



Committee of the Whole Report

Report Number: LGL2025-004
Meeting Date: April 8, 2025
Title: **Rental Protection By-laws – Preventing Renovictions and Conversion of Rental Housing to Non-Rental Use**
Description: Recommendation to not approve by-laws
Author and Title: Robyn Carlson, City Solicitor

Recommendation:

That Report LGL2025-004, **Rental Protection By-laws – Preventing Renovictions and Conversion of Rental Housing to Non-Rental Use**, be received; and

That this recommendation be brought forward to Council for consideration at the next Regular Council Meeting.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

On November 5, 2024, Committee of the Whole considered a **Memorandum Regarding a potential Rental Housing Protection (Renoviction) By-Law, advanced by** Deputy Mayor McDonald. A copy of that Memorandum is attached as Attachment A. Council on November 19, 2024 then passed the following resolution:

CW2024-207

That the Memorandum from Deputy Mayor McDonald, **regarding a Rental Housing Protection (Renoviction) By-Law**, be received; and

That staff investigate a possible licensing program and/or implementing a new By-Law to prohibit and regulate the demolition and conversion of residential rental properties, and report back to Council with information and recommendations by the end of Q1 2025.

Carried

The purpose of this report is to provide the information and recommendations as requested.

Rationale:

Council Resolution CW2024-207 contemplates 2 types of by-laws: One, to prevent “renovictions”, and the second to prevent the conversion of apartment buildings of 6 units or more to non-rental use (such as condominium ownership).

Renovictions

The term “renovictions” refers to a landlord issuing a tenant a N13 eviction notice under the Residential Tenancies Act but not following the requirements of that Act. This could be by: failure to carry out the renovations; issuing the notice where the renovations are not of a scope and scale to actually require the tenant to move out; and/or failing to notify the tenant of their right to return to their unit post-repair, at the same rate.

The City of Hamilton passed a by-law that allows for municipal oversight of the renovation process, and provides additional compensation to what is provided pursuant to the Residential Tenancies Act. A draft of that by-law as presented to Hamilton Council is found at Appendix C. The Hamilton Renoviction By-law came into force on January 1, 2025. The City of Toronto has adopted a similar By-law, which will come into effect on July 31, 2025.

Current Statutory Protections for Tenants Facing Eviction for Renovation

Pursuant to paragraph 50(1)(c) of the Residential Tenancies Act, 2006, a Landlord shall serve a Tenant with a notice of termination of tenancy if the Landlord requires vacant possession of the rental unit for the purpose of performing repairs or renovations.

Subsection 50(3) of the Residential Tenancies Act, 2006, requires that the notice of termination served pursuant to subsection 50(1)(c) of the Residential Tenancies Act, 2006, inform the Tenant that if they wish a right of first refusal to occupy the premises as a Tenant after the repairs or renovations are complete, they must give the Landlord notice of this fact before vacating the rental unit.

Subsections 53(1) and 53(2) of the Residential Tenancies Act, 2006 establish that a Tenant who receives notice of termination of a tenancy for the purpose of repairs or renovations pursuant to section 50(1)(c) of the Residential Tenancies Act, 2006, may have a right of first refusal to occupy the rental unit as a Tenant when the repairs or renovations are complete at a rental rate that is no more than what the Landlord could have lawfully charged if there had been no interruption in the Tenant's tenancy.

The Province protects tenants facing illegal eviction by providing for an appeal to the Landlord and Tenant Tribunal. Moreover, if a landlord knowingly does not comply with the provisions listed above, they may be charged and convicted of an offence pursuant to section 223.

The duplication of the provincial scheme at the local level could add needless local bureaucracy, increasing costs for ratepayers in the form of staffing costs and reduced efficiency (reduced focus on core tasks). Moreover, the additional costs associated with compliance with a Renovictions Bylaw could discourage landlords from making necessary renovations or repairs to aging rental stock, negatively affecting the rental supply.

However, tenants can face barriers such as lack of access to information about their rights, lack of funding/resources (such as time off work) to appeal.

Alternatives to By-law regulation as contemplated include: informing tenants of their rights; helping tenants exercise their rights; and advocacy to the Province to amend the Residential Tenancies Act related to actions to address renovictions. An example of Provincial advocacy is found at Attachment B.

