



Protecting Tenants and Strengthening Community Housing

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and Housing

"Our government cares about the well-being of all Ontarians. We want to ensure that our community housing system is sustainable and that both tenants and landlords are protected."

Introduction

Ontario is a great place to live, work and raise a family. But it's become too hard for people in this province to find an affordable home to rent that meets their needs and their budgets. And it's not just a big city problem – we need more homes to rent in small towns and rural communities.

In winter 2018, we asked people to share their ideas for solving Ontario's housing crisis – and more than 2,000 people completed our online survey. Half of them were tenants or landlords. We also met with, and received submissions from, more than 25 rental housing groups.

More Homes, More Choice: Ontario's Housing Supply Action Plan made it easier to build new rental housing by cutting unnecessary and duplicative red tape. In 2018 the rental vacancy rate was 1.8 per cent. Last year, in August, new rental construction outpaced condominiums for the first time in 15 years, and there were nearly 9,900 rental starts in the province – the highest number in any year since 1992.

But we need to do more than just build new apartment buildings. We need to make renting easier and fairer for both landlords and tenants. That's why we're proposing changes to Ontario's rental rules – to make it easier to be a landlord, while enhancing protections for tenants, to make life more affordable.

For the 250,000 Ontario families who live in community housing, we're working with municipalities and non-profits to address issues like safety and long wait lists. Our **Community Housing Renewal Strategy** is helping to sustain, repair and grow our community housing system so it supports the people who need it most, today and in the future. Our proposed changes take the next step to help grow community housing supply, improve the community housing access system and encourage innovative, business-like approaches.

Together, these plans will help everyone find a home that meets their needs and their budget.

Home builders had more than **57,000 new units** of rental housing planned for the Toronto area at the end of 2019 – a **40 per cent increase over 2018**.

Protecting Tenants

Preventing unlawful evictions

Under our proposals, if a landlord wants to evict a tenant to use a unit themselves, they would have to tell the Landlord and Tenant Board if they have done this before, which would help adjudicators look for patterns and identify landlords who may be breaking the law.

We are also enhancing our enforcement activities to be more proactive when we suspect someone isn't following the law, such as contacting landlords and/or tenants where there is credible information to believe an offence may occur.

Compensating tenants for "no fault" evictions

When tenants are evicted for causes beyond their control – such as the landlord renovating or using the unit themselves – most landlords must offer compensation. We're proposing to extend this requirement to all landlords – including small landlords (buildings with one to four units) who evict a tenant to renovate or repair the unit, and also to landlords who evict a tenant on behalf of a home buyer who wants to use the rented unit themselves. In these cases, landlords would have to pay the tenant one month's rent.

Increasing tenant compensation for "bad faith" evictions, including renovictions

Landlords who evict tenants to repair or renovate a unit must give the tenant the opportunity to move back in (at the same rent) before offering it to others. If they don't, or if they give an eviction notice in bad faith, landlords can be ordered to compensate tenants. Currently, the landlord can be ordered to pay, among other things, the difference between the old and new rent for up to a one-year period. We're proposing to increase that compensation by up to a full year's rent, and give tenants two years to file a claim if they were denied the right to move back in.

We also want to double the maximum fine amounts to discourage all unlawful evictions – to \$50,000 for an individual and \$250,000 for a corporation.

The Landlord and Tenant Board finds that Angela was evicted in bad faith and orders her landlord to pay compensation. Angela was paying \$1,500/month in rent before she was evicted. She finds another apartment for \$2,000/month.

Now: The landlord could be ordered to pay Angela up to \$6,000 in compensation (\$2,000/month - \$1,500/month x 12 months)

Proposed: The landlord could be ordered to pay Angela *another* \$18,000 (\$1,500/month x 12 months) for a total of up to \$24,000.



Making it Easier to be a Landlord

Landlords have asked us to update outdated rules and make it easier to do business. We're proposing simple changes so landlords won't have to:

- submit documents to the Landlord and Tenant Board on a CD-ROM
- give tenants a printed pamphlet that duplicates information in the government's standard lease

Allowing landlords to recover costs

When bad behaviour costs landlords money, landlords would be able to apply to recover their costs rather than resorting to eviction. For example, a tenant who won't let a pest exterminator into their unit, forcing the landlord to pay for a second visit; or who pulls the fire alarm for no reason, incurring fire department charges.

Streamlining complex processes

When renters and landlords have problems, they turn to the Landlord and Tenant Board for help. But the system is too complicated; we need more, and simpler, ways to help people resolve disputes.

We're suggesting changes to improve the process, over time, by making it easier to access alternatives to formal hearings, like mediation, where appropriate. We're proposing that tenants must give advance notice of any new issues they want to raise at an eviction hearing, so everyone can prepare and hearings aren't delayed or postponed. The Ministry of the Attorney General also continues to work with Tribunals Ontario to recruit more adjudicators at the Landlord and Tenant Board.

Right now, some processes are handled by the Landlord and Tenant Board and others – like unpaid utility bills – go to Small Claims Court. We want to make the process simpler and more efficient, by allowing landlords to seek compensation at the Landlord and Tenant Board.

