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Enhancing Landlord and Tenant Relationships

Submitted by: Windsor-Essex Regional Chamber of Commerce. **Co-Sponsored by:** Leamington Chamber of Commerce

Issue:

Challenges have emerged in the rental market since the COVID-19 Pandemic. Tenants and their advocacy groups have raised concerns around landlords evicting people on fraudulent grounds while landlords are stuck with tenants refusing to pay rent and relying on the backlog at the Landlord Tenant Board to avoid their removal from the residence.

Background:

The vast majority of landlords and tenants in Ontario are responsible actors within the real estate market. Tenants are looking for a place to live and landlords are looking for someone to occupy their space and pay rent. However, some bad actors have given both landlords and tenants a bad reputation

Landlords who have owned and operated for years without complaint are grouped together with landlords who have tried to manipulate the system to defraud or exploit their tenants. This includes landlords who claim family or personal use of the space only to quickly return the unit to market ignoring the one-year occupancy requirement or fail to maintain a property or provide necessary repairs in a timely manner. Further landlords have been known to evict tenants to “renovate” spaces simply to relist the unit and increase the rent more in line with higher market prices (so-called “renovictions”)

On the other side, tenants are holding landlords hostage by occupying spaces while waiting for the eviction process. In Ontario, this can take over a year in some cases¹, meanwhile landlords must continue to pay the mortgage on the property. Reports have emerged of landlords paying significant sums for the tenant to vacate the property. There are also cases where tenants cause extensive damage greater than the value of their security deposit, leaving the landlord on the hook for potentially thousands of dollars in costs to repair the property.

To respond to these challenges, some cities in Ontario have taken steps to try and prevent bad landlords. The City of Windsor is running a pilot project that requires landlords in certain areas of the city to possess a rental licence.² The City of Hamilton has recently passed a bylaw to prevent “renovictions” by requiring landlords to make arrangements with any tenant who wants to return after renovations are complete.³

¹ [Landlord and Tenant Board Wait Times Continue to Grow | The Local](#)

² [Get a residential rental licence \(citywindsor.ca\)](#)

³ [Hamilton to become 1st Ontario city with bylaw to stop 'bad faith' renovictions \(msn.com\)](#)

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These differing approaches can make it difficult for landlords to operate across municipalities even in the same region. By establishing universal guidelines for what can and how municipalities regulate landlords it will provide a uniform approach and stability for the sector across the province.

By establishing increased awareness, enhanced protections, and universality across the system, the province can foster stronger relationships between landlords and their tenants and potentially avoid increasing the burden on the already overburdened Landlord Tenant Board. Increasing education, enacting provisions for vexacious landlords and tenants, and implementing universal guidelines for municipal regulations permitted under the Municipal Act for rental units can foster stronger, and more productive relationships among property owners and their lessees.

There are also concerns around the enforcement of the Landlord Tenant Board with many rulings ending up in small claims court in order for landlords or tenants to receive any funds they may have been awarded. The lack of enforcement power means even greater delays for those seeking justice from their landlord or their renter.

Recommendations:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Create and implement guidelines similar to vexacious litigation standards to apply to landlords and tenants to prevent inordinate delays
2. Develop and enhance educational materials for landlords and tenants to better understand their roles, responsibilities, and rights within the relationship to help avoid conflict and establish better partnerships between the two parties.
3. Create universal guidelines for municipalities under the Municipal Act that regulate how municipalities can regulate landlords and tenants in order to prevent a patchwork approach developing across Ontario municipalities that makes it harder for landlords to operate across municipalities.
4. Give the Landlord and Tenant Board enforcement powers to bypass the need for small claims court.