



City of Toronto

Rental Housing Demolition Practice and Policy Review: Engagement Summary Report

February 2025



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Executive Summary

The City of Toronto's Planning Division engaged tenant advocates, the development community, and tenants themselves in its review of the City's rental housing demolition implementation practices and policy framework (the "Rental Replacement process"). Engagement activities were held through November and December 2024 in response to direction from City Council to:

- Review the City's current practices and policies, and
- Identify how they should be improved and made more transparent to help tenants and developers better understand their rights and responsibilities.

The City retained Dillon Consulting Limited (Dillon) to design and facilitate the engagement process. Dillon held eight stakeholder meetings and undertook a survey of tenants who have been or are currently going through the Rental Replacement process. Engagement was focused on three themes identified by City staff:

- Tenant relocation and assistance,
- Replacement of existing rental housing, and,
- Rental replacement processes, including application review, tenant consultation, eviction and displacement, and re-occupancy.

This report summarizes Dillon's engagement approach and outcomes. It highlights areas of agreement and disagreement among participants, and provides recommendations based on their feedback and insights.

This report will inform ongoing City reviews and improvements to its practices and policies, including development of a new Demolition and Replacement Handbook for tenants and developers.

Feedback on City Practices and Policies

The engagement process revealed several areas of general agreement and disagreement on what is working well and what can be improved.

Areas of Agreement

Participants generally agreed on the following:

- The current approach is not perfect, but it is important to have the practices and policies in place.
- Ongoing engagement is needed for continuous improvement and refinement.
- Tenant engagement is necessary to provide positive outcomes for all parties involved.
- Tenant support, especially for vulnerable tenants, is an important aspect of rental housing demolition projects that should be enhanced and tailored to meet their needs, and should include access to leasing agents, social workers, and dedicated City staff.
- Early and clear communication and guidelines are needed for both tenants and developers. Guidelines should outline policies, timelines, and compensation.
- There is a need for greater accessibility and inclusivity, with information provided in multiple formats and languages, and targeted communications.
- Working groups that include tenants, tenant associations, developers, and the City are needed to build trust, enhance understanding of challenges, and to work toward more efficient and positive outcomes.
- Standardization of processes and fast-tracking of demolition applications is needed to ensure that tenant engagement is consistent and developer obligations are clear, and to enhance certainty and shortened timelines for all.

Areas of Disagreement

Participants disagreed on the following:

- What is and should be included in tenant relocation and assistance plans (e.g. compensation, rent gap assistance calculations, tenant notice and eviction timelines.)
- The like-for-like replacement of rental units, including matching of building amenities and gross floor area, parking, balconies, and unit location and layout.
- Rental demolition application requirements, including the number of units required to trigger the need for an application.

Recommendations

Drawing from feedback gathered during the engagement process, Dillon has created recommendations for the City's consideration, outlined in Table 1 below.

Table 1: Summary of Recommendations

Recommendation	Components
1. Early and clear communication	<ul style="list-style-type: none"> • Support developers and tenants in navigating uncertainty with early and frequent engagement. • Provide clear timelines for eviction, interim housing, and re-occupancy. • Ensure tenants are fully informed of developer timelines through direct plain language notices, available in multiple formats and languages, and a centralized online portal for communicating updates.
2. Greater accessibility and inclusivity	<ul style="list-style-type: none"> • Develop an accessible and inclusive engagement process that is sensitive to the impacts of eviction and replacement. • Offer multiple opportunities for tenants facing eviction to engage with the City and developers, using a trauma-informed approach.
3. Enhanced tenant support	<ul style="list-style-type: none"> • Review compensation and rent gap payments to ensure adequate support for tenants, with priority access to interim housing for vulnerable tenants. • Provide one-on-one communication to inform tenants of available supports, including leasing agents, legal aid, and more.
4. Continuous engagement	<ul style="list-style-type: none"> • Establish milestone-based updates and regular reporting to keep tenants informed; and consult with them throughout the process. • Engage tenants and the broader community for broader input on rental housing demolition practices and policies.
5. Standardized processes and fast-tracking of applications	<ul style="list-style-type: none"> • Standardize tenant consultation requirements and provide clear timelines for developers. • Fast-track applications and enhance data tracking to assess the impacts of the rental housing demolition policy and promote transparency.

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1.0 Introduction

1.1 Background

Toronto City Council directed the City Planning Division to continue consultations on its review of rental housing demolition implementation practices and policy framework (also referred to as Toronto's "Rental Replacement process").¹ Direction included to continue engaging with tenant advocates, the development community, and tenants themselves.

City Planning staff identified three priority theme areas for engagement:

1. Tenant relocation and assistance,
2. Replacement of existing rental housing, and
3. Rental replacement processes, including application review, tenant consultation, eviction and displacement, and re-occupancy.

The purpose of engagement was to better understand, from tenant and developer perspectives, how the City's practices and policies could be improved to better serve everyone involved. Dillon Consulting Limited (Dillon) was retained to facilitate a comprehensive engagement process focused on learning from and listening to participants and finding areas of agreement on what is and is not working well.

Engagement activities were held through November and December 2024, and involved:

- Reviewing the City's current rental housing demolition, replacement, and tenant assistance practices and policies, and
- Identifying what needs to be improved and made more transparent, and how, to help tenants and developers understand their rights and responsibilities.

This report will inform ongoing City review and improvement of its rental housing demolition and replacement practices and policies, including development of a new Demolition and Replacement Handbook for tenants and developers to be presented to the City's Planning and Housing Committee in early 2025.

¹ Item [2024.PH11.10](#), Recommendation 7.

1.2 Engagement Activities

1.2.1 Engagement Process

Engagement involved eight meetings with tenant associations, developers, and tenants, and a survey of tenants who had been displaced by demolition (see Table 1).

