# **DA** TORONTO

# Supplementary Report: Interim Measures to Prevent Renovictions

Date: November 12, 2024
To: City Council
From: Executive Director, Housing Secretariat, and Chief Building Official and Executive Director, Toronto Building.
Wards: All

# SUMMARY

On October 30, 2024, the Planning and Housing Committee considered item <u>PH16.4</u> - <u>"Implementing a Rental Renovation Licence Bylaw to Address Renovictions</u>". which recommended that City Council establish a new chapter in the City of Toronto Municipal Code to regulate the licensing of renovations for residential rental units in the City of Toronto. The report further recommends that the bylaw take effect on July 31, 2025.

The implementation date of July 31, 2025 has been accelerated from the November 2025 date that was identified in the June 2024 report on the feasibility of a renoviction bylaw. July 2025 provides the minimum timeframe for staff to undertake necessary preparatory work including recruiting, training development of guideline documents and implementation of technology changes for the licensing process. Tenants and landlords also identified that the City needs time to educate the public on the new bylaw to facilitate compliance.

This supplementary report responds to direction from the Planning and Housing Committee in response to Item PH16.4 that staff report directly to the November 13, 2024 meeting of City Council on any interim measures and associated resources to protect tenants and prevent renovictions before the by-law comes into force, as there is concern that some landlords may choose to avoid compliance by issuing an N13 notice during the implementation period. This report proposes enhanced investments in legal, information, and organizing services to further support tenants during the implementation period.

The Toronto Tenant Support Program (TTSP) provides funding to three non-profit service organizations that provide tenants with supports to preserve affordable rental housing in the private market through legal services, information services, and organizing and capacity building for tenant groups. The services are delivered by the Canadian Centre for Housing Rights, the Federation of Metro Tenants' Association, and the Centre for Immigrant and Community Services. This report outlines a strategy to provide enhanced funding of \$712,800 to the TTSP in 2025, including funds for the interim period prior to the implementation of renovictions bylaw.

To support the TTSP service providers to increase their capacity to support tenants facing renovictions, City staff propose to increase the TTSP 2025 operating budget by \$712,800 gross and \$550,300 net, with one time funding of \$162,500 from the Homeless Prevention Program (HPP) in 2025. This request is subject to approval and will be considered as part of the 2025 Budget Process.

This funding will increase opportunities for tenants in the private rental market who may face renovictions during the period prior to July 31, 2025, in-force date of the bylaw to access enhanced legal supports in understanding and exercising their rights; and that those services will continue to be provided as part of the implementation of the bylaw. When the bylaw comes into effect on July 31, 2025, tenants who receive an N13 notice may contact the City to verify that their landlord is in compliance with the Rental Renovation Licence Bylaw.

In the interim, the additional investment will allow TTSP service providers to hire an additional staff person to enhance their ability to provide independent legal, information, and capacity building services and materials for Toronto tenants. The aim is that these resources will be prioritized for tenants facing evictions under the guise of a landlord requiring vacant possession to repair or renovate a unit. Based on current service levels and demand, the funding is estimated to provide an additional 600 renters with independent legal advice, and 3,000 tenants with information and capacity building about their rights and options.

Monitoring the impact of the new renovictions by-law will also be a priority once it comes into effect. City staff will collect data on renovictions through TTSP agencies including through the implementation period, and continue to work with community partners, tenant advocates, and the Housing Rights Advisory Committee, among others, on effective monitoring and evaluation approaches that assist in measuring the impact of the renovictions by-law and these associated services on tenants' rights and housing stability.

# RECOMMENDATIONS

The Executive Director, Housing Secretariat and Chief Building Official and Executive Director, Toronto Building recommend that:

1. City Council direct the Executive Director, Housing Secretariat, and other relevant City divisions to include resources required for implementing enhancements to the Toronto Tenant Support Program for consideration through the 2025 Budget process.

#### FINANCIAL IMPACT

Implementation of the enhancements to the TTSP will leverage underspent funds, and require new and enhanced funding in the 2025 Budget. The resources required for the

enhancements are subject to approval and will be considered as part of the 2025 Budget Process.

