



9 October, 2024

Final report - Renoviction Bylaw: stakeholder and community consultation

Introduction

In August, 2024, Public Progress was retained by the City of Toronto's Housing Secretariat to conduct community consultations on the City's proposed Renoviction bylaw. The purpose of the consultation was to gain feedback from the general public, tenants and landlords on a proposed bylaw, modeled on the City of Hamilton's renoviction bylaw.

The purpose of the consultation was not to determine *whether* the City should proceed with a renoviction bylaw, but rather *how to proceed*, and how to operationalize the bylaw, using the City of Hamilton's bylaw as a starting point.

The consultation included:

- Separate focus groups with tenants, tenant organizations and landlords
- In-person public drop-in sessions
- An online public information session
- An online survey

This report is provided to City officials to assist in the preparation of a staff report to the City's Planning and Housing Committee on October 30th, 2024.

Process

Public Progress facilitators and staff from the City's Housing Secretariat and Toronto Buildings attended meetings with key stakeholder groups:

- **August 13** - Advocacy Centre for Tenants Ontario (ACTO) and representatives from legal aid clinics
- **August 13** - TO Tenant Advisory Committee
- **August 13, August 20 & September 6** - Greater Toronto Apartments Association / Federation of Rental Housing Providers of Ontario
- **August 16** - TO Tenants Support Group
- **August 19** - Right to Housing Toronto (R2HTO)
- **August 23** - RenovictionTO
- **August 26** - Small Ownership Landlords of Ontario (SOLO)
- **August 29, September 8** - Association of Community Organizations for Reform Now (ACORN)

These stakeholder meetings were typically 60-90 minutes long, organized and facilitated by Public Progress staff with a short presentation on the proposed bylaw at the start of the session by City of Toronto officials.

Participants:

The following organizations were represented through the stakeholder engagement process:

TO Tenants Advisory Committee (TAC)
Housing Action Now
Advocacy Centre for Tenants Ontario (ACTO)
TO Tenants Support Group
Right to Housing Toronto (R2HTO)
Greater Toronto Apartment Association (GTAA)
The Federation of Rental-Housing Providers of Ontario (FRPO)
RenovictionTO
Canadian Centre for Housing Rights (CCHR)
Trudelle St. Tenants Association
South Etobicoke Community Legal Services
Willowdale Community Legal Services
Don Valley Community Legal Services
Rexdale Community Legal Clinic
Bellwoods Community Legal Services
Federation of Metro Tenants Association (FMTA)
Centre for Immigrant and Community Services (CICS)
West Scarborough Community Legal Clinic
Maytree
Association of Community Organizations for Reform Now (ACORN) Canada
Lakeshore Area Multi-Service Project
DBS Developments
Greenrock Property Management
Minto Group

In-person drop-in events:

In-person public drop-in sessions were held at six (6) locations around the City:

Toronto East:	East York Civic Centre, September 4, 6-8pm
Toronto West:	Parkdale Activity Recreation Centre, September 5, 1-4pm
North York:	Memorial Hall, September 5, 6-8pm
Etobicoke:	Etobicoke Civic Centre, September 7, 1-4pm
Scarborough:	Scarborough Civic Centre, September 8, 1-4pm
Toronto Central:	Metro Hall, September 13, 1:30-3:30pm

An online meeting was facilitated by Public Progress on September 9th with over 60 members of the public in attendance throughout the session.

These events were promoted through traditional and social media, emails to stakeholder groups and communications through City Councillors' offices. Over 125 people total attended the six public drop-in sessions to provide their input on the renovation bylaw.

An online survey was also promoted through the City website, social media and at the online and in-person drop in sessions. At the drop-ins, tablets were available to the public to complete the online surveys. Paper copies of the surveys were also available which were transcribed into the online system. In total, 1,416 online surveys were completed by September 30, 2024.

In addition to the sessions coordinated by Public Progress, City officials also convened meetings with the City's Ombudsman's office and with the Human Rights Advisory Committee.

What we heard

The need for the renovation by-law:

