

Mayor Guthrie Appendix: Municipal Scan of Renoviction By-Laws - 2024-217

I have pulled the staff information report regarding "Renovictions" and placed it on this agenda for further discussions with my council colleagues, the public and staff. Although informal evictions are not illegal, in practice many tenants can encounter disinformation, and coercion to get them to move. I, and many of you, have started to hear these stories more and more throughout the city which is why I believe we should take action.

For context, I have spoken to other cities that have implemented such bylaws or licensing fees, although there are only a handful of municipalities that have implemented such a bylaws or processes.

Based on my research I believe there are three options that I feel should be explored further:

1. Licensing fee for renovations dependent on the scope or time required for unit to be vacated by tenant(s).
2. Rental Replacement Program offering tenants options and compensation choices with limitations under the Municipal Act.
3. A combination of both.

Hamilton Approach:

Council approved in spring 2024 (implementation date of January 2025) a renovation licensing fee. A landlord must prove through the application process the work they are undertaking, the requirements of them and the tenant to accomplish the renovation and depending on the scope of work a fee may or may not apply. Currently this is approximately just over \$700. If the work is a natural "state of good repair" or "temporary", then the application process and fees may not need to be applicable. This is not revenue neutral to the tax-base and there is a considerable cost for administration of the program. There were some concerns that these new fees will ultimately trickle down to the tenants resulting in higher rents. There is some nuance here where authority under the Municipal Act does seem to allow for the creation of "fees" and "licensing" to be under the control of the municipality.

Kitchener Approach:

Another Example, (while currently not using licensing fees), and a further nuance, is from The City of Kitchener. Under the Municipal Act, they have researched the authority given to cities under section 99.1, outlining the scope of their bylaw to only apply to demolition and conversion with six or more units. This approach enforces options to the tenants through a compensation process from the landlord. These options can include:

1. Temporary Offsite Replacement Unit: A comparable rental unit rented at the same price as their existing unit until construction of the new unit is complete at which point the tenant is given first right of replacement to occupy a new unit.
2. Rent Waiver: The option of remaining in their unit for 12 months rent-free with the obligation to vacate thereafter. Additionally, the developer will be required to provide a unit in the new building at affordable rents for a period of 10 years.
3. Cash Payout: The option of receiving the cash equivalent of 10 months of rent and an agreement to vacate the property in two months. Additionally, the developer will be required to provide a unit in the new building at affordable rents for a period of 10 years.

Both municipalities did extensive engagement with multiple impacted parties and research on these proposals, and did so over a year or more with results and final recommendations tabled based on their local needs.

The purpose of bringing this topic to Council is to request staff to examine further the tools available to The City of Guelph under the authority through the Municipal Act to regulate evictions AND to seek any application of a potential renovation licensing fee. Another words staff would be directed to examine option three above, which is a combination of both.

At this time, I am proposing the following direction for council consideration:

1. That staff be directed to create a draft rental replacement bylaw and/or a renovation licensing fee program requiring landowners seeking to renovate, demolish or convert rental units to provide alternative housing or compensation to tenants and require the provision of replacement rental housing in new developments.
2. And, that the draft bylaw be presented for further consideration and approval by Q2 2025.
3. And, that staff be directed to undertake further analysis to determine if a new fee should be added to the fee schedule as part of future budgets to cover administrative and program costs.
4. And, that any applicable bylaws or Official Plan amendments required to establish such a bylaw be included within the final recommendations.
5. And, that any options for penalties for failure to follow such a bylaw or fees also be considered.
6. And, that staff immediately create an EVICTION SURVEY to shape and capture ongoing impacts of evictions occurring within the City of Guelph.
7. And, that staff be directed to immediately create a "Renting in Guelph" landing page to help guide renters of their rights, expectations and information from other orders of government and resources.

Link to Kitchener Eviction Survey for Reference:

https://form.kitchener.ca/DSD/PLAN/Online-eviction-survey?_gl=1*1rx1u85*_ga*MTA1NTYwMTk5Ny4xNjMyOTU4OTkz*_ga_E8XW1ZK2RY*MTcxODkyMTAzOC4xNTc2LjEuMTcxODkyMTUzOS4wLjAuMA..