The total financial impact for the proposed enhancement to the TTSP 2025 operating budget is \$712,800 gross and \$550,300 net, with one time funding of \$162,500 from the Homeless Prevention Program (HPP) in 2025. The estimated three-year financial impact is detailed in Table 1 below:

2025			2026			2027		
Gross	Net	FTE	Gross	Net	FTE	Gross	Net	FTE
\$712,800	\$550,300	1	\$777,600	\$777,600	1	\$778,100	\$778,100	1

#### **Table 1: Estimated Financial Impact**

The Chief Financial Officer and Treasurer has been advised of the financial impacts associated with this Toronto Tenant Support Program to be considered along with the other priorities in future budget processes.

# **DECISION HISTORY**

At its meeting on October 30, 2024, the Planning and Housing Committee adopted PH16.4 - "Implementing a Rental Renovation Licence Bylaw to Address Renovictions". Planning and Housing Committee recommended that City Council establish a new chapter in the City of Toronto Municipal Code to regulate the licensing of renovations for residential rental units in the City of Toronto. The Planning and Housing Committee directed staff to report directly to the November 13, 2024 meeting of City Council on any interim measures and associated resources to protect tenants and prevent renovictions before the by-law comes into force, which is slated for July 31 2025. https://secure.toronto.ca/council/agenda-item.do?item=2024.PH16.4

At its meeting on June 13, 2024, in considering "PH13.7 - Renovictions Policy Implementation: Review of Hamilton Renovation Licence and Tenant Relocation Bylaw" the Planning and Housing Committee directed the Deputy City Manager, Development and Growth Services and Deputy City Manager, Infrastructure Services to report directly to City Council with updated recommendations that more clearly achieve a Hamilton style Renovictions By-law for Toronto.

https://secure.toronto.ca/council/agenda-item.do?item=2024.PH13.7

# COMMENTS

Protecting the existing stock of permanent affordable and mid-range rental housing across the city and addressing illegitimate evictions is critical to preventing homelessness and improving housing stability for residents. Planning and Housing Committee directed staff report directly to City Council on any interim measures and associated resources to protect tenants and prevent renovictions before the by-law comes into force, which is planned for July 31 2025.

Between now and July 31, 2025, there are no interim regulatory solutions at the municipal level to address tenants affected by illegitimate evictions due to renovations, as this issue will remain a provincial matter until the Rental Renovation Licence Bylaw takes effect. Staff note that the implementation date of July 31, 2025, provides the minimum timeframe needed for preparatory work, including recruiting, training, developing guideline documents, and implementing technology changes for the licensing process. Additionally, the City will need time to educate the public on the new bylaw to facilitate compliance.

The proposed renovictions bylaw and these proposed enhancements to the TTSP are centred on a human rights-based approach to housing which recognizes that housing is essential to the inherent dignity and well-being of a person and to building healthy, inclusive sustainable and liveable communities.

#### **Toronto Tenant Support Program**

The City provides funding through the TTSP to the Canadian Centre for Housing Rights (CCHR), the Federation of Metro Tenants' Associations (FMTA), and Centre for Immigrant and Community Services (CICS) to assist renters who are facing tenancy challenges, including renovictions, as follows:

- Canadian Centre for Housing Rights: CCHR provides renters who are facing renovictions and/or receive N13 notices with legal advice and/or representation; and also provides legal support to renters dealing with above-guideline rent increases, housing maintenance applications, and challenges in multi-tenant housing.
- Federation of Metro Tenants Association: FMTA provides renter rights information and counselling through their Tenant Hotline and InfoHub services, which is available six days a week via telephone, email, social media; and includes a translation service. It also conducts tenant outreach, education, and organizing efforts for tenants facing evictions, maintenance issues, and above guideline rent increases.
- Centre for Immigrant and Community Services: CICS provides newcomer renters with culturally and linguistically appropriate short-term case management, information on renters' rights, and connections to services and resources.