Participants were also invited to submit comments by email.

Table 2: Engagement Schedule

Engagement by date (2024)	Theme	Participant	Number of participants
Meetings			
1. Nov. 12 (in-person)	Tenant Relocation and Assistance Plan	Tenant advocates	9
2. Nov. 15 (in-person)		Development community	12
3. Nov. 19 (hybrid)	Replacement of existing rental housing	Tenant advocates	11
4. Nov. 29 (online)		Development community	15
5. Dec. 3 (hybrid)	Rental Replacement processes	Tenant advocates	10
6. Dec. 6 (online)		Development community	13
7. Dec. 10 (online)	All themes	Tenants	16
8. Dec. 12 (in-person)		All stakeholders	21
Tenant Survey			
Nov. 21– Dec. 19 (online)	All themes	Tenants	58

Dillon structured the engagement meetings to encourage discussion, aimed at gathering in-depth feedback on each theme. Workbooks with discussion questions were distributed to all participants to complete during the meetings, and participants were given time after each meeting to complete them before they were collected by facilitators. Tenants were also invited to comment on the engagement process itself and to contact the engagement team or the City with any additional questions or comments.

What We Heard

The first six meetings were conducted with tenant advocates and the development community on the three theme areas (see Section 1.1). Meetings were held in person, online, and a hybrid format.

An additional meeting was held with tenants who had been displaced by demolition in the past, and a tenant survey was distributed (see Section 1.2) to better understand their experiences, challenges, and outcomes of the Rental Replacement process, and identify opportunities to better meet their needs.

The final meeting was open to all participants. Facilitators summarized the feedback received, highlighted key considerations, and presented problem statements to discuss, with the aim of generating solutions to the challenges identified throughout the engagement process.

In addition, multiple participants provided feedback by email, including a 39-page submission from No Demovictions with recommendations for improving the City's rental replacement bylaw.

Feedback from the meetings, the survey, and emails received were incorporated into this report.

1.2.2 Invited Participants

Dillon engaged tenant advocacy groups, the development community, and tenants that are either currently displaced or have returned to replacement housing.

City staff provided Dillon with a list of potential participants and their contact information, based on prior "renovictions bylaw" consultations, and knowledge of groups that had previously participated in related discussions and presented at Council committee meetings. Dillon staff invited them to the engagement sessions and encouraged them to distribute the invitations to colleagues and partners.

The goal of the process was to engage with people and organizations that have knowledge and experience with the Rental Replacement process, to inform future City reviews and consultations, as well as the development of a new guideline for tenants and developers.

Tenant advocates, the development community, and tenants themselves were invited to attend at least one meeting (see Table 3). Tenants who were currently displaced or had experienced the Rental Replacement process were also invited to complete an online survey.

What We Heard

Tenant Advocates:

- ACORN Canada
- Advocacy Centre for Tenants Ontario
- Canadian Centre for Housing Rights
- City of Toronto Tenant Advisory Committee
- Federation of Metro Tenants Association
- No Demovictions
- Right to Housing Network

It is noted that while No Demovictions is a tenant advocacy group, it is primarily made up of tenants with lived experience of the rental replacement process.

Development Community:

- Building Industry and Land Development (BILD) Association
- Greater Toronto Apartments Association

Tenants with Lived Experiences:

Dillon invited tenants who had recently been displaced or who had returned to a replacement rental unit to attend an online meeting and complete an online survey.² Tenants were from the following buildings:

- | | | |
|---------------------|----------------------|-----------------------|
| • 2525 Bathurst St. | • 88 Isabella St. | • 170 Roehampton Ave. |
| • 984 Bloor St. W. | • 160 Kingsway Cres. | • 698 Spadina Ave. |
| • 100 Broadway Ave. | • 65 Mutual St. | • 700 Spadina Ave. |
| • 110 Broadway Ave. | • 197 Redpath Ave. | • 3 Strathgowan Ave. |
| • 120 Broadway Ave. | • 225 Redpath Ave. | • 480 Wilson Ave. |
| • 117 Broadway Ave. | • 227 Redpath Ave. | • 11 Yorkville Ave. |
| • 127 Broadway Ave. | • 229 Redpath Ave. | |
| • 70 Carlton St. | • 231 Redpath Ave. | |
| • 55 Charles St. | • 233 Redpath Ave. | |

Tenants were invited to participate in the survey by email and had approximately one month to respond to the survey (November 21–December 19). Due to a Canada Post strike, which was ongoing throughout the stakeholder engagement process, Dillon was unable to send the survey by registered mail. A reminder email was sent to participants

² Dillon contacted tenants who had provided a valid email address on their Tenant Intention Form (Submitted by tenants to the developer and the City to indicate their intention to return to a new replacement rental unit).

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one week after the initial invitation, and participants at the meetings on December 10th and 12th were reminded to complete the survey.

The survey presented a combination of multiple choice, ranking, and open-ended questions exploring:

- Overall satisfaction with the Rental Replacement process,
- Challenges and opportunities associated with the Rental Replacement process, and
- Compensation provided during the interim displacement period.

The survey was sent to 369 people. A total of 58 individuals responded to the survey (a 16% response rate): 41 currently experiencing the displacement process, and 17 who had returned to replacement units.

Survey results are discussed in Section 2.3.

2.0 What We Heard

This section summarizes the feedback and insights gathered from each participant group, by theme.

2.1 Tenant Advocates

Discussions with tenant advocates highlighted the importance of the City's rental replacement policy in establishing and encoding tenant rights within City policy and the redevelopment process. Advocates underscored the significance of rent gap assistance, compensation for moving costs, the right to return for evicted tenants, and the like-for-like replacement of rental units.

