

Rental Housing Demolitions and Conversions

Guide to Applications for Permit

A User Guide to the City of Hamilton's Rental Housing Protection By-law No. 24-109



Hamilton

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Purpose

On June 26, 2024, Hamilton City Council passed **By-law 24-109**, the **Rental Housing Protection By-law**.

The primary objectives of the By-law are:

- To create a consistent standardized process for regulating demolitions and conversions of primary rental housing,
- To preserve an adequate supply of primary rental housing within the City,
- To preserve and maintain units with the most affordable rent levels, and;
- To minimize impacts to existing tenants when demolitions of rental housing are proposed, including providing tenants with enhanced tenant assistance beyond the requirements of the Residential Tenancies Act, 2006, as amended.

The effective date of the By-law is **January 1, 2025**.

This user guide has been developed to assist landlords, tenants and the development community in understanding the requirements of the by-law and the process to apply for a permit to convert or demolish rental housing. This document should be reviewed when completing the **Declaration of Use and Screening Form**, or when preparing an application for a permit under the Rental Housing Protection By-law.

This guide is intended as a general summary and assistive document only. For detailed requirements please refer to **By-law 24-109**.

Background

In any community, having an appropriate mix and range of housing, in terms of form, function, tenure, and affordability, is critically important to the health and well-being of residents. Rental housing is a key part of the housing continuum outlined in the City's Urban Hamilton Official Plan, particularly primary rental housing. **Primary Rental Housing** is defined in the City's Official Plan as *"buildings or groups of buildings containing six or more dwelling units, owned by a single owner or agency, and built with the intention of being permanently rented"*. This form of housing is an important part of the City's housing supply and a significant contributor to affordable housing options in the City.

In the past several decades, investment into building new primary rental housing has been low, and some existing purpose-built rental housing stock has either been converted to condominium tenure or lost to demolition. The importance of rental housing as a component of the housing supply is one of the key reasons why the City has

restrictions for conversions and demolitions of rental housing, and has chosen to regulate conversions and demolitions through a permit process.

According to the Canada Mortgage and Housing Corporation (CMHC), there were 36,594 primary rental residential housing units in Hamilton as of October 2023. These units include a range of bachelor, one-bedroom, two-bedroom, and three-bedroom or larger units.

Related Rental Housing By-laws

The Rental Housing Protection By-law is complementary to the Safe Apartment Buildings By-law (24-054) and the [Renovation License and Relocation By-law](#) (24-055 and 24-112), which were approved in April 2024 as part of Hamilton's new Apartment Rental Program. These By-laws address rental unit property standards and tenant displacement due to renovations, which are outside of the scope of the Rental Housing Protection By-law. The effective date of the Renovation License and Relocation By-law is also January 1, 2025.

Authority

By-law 24-109 was approved under the authority of **Section 99.1** of the [Municipal Act](#), 2001, as amended (the Municipal Act). Section 99.1 of the Municipal Act allows municipalities to regulate the demolition and conversion of residential rental properties containing six or more units. This By-law assists in implementing Council-approved policies for Rental Housing in the Urban Hamilton Official Plan and also aligns with the goals of the City's [Housing Sustainability and Investment Roadmap](#).

When Does the By-law Apply?

By-law 24-109 applies to any proposed conversion or demolition of a residential rental property, if that property has **six or more** residential units. Not all of the units on a property must be rental units. It is important to note that a property is considered a residential rental property if **at least one** unit on the property is a rental unit. Dwelling units are still considered rental units regardless of whether or not they are occupied with a current tenant.

A **Conversion** includes any change that would result in a residential rental property being converted to another purpose, which could occur in various ways, including through:

- A land severance,
- A conversion to a non-residential use,
- A conversion to living accommodations other than dwelling units, and;
- A conversion to a co-ownership, a condominium, or a building organized as a life lease project.

A **Demolition** includes any change that results in the removal of a building or a part of a building. This includes interior renovations to a building where those alterations would result in a change to the number of dwelling units in the building, or a change to the types of dwelling units in the building (for example, changing three-bedroom units to one-bedroom units).

