

Rental housing legislative scan

A summary of federal, provincial and local rental housing regulations and programs.

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August 1, 2024

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Federal legislation

National Housing Act

The [National Housing Act \(RSC , 1985, c. N-11\)](#) is the primary federal law concerning housing in Canada and is intended to promote the construction of new houses, the repair and modernization of existing houses, and the improvement of housing and living conditions.

National Housing Strategy Act

The [National Housing Strategy Act \(SC 2019, c. 29, s. 313\)](#) recognizes housing as a human right, and commits organizations and governments to reform housing laws, policies and programs from a human rights perspective. This legislation establishes accountability tools to help support and monitor the right to housing in Canada, including:

- A **National Housing Strategy** which supports the progressive realization of the right to adequate housing
- A **National Housing Council** to oversee the implementation of the strategy
- A **Federal Housing Advocate** to promote and protect the right to housing in Canada

Affordable Housing and Groceries Act

The [Affordable Housing and Groceries Act \(SC 2023, c. 31\)](#) was introduced in Parliament in September 2023 and received Royal Assent in December 2023. This legislation enhances the Goods and Services Tax (GST) Rental Rebate on new rental housing, to incentivize the construction of more apartment buildings, student housing, and senior residences. This enhancement increases the GST Rental Rebate from 36 per cent to 100 per cent and removes the existing GST Rental Rebate phase-out thresholds, for new rental housing projects.

To encourage the building of more rental housing, the removal of GST applies to new purpose-built rentals, such as apartment buildings, student housing, and senior residences built specifically for long-term rental accommodation. The enhanced GST Rental Rebate applies to projects that began construction on or after September 14, 2023, and on or before December 31, 2030, and complete construction by December 31, 2035.

Prohibition on the Purchase of Residential Property by Non-Canadians Act

The [Prohibition on the Purchase of Residential Property by Non-Canadians Act \(S.C. 2022, c. 10, s. 235\)](#) aims to curb speculation and ensure that houses are used as homes for Canadians to live in, rather than as financial assets for foreign investors. Effective as of January 1, 2023, the Act prevents non-Canadians from buying residential property in Canada for 2 years. The Act defines residential property as buildings with 3 dwelling units or less. This includes semi-detached houses and condominium units. The Act doesn't prohibit the purchase of larger buildings with 4 or more dwelling units. On

February 4, 2024, the Government of Canada announced its intention to extend the ban for an additional two years, to January 1, 2027.

Provincial legislation

Residential Tenancies Act, 2006

The [Residential Tenancies Act, 2006, \(S.O. 2006, c. 17\)](#) establishes provincial responsibility for regulating rental housing, including regulating evictions due to renovation of existing residential units. Evictions and the landlord-tenant relationship are already governed by the Province of Ontario. The RTA is the primary legislation governing the relationship between landlords and tenants in Ontario. The RTA sets out responsibilities for landlords which include maintenance of the rented unit and not interfering with the reasonable enjoyment of the tenant with their unit. The RTA permits landlords to legally evict tenants in certain circumstances, including where repairs or renovations that require vacant possession of the unit. In other words, renovations are legally permitted by Provincial statute and landlords are given some flexibility in dealing with these circumstances, provided that the statutory processes are followed.

Section 50 of the RTA specifically allows eviction when vacancy is required to complete renovations, provided the landlord gives at least 120 days' notice and informs the tenant of their right of first refusal to re-occupy the unit once the renovations are completed.

In addition, the Act gives the tenants rights of first refusal to reoccupy the renovated unit and, in some cases, compensation. Where the statutory process is followed this will be referred to in this memorandum as a "legal renovation". The RTA also provides remedies for tenants who have been illegally evicted. These statutory remedies were strengthened by the Province through amendments which came into effect March 31, 2021, as detailed further below.

The City cannot prohibit a legal eviction through by-law or policy as that would frustrate the purposes of the RTA and would be beyond the City's authority. A provincial legislative amendment would be required to further prohibit or restrict evictions.

