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Attention: Ministry of Municipal Affairs & Housing

ACORN Canada is pleased to make a formal submission to the Ministry of Municipal Affairs and Housing that is currently seeking feedback on future regulations to create a balanced framework around Municipal Rental Replacement By-Laws.

ACORN Canada, the Association of Community Organizations for Reform Now, is a community union of low- and moderate-income people. ACORN has 160,000+ members in 24 neighbourhood chapters across 10 cities. Our central purpose is to effectively represent and champion the interests of Canada's low-and-moderate income citizens on the critical issues of social and economic justice. For more details, please visit <https://acorncanada.org/>

ACORN members are low- and moderate-income tenants who are bearing the brunt of the housing crisis.

Introduction

Rental replacement bylaws are important tools cities can use to protect affordable housing. By mandating developers to ensure that the same number of affordable rentals are built and tenants are allowed back at the same rent after redevelopment, these bylaws ensure that affordable housing is not lost and low-to-moderate income renters are not rendered homeless. However, with Bill 23 and now Bill 97, the provincial government might dilute the existing bylaws that some cities such as Toronto and Mississauga have or restrict the ability of cities that are in the process of developing such bylaws to have strong bylaws to protect tenants and affordable housing. The Ontario government regulation says that the proposed changes under Bill 23 provided the Minister with authority to prescribe limits to municipal powers related to demolition and conversion of residential rental properties of six or more units. Under Bill 97, the Minister will have the authority to make regulations to create a balanced framework around municipal rental replacement by-laws.

While ACORN is not totally against standardization of certain aspects of these bylaws to make sure that they meet **certain minimum standards**, at the same time, we are deeply concerned that such standardization and overbearing power of the province on the cities **might likely be replaced by a weaker provincial law**.

Several ACORN members across Ontario are facing demovictions, many have lost their affordable homes in the process. Ontario is losing affordable housing too fast. The housing that is at greatest risk of demoviction is purpose-built rentals - the rental housing that ensures security of tenure for low- and moderate-income renters and is relatively affordable. Most of this housing was built during the 1960s-70s.

It is far easier to protect the existing affordable housing than building new purpose-built rental housing to meet the current demand. The Federation of Rental-housing Providers of Ontario says the province needs 300,000 new purpose-built rental homes in the next ten years just to keep pace with current demand.

ACORN strongly believes that the Ontario government's aim to build 1.5 million homes in the next decade should not come at the expense of existing affordable housing.



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OVERALL:

- The minimum requirements that the province stipulates should not be something that make the existing bylaws weaker but stronger.
- There should not be any caps on what the cities can do to provide stronger tenant protections and protect existing affordable housing.
- The cities must have powers to pass their own bylaws which meet these basic requirements. The province should not pose any requirements on the cities that delays the process at the level of the cities to have their own bylaws in place. For example, in the case of Inclusionary Zoning, the cities are required to conduct feasibility studies that substantially delays the process.
- There shouldn't be any exemptions considered.

Key features of the [Toronto Rental Replacement Policy](#):

- Demolished rental units are replaced with the same number, size, and type of rental units.
- Existing tenants have the right to return to the **same size and type of unit**.
- Replacement units are charged at similar rents and annual rent increases meet the provincial rent guidelines.
- The compensation could be more than what is currently required by the Residential Tenancies Act. Currently, as per the RTA, the landlord is required to provide the tenant an amount equal to three months' rent. Additional compensation is provided as per the tenant assistance plans discussed with tenants in advance of rental housing demolition applications being considered by City Council and are secured through a legal agreement that binds current and future owners of the land. This compensation typically includes a moving allowance and financial compensation based on the rent the tenant is paying.

Key features of the [Tenant Assistance Policy - Burnaby](#)

- Tenants have the right to return to the new development at the same rent (plus any Residential Tenancy Act rent increases) to a unit with the same number of bedrooms.
- Tenants have flexible options for where they'll live while their building is being redeveloped or renovated. Tenants can find their own interim housing or have the developer help them find suitable options, preferably within the same area unless the tenant requests otherwise.
- Tenants will receive a rent top-up payment to bridge the gap between the rent they paid for their old unit and what they'll pay for their interim housing. The maximum top-up available is equal to 15% of the tenant's current rent, or 30% above the median rent for a similar unit in the same neighbourhood, whichever is greater.
- Developers will help tenants by providing a moving service, or financial compensation if a tenant wants to arrange the move themselves.
- Developers are required to hire a Tenant Relocation Coordinator to assist tenants and deliver on all the items in the policy. Their contact information will be shared with all tenants and posted in the building.
- For moving expenses, tenants have the option of an insured moving company, arranged by the developer, or a cash payout based on the unit size.

What should be the key tenets of the rental replacement bylaws in Ontario?

- The tenant must have the right to return. If the previous tenant doesn't move back in, there should be a means to make sure that the unit is kept affordable and offered to a renter who is in core housing need.
- The replacement unit must be the same size and same rent. It should also be at the same location to ensure that the tenant is not disconnected from their communities and workplaces.



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- The tenant must be offered an interim unit during the redevelopment. If there is a difference in the rent, the developer provides a rental top-up.
- Over and above what the RTA prescribes, the compensation should include moving costs and other additional costs the tenant will have to bear until such time the redevelopment is complete. Further, like Toronto, there must be secured by a legal agreement reached between the city and the developers in consultation with the tenants.
- The rent of the replacement unit needs to be the same as the original rent and must only be increased as per the provincial rent guidelines. It is very important for the rent in the replacement unit to be regulated under rent control guidelines.
- There needs to be clear rules about buyouts.
- The city must ensure that the tenants are made fully aware of their rights if there is demolition application for their building and how they can access their rights.

Thanks for considering ACORN's submission.

Yours sincerely,

Marva Burnett
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For any questions/clarifications, please contact the ACORN Canada office.
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