# Implementation Guidelines for Rental Replacement

Submission to Planning and Housing Committee

April 9, 2025

Submission by: Right to Housing Toronto



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: PH20.2 - Implementation Guidelines for Rental Replacement

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 item <a href="PH20.2">PH20.2</a> regarding implementation guidelines for the City's Rental Replacement Policy.

Ensuring that renters have ongoing access to affordable and well-maintained housing is a critical way that the City can uphold the right to housing, especially as we continue to lose affordable housing faster than we can build it. The City's Rental Replacement Policy is an important piece of the puzzle to ensure that rental demolition does not lead to renter precarity, displacement, or homelessness, while helping to preserve the stock of affordable housing across the city.

To implement this policy from a rights-based perspective, renters must be well supported throughout the rental replacement process, including through adequate support, accommodation, and compensation, clear and transparent communication and engagement, and robust enforcement and accountability mechanisms. Further, additional steps should be taken to maximize the affordability of replacement units over the long term.

We are encouraged by the City proposing some tangible improvements to the implementation of its Rental Replacement Policy, such as additional and ongoing renter consultation opportunities, improved information sharing (including through the Rental Replacement Handbook), enhanced data collection efforts (including with renters that have experienced demoviction), additional supports for certain vulnerable renters (including seniors and renters with disabilities), and maintaining the current rent gap assistance calculation (which is generally more reflective of asking rent rates).

However, we remain concerned that significant gaps remain in the City's Rental Replacement Policy, in particular as it relates to **enforcement, support, access, and long-term affordability**. Reflecting R2HTO's previous recommendations, as well as the comprehensive



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list of <u>recommendations</u> developed by No Demovictions, we call on the City to further strengthen the Rental Replacement Policy through the following actions:

# 1. Strengthen enforcement, monitoring, and transparency:

- a. Data collection: Collect and publish data on the outcomes of demovicted renters, development milestones, and replacement unit affordability periods. This will help the City better understand the impact of demovictions on Toronto's housing supply.
- b. Increased staff capacity: Increase staff levels to enable sufficient monitoring and enforcement and ensure that developers are compliant with rental replacement rules and requirements.
- c. Section 111 (S.111) agreement transparency: Ensure every renter facing demoviction has easy access to a free copy of the Section 111 agreement for their building to better understand their rights. There is currently a fee and a lengthy application process to access this information.

## 2. Provide meaningful renter support and consultation opportunities:

- a. **Renter support:** Create a developer-fee-funded program to hire a third-party non-profit organization to provide integrated housing, legal (referrals), and social/mental health supports for all renters facing demoviction. This should include door-to-door outreach and assessment to ensure that accessibility requirements are considered, and that <u>no renter is left behind</u>.
- b. **Working groups:** Require at least three working group meetings related to rental demolition applications to ensure that renters have meaningful input into the proposal and process and are able to have any concerns addressed.

### 3. Ensure equity and fairness in compensation and replacement units:

- a. **Post-application renters:** Reduce the period of ineligibility for post-application renters, so that they have the right to return, receive rent gap payments, and the supports identified in 2a.
- b. **RentSafeTO for all replacement units**: Expand the scope of RentSafeTO to apply to all rental replacement units.
- c. **Loss of amenities:** Ensure that any loss of amenities and/or unit square footage results in a commensurate rent reduction for renters.
- d. **Annual guideline rent increases:** Introduce a formula to ensure that rent gap payments cover the entire difference of the unit during the displacement period, including the provincial annual guideline rent increases.



# 4. Preserve existing affordable rent-controlled housing:

- a. **Tenure of replacement units**: Extend the timeline for replacement units to remain rental units beyond the current 20-year period.
- b. **Affordability of replacement units**: Extend the timeline for replacement units to remain rent controlled beyond the 10-year period.
- c. **Rental demolition periods**: Restrict rental demolition projects when rental housing vacancy rates are low and encourage rental demolition projects when the rental market is healthy.

The City is proposing important steps to improve its Rental Replacement Policy, but further changes are needed to ensure that the policy protects the existing stock of affordable housing across the city – and the people who live there. R2HTO welcomes ongoing opportunities to engage with the City on this policy in particular and we look forward to continuing to support the City in implementing a rights-based approach to all of its housing policies and programs.

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

