

**Human
Services**

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November 24, 2022

Ms. Cristina DaSilva
Residential and Commercial Tenancies Unit
Ministry of Municipal Affairs and Housing
777 Bay Street, 14th floor
Toronto, Ontario M7A 2J3

Sent Via email: Cristina.Dasilva@ontario.ca

Dear Ms. DaSilva,

**Re: Ontario Regulatory Posting 22-MMAH017- Seeking Feedback on
Municipal Rental Replacement By-Laws**

Thank you for the opportunity to comment on the Province’s proposal to regulate municipal rental replacement by-laws (Ontario Regulatory Posting 22-MMAH017). In support of the Province’s Housing Supply Action Plan, *Bill 23, More Homes Built Faster Act* amends section 99.1 of the *Municipal Act* allowing the Minister to regulate how municipalities may enact bylaws to control the demolition or conversion of multi-unit residential rental properties of six units. Please note that the following comments and recommendations are provided by Region of Peel staff and may be considered by Regional Council for endorsement. If additional or differing comments are provided through a Council resolution, they will be forwarded to the Ministry for consideration.

In Peel, approximately 47,000 purpose-built rental units across 480 apartment buildings with six units or more are the backbone of the market rental housing supply that remains relatively affordable and home to most of the 20 per cent of Peel’s renting households. It is important to recognize that Peel is unique from other regional municipalities in the Greater Toronto Area in that it has a higher proportion of renter households. These families largely live in core housing need, and, are more likely to be racialized or otherwise marginalized as compared to those that own their homes. In fact, demand for purpose-built rental supply in Peel far exceeds supply with prices continuing to grow year-over-year while vacancy rates have historically been below 3 per cent.

The prospective loss of rent replacement rules, the absence of rent controls on units first occupied after November 15, 2018, and vacancy decontrol will collectively lead to the loss of existing affordable rental units, disproportionately impacting marginalized households, including those racialized. Rental demolition and conversion rules safeguard community affordability and diversity as communities intensify.



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Recommendations

To facilitate growth in rental supply while protecting existing affordable market rental supply, Regional staff recommend that the Province consider:

- Providing provincial funding to support the exemption of rental replacement units from the range of charges and fees associated with the planning and development process;
- Exempting rental replacement units from planning requirements of the proposed redevelopment;
- Tying rental demolition and replacement rules to rental market conditions (e.g., rental replacement rules would not apply if the market has a purpose-built rental vacancy rate of more than 3 per cent for the preceding three years);
- Exempting any affordable housing projects from rental replacement requirements;
- Maintaining the existing Provincial Policy Statement approach to defining affordability as the lesser of either an income-based calculation for low- and middle-income households or a percentage below average market price, and;
- Working with Service Managers for affordable housing systems to establish a standardized methodology for calculating income-based affordability.

Conclusion

As Service Manager for the affordable housing system, the Region is on the frontline of the housing affordability crisis and appreciates the Province's efforts to build 1.5 million housing units over the next decade. We look forward to working with you to:

- ensure the use of housing for homes (e.g., addressing vacant units and speculation),
- increase the supply of new affordable housing;
- ensure the longevity of existing housing that is affordable;
- expand the scope of social programs to assist families in carrying high housing costs; and
- strengthen the capacity of the Service Manager and community housing sector to respond to continually growing need.

We trust that the Region's comments are helpful as the Ministry considers the regulation of municipal rental replacement bylaws. The Region is committed to continuing to work with the Province and other stakeholders to achieve our shared objective of increasing housing supply that is affordable to Peel



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residents. I would be pleased to provide any clarifications or additional comments on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Aileen Baird'.

Aileen Baird
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