The By-law does not apply to a Residential Rental Property which contains less than six dwelling units or that is:

1. A condominium governed by the [Condominium Act](#), 1998,
2. Organized as a life lease project,
3. Described in Section 5 (Exemptions from Act) of the [Residential Tenancies Act](#), 2006, other than Subsection 5(c), a member unit of a non-profit housing co-operative,
4. Described in Section 7 (1) (1.)(2.) and (5.) (Exemptions related to social, etc., housing) of the Residential Tenancies Act, 2006, or;
5. Required for the implementation of a municipal, provincial, or federal government project previously approved by City Council or a provincial or federal authority and for which an environmental assessment has been conducted pursuant to the [Environmental Assessment Act](#), R.S.O. 1990, c. E.18, with the exception of a Residential Rental Property that is designated as a property of cultural heritage value or interest under the [Heritage Act](#).

Screening Process

The City will screen all projects which may require a Section 99.1 permit to convert or demolish rental housing to determine if a permit is required. Any proposal for a severance, conversion, demolition or interior renovation on a property which has been identified as containing more than three existing residential dwelling units and at least one rental unit will be required to complete a **Declaration of Use and Screening Form**. Completion of the form may be required in relation to a [Planning Act](#) Application, a [Committee of Adjustment](#) application, or a [Building Permit](#) application.

The declaration and screening form must be submitted to the City's Planning Division of the Planning and Economic Development Department. Planning staff will be responsible for reviewing all screening forms to determine whether the City's Rental Housing Protection By-law (By-law 24-109) applies to the proposal, and whether a permit is required.

Where a Planning Act application is required for a proposal, Planning staff will direct the applicant to complete the screening form, and the completed form will be required as part of a complete application submission.

Where an application is being submitted to the Committee of Adjustment for severance, the Secretary-Treasurer will advise the applicant to complete the form.

Where a Building Permit is being submitted for a proposal which was not previously subject to a Planning Act application (for example, an interior renovation of an apartment building that is altering the number of units or bedrooms within units), Building Division staff will direct the applicant to complete the screening form and submit it to the Planning Division.

Completed forms can be submitted:

- Via email to planningapps@hamilton.ca, or;
- Dropped off at the service counter on the 5th Floor of City Hall, 71 Main Street West

Required Application Materials

Once a screening form has been completed and Planning staff have confirmed that a Rental Housing Protection Permit is required, a Permit Application must be submitted.

All submission requirements must be submitted in digital format to the Planning Division through a SYNC link. A SYNC link can be requested by emailing planningapps@hamilton.ca.

Electronic files are to be provided with the following naming conventions:
FileName_VersionNumber_Date (with no spaces).

The following materials are required as part of an Application:

1. A completed application form.
2. The required fee. (Note: The Permit fee will be waived for all charitable and not-for-profit organizations proposing to demolish and replace rental housing units as part of an affordable housing project, which shall be confirmed at the discretion of the Director of Planning and Chief Planner.)
3. A list providing the dwelling unit type (number of bedrooms) and floor area of each existing rental unit on the property.
4. If applicable, a proposal for the replacement of rental units proposed for demolition.
5. If applicable, the number of proposed rental units categorized by dwelling unit type and the floor areas of the proposed units.
6. A list of the names and mailing addresses of all tenants of the property.
7. A proposal for tenant engagement, which must include at least one meeting for all tenants in accordance with the requirements of the Rental Housing Protection By-law.
8. Any additional information which may be identified as needed, as determined on a case-by-case basis.

Deeming an Application Complete

Once an application has been submitted, Planning staff will review the required materials and provide written notice confirming if the application is deemed to be complete.

Tenant Engagement

Tenant Notification Requirements

Tenants are required to be notified when an application has been submitted for a permit under the Rental Housing Protection By-law.

Once confirmation has been provided that an application has been deemed complete, the owner/applicant must provide written notice of the application to each tenant within **14 days**. This notice must include the following information:

1. The date that the notice was delivered to the tenants.
2. Information about the rights of tenants under the Residential Tenancies Act, 2006, in connection with the demolition or conversion.

