

# SAVE AFFORDABLE HOUSING PLATFORM

ACORN'S ROADMAP FOR HOW OTTAWA CITY COUNCIL CAN STOP THE LOSS OF AFFORDABLE HOUSING AND TENANT DISPLACEMENT



**APRIL 2024** 

# INTRODUCTION

Improvements to housing supply on its own will not make a dent in Ottawa's housing crisis. If financialized landlords are enabled to abuse the loopholes in Ontario's rent control laws (lack of vacancy control and exemptions for new builds) to evict tenants and raise rents beyond what low and moderate income tenants can afford, the crisis will worsen.

In light of there being no desire from the Province to maintain affordability in rental housing and prevent no fault evictions, Ottawa ACORN has been focusing on municipal solutions to save our city's affordable housing.

ACORN members have organized tirelessly through building and neighbourhood tenant meetings, actions, town halls, and workshops to ensure its members and tenants city-wide know their rights and how to work with their neighbours to defend their homes. Additionally, ACORN members have met with City Councillors and City Staff in the previous and current term to bring these issues forward and demand local action.

Some local examples include the two rounds of mass demovictions in Herongate, renovictions in Manor Village, the City's approved demolition of 142 Nepean St for a parking lot and many others. Tenants that call these buildings home have been immigrants, seniors on fixed income, tenants with disabilities, single parents, and low wage workers.





Some of the predatory tactics tenants experience from their landlords to push them out of their homes include:

- Buy-outs or 'cash for keys'
- Harassment
- Threats of evictions or home sale
- N13 eviction notices for major renovations or demolition
- Neglecting repairs and maintenance

Some Ontario municipalities are stepping up. In January 2024, Hamilton became the first city in Ontario to pass an anti-renoviction bylaw based on the successful policy of New Westminster, BC. Since then, Toronto, London, Sudbury and St Catharine's have all taken steps towards passing a similar bylaw. ACORN members are pleased to see Councillor Troster's motion being presented on April 24th to start this work here in Ottawa.

In addition, the City of Toronto this month took steps to strengthen its current rental replacement bylaw and Hamilton city staff will be reporting on their city's progress in the coming months. Finally, the City of Oakville introduced their own rental replacement bylaw in cases of the demolition and redevelopment of affordable housing.

Ottawa City Council voted in June 2022 to study the feasibility of a rental replacement bylaw in Ottawa but since the passing of the Province's Bill 23 a year and a half ago, has stopped all work on this council direction.

While Bill 23 gave the Housing Minister the power to make changes to cities' rental replacement bylaws, the Province has not used them in either case of Toronto or Oakville. The cost of this delay has been more affordable homes lost, families displaced and tenants being priced out of their communities.

Ottawa City Council must do everything within their power to save the city's affordable housing. With this platform, ACORN members have provided the roadmap for how to get it done.

# WHAT IS ACORN?

ACORN Canada or the Association of Communities for Reform Now is a multi-issue membership-based community union of low to moderate income people. Our organisation is grounded in building community power to hold governments and corporations accountable to the kind of change our members want to see on important issues of housing, banking, digital equity, disability rights and more. ACORN's principles of building local leadership coupled with direct outreach that meets people where they are allows us to build the capacity of low to moderate income individuals to be civically engaged with issues within their communities, across cities and nationwide. With Chapters all across the country, ACORN is able to be both a local-based union advocating for and winning local campaigns, as well as a national community union that brings together members nationwide to fight for justice. ACORN has been organising in Canada since 2004 and continues growing everyday, now with over 177,000 members organised into 30 Chapters across 6 provinces.







# THE DESTRUCTION OF OTTAWA'S AFFORDABLE HOUSING

We are losing more affordable housing than we can build. Each year, Ottawa loses 31 affordable housing units on the private market for every 1 unit of affordable housing that is built. Corporate landlords are destroying affordable housing through renovictions, demovictions and AGIs.

#### **Definitions:**

A <u>renoviction</u> is an eviction that is carried out by a landlord under the guise of major renovations. In practice, these renovations are often unnecessary, cosmetic and/or don't require the tenant to vacate.

