

Supplementary Report on Renovictions Policy Implementation and Hamilton By-law

Date: June 6, 2024

To: Planning and Housing Committee

From: City Solicitor

Wards: All

REASON FOR CONFIDENTIAL INFORMATION

The attachment to this report contains advice or communications that are subject to solicitor-client privilege.

SUMMARY

This report is supplementary to the report from the Chief Building Official and Executive Director, Toronto Building and the Executive Director, Housing Secretariat entitled Renovictions Policy Implementation: Review of Hamilton Renovation Licence and Tenant Relocation By-law and developing a Toronto Renovictions By-law dated May 30, 2024 (the "**Renovictions Update Report**"). This report provides legal advice on the City of Hamilton's Renovation Licence and Relocation By-law and the potential implementation of a similar by-law in Toronto.

RECOMMENDATIONS

The City Solicitor recommends that:

1. City Council direct that the confidential information contained in Confidential Attachment 1 remain confidential in its entirety, as it contains advice which is subject to solicitor-client privilege.

FINANCIAL IMPACT

There is no financial impact resulting from the adoption of the recommendations in this report.

DECISION HISTORY

The decision history related to the proposed Renovictions Policy is detailed in the Renovictions Update Report.

COMMENTS

As discussed in the Renovictions Update Report, the City of Hamilton has enacted the Renovation Licence and Relocation By-law (the "**Hamilton By-law**"), which is intended to take effect in January 2025. The Renovictions Update Report also sets out a draft by-law framework proposed for Toronto for consultation with impacted stakeholders (the "**Toronto Framework**"). Key features of the Hamilton By-law and the proposed Toronto approach include:

1. Licensing or Registration Requirements: Under the Hamilton By-law, residential landlords or operators of residential rentals in Hamilton must apply for a licence from the City of Hamilton within seven days of issuing an N13 notice to evict a tenant for the purpose of carrying out repairs or renovations and are prohibited from commencing the renovation or repair work unless they have been issued a licence from the City of Hamilton. The Toronto Framework proposes to consider a similar licensing or registration requirement.

2. Alternative Accommodation or Compensation Requirements: The Hamilton By-law requires that if the tenant in receipt of the N13 notice has exercised their right of first refusal by giving notice of their intent to re-occupy the unit once renovations are complete, the landlord or operator must either:

- make arrangements for the tenant's temporary alternative housing comparable in size, rent, bedrooms and location to the tenant's current unit during the period of renovations; or
- provide compensation to the tenant for the duration of renovations in an amount equal to the difference between the rent currently being paid by the tenant and the average market rent for a rental unit with the same number of bedrooms (as published by Canada Mortgage and Housing Corporation).

The landlord or operator must provide the details of these arrangements to the City of Hamilton once they have been made and before a licence will be issued. If such arrangements cannot be made within the specified time period, the landlord or operator can apply to the City of Hamilton for an exemption.

The Toronto Framework proposes to consider a requirement for landlords to submit plans for how they would make arrangements to provide tenants with appropriate

compensation, alternative arrangements for accommodation, and/or a return to their unit.

3. Right of First Refusal Prohibition: The Hamilton By-law provides that licenced landlords and operators shall not prevent any tenant who has provided notice of their intent to exercise their right of first refusal under the Residential Tenancies Act from reoccupying the unit upon the completion of the repairs or renovations, and rent must be no more than what the landlord or operator could have lawfully charged had there been no interruption in the tenant's tenancy. The Toronto Framework does not specify whether this might be imposed as a condition of a licence or registration.

4. Documentation Requirements: The Hamilton By-law requires that an application for a licence must include certain information, including:

- a copy of the N13 notice of eviction;
- a copy of the building permit and any other permit required to carry out the repairs or renovations; and
- a report from a qualified person such as a professional engineer stating that the repairs or renovations are so extensive that they require vacant possession of the unit.

The Toronto Framework proposes to consider similar requirements to submit documentation to the City, including building permits and the report of a qualified person.

5. Tenant Notice and Information Requirements: The Hamilton By-law requires that landlords or operators provide a copy of Hamilton's Tenant Rights and Entitlements Package to all tenants who receive an N13 notice and certify that they have done so when submitting an application for a licence under the By-law. The Toronto Framework proposes to require landlords to provide notice to tenants when a building permit application is made for renovations or repairs to the tenant's unit and information on how to access the City's RIGHTS tool and Eviction Prevention Handbook.

Further comments respecting these elements of the by-law(s) are to be found in the Confidential Attachment.

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SIGNATURE

Wendy E. Walberg
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ATTACHMENTS

Confidential Attachment 1 - Supplementary Report on Legal Issues Relating to the Proposed Draft Renovictions By-law Framework for Toronto