There was consensus among advocates that the City's Rental Replacement process does not adequately protect tenants from the financial, social, and emotional hardships associated with rental demolition due to:

- Infrequent and inconsistent engagement with tenants.
- A lack of engagement and support for vulnerable tenants.
- Inadequate financial support and tenant compensation.
- Long and uncertain eviction and re-occupancy timelines.
- Low supply of interim rental stock and challenges securing like-for-like interim housing.
- Leasing agents who do not act in the best interest of tenants.
- Not ensuring the like-for-like replacement of amenities.

Advocates identified solutions to improve the Rental Replacement process and provide better supports for tenants throughout:

- Develop clear information and guidelines for tenants facing eviction due to rental housing demolition applications.
- Engage with tenants earlier, more frequently, and more meaningfully to build trust and establish clear timelines for eviction and re-occupancy.
- Include tenant working groups in discussions between the City and developers, and in Section 111 Agreements.
- Establish milestone-based updates and engagement sessions to keep tenants informed throughout the re-occupancy process.
- Increase the involvement of City staff to support tenants.

What We Heard

- Review compensation and rent gap payments to ensure tenants are adequately compensated and can secure interim units in their existing communities.
- Clearly define “vulnerable” tenants and establish additional supports.
- Involve City or third-party support for tenants, including leasing agents, social workers, and legal aid.
- Enhance data tracking and availability to better assess the impacts of the rental replacement policy.

2.1.1 Tenant Relocation and Assistance

Tenant advocates identified the following positive and effective aspects of tenant relocation and assistance:

- ✓ The City is developing a baseline for tenant assistance and protection policies and is working with tenants and advocacy groups to identify gaps and provide additional supports.
- ✓ The City re-evaluated the data and methodology used to calculate rent gap assistance, resulting in increased compensation for displaced tenants.
- ✓ Tenant compensation for moving costs is appreciated.
- ✓ The six-month eviction notice for tenants, beyond the required four-month eviction period, is helpful.

The recently revised rent gap assistance payments more effectively address the needs of tenants. Tenant advocates noted the following policy challenges:

- ✗ Inadequate recognition of the complex financial and social needs of tenants.
- ✗ The limited supply of available rental housing presents challenges to securing interim housing, especially within existing communities.
- ✗ Inadequacy of the former rent gap assistance framework in covering the costs for tenants to secure similar rental units within their existing communities, due to low vacancy rates and rising rents.
- ✗ Inadequacy of tenant support from the City and developers.
- ✗ First and last months’ rent required for interim housing is not addressed through rent gap assistance and results in a significant barrier for displaced tenants.
- ✗ Discrepancies exist between the calculation of rent gap assistance and utility payments.
- ✗ The ripple effects of displacement, such as tenants losing access to essential services like healthcare and community support, as not addressed.
- ✗ Leasing agents provided by developers often do not represent tenant interests.

Recommendations for improvement are as follows:

- Provide tenants with accessible and clear information on the rental replacement processes and developer obligations.
- Make tenant engagement more meaningful, respectful, and more frequent.
- Ensure rent gap assistance reflects market rates for similar units in the existing community.
- Remove the hydro “clawback” where financial assistance is allocated based on CMHC data. (This often includes utilities in the rent, but then an estimated hydro amount is deducted from rent gap assistance, assuming tenants will pay for that independently, which reduces the total assistance tenants receive.)
- Make developers responsible for ensuring interim housing is secured.
- Implement third-party support services, such as social workers, leasing agents, and legal aid.
- Provide additional support and tailored services to vulnerable tenants, such as seniors, newcomers, low-income residents, single mothers, and racialized populations.
- Provide vulnerable tenants with priority access to interim housing.
- Provide tenants with longer timelines in eviction notices, to be able to secure rental housing.
- Assign third-party supports, including leasing agents, social workers, and legal aid, to each application to help tenants navigate the rental market.

2.1.2 Replacement of Existing Rental Housing

Tenant advocates identified the following positive and effective aspects of the replacement of existing rental housing for returning tenants:

- ✓ Rent control remains in place.
- ✓ Replacement units are generally the same size and type as previous units.
- ✓ Returning tenants have access to the same amenities as new tenants and owners.
- ✓ The potential in-unit amenity upgrades such as air conditioning and in-suite laundry are appreciated.
- ✓ In cases when replacement is required, every unit demolished as part of a rental housing demolition application must be replaced.

What We Heard

Tenant advocates noted the following challenges in the replacement of existing rental housing:

- ✗ Replacement of balconies, windows, storage, parking, and outdoor space are not required.
- ✗ A lack of City oversight regarding the monitoring and implementation of Section 111 Agreements.
- ✗ Uncertainty of timelines and availability of replacement units negatively impacts tenants.
- ✗ Allowance for deviations from the like-for-like replacement of gross floor area.
- ✗ A lack of incentives to increase affordable rental stock.
- ✗ Replacement units are not rent controlled in perpetuity. If there is tenant turnover after ten years, those new tenants will not have rent control. Policies should benefit current and future tenants.

Recommendations for improvement are as follows:

- Ensure buildings and replacement units are move-in ready.
- Make accessibility upgrades available to tenants throughout their tenure.
- Establish clear timelines for the completion of replacement units.
- Ensure meaningful consultation with tenants on the design and layout of replacement units.
- Make replacement units rent controlled in perpetuity.
- Ensure returning tenants have access to all building amenities.
- Enforce like-for-like replacement of amenities, including storage, parking, and balconies.
- Reduce rent if replacement units lack like-for-like replacement of amenities.
- Establish a minimum requirement for visitor parking in new buildings.

2.1.3 Rental Demolition Application Process

Tenant advocates identified the following positive and effective aspects of the rental demolition application process:

- ✓ The City has better protection for tenants than other municipalities in the province.
- ✓ The City is advancing policy to increase tenant protection and compensation.
- ✓ Tenants are notified of rental demolition.
- ✓ Section 111 agreements provide a framework for tenants to be compensated during demolition, reconstruction, and reconstruction, and specify their right of return.
- ✓ Section 111 agreements are registered on the land title and continue to be in force even if the property is sold.

What We Heard

Tenant advocates noted the following challenges:

- ✕ The current rental demolition application process incentivizes the demolition of existing affordable rental stock.
- ✕ There is no required timeline to rebuild once an existing rental building has been demolished.
- ✕ Tenants who occupy a unit after the submission of a rental demolition application are not eligible for tenant relocation and assistance in the form of compensation or provided the right to return.
- ✕ There is uncertainty in timelines for application submission, site plan approval, demolition, and re-occupancy.
- ✕ The process and consultation are not accessible to vulnerable tenants.
- ✕ There are no standardized timelines for first and last month rent payments for re-occupancy.
- ✕ There is a lack of transparency in tenant compensation packages and Section 111 discussions.
- ✕ There is insufficient oversight of Section 111 compliance and inadequate recourse for tenants when developers do not meet agreement conditions.
- ✕ There is concern that the limited affordability period (ten years) may incentivize landlords to evict returning tenants after the affordability period expires.
- ✕ The current consultation process often feels meaningless and does not allow tenants to impact outcomes.
- ✕ There is a lack of transparent conversations between Councillors, planners, developers, and tenants throughout the process.
- ✕ Rental demolition application approvals do not consider broader, ongoing applications at the community or ward level, or the number of city-wide displaced tenants and vacancy rate.
- ✕ There is a lack of City data on “demovictions,” including displaced tenants, demographic breakdowns, and re-occupancy rates.

Recommendations for improvements are as follows:

- Provide regular transparent reporting to tenants throughout the process.
- Require rental demolition applications to include additional replacement units to increase affordable rental stock.
- Manage land speculation with "use it or lose it" policies.
- Allow tenants to delay re-occupancy until the building is fully completed.
- Ensure public transparency on the affordability terms of different units within the same building.
- Standardize first and last month rent payments for replacement units based on re-occupancy dates.

What We Heard

- Provide engagement and communications in multiple languages to increase accessibility.
- Schedule tenant engagement sessions at accessible times and locations for broader participation.
- Allow communities to drive the consultation process to address gentrification and displacement issues.
- Ensure relocated and returned tenants are supported.
- Increase fees for developers submitting rental demolition applications, to fund tenant support.
- Implement transparent data tracking for displaced and returned tenants, including demographic data.
- Rental demolition application approvals should be contingent on city vacancy rates.
- Extend tenant relocation and assistance to projects with three or more rental units.

2.2 Development Community

Engagement with the development community identified that the City's rental replacement policy provides a framework for the development and intensification of much needed rental housing stock. It also highlighted the importance of City staff in engagement and communication with tenants and developers throughout the application process, and the need to support tenants through the displacement period and during re-occupancy.

However, there was consensus that the City's approval process and Rental Replacement process can present challenges to the expansion of rental housing. These challenges include:

- Long and uncertain approval timelines.
- Unclear policy directions from the City.
- Costs of providing tenant assistance packages and replacement rental housing.
- Facilitating tenant engagement and outreach.
- Establishing clear tenant notice and move-out dates.
- Assisting tenants in finding interim housing solutions.
- Identifying and offering additional support for vulnerable tenants.
- Addressing issues related to tenant non-adherence to eviction dates.

The development community had several suggestions to amend Rental Replacement process, including:

- Establishing clear policies and guidelines for the rental demolition application process.
- Facilitating early engagement with tenants by the City.

What We Heard

- Utilizing City and/or third-party leasing agents to assist tenants in locating and securing interim units.
- Providing City and/or third-party support for vulnerable tenants.
- Expediting approvals for rental replacement projects.
- Allowing flexibility in the like-for-like replacement of rental units.

2.2.1 Tenant Relocation and Assistance

The development community identified the following positive and effective aspects of the current approach to tenant relocation and assistance:

- ✓ The Rental Replacement process provides a framework for developers to work with the City throughout the application process.
- ✓ The City's staff team is responsive, provides a balanced approach, and a foundation to work from.
- ✓ Existing tenants are being protected.

The development community noted the following challenges:

- ✗ A lack of clear guidelines outlining the respective responsibilities and obligations of developers and tenants.
- ✗ Issues related to tenant relocation and delays in tenants vacating units.
- ✗ Costly tenant compensation packages impact development feasibility.
- ✗ Mid-stream changes to City implementation practices resulting in uncertainty, longer timelines, and higher development costs.
- ✗ A lack of City support in tenant engagement and assistance.
- ✗ Engaging with vulnerable tenants and a lack of resources available to support them.

Recommendations for improvement are as follows:

- Provide clear guidelines outlining the respective responsibilities and obligations of developers and tenants in the rental demolition process.
- Re-evaluate tenant compensation and rent gap payments to reduce the financial burden on developers (e.g. by fast-tracking development applications or partnering with property managers to offer displaced tenants interim rental units.)
- Provide City and/or third-party support for vulnerable tenants.
- Provide City and/or third-party leasing agents to facilitate interim housing for tenants.
- Boost collaboration among housing providers (City, developers, rental housing agencies) to identify and build a catalogue of vacant units to house displaced tenants.

2.2.2 Replacement of Existing Rental Housing

The development community identified the following positive and effective aspects of the replacement of existing rental housing:

- ✓ Tenants are protected and have the right to return to the building.
- ✓ Tenants receive amenity upgrades (e.g. air conditioning, in-suite laundry) and overall upgrades by moving into a new building.
- ✓ The introduction of property management in many new buildings (with managers and security) make for a better overall living experience.