Protecting Tenants and Strengthening Community Housing Act, 2020

The [Protecting Tenants and Strengthening Community Housing Act, 2020, \(S.O. 2020, c. 16\)](#) amends the Residential Tenancies Act, 2006, the Housing Services Act, 2011, the Building Code Act, 1992 and repeals the Ontario Mortgage and Housing Corporation Act.

The changes to the Residential Tenancies Act strengthen protections for tenants by preventing unlawful evictions. If a landlord wants to evict a tenant to use a unit themselves, they will now have to inform the Landlord and Tenant Board if they have done it before and the Board will need to consider this when determining whether the landlord is giving notice in good faith. This will help adjudicators look for patterns and identify landlords who may be breaking the law. Landlords will

also have to file an affidavit at the same time as they file for a no-fault eviction application so the tenant can obtain a copy in advance of a hearing.

The legislation also compensates tenants for "no fault" evictions and increases tenant compensation for "bad faith" evictions. When tenants are evicted for reasons such as renovations, repairs or a home buyer's own use, most landlords must offer compensation. This requirement has been extended to landlords of buildings with one to four units who evict a tenant to renovate or repair the unit, and to landlords who evict a tenant on behalf of a home buyer who wants to use the unit themselves. These landlords will have to pay the tenant one month's rent. Landlords who evict tenants to repair or renovate a unit must give the tenant the opportunity to move back in, at the same rent, before offering it to others. If they don't, landlords can be ordered to compensate tenants. Previously, the landlord could be ordered to pay the difference between the old and new rent for up to a one-year period. The changes give tenants two years to file a claim and increase the possible compensation by an additional full year's rent, up to a maximum of \$35,000. The increased compensation also applies to bad faith "own use" evictions, where the landlord/purchaser does not use the unit themselves.

Bill 97, Helping Homebuyers, Protecting Tenants Act, 2023

Bill 97, which has achieved Royal Assent but is yet to be put in force, will introduce a provincial requirement for "N13" evictions due to renovation to require engineering reports verifying that vacancy is necessary to undertake planned renovations, similar to the requirements of Hamilton's by-law. This legislation also aims to curb abuse of the "N12" process for evictions for personal use. Under the proposed changes, if the prescribed family member does not move into and occupy the residence within a set period, the eviction will be deemed to have been in bad faith, entitling the former tenant to compensation and placing the owner at risk of fines. Fines for unlawful evictions under both "N12" and "N13" processes have been doubled under this legislation, from \$50,000 to \$100,000 for individuals and from \$250,000 to \$500,000 for corporations.

Additional measures under this act include:

- Ministerial authority to limit municipal regulations concerning the demolition and conversion of residential rental properties, including rental replacement by-laws.
- New municipal authority to apply site plan control to properties with fewer than 10 rental units, when within 120 metres of a shoreline or 300 metres of a railway.
- Establishing conditions where a tenant may install air conditioning in rental units where it is not provided by the landlord.

Municipal Act, 2001

The [Municipal Act, 2001 \(S.O. 2001, c. 25\)](#) includes authority to control the demolition or conversion of rental units. Section 99.1 of the Act empowers the City to prohibit, in addition to the demolition of residential units, “the conversion of residential rental properties to a purpose other than the purpose of a residential rental property” without a permit. Like the Planning Act power, the municipality may impose conditions on the permit and may require an agreement be registered on title. However, this prohibition does not apply to rental properties that contains less than 6 units.

Planning Act

The [Planning Act \(R.S.O. 1990, c. P.13\)](#) allows the City to adopt zoning provisions which authorize “the inclusion of affordable housing units within buildings or projects containing other residential units,” and provide “for the affordable housing units to be maintained as affordable housing units over time.” This policy tool is limited to “protected major transit station areas” (i.e., areas in the vicinity of rapid transit). To implement these zoning provisions an Official Plan policy permitting the use of inclusionary zoning is required, along with a housing market analysis.