The tenant notice must also contain details about a tenant information meeting, including the date, time and location of the meeting (see next section on Tenant Information Meeting).

Tenant Information Meeting

The Rental Housing Protection By-law requires a tenant information meeting to be held by the applicant within **30 days** of providing the notice of the application to tenants. A record of this meeting must be submitted to the City. If this meeting is not held, the City may refuse to continue processing the permit application until the meeting has taken place.

The meeting record must include:

- A copy of the notice of the meeting,
- A copy of the meeting sign-in sheet,
- A copy of all information distributed or presented at the meeting,
- A copy of the meeting minutes, and;
- A copy of all comments received in relation to the meeting, if any.

Application Process

Delegation

Once a Section 99.1 permit application has been submitted and deemed complete, Planning staff will provide a notification to the City's Planning Committee within 60 days. The notification will confirm if the decision on the application will be referred to the Planning Committee, or if the decision is delegated to the Director of Planning and Chief Planner.

Generally, any Section 99.1 Permit application which has Related Planning Applications for Official Plan Amendment or Zoning By-law Amendment would be considered at Planning Committee in conjunction with those applications. Certain types of routine permit applications are delegated to the Director of Planning and Chief Planner for a decision.

Review Process

All Section 99.1 permits applications will be reviewed and evaluated by Planning staff in the City's Planning Division, regardless of whether there is a Related Planning Application. Once the application has been deemed complete it will be circulated for review.

The evaluation process will determine the number of units that are protected under the By-law, when replacement or retention of rental units is required, and the conditions that will be imposed on the Section 99.1 permit, if any. Replacement is not required when the following average market rent and vacancy rate criteria are met, unless the property is within the [Downtown Hamilton Secondary Plan](#) area.

1. Where all units proposed for conversion or demolition are above 100 percent of the **Average Market Rent** for the **City** and for the **Local Housing Market Zone**, for rental units of a similar Dwelling Unit Type, Structure Type and size.
2. Where the Rental **Vacancy Rate** by Dwelling Unit Type and Structure Type, for the **City** and the **Local Housing Market Zone** has been at or above three percent for the preceding two years.

Vacancy Rates and Average Market Rents will be published annually by the City and posted in Appendix 2 to the User Guide.

Decision

Following the evaluation, the applicant will be provided with comments and draft conditions by Planning staff and must confirm acceptance of conditions prior to the finalization of staff's report.

Staff will prepare a recommendation report for Council (or the Director of Planning and Chief Planner, if delegated). If there is a recommendation for approval, conditions for a Section 99.1 Permit will be included.

Council (or the delegated authority) may refuse, approve or amend the application, and may apply any conditions as permitted by the by-law.

The applicant and staff will collaborate to fulfill and/or secure the conditions (i.e. via an agreement registered on title to the property).

Permit Conditions

A variety of conditions may be required as part of a Section 99.1 Permit. A detailed list of potential types of conditions is found in Section 30 of the Rental Housing Protection By-law. Typical conditions may include:

- A requirement for rental units to be replaced on-site or off-site in a comparable location.
- Requirements to provide specified amenities for replacement units.
- A requirement for a tenant relocation and assistance plan.
- A requirement to provide tenants with relocation support.
- Financial assistance requirements to reduce hardship to tenants, such as rent gap payments.
- Requirements securing tenants' right to return to replacement units at similar rents.
- For conversions, requirements to retain converted units as rental units at similar rates for a defined term.
- Requirements to provide written notices to tenants.
- Requirements for ongoing consultation and provision of information to tenants.
- A requirement to provide information at certain times to verify that agreements are being met.
- Timelines or deadlines for conditions.
- Conditions relating to the lapsing of approvals.

Where conditions are imposed under By-law 24-109, the owner must enter into an agreement with the City to secure the conditions. The agreement will be registered on title to the property.

Permit Issuance

A final permit will be issued after all the conditions have been satisfied or secured through an agreement to the satisfaction of the Director of Planning and Chief Planner.

Compliance with the agreement will be monitored as needed depending on the types of conditions (i.e. during construction and until after the return of tenants to replacement units, if applicable).

