



April 10, 2025

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

From: Daryl Chong, Greater Toronto Apartment Association

Re: PH20.2 - Implementation Guidelines for Rental Replacement

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 enacted its Residential Rental Property Demolition and Conversion Control (commonly "Rental Replacement") Bylaw in 2007, soon after the Province granted the city authority to do so under §111 of the City of Toronto Act, 2006. The original report (Planning & Growth Management Committee, June 2007) stated:

The overall supply of primary rental housing (the total number of private rental and social housing units) has not increased over the last decade.

Protecting existing rental housing, with both affordable and mid-range rents is essential for the City's growth and vitality. The rental housing needs of current and future residents depend on protecting existing rental housing and increasing the supply of rental housing to meet future growth.

Both points are still valid today, with the chronic ongoing under-production of new purpose built rental ("PBR") development in Toronto for nearly half a century. PBR was a challenge to create in 2007 and is considerably more challenging today.

PBR is coveted as it provides permanent long-term rental housing and new units are immediately subject to RR policies. PBR is usually more affordable, flexible (vacate upon 60 days notice), and provides security of tenure. PBR is attractive to newcomers, young people, recent family formations, downsizing seniors, and mid- to low-income earners.

To counter the ongoing housing supply shortage, Toronto recently activated several initiatives to encourage more housing, including the broad permission to build four units on

a single detached house site, 6 storey & 60 units buildings, and fee exemptions for a limited number of rental projects summing 7,000 units.

As a coveted form of housing, PBR is deserving of special treatment to encourage its development. Abundant new rental housing could be built on existing low density rental sites by modifying Toronto's Rental Replacement Bylaw. If properly nurtured there are many sites that could be intensified with new longterm rental housing.

Number of Small Apartment Buildings by Age

Storeys	pre-1950	1950s	1960s	1970s	1980-2023	unknown	Total
3	234	397	198	60	54	7	950
4	182	362	179	53	59	6	841
3 & 4	416	759	377	113	113	13	1791

Data: City of Toronto, 2025 Jan

Toronto has nearly 1,800 three- and four-storey apartment buildings. More than 1550 (87%) were built before 1970. They are already zoned for (their current) residential apartment use. More than 50 years old, entire surrounding communities are accustomed to their location and use as multifamily housing. Many of these sites have abundant surface parking, ancillary-use land and green space.

With proper encouragement Toronto could activate an intensification opportunity with many of these sites. We could turn 3-storey walkups into modern PBR mid- and highrises; 28 units into 328 units.

The following pictures are for **illustrative purposes only**. These sites have **not applied** for demolition but are visual samples of what currently exists across the City.

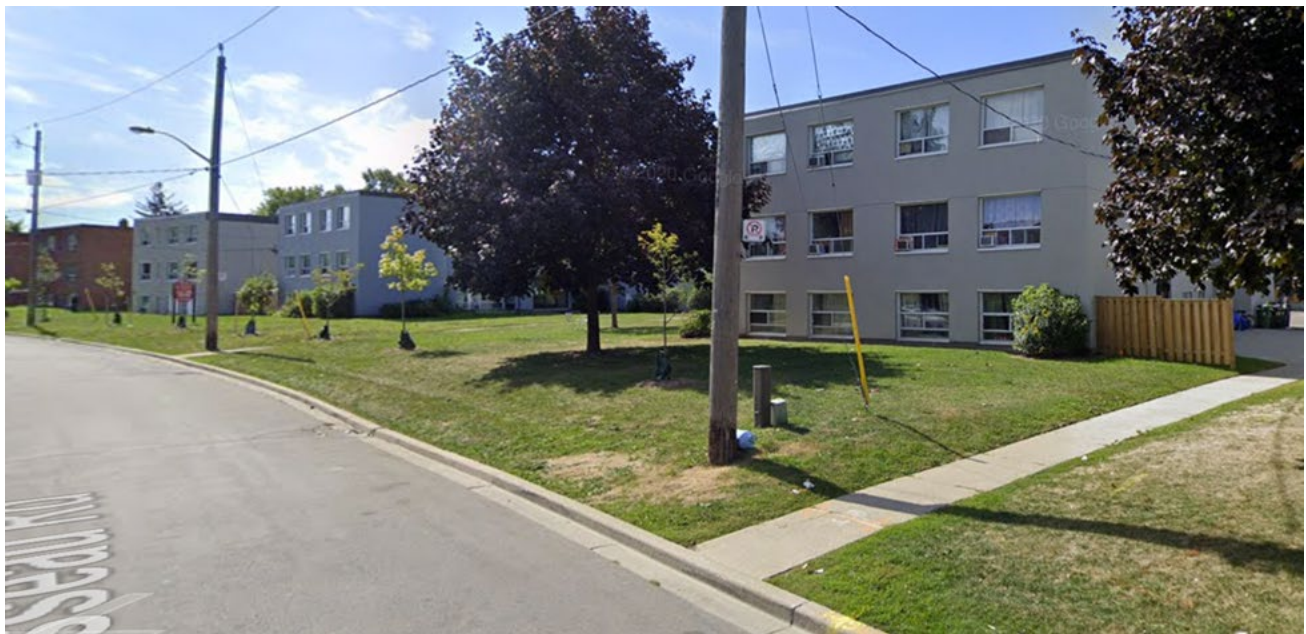
Long driveway with surface parking at rear.