Participating members of the development community noted the following challenges with the replacement of existing housing:

- ✗ The development of purpose-built rental and replacement of existing rental units is complex and requires certainty for developers to make rental buildings feasible.
- ✗ Guidelines are unclear about what is required for replacement units.
- ✗ A lack of flexibility regarding the like-for-like replacement of amenities and gross floor area is a challenge.
- ✗ Replacement units may not allow for uniform floorplates without resulting in financial, design, and construction challenges and uncertainty.
- ✗ Site-specific parking replacement requirements may not be in line with other City policies and guidelines.
- ✗ Larger replacement units, and the rent disparity between replacement units and market units, are challenges.

Recommendations for improvement are as follows:

- Use the City's Growing Up Design Guidelines as the benchmark for replacement units and remove the gross floor area replacement aspect to simplify floor plan design and increase unit counts across floors. Promote smaller units in line with the market and policies for better building and energy efficiency.
- Implement zero vehicle parking requirements.
- Implement a bike parking ratio of 1:1.
- Highlight the benefits of new buildings to tenants, such as building amenities, in-suite laundry, air conditioning, and energy efficiency, as opposed to like-for-like replacement.
- Define specific unit upgrades that are eligible to decrease the gross floor area in replacement units.

2.2.3 Rental Demolition Application Process

The development community identified the following positive and effective aspect of the rental demolition application process:

- ✓ There are many buildings that have redevelopment potential and that could be turned into larger buildings with more purpose-built rental.

The development community noted the following challenges with the rental demolition application process:

- ✗ The general complexity of these developments, including application approvals, timelines, and uncertainty creates significant barriers to development, should be considered.
- ✗ Lengthy development timelines create significant stress on developers and tenants.
- ✗ A lack of clear rules and practices for developers to apply to projects is an issue.
- ✗ The consultation process and requirements for tenant engagement are unclear and inconsistent.
- ✗ The minimum number of rental units (six) to trigger a rental housing demolition application is too low.
- ✗ The requirement to have excavation and shoring permits approved before preliminary approval is issued by the City is an issue.
- ✗ The intensification of purpose-built rental is not seen as an opportunity to increase the supply of rental housing and rental stock in the city.
- ✗ Tenants do not always see or understand the notices that the building is being redeveloped.
- ✗ Securing tenant agreements and uncertainty in the number of returning tenants lengthens development timelines and costs.
- ✗ A lack of City support in tenant engagement and consultation is a challenge.
- ✗ Tenant engagement and consultation periods delay development timelines.

Recommendations for improvement include:

- Increase the involvement of tenant working groups throughout the application approval process.
- Develop a plain language guidebook for developers to inform them about the application approval process.
- Identify opportunities to create more certainty throughout the application process, especially related to approvals and timelines.
- Fast-track the approval of rental housing demolition applications.
- Increase the number of rental units required to trigger a rental demolition application.

What We Heard

- Identify and promote opportunities for smaller-scale intensification to incentivize “missing middle” housing options.
- Provide greater height and density allowances to increase the supply of rental housing.
- Find a balance between protecting tenants and the revitalization of existing rental housing sites in the city.
- Continue to consult the broader development community to identify challenges and solutions related to City guidelines on the rental demolition application process.
- Present the intensification of purpose-built rental as an opportunity for the City and developers to increase rental housing stock.
- Developers should make sure notices are delivered to individual units, and that tenants know and understand what is going to happen.
- Address the uncertain and lengthy development approval timelines, from the rental demolition application through to demolition and building permits.
- Tenant engagement should be led by the City and happen earlier and more frequently.
- Increased City involvement and support in tenant engagement.
- Standardize and shorten the timeline for tenant agreements.
- Developers should provide tenants with the opportunity to view the unit or be provided with a virtual tour before signing the lease.

2.3 Tenants’ Lived Experiences

This section presents what we heard from tenants through the engagement process, including at the meeting (see Table 3), the tenant survey, and additional communications from tenants throughout the engagement process.

Overall, each tenant's experience with the Rental Replacement process was unique, influenced by their personal circumstances and the specific developer involved. While some tenants reported positive experiences, others experienced various challenges. Participants generally shared mixed feedback about the process. However, survey respondents indicated that they were, overall, satisfied with their experiences.

Several common themes emerged, highlighting aspects of the process that were noted by tenants as barriers to achieving an equitable and smooth transition into interim and replacement housing. These barriers include:

- A lack of clarity around what the process will entail.
- Uncertainty around timelines and when the move-back process may begin.
- Information being inaccessible (e.g. use of jargon and not available in enough languages).
- A lack of tenant engagement.

2.3.1 Tenant Relocation and Assistance

Tenants identified the following positive and effective aspects of tenant relocation and assistance:

- ✓ Some tenants found the compensation and moving allowances to be sufficient, with moving expenses completely covering their moving expenses.
- ✓ The assistance provided by leasing agents was deemed helpful by some tenants.
- ✓ The ability to return to new units at original rents was appreciated by several tenants.

Tenants noted the following challenges:

- ✗ High costs and limited supply rental housing made it difficult to find an interim unit.
- ✗ Overall financial compensation was inadequate.
- ✗ Additional financial burdens were created from costs that were not accounted for in the rent gap assistance payments (e.g. first and last month's rent).
- ✗ Compromise was often required for tenants to find an interim unit of appropriate size within budget, leading to tenants living in lesser quality units.
- ✗ Lack of documentation outlining compensation for moving expenses was a challenge.
- ✗ Lack of clarity about how long rent gap payments are available was an issue.
- ✗ Leasing agent support is often unhelpful.
- ✗ Lack of support and consideration for individual circumstances is an issue.

