



April 8, 2024

Chair Perks and Members of the Planning and Housing Committee
City of Toronto
Toronto City Hall
100 Queen Street West
Toronto, ON M5H 2N2

Sent via email to: phc@toronto.ca

Re: PH20.2 - Implementation Guidelines for Rental Replacement

Dear Chair Perks and Members of the Planning and Housing Committee,

I am writing on behalf of the Building Industry and Land Development Association (BILD), which represents the land development, homebuilding, and professional renovations sectors in the Greater Toronto Area and Simcoe. We have reviewed the City's staff report and attachments regarding item PH20.2 - Implementation Guidelines for Rental Replacement, and we would like to offer our comments and suggestions for your consideration on behalf of the BILD Toronto Forum members.

For your reference, BILD created a Rental Replacement Working Group to participate in the City's stakeholder meetings, and we would like to express our sincere thanks to staff for including us in this valuable consultation process. The discussions were productive, and our working group gained a deeper understanding of the City's objectives and strategies for Rental Replacement units.

As discussed in our last meeting, we are generally supportive of the Handbook and view it as a useful tool that provides transparency and guidance for both the public and the development industry. We greatly appreciate the City staff's efforts in providing this much-needed clarity for all affected parties. Our working group remains committed to participating in ongoing consultations with staff to ensure the continuous improvement of the Handbook.

During our working group discussions, we identified a few refinements that could enhance the clarity and effectiveness of the Handbook:

- **Page 11:** The statement that "the tenant may transfer their right to return to a replacement rental unit and other tenant assistance to a sub-tenant by notifying and receiving approval from the property owner and City Planning staff in writing" could be misinterpreted or misused. We recommend removing this sentence, as we believe that transfers of units fall outside the scope of rental replacement policies.
- **Page 12:** The guideline that "the property owner must replace 100% of the original rental gross floor area in the new building" should be adjusted to reflect "Gross Leasable Area" instead of "Gross Floor Area." This change would better prioritize the replacement space for tenants and accommodate newer efficiencies that may improve service and utility space. Additionally, we recommend revising the reference to 3% of the original unit size to 20% to better align with current market conditions and create more realistic expectations of the new units.

- **Page 16:** The statement that “The tenant may be able to return to a replacement rental unit with a different number of bedrooms, if available, and only after all returning tenants have chosen their units” raises uncertainty. We suggest that if tenants return to a larger unit with more bedrooms, they should pay rent commensurate with the upgraded unit size. We believe this already happens in practice, but it should be made clear in the guidelines so there is no misunderstanding.
- **Page 19:** The guideline that “Property owners must provide access to a leasing agent to help tenants find a new rental unit while the replacement rental units are being constructed” is generally supportive. However, we believe clarification is needed to ensure that access to the leasing agent is provided once – at the time of notice of construction – rather than during construction itself, as the latter is too late in the process.

Looking ahead, we acknowledge the City staff’s commitment to working closely with stakeholders to design and implement a new process for vulnerable tenants by early 2026. BILD’s working group would appreciate being included in this important consultation process.

Thank you for your time and consideration of our comments. Should you have any questions or require additional information, please do not hesitate to contact me directly.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Danielle Binder', with a stylized flourish at the end.

Danielle Binder, RPP MCIP
Senior Director, Policy and Advocacy