

THE ALTERNATIVE VISION FOR HERONGATE

THE FIGHT FOR THE RIGHT TO HOUSING AND NO DISPLACEMENT

















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EXECUTIVE

SUMMARY

As a community organization of low and moderate income families and individuals fighting for social and economic justice, ACORN is invested in ensuring the future of Herongate reflects the needs and desires of the community.

ACORN has been organizing in the Herongate neighbourhood of Ottawa since 2008. Largely a working-class, immigrant neighbourhood, Herongate tenants have had their homes passed from landlord to landlord, and watched them fall into disrepair as maintenance stopped being completed and properties were neglected by management. Finally, in 2015, it became clear with the first batch of eviction notices that there was a vision behind the chaos: a plan had been put in place to redevelop Herongate into a neighbourhood of luxury rental apartments.



Since then, ACORN members have been fighting back to prevent evictions and give tenants a seat at the table. Finally, after rallies, marches, letters, meetings and more, the developer - Timbercreek (who has recently rebranded to Hazelview Properties) - has revealed their social framework commitments, including:

- Housing security
- Affordability
- Diversity
- Social enterprise
- Green space

While these broad strokes may sound good at first glance, once you examine them more closely the social framework is weak and lacks important details that are sought after by tenants. For this reason, ACORN members who are current or ex-Herongate tenants are determined to ensure that there is an Alternative Vision for Herongate in place that represents the interest of tenants.

The Herongate ACORN Tenant Union is calling on Hazelview Properties and the City to include the Alternative Vision for Herongate in the secondary plan as a memorandum of understanding that allows tenants' vision to be legally enforced. Right now, we have a historic opportunity to build tenant power within the development process and set a precedent for future development to end displacement and ensure the right to housing is realized by low and moderate income tenants.

INTRODUCTION

Housing is a human right protected by international covenants. Yet in recent years, housing has increasingly become commodified. Huge real estate investment firms, such as Timbercreek/Hazelview, Akelius, and CAPREIT are buying up properties where they believe land values are under-realized. They then fix up the units and apply for above guideline rent increases or renovict the tenants to collect much higher rents, all at a significant profit to satisfy investors and creditors. The result? Corporate gentrification.

These companies effectively displace low income and working class tenants, replacing them with people who can afford higher rents.

An important component of realizing the right to housing is to involve tenants in the solution. ACORN's Alternative Vision for Herongate is based on deep consultation with current and ex-Herongate tenants. ACORN members from the neighbourhood want to see this vision reflected in the final redevelopment application and legally enforced by the City of Ottawa to help community members realize the right to housing, place the needs of residents at the centre of the development process and fight gentrification.

This report outlines ACORN's experience of organizing in Herongate over the past decade and presents our recommendations for an Alternative Vision for Herongate

WHAT IS ACORN?

ACORN Canada, the Association of Community Organizations for Reform Now, is a local and national organization of low and moderate income families and individuals fighting for social and economic justice. It is our belief that no issue is a single issue; as a result we are a multi-issue organization. This means members advocate on a variety of issues, such as affordable and liveable housing, disability rights, fair banking, living wages and more. We have over 140,000 members organized into twenty four neighbourhood chapters in nine cities across Canada. We believe that social and economic justice can best be achieved with a national active membership who are invested in their organization and focused on building power for change!

Before COVID19, ACORN organizers, leaders, and members would go door to door in low and moderate income neighbourhoods to identify issues and ask people to commit to being a part of the change they want to see! ACORN has a grassroots structure where our elected members sit on our boards, run community meetings, speak to the press, lead direct actions, and lobby politicians.

HISTORY OF HERONGATE ACORN'S

TENANT ORGANIZING

ACORN began organizing tenants in Herongate in 2008. Herongate is a largely working-class, immigrant neighbourhood that has been plagued by a series of bad landlords. After a successful community organizing drive that included weekly neighbourhood meetings and local board elections, it became clear that tenant rights were the main priority for the chapter.