A <u>demoviction</u> is an eviction where the landlord evicts a tenant by claiming they want to demolish the rental unit entirely.

An <u>AGI is an Above Guideline Increase</u> in rent that is above the annual provincial guideline set by the Province (currently it is 2.5%). The most common reason for an AGI is for capital expenditures.

#### Statistics:

1. <u>Rising Rents</u>

- 38% of Ontario renters pay more than 30% of their income on rent
- 15% of Onario renters pay more than 50% of their income on rent
- In Ottawa between 2001 and 2021 rents have increased on average by 81%
- In Canada average rent growth in 2023 reached a new high of 8% in contrast to 5.6% in 2022.
- In Canada rent growth (8%) has exceeded both inflation (4.7%) and wage growth (5%)
- Units with rents costing no more than 30% of a city's lowest income household's budget is not only extremely uncommon but in Ottawa, no such units exist. '
- In Ontario between 2006 and 2016 units with monthly rents of more than \$1500 increased by 360%
- Luxury rentals, renting for over \$3000 have increased by 87% between 2006 and 2016.
- The City of Ottawa's 2019 Rental Market Analysis forecasts that average apartment rents will increase by 41% by 2031
- Ottawa's wait list for affordable housing has increased 14.8% between 2017 and 2022

# THE DESTRUCTION OF OTTAWA'S AFFORDABLE HOUSING

#### 2. Renovictions and Demovictions

- Ontario saw a 36% decrease in affordable housing between 2016 and 2021
- In 2023 the average rents in turnover units exceeded rents in non-turnover units by 13% nationally
  - In Ottawa the difference in rent in a turned over unit is 21% higher
- In Ontario there has been a 70% increase in the number of N12's (evictions for landlord's own use) filed between 2017 and 2021
- There has been close to 300% increase in the number of N13s (evictions for major renovations or demolition) filed between 2017 and 2022 in Ontario
- 160% increase in the number of N12s filed in Ottawa between 2017 and 2021
- 545% increase in the number of N13s filed in Ottawa between 2017 and 2022
- N13s tripled in Ottawa in 2022 from 2021

#### 3<u>. AGIs</u>

- 78% of AGI applications in the first 8 month of 2022 were filed by big corporate landlords
- Ottawa was second in the list of Ontario cities that received the most AGI applications 2017-2022
- Out of the 404 landlords who applied for AGIs in Ontario in 2022, only 2 were individuals and not a registered corporation.
- 365 AGIs were filed in Ottawa between 2017-Aug 2022



## MUNICIPAL POLICY DEMANDS TO SAVE AFFORDABLE HOUSING

**1. Renoviction Bylaw** 

Passing an anti-renoviction bylaw similar to Hamilton which includes:

- Requiring a landlord to apply for a city renovation licence within seven days of issuing an N13 eviction notice to a tenant onlying approve the licence application if the landlord has already secured all building permits and provides an engineer's report confirming vacancy is necessary.
- The landlord provides temporary accommodations that are similar to their current unit or a rental top up until the tenant can return after renovations at the same rent
- landlord must allow the tenant to return to their unit at the same rate they were paying before the work was done
- Tenants are provided with information on their rights and entitlements during this process
- The city issues daily fines for non-compliance

## 2. Anti Displacement Policy (ie. Rental Replacement Bylaw)

We need the City to enact an Anti Displacement Policy so in the case of redevelopment of affordable housing, such as in Herongate, Manor Village, Manor Park and elsewhere, affordable market rental units are not lost and replaced with higher market rental units. This would allow families to remain in their communities and prevent increasing waitlists for affordable housing. An Ottawa Anti Displacement Policy should include:

- Units lost to redevelopment must be replaced at a ratio of 1:1 or 25% of the total number of proposed units, whichever is greater.
- Tenants who are evicted should have the first right of refusal to move back into the units created in the new development at the same rent (with allowable provincial increases) and number of bedrooms.
- Rent Stabilization: Tenants can choose between accepting temporary accommodation of comparable size and location at the same rent they were paying before OR a rental top up should the tenant choose to find their own temporary accommodation. A rental top up should cover the difference between their current rent and median market rent for the area + 30% as seen in Burnaby, BC.
- Tenants must be given at least 4 months notice

