings and outcomes. Collecting and disseminating this information, while

protecting privacy, would allow governments to better understand the rental landscape and make program and policy changes as appropriate. The City recommends that the Province:

• Establish a robust provincial rental registry that tracks building ownership, asking rental rates, AGIs and their expiries and LTB filings and their outcomes

On March 27, 2018 Toronto City Council passed a motion calling on the Province to enhance its open data fields to include specific fields that would assist in tracking AGIs¹⁷. Based on recent trends in Toronto and the inability to access centralized data, City staff are also proposing that a more robust rental registry be developed that also tracks ownership, rental rates and LTB filings and outcomes.

f) Landlord and Tenant Board Administrative Improvements

The Landlord and Tenant Board in its current form is not working well for landlords or tenants. It is not adequately resourced to produce quick results with often months' long waiting times to secure a hearing. Long waits at the LTB on hearing days and lack of childcare make it inaccessible for some. For many tenants the documentation provided is confusing and not easy to comprehend sometimes resulting in misunderstanding its intent. The following recommendations, adopted by Toronto City Council at its June 2016 meeting, would help address these issues¹⁸:

- Increase staffing levels at the LTB to address the backlog and to better support landlords and tenants and collect and disseminate data and information
- Improve LTB scheduling to mitigate long wait times
- Simplify LTB notices with plain language so they are easily understood and ensure all forms include a tracking number that is linked to a public registry

HOUSING SERVICES ACT, 2011:

City of Toronto staff have participated in extensive consultation on the proposed legislative changes related to the *Housing Services Act*, *2011* (HSA), along with the Association of Municipalities of Ontario, other Service Managers, and key stakeholder groups.

The HSA legislative changes represent the second stage of the province's multi-year Community Housing Strategy aimed to improve the legislative and regulatory environment for community housing providers when their original obligations end and to improve access and accountability systems.

¹⁷ http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX32.20

¹⁸ http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2016.CD13.14

While positive, the amendments to the HSA only set the framework to enable the development of regulations for implementation. MMAH has confirmed that the development of regulations will include broad consultation with Toronto, AMO, Service Managers, housing providers, and other key stakeholders.

The City supports the proposed legislative changes and looks forward to more consultation to shape the regulations. Specifically City staff propose that the Province:

• Develop the HSA regulations with principles recognizing municipal autonomy, local flexibility in service delivery and the need to be cost neutral to municipalities.

Together with its municipal partners, the City is calling for the future development of regulations to be guided by principles that recognize municipal governments are best positioned to plan and manage community housing services; that as the primary funder, municipalities should be afforded flexibility to meet local needs; that any changes should not add costs to municipalities; and that current longstanding funding inequities should be addressed.

• Eliminate the HSA Rent-Geared-to-Income (RGI) "rent scales" used to determine the rent payable for households in receipt of social assistance

The rent scales provide a reduced benefit for households in receipt of social assistance living in RGI housing when compared to their private market counterparts. This inequity increases the rent subsidy paid by the City and is estimated to transfer over \$80 million in costs to the City each year¹⁹.

BUILDING CODE ACT, 1992:

If adopted, the proposed Act (Bill 184) would amend the *Building Code Act, 1992* to establish an administrative authority with delegated authority for the administration of specific provisions of the *Building Code Act, 1992*. In response to the 2019 provincial consultation on potential changes to provincial building code service delivery, Toronto City Council considered issues related to a potential administrative authority²⁰. The staff report noted potential areas of concern related to governance and accountability and that an authority must appropriately balance the interests of all industry stakeholders – especially between the building industry and building officials. Based on the direction of Toronto City Council on January 29, 2020 the City makes the following recommendations related to the Building Code Amendments in Bill 184:

• Add the Chief Building Official of the City of Toronto as an ex-officio, voting member on the proposed administrative authority's Board of Directors

¹⁹ <u>http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2019.PH11.5</u>

http://app.toronto.ca/tmmis/decisionBodyProfile.do?function=doPrepare&meetingId=10992#Meeting-2016.EX16 ²⁰ http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2020.PH12.1

- Ensure the Ministry of Municipal Affairs and Housing conducts further consultations directly with the City of Toronto on its proposals to change how Ontario Building Code services are delivered in Ontario
- Consider aligning any further Building Code Act, 1992 changes with the property maintenance standards and requirements in the Residential Tenancies Act, 2006 either through legislation, regulation or engagement with tenants and landlords

CONCLUSION:

Bill 184, Protecting Tenants and Strengthening Community Housing Act, 2020, has proposed important changes that will address ongoing challenges that exist within the rental housing sector in Ontario. However, with the arrival of COVID-19 and its resulting negative impact on renters' housing stability and landlords' operations, the continued consideration of this Bill at this time is a missed opportunity to fully understand the impact of the pandemic.

Renters and landlords are struggling in these difficult times and the "new normal" related to rental housing has yet to be defined. The consideration of this Bill in the midst of COVID-19, when many operators in the rental housing sector are busy helping tenants, means that important perspectives during these consultations may be missed. People living through these tough economic times may have different views on the Bill in a few months as their economic conditions change. Landlords unsure about their future business models may also have different outlooks in time.

It is the hope of the City that as this Bill is debated, the impacts of the COVID-19 pandemic on housing stability, and the overall fragility of the housing and homeless systems, is top of mind. Consideration should be given to the fluidity of the COVID-19 situation, and a recovery-focused approach which allows for flexibility and the ability to adjust as necessary, to ensure strong, effective legislation is enacted that will ultimately improve people's lives. As the Bill is finalized and regulations developed, working with tenants, landlords and government partners is critical to protect the housing that exists today and in the future.

The City looks forward to the opportunity to further engage with the Province, tenants, and the rental housing sector to implement the positive aspects of this Bill and build on the recommendations proposed herein.