- Tenants and tenant advocates were uniformly in favour of moving forward with the bylaw but raised concerns about exemptions, phasing and how to manage evictions that happen before the bylaw is implemented:
 - Tenants in multi-tenant buildings are particularly vulnerable and they must be included at the start of the bylaw. Ensure the phasing-in process for multi-tenant properties does not create gaps or loopholes that leave tenants unprotected during the transition period; consider regularizing rooming houses first.
 - Ensure renovation policies align with the City of Toronto's "demoviction" and rental replacement policies for consistency and support for tenants.
 - Is there a way to get a moratorium on evictions while the bylaw is being implemented?
 - Concerns about exempting Toronto Community Housing as their tenants are also struggling when the buildings are being renovated.
 - Toronto Community Housing should not be exempt from regulations; stricter rules are needed to address loopholes.
 - Landlords can evade regulations easily; tenants face difficulties in tracking the process and understanding their rights.
 - Some tenant advocates felt that small landlords are more problematic; larger landlords are easier to negotiate with and follow rules. Small landlords need clear rules.
 - Consider integrating the bylaw with existing programs like RentSafeTO to prevent renovations by maintaining units in a state of good repair.
 - Some tenants suggested that landlords that break the rules or that do not maintain their buildings properly shouldn't be able to get a licence.
 - "Mom and pop" landlords will claim they can't comply due to cost. DO NOT provide exemptions based on their ability to pay.

- Some landlord representatives felt that the proposed bylaw is unnecessary for large, professionally managed apartment buildings.
 - Bad faith evictions under the guise of renovations are more common with small landlords renting individual units.
 - Exempt larger apartment buildings (e.g., over ten units) from the bylaw or phase it in by targeting smaller landlords (e.g., five units or fewer) where bad faith evictions are more prevalent.
 - Larger buildings are already subject to regulations like RentSafe and are less likely to engage in bad faith practices.
 - Reconsider the timing of the bylaw given the age of the building stock. Most buildings were built in the 1980s or earlier. Large landlords are facing significant capital repairs based on the age of the stock and the need for net zero environmental improvements. The bylaw could have the unintended consequence of delaying needed investments.
 - By definition, “renovictions” are bad faith evictions and landlords who follow the rules shouldn’t be subject to the bylaw.
 - Aging rental stock requires significant upgrades, possibly needing tenant relocations.
 - Future housing must meet environmental goals, presenting challenges for landlords.
 - Clarify the term "renoviction" as it may have different meanings for landlords and tenants.

- Smaller landlords felt that the bylaw is unnecessary and would be a financial burden to small landlords:
 - Consider exempting small landlords or providing a separate fee structure and compensation requirements to alleviate their financial burden and encourage their continued participation in providing affordable housing.
 - The City should consider incentives or programs to support landlords, particularly small landlords, in undertaking major renovations or retrofits to maintain and improve the quality of the rental housing stock.
 - Who asked for this new bylaw? Is it contradicting the provincial legislation and doesn't it step on the provincial jurisdiction? How does the city of Toronto supersede the provincial regulations and the RTA?
 - Small landlords cannot absorb this.
 - Too many sticks and not enough carrots for small landlords in this by-law.
 - Essential upgrades in old buildings should not trigger the renoviction process unless necessary.

- During our consultations we heard directly from tenants about the pressures of being evicted and how destabilizing it is. Renovictions are only one method of evicting tenants and other evictions, such as the use of N12 notices (own use) also need to be stopped.
- One tenant advocate suggested that the bylaw should not make it easy for landlords to comply, the bylaw should make it difficult.

Tenant compensation or temporary accommodation:

The proposed bylaw would require landlords to either provide suitable temporary accommodation or compensation so that tenants can find their own accommodation during repairs. We heard feedback from landlords and tenants on these issues:

- Tenants and tenant advocates raised some concerns with the proposed accommodation and or compensation requirements:
 - Need to review compensation calculation methods, including average market rent data, and consider alternative approaches such as post-2015 market rents or percentage top-ups.
 - Monthly compensation is preferred over lump-sum payments; monthly payments are better due to uncertainty about the duration of work and they also keep the landlord committed for the duration; monthly payments allow for regular updates from the landlord.
 - Moving costs are increasing, but moving allowances have not changed in 20 years. The bylaw should cover both moving out and moving back costs.
 - Moving costs should be covered by landlords and tenants should be informed about their rights through city communications.
 - Be careful about tenant compensation affecting social assistance payments.
 - Use more recent average market rent data or listed rental rates for calculating tenant compensation rather than relying on the baseline approach from the Hamilton bylaw.
 - Should be the tenant's choice to get compensation or temporary accommodation.
 - Concern that even if the tenant is compensated, there is nowhere for them to go in this tight market.
 - Suggestion that the landlord should be required to post a bond with the city to guarantee that the tenants will be compensated and that the landlord doesn't run out of money.
 - What happens when a building is sold while renovations are underway and the tenants are displaced. How can the city ensure the incoming landlord keeps their deal?
- Landlords raised issues with respect to the tenant compensation:
 - When a large number of tenants need to be displaced due to major repairs, the landlord needs a fair system that can be offered to all affected tenants. There should be guidelines so that individual tenants do not hold up the entire project asking for more money ("holdout" issue).
 - City should consider allowing large landlords to submit a plan that would accommodate or compensate all tenants using approved guidelines to avoid negotiations with each separate tenant.
 - Explore options for providing flexibility in the tenant compensation plan, such as allowing for monthly or lump-sum payments or leaving it to the discretion of the landlord and tenant to negotiate the terms.

