

To: Safety and Facilities Services Committee

From: Adam Grant, Commissioner,
Safety and Facilities Services

Report Number: SF-23-28

Date of Report: September 12, 2023

Date of Meeting: September 18, 2023

Subject: Additional Proposed Policy Options for the Residential Rental
Housing Licensing Program

Ward: All Wards

File: 03-05

1.0 Purpose

The purpose of this report is to:

- Address the Safety and Facilities Services Committee Direction SF-23-18 “that Report SF-23-18 dated May 1, 2023, concerning the Proposed Policy Options for the Residential Rental Housing Licensing Program and Other Rental Housing Regulatory Considerations be referred to staff to report back at the September 18, 2023 Safety and Facilities Committee Meeting.”
- Present two (2) additional policy options for the Residential Rental Housing Licensing (R.R.H.L.) Program.

Attachment 1 is report SF-23-18 “Proposed Policy Options for the Residential Rental Housing Licensing Program and Other Rental Housing Regulatory Considerations” considered by the Safety and Facilities Services Committee at its May 18, 2023 meeting.

Attachment 2 is additional correspondence SF-23-22 submitted by various organizations concerning Report SF-23-18, added to the agenda and considered by the Safety and Facilities Services Committee at its May 18, 2023 meeting.

Attachment 3 is correspondence INFO-23-126 received from P. Weidemann dated May 18, 2023.

Attachment 4 is a detailed overview of the six (6) potential policy options for consideration.

Attachment 5 is a summary of Report SF-23-28 providing review and option highlights.

2.0 Recommendation

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

That the Safety and Facilities Services Committee select an option as detailed in Section 5.3 of Report SF-23-28 “Additional Proposed Policy Options for the Residential Rental Housing Licensing Program”, dated September 12, 2023.

3.0 Executive Summary

Not applicable

4.0 Input From Other Sources

- Fire Services
- Legal Services

An extensive public and industry consultation was conducted in 2022, detailed in Report [SF-23-18 \(Attachment 1\)](#) and presented at the May 18, 2023 Safety and Facilities Services Committee meeting. Furthermore, staff received additional public and industry feedback at the same May 18, 2023 Committee meeting detailed in Section 5.1.3, which was also considered in the development of this report.

5.0 Analysis

5.1 Background

In January 2020, City Council directed staff ([CORP-20-02](#)) to review options to potentially expand the R.R.H.L. Program beyond the existing geographical boundaries and report back. This began a process that is detailed in **Figure 1**.

Figure 1 – Process to Study Expansion of R.R.H.L.



5.1.1 Phase One and CORP-21-32

Phase One (1) was addressed in [CORP-21-32](#) during the June 7, 2021 Corporate Services Committee meeting. This report presented a program evaluation of the existing R.R.H.L. Program, including an estimated compliance rate, complaint data, and cost recovery information. The report also proposed a number of technical amendments to the R.R.H.L. Program including:

- Removing the demerit point system.
- Establishing two (2) licensing rental classes (“A” and “B”):
 - Class “A” Individually-Owned Dwelling Units (e.g. singles, semis, townhouses, condo units, etc.)
 - Class “B” Multi-unit Dwellings under Single Ownership (e.g. Apartment Buildings and Townhouse Complexes with a single owner, etc.)
- Changing the licence renewal period from annually to every two (2) years

Technical amendments were approved by Council and staff were directed to study expansion options for the R.R.H.L. Program, which was addressed in Phase Two (2).

5.1.2 Phase Two and CORP-22-02

Report [CORP-22-02](#) presented potential R.R.H.L. Program expansion options for consultation at the January 10, 2022 Corporate Services Committee meeting, addressing Phase Two (2). Staff analyzed the rental rates for each ward in the city to determine where the most rentals exist.

Report CORP-22-02 also developed six (6) possible expansion options based on housing type and scope (e.g. city-wide immediately versus a phased-in approach). These options included estimated operating costs, capital costs, and additional staff required to administer each option. From the six (6) options, Council selected a city-wide licensing approach for all property types (e.g. Class “A” and “B”) for staff to consult and report back on.

5.1.3 Phase Three and SF-23-18

Report [SF-23-18](#) (**Attachment 1**) addressed Phase Three (3) and reported on the consultation staff undertook following Council direction in Phase Two (2). This report also presented four (4) policy options related to the existing R.R.H.L. Program and other considerations regarding regulating rental units city-wide, including:

- Enhanced enforcement to address rental and tenant issues; and,
- Increased communication efforts to educate industry participants about various regulations, rights and responsibilities, and other regulatory considerations related to rental units.

5.1.3.1 May 18, 2023 Special Meeting of the Safety and Facilities Services Committee

On May 18, 2023, the Safety and Facilities Services Committee (“Committee”) held a special meeting to consider Report SF-23-18 and heard delegations from the rental housing industry and the public regarding the potential expansion of the R.R.H.L. Program. Written correspondence related to Report SF-23-18 received by Legislative Services ahead of the meeting was presented to Council under item number [SF-23-22](#) (**Attachment 2**).

Delegations made and correspondence received were from a diverse sample of the industry which included landlords, property owners and industry associations from both Class “A” and Class “B” rental housing stock who were not in support of R.R.H.L. expansion. Feedback received from the rental housing industry mostly aligned with the themes identified from the 2022 consultation period and the April 4, 2022 Corporate Services Committee meeting which included:

- An expansion would disincentivize the creation and addition of rental units in Oshawa, causing development companies to build properties elsewhere;
- The program’s licensing fees would be passed on to tenants, increasing their rent;
- The program applies a duplication of standards that already exist (e.g. Fire Code and Property Standards By-law 1-2002);
- Most of the landlords in Oshawa ensure their properties meet all applicable regulations, and the City should instead focus on non-compliant landlords;
- A more beneficial program would reward good landlords, rather than make all landlords pay for the bad actors; and,
- The City should use the resources already at its disposal (e.g. Property Standards Orders) to address tenant issues, as opposed to instituting a large licensing system.

Rental housing providers also delivered feedback related to a temporary suspension of development charges as well as extensive changes to on-street parking regulations. Staff had previously examined the impacts of Bill 23 on the R.R.H.L. in Section 5.1.4 of Report SF-23-18 and determined that there were minimal impacts to the existing or any potential expansion of the R.R.H.L. Program. Concerns relating to on-street parking regulations were associated with a desire to amend parking regulations in the Zoning By-law 60-94 for two units and amending standards in the City’s Traffic and Parking By-law 79-99 to allow more on-street parking. These subjects are outside of the scope of the proposed policy options for the R.R.H.L. Program as the R.R.H.L. licensing system is a regulatory tool which solely ensures compliance with existing municipal and provincial standards related to health and safety.

In addition to feedback heard from the rental housing industry, delegations from the public were made in support of the expansion of the R.R.H.L. Program. Similar to feedback heard during the 2022 consultation period, delegations and additional written correspondence ([INFO-23-126](#), **Attachment 3**) identified the following themes:

- Complaint-based approach for compliance is not effective for City-wide health and safety concerns;

- By expanding the R.R.H.L. Program and taking a proactive approach, tenants would no longer fear landlord repercussions for making health and safety related complaints to the City; and,
- City-wide expansion offers a fair and equitable approach to proactive compliance with applicable health and safety standards.

Report SF-23-18 was referred to staff to report back at the September 18, 2023 Safety and Facilities Services Committee meeting.

5.1.3.2 Report SF-23-28: Additional Policy Options and Updated Compliance Data

This report further addresses Phase Three (3) and reports back on Report SF-23-18 with further consideration given to feedback received at the May 18, 2023 Committee meeting.

Staff conducted an additional review of Fire Services data to complement the existing program evaluation presented in CORP-21-23. The review consisted of a ten (10) year dataset containing all fires in the City from 2012 to 2022. With respect to the Rental Area subject to the R.R.H.L. Program (“R.R.H.L. Area”), the following observations were made:

- Between 2012 and 2022, there have been no fire-related deaths in rental dwelling units within the existing R.R.H.L. Area.
- Between 2012 and 2022, there have been no fire-related injuries in rental dwelling units within the existing R.R.H.L. Area.

The data review appears to suggest that the R.R.H.L. Program creates a safer living environment for tenants which is the intended objective of ensuring compliance with municipal and provincial standards.

In addition to the data reviewed above, staff conducted an evaluation of the compliance rate of the existing R.R.H.L. Program. Previously reported in Section 5.1.5 of Report SF-23-18, the compliance rate for the percentage of rental units licensed in the R.R.H.L. Area in February 2023 was approximately 65%. In spring 2023, staff undertook an additional coordinated, data-informed proactive compliance project (“Compliance Project”) to educate rental property owners on the requirements and standards of the R.R.H.L. Program. Although the Compliance Project is still ongoing, the current compliance rate of the R.R.H.L. Program is approximately **78%**. Staff anticipate that the compliance rate will increase further following the completion of the Compliance Project in Q4 2023.

Staff have developed two (2) new additional policy options, for a total of six (6) options for consideration by Council. The two (2) additional policy options continue to contemplate a city-wide expansion of the R.R.H.L. Program in Report SF-23-18, but offer an extended licence term as well as refines the type of rental housing stock regulated in the expanded program. These variations from the previously presented expansion options are in response to feedback received by Committee and help to provide more cost effective expansion options while still addressing primary concerns related to the health and safety of tenants.

Staff would begin Phase Four (4) (the implementation process) should an option be selected by Council.

5.2 Proposed Policy Options

5.2.1 Policy Options Overview

In addition to the four (4) policy options presented in Report SF-23-18, staff have developed two (2) supplementary policy options for consideration which reflect the additional feedback received:

- Option “A” – Rental Safety Audit Pilot Program (City-Wide)
- Option “B” – Maintain Current R.R.H.L. Area
- Option “C” – City-Wide R.R.H.L. Program Expansion By Ward
- Option “D” – City-Wide R.R.H.L. Program Expansion By Building Stock
- **Option “E”** – City-Wide R.R.H.L. Program Expansion, Extended Licence Term, Class “A” Rental Housing Stock
- **Option “F”** – City-Wide R.R.H.L. Program Expansion, Extended Licence Term, Class “A” Rental Housing Stock and Class “B” Rental Housing Stock with Six (6) or fewer Dwelling Units

The six (6) options are provided in **Table 1** of this report. Refer to **Attachment 4** for a detailed description of each option, including estimated costs.

Table 1 – Policy Options Highlights

Details	Option “A”	Option “B”	Option “C”	Option “D”	Option “E”	Option “F”
Option Description	Complaint Pilot Program	Maintain Existing R.R.H.L.	City-wide Expansion	City-wide Expansion	City-wide Expansion	City-wide Expansion
R.R.H.L. Expansion (City-Wide)			By Ward	By Stock	Phased Approach	Phased Approach
Rental Housing Stock ¹	Class “A” Class “B”	Class “A” Class “B”	Class “A” Class “B”	Class “A” Class “B”	Class “A”	Class “A” Class “B” with ≤ 6 units ²
Licence Term	2 Years	2 Years	2 Years	2 Years	2 or 4 Years	2 or 4 Years
Compliance-Incentive Program					✓	✓
Rental Safety Audit (R.S.A.) Pilot Program (City-wide)	✓		Not Applicable	Not Applicable	Not Applicable	Not Applicable

Details	Option “A”	Option “B”	Option “C”	Option “D”	Option “E”	Option “F”
Expansion of Apartment Building Audit (A.B.A.) Projects ³	✓	✓	Not Applicable	Not Applicable	✓	✓
Introduction of Quarterly Two Unit Enforcement Projects (City-wide)	✓	✓	✓	✓	✓	✓
Enhanced Communication and Collaboration	✓	✓	✓	✓	✓	✓
Other Regulatory Considerations	✓	✓	✓	✓	✓	✓

Note:

¹ Rental Housing Stock refers to the R.R.H.L. licence classes associated with each option proposed option:

- Class “A” – Individually-Owned Dwelling Units (e.g. single and semi-detached dwellings, townhouses, condo units, etc.)
- Class “B” – Multi-unit Dwellings Under Single Ownership (e.g. Apartment Buildings and Townhouse Complexes with a single owner, etc.)

² Option “F” includes all Class “A” rental housing stock and Class “B” rental housing stock with six (6) or fewer dwelling units.

³ Applies to apartment buildings not subject to the R.R.H.L.

5.2.2 Policy Options Details

A summary of the details contained in the various options above in Section 5.2.1 Policy Options Overview are provided below.

R.R.H.L. Expansion (City-wide):

R.R.H.L. Expansion (City-wide) refers to the potential expansion of the existing R.R.H.L. Program to the entire city. As part of the city-wide expansion options, staff have identified the need to rebrand the R.R.H.L. Program to reflect comprehensive changes required for the program expansion. Accordingly, should Council select a city-wide expansion option, staff will develop and present an updated program name for consideration and approval as part of the by-law amendment approval process.

Compliance-Incentive Program

The R.R.H.L. Program will transition to a two (2) tier licence term which will be determined by the Compliance-Incentive Program. The two (2) tier approach further considers feedback received from the rental housing industry related to the perception of compliant landlords, fees/costs associated with licensing and request to penalize non-compliant landlords. The Compliance-Incentive Program rewards compliant landlords and

incentivizes continued compliance by providing a longer licensing term. Conversely, the program provides a shorter-term licence for landlords who require additional oversight due to non-compliance (further details below). The two (2) licence tiers have the same licensing fees as established in the General Fees and Charges By-law 13-2003. It is important to note that licences are only issued when full compliance is achieved.

All rental housing stock licensed through the R.R.H.L. Program will be required to apply for, attain and maintain a Licence. All licensees will be subject to the Compliance-Incentive Program which is comprised of two (2) licence tiers. Compliant landlords will be rewarded with a longer four (4) year licence term (Tier 1 Licence) while non-compliant landlords will only be eligible to attain a shorter two (2) year licence term (Tier 2 Licence).

Among the requirements of the R.R.H.L. Program, rental properties must be inspected for and comply with various City and provincial standards related to health, safety and consumer protection prior to becoming licensed. Inspected properties that render egregious safety violations or considerable property-related violations will no longer be eligible to attain a four (4) year Tier 1 Licence, and must attain a two (2) year Tier 2 Licence once the property owner/applicant brings their rental property into full compliance.

Tier 2 Licence Highlights:

- Safety and property-related violations triggering a two (2) year Tier 2 Licence include, but are not limited to:
 - Absent or defective required smoke and/or carbon monoxide alarms
 - Absent or defective required egress windows
 - Absent or inadequate exits
 - Unsafe electrical issues
 - Absent or defective required handrails and/or guards
 - Malfunctioning heating system
 - Failure to comply with applicable standards in a timely manner
 - General untenable living conditions
- Decisions related to a property requiring a Tier 2 Licence will be made on a case-by-case basis under existing authority of the Director, Municipal Law Enforcement and Licensing Services as every rental property and application presents unique factors for consideration.
- Decisions related to a property's licensing term (i.e. those requiring a Tier 2 Licence) cannot be appealed to the Hearings Officer.
- Licence applications will be subject to additional inspection fees (\$110 per additional re-inspection) for continued non-compliance.
- At the end of the two (2) year Tier 2 Licence, the property will be eligible to apply for a four (4) year Tier 1 Licence.

Note: The four (4) year licence term and Compliance-Incentive Program would only apply to Options "E" and "F".

Rental Safety Audit Pilot Program (City-wide):

The R.S.A. Pilot Program refers to the introduction of a rental inspection program where tenants can request free inspections for their rental units (City-wide). These inspections would involve staff from both Fire Services and Municipal Law Enforcement (M.L.E.), who would confirm compliance with relevant Fire Code regulations and City by-laws.

Note: This only applies to Option “A”.

Expansion of Apartment Building Audits (Four (4) Projects a year)

The City conducts semi-annual audits of select apartment buildings that utilize interdepartmental inspection teams from Fire Services and M.L.E. Buildings are chosen based on their history of received complaints, non-compliance with City by-laws, and with a desire to include both small and large buildings. Staff inspect for violations under the Fire Code, and Property Standards and Lot Maintenance By-laws, among others. Inspections are conducted in common areas, hallways, laundry rooms, parking areas and individual dwelling units when requested by occupant.

From 2017-2022, the City inspected twenty-one (21) apartment buildings, finding a combined one-hundred and forty-eight (148) property standards violations and two-hundred and twenty-one (221) Fire Code infractions.

Staff currently perform two (2) city-wide audits per year totaling six (6) buildings. The potential expansion would increase the total to four (4) city-wide audits per year, totaling twelve (12) buildings.

Note: This expansion would only apply to Options “A”, “B”, “E” and “F” (e.g. apartment buildings not subject to R.R.H.L.). It would not apply to Options “C” or “D” since a city-wide expansion of the R.R.H.L. Program for all rental housing stock under Options “C” and “D” would result in all apartment buildings in Oshawa requiring inspections to become licensed.

Introduction of Quarterly Two Unit Enforcement Projects (City-wide)

Introduction of Quarterly Two Unit Enforcement Projects refers to Municipal Law Enforcement and Licensing Services staff undertaking enforcement projects four (4) times per year involving the dedication of specific times to proactively identify and address two unit house properties that are not registered with the City. Through the introduction of these proactive projects, staff will identify these unregistered properties, and will undertake the necessary steps to ensure that the units meet relevant safety standards and become registered, where necessary.

Enhanced Communication and Collaboration

Enhanced Communication and Collaboration refers to the undertaking of various activities to educate residents and industry participants about relevant standards and programs. These activities vary depending on the option chosen and include:

- Option specific notification and advertisement
- Distribution of an updated landlord brochure
- Distribution of an updated tenant brochure
- Direct engagement Durham Region Association of Realtors (D.R.A.R.) regarding Two Unit Houses By-law Registration and R.R.H.L. requirements including, but not limited to:
 - Regular presentations to D.R.A.R.
 - Circulation of print and electronic literature

Other Regulatory Considerations

All policy options presented contemplate and address additional regulatory considerations which have been detailed in Section 5.4 of Report SF-23-18, and include:

- Requesting that the Real Estate Council of Ontario require the disclosure of two unit properties to municipalities.
- Not proceeding with the addition of duplexes to the existing Two Unit Registration System (or developing a standalone registration system).
- Removing R.R.H.L. Program bedroom limits from Schedule “K” of the Business Licensing By-law 120-2005, as amended (“Licensing By-law”).
- Exempting seasonal worker accommodations on Oshawa farms from R.R.H.L. Program.

Phased Implementation Approach

Option “E” and “F” present an alternative approach to expanding the R.R.H.L. Program throughout the City by addressing the distribution of workload associated with the expansion options through a phased implementation. The phased implementation approach will license a prescribed percentage of the regulated rental housing stock in each of the five (5) implementation years, achieving a full city-wide expansion at the end of the five (5) year implementation period. With an updated implementation timeframe of five (5) years, the City will be able to create a city-wide licensing system that is less resource intensive than other proposed City-wide R.R.H.L. Program Expansion options.

In each of the five (5) implementation years, staff will achieve the prescribed number of licensed properties and gain compliance with the expanded program using the following progressive and escalating compliance methods:

- **Stage 1: Voluntary and Complaint-Based Compliance**

Property owners will be encouraged through communication, education and outreach to voluntarily apply for a licence throughout the implementation period. A licence certifies that the property has met provincial and municipal standards, and will be a benefit to landlords to be able to advertise that a rental property is licenced by the City and complies with all applicable municipal and provincial standards.

Staff will respond to complaints from residents related to unlicensed rental housing stock to be included in the R.R.H.L. Program. These properties identified through

the existing complaint process will be required to apply for, attain and maintain a licence and comply with all applicable municipal and provincial standards.

- **Stage 2: Proactive Education and Enforcement**

Staff will begin to increase the level of compliance with the goal of achieving full compliance in the expanded R.R.H.L. program with proactive education and compliance. Staff will identify and engage properties throughout the city and require them to apply for, attain and maintain a licence. This stage will take place over several years, with full implementation anticipated in 2028.

5.2.3 Overview of Additional Policy Options: Option “E” and Option “F”

5.2.3.1 Option “E” – City-Wide R.R.H.L. Program Expansion, Extended Licence Term, Class “A” Rental Housing Stock

If Option “E” is selected:

- The R.R.H.L. Program will be expanded city-wide for Class “A” rental housing stock (expansion schedule based on phased implementation approach) and rental unit inspections will be conducted every two (2) or four (4) years per the licence term of the R.R.H.L. licence under the Compliance-Incentive Program;
- A total of two (2) Fire Prevention Inspectors, four (4) Licensing Inspectors, two (2) Licensing Examiners, and one (1) Municipal Law Enforcement (M.L.E.) Officer will be hired to administer the expanded program;
- The existing Lodging House Licensing program will be consolidated into the new city-wide R.R.H.L. Program;
- Two unit rental properties city-wide will require a licence through the R.R.H.L. program in addition to the initial registration pursuant to Two Unit Houses Registration By-law 41-2001, as amended;
- Owners of two unit rental properties registered after the launch of city-wide R.R.H.L. licensing would receive their first R.R.H.L. licence at no cost as part of the Two Unit Registration process;
- Enhanced communications will be put in place to promote landlord responsibilities and the expanded R.R.H.L. program, in addition to engagement already undertaken through the Tenant Information Guide;
- The number of Apartment Building Audit projects will be increased to four (4) times a year;
- The City will undertake quarterly proactive two unit enforcement projects;
- Staff will continue to engage Durham Region Association of Realtors about Two Unit Registration requirements and the R.R.H.L. Program;
- Correspondence will be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing, and the Real Estate Council of Ontario requesting that two unit houses be disclosed to municipalities;
- The bedroom limit in Schedule “K” will be removed;
- Other regulatory considerations as detailed in Section 5.4 of Report SF-23-18 will be addressed; and,

The implementation of this option would take approximately five (5) years; however, it should be noted that this is subject to budgetary approvals, hiring processes, etc. Implementation would involve the following activities:

- Amending the Licensing By-law and repealing Lodging House Licensing By-law 94-2002, as amended, in collaboration with Legal Services;
- Implementation of the expanded R.R.H.L. Program:
 - Multi-year budget processes
 - Multi-year hiring processes
 - Multi-year vehicle purchasing processes
 - Multi-year communications processes
 - Other administrative processes (e.g. creating/updating procedures and filing systems, etc.)
 - Staff training
 - Phased implementation approach detailed in **Section 5.2.2**;
- Updating processes related to the Apartment Building Audits; and,
- Requesting the disclosure of two unit home locations to municipalities.

Note: Implementation timelines for all policy options are summarized in **Figure 2 (Section 5.2.4)**.

Tables 2 and 3 illustrates the estimated implementation timeline for hiring and adding to the vehicle fleet.

Table 2 – Option “E” Estimated Hiring Implementation Timeline and Phased Expansion Approach

	2024	2025	2026	2027	2028	Total
Fire Prevention Inspector	1	0	1	0	0	2
Licensing Inspector	2	0	2	0	0	4
Licensing Examiner	1	0	1	0	0	2
M.L.E. Officer	1	0	0	0	0	1
Total	5	0	4	0	0	9

Table 3 – Option “E” Estimated Fleet Requirements by Year

Vehicle Type	2024	2025	2026	2027	2028	Total
Fire Prevention Vehicles	1	0	1	0	0	2
Licensing Vehicles	2	0	2	0	0	4
M.L.E. Vehicles	1	0	0	0	0	1
Total	4	0	3	0	0	7

Staffing numbers were estimated based on the rental data queried in September 2021 during the preparation of Report CORP-22-02. These estimated figures are subject to change based on changes to housing tenure and stock and current salary and resource (e.g. fleet) figures.

It is estimated that these activities could be fully implemented by the end of 2028; however, it should be noted that this is subject to change based on budgetary approvals, the recruitment and hiring process, and other factors.

5.2.3.2 Option “F” – City-Wide R.R.H.L. Program Expansion, Extended Licence Term, Class “A” Rental Housing Stock and Class “B” Rental Housing Stock with Six (6) or fewer Dwelling Units

If Option “F” is selected:

- The R.R.H.L. Program will be expanded city-wide for all Class “A” rental housing stock and Class “B” rental housing stock with six (6) or fewer dwelling units (expansion schedule based on phased implementation approach). Rental unit inspections will be conducted every two (2) or four (4) years per the licence term of the R.R.H.L. licence under the Compliance-Incentive Program;
- A total of two (2) Fire Prevention Inspectors, four (4) Licensing Inspectors, two (2) Licensing Examiners, and one (1) M.L.E. Officer will be hired to administer the expanded program;
- The existing Lodging House Licensing program will be consolidated into the new city-wide R.R.H.L. Program;
- Two unit rental properties city-wide will require a licence through the R.R.H.L. program in addition to the initial registration pursuant to Two Unit Houses Registration By-law 41-2001, as amended;
- Owners of two unit rental properties registered after the launch of the city-wide R.R.H.L. licensing would receive their first R.R.H.L. licence at no cost as part of the Two Unit Registration process;
- Enhanced communications will be put in place to promote landlord responsibilities and the expanded R.R.H.L. program, in addition to engagement already undertaken through the Tenant Information Guide;
- The number of Apartment Building Audit projects will be increased to four (4) times a year for apartment building not subject to the R.R.H.L.;
- The City will undertake quarterly proactive two unit enforcement projects;
- Staff will continue to engage Durham Region Association of Realtors about Two Unit Registration requirements and the R.R.H.L. Program;
- Correspondence will be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing, and the Real Estate Council of Ontario requesting that two unit houses be disclosed to municipalities;
- The bedroom limit in Schedule “K” will be removed;
- Other regulatory considerations as detailed in Section 5.4 of Report SF-23-18 will be addressed; and,
- Apartment Building Audits will no longer be undertaken, as inspections of these buildings would be captured through the licensing program.

The implementation of this option would take approximately five (5) years; however, it should be noted that this is subject to budgetary approvals, hiring processes, etc. Implementation would involve the following activities:

- Amending the Licensing By-law and repealing Lodging House Licensing By-law 94-2002, as amended, in collaboration with Legal Services;
- Implementation of the expanded R.R.H.L. Program:
 - Multi-year budget processes
 - Multi-year hiring processes
 - Multi-year vehicle purchasing processes
 - Multi-year communications processes
 - Other administrative processes (e.g. creating/updating procedures and filing systems, etc.)
 - Staff training
 - Phased implementation approach in **Section 5.2.2**; and,
- Requesting the disclosure of two unit home locations to municipalities.

Note: Implementation timelines for all policy options are summarized in **Figure 2 (Section 5.2.4)**.

Tables 4 and 5 illustrates the estimated implementation timeline for hiring and adding to the vehicle fleet.

Table 4 – Option “F” Estimated Hiring Implementation Timeline and Phased Expansion Approach

	2024	2025	2026	2027	2028	Total
Fire Prevention Inspector	1	0	1	0	0	2
Licensing Inspector	2	0	2	0	0	4
Licensing Examiner	1	0	1	0	0	2
M.L.E. Officer	1	0	0	0	0	1
Total	5	0	4	0	0	9

Table 5 – Option “F” Estimated Fleet Requirements by Year

Vehicle Type	2024	2025	2026	2027	2028	Total
Fire Prevention Vehicles	1	0	1	0	0	2
Licensing Vehicles	2	0	2	0	0	4
M.L.E. Vehicles	1	0	0	0	0	1
Total	4	0	3	0	0	7

Staffing numbers were estimated based on the rental data queried in September 2021 during the preparation of Report CORP-22-02. These estimated figures are subject to change based on changes to housing tenure and stock and current salary and resource (e.g. fleet) figures.

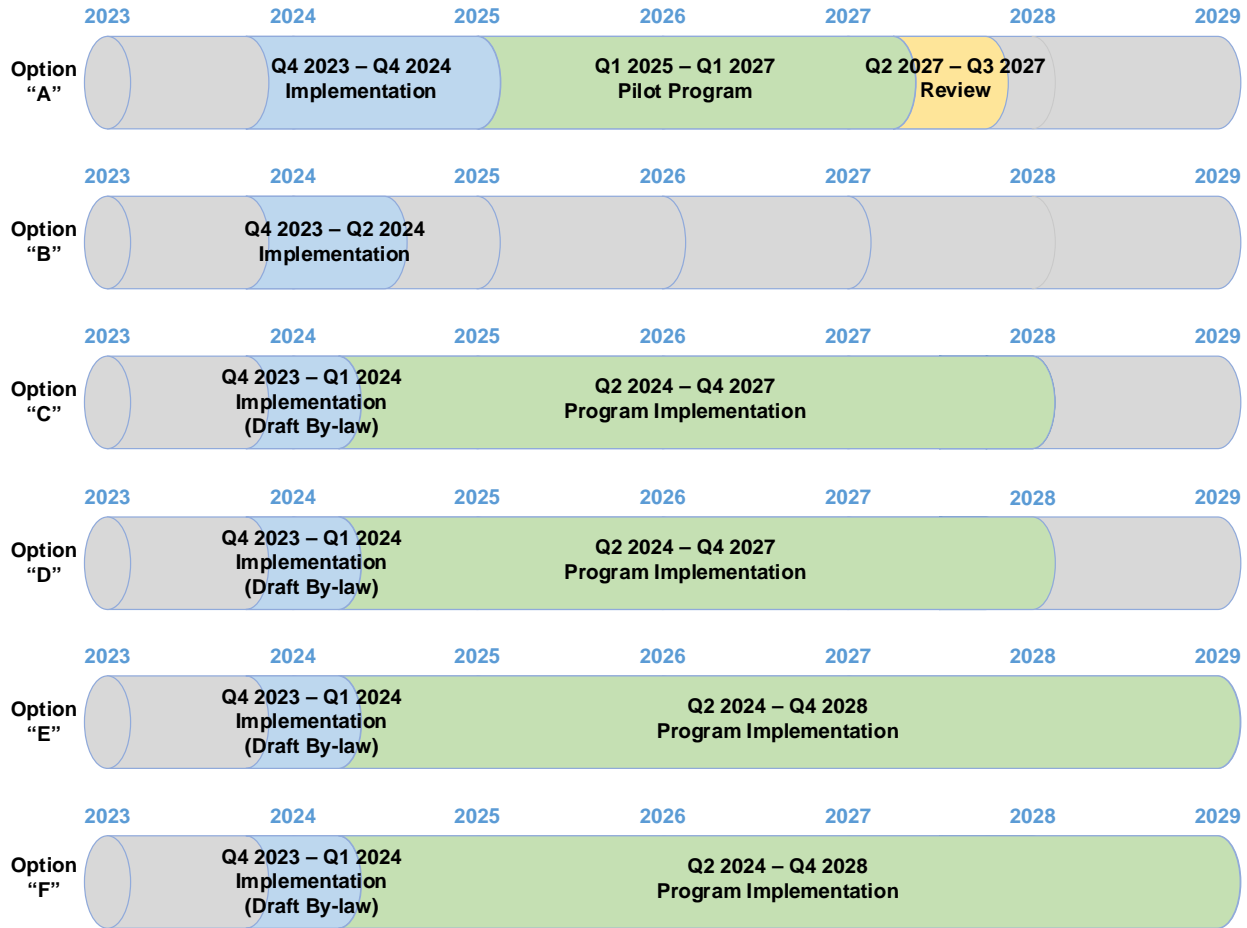
It is estimated that these activities could be fully implemented by the end of 2028; however, it should be noted that this is subject to change based on budgetary approvals, the recruitment and hiring process, and other factors.

5.2.4 Policy Option Implementation

Although there are no changes to be made to the design of the four (4) original options presented in Report SF-23-18 (Options “A”, “B”, “C” and “D”), each proposed implementation timeline must be adjusted to account for direction to report back at the

September 18, 2023 Safety and Facilities Services Committee meeting. **Figure 2** provides an updated implementation timeline for proposed policy options presented in SF-23-18 as well as the additional options presented in this report (Options “E” and “F”).

Figure 2 – Policy Option Implementation Timelines



5.3 Proposed Policy Options and Applicable Motions

5.3.1 Option “A” – Rental Safety Audit Pilot Program (City-Wide)

In the event that the Safety and Facilities Services Committee chooses this option, the Safety and Facilities Services Committee may wish to pass the following motion:

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

That based on Report SF-23-18 “Proposed Policy Options for the Residential Rental Housing Licensing Program and Other Rental Housing Regulatory Considerations”, dated May 1, 2023 and Report SF-23-28 “Additional Proposed Policy Options for the Residential Rental Housing Licensing Program”, dated September 12, 2023 concerning the Residential Rental Housing Licensing Program:

1. That the addition of Full-time Equivalent staff equal to one (1) temporary Municipal Law Enforcement Officer, one (1) temporary Licensing Examiner, and one (1)

temporary Fire Prevention Inspector be recommended for consideration in the 2024 Budget to support the two (2) year Rental Safety Audit pilot program generally in the form of Option "A" as outlined in Section 5.3 in Report SF-23-18, dated May 1, 2023 and the implementation timelines as detailed in Section 5.2 of Report SF-23-28, dated September 12, 2023; and,

2. That staff be directed to report back with an evaluation of the two (2) year Rental Safety Audit pilot program following the completion of the program; and,
3. That Council direct staff to undertake four (4) Apartment Building Audit projects annually beginning in 2024 as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023 and Section 5.2 of Report SF-23-28, dated September 12, 2023; and,
4. That staff undertake enhanced communications regarding landlord-related responsibilities in addition to existing communications related to tenant rights and responsibilities, as outlined in Report SF-23-18, dated May 1, 2023; and,
5. That staff be directed to implement quarterly proactive projects to identify two unit house properties that are not registered with the City and undertake the necessary steps to bring them into compliance, as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023; and,
6. That staff be directed to review Two Unit Houses Registration By-law 41-2001, as amended, to investigate expanding the application of the By-law to all Accessory Apartments and/or an additional Dwelling Unit in an Accessory Building and to report back with the results of the review, as outlined in Section 5.1.4 of Report SF-23-18 dated May 1, 2023; and,
7. That duplexes not be added to the existing Two Unit Houses Registration system, a registration system for duplexes not be undertaken as outlined in Section 5.4.2 of Report SF-23-18, dated May 1, 2023, and that Council approve a by-law to amend Two Unit Houses Registration By-law 41-2001, as amended, to enhance the clarity around the exclusion of purpose-built duplexes and to make other minor technical amendments to clarify that the list found in Section 9(b) is not all-inclusive; and,
8. That correspondence be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing and the Real Estate Council of Ontario requesting that Two Unit Houses be disclosed to municipalities, as outlined in Section 5.4.1 of Report SF-23-18, dated May 1, 2023; and,
9. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to remove the bedroom limit from Schedule "K" and to exempt seasonal accommodations for temporary workers on Oshawa farms from requiring a Residential Rental Housing Licensing Program licence generally in the form of Sections 5.3, 5.4.3 and 5.4.4 of Report SF-23-18, dated May 1, 2023, and in a final form and content acceptable to Legal Services and the Commissioner, Safety and Facilities Services.

5.3.2 Option “B” – Maintain Current R.R.H.L. Area

In the event that the Safety and Facilities Services Committee chooses this option, the Safety and Facilities Services Committee may wish to pass the following motion:

That based on Report SF-23-18 “Proposed Policy Options for the Residential Rental Housing Licensing Program and Other Rental Housing Regulatory Considerations”, dated May 1, 2023 concerning the Residential Rental Housing Licensing Program:

1. That Council direct staff to undertake four (4) Apartment Building Audits annually beginning in 2024 as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023 and Section 5.2 of Report SF-23-28, dated September 12, 2023; and,
2. That staff undertake enhanced communications regarding landlord-related responsibilities in addition to existing communications related to tenant rights and responsibilities, as outlined in Report SF-23-18, dated May 1, 2023; and,
3. That staff be directed to implement quarterly proactive projects to identify two unit house properties that are not registered with the City and undertake the necessary steps to bring them into compliance, as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023; and,
4. That staff be directed to review Two Unit Houses Registration By-law 41-2001, as amended, to investigate expanding the application of the By-law to all Accessory Apartments and/or an additional Dwelling Unit in an Accessory Building and to report back with the results of the review, as outlined in Section 5.1.4 of Report SF-23-18 dated May 1, 2023; and,
5. That duplexes not be added to the existing Two Unit Houses Registration system, a registration system for duplexes not be undertaken as outlined in Section 5.4.2 of Report SF-23-18, dated May 1, 2023, and that Council approve a by-law to amend Two Unit Houses Registration By-law 41-2001, as amended, to enhance the clarity around the exclusion of purpose-built duplexes and to make other minor technical amendments to clarify that the list found in Section 9(b) is not all-inclusive; and,
6. That correspondence be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing and the Real Estate Council of Ontario requesting that Two Unit Houses be disclosed to municipalities, as outlined in Section 5.4.1 of Report SF-23-18, dated May 1, 2023; and,
7. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to remove the bedroom limit from Schedule “K” and to exempt seasonal accommodations for temporary workers on Oshawa farms from requiring a Residential Rental Housing Licensing Program licence generally in the form of Sections 5.3, 5.4.3 and 5.4.4 of Report SF-23-18, dated May 1, 2023, and in a final form and content acceptable to Legal Services and the Commissioner, Safety and Facilities Services.

5.3.3 Option “C” – City-Wide R.R.H.L. Program Expansion by Ward

In the event that the Safety and Facilities Services Committee chooses this option, the Safety and Facilities Services Committee may wish to pass the following motion:

That based on Report SF-23-18 “Proposed Policy Options for the Residential Rental Housing Licensing Program and Other Rental Housing Regulatory Considerations”, dated May 1, 2023 and Report SF-23-28 “Additional Proposed Policy Options for the Residential Rental Housing Licensing Program”, dated September 12, 2023 concerning the Residential Rental Housing Licensing Program:

1. That in accordance with Option “C” as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023 and the implementation timelines as detailed in Section 5.2 of Report SF-23-28 dated September 12, 2023, city-wide expansion of the Residential Rental Housing Licensing Program be approved in principle; and,
2. That future operating and capital budget considerations as outlined in Tables 6 and 7 in Report SF-23-18, dated May 1, 2023, be recommended for consideration when appropriate through future budget submissions ; and,
3. That staff undertake enhanced communications regarding landlord-related responsibilities in addition to existing communications related to tenant rights and responsibilities, as outlined in Report SF-23-18, dated May 1, 2023; and,
4. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to undertake the city-wide expansion of the Residential Rental Housing Licensing Program in accordance with Option “C” as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023, and in a final form and content acceptable to Legal Services and the Commissioner, Safety and Facilities; and,
5. That following Council’s approval of an amendment to Licensing By-law 120-2005, as amended, to undertake the city-wide expansion of the Residential Rental Housing Licensing Program in accordance with Option “C” as outlined in Section 5.3 of Report SF-23-18, that Lodging House Licensing By-law 94-2002, as amended, be repealed as part of expanding the Residential Rental Housing Licensing Program city-wide; and,
6. That staff be directed to implement quarterly proactive projects to identify two unit house properties that are not registered with the City and undertake the necessary steps to bring them into compliance, as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023; and,
7. That staff be directed to review Two Unit Houses Registration By-law 41-2001, as amended, to investigate expanding the application of the By-law to all Accessory Apartments and/or an additional Dwelling Unit in an Accessory Building and to report back with the results of the review, as outlined in Section 5.1.4 of Report SF-23-18 dated May 1, 2023; and,

8. That duplexes not be added to the existing Two Unit Houses Registration system, a registration system for duplexes not be undertaken as outlined in Section 5.4.2 of Report SF-23-18, dated May 1, 2023, and that Council approve a by-law to amend Two Unit Houses Registration By-law 41-2001, as amended, to enhance the clarity around the exclusion of purpose-built duplexes and to make other minor technical amendments to clarify that the list found in Section 9(b) is not all-inclusive; and,
9. That correspondence be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing and the Real Estate Council of Ontario requesting that Two Unit Houses be disclosed to municipalities, as outlined in Section 5.4.1 of Report SF-23-18, dated May 1, 2023; and,
10. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to remove the bedroom limit from Schedule “K” and to exempt seasonal accommodations for temporary workers on Oshawa farms from requiring a Residential Rental Housing Licensing Program licence generally in the form of Sections 5.3, 5.4.3 and 5.4.4 of Report SF-23-18, dated May 1, 2023, and in a final form and content acceptable to Legal Services and the Commissioner, Safety and Facilities Services.