Recommendations for improvement are as follows:

- Use up-to-date data as the basis for compensation rates.
- Increase transparency for how rent gap payment rates are formed and to what degree prices may fluctuate.
- Improve clarity on expectations during the displacement period.
- Enhance leasing agent resourcefulness and advocacy.
- Increase transparency about costs and fluctuations.
- Developers should ensure interim housing is secured and provide more information on affordable alternatives.
- Increase and extend compensation if replacement rental unit completion is delayed.

2.3.2 Replacement of Existing Rental Housing

Tenants identified the following positive and effective aspects of the replacement of existing rental housing:

- ✓ Some tenants were completely satisfied with their replacement unit.
- ✓ While interim units only slightly satisfied their needs overall, some tenants found them adequate.
- ✓ Appreciation for the new building and amenities.
- ✓ Some tenants were satisfied at the ability to return to new units at original rent rates.

Tenants noted the following challenges:

- ✗ Access to promised building amenities was not always upheld.
- ✗ Replacement units did not always match tenants' listed preferences for unit type and layout.
- ✗ Some tenants felt they were discriminated against by property management compared to those occupying market units in the same building.
- ✗ Some tenants found the size of units was unsatisfactory, and the size could be misleading, as balconies or long hallways were included in gross floor area calculations.
- ✗ Some tenants expressed mistrust toward developers, as it appeared that tenants were given less desirable units than those occupying market units in the same building.
- ✗ There was segregation between replacement units and market units.
- ✗ Some tenants felt their seniority and unit preferences were ignored.
- ✗ There was no or only limited opportunity to preview replacement units.
- ✗ Some tenants had restricted access to new building amenities, while other tenants had access and were satisfied with new building amenities.

Recommendations for improvement are as follows:

- Engage an external party to hold landlords accountable for what is promised in the replacement policy.
- Provide tenants with the opportunity to view the unit or be provided with a virtual tour before signing the lease.

2.3.3 Rental Demolition Application Process

Tenants identified the following positive and effective aspects of the rental demolition application process:

- ✓ The information received about the development process.
- ✓ The information provided to them about how the development application would impact them.

Tenants noted the following challenges:

- ✗ There was a lack of clear communication and information provided to tenants.
- ✗ Uncertainty around timelines often resulted in stress and additional costs.
- ✗ The process was not standardized, leading to confusion about what it would entail.
- ✗ Tenants felt the responsibility was on them to obtain adequate information and interim units.
- ✗ There was inadequate tenant consultation, and tenant engagement sessions were perceived as informal and inadequately organized, often held in unsuitable locations, such as building lobbies.
- ✗ There was a lack of responsiveness and follow-up from City staff and developers.
- ✗ Delays and lack of clarity on timelines exacerbated stress and costs.
- ✗ The moving process was disorganized and stressful.
- ✗ Replacement units were not always move-in ready.

Recommendations for improvement are as follows:

- Implement a more standardized process for housing replacement.
- Ensure clearer and more accessible communication to tenants throughout the process.
- Increase transparency around timelines and provide regular updates.
- Clarify the responsibilities of developers and the City.
- Centralize information through a dedicated location or website, such as an online portal for information updates and to guide the move-back process.
- Offer opportunities for tenants to view similar units or do virtual walkthroughs.
- Utilize third-party support such as social workers and legal aid.
- Hold developers accountable through external audits and City oversight.
- Provide personalized support for vulnerable populations.
- Implement measures to shorten the process.
- Extend the time for tenants to preview and decide on replacement units.
- Ensure tenant engagement is managed and coordinated by the City.
- The City should advocate more effectively for tenant interests.

2.3.4 Online Survey

Key findings of the online survey of tenants include:

Satisfaction with information:

- **Currently displaced tenants:** 60% reported being slightly satisfied to satisfied with the information about the development process.
- **Returned tenants:** 73% expressed similar levels of satisfaction.

Impact understanding:

- **Currently displaced tenants:** 61% were satisfied with the information on how the development application would impact them.
- **Returned tenants:** 92% reported satisfaction.

Communication and compensation:

- **Currently displaced tenants:** Highlighted the need for more consistent communication, clearer information, and better compensation measures.
- **Returned tenants:** Noted long wait times, mistrust toward developers, and inadequate financial aid.

Interim housing challenges:

- High costs
- Limited options
- Location issues
- Smaller unit sizes
- Insufficient compensation.

Leasing agent support:

- **Currently displaced tenants:** 59% found leasing agents unhelpful.
- **Returned tenants:** 100% found leasing agents extremely helpful.

Overall satisfaction:

- **Currently displaced tenants:** 55% rated their overall experience as slightly satisfied to satisfied.
- **Returned tenants:** 54% reported similar satisfaction levels.

2.3.5 Participant Insights: Direct Quotes from the Survey

In this section, we highlight the voices of our survey respondents, offering direct quotes that provide valuable insights and perspectives on the topics discussed.