On the matter of providing temporary accommodation:

- Tenants and tenant advocates raised some concerns and suggestions about temporary accommodation provisions:
 - The accommodation plan should include information for tenants on the process and their rights to ensure their education and awareness.
 - If a landlord is seeking an exemption because they say the tenant won't cooperate, the City needs to verify that with the tenant. Don't take the landlord's word for it.
 - Importance of tracking tenant relocation to ensure their return.
 - Explore ways to incorporate an equity lens in tenant accommodation plans, considering geographic location, accessibility needs, and family situations. Accessibility issues were raised several times through the consultation process.
 - Finding accommodation is hard enough, but most landlords want tenants for a year. They don't want tenants for 3-4 months during the renovation. How is a tenant supposed to be relocated for 3-4 months?
- Landlords expressed concerns:
 - Even large landlords such as Toronto Community Housing have difficulty finding suitable temporary accommodation that is close by. Private landlords with large portfolios don't have enough units in close proximity to satisfy the bylaw requirements. This situation is even more difficult for small landlords that only have a few units.
 - There are few vacancies available right now across the City. If a landlord has to keep units vacant so they can move tenants in, that will actually make vacancy rates even worse across the city.
 - Relocating tenants during renovations is challenging due to the current housing shortage and decarbonization regulations requiring significant building upgrades.
 - Relocation is challenging for smaller landlords; uncooperative tenants may delay renovations and exceptions should be considered;

Tenant notice provisions and informing tenants of their rights:

Tenants and tenant advocates were asked how best to keep tenants informed and how to empower tenants throughout the process. Suggestions included:

- Align the bylaw's requirements, such as submitting accommodation plans within 120 days, with the *Residential Tenancies Act* to safeguard tenant rights.
- The City should actively track tenant relocations to ensure their return can be monitored, and tenants should be made aware that they don't have to move out unless absolutely necessary.
- Implement clear and consistent communication throughout the renovation process, requiring landlords to provide notices in multiple languages, host tenant meetings, and regularly update tenants on the renovation schedule.

- The City should take responsibility for notifying tenants when there is a licence application and informing them of when they can return to their units. This includes placing notices at the front of buildings on easily visible notice boards, with information available in multiple languages.
- Develop a comprehensive tenant awareness and education campaign using multilingual communication channels, public registries, advertising campaigns, mailings, public transit ads, and partnerships with community organizations and legal clinics. Materials should be translated into multiple languages.
- Incorporate tenant 'help-line' information on widely distributed materials like the solid waste and recycling calendars sent to each household.
- Provide information about support organizations in the licence package.
- Include an insert in the landlord's licence package that informs tenants about available support organizations, legal advice, and their rights.
- Provide tenants with access to City-funded organizations like CCHR, CICS, and FMTA, along with support from frontline workers, housing workers, settlement workers, and 211, to offer legal advice and information.
- Address issues of tenant trust, particularly concerning N13 notices, by ensuring transparency, clear communication, and accountability in the tenant-landlord relationship.
- Establish a centralized information hub where tenants can access resources and support related to renoviction, including legal aid and assistance with temporary accommodation.
- Increase tenant security and faith in the system through proper documentation, policies, and enforcement of landlord licensing, aiming to improve transparency and avoid disputes with the Landlord-Tenant Board.
- The city should be responsible for informing tenants about renovations and their rights rather than relying solely on landlords.
- The right to return is crucial and needs to be communicated effectively to tenants.
- The city should notify tenants about landlords' renovation licences and their rights to return.
- Tenants need clear and accessible information on who to contact for support.
- Tenants should be able to return to their units at the existing legal rent.
- Tenants should be informed about their rights through city communications.
- The relocation process for tenants is challenging; they should be given adequate time to find new accommodation.
- Emergency repairs need clear plans to avoid delays and tenant issues.

Information/support for landlords:

Landlords were asked for suggestions on how to keep them informed:

- Develop a comprehensive communication and education plan to effectively reach and inform small landlords about the proposed bylaw and its requirements, leveraging organizations like the Small Ownership Landlords of Ontario (SOLO) and other advocacy groups.
- Streamline processes and align the renovation bylaw with building permit applications to facilitate compliance for ethical landlords.
- Small landlords are often unaware of their rights and responsibilities.
- Landlords should be provided with clear guidelines and support to comply with the bylaw.

