Addressing Demovictions Across Toronto:
Policy Brief & Recommendations on Toronto's Rental Demolition Policy

NO DEMOVICTIONS

SUMMARY

The rate of purpose built rental housing being demolished across the city is escalating, resulting in increasing housing precarity for tenants, the displacement of thousands of tenants from their homes, and the permanent loss of thousands of units of good-quality, rent controlled, purpose-built rental housing.

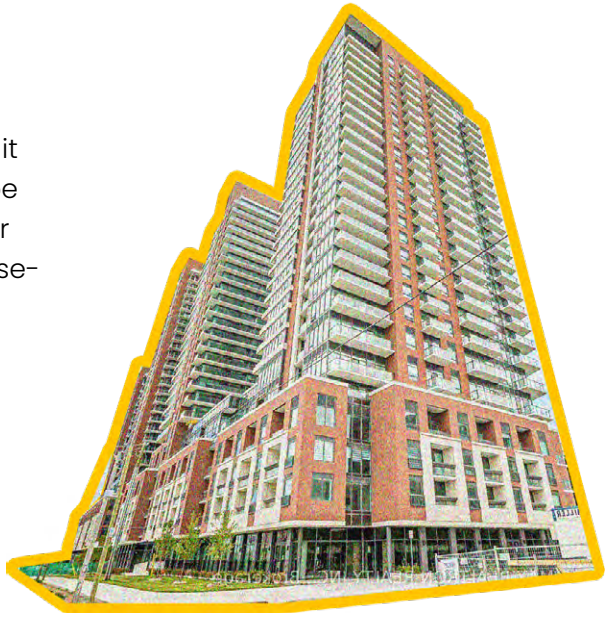
The City's rental replacement and tenant relocation and assistance policies, which once discouraged the demolition of rental housing by adding to the cost of redevelopment, are no longer working as intended. Although provincial policy has significantly constrained the City's options, more needs to be done to preserve the existing purpose-built rental housing stock and protect tenants from displacement and from the significant harms that displacement causes. Specifically:

1. **Post-application tenants** must be given the same rights & entitlements as other tenants.
2. **Tenant supports** need to be bolstered–especially for vulnerable tenants–to help with navigating the years-long TAP process, packing, finding alternate housing, and moving/moving back in.
3. **Tenants must be meaningfully engaged** in all decision-making that affects their housing.
4. **A right-of-first-refusal policy** should be considered to help protect and preserve our rent controlled housing stock and tenancies, complemented by a significant increase in MURA program funding
5. **RentSafeTO** must be expanded to include replacement rental units.
6. **The City must start monitoring and reporting** on changes to the type and affordability of the housing stock and on tenant outcomes, and regularly evaluate the impact of City policies on these metrics.

BACKGROUND

A demoviction is when a tenant is evicted from their home so that it can be demolished–and in most cases, so that the property can be redeveloped. This may happen to smaller apartment complexes or houses, but is increasingly happening to tenants who live in purpose-built rental apartment buildings across Toronto.

Increasing Toronto's housing supply is necessary. But where and how that growth occurs matters. When redevelopment is achieved by demolishing occupied rental housing, new supply comes at the direct cost of existing tenants and the existing housing stock of rent controlled, affordable homes, with a diversity of designs that meet a range of needs and lifestyles.



NO DEMOVICTIONS

Toronto has had policies in place for decades to discourage the demolition of rental housing as a way to preserve the supply and affordability of the city's purpose-built rental housing stock. Toronto's Official Plan requires redevelopment projects that involve the demolition of 6 or more rental units to replace the demolished units with new rental units in the new building and, for at least 15 years, rent them out at roughly the same rents as the units that had been destroyed.

Chapter 667 of Toronto's Municipal Code requires the redevelopment project to also create a Tenant Assistance Plan (TAP) that entitles most of the tenants that will be demovicted to some compensation to help them afford alternate accommodations during the redevelopment process, and access to a comparable replacement unit (in terms of size and rent) when those units are completed.

For years, the cost to developers of implementing these requirements succeeded in discouraging developers from redeveloping purpose-built rental housing. However, this is no longer the case: as the height and density of permitted new condo towers has ballooned, so has the potential profits that developers can realize by demolishing a smaller rental building and replacing it with a tower with 10 times as many units.

THE IMPACT

Since 2020, more than 5,300 rental units across Toronto have been approved for demolition. We don't know how many tenants will be displaced in the process or what will become of those tenants because the City doesn't track the impact of demovictions on tenants or tenant outcomes.

We do know, anecdotally, that the consequences for tenants can be profound. Tenants are often uprooted from homes and communities they have lived in for decades, where they have built enduring relationships among neighbours, caregiving networks, and social and community services. This is particularly challenging for vulnerable tenants, such as seniors and people with disabilities.

Research has shown that forced eviction is so traumatic that it significantly reduces life expectancy.

Tenants are forced to pack up their lives and choose between either moving to a temporary location, and then after years of displacement and uncertainty, pack and move again into a less liveable unit (in regards to unit design and accessibility) or give up their access to a replacement unit and move elsewhere permanently–often to a unit at current market rents, which can be several times more expensive than the unit they were demovicted from. We have heard from senior tenants that they hope they die before they're actually demovicted.