Herongate tenants have survived five different landlords, battling each for better maintenance, service and respect (particularly for racialized and newcomer tenants). ACORN members organized tribunal cases to help tenants win over \$200,000 in abatements and repairs. Over the years, Ottawa ACORN has also worked with city inspectors to mass inspect problem properties and issue hundreds of work orders to secure repairs for tenants, especially in the Herongate neighbourhood. In 2010, the owner of Herongate at the time, Transglobe, restructured the company to become a real estate investment trust (REIT), later privatizing and selling off properties to a number of companies, including Timbercreek.

On September 29th, 2015, tenants received a letter from Timbercreek (now Hazelview) asking them to leave by February 29th, 2016 due to the proposed "redevelopment" of 80 units in the Sandalwood Drive area. They were offered three months' free rent (the legal minimum) and a moving allowance of \$1,500. Our membership, the tenants, organized a meeting with Timbercreek Asset Management, which included their public relations firm, to address the tenants' many unanswered questions and fight the evictions. The meeting was scheduled for Monday, October 26th. However, management did not show up to the meeting, and only their PR firm came out to hear member's questions and concerns, along with Councillor Jean Cloutier.

Timbercreek has a complicated corporate structure (see Appendix A), that directly conflicts with the right to housing. With billions of dollars in global real estate assets, Timbercreek's business model seeks to maximize returns for investors through the displacement of tenants as a result of the redevelopment of lower-income housing. Housing is treated as a commodity to profit from:

"The investment strategy to buy mismanaged or distressed multi-family assets includes substantial building envelope enhancements, suite renovations, repositioning in the market place and sequential material increases in rental rates. Timbercreek's value-add strategy is intended to produce a five-year internal rate of return of 18-20%."

It was clear that ACORN members were going to have to put up a fight.

¹ Real Estate News Exchange, 2013. Timbercreek's Metropolitan facelift an antidote to cookie-cutter condos. Available at: https://renx.ca/timbercreeks-metropolitan-facelift-an-antidote-to-cookie-cutter-condos/ Accessed April 2, 2019.

ACORN's Chair for South Ottawa in 2015/2016 and resident of the Sandalwood area, Mavis Finnamore, outlined members and tenants' needs and wants in a letter to Timbercreek after the initial meeting. ACORN members wanted to fight these evictions and secure their right to housing. With nothing but best wishes and no action from the City or Timbercreek, ACORN members organized.

For months following the notices, Herongate ACORN organizers and tenants knocked on their neighbours' doors, organized community meetings, led a series of direct actions and engaged the press, allies, and local representatives.

While we were ultimately unsuccessful in stopping the evictions in 2016, due to the law being on the landlord's side and no political champion willing to support the tenants of Herongate, our members' campaign did have a long lasting impact. Through the campaign, we built tenant power in the neighbourhood to continue pushing for tenants' rights. The following summer, Herongate ACORN participated in a citywide organizing drive calling on the City to license landlords to ensure better enforcement of property standards, held a mock funeral to publicly highlight the loss of affordable housing stock in the city and organized (and won!) against an Above the Guideline Rent Increase (AGI) in the Cedarwood towers.

From 2016-2018, ACORN members used every opportunity they could to fight against more evictions in Herongate, including participating in "visioning workshops" organized by the City and Timbercreek to ensure tenants' demands were on the public record. Despite our members' public outcry for affordable housing and better maintenance, Timbercreek's vision for the neighbourhood was not one that current and past tenants could afford. Rather, their vision for Herongate was a luxury, resort-style rental complex that would change the fabric of the community and lead to the gentrification of the neighbourhood.

In the spring of 2018, Timbercreek issued a second round of eviction notices to an additional 105 families, requiring that they vacate their homes by September 30th of the same year. This time, it was clear that the actions taken by our members in the community a few short years ago had made an impact: there would be no winter evictions, moving allowances were to be made available before tenants' move out date, and discounted prices for moving companies would be negotiated for tenants. These were all things that ACORN members had fought for. But the same problem that had existed in 2015/2016 still remained: Timbercreek had no plans to replace the affordable housing that would be demolished to make way for the new development so tenants had no one where to go.

ACORN organizers knocked on every door in the neighbourhood that summer, turned out over 100 low income tenants to fight for their neighbourhood, held local community meetings led by our members, developed new leaders on the campaign, organized direct actions (including a "Stop the Evictions" march and a "Worst Slumlord Award" rally) and worked with the press to draw attention to the urgent need to address this crisis, as well as the need to advocate for long-term solutions from the City, such as inclusionary zoning, landlord licensing and rental replacement bylaws.