City of Ottawa By-laws

Rental Housing Property Management By-law

The [Rental Housing Property Management By-law \(No. 2020-225\), as amended](#), was enacted in 2020 and came into force on August 31, 2021. The by-law creates specific requirements for rental housing properties with the goal of improving its overall quality City-wide. Among other things, owners of rental properties are required to create and maintain capital maintenance plans to monitor the state of essential infrastructure in rental housing and plan for its maintenance, repair and replacement when necessary. The by-law requires landlords to provide information for tenants including specific details about fire safety, waste management, property maintenance and pest control, including how to report problems to the landlord or City. This will ensure that tenants have the basic information they need to prevent problems before they do occur, and to address problems if they do occur, thereby increasing the chance of having a successful tenancy. Specific standards are imposed for landlords in terms of receiving and responding to urgent and non-urgent tenant service requests, with tools to assist in enforcement as required. The by-law also imposes enhanced pest management obligations, including the requirement for the creation and use of standing treatment plans for infestations of common pests and re-inspection requirements once a treatment has occurred. It is anticipated that these measures will improve the conditions in which tenants live and assist in preventing problems commonly related to rental properties.

Property Standards By-law

The [Property Standards By-law \(No. 2013-416\), as amended](#), enacts property standards for residential properties, including rental properties, to ensure a minimum state of repair of the property in question and the safety of occupants. These standards require the property owner to repair, maintain, and keep the property in accordance with

these minimum standards and to take immediate action to eliminate any unsafe conditions. Tools to address non-compliance, such as orders, are provided. Key areas addressed by the standards include maintenance of building foundations, exterior walls, elevators, windows and doors, and roofs, as well as the structural stability of the building itself and of balconies, porches and ramps. Interior walls, floors, bathrooms, HVAC equipment, and kitchens also must be maintained to the standard prescribed in the by-law. Outdoor areas of residential properties are also subject to prescribed standards, such as keeping yards free from refuse, objects that could cause a health hazard, unsafe structures, and overgrown landscaping.

Amendments made to this by-law in 2020 have enhanced pest control requirements. In December 2019, Council enacted By-law 2019-429 to implement a \$500 re-inspection fee for any property where a Notice of Violation or Order to Comply for property standards has elapsed and the deficiency or violation remains. This administrative fee is in addition to any penalties (fines) issued to the property owner for the violation.

Property Maintenance By-law

The [Property Maintenance By-law \(No. 2005-208\), as amended](#), imposes exterior property standards on a property owner. This by-law addresses issues such as clearing of waste and debris, accumulation of snow and ice or other items that may create a hazard, and grading of property to ensure proper drainage, among other issues. These requirements assist in preventing the degradation of the property's exterior and ensuring the safety of occupants.

Heat By-law

The [Heat By-law \(No. 2010-210\), as amended](#), establishes obligations for the owner of a rental property to provide adequate heat for the rental premises.

Demolition Control By-law

The [Demolition Control By-law \(No. 2012-377\), as amended](#), **requires** property owners to obtain a permit to demolish an existing residential use building within the area designated as a "demolition control area" (essentially, all the urban area) the applicant ordinarily must first obtain building permits for a replacement building. Alternatively, the General Manager, Planning, Development Building Services has delegated authority to approve a demolition permit without a building permit for a new building being issued first, but has discretion to require, among other things, that the applicant enter into an agreement to rebuild on the property within a specified period. The by-law limits the ability to demolish existing residential stock without a plan to rebuild, does not require an owner to rebuild with a similar or greater number of units or to meet affordability requirements for rent of those units.

Municipal Housing Facility By-law

The Municipal Housing Facility By-law (No. 2024-320) exempts, by way of a Municipal Capital Facility agreement, properties that meet the definition of "Affordable Housing" from paying property taxes. The City's by-law establishes a definition of "Affordable

Housing” for the purpose of receiving a property tax exemption for municipal and school purposes; Outlines the eligibility such that existing and future non-profit housing units, which meet the revised definition of affordable housing be designated as municipal capital facilities and be exempted from property taxes for municipal and school purposes; Requires that savings from tax exemptions be reinvested into affordable housing.

