



December 3, 2013

To: Executive Committee Members

RE: EX36.2 Tenant Issues Related to the Residential Tenancies Act

The Executive Committee should **not support the motion.**

The report notes that "Supporters argue the regulatory flexibility provided by the exemption has resulted in the development of new private rental housing (both purpose built and condominium rentals) and a reinvestment in rental homes constructed after November 1, 1991. They also maintain that the construction activity associated with new developments supports many thousands of local jobs." This is correct and corroborated by recent remarks by the Province.

The report acknowledges that the Minister of Municipal Affairs and Housing issued the following statement on April 29, 2013, "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."

Further, the report correctly notes that the *Residential Tenancies Act* allows the Landlord and Tenant Board to order a rent freeze, and that tenants must first apply and provide evidence to the Board.

As noted in the staff report, the City responded to the Ontario Government's Consultation Paper on Residential Tenancy Reform in 2004. These same requests were made at that time. The Province amended the former *Tenant Protection Act* with the new *Residential Tenancies Act* (RTA) in 2006. This new Act continues to provide the post-1991 exemption AND permits a rent freeze as one of the remedies if a landlord fails to comply with maintenance standards or a work order.

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

1. The Minister of Municipal Affairs and Housing already responded and reiterated that the post-1991 exemption is and has been successful.
2. The *Residential Tenancies Act 2006* already allows for rent freezes.

Regards,

A handwritten signature in blue ink, appearing to read "Daryl Chong", is written over a faint, larger version of the signature.

Daryl Chong  
President & CEO  
Greater Toronto Apartment Association