

Why the City of Kitchener should investigate the case for a Renoviction Bylaw

January 20th, 2025

WR YIMBY continues to be concerned with the lack of affordable housing in Waterloo Region. With limited opportunities to create additional affordable housing, we urge this Council to investigate all possible opportunities to prevent the loss of existing affordable housing. We request a comprehensive investigation to explore the potential for a renoviction bylaw as a tool to prevent the unnecessary erosion of existing affordable rental housing in our community.

A City of Kitchener staff report maintains that "<u>Currently, Ontario municipalities have no</u> <u>explicit tools at their disposal to protect tenants from evictions due to renovations</u>", yet three other municipalities have decided to pass renoviction bylaws using the tools they have: Hamilton, London, and Toronto. Meanwhile, Councilors of the City of Ottawa have directed staff to continue investigating the possibility despite initial staff misgivings.

While a Renoviction bylaw cannot itself prevent N13 notices to evict for renovations¹, a rental renovation license can promote accountability from property owners by requiring some extra steps that give extra weight to the Residential Tenancies Act's rules and incentivize proposed renovations to only include temporary evictions if theyⁱⁱ:

- Are necessary
- Will happen on the proposed timeline
- Include compensation for tenants as the law requires (Toronto also includes moving costs)
- Enable tenants to access their right of first refusal, (to move back in at the same rental rate) under the terms specified in the Residential Tenancies Act. iii

This model of proactive authorization, which is similar to that used by the City of Kitchener's Rental Replacement Bylaw (2024), removes the burden of proving "bad faith" from inexperienced tenants, by requiring property owners to demonstrate they are acting in "good faith" with the oversight of experienced city staff.

Right to return is a core part of the process of eviction for renovation, demolition, and conversion provided for in the Residential Tenancies Act. However this is often not upheld in practice, even when tenants have filed all of the proper paperwork.



We understand that there is some concern with whether the province will intervene to prevent a renoviction bylaw. However, acting to protect tenants despite fears of provincial interference is not unprecedented. The City of Kitchener recognized the importance of preventing arbitrary displacement of tenants, and the necessity of maintaining housing stock by implementing a municipal rental replacement bylaw, even when changes to provincial legislation threatened to revoke any aspects the province did not approve of.

We acknowledge that the province does have legislation surrounding renovictions; Bill 97, Helping Homebuyers, Protecting Tenants Act, 2023. However, while portions of Bill 97 which have already been brought into force include the potential of larger fines for bad faith eviction; in practice these fines are rarely levied, and the amounts actually charged are still easily recouped with increased rents. Coupled with leaving the onus on tenants to prove bad-faith, this demonstrates a lack of provincial will to deter the practice.

Moreover, as the Advocacy Centre for Tenants Ontario (ACTO) point out: Bill 97 does not do enough to prevent "underhanded tactics to avoid the former tenant from moving into the newly renovated unit at their pre-existing rent" such as failing to let tenants know when renovations are complete, then renting out the unit to someone else at a higher rent. Each eviction means the city has one less relatively affordable unit, creating greater strain on government to support households that previously had such housing.

This is all the more reason for the City of Kitchener to consider intervening. As the Advocacy Centre For Tenants Ontario (ACTO) explains it, a renoviction bylaw would *complement* provincial legislation, not frustrate it, which would allow it to stand up to a Court challenge. V

We know that there is not one single answer to the housing crisis. We must use multiple strategies to address all aspects of the housing crisis, from addressing the market housing shortage, to creating more affordable (non-market) housing, to maintaining existing affordable housing.

We ask the City of Kitchener to investigate the possibility of deterring landlords from conducting evictions in bad faith under the auspices of necessary renovations and to promote additional accountability that legal obligations are being upheld.

Let's do our due diligence to find out if a renoviction bylaw could be an effective tool to protect the remaining affordable rental housing in our community.



ⁱ For example, the City of Toronto makes clear that their Renovation Licence Bylaw will not prevent N13 notices to evict from being issued.

Implementing a Rental Renovation Licence Bylaw to Address Renovictions. Item PH16.4 Planning and Housing Committee, October 30, 2024 (pg. 6):

https://www.toronto.ca/legdocs/mmis/2024/ph/bgrd/backgroundfile-249849.pdf

ii See, for example, Toronto's Draft Renovictions Bylaw which has all the below as requirements for issuing a licence while reserving the power to fine landlords

https://www.toronto.ca/legdocs/mmis/2024/ph/bgrd/backgroundfile-249581.pdf

iii "A tenant who exercises a right of first refusal may reoccupy the rental unit at a rent that is no more than what the landlord could have lawfully charged if there had been no interruption in the tenant's tenancy." Residential Tenancies Act 2006, c. 17, s. 53 (3) https://www.ontario.ca/laws/statute/06r17

iv Kwan, Douglas Submissions to the Standing Committee on Heritage, Infrastructure and Cultural Policy regarding Bill 97, Helping Homebuyers, Protecting Tenants Act, Advocacy Centre For Tenants Ontario 2023 (pg. 6): https://www.acto.ca/production/wp-content/uploads/2023/05/ACTO-Bill-97-Submissions-May-11-2023.pdf

^v See, Advocacy Centre For Tenants Ontario, Legal Opinion - Hamilton Apartment Rental Program, 2023 (pg. 2.): https://acorncanada.org/wp-content/uploads/2023/10/ACTO-Renoviction-Legal-Opinion-2023.pdf