Federal programs

Solving the Housing Crisis: Canada's Housing Plan

On April 12, 2024, the Federal government unveiled the housing plan, Solving the housing crisis: Canada’s Housing Plan, supported by new investments from the upcoming Budget 2024. Part of this plan includes a commitment to make it easier to own or rent a home by ensuring that every renter or homeowner has a home that suits their needs, and the stability to retain it. This includes the launch of a Tenant Protection Fund to provide funding to legal services and tenants’ rights advocacy organizations to better protect tenants against unfairly rising rent payments, renovations, or bad landlords. To protect tenant rights and ensure that renting a home is fair, open, and transparent, Budget 2024 will propose a new \$15-million Tenant Protection Fund. This will provide funding to legal services and tenants' rights advocacy organizations to better protect tenants against unfairly rising rent payments, renovations, or bad landlords. The Federal government is also seeking to create a Canadian Renters' Bill of Rights which will be developed and implemented in partnership with provinces and territories.

Housing Accelerator Fund

On February 12, 2024, the federal government announced that the City of Ottawa has been awarded \$176.3 million through the Canada Mortgage and Housing Corporation’s Housing Accelerator Fund (HAF). The aim of the HAF is to create more housing supply at an accelerated pace by stimulating additional building permit submissions in the short-term and removing municipal barriers to implement systemic changes in the long-term. From 2024 to 2027, funding will be provided in four equal advances of \$44 million annually, provided the City meets project milestones and housing growth targets.

City Council approved a HAF spending plan on April 3, 2024, which directs 90 per cent of funds towards the Affordable Housing Pipeline Strategy and the remaining 10 per cent towards the following initiatives:

- Transit Oriented Zoning Amendments and Inclusionary Zoning
- Increasing Zoning Permissions to Allow for Multi-Unit Intensification
- Affordable Housing Community Improvement Plan
- Office to Residential Conversion Pilot
- Accelerate Disposal and Preparation of City-owned Lands for Housing
- Streamlining Planning Approvals
- New Comprehensive Zoning By-law and Digital Twin Tool

- Development of an On-Site Stormwater Management Tool
- Housing Needs Assessment

Apartment Construction Loan Program

On November 21, the 2023 Fall Economic Statement announced the renaming of the Rental Construction Financing Initiative. The program is now known as the Apartment Construction Loan Program. It includes an additional \$15 billion in new loan funding, starting in 2025-26, to build more rental apartments, faster. The Apartment Construction Loan Program is part of the Government of Canada's National Housing Strategy and provides fully repayable low-interest loans to encourage the construction of more rental homes for middle class Canadians. In June 2024, the federal government announced over \$171 million to build 400 rental homes through 2 projects, in Ottawa.

Provincial programs

Municipal Housing Infrastructure Program

In March 2024, the Province announced that Budget 2024 would include \$1 billion for the new Municipal Housing Infrastructure Program. Although municipalities do not build homes, they are responsible for the critical infrastructure needed for new homes and complete communities. The Municipal Housing Infrastructure Program is intended to support core infrastructure projects that help enable housing for growing and developing communities, such as roads and water infrastructure. This funding is meant to be used to help municipalities with critical infrastructure that will lay the groundwork for more homes.

Ontario Renovates Program

Ontario Renovates, a provincial program that is part of the Ontario Priorities Housing Initiative is administered by Housing Services and provides limited funding to qualifying landlords for modifications to improve accessibility of their existing unit(s) or building(s) and make them in compliance with the Accessibility for Ontarians with Disabilities Act, 2005. Council could choose to extend this program to qualifying landlords to keep units in a good state of repair, however funding for this program is limited (\$4.8M for 2021-22) and is also used to fund the development of new affordable housing, portable housing benefits, urgent and accessibility related repairs for low-income homeowners as well as accessibility modifications to community housing.