Updating land leases

In land lease communities and mobile home parks the tenant owns the building and pays rent to the landlord, who owns the land. In addition to normal maintenance and repairs, the landlord is responsible for community roads, garbage disposal, water and sewers, electrical systems and so forth. As we look to different approaches to housing and home-ownership, we want to make sure that mobile home communities are well maintained and sustainable for future generations.

Transitioning a mobile home park from a local well to municipal water systems may help protect tenants' health and the environment, but it can also be very expensive. We're proposing to make it easier for landlords to recover the cost of big changes like roads and sewage systems through rent increases beyond the rent increase guideline. Since maintenance in a land lease community is different from other rentals, we will explore whether some types of maintenance costs should be treated separately from rent.

Rent increase guideline: the maximum a landlord can increase most tenants' rent during a year without the approval of the Landlord and Tenant Board.

As well, to allow for greater flexibility for employers to provide employee housing and to help them attract top talent, employers would be able to offer their employees an affordable housing option closer to where they work, and an opportunity to build equity through a land lease agreement that meets their unique needs.



What is community housing?

Community housing is housing owned and operated by non-profit housing corporations, housing co-operatives and municipal governments or district social services administration boards. These providers offer subsidized or low-end-of market rents – housing sometimes referred to as social housing and affordable housing, for those who can't access the traditional housing market.

Strengthening Community Housing

Community housing – sometimes referred to as social and affordable housing – is a vital community resource, providing homes for more than 250,000 Ontarians across our province.

Our **Community Housing Renewal Strategy** outlines how we will work with our partners to stabilize and grow the community housing sector. We started with five steps to make life easier for tenants and providers:

1. Removing the rules that punish tenants for working more hours or going back to college or university
2. Protecting tenants who receive child support payments
3. Filling vacant community housing units faster
4. Giving housing providers tools to help them keep their buildings safe
5. Replacing a complicated rent-geared-to-income formula with a simple calculation based on income tax information

Now, we're taking the next step to make the community housing system more sustainable. We want to create a better operating environment for housing providers and give service managers more flexibility to meet the unique needs of their local community.

Community housing renewal principles



- Matching people with housing assistance that meets their needs
- Ensuring supports and services are flexible and rules reflect local realities
- Building effective relationships between all levels of government, housing providers, tenants and Indigenous and community partners
- Promoting innovation and long-term sustainability

We will work closely with municipalities, housing providers and stakeholders to make the community housing system more responsive and sustainable. We want to update old, inefficient rules that make it hard for housing providers to manage their existing buildings and build new ones. Service standards that haven't been updated in more than 20 years limit innovation – we want to work with service managers to develop a modern, outcomes-based approach. Improving the access system would not

just help service managers, it would make life easier for people waiting for community housing – who sometimes have to work through multiple lists, go to different places and navigate complex application processes to find the housing they need.

We will work hand-in-hand with our partners to sustain, repair and grow Ontario's community housing system, making it work better for the people it serves.





Building Better

The \$38 billion building industry sector is a key driver of Ontario's economy. Ontario's Building Code governs the construction and renovation of buildings and protects public safety. We need better, modern and timely services and resources to help building practitioners understand and apply Ontario's highly technical and complex building code requirements.

We're making government services smarter – and that includes delivering faster and better building code services. We're proposing changes that are enabling in nature and would allow for the future creation of an administrative authority to deliver delegated building code services.

We will continue to consult on the governance and accountability requirements a future administrative authority would have to adhere to, how it would fund its operations, and what services it would deliver.

While no decisions have been made about what services a future administrative authority would deliver, based on consultation feedback the government has decided not to pursue the development of a framework to enable the use of certified professionals.

Transforming and modernizing the delivery of building code services responds to the recommendations of the Elliot Lake Commission of Inquiry to protect public safety.

Conclusion

From students to seniors, whether they live in Thunder Bay or Toronto, and whether they rent or own, everyone needs a stable and affordable place to call home.

Once they've found a place to live, renters shouldn't have to worry about being unlawfully evicted and landlords shouldn't have to worry about losing the extra money they earn that helps them pay their mortgage. Unfortunately, some people – both landlords and tenants – take advantage of gaps in the Residential Tenancies Act, giving renting a bad reputation and making it harder for everyone.

Meanwhile, Ontario's community housing system is a maze of complex rules and unnecessary red tape. Many tenants and housing providers tell us the system just isn't working.

That's why we want to update Ontario's rental rules and modernize the community housing system. We can improve the lives of people across Ontario by strengthening protections for tenants while making it easier to be a landlord, and by protecting vulnerable households with a community housing system that is innovative, efficient and sustainable.

When people have a home, they can put down roots and be part of a community. They are healthier and more productive. By making it easier to find a home, we're making life more affordable for individuals and families across the province.

Together, we are protecting Ontario's tenants and landlords and enhancing our community housing system.

Everyone
should be
able to find
a home
that meets
their needs
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budget.



Ministry of Municipal Affairs and Housing
ontario.ca/HousingInnovation