Prior to enactment of its Rental Conversion By-law, the City of Toronto completed the following pieces of work to assist tenants dealing with renovations and other illegitimate evictions:

- Creation of a tenant portal on the City of Toronto's website (www.toronto.ca/renterhelp). The site provides content on tenant rights and responsibilities.
- Tenant Defence Fund allows tenant groups to apply for a Tenant Support Grant to dispute an N13 application at the Landlord and Tenant Board.
- The City made a submission on the provincial Bill 184, Protecting Tenants and Strengthening Community Housing Act, 2020. The submission advocated for changes in compensation for tenants, additional documentation requirements to support N13 applications and enhanced measures for tenants to exercise their right to return following a renovation.
- An evictions tool kit was finalized that provides guidance to tenants when faced with an eviction and includes template letters for tenants to use to exercise their right to return.
- An assessment tool was built to guide staff in determining work which may legitimately result in the need for the tenant to vacate a property either temporarily or permanently. This will be used to develop educational materials to advise landlords and tenants of their rights and responsibilities under provincial legislation.

All of the above supports do not address legal renovations that displace tenants.

Current Supports available in the City

Under the "Assistance for Renters" / "Receiving an eviction notice" section on the City's website, the Human Services Department refers tenancy concerns to the Community Legal Clinic: <https://www.kawarthalakes.ca/en/living-here/housing-services.aspx>

The Human Services Department has access to discretionary funding referred to as "Stability Supports", which can be accessed by low income households to help stabilize their housing.

Human Services will reach out to the local Legal Clinic to determine if there is anything the City can do to assist. Human Services notes that the Clinic is quick to respond to situations like these and supports the tenants directly with excellent legal services. The City would be duplicating a local (and more qualified) support if it did much more.

Rental Conversion to Condo Units

Moreover, the above supports do not address the loss of affordable rental housing due to conversion to condominium (ownership) tenure. While the wording of the Council Resolution spoke to conversions, the Rationale in the supporting Memorandum (Appendix A) only spoke to Renovictions. Out of an abundance of caution, this report will speak to both. The City of Hamilton took the above steps as Toronto, and additionally enacted Official Plan amendments and a by-law pursuant to powers under section 99.1 of the Municipal Act, to prevent conversions from 6-unit plus rental to condominium tenure. An example of that By-law as presented in draft to Hamilton's Council, is at Attachment D.

Other Alternatives Considered:

None.

Alignment to Strategic Priorities:

This report aligns with the City's strategic priority of a Good Government and the guiding principle of Service Excellence.

Financial/Operation Impacts:

As no by-laws or other supports are being recommended, there are no financial impacts as a result of the recommendation.

The financial impacts of passing either contemplated by-law is as follows: 0 applications for condominium conversions involving the demolition of six or more rental units were received by the City in 2021. Over this same year, 0 buildings were the subject of permit applications for possible renoviction.

This short time period was used, as 2021 was subject to supply chain issues that would have likely impacted the pace of construction. It is recognized that the US and Canadian tariffs on construction materials may likewise impact the pace of construction during 2025 and until the tariffs are lifted or new supply chains are developed or identified.

Based on the 2021 numbers, it is estimated that the total number of annual permit applications for a Conversion By-law (s.99.1 Municipal Act By-law; as at Schedule D) would be approximately 0 applications in the near future, rising to 0 applications thereafter (using averages from 2022-2024, inclusive).

Based on the 2021 numbers, it is estimated that the total number of annual permit applications for a Renovation By-law would be approximately 0 in the near future, rising to 1 application every three years thereafter (using incidents from 2022-2024).

Due to the low number of applications expected, it is not anticipated that additional staffing would be needed to support either by-law at this time. Staff review costs could be captured by a permit application fee.

Consultations

Supervisor, Policy Planning

Chief Building Official

Manager of Municipal Law Enforcement

Manager of Housing, Human Services

Attachments:

Attachment A – Memorandum from Councillor McDonald to Committee of the Whole
November 5, 2024, respecting Renovictions



Appendix A

Attachment B – Example of Provincial Advocacy



Appendix B

Attachment C – Example of By-law to Prevent Renovictions and Provide additional
supports to Tenants relocating during Repairs



Appendix C

Attachment D – Example of By-law to Prevent Conversion of Rental Apartments to
Condo



Appendix D

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Department Head: Robyn Carlson, City Solicitor

Department File: