

October 30, 2024

To: Councillor Gord Perks, Chair, Planning & Housing Committee

Members, Planning & Housing Committee

From: Daryl Chong, Greater Toronto Apartment Association

Re: PH16.4 Implementing a Rental Renovation Licence Bylaw

to Address Renovictions

The Greater Toronto Apartment Association ("GTAA") represents the interests of the multi-family, purpose-built rental housing industry. Our members own and manage more than 150,000 units of multi-family, purpose-built rental housing across the GTA, mostly in the City of Toronto.

Toronto's proposed Rental Renovation Licence Bylaw was designed to stop the illegitimate use of N13 notices to end tenancies.

The Landlord and Tenant Board already has a form, process and provides guidance with sample scenarios for any residential tenant who believes they are being evicted illegitimately. Affected tenants can submit a "Landlord Gave a Notice of Termination in Bad Faith" T5 form to the LTB, for judicial review.

This matter is governed by the RTA and already administered by the LTB. The report acknowledges that rent policies and landlord-tenant matters fall under provincial jurisdiction. The provincial government recently updated the terms and conditions for evictions, and increased fines for bad faith evictions – for corporations the maximum fine was raised to \$250,000, on top of one-year's rent. The LTB's T5 form and process provides a judicial review.

While the word 'renoviction' does not exist in legislation, the report defines that a "renoviction is when a landlord illegitimately evicts a tenant by alleging that vacant possession of a rental unit is needed to undertake renovations or repairs." In our many discussions and consultations, the City acknowledged that apartment building owners and managers don't use N13s to illegitimately evict. It was further noted that a few hundred N13s are filed each year. The report anticipates 160 applications per year for the proposed renovation license:

"The recommended licence fee is \$700 per rental unit which results in <u>annual</u> revenue of \$0.112 million based on an estimated 160 renoviction licences."

The report includes a goal to address misuse in balance with legitimate need.

"The proposed framework is intended to <u>balance the need to address the misuse</u> of renovations as an excuse to evict tenants, <u>with the need for renovations and repair work that are necessary in Toronto with its often aging, existing rental housing stock."</u>

This points to the chronic undersupply of new purpose-built rental housing in Toronto for nearly fifty years. Most of Toronto's apartment buildings were built before 1980, with insufficient new supply to meet the growing demand and population. Plentiful, new rental supply is the solution to many of our housing problems. Significant incentives – financial and non-financial – are needed to promote construction.

Apartment owners and managers do not evict illegitimately, do not operate in bad faith, and genuinely want to build more rental housing with some the assistance of municipal incentives.

Respectfully,

Daryl Chong

President & CEO

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