On August 29th, we released a report in Herongate on the state of affordable housing in Ottawa. The report, "Affordable For Who?" detailed the depth of the housing crisis in support of our members' campaign demands. With the housing crisis starting to impact more moderate and middle income households and our members' persistent actions, Ottawa seemed to discover Herongate for the first time. Herongate became the news story of 2018.

For a second time, Timbercreek has succeeded in mass evicting low income and working class families but change is happening. ACORN members are in Herongate to stay, so we have been organizing a campaign for an Alternative Vision for Herongate based on the needs and desires of the tenants that were forcibly removed and those that still live here. We do not stop in the face of a challenge.

The mass evictions witnessed in Herongate is an attack on the rights of the low and moderate income tenants who once called the community home. The United Nations distinctly identifies forced eviction as a breach of human rights:

"Forced evictions constitute a distinct phenomenon under international law, and are often linked to the absence of legally secure tenure, which constitutes an essential element of the right to adequate housing."²

Further, persons who have been displaced have the right to be rehomed in comparable housing in terms of affordability, security, location, access to services as well as other factors.3

ACORN members strongly believe that an Alternative Vision for Herongate is central to protecting the right to housing for low and moderate income tenants.

²OHCHR, 2007. Basic Principles and Guidelines on Development-based Evictions and Displacement. Available a t: https://www.ohchr.org/Documents/Issues/Housing/Guidelines en.pdf

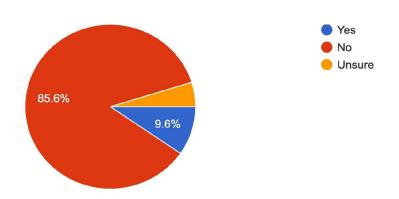
MARCH 2021 HERONGATE SURVEY OF TENANT PRIORITIES

Since September 2018 when families were forced to leave their homes, Ottawa ACORN has knocked on thousands of doors, made countless phone calls, and held tenant meetings in community centres, parks, and building lobbies to gather a community centred list of priorities for the future of Herongate from tenants in the neighbourhood.

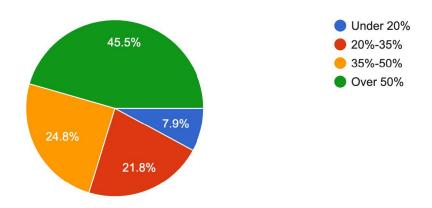
In anticipation of the March 25th, 2021 public consultation hosted by the City of Ottawa, ACORN members spent two weeks conducting a survey of 105 people in the neighbourhood, to gather the most recent understanding of tenants' priorities. Surveys responses were collected through phone calls to current and past Herongate ACORN members, mass flyering promoting an online survey, and organizers assisted tenants in filling out physical versions outside and 6 ft apart.

Below are the findings as of March 23, 2021:

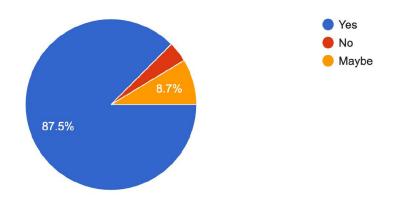
Have you ever attended a public consultation on the redevelopment of herongate by the City of Ottawa



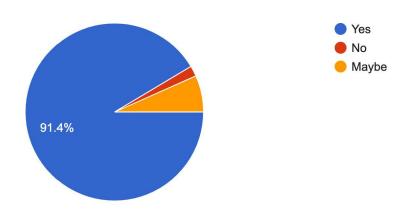
How much of Herongate do you think should be affordable housing? 101 responses



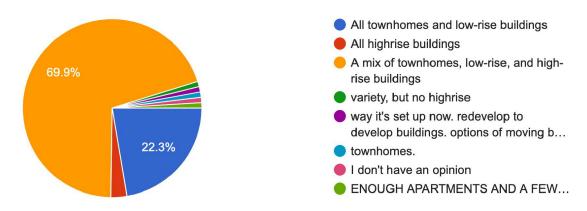
Do you think tenants that were mass evicted by Timbercreek in 2016 and 2018 should be allowed to move back to a similar unit that they had before (Same rent and # of bedrooms 104 responses