- Landlords requested clear guidelines on their obligations under the bylaw, including the process for obtaining approval for renovations.
- Support services for landlords should include financial advice, assistance with compliance, and resources for managing tenant relations during renovations.
- Establish a dedicated hotline or advisory service for landlords to seek guidance on specific cases or issues related to the bylaw.
- Create resources to help landlords navigate the bylaw requirements, ensuring compliance while protecting their investments.
- Ensure landlords fully understand the process to prevent non-compliance.
- Engage both building owners and their supporters in the discussion.
- Differentiate between small and large rental housing in discussions.
- Target passive investors with the bylaw, while recognizing that GTAA & FRPO property managers are already knowledgeable.
- Address the needs of non-professional managers, including individual renters and small landlords.
- Is there a way that smaller landlords could make arrangements with larger landlords so they can move their tenants in for a short period while repairs are underway?

“Qualified Persons” provisions:

- Tenant feedback included:
 - Renovations should only be carried out by qualified and licenced professionals to ensure safety and compliance with building codes.
 - Need to clearly define who is a Qualified Person (e.g., professional designers, engineers, architects, individuals with a Building Code Identification Number) who must declare the necessity of vacant possession for the work.
 - Qualified persons must report to ensure the necessity and scope of the work are justified and that the units must be vacant.
 - Concerns were raised about the role of the Qualified Person (QP) in tenant evictions and how to ensure unbiased assessments, given that the landlord pays the QP.
 - Explore alternatives to eviction mentioned by the QP in the assessment.
 - The QP should be hired by the City and not the landlord.
 - Ensure qualified professionals provide clear and unambiguous declarations about the necessity of vacant possession, possibly through a standardized form or checklist.
- Landlord feedback on the use of “qualified persons” reports included:
 - Role of qualified professionals (e.g., architects or engineers) in certifying the need for vacant possession during renovations: larger landlords can do this as they already work with such professionals.

Feedback regarding fees:

- Fee structures must be transparent and reflect the size and nature of the property.
- Some landlords suggested waiving or reducing fees for necessary repairs that benefit tenants, such as safety improvements.
- Fees should be designed to avoid overburdening landlords while ensuring tenant protections.
- Fee structures for the renovation licence should favour reasonable per-address (building) fees rather than per-unit fees.

Feedback regarding penalties:

- Fines for landlords who violate rules should be clearly defined and enforced.
- One tenant suggested the need to develop a robust enforcement framework with significant financial penalties or consequences for non-compliance, including potential jail time for egregious violations.

Minimizing unintended consequences:

Some of the discussions involved how to minimize unintended consequences. In other words, how to avoid this bylaw causing other problems. Feedback included:

- Landlords expressed concerns about the financial burden of complying with the bylaw, particularly smaller landlords.
- Has the City of Toronto actually researched case studies of other jurisdictions to see what works and what doesn't? New Zealand implemented a slew of similar changes a few years ago. It resulted in private landlords fleeing the business and causing a massive rental shortage, and caused the cost of rentals to jump substantially.
- It should include provisions that allow landlords to recover costs while preventing the misuse of renovation as a pretext for eviction.
- Is it possible that this bylaw will actually deter landlords from doing required work, making buildings (and tenants) worse off?
- This bylaw will likely create a situation where landlords will save up major renovation work and do it all at once, so they only have to move tenants once.
- Will this bylaw just increase the number of N12 (eviction for own use) notices?
- Track data on N12 (eviction for own use) and N13 (eviction for renovations/demolitions) notices to monitor potential shifts due to the new bylaw.
- There was some discussion about any increase in costs being passed along to tenants in terms of an Above Guideline Increases (AGI). Landlords suggested that these costs beyond three months accommodation would lead to AGI applications and tenants were adamantly opposed to any AGI impacts.
- Landlords should not be able to claim Above Guideline Increases (AGI) post-renovations; they should find suitable accommodation and cover moving costs.

- Consider the impact of small ownership landlords (passive investors) who may shut down due to the bylaw.
- Mitigate potential issues that arise from renovictions, including the impact on electricity and water services.
- There is concern that increased costs from the process could lead to higher rents or deferred maintenance.

Monitoring the bylaw's impact:

- Participants discussed mechanisms for gathering ongoing feedback from tenants, landlords, advocates, and frontline workers after the bylaw's implementation.
- Suggestions included an email feedback system, annual reviews, public reporting on licences issued and tenant situations, targeted outreach to community organizations and ethnic media, and in-person consultations.
- The importance of making the feedback process inclusive and accessible to diverse communities.

Report prepared by:

Public Progress
(A Division of 2526976 Ontario Ltd)

Toronto: 11 Iris Road, Toronto, ON M8V 2G8 tel 416-520-1972
Kingston: 221 Queen Street, Kingston, ON K7K 1B4 tel 613-219-2022