

ANOTHER STEP TOWARD ASSURED HOUSING FOR ONTARIO

What Ontario's new Rent Review System means to tenants and landlords.

The Ontario Government has passed the Residential Rent Regulation Act, creating a new system of rent review.

This legislation is based upon an agreement reached by a special committee of

tenants and landlords on how to improve the rent review system in Ontario.

The basis of the new legislation: *to increase protection for tenants and to encourage the construction of new rental housing.*

The major features of the Residential Rent Regulation Act are:

- The extension of rent review to cover all private rental units in Ontario.
- The creation of a streamlined rent review process, designed to be accessible, quicker and ensure consistency.
- The establishment of a flexible Rent Review Guideline, adjusted annually to reflect changes in inflation.
- The creation of an Ontario-wide *Rent Registry* to record the maximum legal rent for every rental unit in the province.
- A *Residential Rental Standards Board* to ensure the proper maintenance of all rental properties in Ontario.

In summary, the new Act provides full protection for tenants, while at the same time encouraging the construction of new rental housing.

Streamlined, simplified rent review process

The new rent review process is designed to be fast, friendly and efficient. Now, disputes over rent increases can be settled within a 90-day period.

Through a network of 21 local Rent Review Offices, tenants and landlords will have the opportunity to work together with a *Rent Review Administrator*.

This Administrator may arrange meetings between tenants and landlords, help them in obtaining and completing any necessary documents, and generally, be available to provide free assistance on any aspect of the rent review process.

As well, each Rent Review Office will be providing an on-going program of seminars and workshops. These will be designed specifically to educate tenants and landlords about all parts of Rent Review.

Extension of Rent Review

In the past, only those rental units built prior to 1976 were protected by rent review.

The new system:

- All private rental units in Ontario are protected by rent review whether they were built prior to 1976 or afterwards.

Rent Review Guideline

Under the previous system, a fixed guideline could not always reflect changing economic conditions.

The new system:

- A flexible Rent Review Guideline is adjusted annually and is based on the change in cost of maintaining a typical well-run rental building.
- The Guideline calculates the average change in costs over the preceding three-year period, protecting tenants from the effects of sudden jumps in inflation.

NOTE: The 4% Guideline is in effect retroactive from July 1st, 1985 to Dec. 31st, 1986. The Guideline for 1987 will be announced within 30 days.

The filing of an application for rent review at a local office will set in motion a simplified process.

The Rent Review Administrator, using clear and concise rules, will oversee the process from beginning to end.

A most significant streamlining aspect for both parties is that landlords will be allowed a fixed amount for operating costs. The result: the elimination of lengthy disputes between tenants and landlords over operating costs.

To ensure easy access to Administrators, all 21 Rent Review Offices in the province will be open at hours convenient to the public.

The Rent Registry

Under the previous system, it was not easy for a tenant to check whether the rent for their unit was legal.

The new system:

- A computerized Rent Registry will record the maximum legal rent which can be charged for every rental unit in the province. This information will be updated annually according to rent increases set by the new guideline.
- Landlords of buildings containing more than six rental units will file first, with landlords of small buildings filing later.
- Those landlords required to register first will file with the Registry the rent that was actually charged for every rental unit on July 1, 1985.
- Most landlords will only be required to register one time.
- Information from the Registry computers will be free of charge and available to everyone by toll-free telephone.

Rent Review Appeals. If a tenant or a landlord is dissatisfied with the decision reached by the Administrator, an appeal can be made to a new Rent Review Hearings Board.

No fees will be charged for appeals.

Maintenance Standards

In the past, rents could still go up even though building maintenance went down.

The new system:

- A Residential Rental Standards Board will establish fair standards to ensure proper maintenance of rental units throughout Ontario.
- Failure to meet these standards may result in either suspension or forfeiture of rent increases.

Full information available

The new Residential Rent Regulation Act makes major changes in the law affecting both tenants and landlords across the province.

The implementation of these measures will begin immediately and will be completed by February 2, 1987.

If you would like more detailed information, please complete and return this coupon.

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Send me a copy of the guide to Ontario's new Rent Review System:

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of
Housing

Ontario Hon. Alvin Curling, Minister