



May 27, 2013

To: Mayor Ford and Executive Committee Members

RE: EX32.23 Tenant Issues Related to the Residential Tenancies Act

The Executive Committee should **not support the motion**, because:

1. Post November 1991 exemption:

The post-1991 rent exemption was a deliberate policy decision. It has successfully encouraged rental units to be entered into the market for the first time. It has increased the supply of available rental accommodations in the City of Toronto, and the Province of Ontario. This purposely worded exemption has been partly responsible for Toronto's condominium boom.

From Canada.com (Postmedia), on April 29, 2013, reporters Lauren Strapagiel and William Wolfe-Wylie wrote that "Ontario's Minister of Municipal Affairs and Housing Linda Jeffrey was unavailable for comment, but said this in a statement:

"The post-1991 rent exemption was originally introduced – and has been maintained over time – as an incentive for private landlords to build new rental accommodation. This incentive not only helps to renew the rental housing stock but also creates jobs in the construction sector. As such, any changes to this incentive could have an adverse effect on the rental housing sector, the economy and job creation."

2. Automatic rent freezes for outstanding work orders:

The *Residential Tenancies Act, 2006*, already contains several detailed sections that deal with non-compliance of work orders. This latest version was amended by the Province in 2006, after receiving Toronto City Council's recommendations.

Residential Tenancies Act, 2006
S.O. 2006, CHAPTER 17

PART III
RESPONSIBILITIES OF LANDLORDS

Landlord's responsibility to repair

20. (1) A landlord is responsible for providing and maintaining a residential complex, including the rental units in it, in a good state of repair and fit for habitation and for complying with health, safety, housing and maintenance standards. 2006, c. 17, s. 20 (1).

Same

(2) Subsection (1) applies even if the tenant was aware of a state of non-repair or a contravention of a standard before entering into the tenancy agreement. 2006, c. 17, s. 20 (2).

Order, repair, comply with standards

30. (1) If the Board determines in an application under paragraph 1 of subsection 29 (1) that a landlord has breached an obligation under subsection 20 (1) or section 161, the Board may do one or more of the following:

1. Terminate the tenancy.
2. Order an abatement of rent.
3. Authorize a repair or replacement that has been or is to be made, or work that has been or is to be done, and order its cost to be paid by the landlord to the tenant.
4. Order the landlord to do specified repairs or replacements or other work within a specified time.
5. Order the landlord to pay a specified sum to the tenant for,
 - i. the reasonable costs that the tenant has incurred or will incur in repairing or, where repairing is not reasonable, replacing property of the tenant that was damaged, destroyed or disposed of as a result of the landlord's breach, and
 - ii. other reasonable out-of-pocket expenses that the tenant has incurred or will incur as a result of the landlord's breach.
6. Prohibit the landlord from charging a new tenant under a new tenancy agreement an amount of rent in excess of the last lawful rent charged to the former tenant of the rental unit, until the landlord has,
 - i. completed the items in work orders for which the compliance period has expired and which were found by the Board to be related to a serious breach of a health, safety, housing or maintenance standard, and
 - ii. completed the specified repairs or replacements or other work ordered under paragraph 4 found by the Board to be related to a serious breach of the landlord's obligations under subsection 20 (1) or section 161.
7. Prohibit the landlord from giving a notice of a rent increase for the rental unit until the landlord has,
 - i. completed the items in work orders for which the compliance period has expired and which were found by the Board to be related to a serious breach of a health, safety, housing or maintenance standard, and
 - ii. completed the specified repairs or replacements or other work ordered under paragraph 4 found by the Board to be related to a serious breach of the landlord's obligations under subsection 20 (1) or section 161.
8. Prohibit the landlord from taking any rent increase for which notice has been given if the increase has not been taken before the date an order under this section is issued until the landlord has,
 - i. completed the items in work orders for which the compliance period has expired and which were found by the Board to be related to a serious breach of a health, safety, housing or maintenance standard, and
 - ii. completed the specified repairs or replacements or other work ordered under paragraph 4 found by the Board to be related to a serious breach of the landlord's obligations under subsection 20 (1) or section 161.
9. Make any other order that it considers appropriate. 2006, c. 17, s. 30 (1).

In summary, the Executive Committee should not support the motion, because:

1. The Post November 1991 exemption was deliberate, it has been successful, and the Minister of Municipal Affairs and Housing responded a month ago.
2. The *Residential Tenancies Act, 2006*, already contains several detailed sections that deal with non-compliance of work orders.

Regards,



Daryl Chong
President & CEO
Greater Toronto Apartment Association