

November 24, 2022

### **Electronic submission only**

**ATT:** Cristina Da Silva  
Cristina.Dasilva@ontario.ca

**RE: Proposed enactment of the Minister's regulation-making authority under the Municipal Act, 2001 to introduce new limits on municipal rental demolition and conversion by-laws.**

Ontario Regulatory Registry Posting N/A, Proposal Number 22-MMAH017

### **Background:**

Ontario Regulatory Registry posting (N/A), Proposal Number 22-MMAH017 works with Schedule 4 of Bill 23 which proposes adding a subsection (7) under section 99.1 of the *Municipal Act, 2001*. This new section would enact the Minister's regulation-making authority to introduce regulations that impose limits and conditions on the powers of local municipalities to prohibit and regulate the demolition and conversion of residential rental properties with six units or more. This amendment to the *Municipal Act, 2001* is intended to standardize and clarify municipal powers and provide consistency across the province. The intent of this posting is to seek feedback on the nature of a future regulation.

### **Comments:**

Rental units provide some of Burlington's most affordable housing, providing housing units for some of Burlington's most vulnerable residents. More Homes Built Faster should always include rental homes. Like in many of Ontario's Cities, the demand for rental units in Burlington has outpaced supply consistently over the last 15 years. As the demand for rental units continues to grow, it will be important that municipalities have the tools available to protect existing rental stock and incentivize the creation of new rental housing.

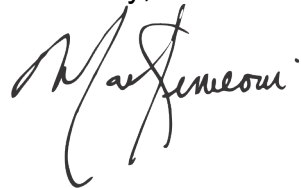
After extensive study and consultation, the [City of Burlington's Housing Strategy, 2022](#), recommended leveraging the existing policies within the Burlington Official Plans (1997 in effect and 2020 under appeal) to implement a rental-replacement by-law that would protect the existing rental stock. The policies of the Official Plan(s) seek to protect rental units and are responsive to local rental market conditions.

Limiting the ability of municipalities to be responsive to local context to protect existing rental stock will undermine their capacity to provide housing for residents. In Burlington, it will undermine the City's ability to meet growing rental demand, lowering an already exceedingly low vacancy rate, reducing affordability and impacting the quality of life of residents.

### **Next Steps:**

Please accept this letter and its attachment as the City of Burlington submission on ORR posting Proposal Number 22-MMAH017. Given the short period for consultation the attached comments have not been approved by City Council. This letter and its attachment will be shared with the City's Committee's and Council at the earliest opportunity. Should Council determine any additional comments or refinements to the attached comments are required the Province will be advised at the earliest opportunity. Should a Regulation come forward, staff look forward to engaging with the Province to provide comments and finding solutions together.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark H. Simeoni'.

Mark H. Simeoni, MCIP, RPP  
Director of Community Planning  
Community Planning Department  
City of Burlington

Appendix F: Municipal Rental Replacement By-Law

Theme: Helping Home Buyers and Renters Contributor: Community Planning Primary Associated ERO Postings (Deadline): <b>Municipal Act – Municipal Rental Replacement By-Laws (ORR 22-MMAH017)</b>  November 24, 2022			
Summary of Changes	Staff Comments/Questions	<a href="#">Guiding Principle</a> (see the Options considered section of the hyperlinked report) (indicate support or concern)	Approaches or alternatives for consideration
1- Municipal Rental Replacement By-Laws.  Adding in subsection (7) under s.99.1 of the Municipal Act, 2001 to enable the province to introduce regulations to impose limits and conditions on the powers of a local municipality to prohibit and regulate the demotion and conversion of residential rental properties with six or more units.	<u>Questions</u> <ul style="list-style-type: none"><li>How would this new regulation protect existing rental units and tenant rights?</li><li>Under what circumstance would a Regulation be introduced?</li><li>How would the regulation give regard to the nuances of local context within the rental market?</li></ul> <u>Burlington’s Rental Market</u> <ul style="list-style-type: none"><li>Demand for rental units in Burlington continues to outpace construction of rental units. Burlington’s vacancy rate has been at or below 2% for the last 15 years and Burlington needs to build over 200 units per year to keep up with rental demand. Limiting the protection of exiting rental units will undermine the ability of the City meet the demand for rental units.</li><li>25% of Burlington’s Households were renters in 2021 up from 20.5% in 2006 with 20% of renters in Core Housing Need in 2021.</li><li>City of Burlington’s Official Plans (1997-in effect and 2020-under appeal) policies intend to protect rental units and is responsive to the vacancy rate.</li></ul>	<b>More Homes Faster</b> <ul style="list-style-type: none"><li>The construction of more housing units faster should include rental units. Reducing protections for existing rental units will erode the City’s already limited supply of rental housing stock, reduce affordability of units overall and undermine the city’s ability to deliver the required 200+ new rental units needed to keep up with demand.</li></ul> <b>Complete Communities</b> <ul style="list-style-type: none"><li>Rental units represent some of Burlington’s most affordable housing options, their protection and incentivization is critical to meet the needs of middle and low income residents and to protect its most vulnerable community members.</li></ul>	<ul style="list-style-type: none"><li>The new regulation should be responsive to local rental market conditions and vacancy rates.</li><li>While the Residential Tenancies Act provides protections with regard to extensive/major renovations, it does not provide protections for demolition and conversions of rental properties. A new regulation should consider protections for renters related to demolition and conversion; giving regard to the substantial impact on renters and their quality of life when their units are demolished or converted.</li><li>Should a regulation be prepared, consider developing a monitoring framework to ensure that the rental stock is not negatively impacted and that the number of renters in Core Housing Need does not increase.</li><li>Given that the demand for rental units continues to outpace supply, consider opportunities to invest in grants and other funding sources to incentivize the creation of new rental units within communities.</li><li>Consider exempting demolition/conversion of rental units with 6 or more residential rental units from required conditions (such as required 3% vacancy rate) if:<ul style="list-style-type: none"><li>More or same residential units are being provided by proposed development/conversion</li></ul></li></ul>

**PL-82-22**  
**Appendix F: Municipal Rental Replacement By-Law**

	<ul style="list-style-type: none"><li>• Burlington’s Housing Strategy, 2022 highlights the importance of a healthy rental housing stock (at or above 3% vacancy rate) to meet the needs of residents at all income levels and stages of life.</li></ul>		<ul style="list-style-type: none"><li>○ The same number of rental units with the same number of bedrooms per unit and similar rental rate are being provided</li><li>• This approach would generally be in line with the City’s 2020 Official Plan policies</li></ul>