Transition

The Rental Housing Protection By-law applies to any proposal to convert or demolish rental housing in any Planning application or Building Permit application made on or after January 1, 2025, except in the following transitional circumstances:

1. If a decision is made on a Related Planning Application before January 1, 2025.
2. If a Related Planning Application for Official Plan Amendment or Zoning By-law Amendment was approved by or appealed to the Ontario Land Tribunal before January 1, 2025.
3. For a draft plan of Condominium which was approved prior to January 1, 2025, the draft plan must be registered within one year of the effective date of the Rental Housing Protection By-law. If it is not registered by this time, the By-law will apply.
4. For building permits, where there is no Related Planning Application, the By-law does not apply to any Building Permit application that was submitted before January 1, 2025.

Glossary

Affordable Rental Housing means the least expensive of:

- a) a unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or
- b) a unit for which the rent is at or below the average market rent of a unit in the City of Hamilton.

Dwelling Unit Type references the number of bedrooms within a Dwelling Unit and includes a bachelor unit, a one (1) bedroom unit, a two (2) bedroom unit, and a unit with three (3) or more bedrooms.

Local Housing Market Zone means the specific zones as identified in Volume 1, Schedule G of the Urban Hamilton Official Plan.

Primary Rental Housing means Buildings or groups of buildings containing six or more dwelling units, owned by a single owner or agency, built with the intention of being permanently rented.

Rental Unit means a Dwelling Unit used, or intended for use, for residential rental purposes, including a Dwelling Unit in a Co-ownership that is or was last used for residential rental purposes, but does not include:

- a) a Dwelling Unit in a condominium registered under Section 2 of the Condominium Act;
- b) a Dwelling Unit in a building organized as a Life Lease Project where the right to occupy the Dwelling Unit is based on a life lease interest; or
- c) a Dwelling Unit in a Mobile Home (as defined in City of Hamilton Zoning By-law 05-200) which is only occupied on a seasonal basis.

Residential Rental Property means a building or Related Buildings containing one or more Rental Units and includes all common areas and services and facilities available for the use of its residents.

Section 99.1 Permit means the permit to be issued by the Director or Council, as applicable, after the approval of an application made under the Rental Housing Protection By-law.

Appendix 1: Tenant Relocation and Assistance Guideline

City of Hamilton Tenant Relocation and Assistance Guideline For Applications to Demolish Rental Units under the Rental Housing Protection By-law

Purpose

The Tenant Relocation and Assistance Guideline establishes standards for accommodating and assisting tenants where relocation is required due to the demolition of rental housing. The standards in this document are intended to guide the creation of Tenant Relocation and Assistance Plans and the application of permit conditions as part of the City's Rental Housing Protection By-law.

The Guideline is based on the following key principles:

- **Consistency** Standards and requirements for tenant assistance and relocation are applied consistently across all applications to ensure that applicants and tenants are treated equitably.
- **Clear Communication** Tenants and applicants understand the process and tenants are provided with clear information in a timely manner.
- **Equity** All tenants receive necessary supports needed to successfully relocate, including vulnerable tenants.
- **Management of Impacts** Affordability levels are maintained and impacts to tenants are minimized as much as possible.

Standard Requirements for all Tenant Relocation and Assistance Plans

Tenant Relocation and Assistance Plans shall be required where rental housing units with existing tenants are proposed to be demolished. All Tenant Relocation and Assistance Plans will be required to include the following components. Additional information may need to be included based on the characteristics of a proposal and specific circumstances.

1. A brief background of the project and reasons for the relocation plan.
2. A description of the number of units, type of units (bedrooms) and size of units (square feet) impacted.

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3. An Occupancy Report listing existing tenancies and rent levels, which will be used to determine tenant eligibility for compensation and rental replacement units.
4. A Tenant Communication Strategy which outlines:
 - How the affected tenants are to be proactively engaged and notified of the development process and kept up to date regarding the process;
 - Where tenants can direct enquiries;
 - How to access any tenant resources; and,
 - The provision of at least six months' notice before having to vacate a unit (includes minimum four months' notice required by *Residential Tenancies Act*).
5. A requirement to have a tenant relocation coordinator/leasing agent made available to assist displaced tenants with finding alternative accommodations.
6. Compensation details.
7. If replacement units are being constructed, a process addressing the right to return to occupy the replacement housing.
8. Reporting requirements to document the relocation of displaced tenants and compensation provided to tenants.

