Ministry of Municipal Affairs and Housing

Office of the Minister

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234-2020-4374

October 8, 2020

Dear Heads of Council and Chairs of District Social Services Administration Boards:

On August 28, 2020, our government announced its intention to stabilize rent by introducing legislation this fall to ensure that the vast majority of families do not see a rent increase in 2021.

On October 1, 2020, the *Helping Tenants and Small Businesses Act, 2020* received Royal Assent. The Act amends the *Residential Tenancies Act, 2006* (RTA), to deliver on the commitment to freeze residential rent increases in 2021 to give the vast majority of Ontario tenants some relief and financial security as we continue to recover from the pandemic.

The amendments set the 2021 rent increase guideline to zero per cent and freeze annual rent increases starting January 1, 2021 and lasting until December 31, 2021. The rent freeze applies to the majority of rental units that are covered by the RTA, including:

- Newly built units occupied for the first time on or after November 15, 2018, which are typically exempt from the rent increase guideline;
- Purpose-built rental apartments, condos, houses and basement apartments;
- Rented sites in mobile home parks and land lease communities;
- Care homes, including retirement homes:
- Affordable housing units created through various federally and/or provincially funded programs; and
- Households living in community housing that receive rent-geared-to-income (RGI) assistance or pay low end of market rent, with the exception of non-profit housing co-op members who pay market rates.

The Ministry of Municipal Affairs and Housing is committed to engaging the community housing sector through consultations under the Community Housing Renewal Strategy to monitor and understand the impacts of the rent freeze, as we work together to mitigate the financial impacts of COVID-19 on Ontarians, increase housing affordability, and deliver on our goal to sustain and grow the community housing system.

The Act is available online here and additional details can be found online here.

On behalf of our government, I would like to extend our thanks for your support in working with the ministry to support tenants during this challenging time. We welcome your continued input and look forward to continuing to work with our municipal partners in the coming months.

Sincerely,

Steve Clark Minister