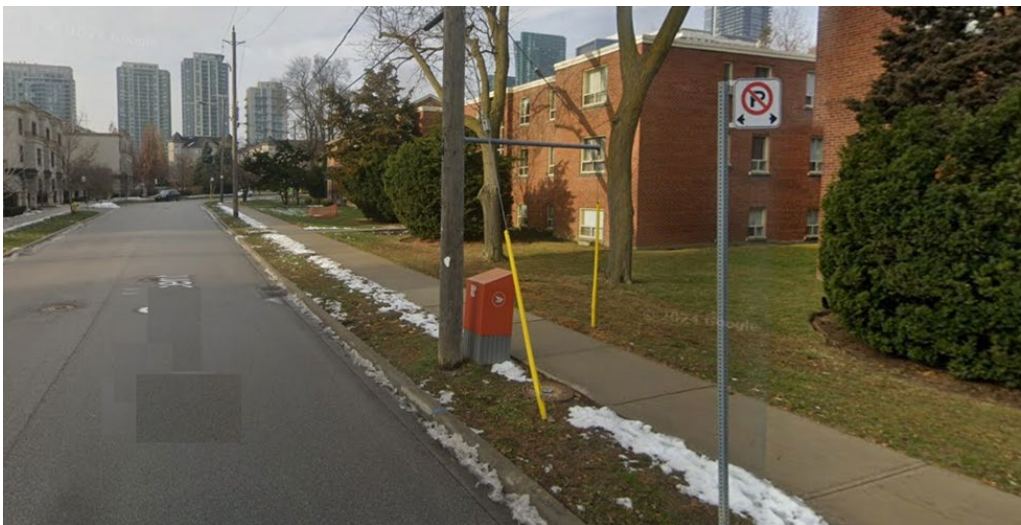
Cluster of several 3-storey apartments with large setback.



Street of 3-storey apartments with developable land.



Street lined with 3-storey apartments with lots of greenspace and views of modern highrise towers.



GTAA Members support the continuation of rental replacement requirements that return existing residents to new and improved units, at their old monthly rents (plus guideline), in similar units (by bedroom count) to continue to live in a familiar neighbourhood and take full advantage of any updated in-suite and common area amenities available in the new modern, air conditioned, building.

Some minor refinement to municipal rental replacement bylaws, combined with some financial exemptions and discounts could help generate tens of thousands of new rental units, which has not occurred for nearly a half century.

Purpose Built Rental in Toronto Unit Openings by Decade

	pre-1960	1960s	1970s	1980s	1990s	2000s	2010s	2020-2023	Total
Private	43,047	117,057	66,827	5,124	320	3,417	11,820	8,278	255,890
TCHC	1,795	10,195	21,006	8,500	4,184	1,065	1,063		47,808
Social	682	420	1,685	6,424	8,174	813	877	264	19,339
	45,524	127,672	89,518	20,048	12,678	5,295	13,760	8,542	323,037

Data: City of Toronto, 2024 Nov

90% of the private rental stock in Toronto was opened before 1980. 80% of the entire (private, social and TCHC) rental stock was opened before 1980. There has been negligible new purpose-built rental for more than four decades.

Intensification of existing apartment sites is the path of least resistance with local communities. While some residents would rather not see added density, most would welcome a new, modern, well-designed rental building on the same site. This adds a new

housing option for: aging homeowners (loss of spouse, reduced mobility, inability to maintain a large house) who would prefer to stay in the same neighbourhood, but had limited rental options in the past; young families who wish to live in established neighbourhoods with schools; newcomers in areas with familiar surroundings; students near campuses; and the general population of which ownership is no longer an option or their first option. People can change their rental accommodations as their needs change especially when the supply is plentiful.

Onerous rental replacement requirements will predictably result in very few applications. On the surface this may appear to achieve 'protecting' existing or affordable rents. In actuality, this assists affected residents but does not assist the growing population that requires rental housing. It does not address the stagnant supply. It does not add new buildings to make the average age of buildings younger. While well intentioned, it is an isolated singular viewpoint that ignores the larger opportunity. Akin to when a single detached home lot was only allowed to be occupied by a single detached house – which is now recognized as part of the supply shortage problem.

The objective of rental replacement bylaws is to protect lower rent units.

An equally important goal is to add much needed new rental supply. Both need to co-exist moving forward. A balanced approach would embrace this as an opportunity to improve old apartment sites with an abundance of modern new rental units which will become the next generation's naturally occurring affordable housing.

GTAA and our members support the continuation of rental replacement requirements that return existing residents to new and improved units, at their old monthly rents (plus guideline), in similar units (by bedroom count) to continue to live in a familiar neighbourhood and take full advantage of any updated in-suite and common area amenities available in the new modern, air conditioned, building.

We are at a critical point and in conjunction with the City's recent initiatives to create new housing, the encouragement of rental replacement to modernize and densify longstanding apartment buildings via strategic purpose-built rental stream and goal-oriented incentives could generate significant new homes across Toronto.

We support the development and ongoing refinement of the *Handbook for Tenants and Property Owners*, the main report's recommendations and the future work to hopefully find the right balance to embrace this opportunity to add much needed rental housing.

More information:

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