Do you think the redevelopment in Herongate should include local childcare spaces? 105 responses

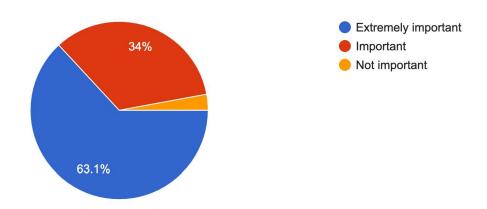


What type of housing do you think should make up the neighbourhood of Herongate? 103 responses



How important to you is it that the issues of affordable housing and what will happen to evicted tenants are discussed with current tenants at the upcoming public consultation?

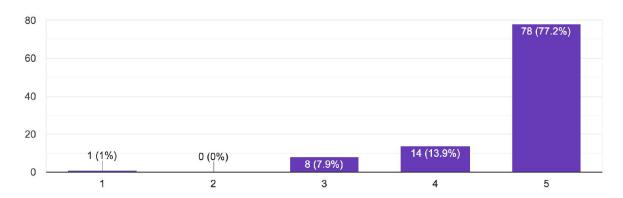
103 responses



For the following questions, tenants were asked to rank how important each issue was for them on a scale of 1-5. One being the least important, and five being the most.

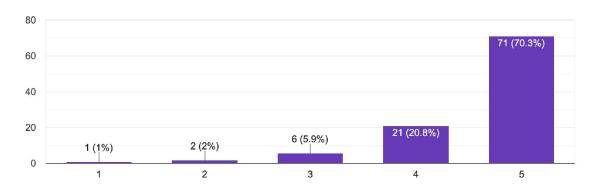
Rank the following issues for the redevelopment in Herongate from most to least important to you: Affordable Housing

101 responses

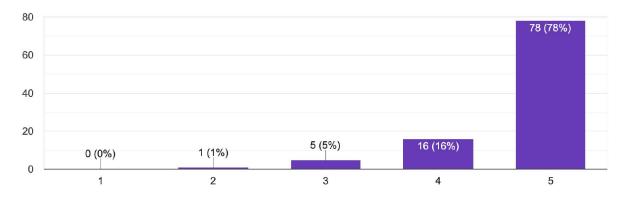


Rank the following issues for the redevelopment in Herongate from most to least important to you: Transparency from Timbercreek/Hazelview

101 responses

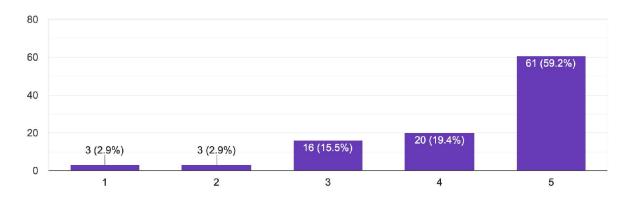


Rank the following issues for the redevelopment in Herongate from most to least important to you: Transparency from the City of Ottawa



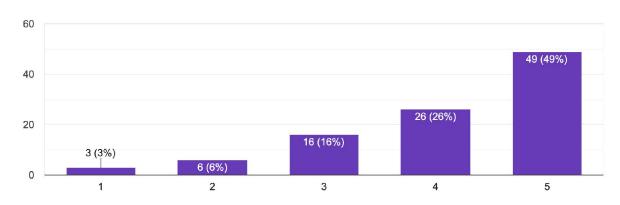
Rank the following issues for the redevelopment in Herongate from most to least important to you: Childcare Space

103 responses

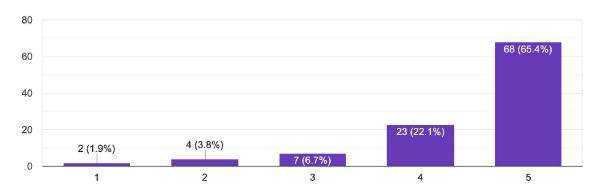


Rank the following issues for the redevelopment in Herongate from most to least important to you: Housing Diversity (Mix of townhomes and high-rises)