5.3.4 Option “D” – City-Wide R.R.H.L. Program Expansion by Building Stock

In the event that the Safety and Facilities Services Committee chooses this option, the Safety and Facilities Services Committee may wish to pass the following motion:

That based on Report SF-23-18 “Proposed Policy Options for the Residential Rental Housing Licensing Program and Other Rental Housing Regulatory Considerations”, dated May 1, 2023 and Report SF-23-28 “Additional Proposed Policy Options for the Residential Rental Housing Licensing Program”, dated September 12, 2023 concerning the Residential Rental Housing Licensing Program:

1. That in accordance with Option “D” as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023 and the implementation timelines as detailed in Section 5.2 of Report SF-23-28 dated September 12, 2023, city-wide expansion of the Residential Rental Housing Licensing Program be approved in principle; and,
2. That future operating and capital budget considerations as outlined in Tables 8 and 9 of Report SF-23-18, dated May 1, 2023, be recommended for consideration when appropriate through future budget submissions; and,
3. That staff undertake enhanced communications regarding landlord-related responsibilities in addition to existing communications related to tenant rights and responsibilities, as outlined in Report SF-23-18, dated May 1, 2023; and,
4. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to undertake the city-wide expansion of the Residential Rental Housing Licensing Program in accordance with Option “D” as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023, and in a final form and content acceptable to Legal Services and the Commissioner, Safety and Facilities Services; and,

5. That following Council's approval of an amendment to Licensing By-law 120-2005, as amended, to undertake the city-wide expansion of the Residential Rental Housing Licensing Program in accordance with Option "D" as outlined in Section 5.3 of Report SF-23-18, that Lodging House Licensing By-law 94-2002, as amended, be repealed as part of expanding the Residential Rental Housing Licensing Program city-wide; and,
6. That staff be directed to implement quarterly proactive projects to identify two unit house properties that are not registered with the City and undertake the necessary steps to bring them into compliance, as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023; and,
7. That staff be directed to review Two Unit Houses Registration By-law 41-2001, as amended, to investigate expanding the application of the By-law to all Accessory Apartments and/or an additional Dwelling Unit in an Accessory Building and to report back with the results of the review, as outlined in Section 5.1.4 of Report SF-23-18 dated May 1, 2023; and,
8. That duplexes not be added to the existing Two Unit Houses Registration system, a registration system for duplexes not be undertaken as outlined in Section 5.4.2 of Report SF-23-18, dated May 1, 2023, and that Council approve a by-law to amend Two Unit Houses Registration By-law 41-2001, as amended, to enhance the clarity around the exclusion of purpose-built duplexes and to make other minor technical amendments to clarify that the list found in Section 9(b) is not all-inclusive; and,
9. That correspondence be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing and the Real Estate Council of Ontario requesting that Two Unit Houses be disclosed to municipalities, as outlined in Section 5.4.1 of Report SF-23-18, dated May 1, 2023; and,
10. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to remove the bedroom limit from Schedule "K" and to exempt seasonal accommodations for temporary workers on Oshawa farms from requiring a Residential Rental Housing Licensing Program licence generally in the form of Sections 5.3, 5.4.3 and 5.4.4 of Report SF-23-18, dated May 1, 2023, and in a final form and content acceptable to Legal Services and the Commissioner, Safety and Facilities Services.

5.3.5 Option "E" – City-Wide R.R.H.L. Program Expansion, Extended Licence Term, Class "A" Rental Housing Stock

In the event that the Safety and Facilities Services Committee chooses this option, the Safety and Facilities Services Committee may wish to pass the following motion:

That based on Report SF-23-18 "Proposed Policy Options for the Residential Rental Housing Licensing Program and Other Rental Housing Regulatory Considerations", dated May 1, 2023 and Report SF-23-28 "Additional Proposed Policy Options for the Residential Rental Housing Licensing Program", dated September 12, 2023 concerning the Residential Rental Housing Licensing Program:

1. That in accordance with Option “E” as outlined in Section 5.2 of Report SF-23-28, dated September 12, 2023, city-wide expansion of the Residential Rental Housing Licensing Program be approved in principle; and,
2. That future operating and capital budget considerations as outlined in Tables 2 and 3 of Report SF-23-28, dated September 12, 2023, be recommended for consideration when appropriate through future budget submissions; and,
3. That Council direct staff to undertake four (4) Apartment Building Audit projects annually beginning in 2024 as outlined in Section 5.2 of Report SF-23-28, dated September 12, 2023; and,
4. That staff undertake enhanced communications regarding landlord-related responsibilities in addition to existing communications related to tenant rights and responsibilities, as outlined in Report SF-23-28, dated September 12, 2023; and,
5. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to undertake the city-wide expansion of the Residential Rental Housing Licensing Program in accordance with Option “E” as outlined in Section 5.2 of Report SF-23-28, dated September 12, 2023, and in a final form and content acceptable to Legal Services and the Commissioner, Safety and Facilities; and,
6. That following Council’s approval of an amendment to Licensing By-law 120-2005, as amended, to undertake the city-wide expansion of the Residential Rental Housing Licensing Program in accordance with Option “E” as outlined in Section 5.2 of Report SF-23-28, that Lodging House Licensing By-law 94-2002, as amended, be repealed as part of expanding the Residential Rental Housing Licensing Program city-wide; and,
7. That staff be directed to implement quarterly proactive projects to identify two unit house properties that are not registered with the City and undertake the necessary steps to bring them into compliance, as outlined in Section 5.2 of Report SF-23-28, dated September 12, 2023; and,
8. That staff be directed to review Two Unit Houses Registration By-law 41-2001, as amended, to investigate expanding the application of the By-law to all Accessory Apartments and/or an additional Dwelling Unit in an Accessory Building and to report back with the results of the review, as outlined in Section 5.1.4 of Report SF-23-18 dated May 1, 2023; and,
9. That duplexes not be added to the existing Two Unit Houses Registration system, a registration system for duplexes not be undertaken as outlined in Section 5.4.2 of Report SF-23-18, dated May 1, 2023, and that Council approve a by-law to amend Two Unit Houses Registration By-law 41-2001, as amended, to enhance the clarity around the exclusion of purpose-built duplexes and to make other minor technical amendments to clarify that the list found in Section 9(b) is not all-inclusive; and,
10. That correspondence be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing and the Real Estate Council of

Ontario requesting that Two Unit Houses be disclosed to municipalities, as outlined in Section 5.4.1 of Report SF-23-18, dated May 1, 2023; and,

11. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to remove the bedroom limit from Schedule “K” and to exempt seasonal accommodations for temporary workers on Oshawa farms from requiring a Residential Rental Housing Licensing Program licence generally in the form of Sections 5.4.3 and 5.4.4 of Report SF-23-18, dated May 1, 2023, and Section 5.2 of Report SF-23-28, dated September 12, 2023, and in a final form and content acceptable to Legal Services and the Commissioner, Safety and Facilities Services.

5.3.6 Option “F” – City-Wide R.R.H.L. Program Expansion, Extended Licence Term, Class “A” Rental Housing Stock and Class “B” Rental Housing Stock with Six (6) or fewer Dwelling Units

In the event that the Safety and Facilities Services Committee chooses this option, the Safety and Facilities Services Committee may wish to pass the following motion:

That based on Report SF-23-18 “Proposed Policy Options for the Residential Rental Housing Licensing Program and Other Rental Housing Regulatory Considerations”, dated May 1, 2023 and Report SF-23-28 “Additional Proposed Policy Options for the Residential Rental Housing Licensing Program”, dated September 12, 2023 concerning the Residential Rental Housing Licensing Program:

1. That in accordance with Option “F” as outlined in Section 5.2 of Report SF-23-28, dated September 12, 2023, city-wide expansion of the Residential Rental Housing Licensing Program be approved in principle; and,
2. That future operating and capital budget considerations as outlined in Tables 4 and 5 of Report SF-23-28, dated September 12, 2023, be recommended for consideration when appropriate through future budget submissions; and,
3. That Council direct staff to undertake four (4) Apartment Building Audit projects annually beginning in 2024 as outlined in Section 5.2 of Report SF-23-28, dated September 12, 2023; and,
4. That staff undertake enhanced communications regarding landlord-related responsibilities in addition to existing communications related to tenant rights and responsibilities, as outlined in Report SF-23-28, dated September 12, 2023; and,
5. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to undertake the city-wide expansion of the Residential Rental Housing Licensing Program in accordance with Option “F” as outlined in Section 5.2 of Report SF-23-28, dated September 12, 2023, and in a final form and content acceptable to Legal Services and the Commissioner, Safety and Facilities Services; and,
6. That following Council’s approval of an amendment to Licensing By-law 120-2005, as amended, to undertake the city-wide expansion of the Residential Rental Housing Licensing Program in accordance with Option “F” as outlined in Section 5.2

of Report SF-23-28, that Lodging House Licensing By-law 94-2002, as amended, be repealed as part of expanding the Residential Rental Housing Licensing Program city-wide; and,

7. That staff be directed to implement quarterly proactive projects to identify two unit house properties that are not registered with the City and undertake the necessary steps to bring them into compliance, as outlined in Section 5.2 of Report SF-23-28, dated September 12, 2023; and,
8. That staff be directed to review Two Unit Houses Registration By-law 41-2001, as amended, to investigate expanding the application of the By-law to all Accessory Apartments and/or an additional Dwelling Unit in an Accessory Building and to report back with the results of the review, as outlined in Section 5.1.4 of Report SF-23-18 dated May 1, 2023; and,
9. That duplexes not be added to the existing Two Unit Houses Registration system, a registration system for duplexes not be undertaken as outlined in Section 5.4.2 of Report SF-23-18, dated May 1, 2023, and that Council approve a by-law to amend Two Unit Houses Registration By-law 41-2001, as amended, to enhance the clarity around the exclusion of purpose-built duplexes and to make other minor technical amendments to clarify that the list found in Section 9(b) is not all-inclusive; and,
10. That correspondence be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing and the Real Estate Council of Ontario requesting that Two Unit Houses be disclosed to municipalities, as outlined in Section 5.4.1 of Report SF-23-18, dated May 1, 2023; and,
11. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to remove the bedroom limit from Schedule "K" and to exempt seasonal accommodations for temporary workers on Oshawa farms from requiring a Residential Rental Housing Licensing Program licence generally in the form of Sections 5.4.3 and 5.4.4 of Report SF-23-18, dated May 1, 2023, and Section 5.2 of Report SF-23-28, dated September 12, 2023, and in a final form and content acceptable to Legal Services and the Commissioner, Safety and Facilities Services.

6.0 Financial Implications

The estimated financial implications for each proposed option are detailed in **Attachment 4** and summarized in **Table 6**. It is important to note the following:

- The figures in **Table 6** and **Attachment 4** are estimates. They reflect the estimated annual cost and annual revenues associated with the full implementation of the applicable option and are based on the information available at the time of developing the proposed policy options and are subject to change based on various considerations including but not limited to, changes to housing tenure (i.e. rental vs. owned) and stock (e.g. Bill 23), salary changes, changes to the cost of vehicles, etc. Staff will continually reassess program financial figures throughout the implementation and address any immediate or anticipated variances.

- A one-hundred per cent (100%) compliance model was used for all Options to identify the necessary staff and resources (e.g. fleet) required to fully implement the respective option.
- The Financial Implications of Option “B” would be incurred through the existing operating budget which includes mailing out the new Landlord Brochures.
- The Financial Implications associated with enhanced Apartment Building Audit portion of Options “A”, “B”, “E” and “F” would be incurred through the existing operating budget. M.L.E would re-prioritize enforcement activities to support an enhanced Apartment Building Audit program.
- While it is anticipated that proposed quarterly Two Unit Enforcement Projects will result in increased building permit and registration revenues, staff are not able to quantify this impact at this time. Similarly, staff are unable to quantify the potential impact related to changes to the assessed value of the property as a result of the addition of an accessory apartment/second unit given that assessments are based on a number of variables including but not limited to the quality of the construction, location, and foot print of the property.

Table 6 – Estimated Financial Implications by Option

Option	Estimated Annual Operating Cost	Estimated Annual Revenue	Estimated Initial One-Time Capital Cost⁴	Cost Recovery
Option “A”	R.S.A.: \$419,148 A.B.A. ¹ : \$31,800 R.R.H.L. ² : \$329,838	\$425,412 ²	\$112,000	Partially Recovered from Property Tax Levy
Option “B”	A.B.A. ¹ : \$31,800 R.R.H.L. ² : \$329,838	\$425,412 ²	N/A	Partially Recovered from Property Tax Levy
Option “C”	\$2,559,242	\$2,683,818	\$798,000	Full Cost Recovery Through Licensing Fees When Fully Implemented
Option “D”	\$2,559,242	\$2,683,818	\$798,000	Full Cost Recovery Through Licensing Fees When Fully Implemented
Option “E”	City-wide R.R.H.L.: \$1,210,913 A.B.A. ³ \$11,800	\$1,188,728	\$399,000	Largely Cost Recovered Through Licensing Fees, Nominal impact to Property Tax Levy
Option “F”	City-wide R.R.H.L.: \$1,210,913 A.B.A. ³ \$11,800	\$1,273,553	\$399,000	Full Cost Recovery Through Licensing Fees Following Full Implementation

Note:

¹ Refers to the enhanced Apartment Building Audits and costs associated with enhanced communications.

² Represents the annual cost and revenue of the existing R.R.H.L. program with a two (2) year licensing term.

³ Refers to the enhanced Apartment Building Audit, excluding costs associated with enhanced communications.

⁴ The Initial One-Time Capital Cost related to fleet for Option "C" would be incurred over four (4) years, over two (2) years for Option "D", over three (3) years for Option "E" and over three (3) year for Option "F". It is important to note that the Estimated Initial Capital Cost is a **one-time** cost.

7.0 Relationship to the Oshawa Strategic Plan

The recommendations in this report responds to the Oshawa Strategic Plan Goals of Economic Prosperity and Financial Stewardship, Accountable Leadership, and Social Equity.



Phil Lyon, Director,
Municipal Law Enforcement and Licensing Services



Adam Grant, Commissioner,
Safety and Facilities Services



Public Report

To: Safety and Facilities Services Committee

From: Tracy Adams, Chief Administrative Officer,
Office of the C.A.O.

Report Number: SF-23-18

Date of Report: May 1, 2023

Date of Meeting: May 18, 2023

Subject: Proposed Policy Options for the Residential Rental Housing
Licensing Program and Other Rental Housing Regulatory
Considerations

Ward: All Wards

File: 03-05

1.0 Purpose

The purpose of this report is to:

- Present feedback from the Residential Rental Housing Licensing (R.R.H.L.) Program consultation conducted by staff in 2022 and present options for consideration as per Council Directive 2 in CORP-22-02.
- Address the direction in CORP-18-10 in the Safety and Facilities Services Committee Outstanding Items Status Report “that staff investigate either adding duplexes under two unit house registration or create a mirrored registration system for duplexes.”
- Address the direction of CORP-22-48 regarding an exemption for temporary accommodations for seasonal workers from the R.R.H.L. Program.
- Recommend other enhancements and considerations for the City of Oshawa’s (“the City”) rental regulations and enforcement response.

Attachment 1 is a handout that was provided as information to attendees at the April 4, 2022 Special Corporate Services Committee meeting.

Attachment 2 is a Frequently Asked Questions Document provided by staff to participants as information at the 2022 Residential Rental Housing Licensing Consultation.

Attachment 3 is a summary of feedback received from Oshawa’s online feedback tool “Connect Oshawa”.

Attachment 4 is correspondence received from I. George Lysyk dated April 17, 2022.

Attachment 5 is correspondence received from The Valiant Group of Companies Limited dated April 28, 2022.

Attachment 6 is correspondence received from the Durham Region Home Builders' Association dated May 4, 2022.

Attachment 7 is correspondence from the Durham Region Association of Realtors received in April 2022.

Attachment 8 is correspondence received from the Durham Region Association of Realtors dated May 5, 2022.

Attachment 9 is correspondence received from a local property owner on March 10, 2022.

Attachment 10 is a detailed overview of the four (4) potential policy options for consideration.

2.0 Recommendation

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

That the Safety and Facilities Services Committee select an option as detailed in Section 5.5 of Report SF-23-18 "Proposed Policy Options for the Residential Rental Housing Licensing Program and Other Rental Housing Regulatory Considerations", dated May 1, 2023.

3.0 Executive Summary

Not applicable.

4.0 Input From Other Sources

The following were consulted in preparation of this report:

- Building Services
- Corporate Communications
- Finance Services
- Fire Services
- Legal Services
- Planning Services
- City of Guelph
- Durham Region – Affordable Housing and Homelessness
- Durham Region Association of REALTORS®
- Durham Region Home Builders' Association (D.R.H.B.A.)
- Durham Community Legal Clinic (D.C.L.C.)
- Local Property Management Companies:
 - Valiant Group of Companies Limited
 - Cobblestone Property Management

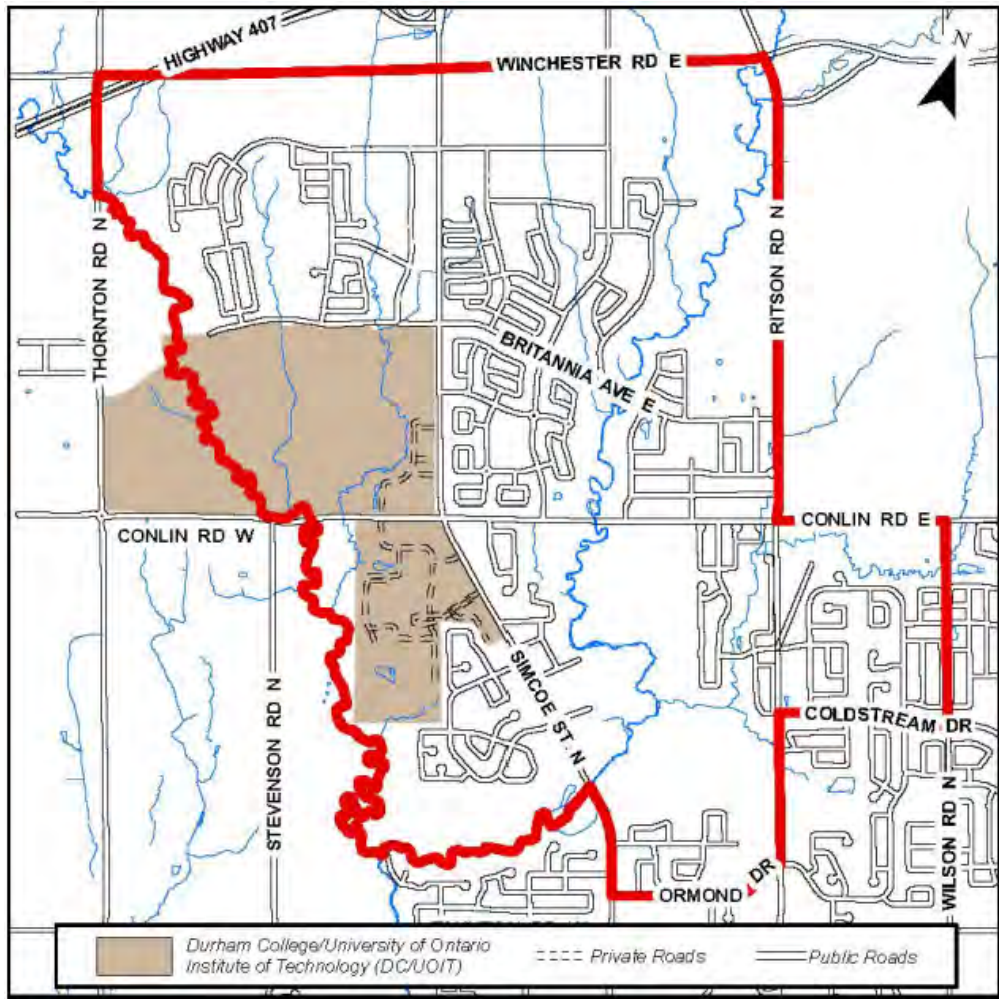
In addition to directly reaching out to organizations and internal branches, staff also undertook a comprehensive public consultation process as detailed in Section 5.2 of this report.

5.0 Analysis

5.1 Background

The R.R.H.L. Program was originally created in 2008 to address destabilization to an area in northern Oshawa near Ontario Tech University and Durham College that included uncontrolled rental housing growth and homes illegally being converted to multi-unit dwellings, as well as an abundance of parking and property standards related issues. The R.R.H.L. Program currently inspects rental properties in the defined rental area (see **Figure 1**) for compliance with various standards and by-laws, including but not limited to the Fire Code O. Reg. 213/07 (“Fire Code”), Electrical Safety Code, O. Reg. 164/99, Building Code Act, 1992, S.O. 1992, c. 23 (“Building Code Act”), and the City’s Zoning By-law 60-94, as amended (“Zoning By-law”) and Property Standards By-law 1-2002, as amended (“Property Standards By-law”).

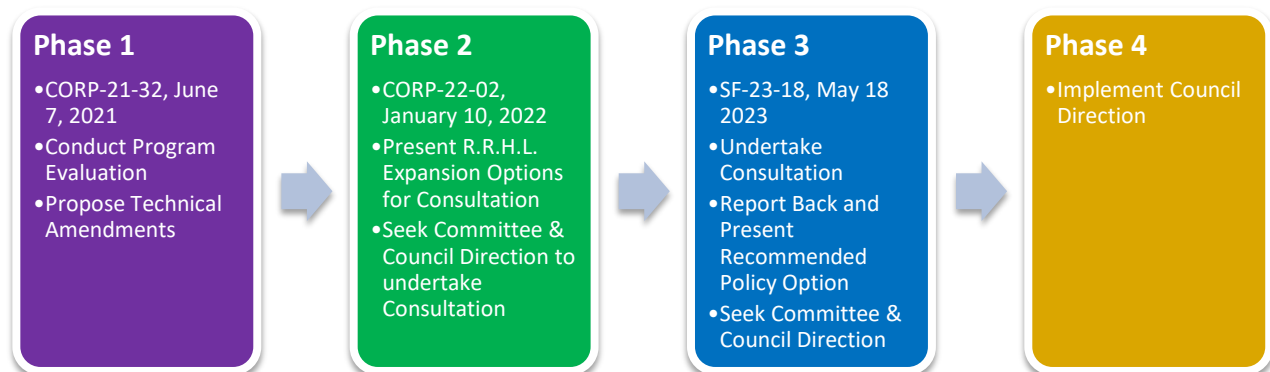
Figure 1 Existing R.R.H.L. Boundaries



The R.R.H.L. Program cannot address issues that are governed by the Residential Tenancies Act, 2006, S.O. 2006, c. 17 (“R.T.A.”). The R.T.A. provides rules for increasing rent and evicting tenants, gives specific rights and responsibilities to landlords and tenants, and establishes the Landlord and Tenant Board (“L.T.B.”). The L.T.B. is a tribunal that provides dispute resolution for landlord and tenant matters in Ontario.

In January 2020, City Council directed staff ([CORP-20-02](#)) to review options to potentially expand the R.R.H.L. Program beyond the existing geographical boundaries and report back. This began a process that is detailed in **Figure 2**.

Figure 2 Proposed Process to Study Expansion of R.R.H.L.



5.1.1 Phase One and CORP-21-32

Phase One (1) was addressed in [CORP-21-32](#) during the June 7, 2021 Corporate Services Committee meeting. This report presented a program evaluation of the existing R.R.H.L. Program, including an estimated compliance rate, complaint data, and cost recovery information. Some key findings from the program evaluation included:

- The R.R.H.L. Program is full cost recovery and in 2020 achieved an approximate favourable variance of \$56,545.
- In 2020, based on analysis of property data in the rental area, the Program had a license compliance rate of approximately fifty per cent (50%).
- Staff compared the rental area to the rest of the city using a per dwelling unit by-law complaint rate. The complaints used to develop this rate were those most relevant to housing: Adequate Heat, Boulevard, Lot Maintenance, Noise, Property Standards, Refuse, Snow and Ice, Unauthorized Parking, and Zoning. There has been a relatively stable amount of housing-related complaints per dwelling unit since 2011 in the rental area, and since 2016, the Rental Area has seen fewer complaints per dwelling unit than those received city-wide.

The report also proposed a number of technical amendments to the R.R.H.L. Program including:

- Removing the demerit point system.

- Establishing two (2) licensing rental classes (“A” and “B”), as well as changing the licence renewal period from annually to every two (2) years as outlined in **Table 1**.

Table 1 – Current Licensing Classes for R.R.H.L.

	Class “A” Individually-Owned Dwelling Units (e.g. singles, semis, townhouses, condo units, etc.)	Class “B” Multi-unit Dwellings under Single Ownership (e.g. Apartment Buildings and Townhouse Complexes with a single owner, etc.)
Application Requirements	<ul style="list-style-type: none"> • Licensing application • Various certificates demonstrating compliance to applicable standards 	<ul style="list-style-type: none"> • Licensing application • Various certificates demonstrating compliance to applicable standards
Inspection Requirements	<ul style="list-style-type: none"> • Inspection: entire property (interior and exterior) 	<ul style="list-style-type: none"> • Inspection: all common areas (where applicable) and based on the number of dwelling units in the building, a pre-defined quantity of units will be inspected: <ul style="list-style-type: none"> ○ 0 to 25: 4 ○ 26 to 50: 6 ○ 51 to 75: 8 ○ 76 to 100: 10 ○ Every 25+: 2
Operating Standards	<ul style="list-style-type: none"> • Compliance with all City By-laws and all applicable law including but not limited to Provincial Legislation (e.g. Fire Protection and Prevention Act, 1997, Building Code Act, 1992, etc.) 	<ul style="list-style-type: none"> • Compliance with all City By-laws and all applicable law including but not limited to Provincial Legislation (e.g. Fire Protection and Prevention Act, 1997, Building Code Act, 1992, etc.)
Licensing Fee Structure	<p>Application Fee: \$75 Licensing Fee:</p> <ul style="list-style-type: none"> • Base Fee: \$250 • Per Bedroom Fee: \$75 	<p>Application Fee: \$75 Licensing Fee:</p> <ul style="list-style-type: none"> • Base Fee: \$250 • Dwelling Unit Fee: <ul style="list-style-type: none"> ○ 0 to 25: \$400 ○ 26 to 50: \$600 ○ 51 to 75: \$800 ○ 76 to 100: \$1,000 ○ Every 25+: \$200

Staff were directed to study expansion options for the R.R.H.L. Program, which was addressed in Phase Two (2).

5.1.2 Phase Two and CORP-22-02

Report [CORP-22-02](#) presented potential R.R.H.L. Program expansion options to proceed with for consultation at the January 10, 2022 Corporate Services Committee meeting, addressing Phase Two (2). Staff analyzed the rental rates for each ward in the city to determine where the most rentals exist, outlined in **Table 2**.

Table 2 - Rental Rates by Ward

	Dwelling Units ¹	Owner-Occupied Dwelling Units ²	Rental Dwelling Units ³	Rental Rate ⁴
Ward 1	6,761	5,969	792	12%
Ward 2	14,922	8,804	6,118	41%
Ward 3	14,796	11,000	3,796	26%
Ward 4	18,082	9,786	8,296	46%
Ward 5	15,079	7,965	7,114	47%
Total	69,640	43,524	26,116	38%

Notes:

These rental rates are approximate figures given that housing tenure is dynamic, and this data represents the rental rate at the time the data was queried.

¹ Dwelling Unit means a unit consisting of one or more rooms, which unit contains toilet and cooking facilities and which is designed for use as a single housekeeping establishment.

² Owner-Occupied Dwelling Unit means a Dwelling Unit that is inhabited by the property owner.

³ Rental Dwelling Unit means a Dwelling Unit that is inhabited by a tenant.

⁴ Rental Rate means the percentage of total Dwelling Units in each ward that are Rental Dwelling Units.

Report CORP-22-02 also developed six (6) possible expansion options based on housing type and scope (e.g. city-wide immediately versus a phased-in approach). These options included estimated operating costs, capital costs, and additional staff required to administer each option. From the six (6) options, Council selected a city-wide licensing approach for all property types (e.g. Class “A” and “B”) for staff to consult and report back on.

5.1.3 Phase Three and SF-23-18

This report addresses Phase Three (3) and reports back on the consultation staff undertook following Council direction in Phase Two (2). This report also presents policy options related to the existing R.R.H.L. Program and other considerations regarding regulating rental units city-wide, including:

- Enhanced enforcement to address rental and tenant issues; and,
- Increased communication efforts to educate industry participants about various regulations, rights and responsibilities, and other regulatory considerations related to rental units.

Staff will begin Phase Four (4) (the implementation process) should an option be selected by Council.

5.1.4 Bill 23 Impact

The Province's roll-out of Bill 23 More Homes Built Faster Act, 2022 has minimal impacts on the existing R.R.H.L. Program and all proposed policy options detailed later in this report. This is because the purpose of the R.R.H.L. Program is to be a tool to enhance the City's ability to gain compliance with municipal and provincial standards. The most significant impact involves the removal of Schedule "H" in the City's Zoning By-law, whereby there will no longer be a prohibition on two-unit houses in the R.R.H.L. Program area. Previously, the R.R.H.L. Program acted as an additional tool to ensure compliance with this Zoning prohibition. Moving forward, this will no longer be a consideration and will instead result in owners of unregistered two-unit houses identified during the licensing process being directed to the proper registration/permitting process.

Although the impact of Bill 23 on the existing R.R.H.L. Program may be minimal, there is a need for staff to review the Two Unit Houses Registration By-law 41-2001, as amended, to investigate the impact of Bill 23 and the potential need to expand the application of the registration by-law to all Accessory Apartments and/or an additional Dwelling Unit in an Accessory Building. The registration by-law is a tool to provide initial approval that Accessory Apartments were created lawfully; however, this is a one-time approval. Should an option with city-wide expansion of the R.R.H.L. Program be selected from this Report, the regular licensing of these properties after their initial registration would help to ensure continued maintenance and compliance.

5.1.5 Current Compliance with R.R.H.L. System (February 2023)

As of February 2023, there were 912 licensed rental units under the existing R.R.H.L. Program. Based on the estimated 1,513 rental units in the rental area (figures per [CORP-21-32](#)) the current compliance rate has increased from roughly 50% in June 2021 to the current compliance rate of 60% in February 2023. Moreover, if the number of current "In Process" applications are included to the number of licensed rental units, the compliance rate is further increased to approximately 65%.

The increase in compliance is the result of a coordinated licensing and enforcement compliance project which leveraged the use of property data to educate rental property owners on the standards of the R.R.H.L. and to support enforcement where applicable. It is important to note that the figures presented above are approximate due to the fact that home ownership and usage of properties in the rental area is fluid (e.g. houses are frequently sold, changed from rental to investment properties, owners decide to occupy the house themselves, etc.). The figure of 1,513 rental units, which was queried in 2021, was used for comparison purposes.

5.2 Consultation Process

In 2022, staff undertook a robust public and industry stakeholder consultation as per Council's direction (CORP-22-02). The details of this consultation process are outlined in **Table 3**.

Table 3 Potential R.R.H.L. Expansion Consultation

Stakeholder	Type of Consultation	Timing
<p style="text-align: center;">All Stakeholders</p>	<p>Special Meeting of the Corporate Services Committee. Stakeholders that provided delegation:</p> <ul style="list-style-type: none"> • Local landlords, real estate agents and investors • Durham Region Association of REALTORS © • Local Property Management Companies <ul style="list-style-type: none"> ○ Valiant Property Group Limited • Federation of Rental Providers of Ontario (F.R.P.O.) • Durham Region Investors Club • Greater Toronto Apartment Association 	<p style="text-align: center;">April 4th 2022 9:30 a.m.</p>
<p style="text-align: center;">All Stakeholders</p>	<p>Online feedback form via www.connectoshawa.ca and paper feedback form at City Hall</p>	<p style="text-align: center;">March 9th – April 18th 2022</p>
<p style="text-align: center;">Advisory Committees, Community Groups, and Building Industry</p>	<p>Direct engagement through meetings and/or corresponding with stakeholders, including but not limited to:</p> <ul style="list-style-type: none"> • Town and Gown Committee • Association of Community Organizations for Reform Now (A.C.O.R.N.) • Durham Region Association of REALTORS © • Local Property Management Companies <ul style="list-style-type: none"> ○ Valiant Property Group Limited ○ Cobblestone Property Management ○ Acorn Properties Ltd. • Direct Intervention Reaching Everyone (D.I.R.E.) • Durham Region Home Builders Association (D.R.H.B.A.) • Durham Community Legal Clinic (D.C.L.C.) • Federation of Rental Providers of Ontario (F.R.P.O.) 	<p style="text-align: center;">April – May 2022</p>

To proactively address any questions attendees may have, staff developed educational materials for the April 4, 2022 Special Meeting of the Corporate Services Committee (see **Attachments 1 and 2**).

Staff worked with the City’s Corporate Communications branch in 2022 to develop three (3) unique feedback forms for residents to provide feedback on the R.R.H.L. Program’s potential expansion. The feedback forms were used to elicit feedback from residents, landlords and tenants regarding a potential R.R.H.L. expansion.

The public consultation was promoted to the community and stakeholders through various mediums, including media materials, social media, as well as print and digital promotional material.

Additional targeted communications included outreach to known potentially interested parties and targeted mailers with the City’s Tenant Information Guide.

5.2.1 Connect Oshawa

Staff undertook a five (5) week public and industry stakeholder consultation process using Connect Oshawa beginning on Wednesday, March 9 and concluding on Monday, April 18, 2022.

Community members were invited to complete a feedback form on Connect Oshawa or on paper at Service Oshawa. Feedback was received through three (3) unique feedback forms based on the stakeholder providing it:

- General Public and Property Owners (not a rental) – 262 respondents
- Tenants and Renters – 133 respondents
- Residential Property Managers and Landlords – 84 respondents

Attachment 3 provides a detailed outline of the input received from the feedback forms. Highlights from the three (3) feedback forms are presented below:

- There were a total of 479 responses received
- Responses were received from age groups ranging from 18 to 75+, with the majority of responses coming from those aged:
 - 35-44: General Public and Property Owners (not a rental)
 - 25-34: Tenants and Renters
 - 45-54: Residential Property Managers and Landlords
- The majority of respondents were either Oshawa residents and/or business/property owners:
 - 91%: General Public and Property Owners (not a rental)
 - 92%: Tenants and Renters
 - 85%: Residential Property Managers and Landlords
- Responses were received from all wards, with the majority of responses coming from Ward 4
- The majority of respondents learned about the opportunity to participate in the Connect Oshawa consultation through social media

5.2.1.1 R.R.H.L. Expansion Preference

Of the 479 respondents, 476 answered the yes or no question:

“The City currently licenses rental properties in the defined area. Do you think the program should be expanded to require all rental properties in the city to be licensed?”

- Members of the public who did not identify as a tenant or landlord were split on their preference to expand the R.R.H.L. Program city-wide.
- Tenants were in favour of R.R.H.L. expansion.
- Residential Property Managers and Landlords were against an R.R.H.L. expansion.

For detailed information on the feedback received, please refer to **Attachment 3**.

5.2.1.2 Key Highlights from Feedback Received

The following are the key themes, suggestions, and relevant highlights received from each stakeholder group in response to their unique feedback forms:

General Public and Property Owners (not a rental)

- There are “bad” landlords and illegal/unmaintained rentals everywhere, so the R.R.H.L. Program should apply city-wide
- The City should limit the number of people who can live in a dwelling, as well as how many cars can park there
- An expansion of the program can help address illegal lodging and boarding homes
- An expansion of the program would result in higher rent, and is an unneeded cost for landlords
- The R.R.H.L. represents a duplication of standards that already exist (e.g. Fire Code, Property Standards)
- 59.4% of respondents believe the City should license both Class “A” and Class “B” buildings, rather than one or the other

Tenants and Renters

- The most important factor when selecting a rental unit is price, with second being health and safety (e.g. Fire Code, Property Standards)
- The City should institute rent control
- “Bad” landlords and tenants issues exist everywhere in the city, so the R.R.H.L. Program should exist everywhere
- Over 70% of respondents felt the City **should** be inspecting for the following regulations when issuing a rental licence:
 - Fire safety
 - Property standards
 - Adequate heat
 - Electrical safety
 - Compliance with the Building Code Act
 - Appropriate insurance
 - Lot maintenance
 - Waste issues
 - Snow and ice removal
 - Zoning issues
 - Noise and nuisance
 - Tenant notification boards in apartment buildings
 - Tenants have a local contact to resolve issues
- Additionally, 56% of respondents felt that the list was exhaustive and no additional standards needed to be regulated
- 58% of respondents felt the fees associated with the R.R.H.L. would be too high if they were passed on to tenants, and would not provide value
- 80% of respondents believe the City should license both Class “A” and Class “B” buildings, rather than one or the other

Residential Property Managers and Landlords

- Residents can already call by-law for inspections if they see something wrong, the R.R.H.L. represents a duplication of standards that already exist (e.g. Fire Code, Property Standards)
- The City should focus their efforts on illegal rental units, not legal ones
- An expansion of the program would result in higher rent, reduced housing stock, and is a barrier to affordable housing
- 68% of respondents own and/or manage a house as their rental property in the City of Oshawa.
- Over 50% of respondents felt the City **should not** be inspecting for the following regulations when issuing a rental licence:
 - Fire safety
 - Property standards
 - Adequate heat
 - Electrical safety
 - Compliance with the Building Code Act
 - Appropriate insurance
 - Lot maintenance
 - Waste issues
 - Snow and ice removal
 - Zoning issues
 - Noise and nuisance
 - Tenant notification boards in apartment buildings
 - Tenants have a local contact to resolve issues
- 39% of respondents chose not to answer whether the City should license Class “A” buildings, Class “B” buildings, or both

5.2.2 Special Meeting and Feedback Received

On April 4, 2022, the Corporate Services Committee held a special meeting to hear delegations and receive comments from the public regarding potentially expanding the R.R.H.L. Program boundaries city-wide. Feedback was received from landlords, large professional property management companies, rental management advocacy groups, and rental housing organizations. The feedback received by the Committee was largely against expanding the R.R.H.L. Program boundaries, for reasons cited such as:

- An expansion would reduce demand for rental units in Oshawa, causing development companies to build properties elsewhere;
- The program’s licensing fees would be passed on to tenants, increasing their rent;
- The program applies a duplication of standards that already exist (e.g. Fire Code and Property Standards By-law);
- Alternative optional programs already exist from private organizations to license rental properties which can ensure their safety;
- Most of the landlords in Oshawa ensure their properties meet all applicable regulations, and the City should instead focus on non-compliant landlords;
- A more beneficial program would reward good landlords, rather than make all landlords pay for the bad actors; and,

- The City should use the resources already at its disposal (e.g. Property Standards Orders) to address tenant issues, as opposed to instituting a large licensing system.

5.2.2.1 Enhanced Smoke Alarm Standards

Feedback heard at the April 4, 2022 Special Corporate Services Committee Meeting suggested the City introduce enhanced smoke alarm regulations, specifically to ensure smoke alarms are hardwired into units, rather than powered by batteries to ensure a more reliable power source. After consulting with Oshawa Fire Services, staff has concluded that the City has no authority to institute such standards, as smoke alarms are regulated by the Building Code Act and the Fire Protection and Prevention Act, 1997, S.O. 1997, c. 4 (“Fire Protection and Prevention Act”).

5.2.2.2 Durham Region Rent Safe Program and Other Tenant Education

Other feedback heard at the Special Corporate Services Committee Meeting suggested that efforts should be made to ensure tenants are educated about their rights and responsibilities as part of a harmonious landlord-tenant dynamic. Staff are aware of RentSmart – a registered charity through the Ready to Rent BC Association. Their program has created a series of educational/training modules to support renters to achieve and maintain housing stability. According to their website (www.rentsmarteducation.org) the RentSmart model has three (3) main objectives:

- To provide tenants with the knowledge, skills and confidence to maintain safe, stable housing
- To deliver a high quality educational experience that is relevant and practical
- Utilize a Train the Trainer approach to expand partner organizations capacity to deliver tenant education

As social services related to affordable housing is a responsibility of the upper tier municipality, the Region of Durham participates in this program by having internal staff certified to facilitate the certificate courses offered through RentSmart.

Additionally, since 2017, as part of providing tenant information, the City has distributed a Tenant Information Guide to generally inform renters of their rights and responsibilities as a tenant. The guide is available online and is mailed out using a targeted mail service on an annual basis.

5.2.3 Input from Other Stakeholders

In addition to Connect Oshawa, the Special Meeting of the Corporate Services Committee, and input from agencies, staff received feedback from the following stakeholders:

- Cobblestone Property Management
 - Unsupportive of R.R.H.L. expansion.
 - The City should continue to investigate property-related complaints as they do now, and provide relevant information to landlords for dealing with non-compliant tenants.
- Correspondence from I. George Lysyk (**See Attachment 4**)
- The Valiant Property Group (**See Attachment 5**)
- Durham Region Home Builders' Association (D.R.H.B.A.) (**See Attachment 6**)
- Durham Region Association of Realtors (D.R.A.R.) (**See Attachments 7 and 8**)
- Correspondence from a local property owner (**See Attachment 9**)

5.2.4 Input from Region of Durham and Durham Community Legal Clinic

Staff consulted with the Durham Region Affordable Housing and Homelessness, as well as the Durham Community Legal Clinic. These conversations focused on the potential legal and social impacts of expanding the R.R.H.L. Program, including the potential displacement of tenants when inspections identify unsafe or illegal properties or conditions. Additionally, staff wanted to know what kind of tenant issues these organizations are seeing in Oshawa. Below are some of the key takeaways from these conversations.

5.2.4.1 Durham Region Affordable Housing and Homelessness

- They are concerned with the possibility of tenants being displaced due to the results of inspections that may identify illegal property uses (e.g. Zoning) or unsafe properties (e.g. Fire Code and Property Standards issues).
- They would like support regarding potential displacement (e.g. ensuring properties are safe to reduce the displacement of tenants).

5.2.4.2 Durham Community Legal Clinic

- A significant number of tenants come to Durham Community Legal Clinic ("the Clinic") with maintenance issues (e.g. poorly maintained properties, Fire Code issues, etc.).
- The most common issue the Clinic sees is evictions, but this often stems from maintenance issues. In the Clinic's experience, once a tenant complains, rather than getting their property up to code, a landlord will often evict the tenant instead
- Awareness and information about tenant's rights and responsibilities is a gap, and rather than engaging the Clinic after an eviction notice is issued, tenants often come to them once they have already moved out, making it difficult for the Clinic to provide support.
- In addition to the R.R.H.L. Program expansion, it was suggested that there could be a benefit to implementing programs that help support landlords in getting their

properties up to code, and/or provide support to residents who are living in unsafe or illegal conditions. **Note:** this is beyond the scope of a lower-tier municipality.

