

# Preserving Affordable Housing through Rental Demolition Applications, Short-Term Rental By-law, and RentSafeTO

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Submission to Planning and Housing Committee

April 5, 2024

Submission by: Right to Housing Toronto



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Councillor Gord Perks  
Chair of the Planning and Housing Committee  
Toronto City Hall  
100 Queen Street West  
Toronto, ON M5H 2N2

Dear Members of the Planning and Housing Committee,

**Re: Preserving Affordable Housing through Rental Demolition Applications, Short-Term Rental By-law, and RentSafeTO**

We are representatives of the Right to Housing Toronto (R2HTO), a network of organizations and individuals working to support the implementation of the right to housing by the City of Toronto. We are writing in response to three items that will be considered at the upcoming Planning and Housing Committee Meeting 11 on April 5, 2024, all of which have the potential to help preserve Toronto's dwindling stock of affordable housing and ensure renters can live in safe, secure, and affordable homes.

**PH11.10 - Response to Including New Approval Conditions for Rental Demolition Applications**

With respect to new approval conditions for rental demolition applications, we wish to express our support for the following [motions](#), put forward by Councillors Dianne Saxe and Chris Moise, seconded by Mayor Olivia Chow, which seek to support renters facing demoviction and ensure the growth and protection of purpose-built rental units in Toronto.

In summary, these motions direct the City Planning department to:

1. When considering rental demolition applications for large rental buildings, **double rental space in replacement buildings by requiring new purpose-built market-rental units within the development**, in addition to rental replacement units, as a condition of any permit.
2. Report to the Planning and Housing Committee by the end of the first quarter of 2024, on the feasibility of **including secondary market rental data in the rent-gap calculations**, as part of the City of Toronto's Tenant Relocation and Assistance Package.



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3. Have City Council request the Province of Ontario to amend the Planning Act and/or the City of Toronto Act, 2006, to authorize the City of Toronto to require that any development benefiting from government incentives for the **development of purpose-built rental units maintain their rental tenure for the life of the building** and remind the Province of the City's request for inclusionary zoning in order to increase the supply of affordable rental housing.
4. City Council reiterate the importance of the right to return for **all renters** impacted by demolition and redevelopment of rental buildings.

As a publicly-appointed member of the City of Toronto's Housing Rights Advisory Committee, R2HTO is concerned that the City Planning department has advised against implementing some of these recommendations, which risks undermining the City's commitment to advance the right to housing. We urge the Planning and Housing Committee to ensure these recommendations can move forward to protect renters facing demovictions and preserve and grow Toronto's stock of affordable housing. Rental demolitions and redevelopments are [on the rise](#) in Toronto, with renters increasingly left in precarious positions, unsure whether they'll be able to return to their buildings and continue to pay reasonable rental rates, and left to navigate an extremely costly and tight rental housing market.

Rent costs continue to rise dramatically in the city, with [overall average rents](#) of \$1,940, representing an annual increase of 8.7 per cent (the largest since 2000). However, [average asking rents](#) paint a much grimmer picture at \$2,803. Due to the provincial vacancy decontrol policy, "turnover rents" increased by 31 per cent over the past year. At the same time, Toronto's vacancy rate for purpose-built rentals remains very low, at 1.5 per cent, with the vacancy rate for condominiums offered as long-term rentals at 0.7 per cent. Moreover, there are functionally no available units that would be affordable to the lowest income households.

In the midst of this escalating crisis, it is critical for the City to leverage all available tools and resources to build and preserve affordable housing and support renter rights and security. As noted above, requiring developers to increase the number of purpose-built rentals through the demolition and redevelopment process (especially if paired with affordability requirements through inclusionary zoning or other related policies) would help expand the availability of affordable housing options at a faster pace. It is equally important that all rental replacement units (regardless of receipt of government incentives) maintain their rental tenure and affordability for the long-term, as opposed to current standards that only require affordability for a period of 10 years.

Noting the discrepancy above between overall average rents (Canada Mortgage and Housing Corporation (CMHC) data) and average asking rents (Rentals.ca data, which covers both



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primary and secondary rental markets), it is imperative that rent-gap calculations for the Tenant Relocation Assistance Program reflect the current rental market landscape by including a range of primary and secondary rental market data. This will help ensure that displaced renters are adequately supported and able to remain in their community for the duration of their displacement, especially for lower income households who face extremely limited options in the current rental market.

Finally, all renters impacted by rental demolition and redevelopment should have the right to return, regardless of their application status. The time between an application being filed and eviction notices being issued can be years, and renters who move into these buildings in the interim are no less deserving of secure housing. Moreover, it is critical that the City effectively track and monitor renters being displaced through the rental demolition and redevelopment process, considering [recent reporting](#) that less than two thirds of renters are returning.

### **A. PH11.9 - Short-Term Rental By-law Implementation Update**

With respect to the short-term rental by-law implementation update, we wish to express our support for the [recommendations](#) proposed by the Municipal Licensing and Standards department and encourage the Planning and Housing Committee to move ahead with these important changes. Strengthening requirements for short-term rental operators, alongside greater enforcement, property inspections, and data-sharing, will help guard against further commercialized short-term rental activity, while maximizing the availability of long-term, affordable rentals for Toronto residents. We also encourage the City to consider implementing steeper fines to further deter illegal activities, in addition to expanding capacity to monitor short-term rental platforms for illegal suites.

However, we also recognize that short-term rentals can provide necessary accommodations for households in need, including refugee-serving organizations that provide transitional accommodation by partnering with homeowners with secondary suites. As such, we encourage the City to explore opportunities under the Short-Term Rental By-Law to avoid jeopardizing initiatives providing temporary housing for equity-deserving groups.

### **B. PH11.8 - RentSafeTO Program Update Report**

With respect to the RentSafeTO program update [report](#), we are encouraged by the program's enhancements, including expanded evaluation categories and efforts to support enforcement and compliance. However, we remain concerned by the program's limited impact and scope,



including [minimal fines](#) and accountability for landlords, limited opportunities for renter engagement and input, and insufficient City monitoring of the program's implementation. While we were glad to see funding for additional RentSafeTO staff to increase capacity for unit assessments and repairs through the 2024 City Budget, the program could have a much greater impact through a more responsive, robust [landlord licensing system](#).

The City of Toronto has a range of promising programs and policies that can help advance the right to adequate housing by preserving and building affordable housing, while protecting and supporting renters. We call on the Planning and Housing Committee, alongside City Council and staff, to ensure all plans and policies continue to prioritize the right to housing, including for renters and those most impacted by the housing affordability crisis. We look forward to ongoing opportunities to support the City in implementing a rights-based approach to housing.

Thank you,  
On behalf of Right to Housing Toronto (R2HTO)



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