100 responses

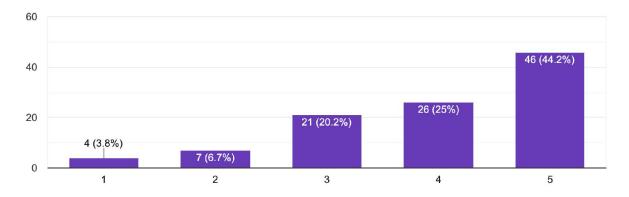


Rank the following issues for the redevelopment in Herongate from most to least important to you: Greenspace

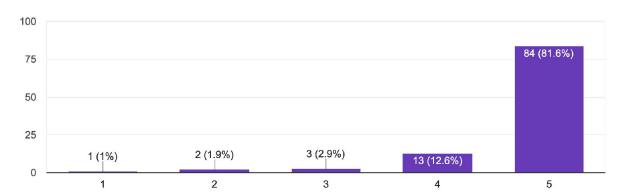


Rank the following issues for the redevelopment in Herongate from most to least important to you: Community Hub (Pools, BBQ, Rec Rooms)

104 responses



Rank the following issues for the redevelopment in Herongate from most to least important to you: Safety (Increased Lighting, locked and secure buildings/parking lots)



SURVEY FEEDBACK FROM

HERONGATE TENANTS

"I raised my kids in Herongate, I am a single mother, and a woman of colour. The City doesn't have a heart. As a person of colour, you can tell that they don't care about us- poor people, people with roaches, bedbugs. They don't care about black people, brown people, poor people. Herongate is perfect for low income people because you can walk everywhere, you are close to services, to green spaces... I don't know why they are changing it. Where are these people going to go?"

"I have been here 14 years. I am terrified for when they give us the letter that they are tearing down our homes. Most of us live in fear, and have been for a few years. It's just wrong. They are going to destroy my life and many others. My disabled boyfriend, and I will be on the street. We have no family. How are we supposed to go from \$1200 to \$2000 in rent? And to tell us in the middle of a pandemic. Most people still don't have jobs. Just downright cruel."

"I felt very bad for the peoples that were evicted and the townhomes that were torn down. They need a plan to look after them. Where are they going to go? They need a plan of what to do with them. There is no way that the tenants of Herongate will be able to afford these new condos being put up. I have lived in this area for over 20 years, if they kicked me out now, I would not have anywhere to go."



ACORN'S NO DISPLACEMENT

Alternative Vision for Herongate

On February 11th 2019, Timbercreek revealed their "social framework commitments" alongside City Councillor Jean Cloutier:

Social Framework Commitments:

1 Housing Security	No further demolitions for occupied units will occur until affected tenants are able to transfer their leases and relocate within the community to newly constructed units at the same rents.
2 Affordability	Continue to work through the planning process with the City of Ottawa with the goal of building up to 20% of the total units as affordable
3 Housing Diversity	Provide a diverse mix of housing types and sizes that will include: 3 and 4 bedroom family style units Ground floor accessible units to accommodate wheelchairs and seniors' needs
4 Social Enterprise	Continue to work with the City of Ottawa and others to create training and employment opportunities for Heron Gate community members.
5 Green Space	Provide new amenities and green space and work with the City to enhance and improve Sandalwood Park – an important community asset.

With this framework, one thing is clear: community organizing works. The commitments above capture some of Herongate ACORN member's demands, particularly rental replacements to prevent displacement, affordable housing and housing that reflects the needs of families that live in Herongate.

Nonetheless, there is still a lot of work that needs to be done. Currently, the commitments are not legally binding. How can a community that has been torn apart trust the words of the very landlord that bulldozed their neighbours' homes?

Through community meetings, home visits with our members, phone calls to our community contacts and input from partners like the South East Ottawa Community Health Centre, Ottawa District Labour Council and one of our legal partners, George Brown, Herongate ACORN has developed a campaign for an Alternative Vision for Herongate.

⁴ Alta Vista Community Association, 2019. Heron Gate Presentation. Available at: https://avca.ca/2019/02/26/heron-gate-presentation/ Accessed April 1, 2019.