5.3 Policy Options

Staff have developed four (4) proposed policy options for consideration:

- **Option “A”** – Rental Safety Audit Pilot Program (City-Wide)
- **Option “B”** – Maintain Current R.R.H.L. Area
- **Option “C”** – City-Wide R.R.H.L. Program Expansion By Ward
- **Option “D”** – City-Wide R.R.H.L. Program Expansion By Building Stock

The four (4) options and associated estimated implementation timelines are summarized in **Section 5.3.1** of this report and highlights are provided in **Table 4**. Please refer to **Attachment 10** for a detailed description of each option, including estimated costs.

Table 4 Policy Options Highlights

Details	Option “A”	Option “B”	Option “C”	Option “D”
R.R.H.L. Expansion (City-wide)			✓ (By Ward)	✓ (By Building Stock)
Rental Safety Audit (R.S.A.) Pilot Program (City-wide)	✓ Pilot Program		Not Applicable	Not Applicable
Expansion of Apartment Building Audit (A.B.A.) Projects	✓	✓	Not Applicable	Not Applicable
Introduction of Quarterly Two-Unit Enforcement Projects (City-wide)	✓	✓	✓	✓
Enhanced Communication and Collaboration (see Table 5 and Attachment 10)	✓	✓	✓	✓
Other Regulatory Considerations	✓	✓	✓	✓

A summary of the details contained in the various options are provided below.

R.R.H.L. Expansion (City-wide):

R.R.H.L. Expansion (City-wide) refers to the potential expansion of the existing R.R.H.L. Program to the entire city.

Note: This only applies to Options “C” and “D”.

Rental Safety Audit Pilot Program (City-wide):

The R.S.A. Pilot Program refers to the introduction of a rental inspection program where tenants can request free inspections for their rental units (City-wide). These inspections would involve staff from both Fire Services and Municipal Law Enforcement (M.L.E.), who would confirm compliance with relevant Fire Code regulations and City by-laws.

Note: This only applies to Option “A”.

Expansion of Apartment Building Audits (Four (4) Projects a year)

The City conducts semi-annual audits of select apartment buildings that utilize interdepartmental inspection teams from Fire Services and M.L.E. Buildings are chosen based on their history of received complaints, non-compliance with City by-laws, and with a desire to include both small and large buildings. Staff inspect for violations under the Fire Code, and Property Standards and Lot Maintenance By-laws, among others. Inspections are conducted in common areas, hallways, laundry rooms, parking areas and individual dwelling units when requested by occupant.

From 2017-2022, the City inspected twenty-one (21) apartment buildings, finding a combined one-hundred and forty-eight (148) property standards violations and two-hundred and twenty-one (221) Fire Code infractions.

Staff currently perform two (2) city-wide audits per year totaling six (6) buildings. The potential expansion would increase the total to four (4) city-wide audits per year, totaling twelve (12) buildings.

Note: This expansion would only apply to Options “A” and “B”. It would not apply to Options “C” or “D” since a city-wide expansion of the R.R.H.L. Program would result in all apartment buildings in Oshawa requiring inspections to become licensed.

Introduction of Quarterly Two-Unit Enforcement Projects (City-wide)

Introduction of Quarterly Two-Unit Enforcement Projects refers to Municipal Law Enforcement and Licensing Services staff undertaking enforcement projects four (4) times per year involving the dedication of specific times to proactively identify and address two-unit house properties that are not registered with the City. These projects would involve searching through online listings for two-unit house properties at addresses not currently registered with the City. Through the introduction of these proactive projects, staff will identify these unregistered properties, and will undertake take the necessary steps to ensure that the units meet relevant safety standards and become registered, where necessary.

Enhanced Communication and Collaboration

Enhanced Communication and Collaboration refers to the undertaking of various activities to educate residents and industry participants about relevant standards and programs. These activities vary depending on the option chosen and are detailed in **Attachment 10**.

Additionally, this also includes a continuation of the various communication and collaboration efforts currently undertaken by the City, including the mailing out of Tenant Brochures and engaging the Durham Realtor Association about Two-Unit Houses By-law Registration and R.R.H.L. requirements. A summary of the various communication and collaboration activities by option are provided in **Table 5**.

Table 5 Communication and Collaboration Summary by Policy Option

Communication and Collaboration Activity	Option “A”	Option “B”	Option “C”	Option “D”
Advertisement	✓ (R.S.A. Pilot Program)	✓ (Current R.R.H.L.)	✓ (City-wide R.R.H.L. Program)	✓ (City-wide R.R.H.L. Program)
Landlord Brochure	✓	✓	✓	✓
Tenant Brochure	✓	✓	✓	✓
Durham Realtor Association and Two-Unit Registration/R.R.H.L. Education	✓	✓	✓	✓
Request for Two-Unit Disclosure	✓	✓	✓	✓

5.3.1 Proposed Policy Options and Implementation Timelines

Should Council wish to move forward, staff are presenting four (4) options for consideration:

- **Option “A”** – Rental Safety Audit Pilot Program (City-Wide)
- **Option “B”** – Maintain Current R.R.H.L. Area
- **Option “C”** – City-Wide R.R.H.L. Program Expansion By Ward
- **Option “D”** – City-Wide R.R.H.L. Program Expansion By Building Stock

These options are outlined earlier in Section 5.3, detailed in **Attachment 10**, and are summarized below with estimated implementation timelines and estimated staff and other resources necessary to implement each applicable option.

5.3.1.1 Option “A” – Rental Safety Audit Pilot Program (City-Wide)

If Option “A” is selected:

- The R.R.H.L. Program will remain only in the current rental area and rental unit inspections will be conducted every two (2) years per the licence term of the R.R.H.L licence;

- The City will develop and pilot an R.S.A. program, including the addition of three F.T.E.s (equal to one (1) temporary M.L.E. Officer, one (1) temporary Licensing Examiner, and one (1) temporary Fire Prevention Inspector);
- The City will undertake quarterly proactive two-unit enforcement projects;
- Enhanced communications will be undertaken to promote landlord responsibilities and the R.S.A. program in addition to engagement already undertaken through the Tenant Information Guide;
- Staff will continue to engage the Durham Region Association of Realtors about Two-Unit Registration requirements and the R.R.H.L. Program;
- The number of apartment building audit projects will be increased to four (4) times a year;
- Correspondence will be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing, and the Real Estate Council of Ontario requesting that two-unit houses be disclosed to municipalities;
- The bedroom limit in Schedule “K” will be removed; and,
- Other regulatory considerations as detailed in Section 5.4 will be addressed.

The implementation timeline associated with the pilot rental inspection program in this option is outlined in **Figure 3**.

Figure 3 Option “A” Implementation Process and Proposed Timeline



The implementation of this option would take approximately six (6) to nine (9) months and involve the following activities:

- Implementation of the R.S.A. pilot program:
 - Budget process
 - Hiring process
 - Obtaining fleet
 - Communications process
 - Other administrative processes (e.g. creating/updating procedures and filing systems)
 - Staff training
 - Launch;
- Updating processes related to the apartment building audits
- Requesting the disclosure of two-unit home locations to municipalities; and,
- Amending Licensing By-law 120-2005, as amended (“Licensing By-law”) in collaboration with Legal Services.

It is estimated that these activities could be fully implemented by Q2 2024; however, it should be noted that this is subject to change based on budgetary approvals, hiring processes, etc.

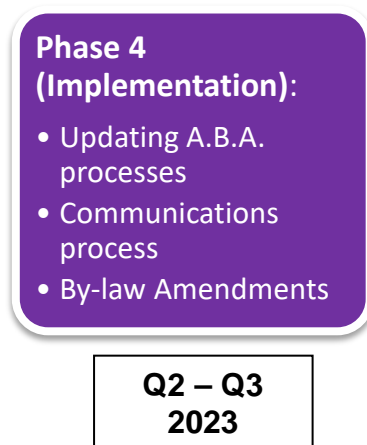
5.3.1.2 Option “B” – Maintain Current R.R.H.L. Area

If Option “B” is selected:

- The R.R.H.L. Program will remain only in the current rental area and rental unit inspections will be conducted every two (2) years per the licence term of the R.R.H.L licence;
- Enhanced communications will be undertaken to promote landlord responsibilities, in addition to engagement already undertaken through the Tenant Information Guide;
- The City will undertake quarterly proactive two-unit enforcement projects;
- Staff will continue to engage Durham Region Association of Realtors about Two-Unit Registration requirements and the R.R.H.L. Program;
- The number of apartment building audit projects will be increased to four (4) times a year;
- Correspondence will be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing, and the Real Estate Council of Ontario requesting that two-unit houses be disclosed to municipalities;
- The bedroom limit in Schedule “K” will be removed; and,
- Other regulatory considerations as detailed in Section 5.4 will be addressed.

The implementation timeline associated with this option is outlined in **Figure 4**.

Figure 4 Option “B” Implementation Process and Proposed Timeline



The implementation of this option would take approximately three (3) to six (6) months and involve the following activities:

- Updating processes related to the apartment building audits;
- Requesting the disclosure of two-unit home locations to municipalities;
- Undertaking communications activities; and,
- Amending the Licensing By-law in collaboration with Legal Services.

It is estimated that these activities could be fully implemented by Q3 2023.

5.3.1.3 Option “C” – City-Wide R.R.H.L. Program Expansion by Ward

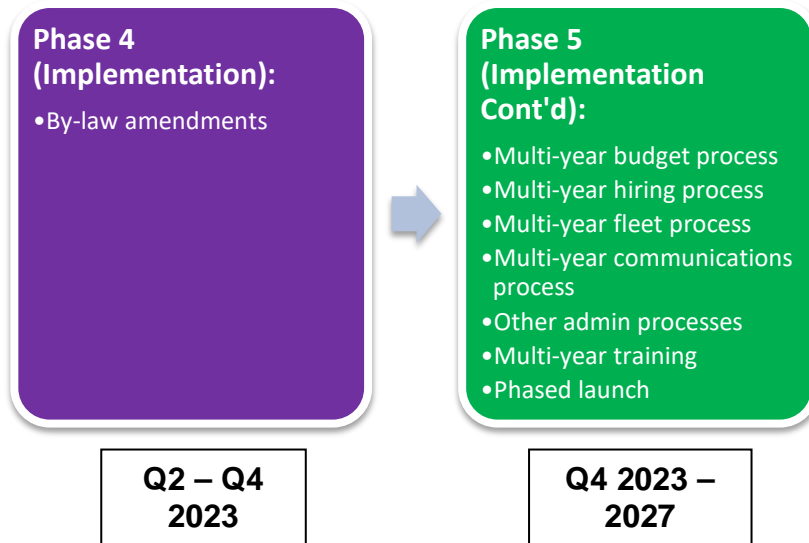
If Option “C” is selected:

- The R.R.H.L. Program will be expanded city-wide (on a schedule based on a Ward roll-out) and rental unit inspections will be conducted every two (2) years per the licence term of the R.R.H.L. licence;
- Four (4) Fire Prevention Inspectors, eight (8) Licensing Inspectors, four (4) Licensing Examiners, two (2) M.L.E. Officers, and one (1) Licensing Supervisor will be hired to administer the expanded program;
- The existing Lodging House Licensing program will be consolidated into the new city-wide R.R.H.L. Program;
- Two-unit rental properties city-wide will require a licence through the R.R.H.L. program in addition to the initial registration pursuant to Two Unit Houses Registration By-law 41-2001, as amended;
- Owners of two-unit rental properties registered after the launch of city-wide R.R.H.L. licensing would receive their first R.R.H.L. licence at no cost as part of the Two-Unit Registration process;
- Enhanced communications will be put in place to promote landlord responsibilities and the expanded R.R.H.L. program, in addition to engagement already undertaken through the Tenant Information Guide;
- The City will undertake quarterly proactive two-unit enforcement projects;

- Staff will continue to engage Durham Region Association of Realtors about Two-Unit Registration requirements and the R.R.H.L. Program;
- Correspondence will be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing, and the Real Estate Council of Ontario requesting that two-unit houses be disclosed to municipalities;
- The bedroom limit in Schedule “K” will be removed;
- Other regulatory considerations as detailed in Section 5.4 will be addressed; and,
- Apartment Building Audits will no longer be undertaken, as inspections of these buildings would be captured through the licensing program.

The implementation timeline associated with R.R.H.L. Program expansion detailed in this option is outlined in **Figure 5**.

Figure 5 Option “C” Implementation Process and Proposed Timeline



The implementation of this option would take approximately five (5) years; however, it should be noted that this is subject to change based on budgetary approvals, hiring processes, etc. Implementation would involve the following activities:

- Amending the Licensing By-law and repealing Lodging House Licensing By-law 94-2002, as amended, in collaboration with Legal Services;
- Implementation of the expanded R.R.H.L. Program:
 - Multi-year budget processes
 - Multi-year hiring processes
 - Multi-year vehicle purchasing processes
 - Multi-year communications processes
 - Other administrative processes (e.g. creating/updating procedures and filing systems, etc.)
 - Staff training

- Phased expansion by Ward based on rental rates as outlined in **Table 6**;
 and,
- Requesting the disclosure of two-unit home locations to municipalities.

Tables 6 and 7 illustrates the estimated implementation timeline for hiring and adding to the vehicle fleet.

Table 6 Option “C” Estimated Hiring Implementation Timeline and Phased Expansion Approach

	2024	2025	2026	2027	
Ward	2	5	4	1 & 3	Total
Licensing Supervisor	1	0	0	0	1
Fire Prevention Inspector	2	2	0	0	4
Licensing Inspector	4	3	1	0	8
Licensing Examiner	2	2	0	0	4
M.L.E. Officer	0	1	0	1	2
Total	9	8	1	1	19

Table 7 Option “C” Estimated Fleet Requirements by Year

Vehicle Type	2024	2025	2026	2027	Total
Fire Prevention Vehicles	2	2	0	0	4
Licensing Vehicles	4	3	1	0	8
M.L.E. Vehicles	0	1	0	1	2
Total	6	6	1	1	14

This approach was selected based on Ward rental rates, the geographical boundaries for the existing R.R.H.L. Program, and general implementation considerations. Staffing numbers were estimated based on the rental data queried during the preparation of Report CORP-22-02. These estimated figures are subject to change based on changes to housing tenure and stock and current salary and resource (e.g. fleet) figures.

It is estimated that these activities could be fully implemented by the end of 2027; however, it should be noted that this is subject to change based on budgetary approvals, the recruitment and hiring process, and other factors.

5.3.1.4 Option “D” – City-Wide R.R.H.L. Program by Building Stock

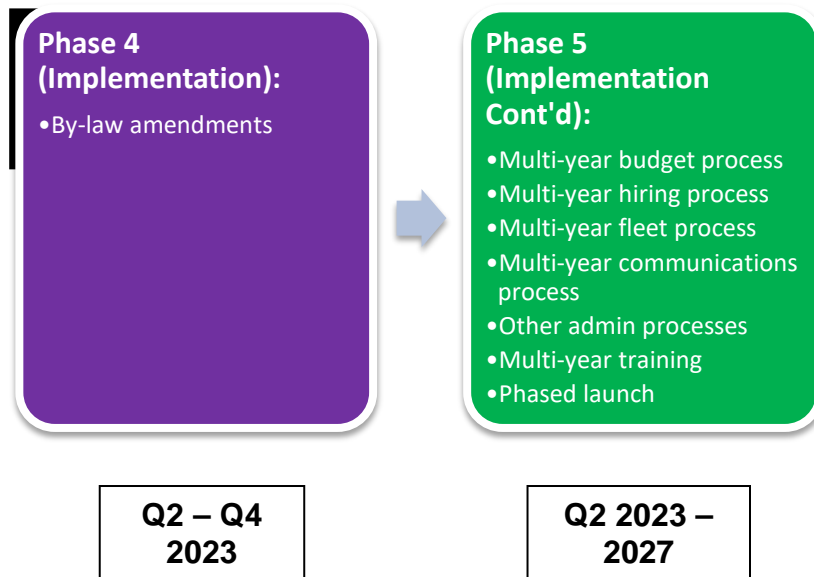
If Option “D” is selected:

- The R.R.H.L. Program will be expanded city-wide by building stock (on a schedule based on the number of units within a building per **Table 8**) and rental unit inspections will be conducted every two (2) years per the licence term of the R.R.H.L licence;
- Four (4) Fire Prevention Inspectors, eight (8) Licensing Inspectors, four (4) Licensing Examiners, two (2) M.L.E. Officers, and one (1) Licensing Supervisor will be hired to administer the expanded program;

- The existing Lodging House Licensing program will be consolidated into the new city-wide R.R.H.L. Program;
- Two-unit rental properties city-wide will require a licence through the R.R.H.L. program in addition to the initial registration pursuant to Two Unit Houses Registration By-law 41-2001, as amended;
- Owners of two-unit rental properties registered after the launch of city-wide R.R.H.L. licensing would receive their first R.R.H.L. licence at no cost as part of the Two-Unit Registration process;
- Enhanced communications will be put in place to promote landlord responsibilities and the expanded R.R.H.L. program, in addition to engagement already undertaken through the Tenant Information Guide;
- The City will undertake quarterly proactive two-unit enforcement projects;
- Staff will continue to engage Durham Region Association of Realtors about Two-Unit Registration requirements and the R.R.H.L. Program;
- Correspondence will be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing, and the Real Estate Council of Ontario requesting that two-unit houses be disclosed to municipalities;
- The bedroom limit in Schedule “K” will be removed;
- Other regulatory considerations as detailed in Section 5.4 will be addressed; and,
- Apartment Building Audits will no longer be undertaken, as inspections of these buildings would be captured through the licensing program.

The implementation timeline associated with R.R.H.L. Program expansion detailed in this option is outlined in **Figure 6**.

Figure 6 Option “D” Implementation Process and Proposed Timeline



The implementation of this option would take approximately five (5) years; however, it should be noted that this is subject to change based on budgetary approvals, hiring processes, etc. Implementation would involve the following activities:

- Amending the Licensing By-law and repealing Lodging House Licensing By-law 94-2002, as amended, in collaboration with Legal Services;
- Implementation of the expanded R.R.H.L. Program:
 - Multi-year budget processes
 - Multi-year hiring processes
 - Multi-year vehicle purchasing processes
 - Multi-year communications processes
 - Other administrative processes (e.g. creating/updating procedures and filing systems, etc.)
 - Staff training
 - Phased expansion by building stock as outlined in **Table 8**; and,
- Requesting the disclosure of two-unit home locations to municipalities.

Tables 8 and 9 illustrates the estimated implementation timeline for hiring and adding to the vehicle fleet.

Table 8 Option “D” Estimated Hiring Implementation Timeline and Phased Expansion Approach

	2024	2025	2026	2027	
Building Stock	1-3 Units	1-3 Units	4-6 Units	7+ Units	Total
Licensing Supervisor	1	0	0	0	1
Fire Prevention Inspector	4	0	0	0	4
Licensing Inspector	4	4	0	0	8
Licensing Examiner	4	0	0	0	4
M.L.E. Officer	0	2	0	0	2
Total	13	6	0	0	19

Note: In 2024, the enforcement approach be on a complaint basis. In 2025, a combination of complaint and proactive enforcement would be undertaken.

Table 9 Option “D” Estimated Fleet Requirements by Year

Vehicle Type	2024	2025	2026	2027	Total
Fire Prevention Vehicles	4	0	0	0	4
Licensing Vehicles	4	4	0	0	8
M.L.E. Vehicles	0	2	0	0	2
Total	8	6	0	0	14

This approach was selected based on building stock, rather than ward, and general implementation considerations. Staffing numbers were estimated based on the rental data queried during the preparation of Report CORP-22-02. These estimated figures are subject to change based on changes to housing tenure and stock and current salary and resource (e.g. fleet) figures.

It is estimated that these activities could be fully implemented by the end of 2027; however it should be noted that this is subject to change based on budgetary approvals, the recruitment and hiring process, and other factors.

5.4 Other Regulatory Considerations

In addition to the policy options highlighted in Section 5.3 and detailed more specifically in **Attachment 10**, staff have considered additional regulatory issues related to rental properties as follows:

5.4.1 Request that the Real Estate Council of Ontario to Require the Disclosure of Two-Units to Municipalities

Staff recommend that correspondence be sent to the Minister of Public and Business Service Delivery, the Minister of Municipal Affairs and Housing, and the Real Estate Council of Ontario (R.E.C.O.), the regulatory authority responsible for the rules that real estate salespeople, brokers, and brokerages must follow, requesting that the location of two-unit houses be disclosed to municipalities. There are many unregistered two-unit rental properties in the City of Oshawa, which may be unsafe and not meet all applicable City by-laws and Provincial regulations. By disclosing two-unit rental properties, the City can more easily identify them and determine if they are registered, or require they become registered, to ensure the health and safety of tenants.

Note: This applies to all four (4) options: A, B, C, and D.

5.4.2 Duplex Registration System

The City of Oshawa's Two Unit Houses Registration By-law 41-2001, as amended ("Two Unit Registration By-law") requires all two-unit houses to be registered. Failure to register a two-unit house is an offence under the by-law.

A **two-unit house** is a single detached house, semi-detached house, or row house which contains two residential units, or an accessory apartment as prescribed by the City's Zoning By-law 60-94 (e.g. converted into a two dwelling property).

Conversely, a **duplex** means the whole of a building, which was not originally constructed as a single detached dwelling that consists of two dwelling units (e.g. purpose built to have two dwellings). Staff has been directed to investigate adding duplexes to the Two-Unit House Registration system or creating their own registration system.

Staff recommends against adding duplexes to the existing Two-Unit House Registration system, or developing a mirrored registration system for duplexes for the following reasons:

1. The City has issued building permits for very few duplexes since 2014, generally as a result of:
 - o 2014 amendments to the Zoning By-law 60-94 to permit accessory apartments more broadly in single detached and semi-detached houses which has resulted in the creation of more accessory apartments/two-unit houses.
 - o The Development Charges Act, 1997, S.O. 1997, c. 27 does not allow the City to levy a development charge for the creation of an accessory apartment/two-unit in a single detached dwelling but it does allow the City to

levy a development charge for both dwelling units in a duplex. As a result, property owners are constructing single detached dwellings and then adding a second dwelling unit to ensure they do not have to pay a development charge for creation of the second dwelling unit.

2. The primary intent of the Two Unit Registration By-law is to ensure the second dwelling unit is safe and is subject to the building permit process:
 - A building permit is required for the construction of a new building containing a duplex, and during the building permit process, including during the final inspection, a duplex is determined to be safe and meets all Building Code Act requirements at that point in time, which is the primary intent of any registration system for two-unit houses.
 - Because of this inspection, there is no need to create a registration system for duplexes as they are already subject to a building permit process.
 - **Note:** two-unit houses built before 1994 are subject to Property Standards Inspections and certain provisions pursuant to the Fire Code O. Reg 213/07 administered by Licensing and Standards and Fire Services, not by Building Services through the building permit process.

3. Identifying duplexes requires a case-by-case approach. Each property must be individually assessed to determine whether it was a purpose-built duplex or converted at a later date. The data readily available to staff through the City's property information database originates from self-reported Municipal Property Assessment Corporation information and is not confirmed for accuracy.

Note: This applies to all four (4) options: A, B, C, and D.

5.4.3 Removing R.R.H.L. Bedroom Limits

In 2007, property owners were illegally retrofitting rental houses in the R.R.H.L. Program area that were originally built with three (3) or four (4) bedrooms by adding bedrooms in dens and basements, resulting in safety and neighbourhood incompatibility issues. The City established bedroom limits to address these aforementioned issues. It is important to note that the City increased the bedroom limits along the Simcoe Street North Corridor to five (5) bedrooms to support the development of purpose-built student housing in 2011.

While bedroom limits have assisted in part to control the over intensification and destabilization of the R.R.H.L. rental area, the bedroom limits have created an unintended effect of limiting the use of a property originally built with five (5) or more bedrooms based on tenure. For example, owner-occupied properties are permitted to use all originally built bedrooms whereas rental properties are limited to the use of up to four (4) bedrooms, or five (5) bedrooms within the Simcoe Street North Corridor.

The main factors that were once a key principle for establishing bedroom limits are no longer as relevant given that these concerns are addressed through the robust land-use planning (Zoning) and building permit processes when properties with five (5) bedrooms or more are approved.

Staff recommend removing the bedroom limit from Schedule “K” of the Licensing By-law. Furthermore, staff believe that the land-use concerns are appropriately managed through the existing requirements for compliance with City by-laws and applicable Provincial Legislation including, but not limited to, the Building Code Act, and the Fire Protection and Prevention Act, 1997. Staff consulted Planning Services and Fire Services, who were supportive of this change.

Note: This applies to all four (4) options: A, B, C, and D.

5.4.4 Exempt Seasonal Worker Accommodations on Oshawa Farms from R.R.H.L.

Farms in Oshawa that hire out-of-Canada seasonal workers will often provide accommodations on the farms for convenience and well-being. The original intent of the R.R.H.L. Program was not to regulate this type of use (e.g. seasonal, temporary housing). Additionally, the City’s Property Standards By-law applies to all properties in the city, prescribing minimum standards for the maintenance and occupancy of buildings, including temporary accommodations for seasonal workers. Staff recommend exempting temporary accommodations for seasonal farm workers from requiring an R.R.H.L. Program licence.

Note: This applies to all four (4) options: A, B, C, and D.

5.5 Proposed Policy Options and Applicable Motions

5.5.1 Option “A” – Rental Safety Audit Pilot Program (City-Wide)

In the event that the Safety and Facilities Services Committee chooses this option, the Safety and Facilities Services Committee may wish to pass the following motion:

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

That based on Report SF-23-18 “Proposed Policy Options for the Residential Rental Housing Licensing Program and Other Rental Housing Regulatory Considerations”, dated May 1, 2023 concerning the Residential Rental Housing Licensing Program:

1. That the addition of Full-time Equivalent staff equal to one (1) temporary M.L.E. Officer, one (1) temporary Licensing Examiner, and one (1) temporary Fire Prevention Officer be included during the 2024 budget process to support the two (2) year Rental Safety Audit pilot program generally in the form of Option "A" as outlined in Section 5.3 in Report SF-23-18, dated May 1, 2023; and,
2. That staff be directed to report back with an evaluation of the two (2) year Rental Safety Audit pilot program following the completion of the program; and,
3. That Council direct staff to undertake four (4) apartment building audit projects annually beginning in 2023 as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023; and,
4. That staff undertake enhanced communications regarding landlord-related responsibilities in addition to existing communications related to tenant rights and responsibilities, as outlined in Report SF-23-18, dated May 1, 2023; and,

5. That staff be directed to implement quarterly proactive projects to identify two-unit house properties that are not registered with the City and undertake the necessary steps to bring them into compliance, as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023; and,
6. That staff be directed to review Two Unit Houses Registration By-law 41-2001, as amended, to investigate expanding the application of the By-law to all Accessory Apartments and/or an additional Dwelling Unit in an Accessory Building and to report back with the results of the review, as outlined in Section 5.1.4 of Report SF-23-18 dated May 1, 2023; and,
7. That duplexes not be added to the existing Two-Unit Houses Registration system, a registration system for duplexes not be undertaken as outlined in Section 5.4.2 of Report SF-23-18, dated May 1, 2023, and that Council approve a by-law to amend Two Unit Houses Registration By-law 41-2001, as amended, to enhance the clarity around the exclusion of purpose-built duplexes and to make other minor technical amendments to clarify that the list found in Section 9(b) is not all-inclusive; and,
8. That correspondence be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing and the Real Estate Council of Ontario requesting that Two-Unit Houses be disclosed to municipalities, as outlined in Section 5.4.1 of Report SF-23-18, dated May 1, 2023; and,
9. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to remove the bedroom limit from Schedule “K” and to exempt seasonal accommodations for temporary workers on Oshawa farms from requiring a Residential Rental Housing Licensing Program licence generally in the form of Sections 5.3, 5.4.3 and 5.4.4 of Report SF-23-18, dated May 1, 2023, and in a final form and content acceptable to Legal Services and the Chief Administrative Officer.

5.5.2 Option “B” – Maintain Current R.R.H.L. Area

In the event that the Safety and Facilities Services Committee chooses this option, the Safety and Facilities Services Committee may wish to pass the following motion:

That based on Report SF-23-18 “Proposed Policy Options for the Residential Rental Housing Licensing Program and Other Rental Housing Regulatory Considerations”, dated May 1, 2023 concerning the Residential Rental Housing Licensing Program:

1. That Council direct staff to undertake four (4) apartment building audits annually beginning in 2023 as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023; and,
2. That staff undertake enhanced communications regarding landlord-related responsibilities in addition to existing communications related to tenant rights and responsibilities, as outlined in Report SF-23-18, dated May 1, 2023; and,
3. That staff be directed to implement quarterly proactive projects to identify two-unit house properties that are not registered with the City and undertake the necessary

steps to bring them into compliance, as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023; and,

4. That staff be directed to review Two Unit Houses Registration By-law 41-2001, as amended, to investigate expanding the application of the By-law to all Accessory Apartments and/or an additional Dwelling Unit in an Accessory Building and to report back with the results of the review, as outlined in Section 5.1.4 of Report SF-23-18 dated May 1, 2023; and,
5. That duplexes not be added to the existing Two-Unit Houses Registration system, a registration system for duplexes not be undertaken as outlined in Section 5.4.2 of Report SF-23-18, dated May 1, 2023, and that Council approve a by-law to amend Two Unit Houses Registration By-law 41-2001, as amended, to enhance the clarity around the exclusion of purpose-built duplexes and to make other minor technical amendments to clarify that the list found in Section 9(b) is not all-inclusive; and,
6. That correspondence be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing and the Real Estate Council of Ontario requesting that Two-Unit Houses be disclosed to municipalities, as outlined in Section 5.4.1 of Report SF-23-18, dated May 1, 2023; and,
7. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to remove the bedroom limit from Schedule “K” and to exempt seasonal accommodations for temporary workers on Oshawa farms from requiring a Residential Rental Housing Licensing Program licence generally in the form of Sections 5.3, 5.4.3 and 5.4.4 of Report SF-23-18, dated May 1, 2023, and in a final form and content acceptable to Legal Services and the Chief Administrative Officer.

5.5.3 Option “C”- City-Wide R.R.H.L. Program Expansion by Ward

In the event that the Safety and Facilities Services Committee chooses this option, the Safety and Facilities Services Committee may wish to pass the following motion:

That based on Report SF-23-18 “Proposed Policy Options for the Residential Rental Housing Licensing Program and Other Rental Housing Regulatory Considerations”, dated May 1, 2023 concerning the Residential Rental Housing Licensing Program:

1. That in accordance with Option “C” as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023, city-wide expansion of the Residential Rental Housing Licensing Program be approved in principle; and,
2. That future operating and capital budget considerations as outlined in **Tables 6 and 7** in Report SF-23-18, dated May 1, 2023, be presented to Council when appropriate through future budget submissions as part of the City’s regular budget planning process or separate reports as appropriate; and,
3. That staff undertake enhanced communications regarding landlord-related responsibilities in addition to existing communications related to tenant rights and responsibilities, as outlined in Report SF-23-18, dated May 1, 2023; and,

4. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to undertake the city-wide expansion of the Residential Rental Housing Licensing Program in accordance with Option “C” as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023, and in a final form and content acceptable to Legal Services and the Chief Administrative Officer; and,
5. That following Council’s approval of an amendment to Licensing By-law 120-2005, as amended, to undertake the city-wide expansion of the Residential Rental Housing Licensing Program in accordance with Option “C” as outlined in Section 5.3 of Report SF-23-18, that Lodging House Licensing By-law 94-2002, as amended, be repealed as part of expanding the Residential Rental Housing Licensing Program city-wide; and,
6. That staff be directed to implement quarterly proactive projects to identify two-unit house properties that are not registered with the City and undertake the necessary steps to bring them into compliance, as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023; and,
7. That staff be directed to review Two Unit Houses Registration By-law 41-2001, as amended, to investigate expanding the application of the By-law to all Accessory Apartments and/or an additional Dwelling Unit in an Accessory Building and to report back with the results of the review, as outlined in Section 5.1.4 of Report SF-23-18 dated May 1, 2023; and,
8. That duplexes not be added to the existing Two-Unit Houses Registration system, a registration system for duplexes not be undertaken as outlined in Section 5.4.2 of Report SF-23-18, dated May 1, 2023, and that Council approve a by-law to amend Two Unit Houses Registration By-law 41-2001, as amended, to enhance the clarity around the exclusion of purpose-built duplexes and to make other minor technical amendments to clarify that the list found in Section 9(b) is not all-inclusive; and,
9. That correspondence be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing and the Real Estate Council of Ontario requesting that Two-Unit Houses be disclosed to municipalities, as outlined in Section 5.4.1 of Report SF-23-18, dated May 1, 2023; and,
10. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to remove the bedroom limit from Schedule “K” and to exempt seasonal accommodations for temporary workers on Oshawa farms from requiring a Residential Rental Housing Licensing Program licence generally in the form of Sections 5.3, 5.4.3 and 5.4.4 of Report SF-23-18, dated May 1, 2023, and in a final form and content acceptable to Legal Services and the Chief Administrative Officer.

5.5.4 Option “D” – City-Wide R.R.H.L. Program Expansion by Building Stock

In the event that the Safety and Facilities Services Committee chooses this option, the Safety and Facilities Services Committee may wish to pass the following motion:

That based on Report SF-23-18 “Proposed Policy Options for the Residential Rental Housing Licensing Program and Other Rental Housing Regulatory Considerations”, dated May 1, 2023 concerning the Residential Rental Housing Licensing Program:

1. That in accordance with Option “D” as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023, city-wide expansion of the Residential Rental Housing Licensing Program be approved in principle; and,
2. That future operating and capital budget considerations as outlined in **Tables 8 and 9** of Report SF-23-18, dated May 1, 2023, be presented to Council when appropriate through future budget submissions as part of the City’s regular budget planning process or separate reports as appropriate; and,
3. That staff undertake enhanced communications regarding landlord-related responsibilities in addition to existing communications related to tenant rights and responsibilities, as outlined in Report SF-23-18, dated May 1, 2023; and,
4. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to undertake the city-wide expansion of the Residential Rental Housing Licensing Program in accordance with Option “D” as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023, and in a final form and content acceptable to Legal Services and the Chief Administrative Officer; and,
5. That following Council’s approval of an amendment to Licensing By-law 120-2005, as amended, to undertake the city-wide expansion of the Residential Rental Housing Licensing Program in accordance with Option “D” as outlined in Section 5.3 of Report SF-23-18, that Lodging House Licensing By-law 94-2002, as amended, be repealed as part of expanding the Residential Rental Housing Licensing Program city-wide; and,
6. That staff be directed to implement quarterly proactive projects to identify two-unit house properties that are not registered with the City and undertake the necessary steps to bring them into compliance, as outlined in Section 5.3 of Report SF-23-18, dated May 1, 2023; and,
7. That staff be directed to review Two Unit Houses Registration By-law 41-2001, as amended, to investigate expanding the application of the By-law to all Accessory Apartments and/or an additional Dwelling Unit in an Accessory Building and to report back with the results of the review, as outlined in Section 5.1.4 of Report SF-23-18 dated May 1, 2023; and,
8. That duplexes not be added to the existing Two-Unit Houses Registration system, a registration system for duplexes not be undertaken as outlined in Section 5.4.2 of Report SF-23-18, dated May 1, 2023, and that Council approve a by-law to amend Two Unit Houses Registration By-law 41-2001, as amended, to enhance the clarity around the exclusion of purpose-built duplexes and to make other minor technical amendments to clarify that the list found in Section 9(b) is not all-inclusive; and,

9. That correspondence be sent to the Minister of Public and Business Service Delivery, Minister of Municipal Affairs and Housing and the Real Estate Council of Ontario requesting that Two-Unit Houses be disclosed to municipalities, as outlined in Section 5.4.1 of Report SF-23-18, dated May 1, 2023; and,
10. That Council approve a by-law to amend Licensing By-law 120-2005, as amended, to remove the bedroom limit from Schedule “K” and to exempt seasonal accommodations for temporary workers on Oshawa farms from requiring a Residential Rental Housing Licensing Program licence generally in the form of Sections 5.3, 5.4.3 and 5.4.4 of Report SF-23-18, dated May 1, 2023, and in a final form and content acceptable to Legal Services and the Chief Administrative Officer.

5.6 Conclusion

As of November 2022, there are an estimated 1,513 rental units that could be licensed under the current R.R.H.L. Program. Of these, approximately 60% are licensed within the R.R.H.L. Program; however, this figure increases to approximately 65% if applications in progress are considered. This is an increase over the estimated compliance rate of 50% previously reported in CORP-21-32.

After consideration of the feedback received during the public and industry consultation process, staff have provided four (4) options ranging from increased education efforts to city-wide expansion of the R.R.H.L. Program. After Council selects an option, staff will proceed with the related implementation activities as outlined in this Report.

6.0 Financial Implications

The estimated financial implications for each proposed option are detailed in **Attachment 10** and summarized in **Table 10**. It is important to note the following:

- The figures in **Table 10** and **Attachment 10** are estimates. They reflect the estimated annual cost and annual revenues associated with the full implementation of the applicable option and are based on the information available at the time of developing the proposed policy options and are subject to change based on various considerations including but not limited to, changes to housing tenure (i.e. rental vs. owned) and stock (e.g. Bill 23), salary changes, changes to the cost of vehicles, etc.
- A one-hundred per cent (100%) compliance model was used for all Options to identify the necessary staff and resources (e.g. fleet) required to fully implement the respective option.
- The Financial Implications of Option “B” would be incurred through the existing operating budget which includes mailing out the new Landlord Brochures. Notwithstanding this, M.L.E would re-prioritize enforcement activities to support an enhanced apartment building audit program.
- While it is anticipated that proposed quarterly Two-Unit Enforcement Projects will result in increased building permit and registration revenues, staff are not able to quantify this

impact at this time. Similarly, staff are unable to quantify the potential impact related to changes to the assessed value of the property as a result of the addition of an accessory apartment/second unit given that assessments are based on a number of variables including but not limited to the quality of the construction, location, and foot print of the property.

Table 10 Estimated Financial Implications by Option

Option	Estimated Annual Operating Cost	Estimated Annual Revenue	Estimated Initial One-Time Capital Cost ³	Cost Recovery
Option "A"	R.S.A.: \$419,148 A.B.A. ¹ \$31,800 R.R.H.L. ² : \$329,838	\$425,412 ²	\$112,000	Partially Recovered from Property Tax Levy
Option "B"	A.B.A. ¹ \$31,800 R.R.H.L. ² : \$329,838	\$425,412 ²	N/A	Partially Recovered from Property Tax Levy
Option "C"	\$2,559,242	\$2,683,818	\$798,000	Full Cost Recovery Through Licensing Fees When Fully Implemented
Option "D"	\$2,559,242	\$2,683,818	\$798,000	Full Cost Recovery Through Licensing Fees When Fully Implemented

Note:

¹ Refers to the enhanced Apartment Building Audits and costs associated with enhanced communications.

² Represents the annual cost and revenue of the existing R.R.H.L. program with a two (2) year licensing term.

³ The Initial One-Time Capital Cost related to fleet for Option "C" would be incurred over four (4) years and over two (2) years for Option "D". It is important to note that the Estimated Initial Capital Cost is a **one-time** cost.

7.0 Relationship to the Oshawa Strategic Plan

The recommendations in this report responds to the Oshawa Strategic Plan Goals of Economic Prosperity and Financial Stewardship, Accountable Leadership, and Social Equity.



Phil Lyon, Director,
Municipal Law Enforcement and Licensing Services



Tracy Adams, Chief Administrative Officer,
Office of the C.A.O.

What is the Residential Rental Housing Licensing Program (R.R.H.L.)?

All rental properties in the vicinity of Durham College and Ontario Tech University need to be licensed every two (2) years under the R.R.H.L. Program.

Addresses minimum standards of health, safety, and property maintenance to protect tenants.

This program does not regulate standards governed by the Residential Tenancies Act (R.T.A.) (e.g. rent, landlord tenant disputes, tenancy agreements, and evictions).

For more information visit
www.oshawa.ca/rrhl

What Does the R.R.H.L. Check?

All Properties are inspected for:

- ✓ Compliance with City By-laws (e.g. property maintenance standards)
- ✓ Compliance with Fire Code and Building Code
- ✓ Compliance with Electrical Safety Code
- ✓ Compliance with Zoning By-law (e.g. land use and parking requirements)
- ✓ Appropriate Insurance

What are the Licensing Classes and Fees?

Class "A" – Individually Owned Dwelling Units

(e.g. single and semi-detached dwellings, townhouses, condo units, etc.)

- Application Fee: \$75
- Base Fee: \$250
- Per Bedroom Fee: \$75

Class "B" – Multi-unit Dwellings Under Single Ownership

(e.g. Apartment Buildings and Townhouse Complexes with a single owner, etc.)

- Application Fee: \$75
- Base Fee: \$250
- Per Dwelling Unit Fee:
 - 0 to 25: \$400
 - 26 to 50: \$600
 - 51 to 75: \$800
 - 76 to 100: \$1,000
 - Every 25+: \$200

Fee Examples



Class "A" – 1 Bedroom Condo Unit

\$400 for a 2 Year Licence
\$16.66 / month



Class "A" – 4 Bedroom House

\$625 for a 2 Year Licence
\$6.51 / month / bedroom



Class "B" – Large Apartment Building (76-100 Units)

\$1,325 for a 2 Year Licence
\$0.55 - \$0.73 / month / unit

Do Other Municipalities License Rental Properties?

