



Bill 97, Helping Homebuyers, Protecting Tenants Act, 2023 Tenant Protection Proposals

Submission to the Ministry of Municipal Affairs and Housing on
23-MMAH05, 23-MMAH06, & 23-MMAH07

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Introduction

AMO appreciates that *Bill 97, Helping Homebuyers, Protecting Tenants, 2023* recognizes the full continuum of housing and attempts to make life easier for renters. This work is consistent with our ongoing advocacy around improving landlord-tenant relations.

With Ontario in the midst of a housing and homelessness crisis, it is important to preserve rental stock. AMO wants to collaborate with the provincial government to bolster these tenant protections and find additional ways to improve the rental system and its affordability for renters.

We are encouraged to see that the proposed legislation and its associated initiatives align with some of our recommendations for tenant protection and improving landlord-tenant relations:

- ☑ Provide more public education to both landlords and tenants on their rights and obligations
- ☑ Review the *Residential Tenancies Act* on an ongoing basis to ensure a balance of the rights and obligations of landlords who seek a conducive environment to provide rental opportunities and tenants who need adequate protection from illegal or unreasonable “renovictions”
- ☑ Explore ways to speed up the Landlord and Tenant Board (LTB) process, including addressing the adjudicator shortage

AMO is very supportive of the government’s \$6.5 million commitment to add 40 adjudicators and 5 Board staff at the LTB to help reduce active applications and improve client service for applicants. It is an important complement to this legislative proposal given the recent Ombudsman’s report, “Administrative Justice Delayed, Fairness Denied,” which identified a backlog of more than 38,000 cases. Further, the report found an inequity in how long applications took – with landlord applications taking an average time to schedule of 6 to 9 months, and tenant applications taking up to two years.

AMO is eager to see the benefits of these investments and hope they will have significant positive impacts on reducing the backlog of cases, delays, and increasing service standards.

“Renovictions” and Own-Use Evictions

AMO is pleased to see proposals under the *Residential Tenancies Act, 2006* that seek to strengthen protections against evictions, including those due to renovations and landlord’s own use. This is consistent with recommendations from [AMO’s Integrated Approach to Address the Ontario Housing Crisis \(“Housing Blueprint”\)](#).

These measures will provide clarity around rules and serve to strengthen landlord-tenant relations. AMO encourages the government to monitor the situation and evaluate the effectiveness of the new measures to ensure that they are meeting their intended public policy goals.

A Balanced Framework for Rental Replacement By-laws

Rental housing is an essential component of the housing continuum. We need to both protect existing purpose-built rental stock and increase purpose-built rental supply as part of housing affordability measures that will meet the needs of all Ontarians.

AMO will be watching closely to ensure the municipal rental replacement by-law framework balances the need to provide additional protections to tenants while at the same time increasing housing supply. There is widespread agreement that housing of all types is needed, and that includes the need to preserve existing rental housing. Rental replacement by-laws can be a helpful tool to respond to the rental stock needs of their communities.

The creation of a more robust standardized framework for rental replacement by-laws through regulation can help municipalities to better understand and use this important tool that to date has not received widespread uptake. The common rules around types of compensation and requirements to build ‘replacement units’ with the same core features (e.g., same number of bedrooms) as demolished units are important steps.

However, the framework should not result in requirements that are too low, such as limiting municipalities from imposing minimum square footage requirements for ‘replacement units.’ Local governments are a mature order of government and should be allowed some flexibility to meet local needs and circumstances. AMO encourages the province to not jeopardize the ability for municipalities with rental replacement by-laws to require key protections, including to provide replacement rental housing as well as tenant relocation and compensation when existing rental homes are proposed to be demolished.

Finally, it will be important to determine clear transition rules for those municipalities that have these by-laws already in place given that there are applications currently underway. For example, the City of Toronto has 73 active Rental Housing Demolition applications that propose to demolish over 3,440 existing rental units.

The Importance of Additional Tenant Protections and Landlord Rights

AMO recommends that the government continue to review the *Residential Tenancies Act* on an ongoing basis and that provincial actions adopt a human rights approach and an equity lens to ensure that solutions achieve outcomes for all people.

The province should also consult further with landlord and tenant groups on addressing renovations and exploring how measures including implementing vacancy control policies can support affordable rental housing stock.

Housing advocates have stressed that some affordability issues are a result of policies that incentivize more turnover between tenancies. Ontario's rent control system permits annual rent increases at a standardized amount set by the provincial government for units built prior to 2018. Any other rent increases must be justified and approved by the LTB. However, when a unit is vacated there are no limits to the new amount of rent that a landlord can charge. This often leads to rents that are significantly higher and as a result, reduces housing affordability.

As stated by the [Advocacy Centre for Tenants Ontario](#) (2021), this current state of vacancy decontrol creates a financial incentive for landlords to frequently evict tenants and creates challenges for low-income renters to find suitable housing they can reasonably afford. Introducing vacancy control measures would be a significant step towards maintaining housing affordability. It will also help prevent homelessness by providing more stability and security of tenure for low-income renters and for renters on social assistance who may not have other options for finding affordable housing.

Finally, the lack of clarity around the definition of affordable housing and attainable housing has created confusion amongst developers and municipalities alike. Creating definitions that are tied to income and communicating them widely will be critical to address homelessness, build deeply affordable housing, and ensure that affordable housing choices exist across the housing continuum.

Conclusion

AMO appreciates the opportunity to respond to the consultation and associated proposals around Bill 97.

Municipalities are committed to helping the province meet its goal of building 1.5 million new homes by 2031. However, increasing housing supply in Ontario should not result in a net loss of affordable rental housing or housing instability and homelessness for existing tenants.

We look forward to continued collaboration on how to increase protections for tenants and enable better landlord and tenant relations.