

This copy is for your personal non-commercial use only. To order presentation-ready copies of Toronto Star content for distribution to colleagues, clients or customers, or inquire about permissions/licensing, please go to: www.TorontoStarReprints.com

CONTRIBUTORS

OPINION

Doug Ford's new housing plan could be bad news for renters. Here's why

The city needs to take advantage of the province's consultations to defend the rental replacement program.

By **Matt Elliott** Contributing Columnist

Tue., Nov. 1, 2022 | ⌚ 4 min. read

THE BIG NUMBER

16,436

the number of new rental units built in the city between 2011 and 2020. That compares to 131,239 new condos — a number about eight times higher.

For Mayor John Tory and members of Toronto city council, the scariest sight this Halloween might have been a part of Premier Doug Ford's latest housing bill, the ["More Homes Built Faster Act."](#)

Specifically, the spooky section has to do with Ford's provincial government giving itself powers to "make regulations imposing limits and conditions on the powers of the city to prohibit and regulate the demolition and conversion of residential rental properties."

Once the bill passes, the province will be empowered to weaken or even eliminate a [long-standing city hall policy](#) that requires developers who demolish rental apartment buildings with more than six units to provide replacements for units they knock down.

The policy also requires the replacement units to be made available to existing tenants, at rents similar to what tenants were paying before the demolition.

The rules exist because while, over the last two decades, the development industry has had a relentless hunger for new residential condo projects, its appetite for what the industry calls "purpose-built rental units" has been considerably weaker — to the point where, without the policy, a lot of rental units could have been erased to make way for more condos.

And this city needs every darn rental unit it can get.

The [numbers tell the basics of the story](#). Between 2011 and 2020, Toronto's housing market saw the addition of 131,239 completed condo units, compared to just 16,436 dedicated rental units.

That massive gap wouldn't necessarily be a concern if the number of homeowners was growing at a similar rate, but that is not the case. Like, at all. The percentage of Toronto households who rent has been slowly but steadily trending upward according to regular census updates. Renter households were 46 per cent of the city in 2006, 47 per cent in 2016 and 48 per cent in 2021.

Within the next decade, Toronto is very likely to become a city where the majority of households are renters.

But dedicated rental apartments remain a small part of our new housing mix. The city has been adding about 6,400 renter households each year, but only 1,600 new dedicated rental units annually.

The number of new rentals added each year has increased following the Ford government's removal of rent control on new projects starting in 2018 — freeing builders to escalate rents — but the pace of dedicated rental construction is still nowhere near fast enough to keep up with demand.

The mismatch pushes renters to what the city calls the “secondary market” — things like condo units rented out by their owners, or basement apartments.

For tenants, though, there's double trouble with that approach.

First, secondary market rents generally run higher than dedicated rental units. Condo rental units, for example, have had average rents close to \$1,000 per month higher than dedicated rental units.

Second, units in the secondary market have been less stable for tenants than dedicated rental units. Many of them are owned by speculators who are waiting for an opportunity to sell, which can trigger an eviction.

In short, things have been bad for renters in this city. Really bad. But imagine how much worse they'd be if condo-hungry developers were empowered to freely knock down existing rental buildings, with no replacement.

City hall's rental replacement policy isn't perfect — a report earlier this year from the city's auditor general pointed out several shortcomings and called for improvements — but it's at least kept some of the city's dedicated rental units from fading away as condo-mania ran wild. Without the city's replacement requirement, thousands of rental units could have been lost, with no protections for tenants.

Sure, critics could argue that Toronto's rental replacement rules are only necessary because the city's zoning rules don't allow taller buildings in vast swaths of the city, making older rental buildings, in areas zoned to allow height, a prime target for condo developers looking to build. I won't disagree with that. But the remedy for that problem is to change the zoning, not to allow more conversion of rental units to condos.

But amazingly, there's actually some good news here: the provincial government, to its credit, signalled in a media release last week that they intend to consult before making changes to the provincial policy on rental replacement. It's a bit of a surprise given Ford's crew hasn't given many avenues for discussion with municipalities — especially Toronto — before barrelling through with other changes.

So Tory and the new and returning members of city council should seize this rare opportunity, and speak loudly in defence of renters. When Ford comes asking if the city wants changes that could weaken rental replacement requirements, Toronto's response should be simple, and driven by a recognition that Toronto tenants deserve a city council that will stand up for them.

Consider this. A single page, typeset in the biggest font size possible, bolded, with one word: “No.”



Matt Elliott is a Toronto-based freelance contributing columnist for the Star. Follow him on Twitter: @GraphicMatt

Read more about: Doug Ford

SHARE:

Copyright owned or licensed by Toronto Star Newspapers Limited. All rights reserved. Reproduction or distribution of this content is expressly prohibited without the prior written consent of Toronto Star Newspapers Limited and/or its licensors. To order copies of Toronto Star articles, please go to: www.TorontoStarReprints.com