	London	Hamilton	Oshawa	Toronto	Waterloo
City Wide	Yes	No	No	Yes	Yes
Property Class	"A"	"A"	"A" and "B"	"B"	"A"
Term	Annual	Annual	2 Years	Annual	Annual
Initial Fee	\$336	\$703	\$400 - \$1,325	\$11.24 per unit	\$380 - \$670
Renewal Fee	\$55	\$434	\$400 - \$1,325	\$11.24 per unit	\$257 - \$360

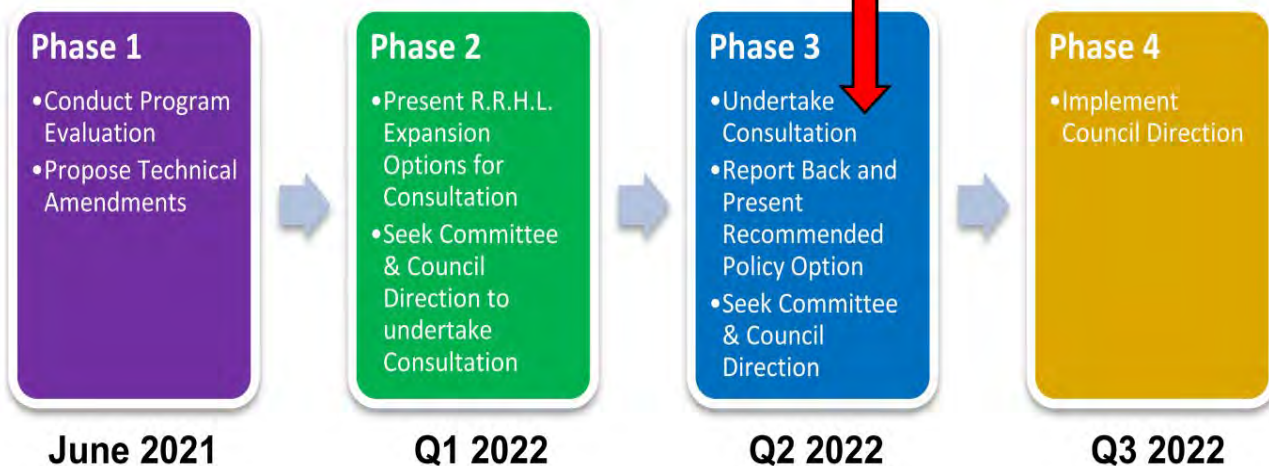
Is the R.R.H.L. Program Expanding?

City Council is considering a **potential expansion** of the R.R.H.L. to require all rental properties, City wide to become licensed as outlined in Report CORP-22-02.

Council has directed staff to undertake a public and industry consultation regarding the potential expansion. Feedback from property owners, landlords, tenants, and other interested residents is critical to informing potential changes to the R.R.H.L.

Input is being received through Feedback Forms via Connect Oshawa (www.connectoshawa.ca/RentalLicensing), and in person at Service Oshawa until noon on Monday, April 18, 2022. The City is currently in Phase three (3) of four (4) of its process to study the potential expansion of the R.R.H.L.

We Are Here

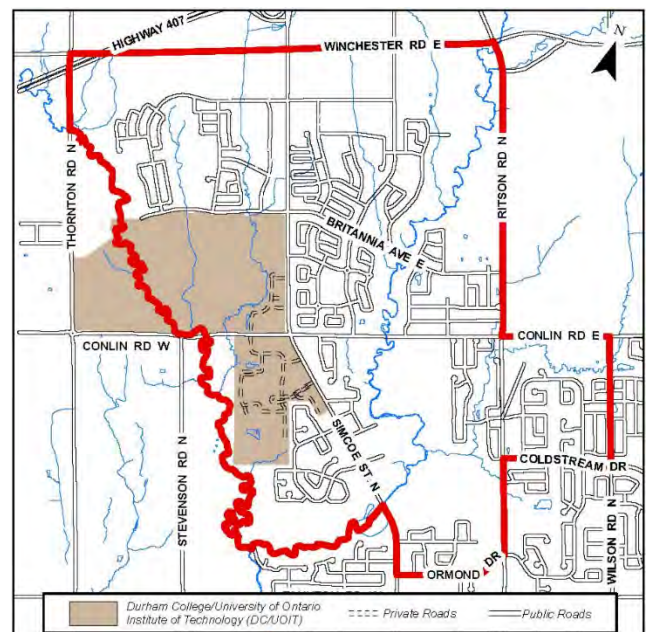


Where is the R.R.H.L. Required and Why?

The current R.R.H.L. rental area is outlined in red.

The R.R.H.L. Program was originally established to address the significant increase of rental properties and related issues in the area around Ontario Tech University and Durham College.

These issues included the conversions of single-detached dwellings into multiple unit rentals, traffic congestion, numerous vehicles parked illegally, excess garbage, and poorly maintained lawns and house exteriors.



Residential Rental Housing Licensing (R.R.H.L.) Program

Potential Expansion Consultation

Frequently Asked Questions

Question/Statement	City Response
What is the R.R.H.L. Program?	<p>Residential rental properties located within a defined area in the vicinity of Durham College and Ontario Tech University must be licensed under the Licensing By-law (see Schedule 'K').</p> <p>Licensed rental properties must comply with various standards and by-laws including the Fire Code, Electrical Safety Code, Building Code and the City's Zoning and Property Standards By-laws. Refer to www.oshawa.ca/rrhl for additional information, application forms and documents related to the Residential Rental Licensing process.</p> <p>This program does not regulate standards governed by the Residential Tenancies Act (R.T.A.) (e.g. rent, landlord tenant disputes, tenancy agreements, and evictions).</p>
How much does it cost?	<p>The cost for two year licences are as follows:</p> <p>Class "A" – Individually Owned Dwelling Units (e.g. single and semidetached dwellings, townhouses, condo units, etc.)</p> <ul style="list-style-type: none"> • Application Fee: \$75 • Base Fee: \$250 • Per Bedroom Fee: \$75 <p>Class "B" – Multi-unit Dwellings Under Single Ownership (e.g. Apartment Buildings and Townhouse Complexes with a single owner, etc.)</p> <ul style="list-style-type: none"> • Application Fee: \$75 • Base Fee: \$250 • Per Dwelling Unit Fee: <ul style="list-style-type: none"> ○ 0 to 25: \$400 ○ 26 to 50: \$600 ○ 51 to 75: \$800 ○ 76 to 100: \$1,000 ○ Every 25+: \$200
Is this program in place to make the City money?	<p>The fees were established to ensure the program achieves cost recovery. The fees reflect the work that is required for inspections and administering applications and related communications.</p> <p>Please see Section 5.1.4 of Report CORP-21-32, and Section 5.2 of CORP-22-02 for more information regarding R.R.H.L. operating costs, and cost recovery.</p>

Question/Statement	City Response																																										
Do other municipalities licence rental properties?	<p>Yes: London, Waterloo, Toronto, Hamilton. Here is a table comparing their licensing program's features to Oshawa:</p> <table border="1" data-bbox="415 275 1533 726"> <thead> <tr> <th></th> <th>London</th> <th>Hamilton</th> <th>North Bay</th> <th>Oshawa</th> <th>Toronto</th> <th>Waterloo</th> </tr> </thead> <tbody> <tr> <td>City Wide</td> <td>Yes</td> <td>No</td> <td>Yes</td> <td>No</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>Property Class</td> <td>"A"</td> <td>"A"</td> <td>"A" with 3-5 Bedrooms</td> <td>"A" and "B"</td> <td>"B"</td> <td>"A"</td> </tr> <tr> <td>Term</td> <td>Annual</td> <td>Annual</td> <td>2 Years</td> <td>2 Years</td> <td>Annual</td> <td>Annual</td> </tr> <tr> <td>Initial Fee</td> <td>\$336</td> <td>\$703</td> <td>\$300</td> <td>\$400 - \$1,325</td> <td>\$11.24 per unit</td> <td>\$380 - \$670</td> </tr> <tr> <td>Renewal Fee</td> <td>\$55</td> <td>\$434</td> <td>\$300</td> <td>\$400 - \$1,325</td> <td>\$11.24 per unit</td> <td>\$257 - \$360</td> </tr> </tbody> </table>		London	Hamilton	North Bay	Oshawa	Toronto	Waterloo	City Wide	Yes	No	Yes	No	Yes	Yes	Property Class	"A"	"A"	"A" with 3-5 Bedrooms	"A" and "B"	"B"	"A"	Term	Annual	Annual	2 Years	2 Years	Annual	Annual	Initial Fee	\$336	\$703	\$300	\$400 - \$1,325	\$11.24 per unit	\$380 - \$670	Renewal Fee	\$55	\$434	\$300	\$400 - \$1,325	\$11.24 per unit	\$257 - \$360
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Who is responsible for paying for this – landlords or tenants?	<p>The current R.R.H.L. program requires landlords to apply for and pay the fee associated with a licence in the defined area. If Council chooses to expand the program city-wide, the same process would apply to all residential properties in the city.</p>																																										
If the cost of the program was passed on to tenants, how much would it cost?	<p>Fee examples:</p> <p>Single-Family Dwelling (4 bedrooms)</p> <ul style="list-style-type: none"> • \$625 Total Cost for Two Year Licence • \$312.50 / year • \$26.04 / month • \$6.51 / month / bedroom <p>1 Bedroom Condo Unit</p> <ul style="list-style-type: none"> • \$400 Total Cost for Two Year Licence • \$200 / year • \$16.66 / month <p>"Large" apartment building</p> <ul style="list-style-type: none"> • 76-100 Dwelling Units: \$1,325 Total Cost for Two Year Licence • \$662.50 / year • \$55.2 / month • \$0.55 - \$0.73 / month / rental unit (76 – 100 rental units) 																																										
How can I provide feedback on this potential expansion?	<p>Community members are invited to participate in one of two ways:</p> <ul style="list-style-type: none"> • Complete a feedback form on Connect Oshawa (www.connectoshawa.ca/RentalLicensing) or on paper at Service Oshawa, located at City Hall (50 Centre St. S.); or • Attend a Special Meeting of the Corporate Services Committee on Monday, April 4 at 9:30 a.m. View the City's meeting calendar for details. <p>Feedback will be received until noon Monday, April 18, 2022.</p> <p>If individuals would like to speak at the Special Meeting, they should contact clerks@oshawa.ca prior to noon on Friday, April 1.</p>																																										

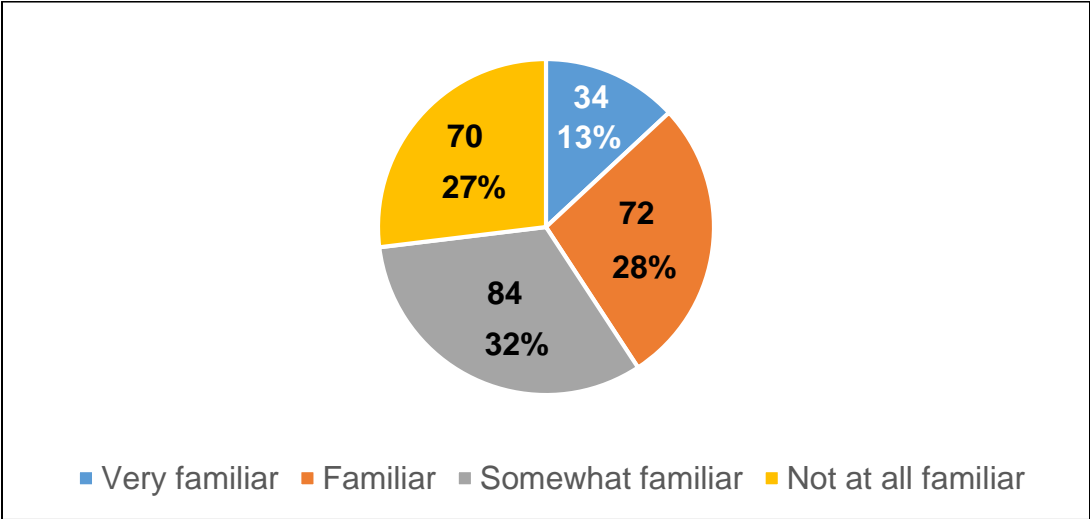
Question/Statement	City Response
<p>Why is there a Special Corporate Services Committee meeting to receive feedback on the potential City wide expansion of the R.R.H.L. Program?</p>	<p>Committee is holding this discussion because on January 24th Council passed CORP-22-02 Residential Rental Housing Licensing: Proposed Expansion Options and Consultation Process and directed staff to undertake a public and industry consultation regarding a potential City wide expansion of the R.R.H.L. Program.</p> <p>Part of the consultation, along with the Feedback Forms on www.connectoshawa.ca/RentalLicensing, is the Special Corporate Services Committee Meeting on April 4th at 9:30 a.m.</p> <p>The purpose of this meeting is to receive feedback from interested parties regarding the potential expansion of the R.R.H.L. Program. No decisions regarding potential expansion will be made at this meeting.</p> <p>Feedback from the Special Meeting and the Connect Oshawa Feedback Forms will be used to inform a Corporate Services Committee report which will; be presented for consideration later this year.</p>
<p>How did staff determine this program expansion was needed?</p>	<p>Staff were directed by Council to review options to potentially expand the R.R.H.L., as per direction 1 in Attachment 1 to Report CORP-21-32.</p>
<p>Why is the R.R.H.L. Program needed at all?</p>	<p>The licensing program was created as a result of a need outlined in the Student Accommodation Strategy (see page 9).</p> <p>In addition, it also addressed the significant increase of rental properties and related issues in the area around Ontario Tech University and Durham College.</p>
<p>Is the licensing program geared towards tenants and landlords are not a beneficiary of the program?</p>	<p>Property owners were a key stakeholder the original consultation which led to the creation of the R.R.H.L. as articulated in the Student Accommodation Strategy (see page 9).</p> <p>It may be of benefit to a landlord to be able to advertise that the rental property is licensed and complies with all by-laws.</p>
<p>Why is the R.R.H.L. Program needed if the standards it's enforcing are already in place? Aren't these duplicate standards?</p>	<p>The Residential Rental Housing Licensing (R.R.H.L.) Program inspects rental properties for compliance with City by-laws, applicable provincial acts. These properties receive Property Standards and Fire Prevention inspections every two (2) years.</p> <p>In addition to inspections, the licensee is required to submit proof of appropriate insurance, an Electrical Safety Authority certificate every four (4) years, a floor plan of the rental property, and a declaration that the property complies with a number of City by-laws and provincial acts and regulations (e.g. Zoning, Property Standards, Fire Code, and Building Code Act).</p> <p>While the Program is not creating new standards, it is ensuring that existing standards are being met in rental properties to ensure the health and safety of tenants.</p>
<p>Why does this program require people to pay? Is it because the City does not have enough money to fund the program internally?</p>	<p>The fees were established to ensure the program achieves cost recovery. The fees reflect the work that is required for inspections and administering applications and related communications.</p> <p>Please see Section 5.1.4 of Report CORP-21-32, and Section 5.2 of CORP-22-02 for more information regarding R.R.H.L. operating costs, and cost recovery.</p>

Question/Statement	City Response																						
How many Property Standards By-law complaints has the City received over the past 10 years?	<p>There have been approximately 1,000 a year, and Section 5.4 of Report CORP-21-55 outlines the Enforcement Process and provides data for Property Standards By-law (P.S.B.) complaints:</p> <table border="1" data-bbox="418 310 1430 401"> <thead> <tr> <th>2010</th> <th>2011</th> <th>2012</th> <th>2013</th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> <th>2020</th> </tr> </thead> <tbody> <tr> <td>478</td> <td>973</td> <td>831</td> <td>942</td> <td>1,032</td> <td>1,014</td> <td>837</td> <td>1,090</td> <td>996</td> <td>1030</td> <td>996</td> </tr> </tbody> </table>	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	478	973	831	942	1,032	1,014	837	1,090	996	1030	996
2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020													
478	973	831	942	1,032	1,014	837	1,090	996	1030	996													
Can you provide additional information regarding 2020 Property Standards By-law files?	<p>To provide more clarity, we examined 2020 data and this is the breakdown of the P.S.B. complaint outcomes:</p> <ul style="list-style-type: none"> • 996 Complaints were received • 191 resulted in an Order being issued • Regarding subsequent fines for non-compliance of an Order, the City's ability to issue penalties using Administrative Monetary Penalties only came into effect in November 2021 after Council approved enhancements to the Property Standards By-law in CORP-21-55. Prior to that, when non-compliance of an Order occurred, the City was limited to proceeding with Part 3 charges through a court process. In 2020, three (3) of the 996 complaints were referred to this process. 																						
What other health and safety standards does the R.R.H.L. Program address?	<p>In addition to Property Standards, the R.R.H.L. Program also addresses compliance with other regulations that address health, safety, and consumer protection standards such as Snow and Ice Removal By-law and the Fire Protection and Prevention Act. See Table 1 in Report CORP-21-32 for more information.</p>																						
How did you determine the licensing fee?	<p>The fees were established to ensure the Program achieves cost recovery. The fees reflect the work that is required for inspections and administering applications and related communications.</p> <p>Please see Section 5.1.4 of Report CORP-21-32, and Section 5.2 of CORP-22-02 for more information regarding R.R.H.L. operating costs, and cost recovery.</p>																						
Has technology been implemented to reduce the operational costs of the R.R.H.L.?	<p>The City currently uses a property-based system "Oshawa Land Information" to track all by-law related complaints and R.R.H.L. applications. The City is currently in the process of replacing this software with upgraded technology "City View". At this time, reduction of operational costs has not be determined.</p>																						
Will you be providing a copy of the feedback received from the R.R.H.L. consultation process?	<p>Responses received from Feedback Forms will be compiled so that no personal information is shared and will be considered in the development of potential regulatory licensing standards that will be presented to the Corporate Services Committee for consideration later this year. Similar to the City's reporting of feedback in the Property Standards By-law modernization project (see Attachment 2), the summary of the results will be made public at that time.</p>																						
Where is the link for the web stream of the Special Meeting?	<p>The link to the web stream to watch the meeting will be available on the meeting webpage: https://calendar.oshawa.ca/Meetings/Detail/2022-04-04-Corporate-Services-Committee-Special-Meeting on the date of the meeting (April 4, 2022).</p> <p>Individuals can sign up to receive alerts about the upcoming meeting using the "Subscribe" button on the meeting web page.</p>																						
How can I speak at the meeting?	<p>If individuals would like to speak at the meeting, they should contact clerks@oshawa.ca prior to noon on April 1, 2022.</p>																						

Question/Statement	City Response
<p>The R.R.H.L. Feedback Forms are biased and only asks what type of licensing program is wanted, “none” is not an option.</p>	<p>Questions 14 and 15 in the Feedback Form for Residential Property Managers and Landlords provides an opportunity for the respondent to indicate that they do not feel the R.R.H.L. program should be expanded in addition to a text box to provide additional comments.</p> <p>The same question is also asked in the Tenants and Renters and General Public and Property Owners (not a rental) Feedback Forms.</p>
<p>Question #5 on the feedback form asks if rental properties should be regulated and licensed, but the City already does this. Why is this question included?</p>	<p>The intent of Question 5 is to receive feedback on the potential expansion of the R.R.H.L. program. Currently rental properties are only licensed in one area of the city, as seen in the map here.</p>
<p>A question on the feedback form asks how often people experience issues living near rentals, but some people may not know if they live near rentals, so you’re basically asking people to say they do not have issues with rentals. Why is this question included?</p>	<p>This question is not mandatory to answer to complete the Feedback Form. Respondents can skip the question if they are unsure how to answer it (e.g. respondent is unsure if they live near a rental).</p> <p>While some rentals can be difficult to identify, others can be easier (e.g. large apartment buildings), and if residents know they live near rental properties, the City would be interested in receiving feedback on how frequently they experience these issues. Issues such as these were amongst the reasons the R.R.H.L. was originally established (see page 9-10 in the Student Accommodation Strategy).</p> <p>It is also a conditional question: “While living near a rental property, how frequently have you experienced the following” is a conditional question. On Question 3, if respondents do not respond, respond “No”, or respond “Unsure”, they are not asked “While living near a rental property, how frequently have you experienced the following”. Only if a respondent answers “Yes” are they asked “While living near a rental property, how frequently have you experienced the following”, otherwise they are asked the next question, “Do you believe the City should regulate and license rental properties”.</p>
<p>If people skip question 1 and answer the other questions in your report are you going to identify them as having no issues with rental properties, or simply skipping question 1?</p>	<p>Question 1 in all 3 Feedback Forms asks respondents how familiar they are with the R.R.H.L. Program (e.g. the purpose of the licensing program, licensing requirements, fees, etc.), not if they live near rental properties, or if they have had any issues with rental properties.</p> <p>Given that Question 1 asks respondents how familiar they are with the R.R.H.L. Program, we would not be able to infer that the respondent had any issues with rental properties based on any response given to this question, including skipping it.</p>

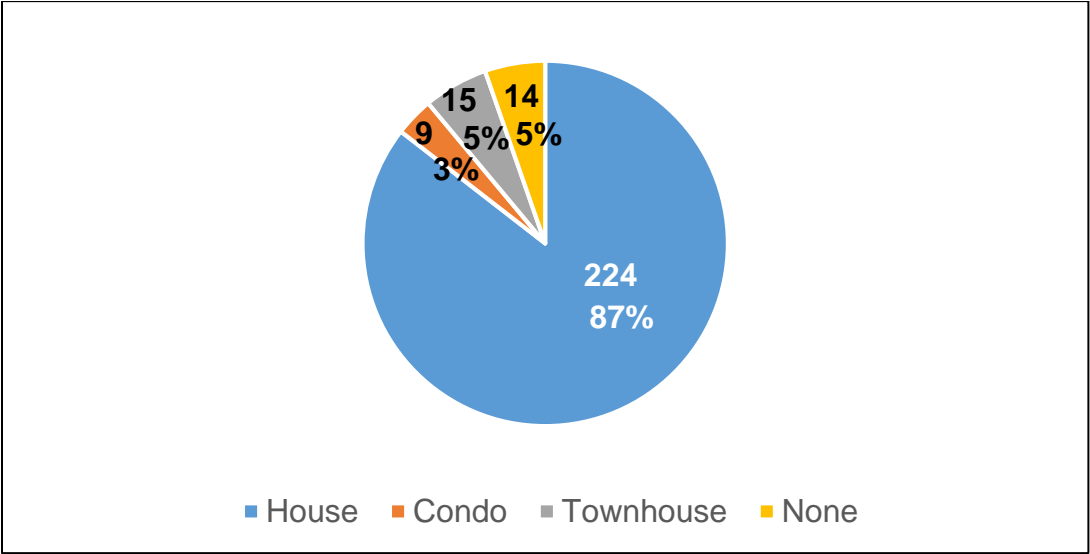
R.R.H.L. Consultation Feedback Form Results – Property Owners (not a rental)

1. How familiar are you with Oshawa’s Residential Rental Licensing Program (R.R.H.L.)?



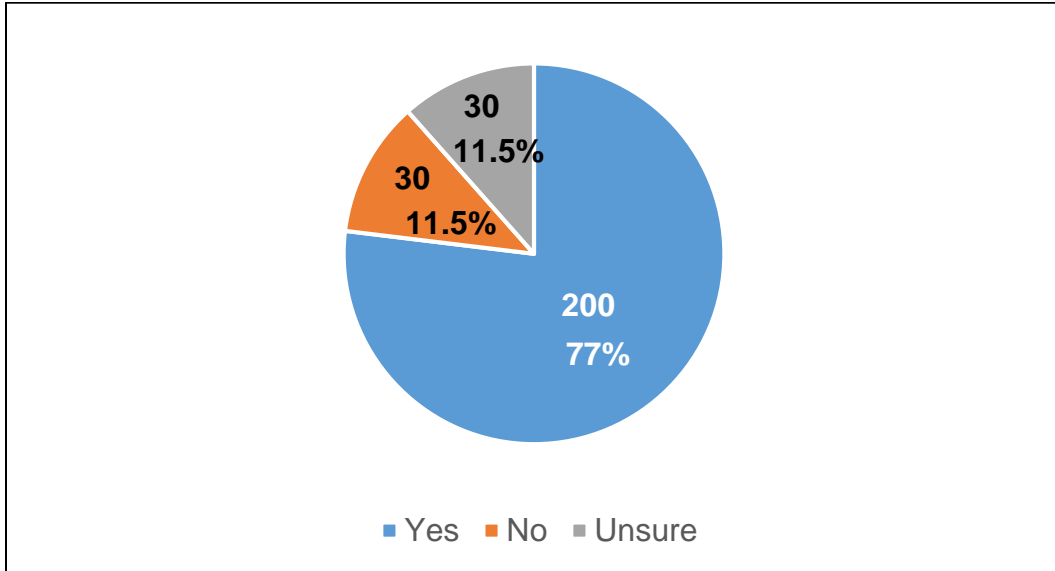
260 responses, 2 skipped

2. Select the type of property you currently own.



257 responses, 7 skipped

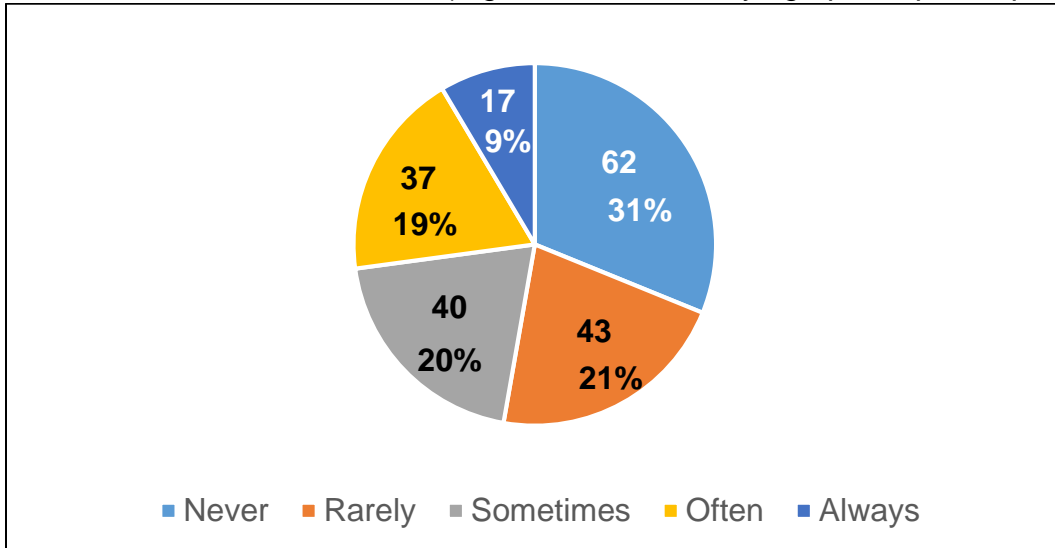
3. Do you currently live near a rental property?



260 responses, 2 skipped

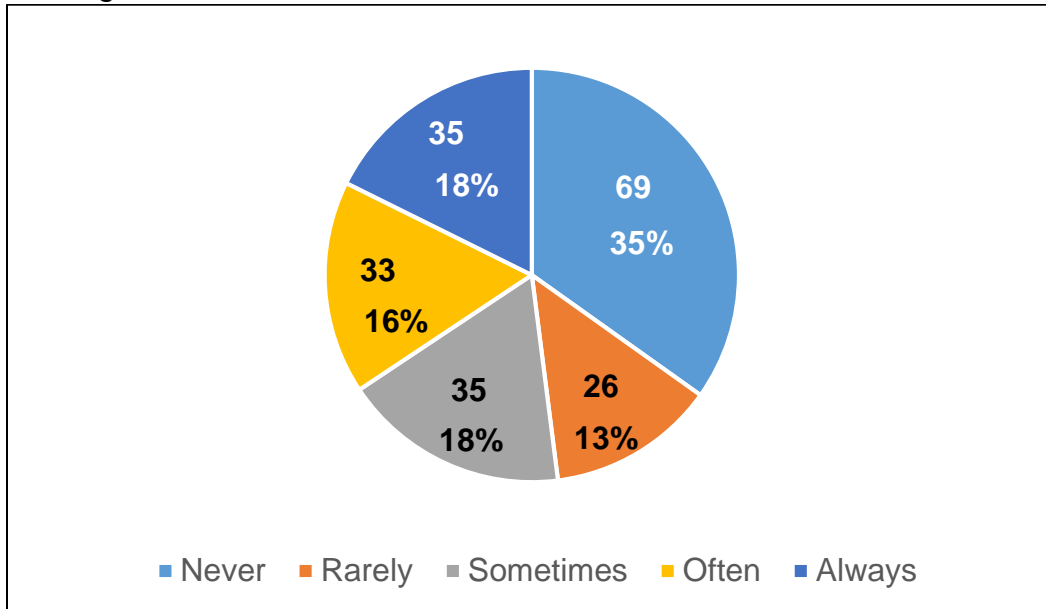
4. While living near a rental property, how frequently have you experienced the following:

Excessive noise and nuisance (e.g. loud music, carrying open liquor in public, etc.)



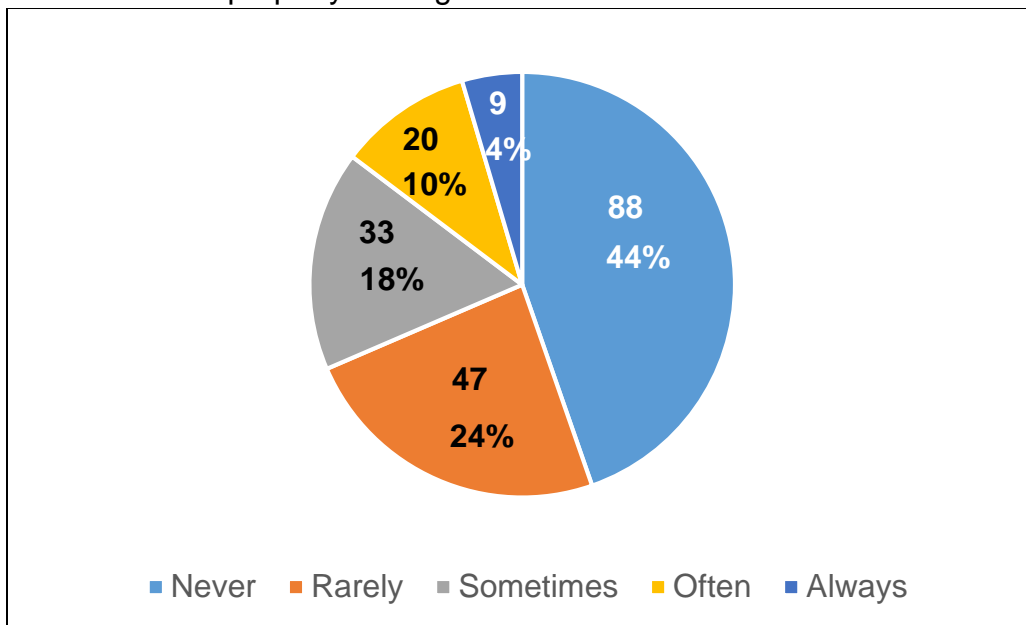
Conditional question based on "Yes" response to "Do you currently live near a rental property?" 199 responses, 1 skipped

Parking issues



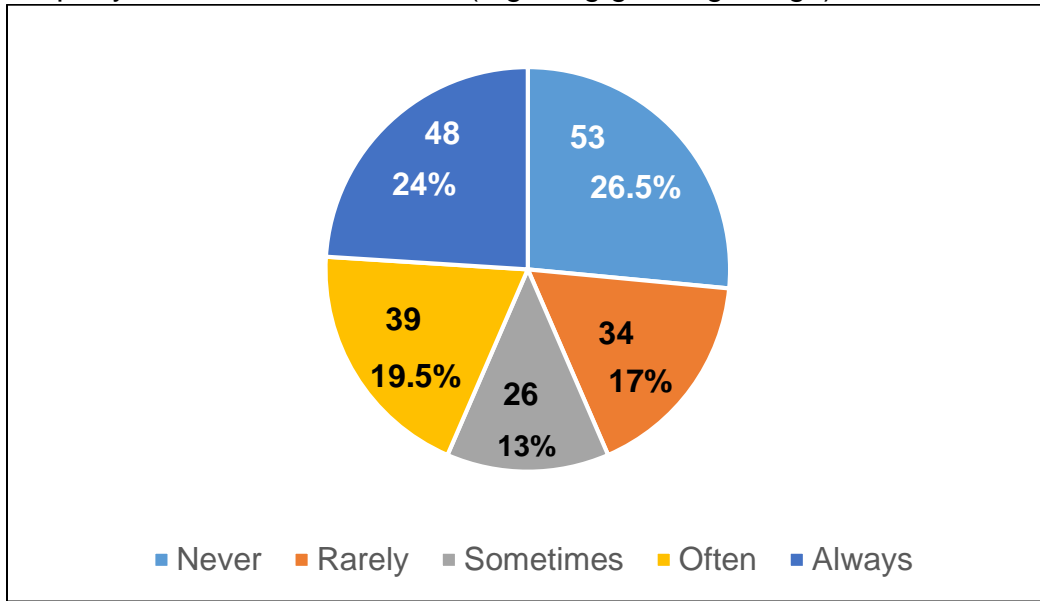
Conditional question based on “Yes” response to “Do you currently live near a rental property?” 198 responses, 2 skipped

Vandalism and property damage



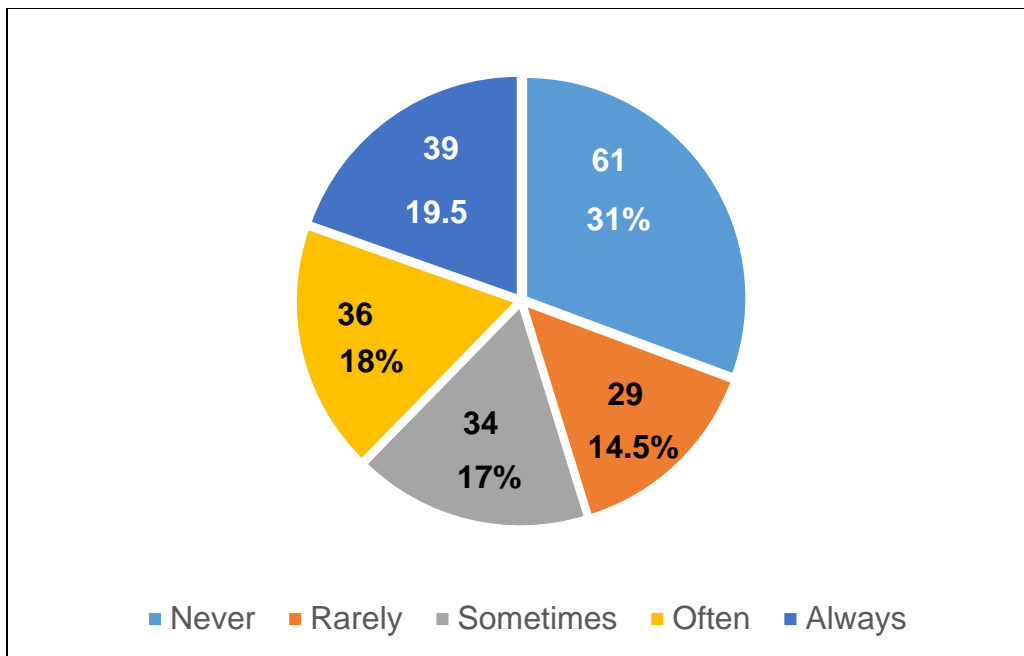
Conditional question based on “Yes” response to “Do you currently live near a rental property?” 197 responses, 3 skipped

Property maintenance concerns (e.g. long grass, garbage)



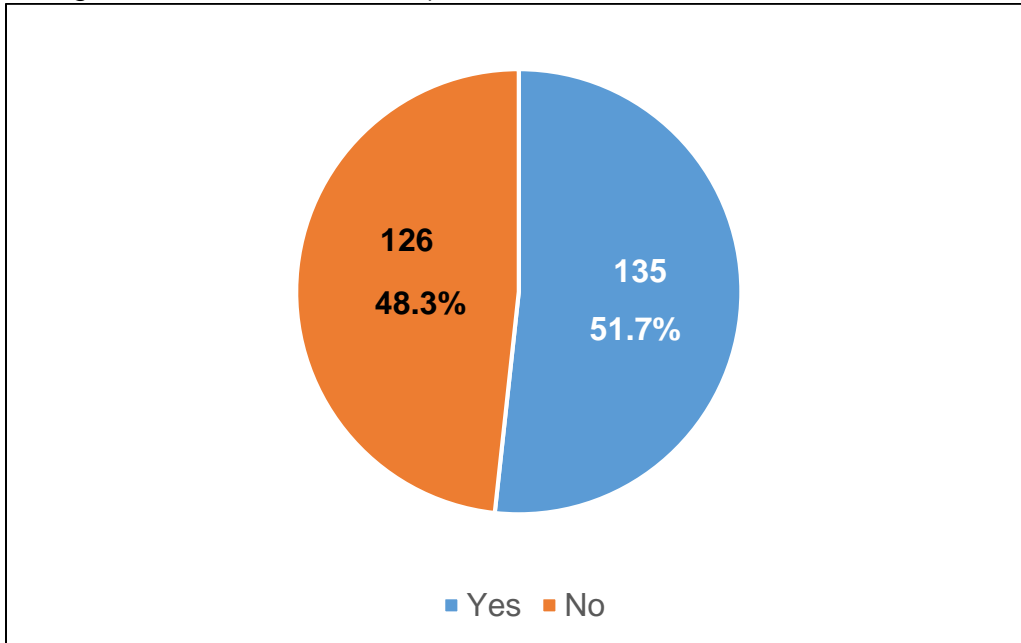
Conditional question based on “Yes” response to “Do you currently live near a rental property?” 200 responses, 0 skipped

Snow and Ice removal



Conditional question based on “Yes” response to “Do you currently live near a rental property?” 199 responses, 1 skipped

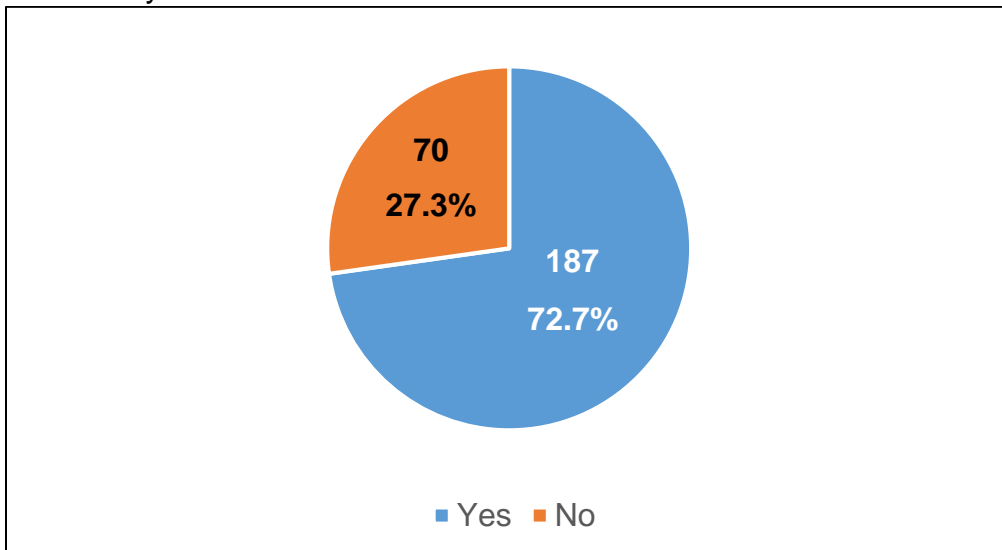
5. Do you believe the City should regulate and license rental properties?
Note: A City licensing program does not regulate standards governed by the Residential Tenancies Act (R.T.A.) (e.g. rent, landlord tenant disputes, tenancy agreements, and evictions)



261 responses, 1 skipped

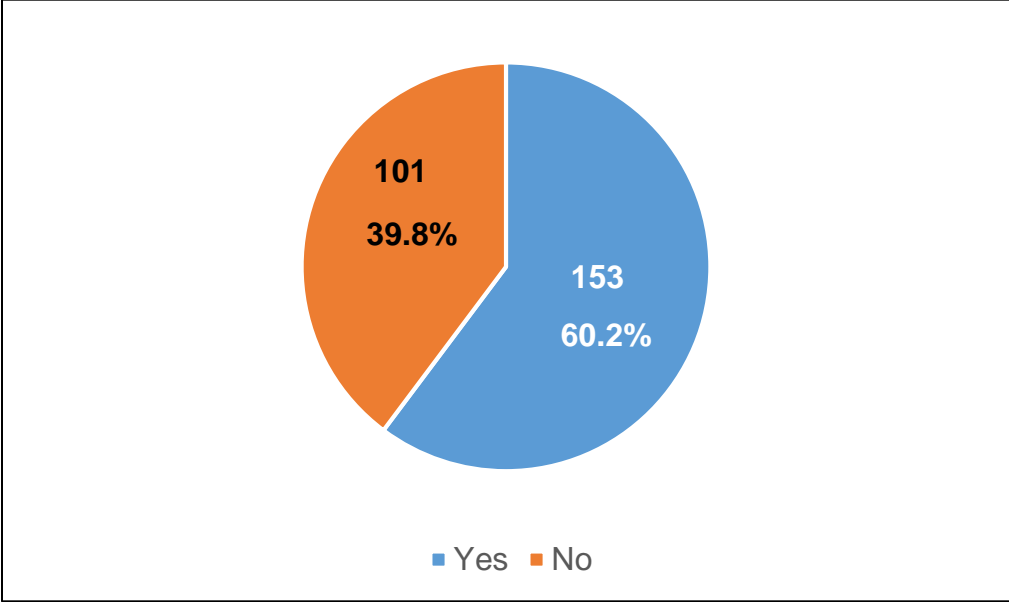
6. What regulations should the City inspect for and confirm when issuing a two (2) year residential rental housing licence? Please check either "Yes" or "No" for each option.

Fire Safety



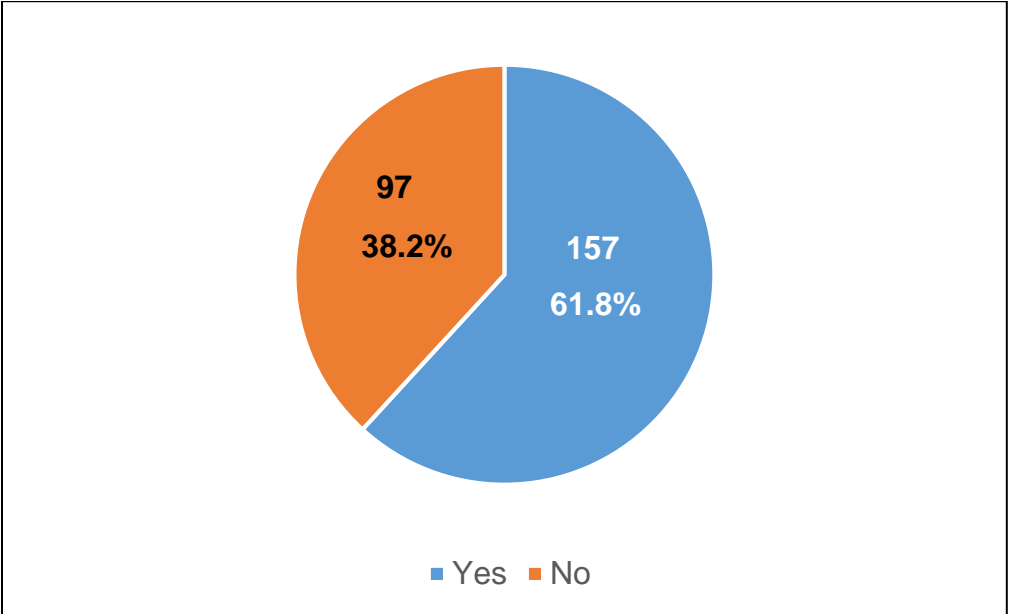
257 responses, 5 skipped

Property standards (e.g. bed bugs, broken windows, HVAC, intercoms, etc.)



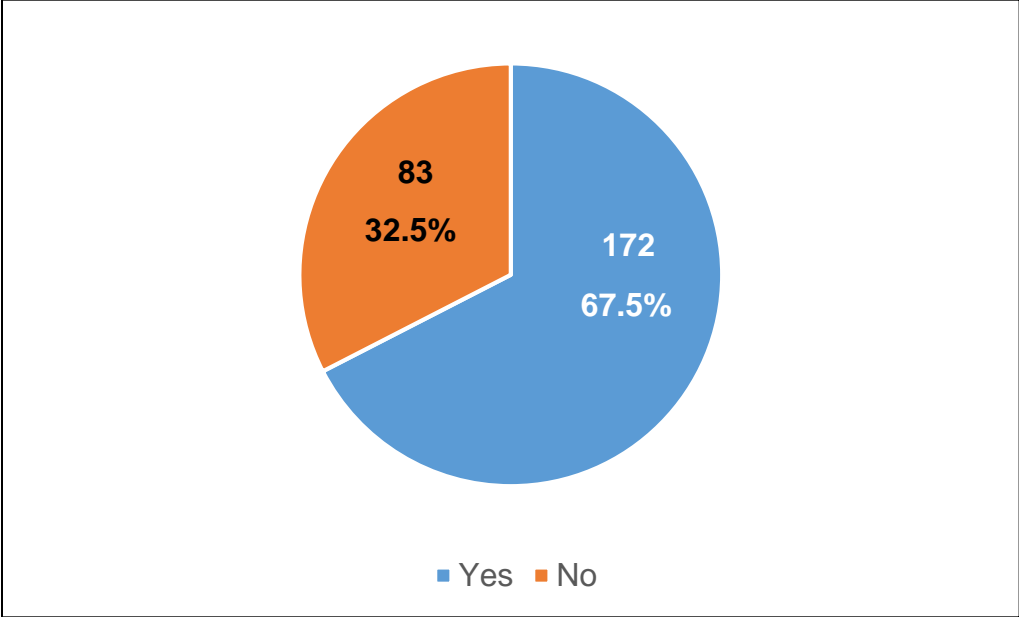
254 responses, 8 skipped

Adequate Heat (minimum temperatures from September - June)



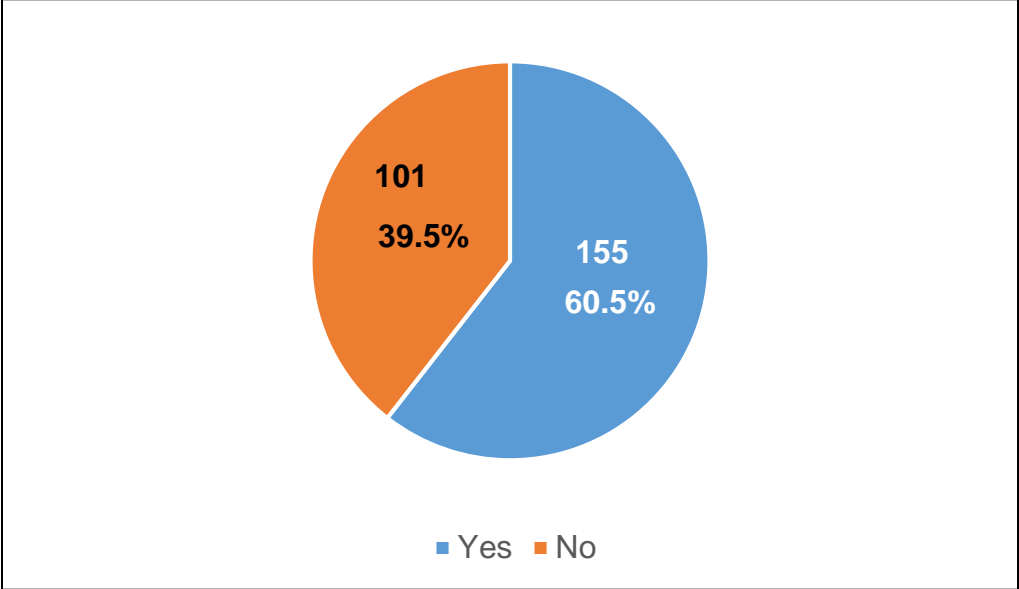
254 responses, 8 skipped

Electrical safety



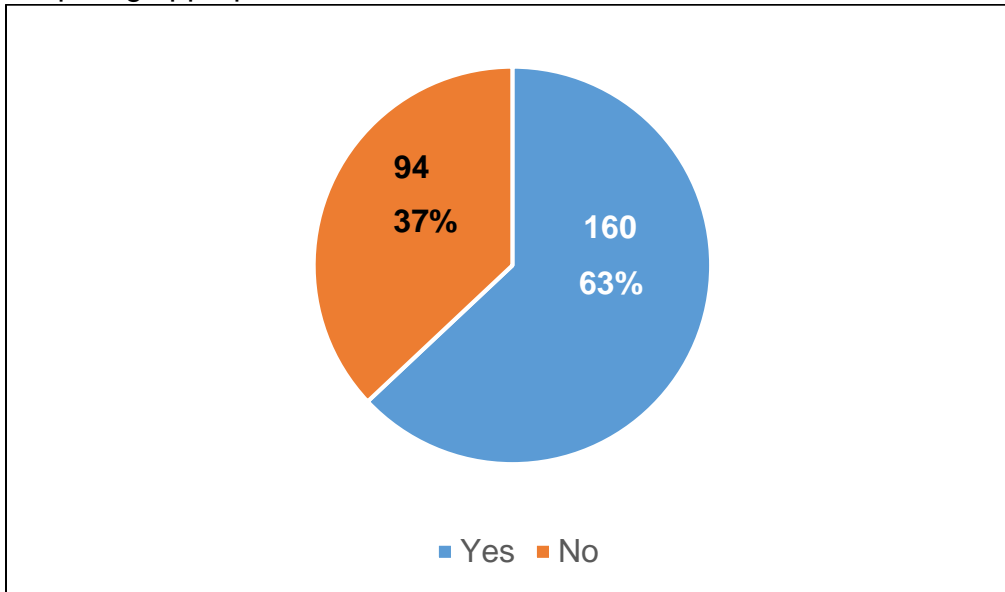
255 responses, 7 skipped

Ensuring compliance with Building Code Act



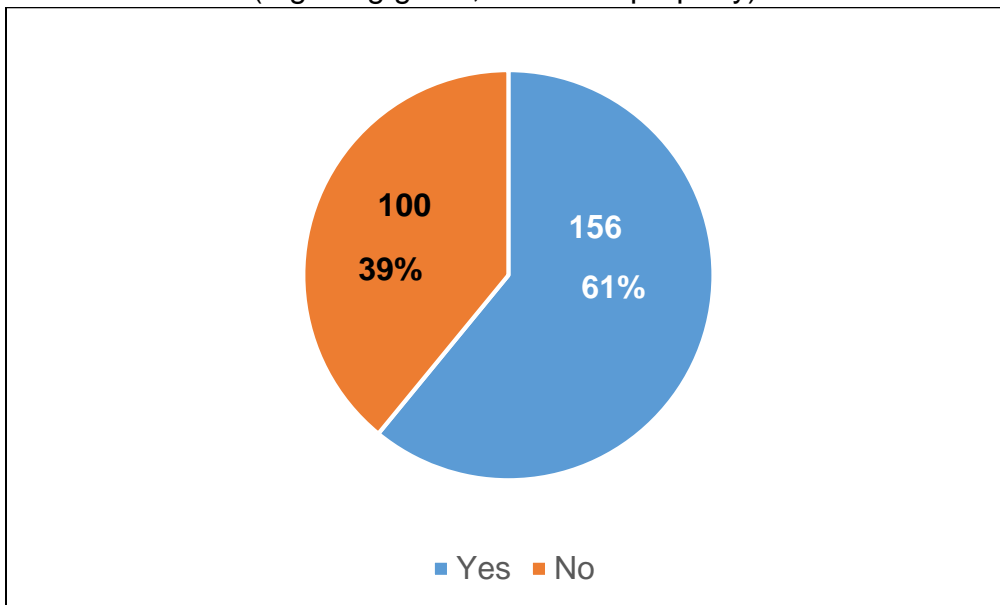
256 responses, 6 skipped

Requiring appropriate insurance



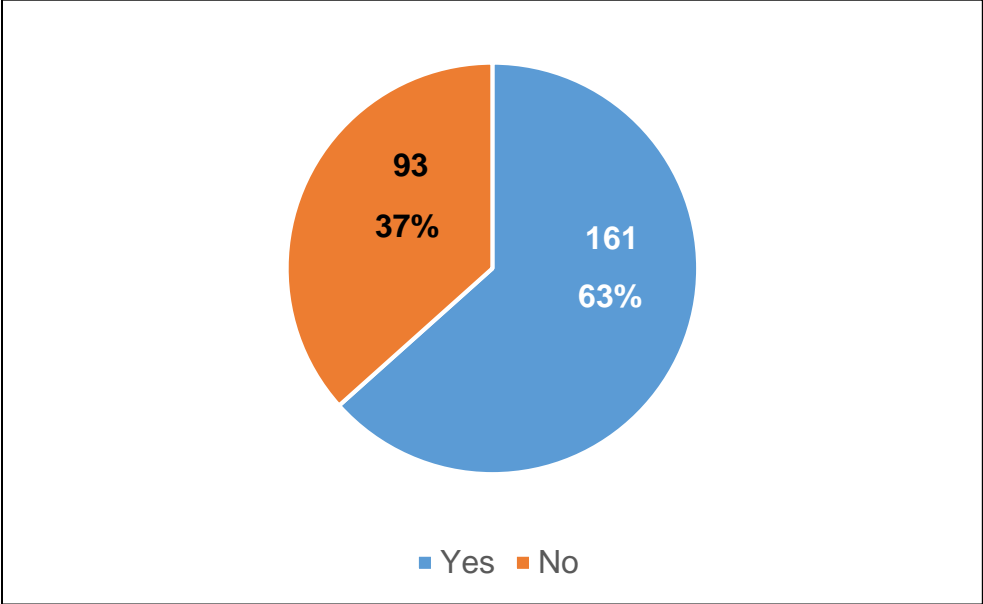
254 responses, 8 skipped

Lot maintenance (e.g. long grass, debris on property)



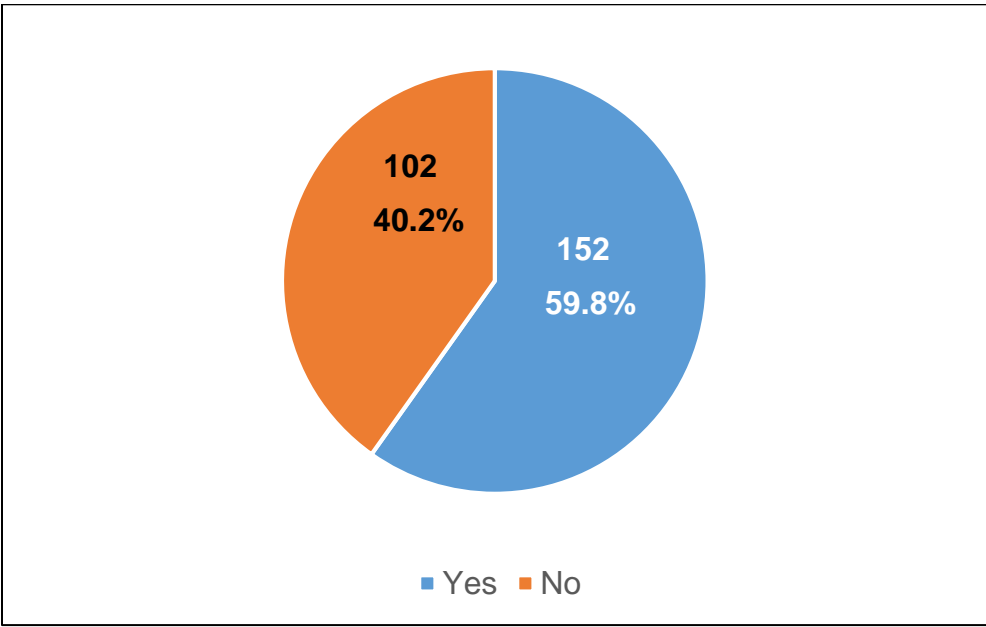
256 responses, 6 skipped

Waste (e.g. garbage) issues



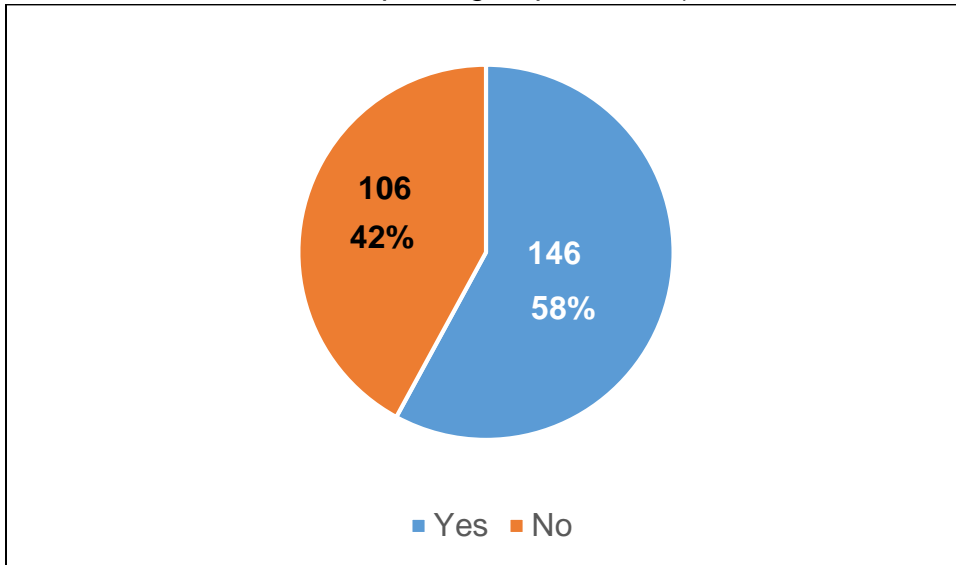
254 responses, 8 skipped

Snow and ice removal



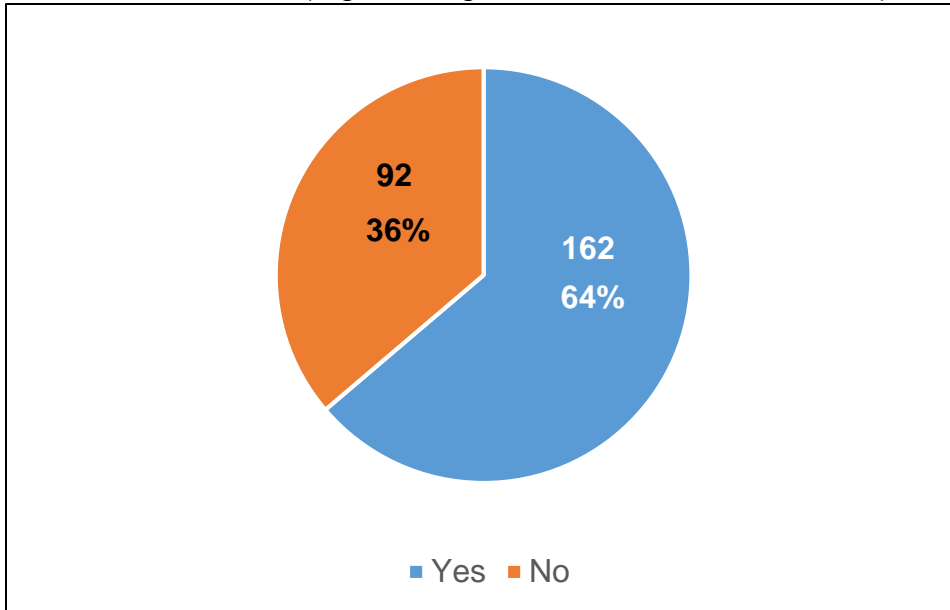
254 responses, 8 skipped

Land Use/Zoning (e.g. how land and buildings may be used, where buildings and other structures can be located, parking requirements)



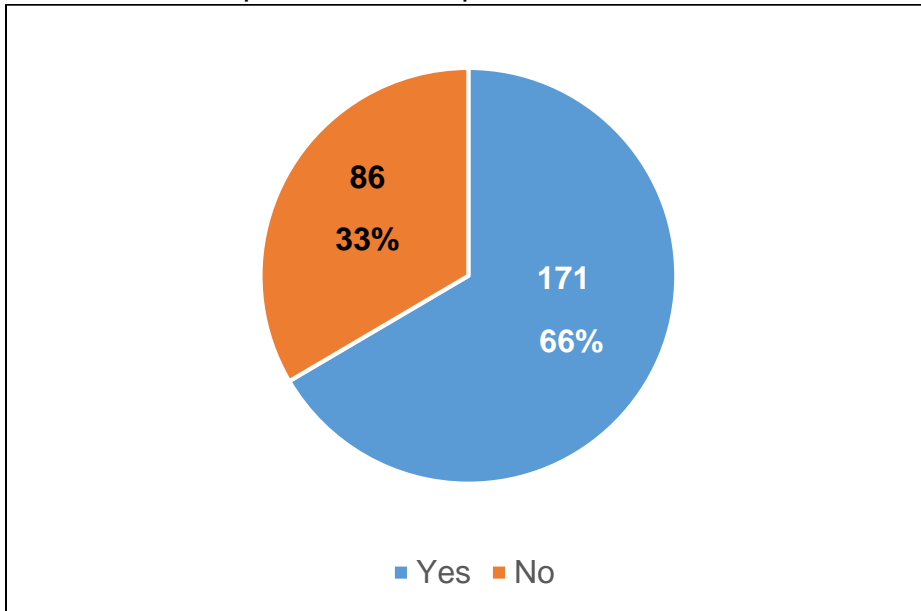
252 responses, 10 skipped

Noise and Nuisance (e.g. littering, loud music, vandalism, etc.) issues



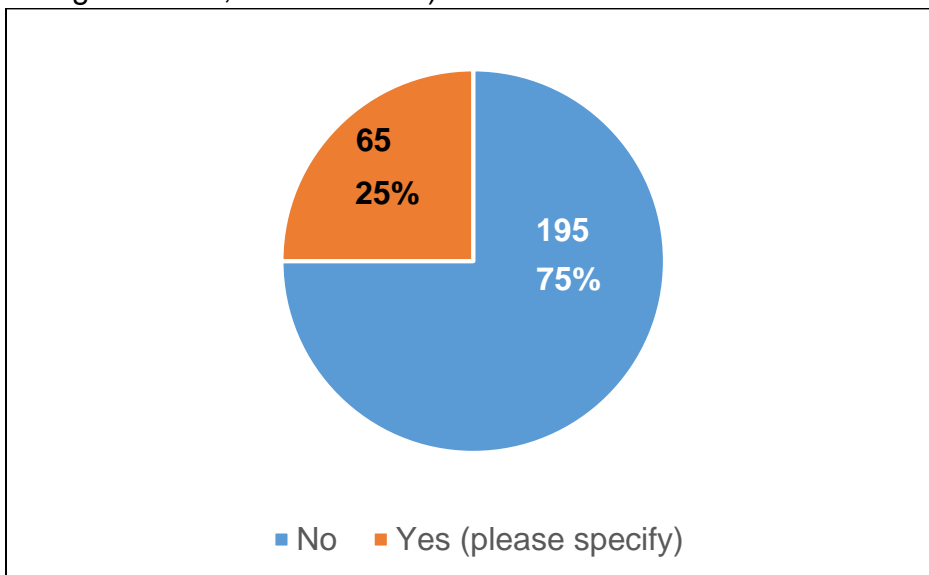
254 responses, 8 skipped

Local contact requirement to help resolve issues



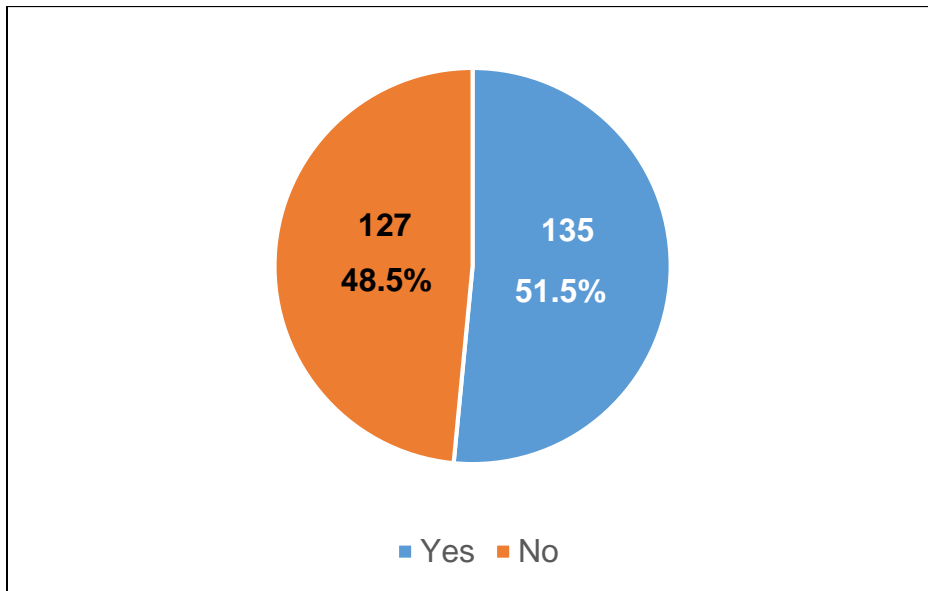
257 responses, 5 skipped

7. Are there other standards you feel the City should regulate for rental properties?
Note: A City licensing program does not regulate standards governed by the Residential Tenancies Act (R.T.A.) (e.g. rent, landlord tenant disputes, tenancy agreements, and evictions)



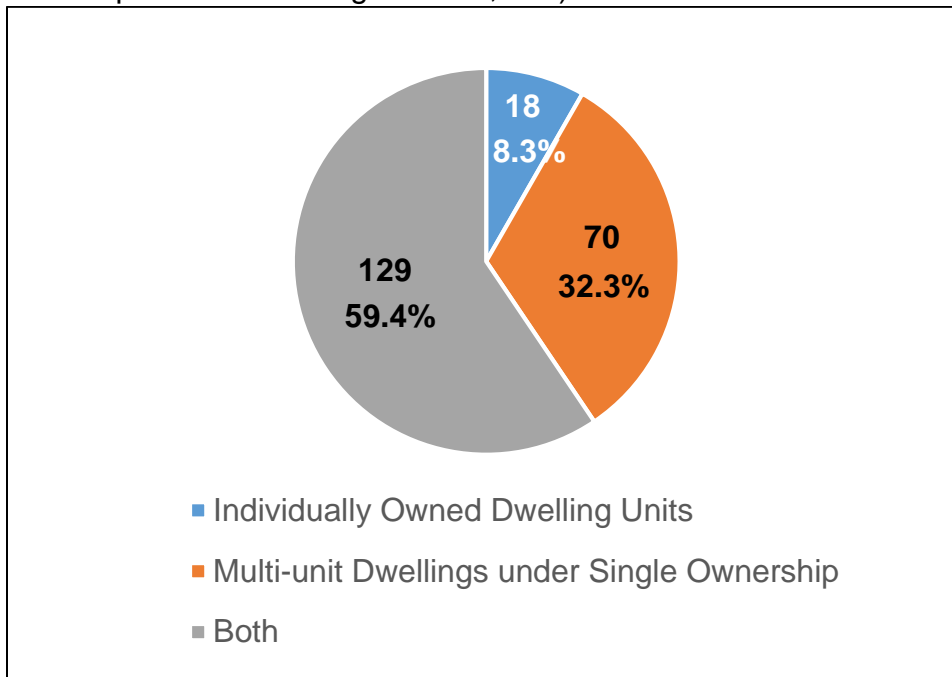
260 responses, 2 skipped

8. The City currently licenses rental properties in the defined area. Do you think the program should be expanded to require all rental properties in the City to be licensed?



262 responses

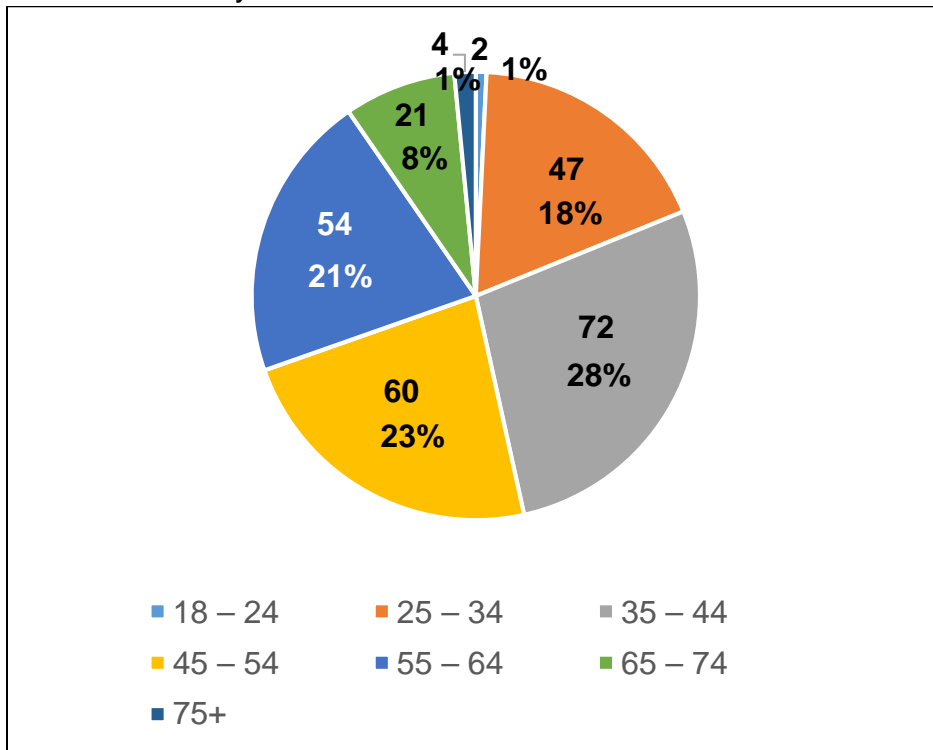
9. Should the City license rental properties that are Individually Owned Dwelling Units (e.g. single and semi-detached houses, townhouses, condo units, etc.), Multi-unit Dwellings under Single Ownership (e.g. apartment buildings and townhouse complexes with a single owner, etc.) or both?



217 responses, 45 skipped

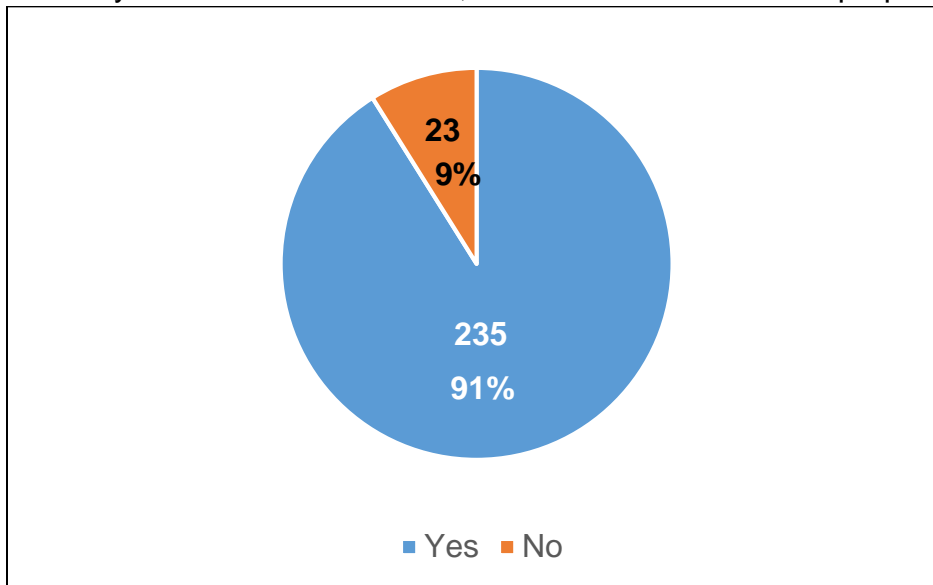
Demographics

1. How old are you?



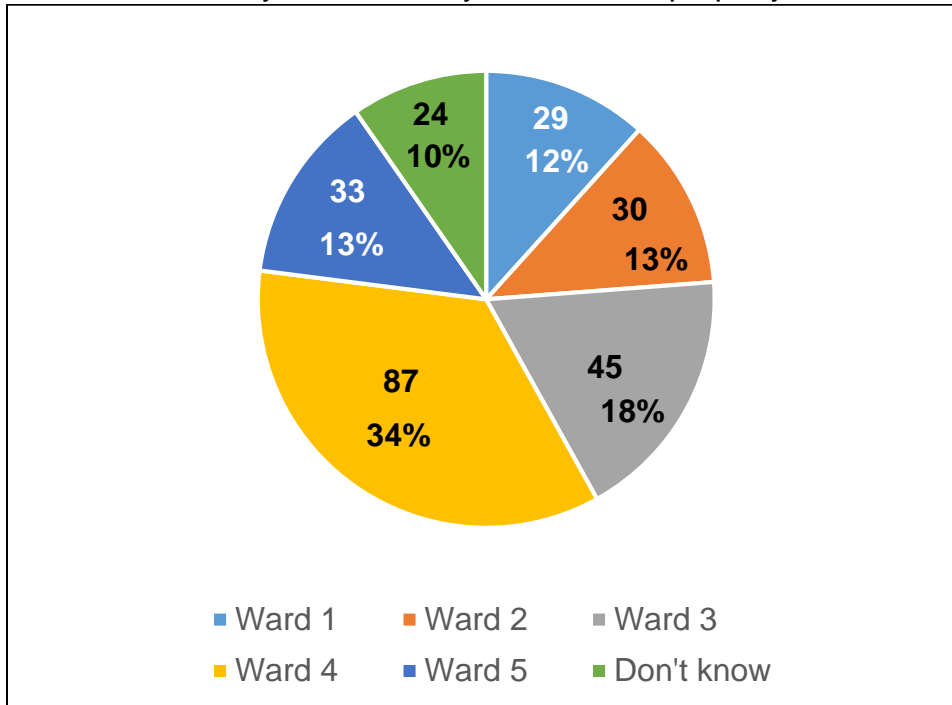
260 responses, 2 skipped

2. Are you an Oshawa resident, and/or Oshawa business/property owner?



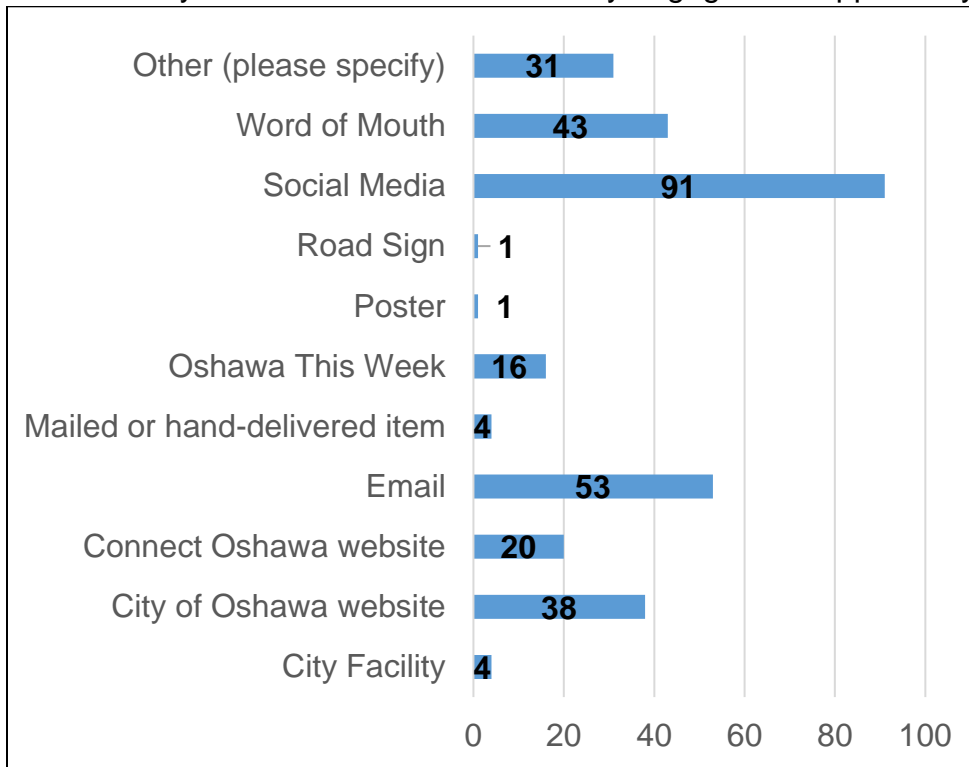
258 responses, 4 skipped

3. What ward do you live in / is your business/property located in?



246 responses, 16 skipped. Multiple responses available.

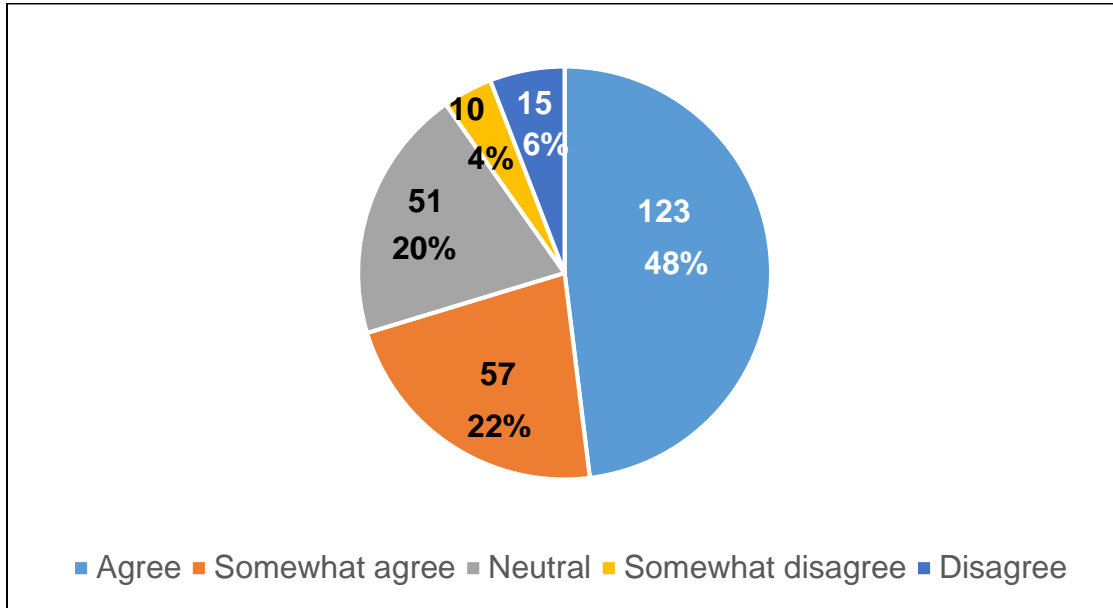
4. How did you learn about this community engagement opportunity?



261 responses, 1 skipped. Multiple responses available.

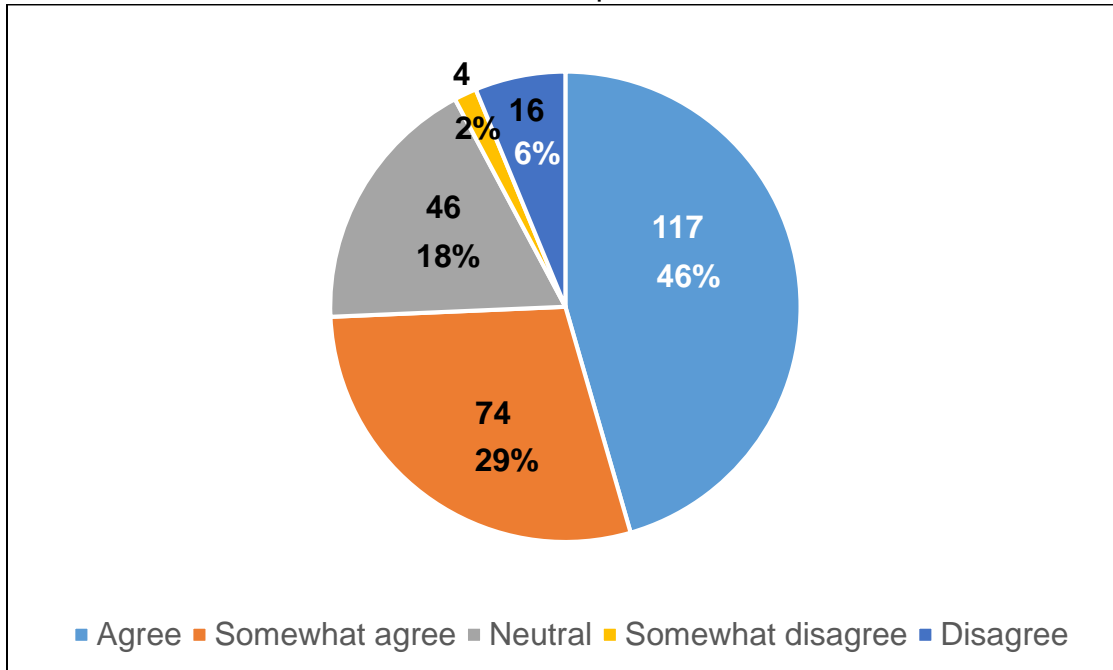
Community Engagement Evaluation

1. I understand how my Residential Rental Housing Licensing consultation feedback will be used.



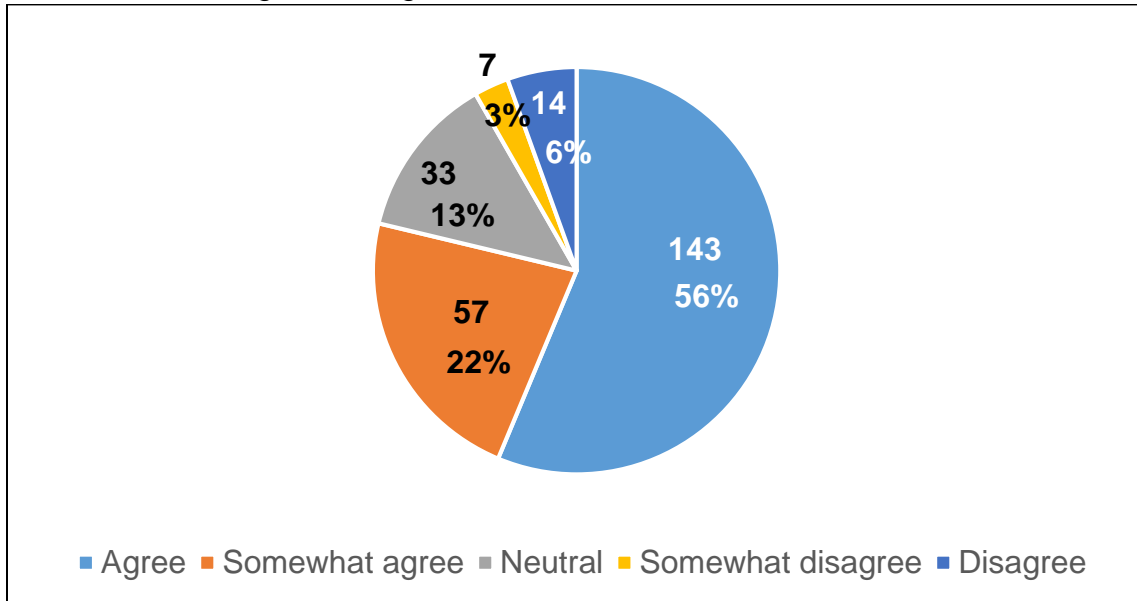
256 responses, 6 skipped

2. I have a good understanding of the Residential Rental Housing Licensing consultation based on the information provided in the Feedback Form.



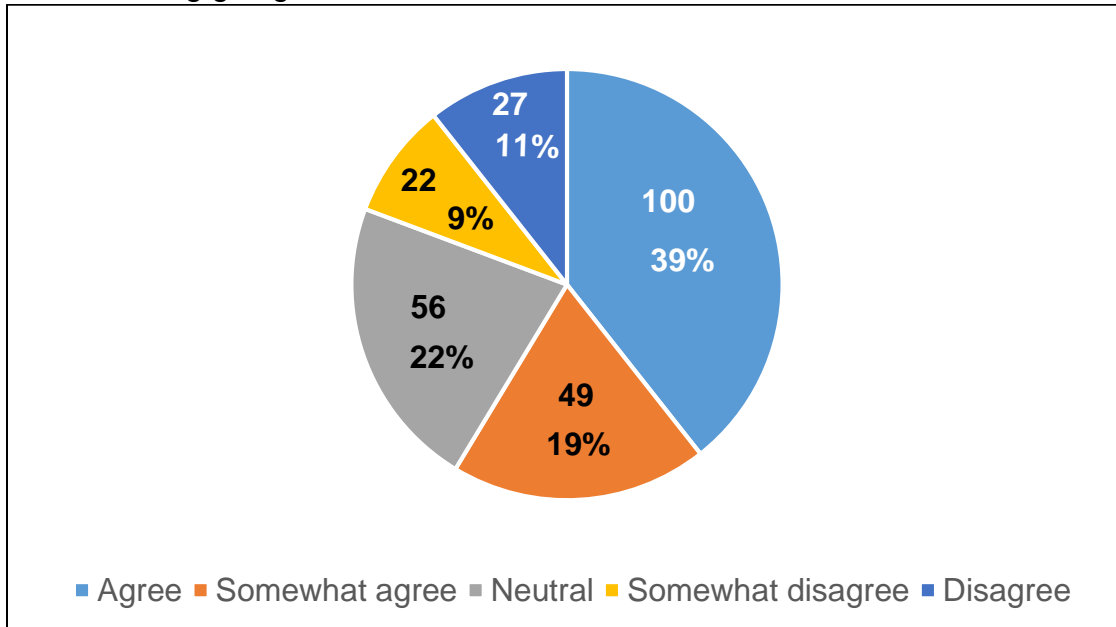
257 responses, 5 skipped

3. I feel the Feedback Form was a good opportunity to participate in the Residential Rental Housing Licensing consultation.



254 responses, 8 skipped

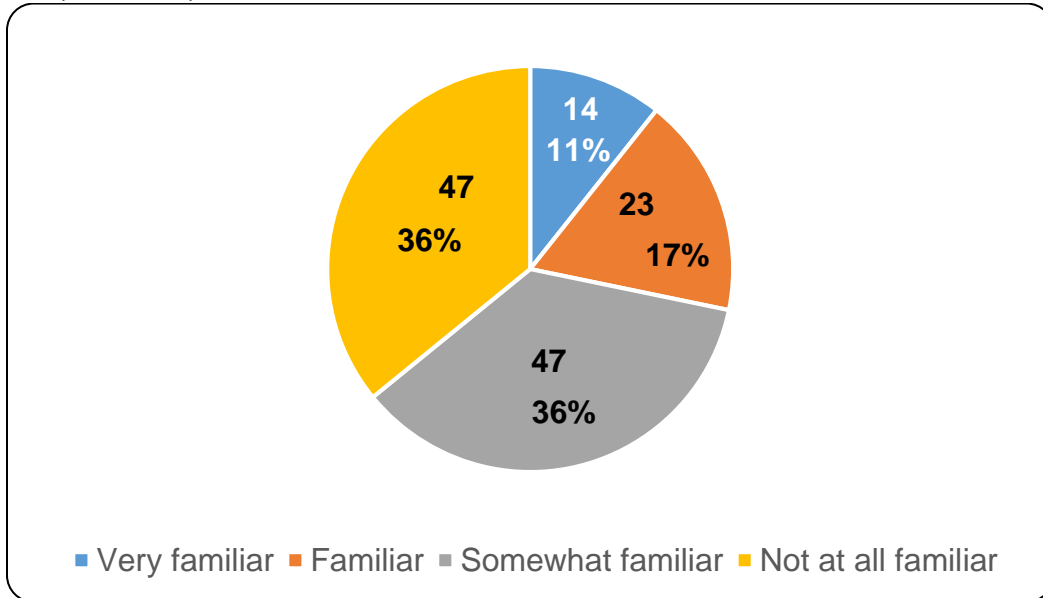
4. I understand the next steps in the Residential Rental Housing Licensing consultation and timing going forward.



254 responses, 8 skipped

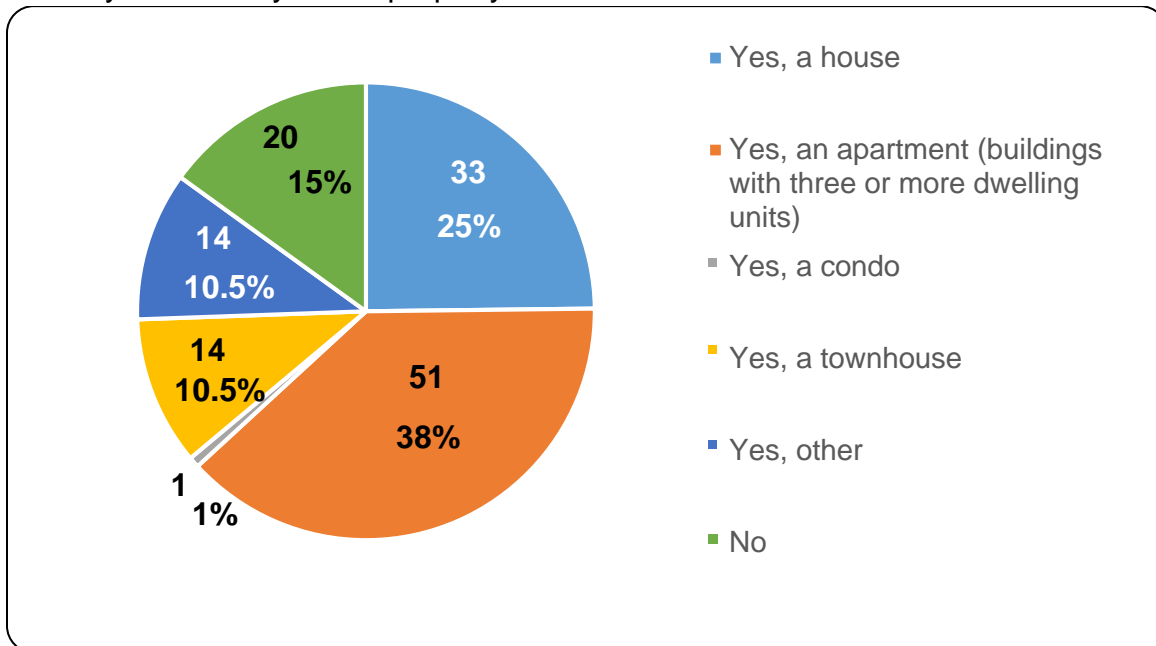
R.R.H.L. Consultation Feedback Form Results – Tenants and Renters

1. How familiar are you with Oshawa's Residential Rental Licensing Program (R.R.H.L.)?



131 responses, 2 skipped

2. Do you currently rent a property?



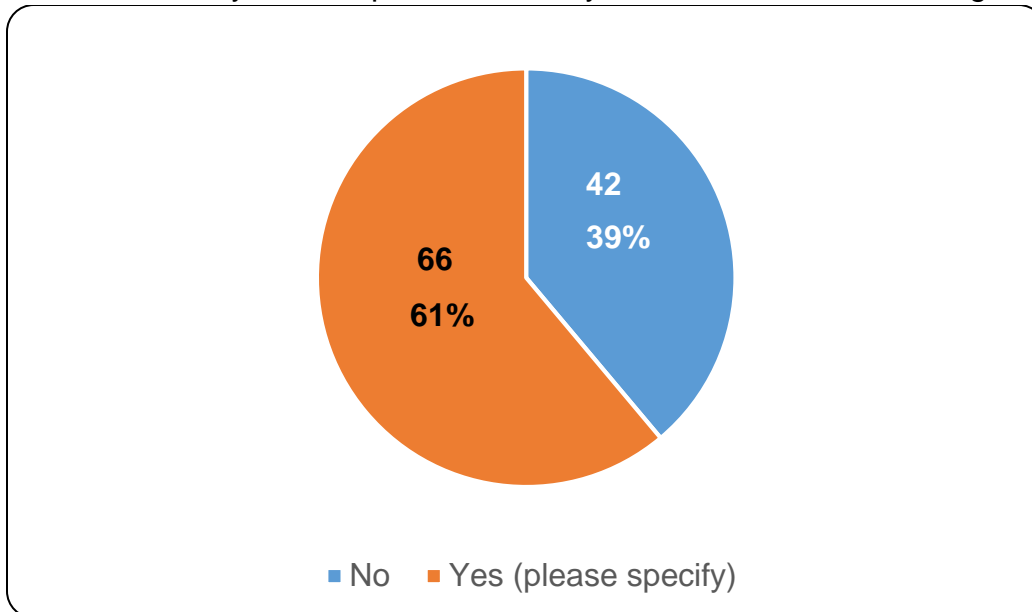
133 responses, 0 skipped

3. What is the most important factor to you when selecting a rental property?
Please rank from most preferred (1) to least preferred (5).



111 responses, 22 skipped

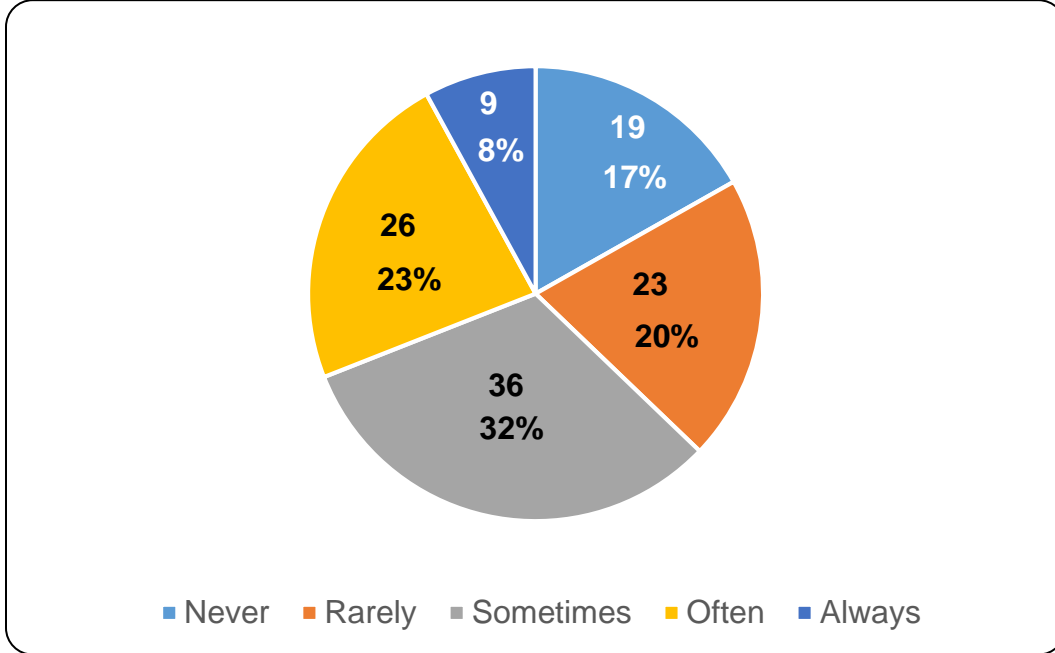
4. Are there any other important factors you consider when selecting a rental property?



108 responses, 25 skipped

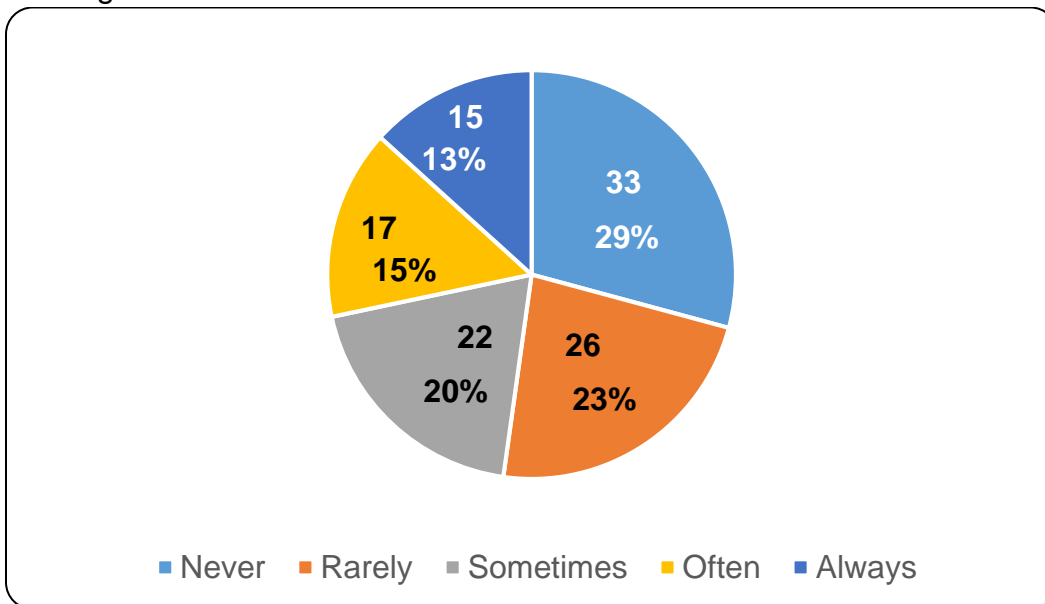
5. While being a tenant in the City of Oshawa, how frequently have you experienced the following issues:

Excessive noise and nuisance (e.g. loud music, carrying open liquor in public, etc.)



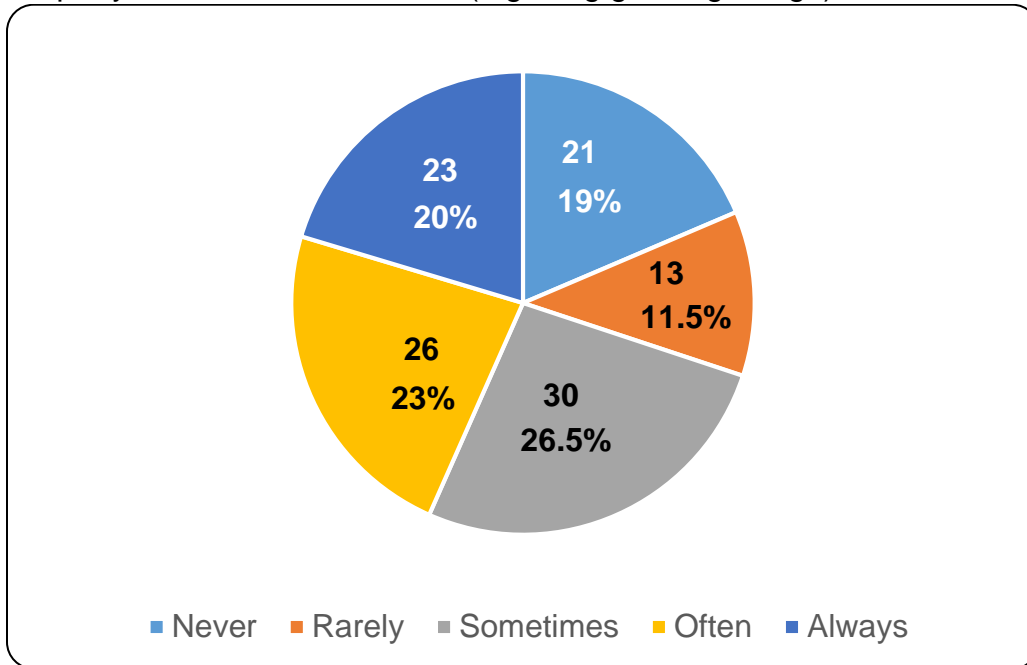
Conditional question based on "Yes" response to "Do you currently rent a property?"
113 responses, 0 skipped

Parking issues



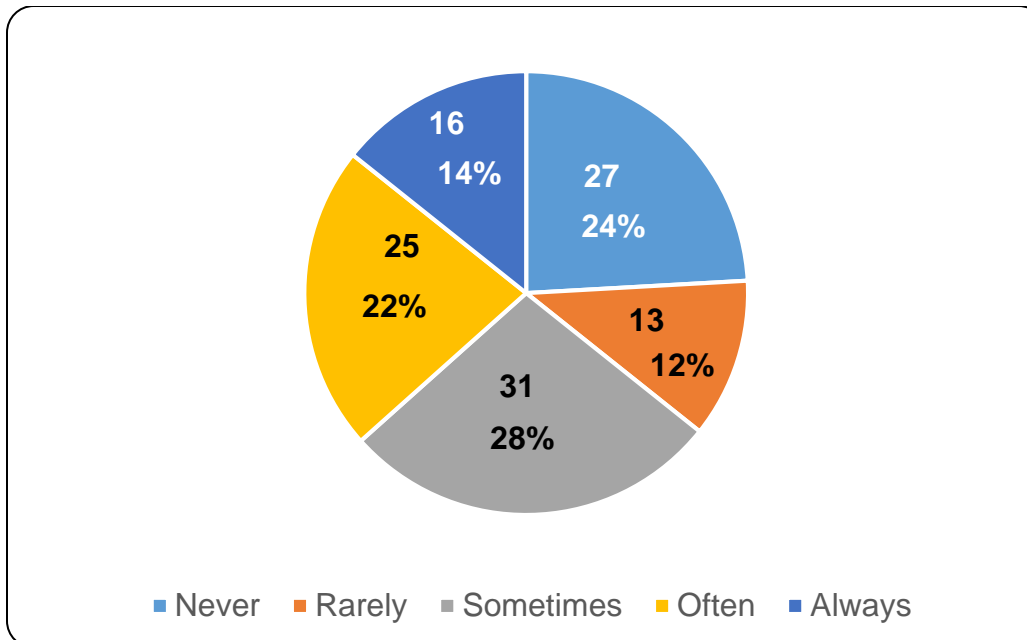
Conditional question based on "Yes" response to "Do you currently rent a property?"
113 responses, 0 skipped

Property maintenance concerns (e.g. long grass, garbage)



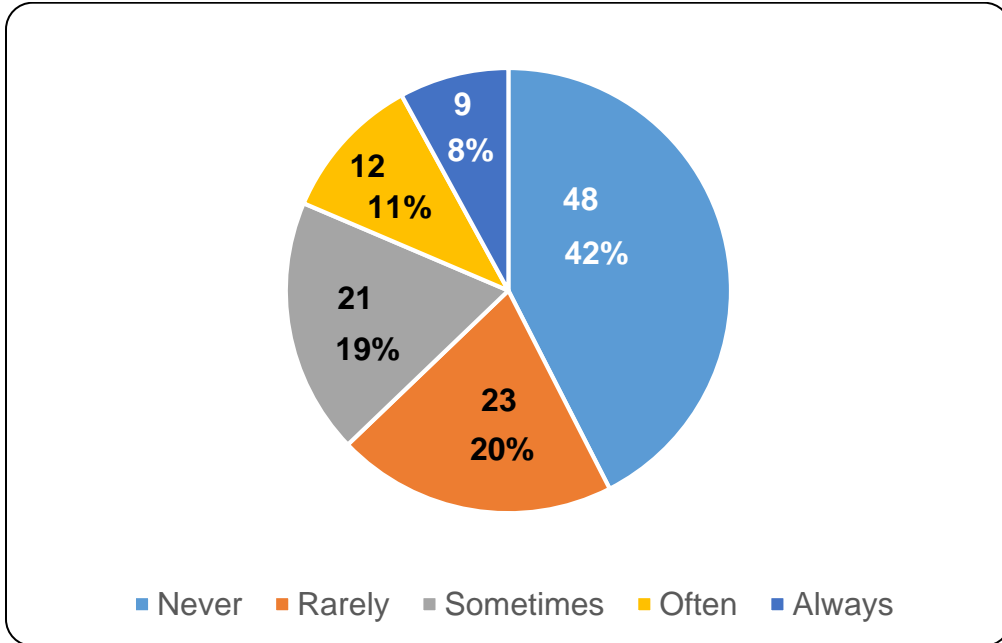
Conditional question based on “Yes” response to “Do you currently rent a property?”
113 responses, 0 skipped

Snow and Ice removal



Conditional question based on “Yes” response to “Do you currently rent a property?”
112 responses, 1 skipped

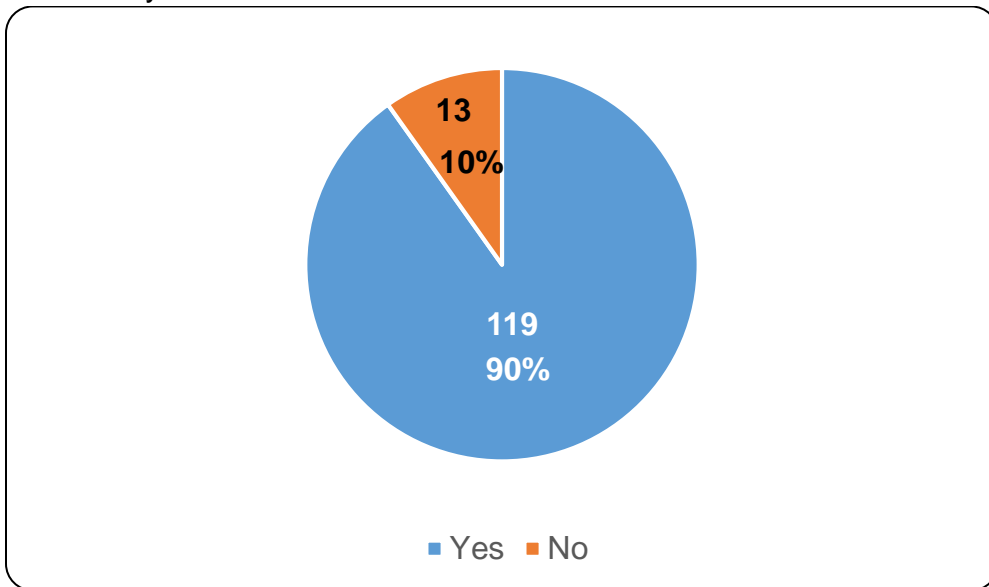
Lack of adequate heat



Conditional question based on “Yes” response to “Do you currently rent a property?”
113 responses, 0 skipped

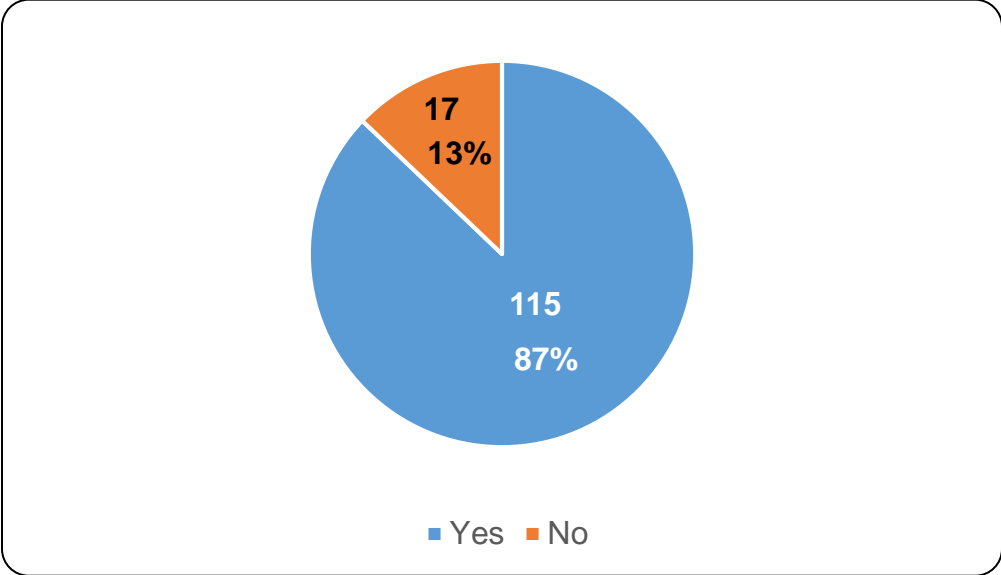
6. What regulations should the City inspect for and confirm when issuing a two (2) year residential rental housing licence? Please check either “Yes” or “No” for each option.

Fire Safety



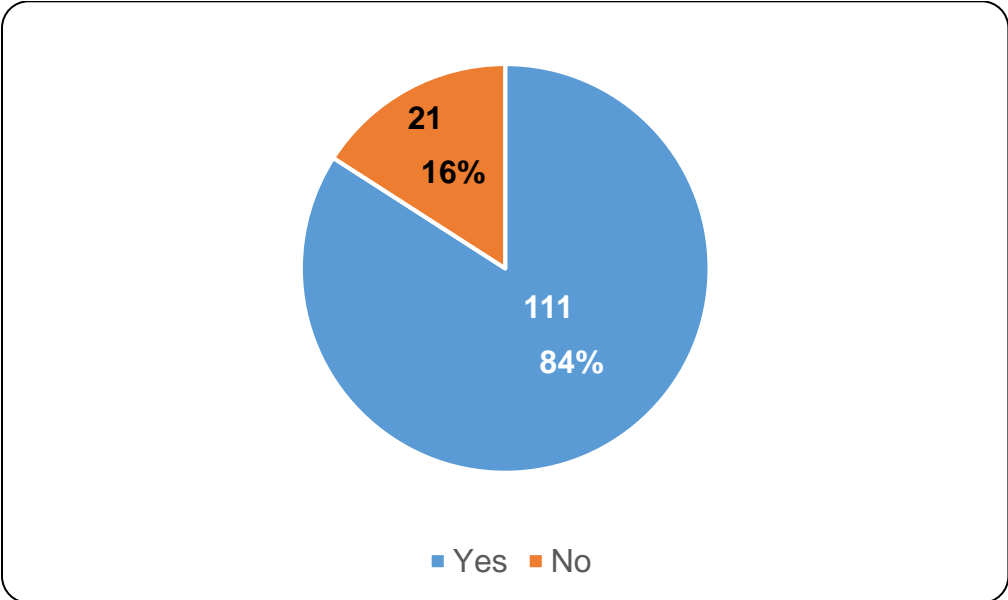
132 responses, 1 skipped

Property standards (e.g. bed bugs, broken windows, HVAC, intercoms, etc.)



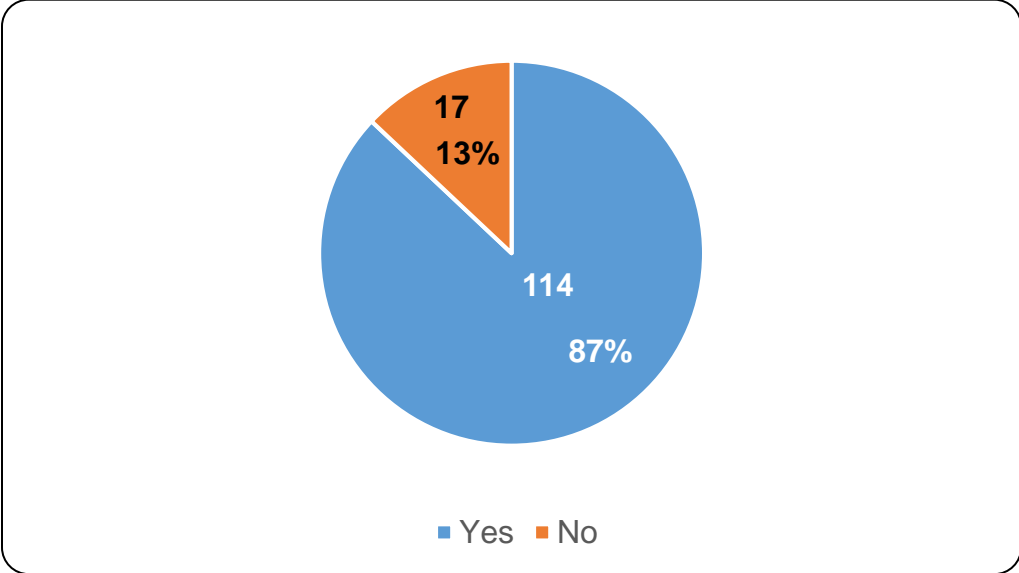
132 responses, 1 skipped

Adequate Heat (minimum temperatures from September - June)



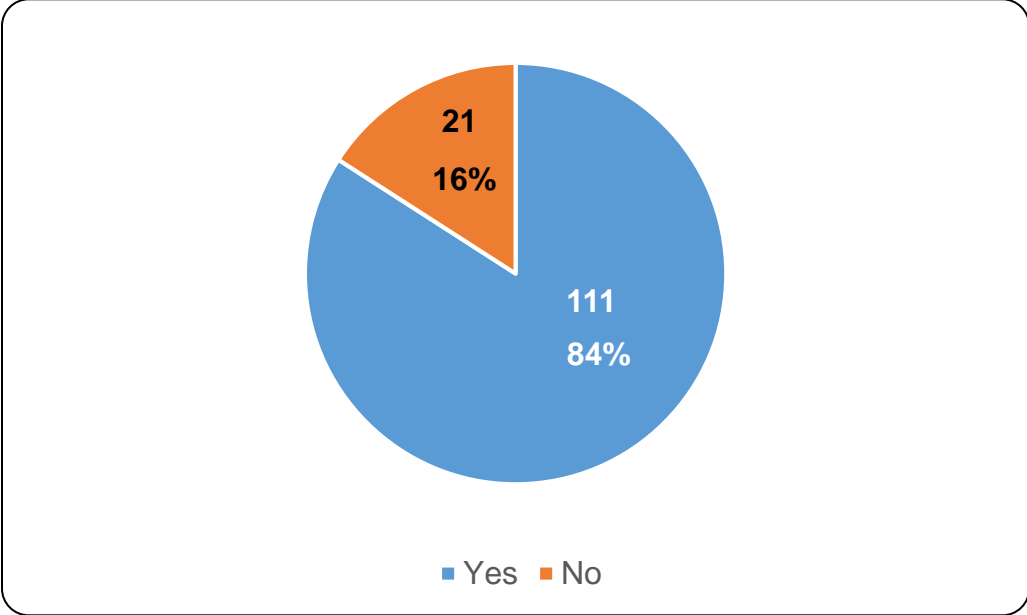
132 responses, 1 skipped

Electrical safety



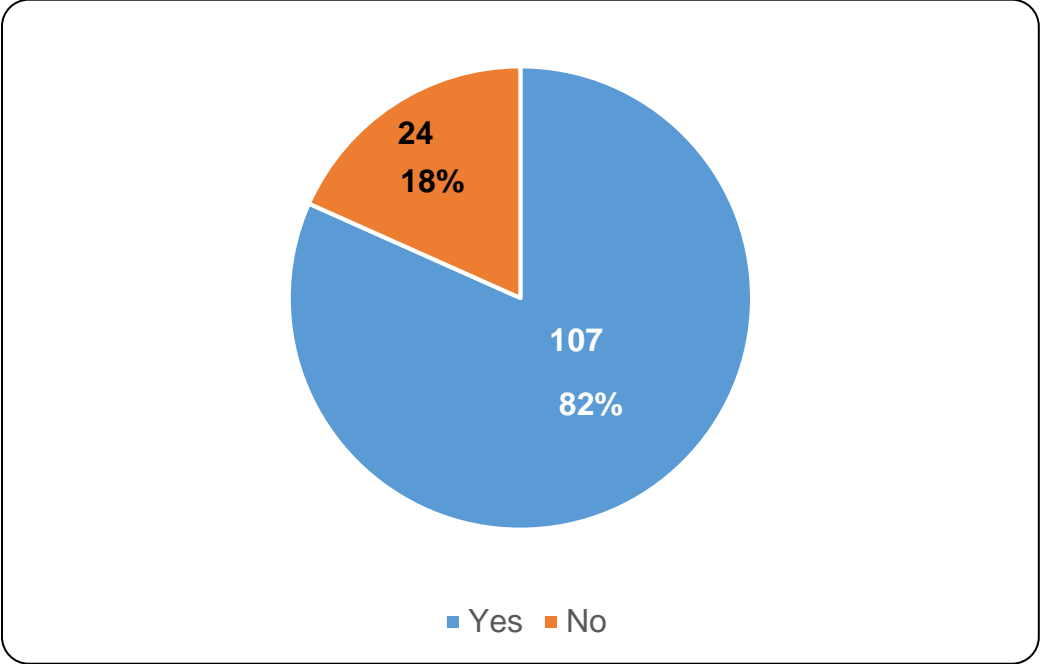
131 responses, 2 skipped

Ensuring compliance with Building Code Act



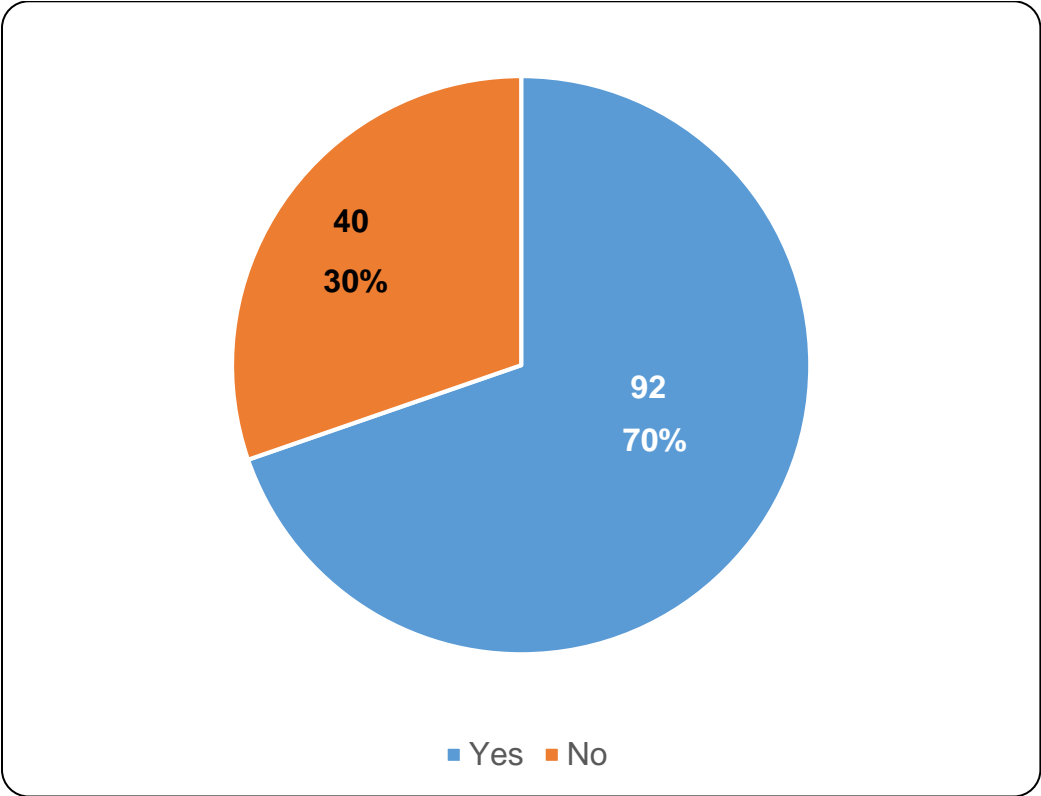
132 responses, 1 skipped

Requiring appropriate insurance



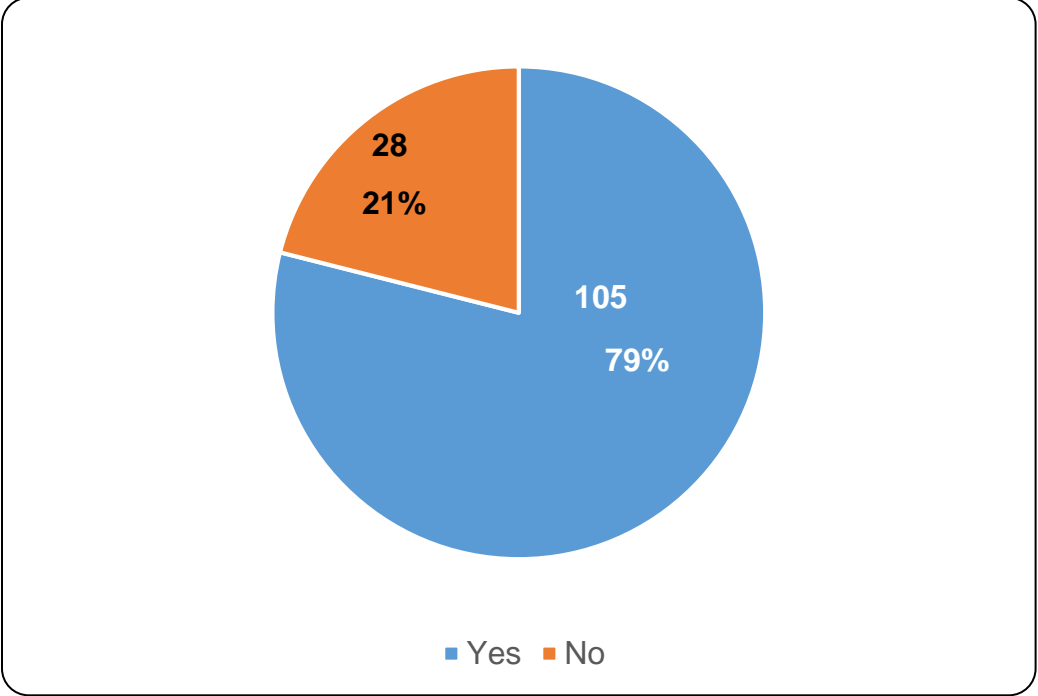
131 responses, 2 skipped

Lot maintenance (e.g. long grass, debris on property)



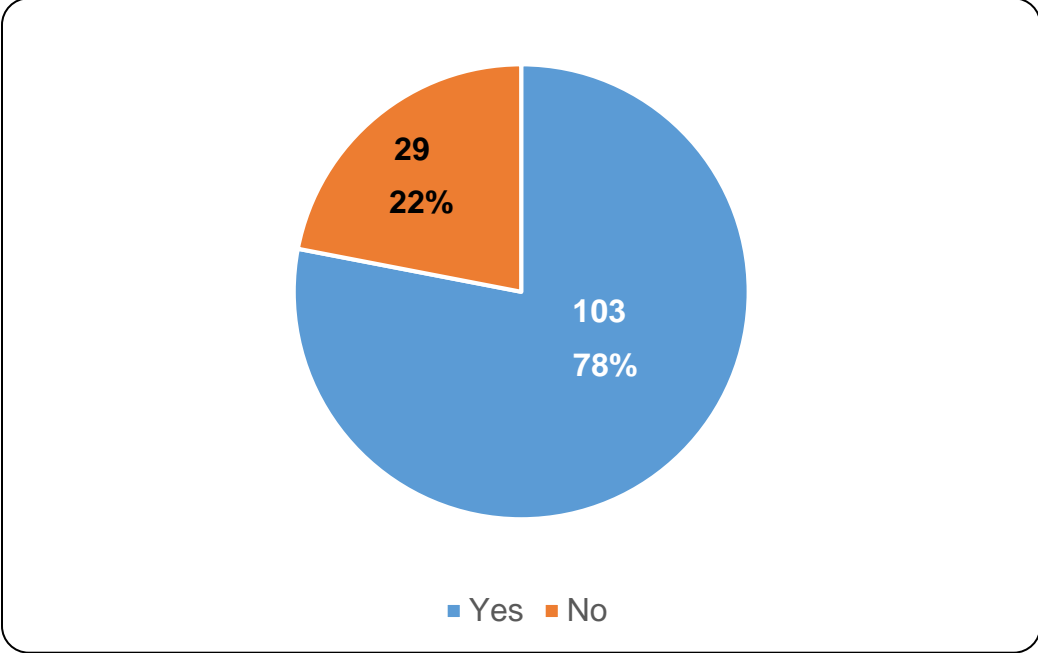
132 responses, 1 skipped

Waste (e.g. garbage) issues



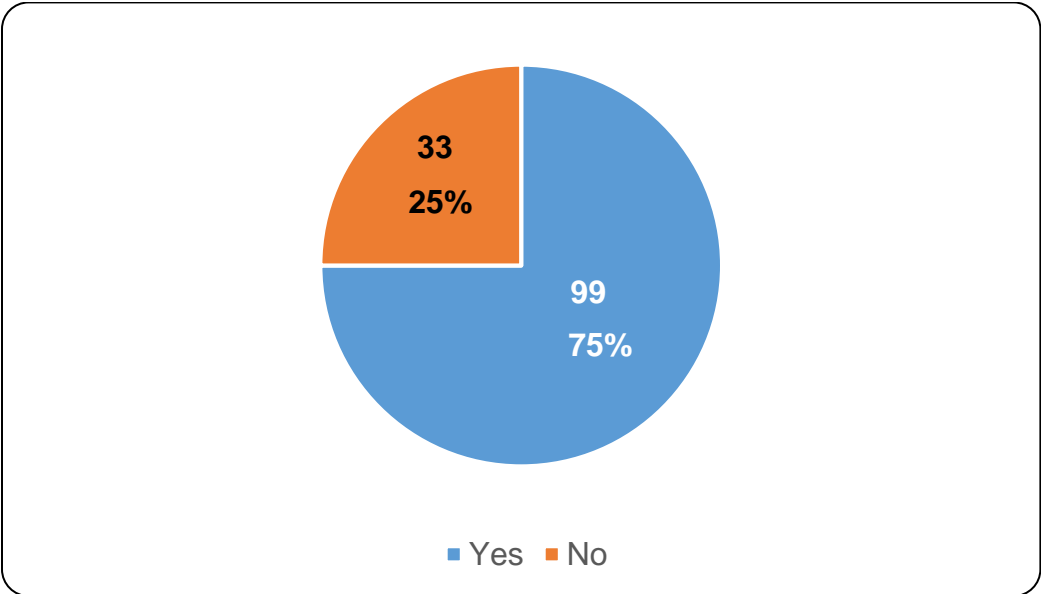
133 responses, 0 skipped

Snow and ice removal



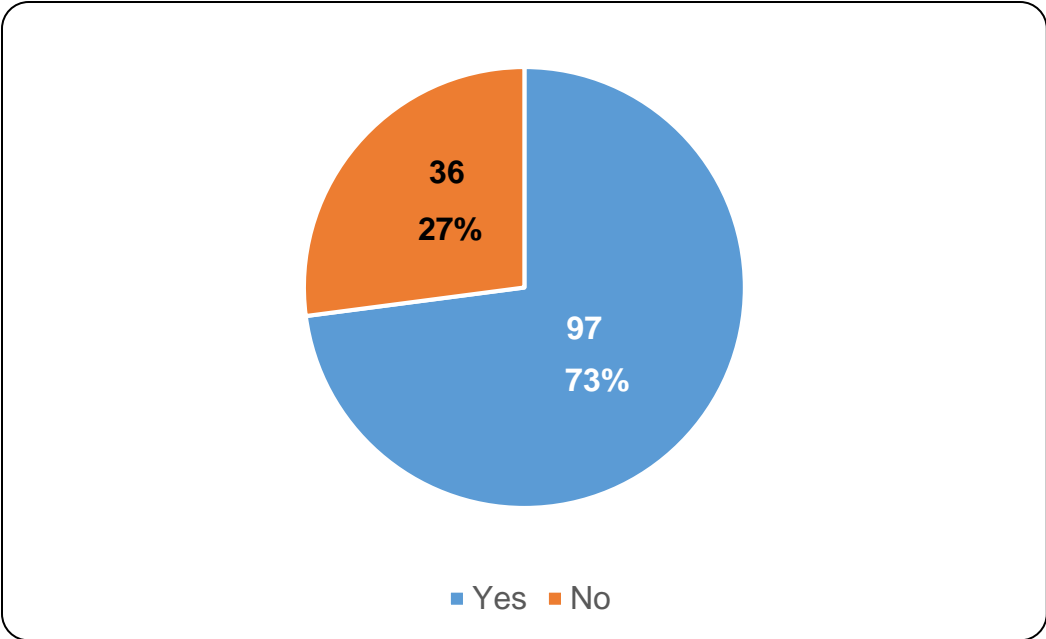
132 responses, 1 skipped

Land Use/Zoning (e.g. how land and buildings may be used, where buildings and other structures can be located, parking requirements)



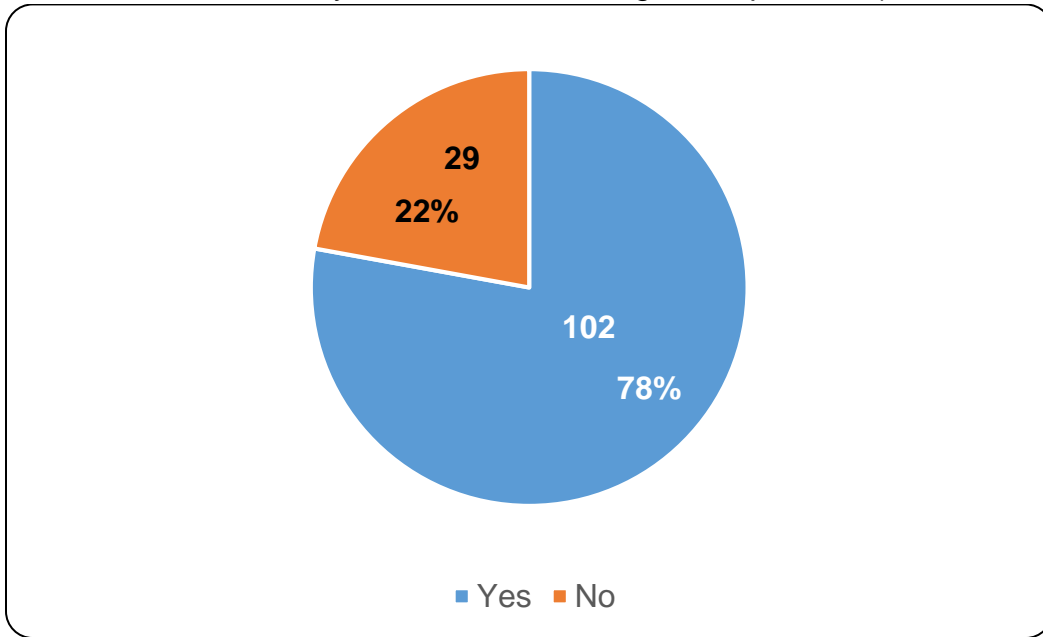
132 responses, 1 skipped

Noise and Nuisance (e.g. littering, loud music, vandalism, etc.) issues



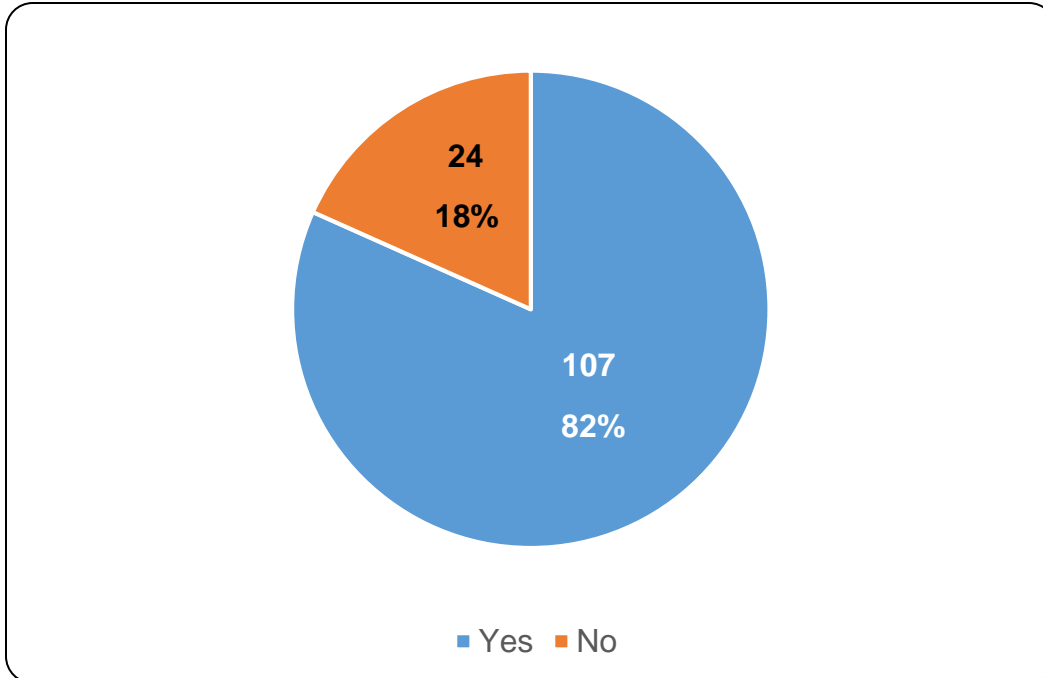
133 responses, 0 skipped

Tenant Notification Board in Apartment Buildings (e.g. service disruptions, emergency contact information, City notice, waste management plan, etc.)



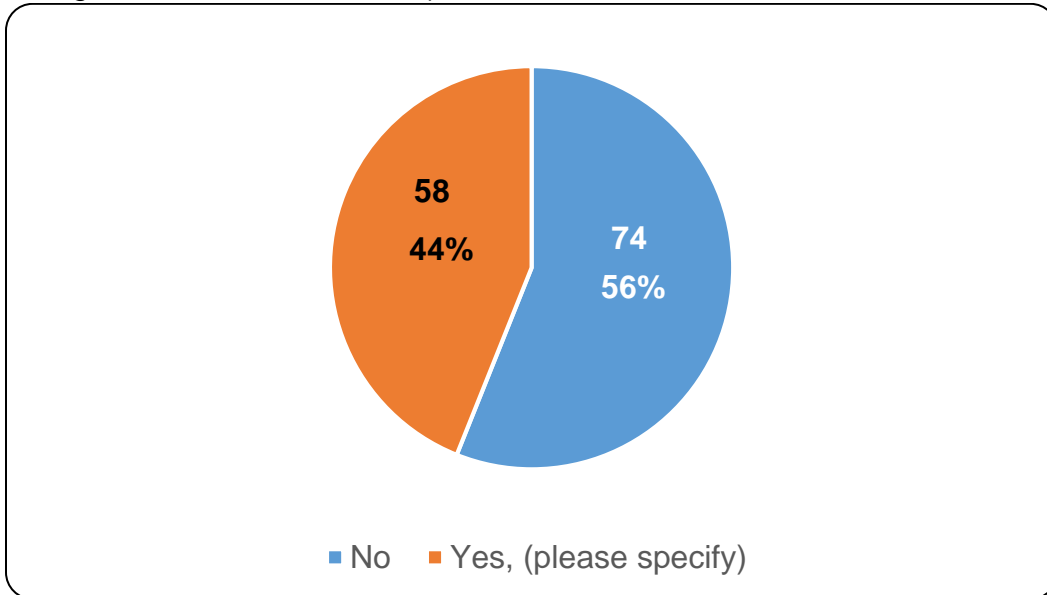
131 responses, 2 skipped

Local contact requirement to help resolve issues



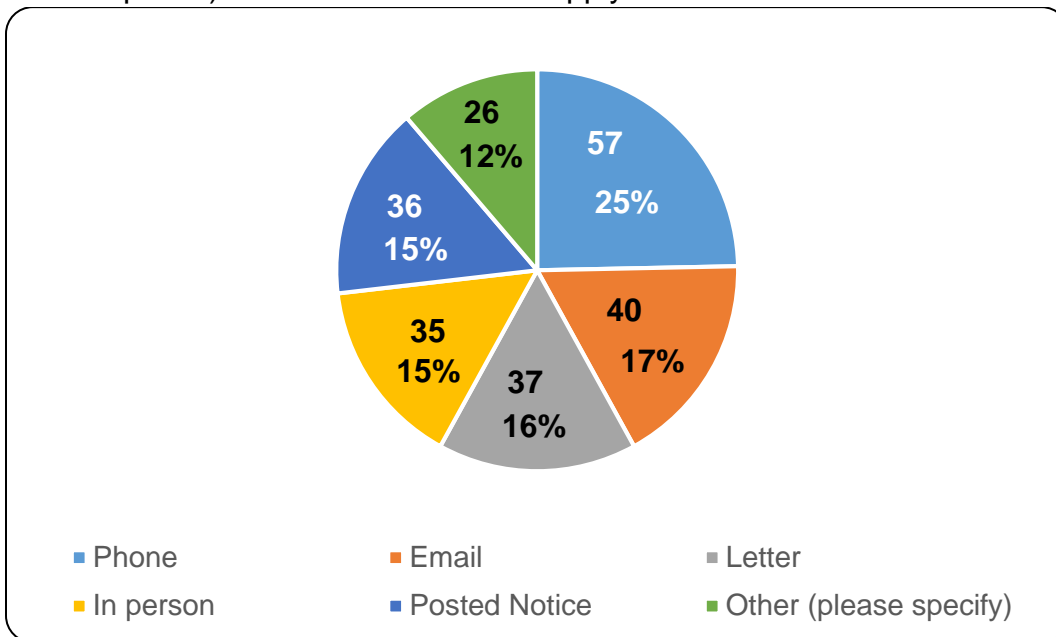
131 responses, 2 skipped

7. Are there other standards you feel the City should regulate for rental properties?
 Note: A City licensing program does not regulate standards governed by the Residential Tenancies Act (R.T.A.) (e.g. rent, landlord tenant disputes, tenancy agreements, and evictions)



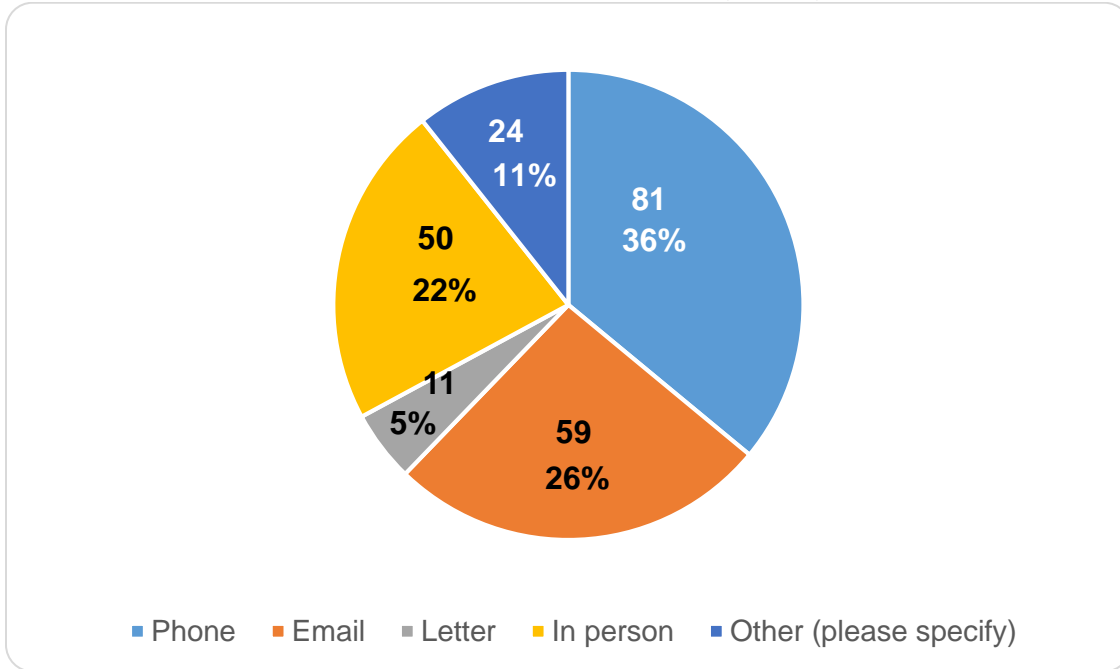
132 responses, 1 skipped

8. How does your landlord communicate property related issues to you (e.g. service disruptions)? Please select all that apply.



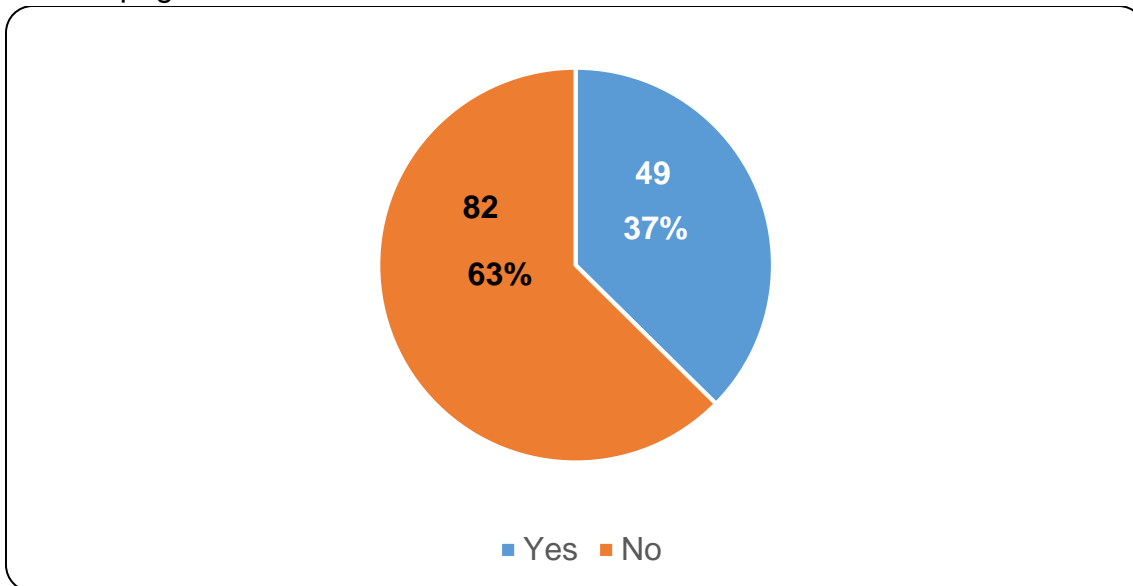
125 responses, 8 skipped. Multiple responses available.

9. How do you communicate with your landlord regarding property related issues?



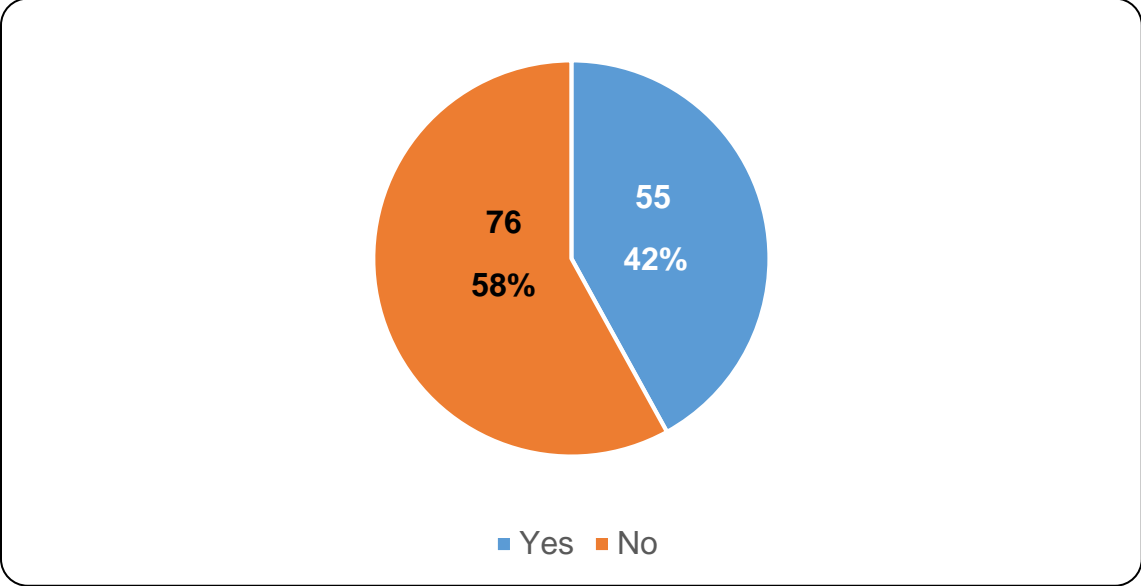
125 responses, 8 skipped. Multiple responses available.

10. Are you aware of the resources available on the City's Tenant Information Webpage?



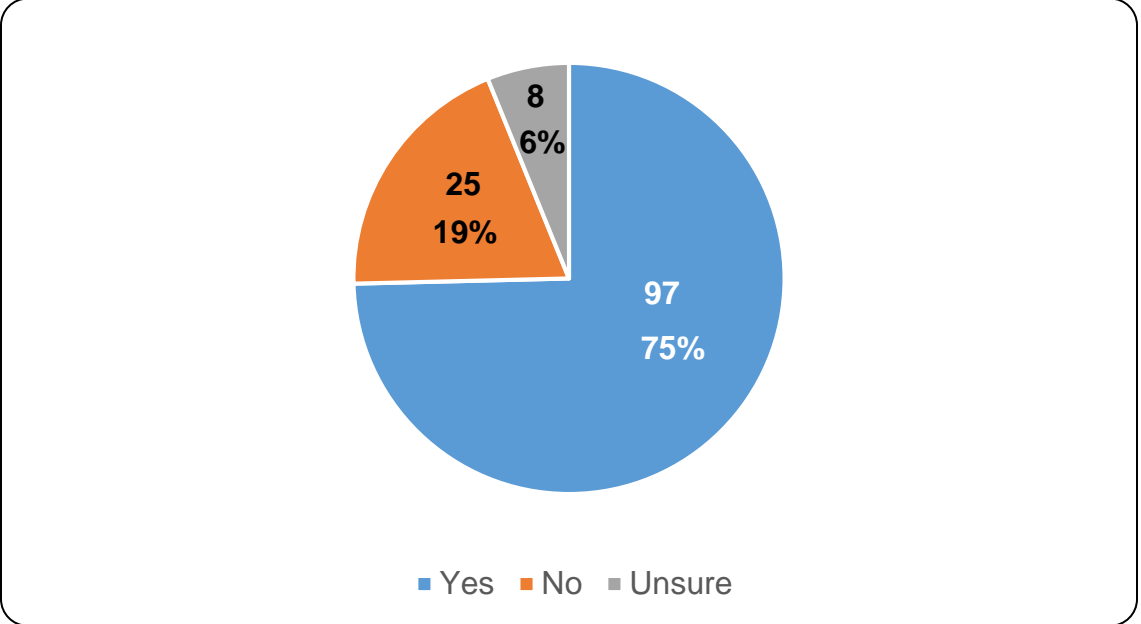
131 responses, 2 skipped

11. The City charges a fee once every two (2) years to landlords for an R.R.H.L. licence. The fees are based on the property type and number of bedrooms/rental units. If these fees were passed on to tenants through increased rent, do you think there is value in licensing to ensure your rental unit complies with minimum health and safety standards (e.g. property maintenance and fire safety)?



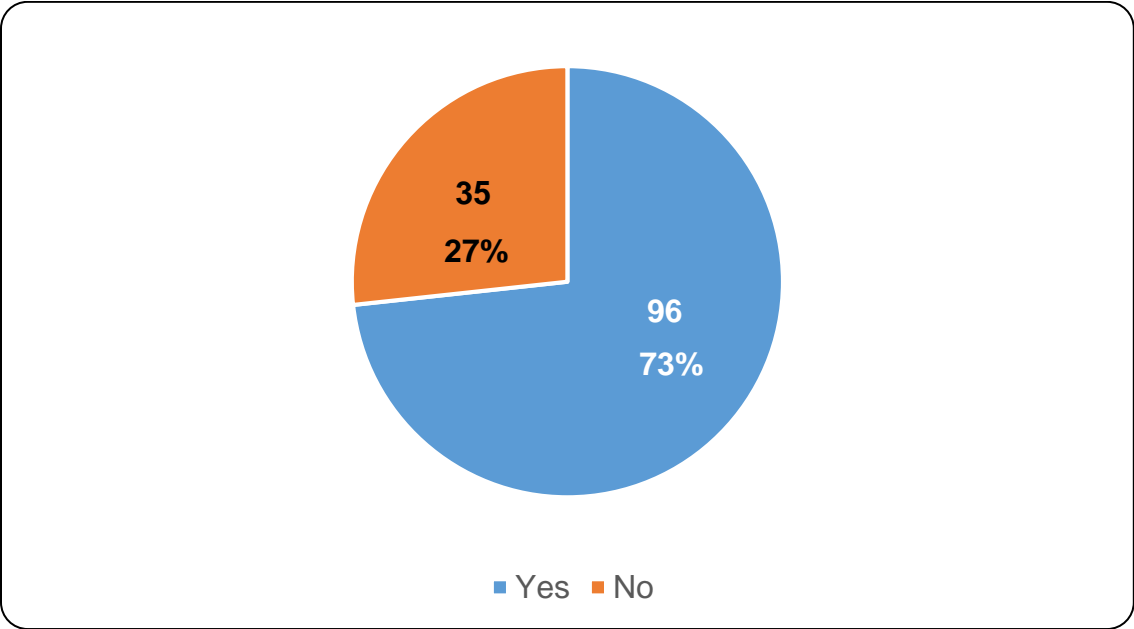
131 responses, 2 skipped

12. The City ensures health and safety standards in rental units through inspections that occur every two (2) years. Would you be okay with a City inspector entering your rental unit to inspect it at a scheduled time?



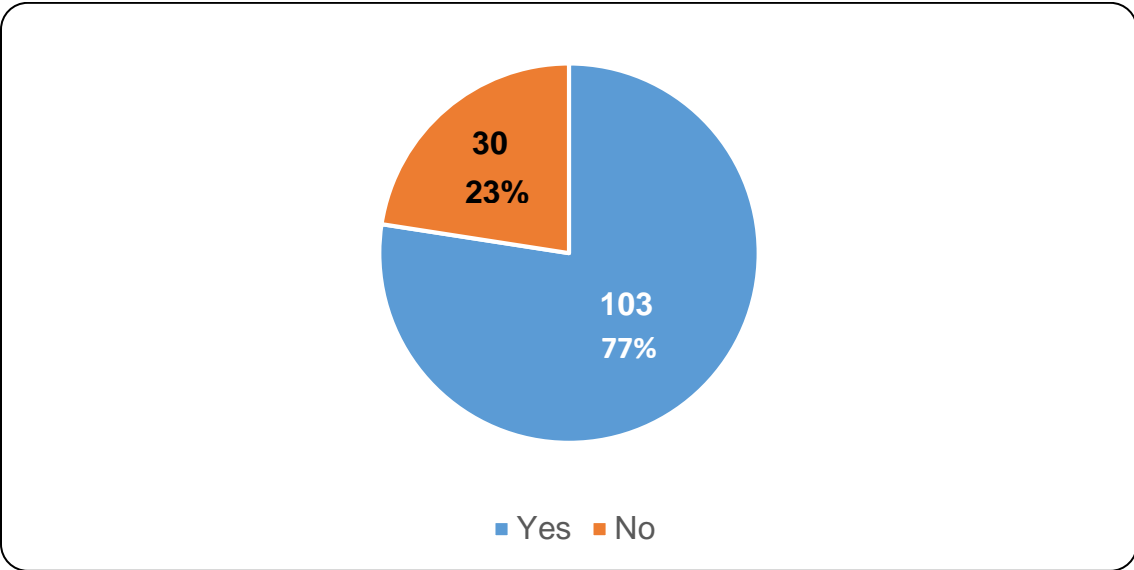
130 responses, 3 skipped

13. The City requires R.R.H.L. licences to be posted near the main entrance inside the rental unit. Licensed rental properties are also listed on the City's website. Should the City continue to require the posting of R.R.H.L. licences in the interior of the rental unit near the main entrance?



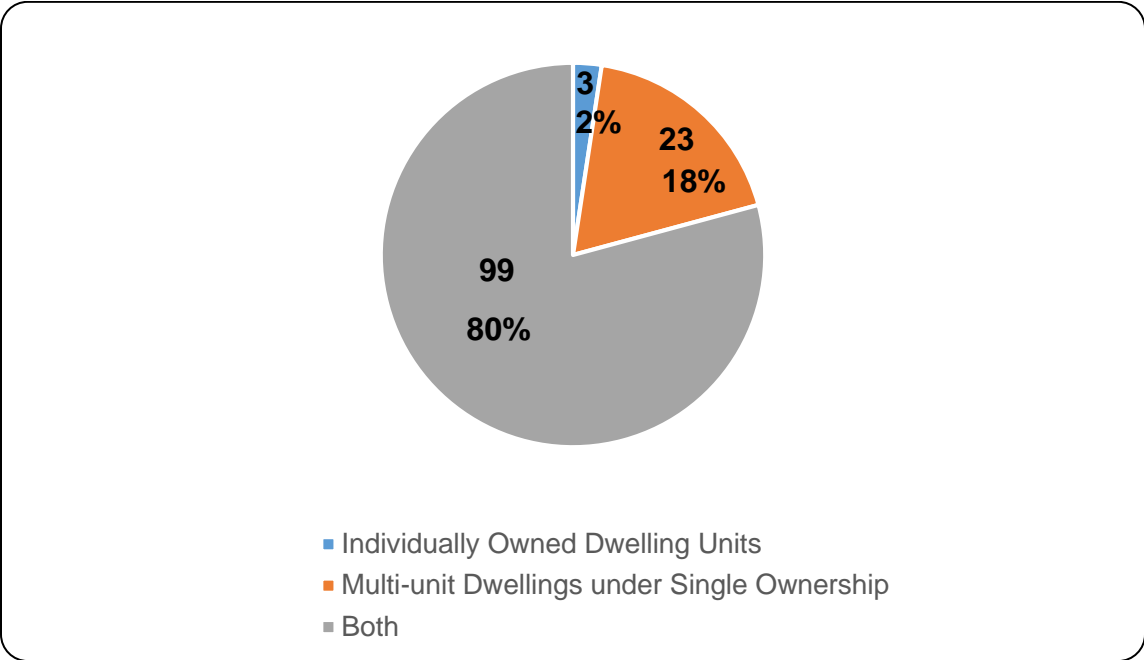
131 responses, 2 skipped

14. The City currently licenses rental properties in the defined area. Do you think the program should be expanded to require all rental properties in the City to be licensed?



133 responses, 0 skipped

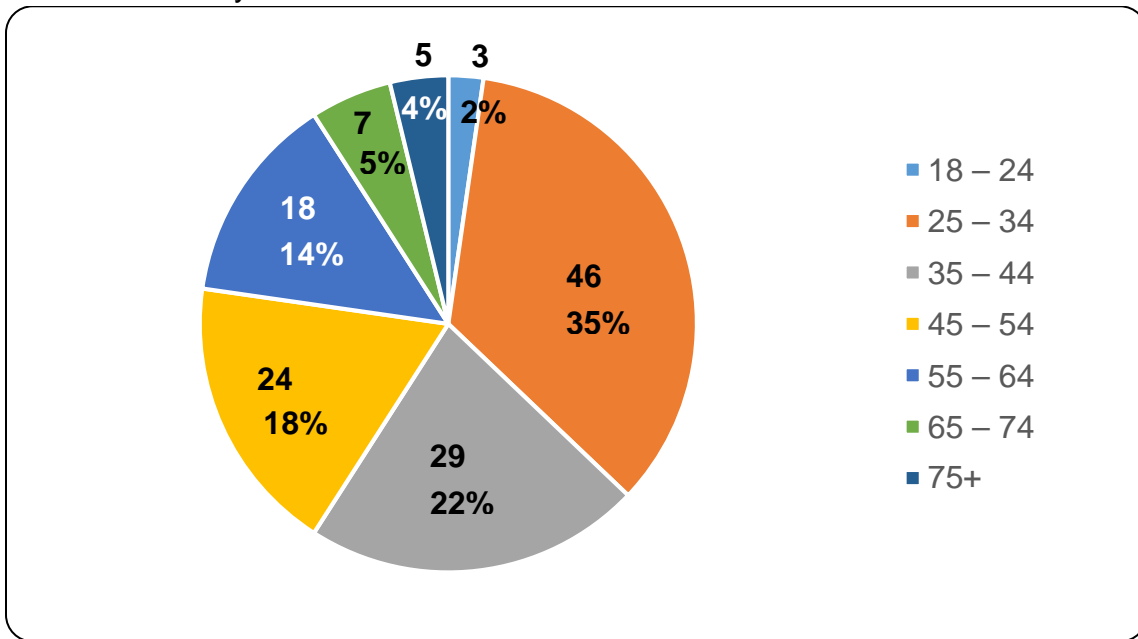
15. Should the City license rental properties that are Individually Owned Dwelling Units (e.g. single and semi-detached houses, townhouses, condo units, etc.), Multi-unit Dwellings under Single Ownership (e.g. apartment buildings and townhouse complexes with a single owner, etc.) or both?



125 responses, 7 skipped

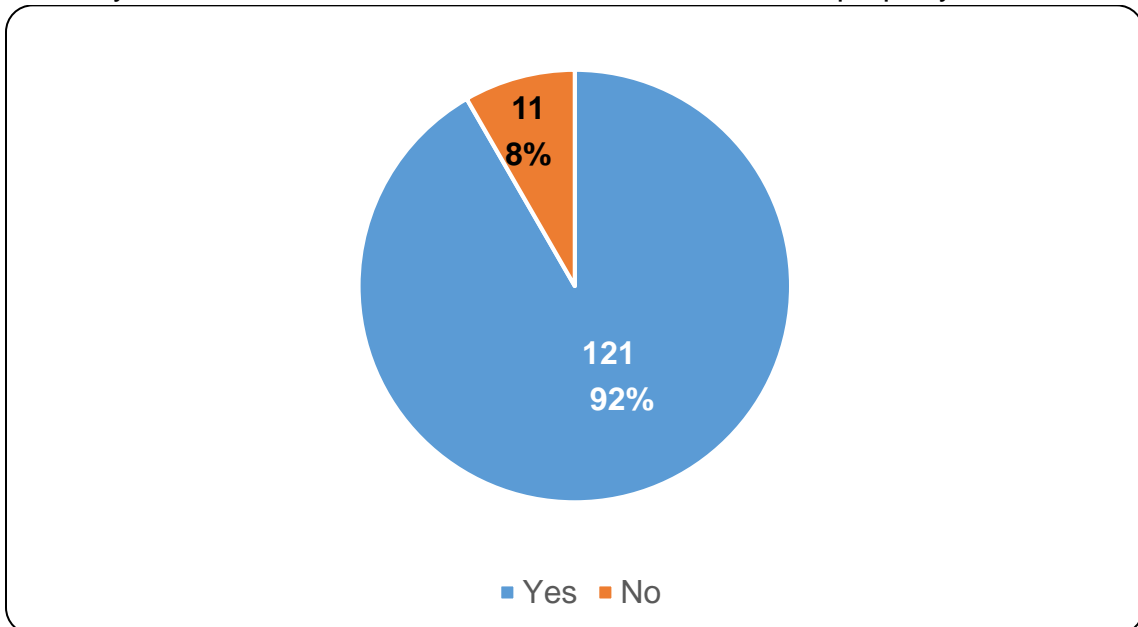
Demographics

1. How old are you?



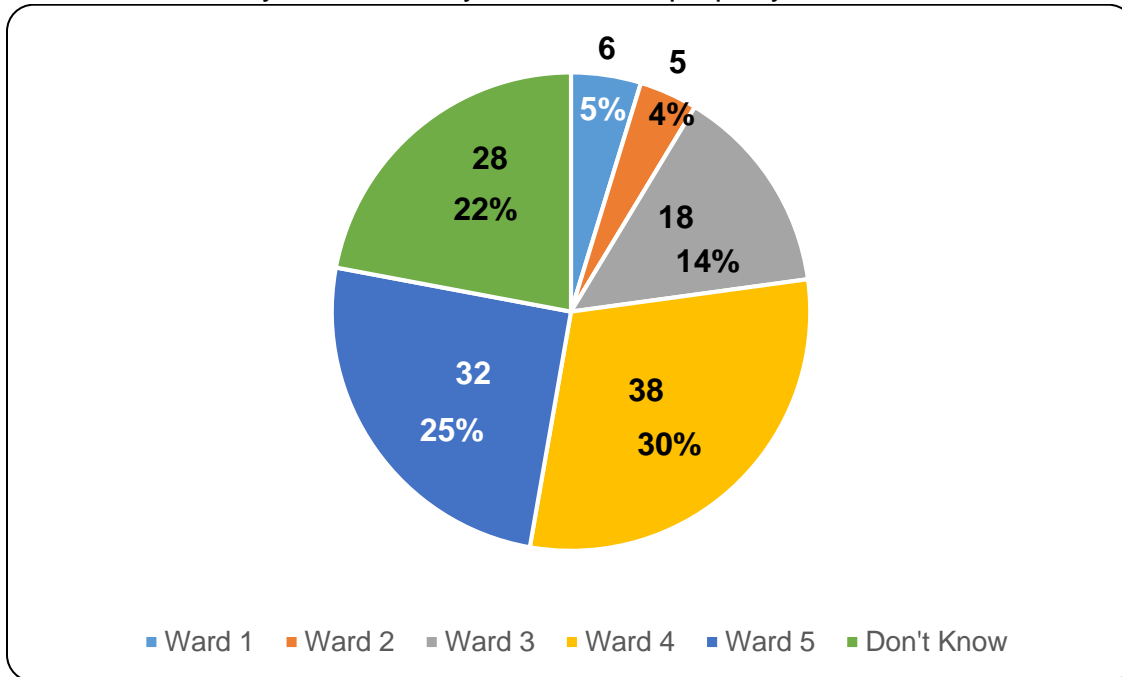
132 responses, 1 skipped

2. Are you an Oshawa resident, and/or Oshawa business/property owner?



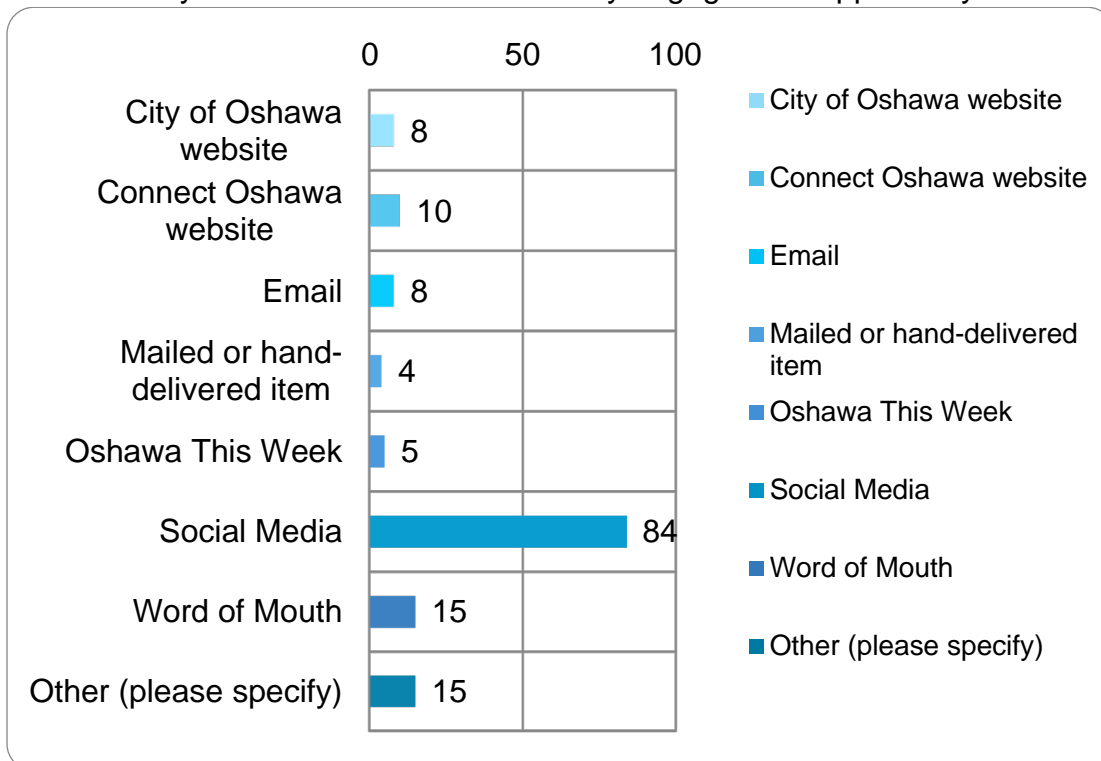
132 responses, 1 skipped

3. What ward do you live in / is your business/property located in?



120 responses, 1 skipped. Multiple responses available.