Canada-Ontario Housing Benefit

The Canada-Ontario Housing Benefit is a monthly housing allowance for low-income households to help with housing costs. The allowance is calculated based on a formula that includes the household income, the number of people in the house and the local housing market rents.

Eligibility is determined by the Ontario Ministry of Finance. All households who receive COHB must complete an Annual Renewal Application each year to ensure the continuation of their benefits.

Unlike other forms of housing benefit, COHB is attached to a person or household and not a specific address or physical housing unit.

City of Ottawa policies and programs

Official Plan

The Official Plan is a comprehensive document that outlines the policies, objectives, and goals governing land use and development in the City of Ottawa.

The Official Plan strives to facilitate a diversity of housing options for both private ownership and rental. The City will promote a range of affordable and market-rate housing by providing a toolkit of planning incentives and direct supports that allows for a greater number of units within the permitted built form envelope, and application processing priority. The Official Plan will continue to coordinate with and support the goals of the Ten-year Housing and Homelessness Plan and the Long-Term Financial Plan for Housing Services, as amended from time to time. The City will promote the achievement of affordable housing for low- and moderate-income households and individuals by providing a toolkit of planning incentives and direct supports, including but not limited to section 37 benefits; density transfer; deferral or waiving of fees and charges; alternative development standards; land; inclusionary zoning; more flexible zoning that allows for a greater number of units within the permitted built form envelope; and application processing priority.

Prohibition on condominium conversions

City-wide policy goals described in the Official Plan include maximizing the ability to provide affordable housing throughout (section 4.2.2) and protecting existing rental housing stock and support the production of more rental units (section 4.2.3). As such the Plan provides that conversion of rental housing with six or more rental units to condominium ownership or to free hold ownership because of applications shall not be approved unless “affected units are replaced with equivalent units on the same site and offered to the tenants at the same rent at the time the application was made, on a right-of-first-refusal basis”.

Priority review for development applications with affordable housing

The Official Plan strives to facilitate a diversity of housing options for both private ownership and rental. The City will promote a range of affordable and market-rate housing by providing a toolkit of planning incentives and direct supports that allows for a greater number of units within the permitted built form envelope, and application processing priority. In accordance with the City’s 10-Year Housing and Homelessness Plan, the City shall set a target that 10 per cent to 15per cent of all new residential units be affordable. Of all affordable units, 65 per cent are to be targeted to households whose needs fall within the definition of deep affordability, and the remaining 35 per cent are to be targeted to households whose needs fall within the definition of market-affordability.

Inclusionary Zoning

The City shall, as a priority measure, implement Inclusionary Zoning as provided by Sections 16(4), 16(5) and 35.2 of the Planning Act as a mechanism to contribute towards meeting the affordable housing goals identified in the Ten year Housing and Homelessness Plan through a future amendment to this Plan

Housing and Homelessness Plan

In January 2020, Ottawa City Council declared a housing and homelessness emergency and crisis, highlighting the need for more funding from all levels of government for both affordable housing and homelessness services.

The [City of Ottawa's 10-Year Housing and Homelessness Plan 2020-2030](#) is a roadmap which provides the foundational actions the City, in collaboration and partnership with the community, will undertake to improve the system of housing and support services for people in need in the community.

The City is committed to developing a comprehensive homelessness prevention and diversion strategy, with a focus on housing loss prevention, that builds on the collaborative work of non-profit and cooperative providers, private sector landlords, community partners, and other City services that serve households in need.

Rent-Geared-to-Income

As Service Manager under the Housing Services Act, 2011 (HSA), the City has the ability and the responsibility to establish certain local policies, referred to as Local Rules, to administer, implement and distribute social housing resources, which includes access to Rent-Geared-to-Income (RGI) assistance in an equitable, fair, and consistent manner. Rent-Geared-to-Income (RGI) assistance is a provincially legislated housing subsidy offered by the City of Ottawa to make rent affordable for qualifying households. The rent for a subsidized unit, referred to as the RGI rent, is typically set at thirty percent (30%) of a household's monthly net income determined using income tax information or a fixed amount if they are in receipt of Ontario Works (OW) or Ontario Disability Support Program (ODSP). Unlike OW and ODSP, which is available to anyone who applies and qualifies, RGI assistance is a limited resource. Households must meet eligibility requirements, be selected in accordance with the legislated waitlist system, and maintain their eligibility on a continuous basis to receive the subsidy.

