

Attachment 3

Jurisdictional Scan on Renovictions

Background

In response to the growing trend of renovation-based evictions and the loss of affordable housing stock, a number of cities across Canada have taken action to deter renovictions.

Jurisdiction

Below is a summary of notable municipal interventions in Canada to address the loss of affordable rental homes and deter renovictions:

1) British Columbia

In British Columbia, municipal powers are governed by the *Local Government Act* and the *Community Charter*. While it contains provisions similar to the *City of Toronto Act*, the *Community Charter* contains specific provisions that authorize councils to make bylaws for the protection of persons and property in relation to rental units and residential property that are subject to a residential tenancy agreement.

Starting in 2019, a number of cities in British Columbia – Burnaby, Port Coquitlam, Prince Rupert, and New Westminster to name a few – introduced bylaws to further protect affordable housing stock in the face of growing renovictions. Though there are some differences across the municipalities, these bylaws generally required:

- All necessary permits, including building permits, prior to issuing a notice to terminate a lease;
- Relocation plans for impacted tenants, prior to building permit issuance;
 - Landlord must provide alternative accommodation or compensation for the period of the renovation that is comparable to the existing unit with the same or more favourable terms to the tenant;
- Tenant's right to return to the rental unit, or alternative housing arrangements;
- No rent increase for tenant upon return, except as additional increase as permitted by Provincial guidelines; and
- Significant fines to those found in contravention of the bylaw.

The most notable of these bylaws was first introduced in February 2019 by the City of New Westminster. Bylaw No. 6926, Business Regulations and Licensing (Rental Units) Bylaw (the “Renovictions Bylaw”), strengthened tenant rights and penalized landlords for non-compliance. A legal challenge by a private company was brought forward in May 2019, alleging the City of New Westminster did not have municipal authority to pass the bylaw under the *Community Charter*. However, in April 2021, the B.C. Court of Appeal unanimously dismissed an appeal of the previous ruling by the B.C. Supreme

Court which upheld the bylaw as within the City of New Westminster's powers. Then, in December 2021, the Supreme Court of Canada dismissed the application for leave to appeal the B.C. Court of Appeal decision.

In July 2021, the Province of British Columbia introduced [new legislation](#) that amended the *Residential Tenancy Act* for the purpose of addressing renovictions. The amendments require that landlords wishing to evict tenants must first submit an application to the Residential Tenancies Branch (RTB), with evidence that they have the necessary permits and approvals and rationale for requiring a vacant unit. An RTB arbitrator will determine whether the landlord's proposal for the work would require vacant possession, and only then can landlords begin the process of an eviction. In the new *Residential Tenancy Act* provisions, where the RTB grants an order to terminate the tenancy because the landlord's proposed work would require vacant possession, the order must give tenants four months of notice to vacate the unit and compensation equivalent to one month's rent in addition to their existing right of first refusal to return to the unit once the work is complete. If a landlord fails to follow through on the renovations after receiving vacant possession, the tenant is owed 12 months of rent.

Due to these changes to the *Residential Tenancy Act*, the City of New Westminster began the process of repealing their by-law due to its inoperability in light of new Provincial requirements.

2) Ontario

In Ontario, municipal powers are governed by the *Municipal Act, 2001* or, in the case of the City of Toronto, the *City of Toronto Act, 2006*. Similar to B.C., Ontario's *Residential Tenancies Act, 2006* (RTA) sets out the rights and responsibilities of landlords and tenants who rent residential properties in Ontario.

In July 2020, the Province of Ontario introduced Bill 184, which increased the fines for landlords who evict tenants in "bad faith", including in the case of renovictions. In order to supplement the requirements of landlords and tenants in the RTA, a few cities in Ontario have begun to explore their own approach to deterring renovictions locally.

a) Ottawa

In November 2020, Ottawa City Council directed staff to look at the municipal tools available to prevent or prohibit renovictions. On June 16, 2022, the City of Ottawa introduced a report to their joint meeting of Community and Protective Services Committee and Planning Committee on tools to prohibit or prevent renovictions. In addition to suggesting Provincial legislative changes to the RTA and *Building Code Act, 1992*, the report suggests the development of a new bylaw to prohibit the full or partial demolition or conversion of residential and rental housing of six or more units without a municipally issued permit. The intention is to maintain affordable housing stock and

prevent it from being used as a business or turned into a condominium, unless a permit was granted by the City.

The City of Toronto already has an equivalent requirement in its municipal code.

In addition to the contents of the report, Ottawa City Council also directed staff to review tenant defence funds, including the City of Toronto's Tenant Support Grant Program (formerly Tenant Defence Fund), as well as to implement a tenant education program.

b) Hamilton

In April 2021, Hamilton's Tenant Defence Fund Pilot Program was expanded to include tenants being displaced due to renovictions.

In 2019 and 2021, Hamilton City Council approved changes to the terms and eligibility requirements for their Hamilton Tax Increment Grant (HTIG), including that:

- any portion of a development/improvement project consisting of renovations to existing residential rental units be excluded from HTIG program eligibility, except where:
 - the project does not result in tenant displacement; or
 - the project has been approved for financial assistance under a Canada Mortgage and Housing Corporation (CMHC), Federal, Provincial or City Program for the purposes of creating residential housing to address housing affordability in the City; or
 - the existing building has been entirely vacant for at least two years prior to a program application or pre-application; or
 - the property owner and program applicant are a registered, not-for-profit organization.
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- applicants to HTIG will be required to disclose which residential units are occupied at the time of application or pre-application, and will need to provide tenants of the units a comprehensive education package regarding their legal rights, Hamilton rental market conditions, and available resources should they be required
- as a condition of the HTIG, non-condominium residential unit(s) which are occupied at the time of an application to the City, shall not be the subject of an application to the LTB for an Above Guideline Increase (AGI), except in certain circumstances, starting from the time of application and for the term of the incentive to be provided.

Additionally, Hamilton City Council proposed that future grants be contingent on landlords offering tenant protections.

In December 2021, staff in the City of Hamilton also began to evaluate the feasibility of implementing a New Westminster-style bylaw in Hamilton to similarly deal with the issue of renovictions. The results of this review are not yet known.