Compensation Requirements

Where tenants are required to move out of a rental unit, financial compensation shall be required.

Residential Tenancies Act

Financial compensation equal to 3 months' rent shall be provided as required by the *Residential Tenancies Act*.

Moving Expenses

The landlord shall arrange and pay for an insured moving company to relocate impacted tenants to their new accommodation within the City of Hamilton **or** shall provide for moving expense compensation at the flat rate of:

- \$1,500 for a bachelor or one-bedroom unit; and,
- \$2,500 for a unit with two or more bedrooms.

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Similar compensation shall be required for moving costs where tenants are moving back into replacement units.

Special Needs

Additional special needs compensation may be required where at least one member of the household is aged 65+ years and/or has a physical or mental health challenge. Special needs compensation will be considered at the discretion of the City based on individual circumstances and may include additional financial compensation up to a maximum value of 3 months of rent.

Rent Gap Payments

Where rental replacement units are required, and the applicant is not providing temporary alternative accommodations at the same rent amount, rent gap payments shall be required for eligible tenants, to minimize additional costs to tenants while tenants are in temporary alternative accommodations.

Rent gap payments shall be based on the anticipated timeline for construction of the new units and the difference between a tenant's current rent and:

- For bachelor and one-bedroom units, the most recent CMHC annual average market rent in the Hamilton Census Metropolitan Area (CMA) for one-bedroom primary rental units constructed in 2015 or later;
- For two-bedroom units, the most recent CMHC annual average market rent in the Hamilton Census Metropolitan Area (CMA) for two-bedroom primary rental units constructed in 2015 or later; and,
- For dwelling units with three or more bedrooms, the most recent CMHC annual average market rent in the Hamilton Census Metropolitan Area (CMA) for two-bedroom primary rental units constructed in 2015 or later, increased by 15%.

In the case of social housing units, households must relocate to a unit for which they are eligible under Provincial social housing legislation, City of Hamilton Occupancy Standards and any other applicable regulations. All tenants shall be provided with temporary alternative units at the rent-geared-to-income rate that the tenant is eligible for as per social housing requirements.

Replacement Units

Required replacement units shall contain at least the same number of bedrooms as demolished units and minimum sizes for the units shall be similar to the demolished units (typically at least 90% of the area of previous units). Replacement units shall be in

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a comparable location deemed acceptable by the City of Hamilton. In most cases, replacement units shall be required on the same site as the demolished units.

Tenants of social housing units shall be offered a replacement unit with the number of bedrooms that meets their household eligibility.

Rental Rates

Where tenants are moving back into replacement units, rental rates for replacement units shall be maintained at the same rent levels existing prior to the demolition, subject to increases which reflect the annual Rent Increase Guideline for Ontario or a similar guideline approved by Council.

This requirement shall not apply to social housing units. Replacement social housing units shall receive an appropriate rent-geared-to-income subsidy as required by Provincial social housing legislation.

Review and Approval

Tenant Relocation and Assistance Plans are reviewed and approved by the Planning Division, Planning and Economic Development Department