Rent Supplement Program

The Rent Supplement Program provides affordable housing to eligible low-and moderate-income families in social housing. Once enrolled, households pay no more than 30 per cent of their income towards rent.

Landlord and tenant education

Educational materials for both landlords and tenants have been developed and are available at <https://ottawa.ca/en/living-ottawa/rental-housing>, as part of the non-regulatory initiatives approved in the November 2019 Report on Rental Accommodations Study and Regulatory Regime (ACS2019-EPS-GEN-0015).

Emergency and Protective Services has also developed guides for both landlord and tenants that are available for downloading and printing. It is anticipated that these resources will be helpful for tenants who may be searching for information about how to make a service request, which regulations apply to their rental unit or tenancy, and where to find assistance. Stakeholders such as Ottawa ACORN, Legal Aid Ontario, and the Somerset West Community Health Centre have all identified through previous consultation that tenants are often unaware of the services available to them.

The educational materials and resource pages contain specific information on City of Ottawa by-laws affecting rental housing management and property standards, extensive information on pest management, and contact information for internal resources for emergency housing and similar services. Templates and sample documents required in the Rental Housing Property Management By-law (noted above) are available for landlords to encourage compliance with applicable regulations to improve overall rental housing quality. Links to external sources of information are provided including the Province of Ontario's guide for the RTA and information on landlord and tenant rights and obligations, as well as the contact information for various agencies and groups providing information, assistance and services for both landlords and tenants. Stakeholders representing both landlord and tenant interests were consulted and have been involved in the development of these materials.

Tenant Defence Funding

In Ottawa, there are two community agencies – Housing Help and Action Logement – that provide City-funded services and supports for clients who need safe, secure and affordable housing. The services and supports provided by Housing Help and Action Logement include the following:

1. Integration and Prevention: Advocating for tenants by focusing on safety, health and sustainability to prevent housing instability and housing loss by acting as an intermediary to resolve landlord tenant issues.
2. Counselling and Support: Providing tools and coaching for households to find housing on the private market.
3. Affordable Housing Applications: Assisting with the application process, including support with priority requests.
4. Facilitating Access: To emergency shelters, safe houses for individuals experiencing homeless or fleeing domestic violence.
5. Paralegal Services: For tenants appearing before the Landlord and Tenant Board, the Internal Review Panel and other adjudicative bodies.
6. Partnerships: With key organizations to support a multi-faceted approach to homelessness intervention.
7. Advocacy: By sitting on a variety of committees addressing current issues related to affordable housing and homelessness prevention.

Currently, the City of Ottawa provides funding for one full-time paralegal position with Housing Help and two full-time paralegal positions with Action Logement.

Annex A: Population and rental amounts in Canadian cities

Table 1 compares the municipal populations and the average rent prices for a one-bedroom apartment in each of these municipalities in 2023. This preliminary assessment includes Canada’s major real estate markets, plus the two jurisdictions with relevant local regulations: Hamilton, ON and New Westminister, BC.

Table 1: Population and average rent, 2023

City	Population (2023)	Average Rent (1-Bedroom, 2023)
Vancouver	681,420	CAD 2,945
Edmonton	1,010,899	CAD 1,196
Calgary	1,644,331	CAD 1,687
Toronto	2,794,356	CAD 2,572
Ottawa	1,017,449	CAD 1,995
Montreal	1,762,949	CAD 1,712
Hamilton	841,186	CAD 1,493
New Westminister	88,408	CAD 2,426

Sources:

- Population data is from Statistics Canada. [Table 17-10-0155-01 Population estimates, July 1, by census subdivision, 2021 boundaries.](#)
- Rental data is from Rentals.ca, [July 2023 report.](#)