

Thursday February 6, 2025

Sent via Fax: 519-741-2800

Councilor Stephanie Stretch Ward 10 C/O Office of the Mayor and Council Kitchener City Hall 200 King St. W. Kitchener, ON N2G 4G7

Dear Councilor Stretch,

## RE: Support for an Anti-Renovictions By-law for the City of Kitchener

I am writing to express the Advocacy Centre for Tenants Ontario's (ACTO) strong support for a by-law at the City of Kitchener that mirrors the anti-renoviction by-law approved by the cities of Hamilton, London, and Toronto. An anti-renoviction by-law is essential for saving Kitchener's few remaining affordable rental units. Such a bylaw would strongly discourage predatory landlords who are taking advantage of Ontario's weak rent control regime by evicting long term law abiding renters in order to seek maximum returns on their investment.

ACTO is a community legal clinic funded by Legal Aid Ontario to provide legal services to lowincome renters across Ontario on issues that affect their ability to provide and maintain decent homes for themselves and their families. We have been supporting local residents across Ontario in their attempts to address the rise of renovictions and thereby stemming the loss of affordable rental housing in their communities.

## **Revovictions Backgrounder**

In Ontario, renovictions occur when the landlord serves a notice of termination called an N13 to the renter informing them that they need to vacate the unit in order for renovations or repairs to be completed. The renter then has the right to return to the unit once the renovation is complete and continue with their tenancy paying the same rent that they were charged prior to vacating the unit. A renoviction that is performed in bad faith occurs when the landlord rerents the unit to another renter, usually at a higher rent, instead of returning the original renter back to their home.

There are two reasons why predatory landlords prefer to renovict law abiding renters. Generally renters can only be evicted for just cause in Ontario which ensures security of tenure for Ontarians. The N13 process is one of the very few ways a renter can be forced out of their home despite not having done anything wrong. The other driver of renovictions is Ontario's loose rent control system where units first occupied before November 15, 2018 have annual increases

prescribed by the province based on the Consumer Price Index up to a maximum of 2.5%. However, if a renter leaves a home then there is no limit to how much a landlord can charge for that unit. Waterloo Region saw rents for two bedroom units <u>significantly increase</u> by 7.4% in 2023 and 4.2% in 2024 far exceeding the provincial rent increase amount.

## **Renovictions in Kitchener**

For many years Ontario has been experiencing a housing affordability crisis. This crisis has been exacerbated by the significant increase in renovictions which have removed thousands of affordable homes from the rental marketplace. According to ACORN's <u>Ontario Renoviction</u> report 2024, Kitchener experienced a 55% increase in N13 evictions in 2022 compared to 2017. Kitchener has the 6<sup>th</sup> highest number of N13 evictions in the province with 136 between 2017 to August 2023 behind London at 153. The top five cities that have experienced N13 evictions are Toronto, Hamilton, Ottawa, Windsor and London. Four out of those five cities have either passed anti-renoviction bylaws or have staff investigating their efficacy.

The <u>media</u> have reported that renovictions are taking place at 250 Frederick Street and 141 and 149 Borden Avenue where N13s have been served to all of the renters in these buildings. These buildings are owned by the same landlord, Michael Klein, whom ACORN has described as the worst <u>renovictor</u> in Ontario. They describe this landlord's business practice as purchasing buildings with long time renters and then serving them with N13s and offers to buy out their leases in order to rerent those units at higher rents.

Renters and community legal clinics across Ontario are organizing to prevent mass evictions this practice, if left unchallenged, could create. Most recently in Toronto the renters were able to stave off eviction with the help of their local councillor. The councillor discovered that no work was performed after the city issued building permits for Klein's buildings. The councillor allowed the permits to expire and this became a crucial factual <u>finding</u> at the Landlord and Tenant Board hearing.

The buildings in Kitchener have building permits but they are currently suspended and not allowed to lapse as the by law office suggested that it was waiting on the outcome of eviction hearing at the Landlord and Tenant Board. We request that the suspension be lifted and the permits are allowed to elapse.

## **Municipalities are Taking Action Against Renovictions**

Although the Province has jurisdiction when it comes to property and residential tenancy matters it has been slow to take action having finally taking action in Bill 97 which sets out increased fines for bad faith evictions and mandatory notice requirements for landlords. This Bill received royal assent in October 2023, however, the protections against renovictions have yet to be proclaimed meaning that these protections cannot be enforced. Even if they were proclaimed these protections place the onus on the renter to seek justice at the Landlord and Tenant Board where wait times for hearings have been a well known problem since 2020. When renters have won their case and the Board has ordered landlords to pay fines for bad faith evictions only 4 out of 13 landlords from 2020 to 2023 actually paid those fines. Lastly, the higher fines in Bill 97 can only be applied by a separate 3<sup>rd</sup> party government agency that initiates an investigation resulting in a provincial offence conviction. In conclusion that is why renters need an effective municipal anti-renoviction bylaw that addresses the shortcomings that exists in Bill 97.

There is no question that municipalities have the authority to pass an anti-renoviction bylaw. The bylaws in Hamilton, London, and Toronto that will come into effect in 2025 demonstrate this. Toronto and Hamilton's by-laws, in our opinion, are the gold standard for an anti-renovictoin bylaw because they call on landlords to provide rent gap payments to the renter paying the difference between the rent they are charged while away from their home and their former rent. This provision ensures that the renovation is performed promptly and minimizes the time that a renter is displaced from their home.

In summary, an anti-renoviction bylaw is an essential model for ending the outsized role that renovictions play in Kitchener's broader housing crisis. It is essential because it both eliminates renovation scams from dishonest landlords that evict renters into Kitchener's housing crisis while allowing honest landlords to carry out improvements on their property. By taking meaningful action on renovictions that mirrors Hamilton and Toronto, Council can help prevent both the further loss of Kitchener's affordable housing stock and having more families uprooted from their homes and communities and into Kitchener's ever-increasing housing crisis. This by-law is exceptionally urgent and Council cannot afford to miss this opportunity to protect the City's housing supply and the overall well-being of its residents.

ACTO stands firmly in support of adopting an anti-renovictions by-law in Kitchener that mirror's Toronto and Hamilton's as soon as possible, and we hope that you will consider its adoptions as an important step towards ensuring affordable and accessible housing for your residents. In addition we ask that the building permits are pulled from the above address or in the alternative that they are permitted to elapse.

We look forward to a constructive discussion on this important renter protection.

Yours very truly, Advocacy Centre for Tenants Ontario per:

Douglas Kwan Director of Advocacy and Legal Services