Both FMTA and CICS organize and run renter information workshops, activities, and education sessions to support renters facing evictions and other housing challenges. All of the organizations provide renter rights information to renters who require support in understanding and asserting their tenancy rights under the Residential Tenancies Act. This includes providing support to renters who are facing renovictions.

In the consultations on the renovictions bylaw, *C*ity staff received input that the City should notify tenants on how they can access City-funded organizations like CCHR, CICS, and FMTA, along with support from frontline workers, housing workers, settlement workers, and 211, so that these outside agencies can offer independent legal advice and information focused on renovictions.

# **Enhanced Renovictions Supports for Renters**

The Housing Secretariat will include a request through the 2025 Budget additional resources for the TTSP, where it is needed to support the implementation of the renovictions by-law. In order to respond to the direction from Planning and Housing Committee and to provide enhanced supports to renters facing renovictions, City staff are recommending a strategy to provide additional funding to this program prior to the launch of the renovictions bylaw, with an aim of prioritizing supporting renters facing renovictions period.

To support the TTSP service providers to increase their capacity to support tenants facing renovictions, City staff are proposing an increase to the TTSP annual budget of \$712,800 gross and \$550,300 net to provide enhanced services throughout 2025, starting in Q1. The additional funding will enable the delivery of enhanced legal services, outreach, education and engagement activities to support renter rights and housing stability.

The additional \$650,000 in 2025 will deliver enhanced legal services, outreach, education and engagement activities to support renter rights and housing stability. This funding would provide the agencies with additional resources to bolster CCHR legal and/or intake staff to respond to tenant inquiries, with prioritization of renoviction cases, where possible; enhance CICS multi-lingual information services for newcomer tenants; and extend the FMTA Tenant Hotline and Infohub services hours for renters.

Due to the increasing demand for tenant support services and the need to keep people housed, it is recommended that the City take action to expand the reach and hours of these three funded agencies. These pro-active measures will increase the agencies' capacities to provide supports to renters facing renovictions, provide renters with enhanced legal and navigation supports, and support newcomer renters who are facing renovictions.

#### **Renter Education and Outreach**

As part of the implementation of the by-law, staff will also be implementing initiatives to inform renters of the new by-law and the obligations of landlords to renters under the by-law:

- A Public Awareness and Education Campaign will be a critical part of the implementation of the bylaw, and the City will be launching the campaign in Q1 2025. For tenants, a public awareness plan will support and guide in understanding their protections under the bylaw when an N13 notice is issued, and will include outreach to service providers, community organizations, and advocacy organizations.
- The Resources, Information and Guidance for Housing & Tenant Stability (RIGHTS)Tool was developed to support the implementation of the Renovictions bylaw and launched in mid-2024. It is designed to specifically assist renters facing

renovictions; and uses simple questions about a tenant's living situation and tenancy to guide them to the right supports. The tool will be further updated to reflect the new renovictions by-law.

• The Eviction Prevention Handbook is a plain-language guide designed to help Toronto renters at risk of eviction find the resources and information they need to maintain their housing stability. Over 5,500 handbooks have been printed and delivered to over 40 organizations that have requested copies, and the updated handbook has been accessed over 17,000 times digitally. An updated 2025 version of the handbook will be published with information on the new Toronto Renovictions by-law.

The Renovictions Bylaw public and stakeholder consultations also identified the importance of plain language materials for renters and landlords available in different languages, and that where appropriate they be tested with stakeholders to verify effectiveness. This will occur during ongoing engagement with the Housing Rights Advisory Committee, tenants, landlords, and other stakeholders.

#### Conclusion

As described in this report, City staff will provide additional funding to TTSP partner agencies to provide supports to tenants in the implementation period leading up to July 31, 2025, when the new Rental Renovation Licence By-law is to come into effect. The implementation of the renovictions by-law is an important step forward in the HousingTO Action Plan and in advancing the progressive realization of the right to adequate housing. Staff will continue to engage with community service providers, housing rights advocates, renters, and other stakeholders throughout implementation and beyond to monitor and evaluate the impact of this new by-law.

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