## MUNICIPAL POLICY DEMANDS TO SAVE AFFORDABLE HOUSING CONT'D



- Moving costs assistance
- Special considerations be used for tenants with disabilities
- Continued maintenance of units while units are still occupied

## 3. Tenant Defense Fund

TDFs in Toronto and Hamilton were created to equip tenant groups with free legal/paralegal supports when they are facing the threat of renovictions and demovictions, disputing AGIs, challenging evictions and when making tenant applications to the Landlord Tenant Board (LTB). TDFs can also provide assistance with filing forms and rent abatement applications, creating a tenant hotline, and putting in place an outreach & education program so that tenants know where to go when they need assistance.

Ottawa ACORN members are calling on the City to support the creation of a TDF program run by an existing non-profit legal group with expertise in tenants rights, that would include:

- Assistance for tenant groups to dispute AGIs
- Assistance for tenant groups to challenge a demoviction/renoviction (N13)
- Assistance for tenant groups to challenge N12s, N5s and N11s as they are increasingly being used as tactics to renovict tenants
- Assistance for tenant groups to do tenant outreach and education
- Assistance for tenant groups to file T6's and rent abatement applications over neglected maintenance.
- Assistance for tenant groups to file T2's over landlords' harassment
- Support for the creation of a tenant hotline

## 4. Landlord Licensing or Registration

While the City has made some progress with higher standards for pest control and rental management bylaws, enforcement is still a huge concern. Our current property standards are reliant on a complaint based system where all of the onus is on tenants to report their landlord to the City. However, there are many reasons why issues are not reported (language barriers, don't know their rights, time, distrust in the system etc). We need Landlord licensing or registration which would include a landlord registry, proactive inspections, increased enforcement and better standards of repair. This would end renovictions and demovictions justified by chronic neglect.

## MUNICIPAL POLICY DEMANDS TO SAVE AFFORDABLE HOUSING CONT'D



The City of Toronto has had a registration program (RentSafeTO) since 2017 and the City of Hamilton just passed their Safe Apartments Bylaw. Other Ontario cities such as London also license some landlords and have done so for quite some time. Moreover, during Ottawa's 'Rental Accommodations Study' in 2019, the city's own outside consultants recommended a pilot project that would license landlords.

## 5. Non-Profit Acquisition Strategy

Explore a Non-Profit Acquisition Strategy that would give non-profit, social housing providers, co-ops and land trusts the right of first refusal to purchase at risk apartment buildings on the private market similar to Montreal.

# 6. No public funds, or permit approvals, to predatory landlords.

Landlords with a known record of displacing tenants (ex. Timbercreek/Hazelview in Herongate, Smart Living in Manor Village, Osgoode St and Bank St) should not receive public funds or permit approvals as their business practices are not in the public interest.

## 7. Proactive Tenant Education Program

Ottawa ACORN is calling for a proactive education program to inform tenants about their rights/resources when:

- A building changes ownership (the City would be notified by the change in licence) Reports from community members or tenant groups of "buy outs" or N13 notices
- When the city receives a building permit application for a multi residential property
- Properties that trigger tenant education should also be visited by by-law staff to ensure property standards are being enforced, recognizing that landlords who are seeking to displace tenants are likely not maintaining units, common areas or grounds.

## 8. Public Registry to Prevent Tenant Displacement

A registry should include tenant buyouts, building permits, & home and rental building sales so the City can inform tenants of their rights as all are warning signs of a renoviction or demoviction to come.

# HOW TO GET

### ACORN is an engine that runs on people power, so there are many ways to get involved in the fight to save affordable housing! Here's how:

- 1. Call your councillor and the Mayor in support of the 'Save Affordable Housing Platform'
- 2. Sign/share our online actions that generate emails to city council: <u>https://acorncanada.org/take\_action/stop-renovictions-in-ottawa-2/</u>
- 3. Volunteer we need help with flyers, posters, phone calls, canvassing and more!
- 4. Become an ACORN member or monthly donor
- 5. Start an ACORN Tenant Union in your building!



### TO GET INVOLVED OR FOR MORE INFORMATION, CONTACT:

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