PH13.8 Launching the Rental Housing Supply Program

Submission by Melissa Goldstein June 13, 2024

Thanks to governments' reliance on the private sector to provide affordable housing and to policies like our rental replacement policy, we're creating a situation in Toronto where we will have a significant number of tenants living in rental housing where the commonly understood provincial rent rules do not apply, and where it's quite possible that a single building will have units subject to several different rent rules through different legal mechanisms, many of which are not regulated by the RTA.

This means that it's very important for tenants and for everyone involved in supporting tenants to understand that there are units in the City that are subject to a variety of different rules not governed by the RTA and what those different rules are, to know which rules apply to specific units in a building, and to understand how to ensure those rules are enforced.

The problem is that it is very likely that tenants in units with City imposed rent rules and the tenant support organizations available to support those tenants won't know that these affordability requirements exist, and if they do know they exist, they won't know that they can't be enforced through the Landlord and Tenant Board or what the legal pathway to getting those affordability requirements enforced actually is, because the City of Toronto does not ensure tenants, tenant support organizations, or the public are given this information.

For example, Toronto's Affordable Housing Administration Manual does not require landlords to provide tenants with information about the rent rules that apply to their affordable unit or include that information in their lease. I've been working with some affordable housing lottery winners and many of these prospective tenants assumed that their units would only be affordable for a year, because after that the landlord would be able to raise the rent as much as they like because these are new units and the 2018 rent control exemption would apply. This is due to the fact that at no point in the tenanting process—from the lottery ad to the lease signing—have tenants been informed that different rules apply. There is nothing in their leases that explains the actual rent rules for these units.

The City does require landlords to include an Appendix in the lease, but it's effectively incomprehensible and likely incorrect, stating that units are exempt from many of the rights tenants have under the RTA, which is not actually the case.

To realize and preserve the potential of the affordable and rent controlled housing we are working to create, we need to improve how we deal with tenants and how we steward these units in the long term. Staff should be directed to consult with tenants on improvements to the administration and stewardship of rental units with City imposed requirements and rent rules. Specifically:

- the Affordable Housing Administration manual and other policy documents that guide the administration and stewardship of these units must be revised,
- the Renter information the City is developing must include information about the various types of rental agreements in place across the City, how to find out which rules apply to specific units, and how to go about getting those rules enforced, and
- the affordability requirements and affordability periods of these units needs to be monitored and
 tracked in a publicly accessible database, so that tenants can see which rules apply to their unit
 and the status of their unit, and so that we as a City can monitor our affordable housing supply
 and ensure that the affordable and rent controlled units we're creating aren't lost during their
 affordability periods or once those affordability periods expire. This kind of database is a best
 practice in the US, and it's something where Canada is lagging very far behind.