



To: Safety and Facilities Services Committee

From: Tracy Adams, Chief Administrative Officer,

Office of the C.A.O.

Report Number: SF-23-10

Date of Report: March 15, 2023

Date of Meeting: March 20, 2023

Subject: Vacant Building and Land Registry By-law

Ward: All Wards

File: D-2200

# 1.0 Purpose

The purpose of this report is to address Item #27 in the Community Safety, Security and Well-Being in Oshawa's Downtown Area Action Plan (CNCL-21-72):

"Investigate the establishment of a vacant buildings registry to track vacant buildings as they can affect the character of a neighbourhood and can have a negative effect on property values, and detract from future investments."

#### 2.0 Recommendation

That the Safety and Facilities Services Committee recommend to City Council:

That the Safety and Facilities Services Committee select an option detailed in Section 5.3 of Report SF-23-10 "Vacant Building and Land Registry By-law" dated March 15, 2023 and the option be endorsed by City Council.

# 3.0 Executive Summary

Not applicable

# 4.0 Input From Other Sources

## 4.1 City Branches and External Stakeholders

The following City branches and external stakeholders were consulted as part of this review:

Fire Services

- Legal Services
- Oshawa Public Utilities Corporation (O.P.U.C.)
- Region of Durham

## 4.2 Vacant Building and Land Registry By-laws from Other Municipalities

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Staff reviewed the Vacant Building and Land Registry and related by-laws from the following municipalities as part of this review:

- Brantford
- Brampton
- Hamilton
- London
- Ottawa
- St. Catharines
- Welland
- Whitchurch-Stouffville

# 5.0 Analysis

## 5.1 Background

In certain instances, vacant buildings can negatively impact the character of a neighbourhood by becoming dilapidated, hazardous, unsightly, as well as attracting pests and promoting unauthorized entry. These buildings have the potential to negatively affect the value of surrounding properties, detract from future investments, and become a health and safety hazard. Vacant building and land registry or permit by-laws allow municipalities to track vacant buildings and proactively address maintenance issues through scheduled inspections, as well as educate owners on all applicable vacant building standards while reducing risk to emergency services and the public.

The City of Oshawa ("the City") does not currently have a vacant building and land registry or permit system, but Section 8.1 of <u>Property Standards By-law 1-2002</u>, as amended (P.S.B.), establishes standards with respect to vacant buildings. The passing of amending By-law 90-2020 in October 2020 modernized these standards, including the introduction of standards related to heritage properties. Specific standards related to vacant buildings in the P.S.B. include:

- Protecting the building from risk of fire, break-ins, vandalism and other incidents
- Ensuring the building is free of garbage
- Ensuring services (water, electrical, gas) are all turned off and secure
- Establishing consistent standards for the boarding-up or closure of vacant buildings

Additionally, during the summer months, Municipal Law Enforcement Officers (M.L.E.O.) undertake proactive inspections to identify properties with long grass and weeds. Consequently these inspections can identify some vacant properties, but not all. Fire Services generally does not handle files related to vacant buildings, as the Fire

Protection and Prevention Act, 1997, S.O. 1997, c. 4 only has one section related to securing vacant buildings, which is also addressed in the P.S.B. The P.S.B. establishes more robust vacant building standards and provides M.L.E.O.s with more tools to address vacant building issues.

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While there is no definition of "vacant" in the City's P.S.B. a property is generally considered vacant when it is uninhabited, not meeting the minimum standards established in the City's property related by-laws (e.g. P.S.B., Lot Maintenance, Boulevard), and/or has disconnected utilities (e.g. heat, electricity, gas, water).

## **5.1.1 Vacant Property Complaint History**

From 2017 to November 2022, staff received one hundred and thirty-six (136) Property Standards complaints that are related to vacant properties or houses, averaging twenty-three (23) of these complaints per year. Of the one hundred and thirty-six (136) complaints, sixty-one (61) had violations noted and were either closed with compliance or involved further enforcement action (e.g. court process). Ten (10) were duplicate files and nine (9) files were investigated and no violation was found. Vacant buildings that are found to have contravened the P.S.B. are frequently related to property maintenance, the presence of nuisance animals, unauthorized entry or inhabitation, safety, and generally negatively affecting the value of surrounding properties and image of the neighbourhood.

**Note:** These files are complaints only, and do not include situations where M.L.E.O. proactively came across properties while investigating other files.

# 5.2 Benchmarking

In preparation of this report, staff conducted extensive benchmarking of municipalities that have vacant building by-laws. The results of the benchmarking are found in **Table 1**. These by-laws ensure that vacant buildings are proactively being monitored regularly either by municipal staff, the property owner, or by a person or company contracted by the owner. The intention is generally to hold property owners accountable for managing their vacant properties and to mitigate negative community impacts those vacant properties can cause, such as property standards and lot maintenance violations, and unauthorized access, among others.

The intention of a vacant building and land registry or permit system is to charge property owners a registration and annual renewal fee to have their building on a municipality's registry and inspected regularly. After a certain amount of time (e.g. sixty (60) days) of sitting vacant, a building is required to be registered. Failure to register can result in Provincial Offences Act (P.O.A.) charges, or Administrative Monetary Penalties (A.M.P.s). Ottawa requires self-identification (i.e. self-reporting) by vacant property owners; however, other municipalities begin monitoring the period of vacancy once they receive a complaint about a vacant property, or when it has been identified by (but not limited to) city staff, police, or Fire Services.

**Table 1 - Vacant Building and Land Registry Benchmarking** 

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Municipality	Registration Time Frame	Fees	Inspection Frequency	By-law and Year	Penalties
Brantford	Sixty (60) consecutive days after becoming vacant	\$270 registration fee \$600 annual renewal fee	Inspected/ monitored at least once a month by a person or company familiar and qualified with matter pertaining to the by-law	2016 - Vacant Building By- Iaw 4-2016	Up to \$10,000 on a first conviction Up to \$25,000 on a subsequent conviction
Hamilton	Ninety (90) days after becoming vacant or within thirty (30) days after notice from the City	\$1,115 initial fee \$729 annual inspection fee	Property condition to be monitored every two (2) weeks  M.L.E.O. proactively inspect vacant buildings at least 4 times a year	2017 – Hamilton Vacant Building Registry By- law No. 17-127	Up to \$10,000 on a first conviction Up to \$25,000 on a subsequent conviction
Ottawa	After being unoccupied for one-hundred and twenty (120) consecutive days	\$1,450 annual permit fee  \$57 administrative fee  Fee exemptions for certain circumstances	Property to be attended to at least once every fourteen (14) days by owner or agent	2022 – Vacant Property By- Iaw 2022-197	\$500 - \$100,000 for each day
St. Catharines	After thirty (30) days of becoming vacant	\$350 one-time administrative fee \$800 annual registration fee	Property condition to be monitored every two (2) weeks	2022 – 2022-97 Vacant Building	P.O.A. Charges Penalties established in the City's Non-

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Municipality	Registration Time Frame	Fees	Inspection Frequency	By-law and Year	Penalties
			Ongoing monitoring of the properties by by-law enforcement staff	Registry By- law	Parking AMPS By-law
Welland	After ninety (90) days of becoming vacant	\$200 registration fee \$282 inspection fee	Inspected/ monitored at least once a month by a person or company familiar and qualified with matter pertaining to the by-law, and every six (6) months by an Officer.	2011 – Vacant Building Registry By- law 2011-64	\$400 A.M.P.  Up to \$25,000 on a first conviction  Up to \$50,000 on a subsequent conviction

Additionally, London, Brampton and Whitchurch-Stouffville have by-laws that establish similar standards to Oshawa's P.S.B. (e.g. boarding or closing up, ensuring utilities are turned off), but do not establish a registry or permit system.

# 5.2.1 Vacant Building Definitions

Each by-law has a definition of a vacant building, including, but not limited to when a building is:

- Not being used or occupied
- Not protected from the elements, unauthorized entry, or wildlife
- In an unfinished or dilapidated condition
- Utilities have been discontinued or disconnected

These features of a vacant building definition would inform the definition Oshawa could use should Council direct staff to implement a vacant building and land registry by-law.

## 5.2.2 Enforcement and Application of By-laws

Staff spoke with each municipality to learn additional information including enforcement practices regarding each by-law, and learned the following:

#### **Brantford**

 No additional staff were added to administer the program resulting in a low level of compliance (e.g. less than five (5) registered buildings).

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- Without A.M.P.s in their by-law they have a difficult time penalizing violators, as a Part 3 P.O.A. charge may be unnecessary for someone who is not complying with the by-law.
- They have an internal vacant building list and their M.L.E.O.s ensures they are boarded up, not vandalized, etc.

#### Hamilton

- Two dedicated "Vacant Building Officers" are assigned to this program in order to administer four (4) inspections per year to each registered building.
- More than three hundred (300) vacant buildings are registered with Hamilton.

#### Ottawa

- The program launched in November 2022.
- Two Property Standards Officers are assigned to this program, with the intent of funding these positions from the program's permit fees.
- Ottawa had 216 known vacant properties in 2021. However, the permitting system only launched in November 2022, so this number is not indicative of the number of permits currently issued.
- The by-law includes exemptions for certain circumstances (e.g. vacation properties and primary residences of "snowbirds" and travelling workers), as well as considerations for fee exemptions on "compassionate grounds", specifically in cases where a property owner has passed away or is in care, or where vacancy relates to damage from a catastrophic event that has occurred.

## St. Catharines

- The by-law was passed in May 2022 and the program is still scaling up.
- St. Catharines City Council was advised that after fifty (50) vacant buildings were registered, the City would be requesting a full-time equivalent (F.T.E.) By-law Officer to support the program's enforcement.

#### Welland

- The level of compliance associated with the program does not warrant additional staff, making the registry difficult to utilize to its full potential.
- Welland is considering a stand-alone Municipal Act by-law with vacant building regulations similar to the Oshawa's P.S.B. to enforce the boarding up of vacant properties, and other appropriate standards.

# 5.3 Proposed Options for a Vacant Building and Land Registry By-law

Staff are presenting two (2) options for consideration, summarized in **Table 2**.

**Table 2 Proposed Policy Options** 

	Option A – Current Approach	Option B – New Vacant Building and Land Registry By-law
Summary	<ul> <li>Continue to manage vacant building issues through current City By-laws Utilize the P.S.B., Lot Maintenance By-law, and Boulevard By-law to enforce vacant building standards,</li> <li>Address through complaints and/or undertake periodic proactive enforcement projects</li> </ul>	<ul> <li>Create and implement a Vacant Building and Land Registry By-law</li> <li>Develop a registration system of vacant buildings and land where owners pay a registration fee and receive an inspection upon registration and renewal</li> <li>Municipal Law Enforcement staff will administer the inspections associated with the program. Fire Services will be notified of all locations identified</li> <li>Exemptions to be included for certain vacancies and conditions, similar to the City of Ottawa (see Section 5.2.2)</li> </ul>
Benefits	<ul> <li>M.L.E. receives about twenty-three (23) complaints a year related to vacant properties, which the current complement of M.L.E.O.s can accommodate</li> <li>M.L.E.O.s have a number of effective compliance tools to use for vacant building and land issues</li> <li>Provides clear expectations to owners on how to ensure their vacant properties are in compliance with City By-laws</li> <li>Helps to ensure vacant properties are meeting all applicable standards</li> <li>Violations can be quickly addressed by Officers after inspections</li> <li>Safety and risk reduction to Emergency Services (Fire, Police, and Emergency Medical Service) and public</li> </ul>	<ul> <li>Proactive inspections, relying less on complaints to address vacant building and land issues</li> <li>Provides clear expectations to owners on how to ensure their vacant properties are in compliance with City By-laws</li> <li>Helps to ensure registered vacant properties are meeting all applicable standards</li> <li>Violations can be quickly addressed by Officers after inspections</li> <li>Safety and risk reduction to Emergency Services (Fire, Police, and Emergency Medical Service) and public</li> </ul>
Detractors	Reactive approach to addressing vacant property related issues	<ul> <li>Proactive identification of vacant properties may be required to achieve high level of compliance</li> <li>Requires additional staff to administer and inspect</li> <li>Will take approximately three (3) to six (6) months to implement</li> </ul>

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## 5.3.1 Potential Number of Vacant Buildings

Staff engaged the Oshawa Power and Utilities Corporation (O.P.U.C.) and the Region of Durham's Water billing department in August 2022 to help determine the number of vacant buildings in Oshawa. Staff received a "snapshot" of data from both organizations, both of which estimated approximately three hundred and twenty (320) vacant buildings in Oshawa. This includes residential, commercial, and industrial buildings. Their estimate at the time of the query is based on their general familiarity of local vacant buildings, utility disconnection statistics, and/or identifying buildings which consume well below the normal and/or minimal amounts of utilities (e.g. less than one (1) cubic metre of water per month). At this time, staff is unable to confirm ownership details (e.g. local ownership or not), however there may be an opportunity to obtain this information at a later date by leveraging privacy legislation if a Vacant Building and Land Registry By-law were to be enacted.

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# 5.3.2 Option "A": Continue to manage vacant building issues through current City By-laws

If Option "A" is selected, Oshawa will continue to manage vacant buildings through the P.S.B., the Lot Maintenance By-law and the Boulevard By-law.

If Committee were to choose this option, the following recommendation should be passed:

That the Safety and Facilities Services Committee recommend to City Council:

That staff be directed to continue to enforce existing standards for vacant buildings through the Property Standards By-law 1-2002, as amended, Lot Maintenance By-law 127-2007, as amended, and Boulevard By-law 136-2006, as amended, as detailed in Section 5.3.2 of Report SF-23-10 "Vacant Building and Land Registry By-law", dated March 15, 2023.

## 5.3.3 Option "B": Implement a Vacant Building and Land Registry By-law

If Option "B" is selected, a Vacant Building and Land Registry By-law will be created. This by-law, established under the Municipal Act, would establish a registry of all vacant buildings and land (e.g. residential, industrial, etc.) where owners pay a registration fee and a scheduled annual inspection fee which support the cost for the City to manage public concerns that arise from the vacant buildings and land and to promote the application of health and safety standards. Registered building and land owners would receive one (1) inspection per year from the City. Furthermore, this by-law will:

- Establish a proactive system of compliance (including tiered and escalating Administrative Monetary Penalties);
- Include exemptions for vacancies similar to those found in the City of Ottawa's Vacant Property By-law (see Section 5.2.2; e.g. vacation properties, primary residences of those who travel for extended periods of time, etc.); and,
- Complement the existing vacant building standards found in the P.S.B., Lot Maintenance By-law, and Boulevard By-law.

## **Staffing and Resource Implications:**

Based on current estimates, a Vacant Building and Land Registry By-law will require approximately seven hundred (700) additional staff hours related to inspection, administration, and enforcement. Accordingly, if Option "B" is approved, one (1) additional regular part-time M.L.E.O. would be required to support the program. The inclusion of one additional licensing and standards examiner who would be responsible for the administration of the registration is currently contemplated for the inclusion in the 2024 budget process pursuant to the City's <a href="CNCL-21-92 Strategic Workforce Planning: 2020-2025 Staff Resourcing Forecast">CNCL-21-92 Strategic Workforce Planning: 2020-2025 Staff Resourcing Forecast</a>.

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## **Registration Fees:**

In order to ensure full cost recovery for the program based on the time the M.L.E.O. would spend administering the program, the registration fee for the program will be two-hundred fifty dollars (\$250) per year, renewed annually. Notwithstanding this, staffing needs would continually be reevaluated based on the program's requirements, workload, and the number of registered buildings.

## **Estimated Implementation:**

Option "B" would take approximately three (3) to six (6) months to implement, and would include the following steps:

- By-law drafting (with Legal Services)
- Program development
- Staff training
- Communication and program launch

It is important to note that the hiring of an additional regular part-time M.L.E.O. would not be undertaken until Q1 2024 per the 2024 budget process. In the interim, existing staffing resources would be re-allocated to implement the Vacant Building and Land Registry Bylaw with the goal of fully implementing the program in Q2 2024 with the introduction of the additional enforcement resource.

If Committee were to choose this option, the following motion should be passed:

That the Safety and Facilities Services Committee recommend to City Council:

- That Council approve a Vacant Buildings and Land Registry By-law and amend the General Fees and Charges By-law 13-2002, as amended, in the form of Option "B": Implement a Vacant Building Registry and Land By-law as detailed in Section 5.3.3 of Report SF-23-10 "Vacant Building and Land Registry By-law", dated March 15, 2023, and in a form and content acceptable to the Chief Administrative Officer and Legal Services;
- 2. That the one (1) additional regular part-time Municipal Law Enforcement Officer position be presented to Council when appropriate through future budget

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submissions as part of the City's regular budget planning process or separate reports as appropriate; and,

3. That the requirements of Notice By-law 147-2007 regarding notice to the public for amendments to the General Fees and Charges By-law 13-2003, as amended, be waived.

#### **Financial Implications** 6.0

Should Option "A" be selected, there would be no new financial implications.

Should Option "B" be selected, the approximate cost of one regular part-time M.L.E.O. to administer the Vacant Building and Land Registry will be recovered by the annual registration fee of two hundred fifty dollars (\$250).

#### 7.0 Relationship to the Oshawa Strategic Plan

The recommendations in this report responds to the Oshawa Strategic Plan Goals of:

- 4.2 Accountable Leadership
- 4.3 Social Equity
- 4.4 Cultural Vitality

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Municipal Law Enforcement and Licensing Services

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