Tenants Currently Experiencing the Rental Replacement Process

Challenges with the Rental Replacement Process:

- “The interim unit I secured is fine, but much smaller and more expensive; it requires daily commuting travel on the subway to attend work/take my children to daycare, which means an additional hour and a half per day of extra time for commuting; my interim apartment is also not AODA compliant— there is a small set of stairs leading to the elevators in the entryway and same for all fire exists (this has led to my stroller breaking with my children in it when trying to get the stroller down the stairs).”
- “I found a comparable unit but it was stressful and hard. There were many times when it felt like I would not find what I was looking for without pay significantly more. I lucked out.”
- “Lack of similar unit in a similar neighbourhood (it was very difficult to find a rental unit at a similar size, brightness, and in a strategic and convenient location in a nicer neighbourhood without reaching deeper into my own pocket).”
- “The market had very low vacancy when I was looking to move in summer of 2019, so it took a few months of searching before I could find something.”
- “Finding a comparable interim unit for similar rent - it didn't exist. Ended up in smaller unit for much more rent which the rent supplement didn't fully cover”
- “Just the whole moving process is a challenge and stressful”

What worked well with the Rental Replacement Process:

- “The notice period was sufficient; the compensation was OK; the move out was completely paid for which was very helpful. The ranking of preferred replacement unit worked well.”
- “The fact that there is any policy at all is positive.”
- “Considering that I have just moved back into my replacement unit (two days ago) I'd say it's all worked out reasonably well. The new place seems nice. The building is still under construction. My rent is reasonable again.”
- “Notice period, and flexibility on move out (of course before deadline).”
- “The developer was really excellent in communicating with us throughout the process, as well as providing our compensation on time and in-full. I recently moved into the redeveloped building and could not be happier to be home. The building is beautiful and my apartment is fantastic.”

Tenants Who Have Returned to Replacement Housing

Challenges with the Rental Replacement Process:

- “Nothing could be found in a suitable area within my budget.”
- “The whole process caused a ton of anxiety and uncertainty for many years.”
- “Time was limited to make a decision of what replacement unit I should pick and I was pressured to make my pick or lose out on something promised to me five years ago.”
- “It should not be a challenge to have discussions about the process. Ownerships of files kept changing and there was no central place one could go to get the information they needed.”
- “I would have liked to be able to preview all the units I was interested in, but they limited it to 3 units. Also, the unit I received had a smaller sq footage than my previous unit. (827 vs 909 sq ft).”
- “Affordability. Spent 5 years in a cramped apartment while the construction went on.”

What worked well with the Rental Replacement Process:

- “The financial compensation was good.”
- “The unit was empty and new.”
- “We were able to return at the rent we used to pay.”
- “The cost and price of the new unit.”
- “The entire experience from beginning to end was nothing but great and compensation was near perfect.”
- “The replacement unit is beautiful and has everything and more than expected. I am very, very happy.”

2.4 Areas of Agreement

Key areas of agreement across all participating groups – tenant advocates, the development community, and tenants themselves – include the need for:

- 1. Early and clear communication:** Participants agreed that early and clear communication and guidelines for both tenants and developers that outline policies, obligations, and tenant compensation are important to improve the Rental Replacement process.

Participants recommended regular updates and tenant meetings to keep tenants and developers informed of project approvals and timelines, their rights, and compensation packages.

- 2. Increase accessibility and inclusivity:** There was consensus on the need for enhanced accessibility and inclusivity, with information provided in multiple formats and languages, and targeted communications and approaches for vulnerable tenants.

Continuous engagement, transparency, and the involvement of a community liaison or third-party was desired to ensure ongoing support and effective communication for tenants throughout the process.

Additionally, participants recommended the development of working groups that include tenants or tenant associations, developers, and the City to build trust, improve communications, enhance mutual understanding of challenges, and work toward positive outcomes.

- 3. Enhanced tenant support:** Participants agreed that tenants should have better access to support to assist them throughout the displacement period and re-occupancy.

Access to third-party leasing agents, legal aid, social workers, and designated City staff were frequent recommendations to enhance support for tenants throughout the Rental Replacement process.

- 4. Continuous engagement:** There was consensus on the need for more frequent touchpoints at development application milestones to enhance tenant engagement.

This included providing updates on eviction dates, building progress, and re-occupancy timelines, as well as during the site plan and building permit stages. Continuous engagement, transparency, and collaboration among the City, developers, and tenants at established benchmarks were agreed would help minimize uncertainty and clarify timelines and next steps for everyone involved.

- 5. Standardized processes and fast-tracking of applications:** Participants agreed on the need to review and standardize tenant consultation requirements to ensure consistency across all applications and engagement processes.

Additionally, providing clear timelines for developers and tenants regarding application reviews, including rental demolition and redevelopment, site plan, and building permit applications, was emphasized. Fast-tracking of rental housing demolition applications was also desired to create certainty for developers and minimize displacement time for tenants.

2.5 Areas of Disagreement

Key areas of disagreement across all participating groups include:

- 1. Tenant compensation and notice periods in development processes:** Tenant advocates, the development community, and tenants generally disagreed on the level of compensation and support that should be provided to tenants, and on the notice period.

Compensation:

Tenants and tenant advocates often remarked that previous rent gap assistance was insufficient to cover the costs of interim housing, especially when like-for-like units and locating housing within the existing community was considered. They recommended reevaluating how rent gap assistance is calculated to ensure compensation reflects current market conditions.

The development community indicated that tenant compensation packages, including rent gap assistance, impacted the feasibility and increased the complexity of redevelopment applications. Participants suggested that amendments to the formula used to calculate rent gap assistance should better consider the costs of development borne by developers and market-rate tenants and incentivize building and increasing housing stock throughout the city.

Notice:

Tenant and tenant advocates often remarked that the timelines given to tenants to relocate were not long enough to find interim housing, and that the notice to vacate should be extended to support tenants, especially vulnerable tenants, in securing interim housing.

The development community remarked that the six months' notice to vacate provided to tenants goes beyond what is outlined in the *Residential Tenancies Act* and adds to the already lengthy development application and approvals process.

- 2. Replacement of rental units:** There was general disagreement among tenant advocates, the development community, and tenants on the replacement of existing amenities and gross floor area.

Tenant advocates voiced that replacement units often did not effectively replace amenities, including access to balconies and outdoor space, parking, windows, storage, unit layout, and gross floor area.