Issue	Current Social Contract Commitments from Timbercreek	Alternative Vision for Herongate Alternative Vision Demands
Transparency and Collaboration		Make a legally binding agreement that holds Hazelview Properties to the commitments in the Alternative Vision for Herongate below. For greater transparency and accountability, Hazelview Properties (with support from the City of Ottawa) should publish quarterly reports on progress to be reviewed at in person meetings by tenants and community stakeholders such as Ottawa ACORN, the South East Ottawa Community Health Centre, Ottawa District Labour Council, and other identified community organizations.
Housing Equity	No further demolitions of occupied units will occur until affected tenants are able to transfer their leases and relocate within the community to newly constructed units at the same rates.	New affordable housing units in the redevelopment should be offered to current tenants as well as the families previously evicted in 2018 and 2016 who wish to return. Replacement units must be at the same rent (with allowable provincial increases) and number of bedrooms as their original homes.
Affordability	Continue to work through the planning process with the city of Ottawa with the goal of building up to 20% of the total units as affordable	"Up to 20%" is unacceptable. There must be a minimum percentage of affordable housing. 45.5% of survey respondents said that they think Herongate should consist of over 50%

		affordable housing. 25% of respondents said Herongate should consist of 35-50% affordable housing. Therefore, the Herongate ACORN Tenant Union is demanding MORE affordable housing with established minimums, plans to work with the City to achieve deep affordability and requirements of each phase of redevelopment to include a percentage of affordable units.
Definition and Breakdown of Affordable Housing		Work with the City's current definition of affordable housing to achieve the following potential breakdown: • 33% Deep affordability targeting up to the 10th percentile. Partner with the city to layer on subsidies. • 33% targeting up to the 20th percentile • 33% targeting up to the 30th percentile
Housing Diversity	Provide a diverse mix of housing types and size that will include: • 3 and 4 bedroom style units • Ground floor accessible units to accommodate	See previous demand.

	wheelchairs and seniors needs	
Social Enterprise/ Local Hires from Equity Seeking Groups	Continue to work with the city of Ottawa and others to create training and employment opportunities for Herongate Community members	Inclusive: Offer a range of training and apprenticeship opportunities for historically disadvantaged communities and equity-seeking groups, as well as encouraging the provision of goods and services from local supplies and enterprises. Accessible: Ensure information, employment training apprenticeships, and procurement opportunities are made readily available to residents, business and social enterprises.
Green Space	Provide new amenities and green space and work with the city to enhance and improve Sandalwood parkan important community asset	Provide a community garden and space for a community BBQ.
Safety		Include lighting, security cameras, and locked and secure parking lots.
Affordable Retail		Provide at least 20% of new commercial spaces at affordable rates.
Community Hub		Provide community hub space that includes space for events, affordable and accessible daycare, newcomer services, job training, youth

	programming and a computer lab.
Tenant Education and Maintenance	Support outreach to tenants to ensure their rights around maintenance are upheld. Undergo annual proactive inspections by the City to enforce property standards by-laws.

CONCLUSION

While change is inevitable, displacement is not. ACORN members will continue to organize and fight for an Alternative Vision for Herongate! We will also continue to work with neighbours and allies, to push city councillors and Hazelview Properties to consider and accept the benefits of bringing tenants to the decision-making table.

ACORN members support community-driven development, not profit-driven development. We will ensure low-income and working class tenants have a voice. In Herongate, we have a historic opportunity to build tenant power within the development process and set a precedent for future development.

Now let's keep the pressure up!



Timbercreek
Mortgage
Investment Corp
(TMIC)

Merged June 30, 2016

Timbercreek
Senior Mortgage
Investment Corp
(TSMIC)

Shareholders

Timbercreek Financial Corp

- Provide loans to real estate investors
- No staff
- Structure allows it to minimize or avoid tax liability

Manages

Timbercreek Asset Management Inc (TAMI)

- \$9.2bn in assets
- Employs all staff for

Timbercreek Financial Corp

Service Agreements
Mortgage brokerage

& admin services

Owns

Timbercreek Investment Management Inc (TIMI)

Timbercreek

Mortgage Investment Fund (TMIF)

TMIF is a trust

2292912 Ontario Inc



OTTAWA ACORN

404 MCARTHUR AVE. (HEARTWOOD HOUSE) OTTAWA, ON K1K 1G8 PHONE: 613-746-5999

EMAIL: OTTAWA@ACORNCANADA.ORG WWW.ACORNCANADA.ORG