Contact

pdgeninq@hamilton.ca

Appendix 2: Vacancy Rates and Average Market Rents

Table 1: Vacancy Rates for City and Local Housing Market Zones – Apartments

Area	Unit Type	2023	2024
Apartment Structure Type			
City Wide	Bachelor	1.6	2.7
	1 Bedroom	2.3	2.8
	2 Bedrooms	2.2	2.4
	3+ Bedrooms	1.7	1.7
Central Hamilton	Bachelor	1.1	2.1
	1 Bedroom	2.8	3.7
	2 Bedrooms	3.3	3.9
	3+ Bedrooms	3.3	5.4
Central East Hamilton	Bachelor	Not available	Not available
	1 Bedroom	2.0	1.7
	2 Bedrooms	1.5	2.0
	3+ Bedrooms	2.7	0.6
East Hamilton	Bachelor	Not available	0.0
	1 Bedroom	2.0	1.9
	2 Bedrooms	2.4	1.5
	3+ Bedrooms	1.9	1.3
West Hamilton	Bachelor	1.2	Not available
	1 Bedroom	1.6	4.3
	2 Bedrooms	1.6	4.1
	3+ Bedrooms	1.1	1.0
Hamilton Mountain	Bachelor	2.4	2.1
	1 Bedroom	1.9	1.8
	2 Bedrooms	1.7	1.3
	3+ Bedrooms	1.0	0.6
Stoney Creek	Bachelor	3.4	Not available
	1 Bedroom	2.3	1.3
	2 Bedrooms	1.9	1.5
	3+ Bedrooms	0.7	1.7
Dundas	Bachelor	Not available	Not available
	1 Bedroom	3.1	2.2
	2 Bedrooms	1.3	3.1
	3+ Bedrooms	Not available	Not available
Ancaster, Glanbrook and Flamborough	Bachelor	Not available	Not available
	1 Bedroom	1.1	2.2
	2 Bedrooms	3.0	0.8
	3+ Bedrooms	0.0	0.0

Table 2: Vacancy Rates for City and Local Housing Market Zones – Townhouses

Area	Unit Type	2023	2024
	Townhouse Structure Type		
City Wide	2 bedrooms	3.7	1.2
	3+ bedrooms	2.4	0.6
East Hamilton	2 bedrooms	Not available	Not available
	3+ bedrooms	3.5	0.9
Mountain	2 bedrooms	1.9	1.0
	3+ bedrooms	1.4	0.4

Notes: Only values which are available from CMHC Rental Market Survey have been listed.

Table 3: 2024 Average Market Rents for City and Local Housing Market Zones

Area	Unit Type	2024 (\$)
Apartment Structure Type		
City Wide	Bachelor	1,106
	1 Bedroom	1,366
	2 Bedrooms	1,521
	3+ Bedrooms	1,740
Central Hamilton	Bachelor	1,140
	1 Bedroom	1,349
	2 Bedrooms	1,545
	3+ Bedrooms	2,082
Central East Hamilton	Bachelor	730
	1 Bedroom	1,196
	2 Bedrooms	1,237
	3+ Bedrooms	1,417
East Hamilton	Bachelor	1,187
	1 Bedroom	1,369
	2 Bedrooms	1,530
	3+ Bedrooms	1,776
West Hamilton	Bachelor	1,100
	1 Bedroom	1,387
	2 Bedrooms	1,580
	3+ Bedrooms	1,740
Hamilton Mountain	Bachelor	1,166
	1 Bedroom	1,402
	2 Bedrooms	1,480
	3+ Bedrooms	1,575
Stoney Creek	Bachelor	1,232
	1 Bedroom	1,565
	2 Bedrooms	1,607
	3+ Bedrooms	1,823
Dundas	Bachelor	1,289
	1 Bedroom	1,462

	2 Bedrooms	1,685
	3+ Bedrooms	Not available
Ancaster, Glanbrook and Flamborough	Bachelor	Not available
	1 Bedroom	1,512
	2 Bedrooms	Not available
	3+ Bedrooms	Not available
Townhouse Structure Type		
City Wide	2 bedrooms	1,667
	3+ bedrooms	1,557
East Hamilton	3+ bedrooms	1,653
Mountain	2 bedrooms	1,702
	3+ bedrooms	1,465

Appendix 3: Rent Rates for Determining Rent Gap Compensation in 2026

Rent rates for determining rent gap compensation in accordance with the Tenant Relocation and Assistance Guideline are shown below:

Rent Rates Used to Calculate Compensation Rates	
Unit Size	Monthly Rent Rate
Bachelor	\$1,881
1 Bedroom	\$1,881
2 Bedroom	\$2,281
3 Bedroom+	\$2,623

Source: CMHC Rental Market Survey 2025, Hamilton CMA, Table 1.2.2