The development community stated that the like-for-like replacement of certain amenities, including balconies and parking, did not conform with other City policies

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intended to increase building energy efficiency and parking requirements in transit supported communities. Gross floor area matching was also an issue raised by developers, as something that complicates building and floorplate design and construction, as well as increases costs that are borne by new tenants.

The development community also commented that in many cases, replacement units were provided with new additional amenities such as air conditioning, in-suite laundry, energy efficiency, as well as building facilities such as shared indoor and outdoor spaces. Participants felt that these upgrades should allow for flexibility in gross floor area replacement, and that replacement units should conform to the City's other existing policies (such as in the Growing Up Design Guidelines) as opposed to like-for-like replacement of amenities and gross floor area.

Tenants with lived experience in rental replacement units provided mixed feedback. Some tenants expressed that their replacement units did not meet their expectations in terms of layout or amenities provided, that the location of these units within the building were sub-optimal, that they did not have an opportunity to review the units before occupancy, and that they did not have the same access to building amenities that new tenants paying market rent had. However, some respondents indicated that their replacement units exceeded expectations, suggesting that replacement unit satisfaction was specific to each building.

3.0 Recommendations

Based on the feedback and insights gathered from participants, this section outlines recommends for the City's consideration.

3.1 Priority Actions

1. Early and clear communication:

- Consider engaging with tenants earlier, more frequently, and more meaningfully to build trust, potentially through a third party.
- Provide clear timelines for eviction and re-occupancy.
- Ensure that notices are delivered directly to individual units and that tenants are informed and understand upcoming changes.
- Create a centralized location for information, such as an online portal, to provide updates and guide the move-back process.

2. Increase accessibility and inclusivity:

- Create an accessible and inclusive engagement process using a trauma-informed approach. This could include one-on-one engagement and communication with tenants, providing childcare at engagement sessions, meeting in accessible venues, offering multiple forms of engagement (in person and online), providing contact information for someone who can answer questions, and scheduling engagement sessions at various times.
- Consider developing clear information and guidelines, and offering additional support for tenants facing eviction due to rental demolition applications. Ensure these are publicly available, written in plain language, accessible, and offered in multiple languages.

3. Enhanced tenant support:

- Review compensation and rent gap payments, both broadly and on a case-by-case basis, to ensure tenants are adequately compensated and able to secure interim units within their current communities.
- Clearly define vulnerable tenants and consider establishing additional support for these identified tenants. This may involve third-party, or City support based on individual needs, with priority support for vulnerable tenants. Support could include leasing agents, social workers, translators, childcare, and legal aid.
- Provide priority access to interim housing for vulnerable tenants.

Recommendations

- Offer one-on-one engagement and communication to ensure all tenants are informed and aware of the support available to them. Enhancing tenant support could also support developer timelines.

4. Continuous engagement:

- Establish milestone-based updates and engagement sessions to keep tenants informed throughout the re-occupancy process.
- Provide regular transparent reporting to tenants throughout the process.
- Consult with tenants throughout the Rental Replacement process and after re-occupancy to identify challenges and opportunities to enhance tenant support.
- Explore the feasibility of including tenant working groups as part of the engagement process to promote communication among tenants, the City, and developers.
- Engage the broader community, including members of relevant stakeholder groups, to gather comprehensive input on the rental replacement policies.
- Continue to engage with tenants who have gone through the process, on a regular basis, to understand their experiences and gather feedback for ongoing improvements.

5. Standardize processes and streamline applications:

- Review and standardize tenant consultation requirements to ensure consistency across all applications and engagement processes.
- Provide clear timelines for developers and tenants regarding application reviews, including rental housing demolition and redevelopment, site plan, and building permit applications.
- Enhance data tracking and availability to better assess the impacts of the Rental Replacement process.
- Implement transparent data tracking for rental housing demolition applications to assess the impact of developments at the community and ward level, displaced and returned tenants, and demographic data.

3.2 Actions to Bridge Divides

1. Collaborative review of compensation models:

- Facilitate further engagement with tenants and tenant advocates and the development community to review and potentially revise the rent gap assistance formula. This group could work toward a model that reflects current market conditions while considering the financial implications for developers.

2. Flexible compensation packages:

- Consider offering flexible compensation packages that can be tailored to individual tenant needs, such as additional support for vulnerable tenants or those with specific housing requirements.

3. Streamlined development processes:

- Work with developers to identify ways to streamline the development application and approval processes, potentially offsetting the impact of extended notice periods on project timelines.

4. Balanced approach to amenities in replacement rental units:

- Consider a strategy for replacing amenities that prioritizes essential features identified by tenants such as balconies, parking, and storage, while also allowing for flexibility for the integration of modern upgrades like energy-efficient systems and shared communal spaces that align with contemporary living standards and sustainability goals.
- Work with developers to enhance communication with tenants by providing clear explanations of the factors influencing decisions on unit sizing and amenity inclusion. By transparently sharing the rationale behind these choices (e.g. compliance with building codes, energy efficiency objectives, community needs), the City can foster trust and transparency in the process.

5. Alignment with City policies on replacement:

- Facilitate discussions with tenant advocates and developers to find common ground on aligning replacement unit designs with broader City policies, such as energy efficiency and transit-oriented development, while still meeting tenant needs.

6. Continued engagement and feedback loops on replacement:

- Consider piloting different engagement and communications methods within the Rental Replacement process, and actively gather feedback from all stakeholders involved to gather insights into what is working and what can be improved.
- Report back to share what was heard and integrate changes where possible.

4.0 Next Steps

The feedback and insights gathered through the engagement process will inform ongoing City engagement and improvement of its practices and policies. This includes development of a new Demolition and Replacement Handbook for tenants and developers, which City staff intend to present the handbook to the Planning and Housing Committee in Spring 2025.