Michael Whitehead knows his time at home is nearly up — but the exact day he'll need to pack his bags and face Toronto's rental scene is anyone's guess. At 62, he's spent nearly half his life at 25 St. Mary St — a comfortable, 1960s-era rental tower near Bay and Bloor streets where he secured a two-bedroom, rent-controlled apartment at a manageable price in the mid-1990s. Any day now, though, that familiar life will be thrust into disarray.

"You aren't just getting rid of people's homes. There was a community of people that had a relationship with each other."

KEY POLICY GAPS REMAIN

Not all tenants are entitled to compensation and a replacement unit in the new building: tenants who moved into the building after a demolition application was submitted to the City are excluded from this assistance. They are forced from their homes and into a highly unaffordable rental market with only minimal support. The number of tenants in this situation is growing as developers put their development plans on hold due to market conditions.

The City also doesn't track the impact of demovictions on housing affordability or the supply of affordable housing. When rental units are demolished and replaced, they are replaced with units that have 10-15 year affordability periods. At the end of the affordability period the unit becomes a market rent. Demovictions represent the permanent loss of affordable, rent controlled housing. Rental replacement requirements simply delay this outcome.

Changes to the Official Plan require provincial approval from a PC government that has been explicitly hostile to both municipal rental replacement requirements and to tenant protections. In 2022, the Ford government passed Bill 23, which gave the Minister the authority to make regulations imposing limits and conditions on the powers of a local municipality to prohibit and regulate the demolition and conversion of residential rental properties. Although the Minister has not enacted regulations or limits to municipal powers, the concern remains that they could at any time, especially if Toronto tries to strengthen existing policies.

No Demovictions has been working in this context to try and strengthen Toronto's policies and protections for tenants. While we have been successful in seeing meaningful improvements in tenant engagement and communication, Tenant Relocation and Assistance requirements, data reporting, and municipal oversight, significant gaps remain.

DEMOVICTION PRIORITIES FOR TORONTO'S NEXT CITY COUNCIL:

1 Post application tenants must be given the same rights and entitlements as other tenants.

Tenants should not be subsidizing development and should not be forced into homelessness because developers are seeking to dramatically increase their profits. Tenant Relocation and Assistance requirements have been developed with this principle in mind. All tenants should be protected by this policy, not just those with tenancies at the time that a developer submits their demolition application.

2 Tenant supports to help navigate the years-long TAP process: packing, finding alternate housing, and moving/moving back in, must be strengthened–especially for vulnerable tenants.

The tenant relocation and assistance process is incredibly bureaucratic and challenging for tenants navigate, but is required for tenants to remain eligible for compensation and a replacement unit.

It is significantly more challenging for vulnerable tenants, including seniors, people with disabilities, low-income households, families with children, newcomers, and tenants with limited access to transportation or social supports. In addition, vulnerable tenants experience substantially greater barriers to relocating that could put them at risk of homelessness. Equality is not equity: uniform compensation packages don't produce uniform outcomes. While the City has committed to producing a vulnerable tenant policy, this has yet to be adopted and implemented, and there are no plans to provide all tenants with the support necessary to navigate this bureaucratic process.

3 Tenants must be meaningfully engaged in decision-making that affects their housing.

Tenants must have meaningful opportunities to influence decisions affecting their homes and communities, including measures to minimize the harms of displacement, liveable replacement units without loss of amenities, and genuine opportunities to shape how Section 37 Community Benefits funding is allocated in their building/community.

4 A right of first refusal policy should be considered alongside funding increases to the MURA program to help protect and preserve our rent controlled housing stock and existing tenancies.

Tenants and community-based housing organizations should have an opportunity to acquire rental housing when a rental building is being sold, placed into receivership, or is otherwise at risk of leaving the rental housing stock. The City's MURA program can provide critical financial support in acquiring existing rental housing and preserving it as nonprofit, affordable housing in perpetuity; however, in a fast-moving real estate market, tenants and community housing providers often don't have the opportunity to compete with savvy investors. A right of first refusal policy would be an important complement to our existing rental housing acquisition program.

5 RentSafeTO must be expanded to include replacement rental units.

Currently RentSafeTO, which aims to ensure Toronto's rental housing is maintained adequately, only applies to purpose-built buildings with 10 or more rental units. Replacement rental units that exist within a new condo tower are not subject to RentSafeTO. This means that as purpose-built rental housing is demolished, the supply of rental housing and the number of tenants protected by RentSafeTO is reduced. We should be increasing protections, not reducing them.

6 The City must start monitoring and reporting on changes to the type and affordability of the housing stock and on tenant outcomes, and regularly evaluate the impact of City policies on these metrics.

The City does not yet provide the level of publicly accessible information necessary to understand the full impact of demovictions on tenants, and the role that financialization and speculative real estate practices are playing across Toronto's rental housing system and their impact on the city's rental housing stock.

The City should maintain a comprehensive public database tracking rental demolition applications, from application through completion, that tracks the number and affordability of existing rental units; affordability terms of replacement units; tenant demographics and vulnerability indicators; redevelopment milestones; and tenant outcomes, including the number of tenants who successfully realized their right to return.

The City should also regularly report on the effectiveness of City policies on discouraging the redevelopment of purpose-built rental housing; preserving the supply of affordable and rent controlled rental housing; developer compliance with rental replacement and tenant relocation and assistance agreement terms; and sustaining tenancies.