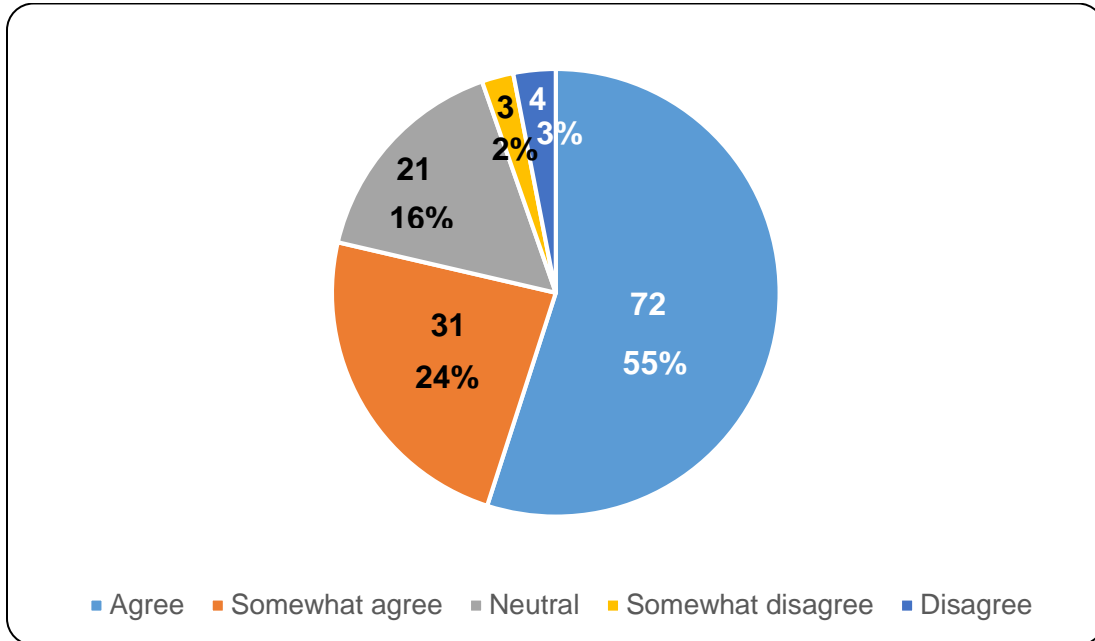
4. How did you learn about this community engagement opportunity?



133 responses, 0 skipped. Multiple responses available.

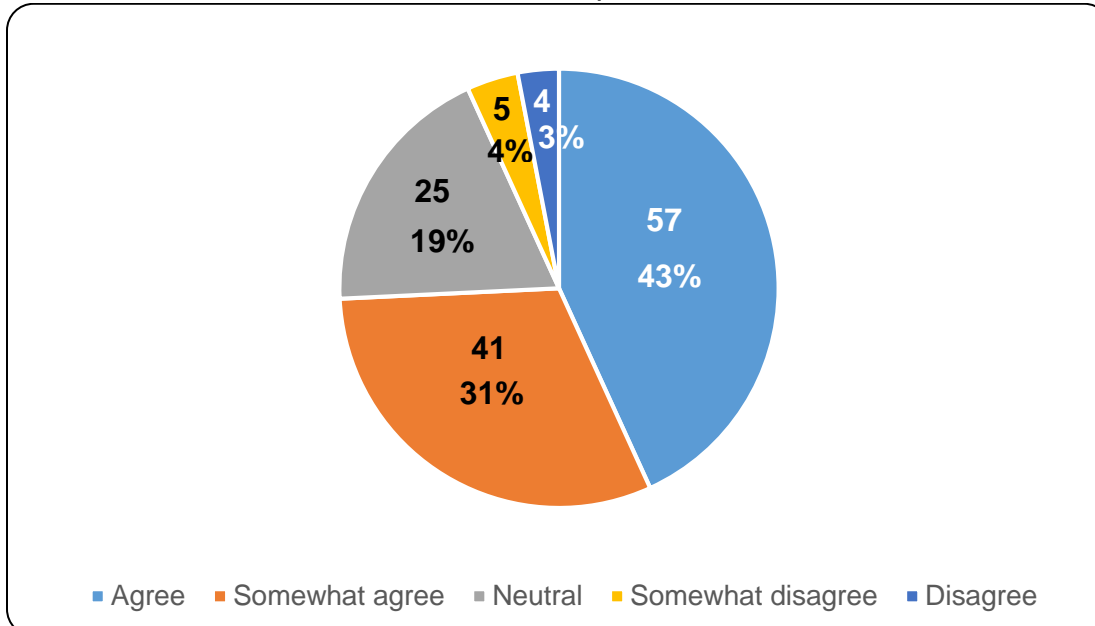
Community Engagement Evaluation

1. I understand how my Residential Rental Housing Licensing consultation feedback will be used.



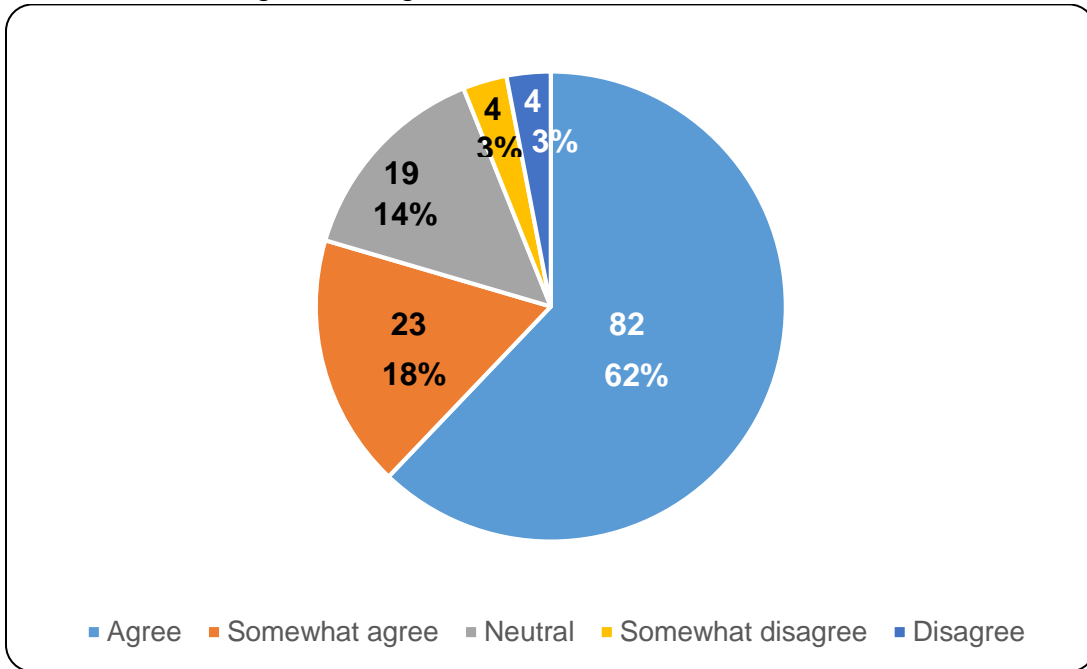
131 responses, 2 skipped

2. I have a good understanding of the Residential Rental Housing Licensing consultation based on the information provided in the Feedback Form.



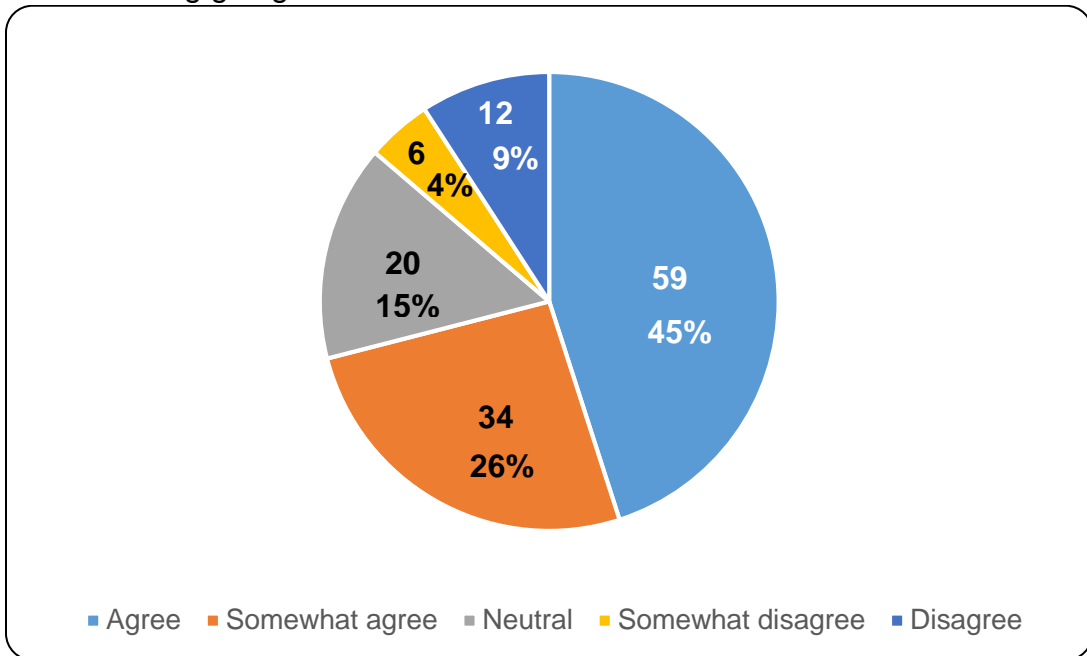
132 responses, 1 skipped

3. I feel the Feedback Form was a good opportunity to participate in the Residential Rental Housing Licensing consultation.



132 responses, 1 skipped

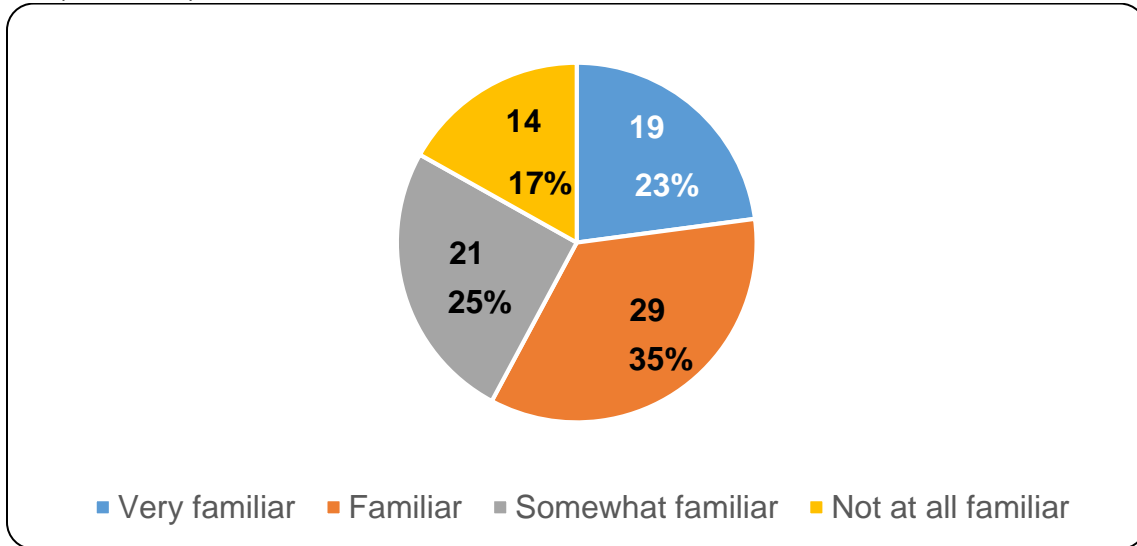
4. I understand the next steps in the Residential Rental Housing Licensing consultation and timing going forward.



131 responses, 2 skipped

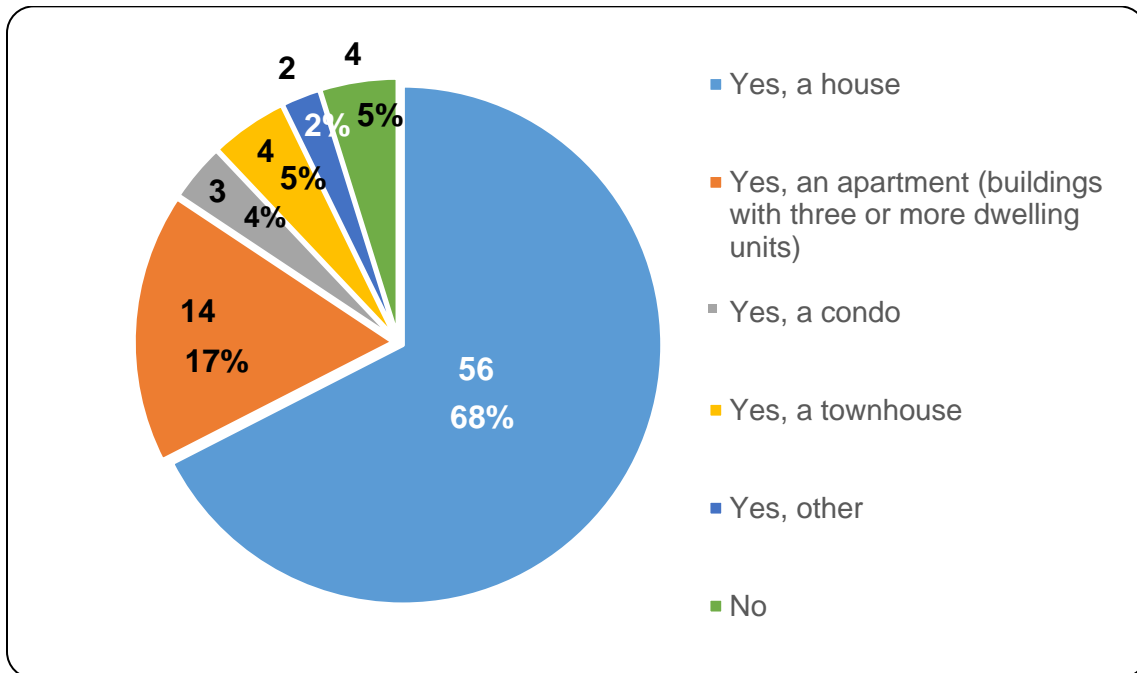
R.R.H.L. Consultation Feedback Form Results – Property Managers and Landlords

1. How familiar are you with Oshawa’s Residential Rental Licensing Program (R.R.H.L.)?



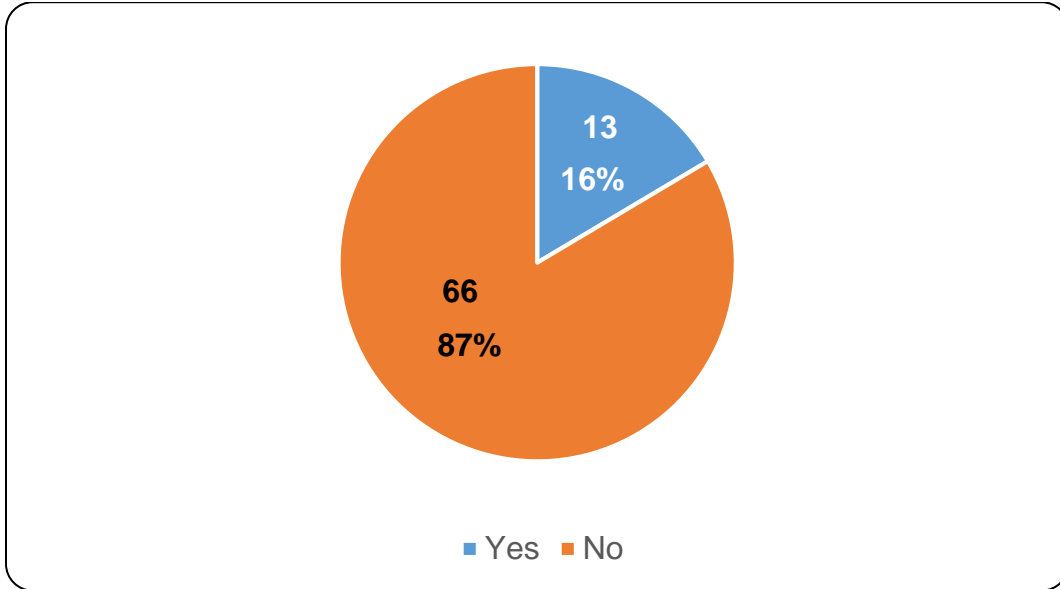
83 responses, 1 skipped

2. Do you currently own and/or manage a residential rental property in the City of Oshawa?



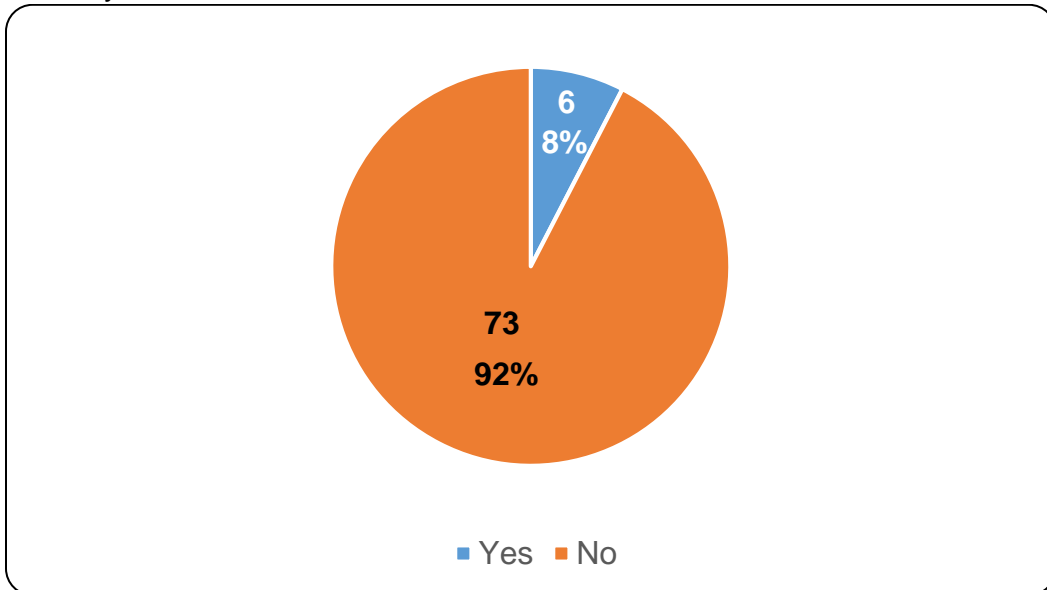
83 responses, 1 skipped

3. Are the property/properties you currently own/manage in the defined R.R.H.L. area?



79 responses, 5 skipped

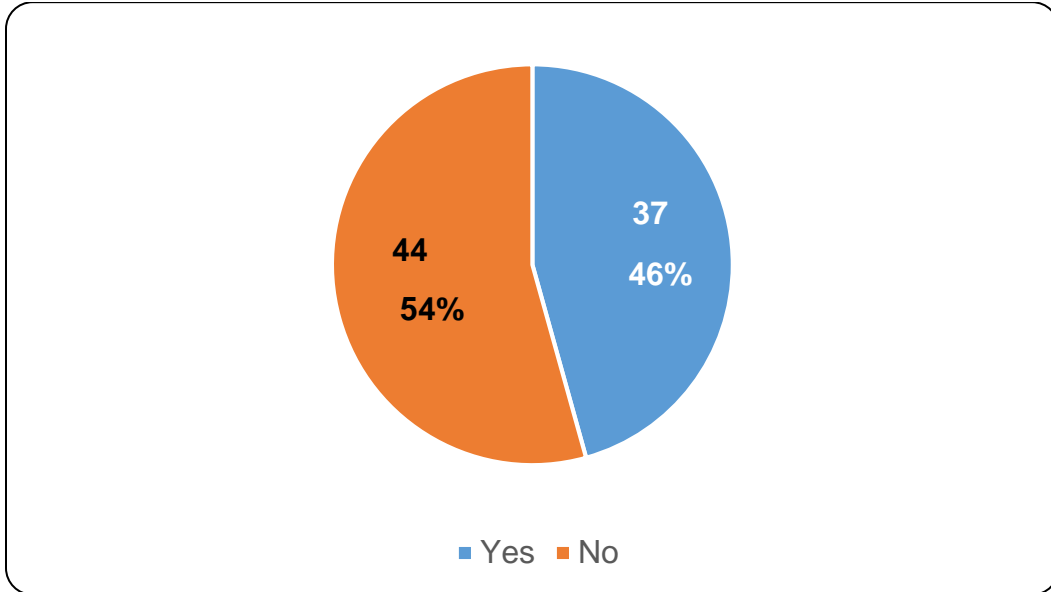
4. Do you have an R.R.H.L. Licence?



79 responses, 5 skipped

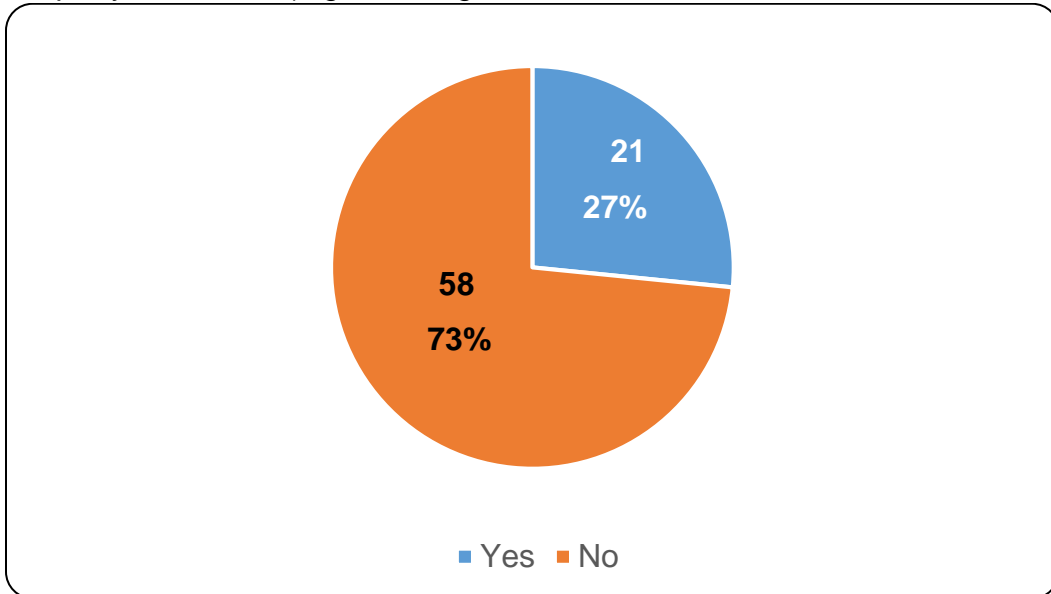
5. What regulations **should** the City inspect for and confirm when issuing a two (2) year residential rental housing licence?

Fire Safety



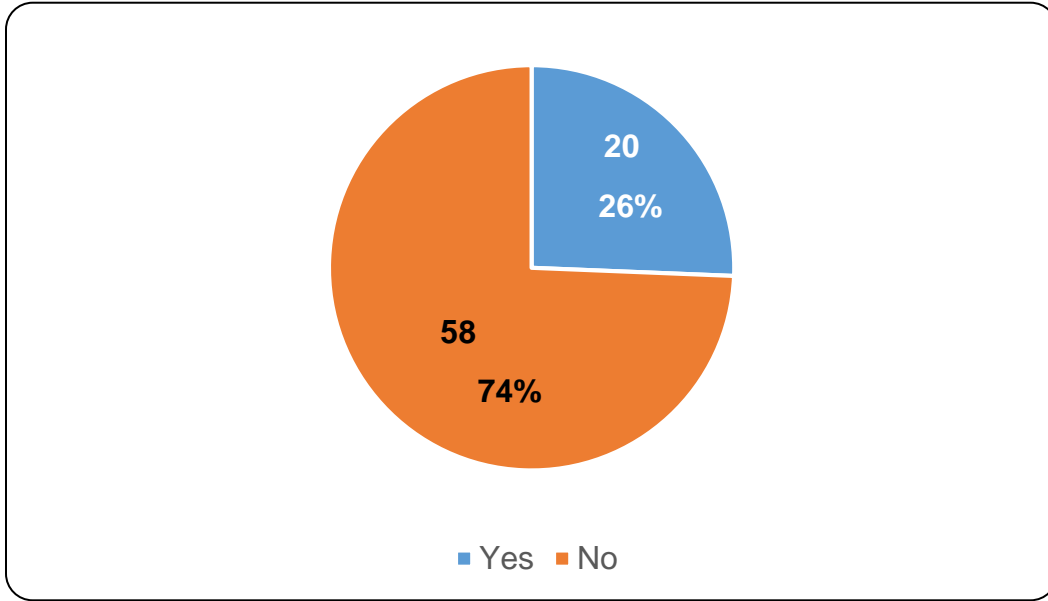
81 responses, 3 skipped

Property standards (e.g. bed bugs, broken windows, HVAC, intercoms, etc.)



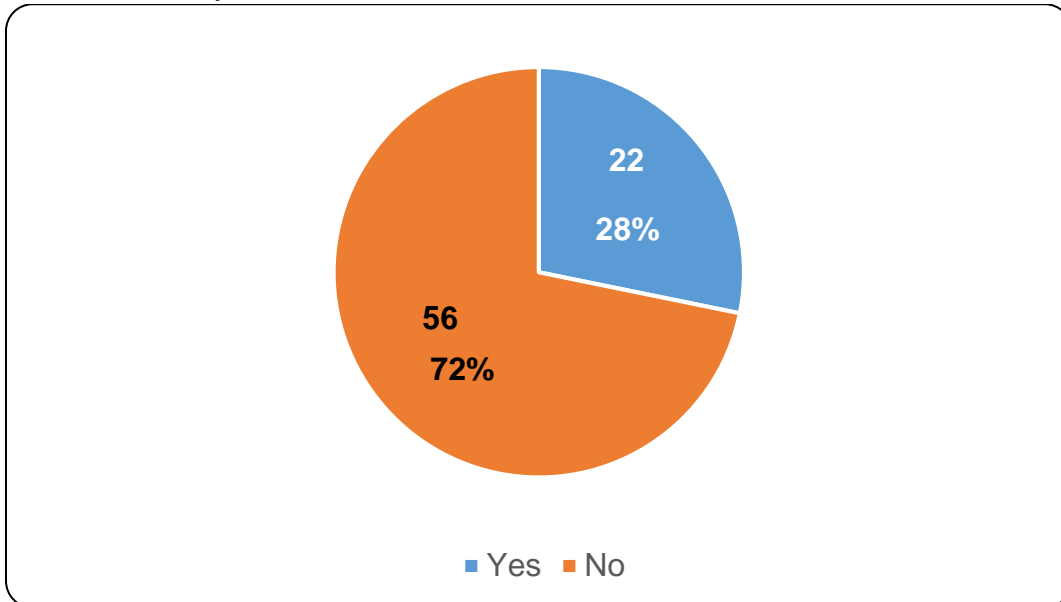
79 responses, 5 skipped

Adequate Heat (minimum temperatures from September - June)



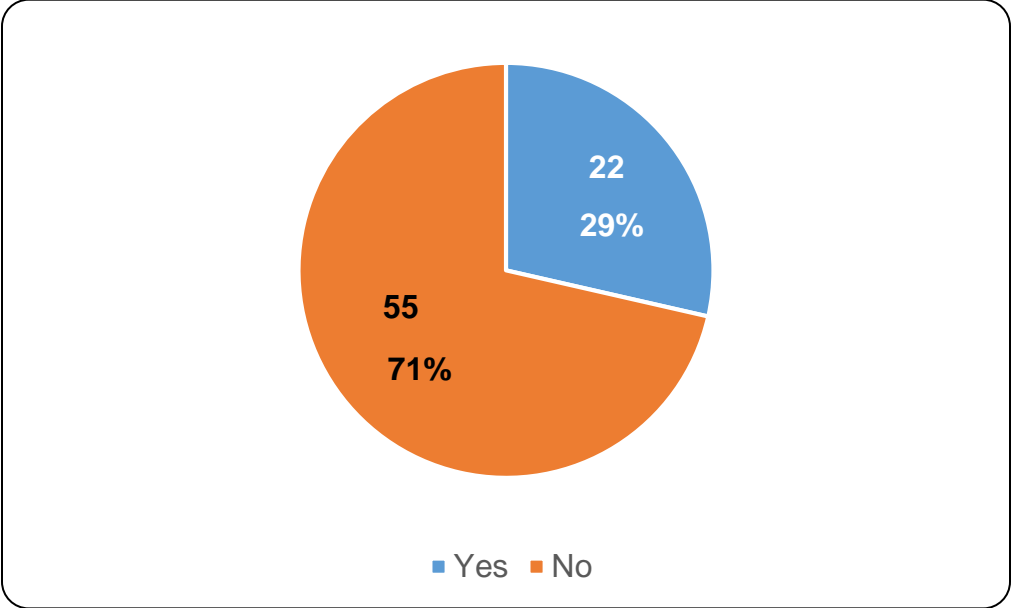
78 responses, 6 skipped

Electrical safety



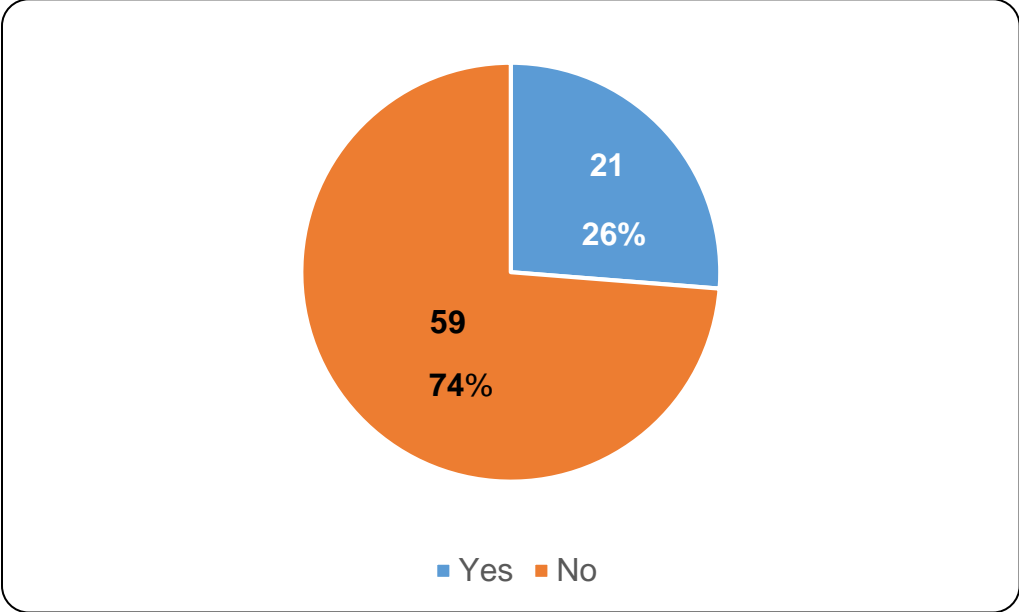
78 responses, 6 skipped

Ensuring compliance with Building Code Act



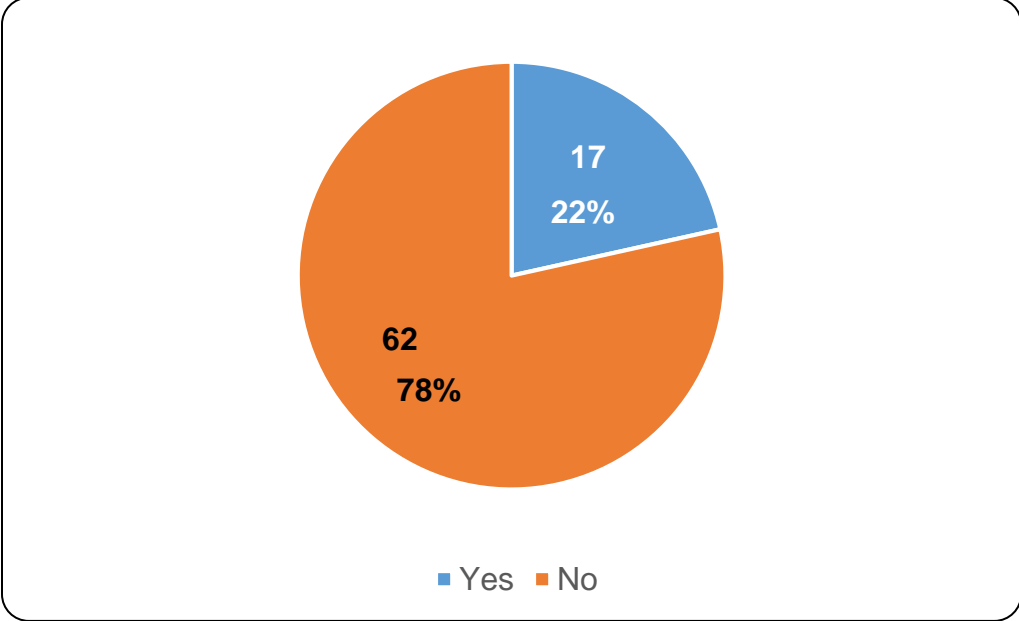
77 responses, 7 skipped

Requiring appropriate insurance



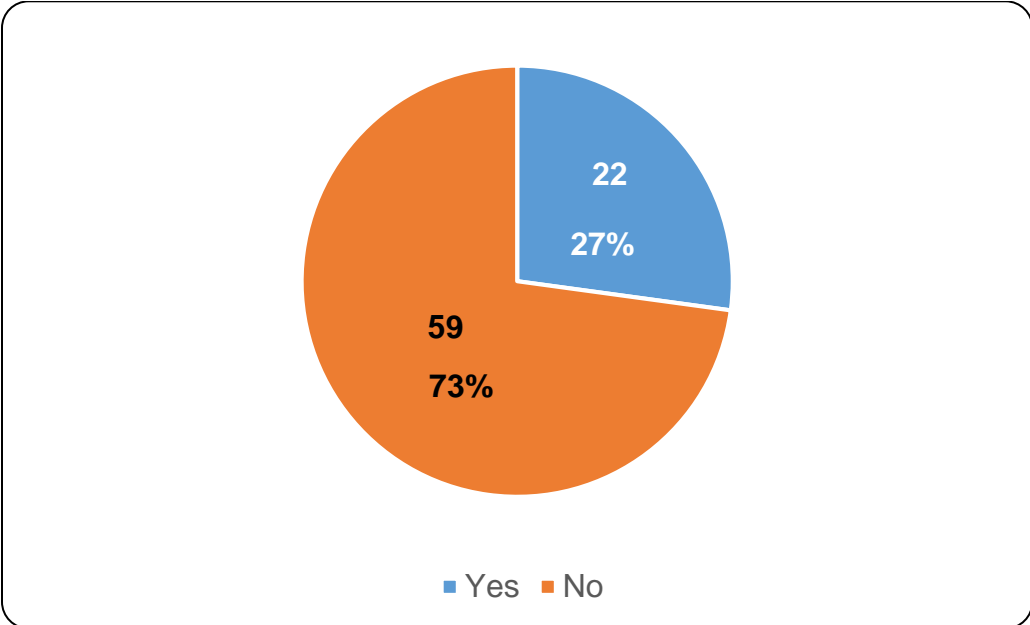
80 responses, 4 skipped

Lot maintenance (e.g. long grass, debris on property)



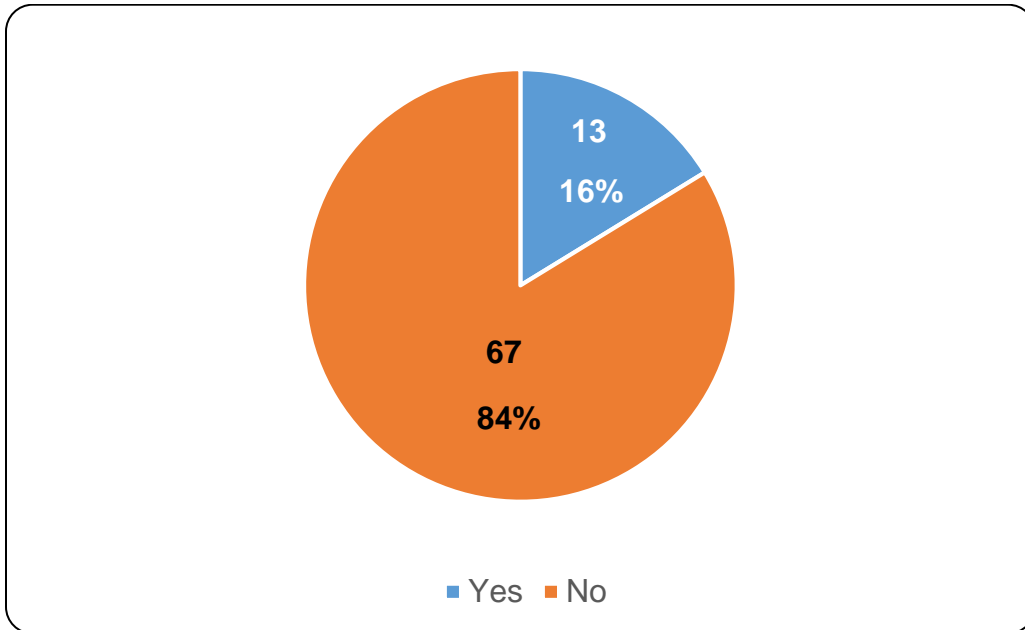
79 responses, 5 skipped

Waste (e.g. garbage) issues



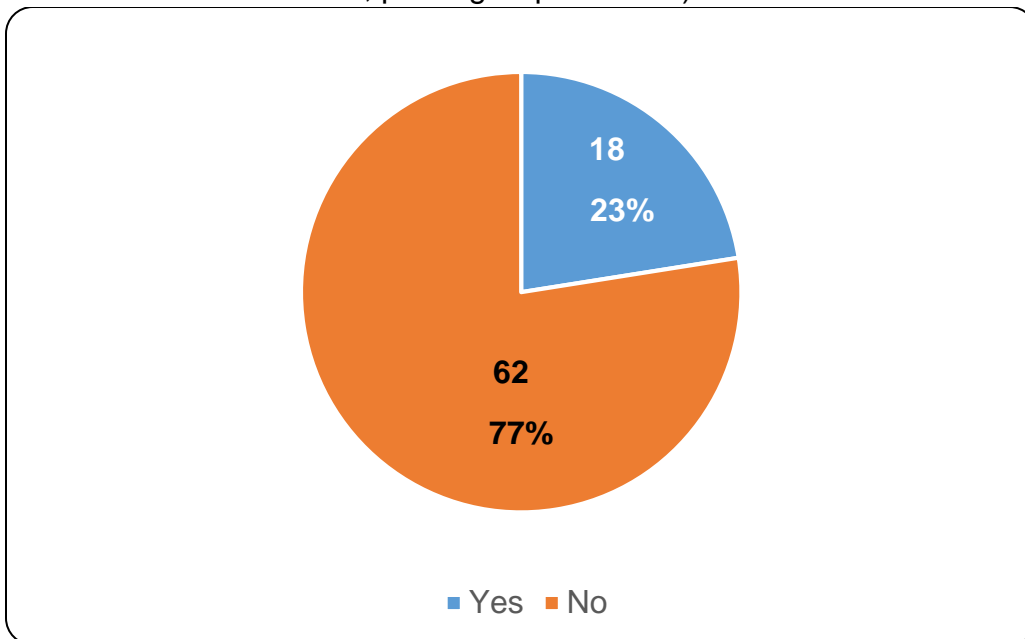
81 responses, 3 skipped

Snow and ice removal



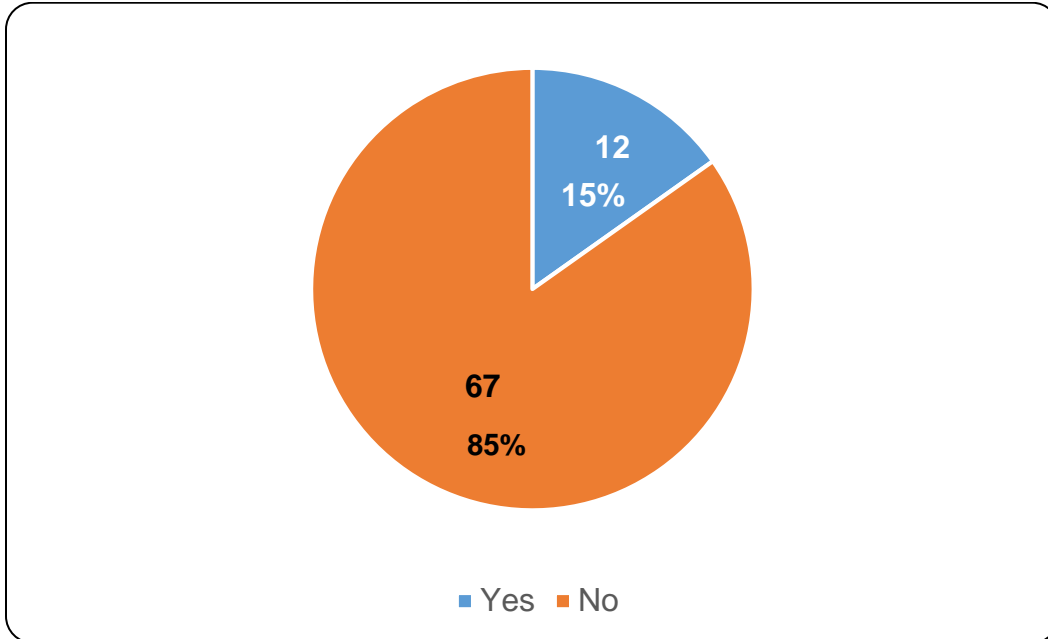
80 responses, 4 skipped

Land Use/Zoning (e.g. how land and buildings may be used, where buildings and other structures can be located, parking requirements)



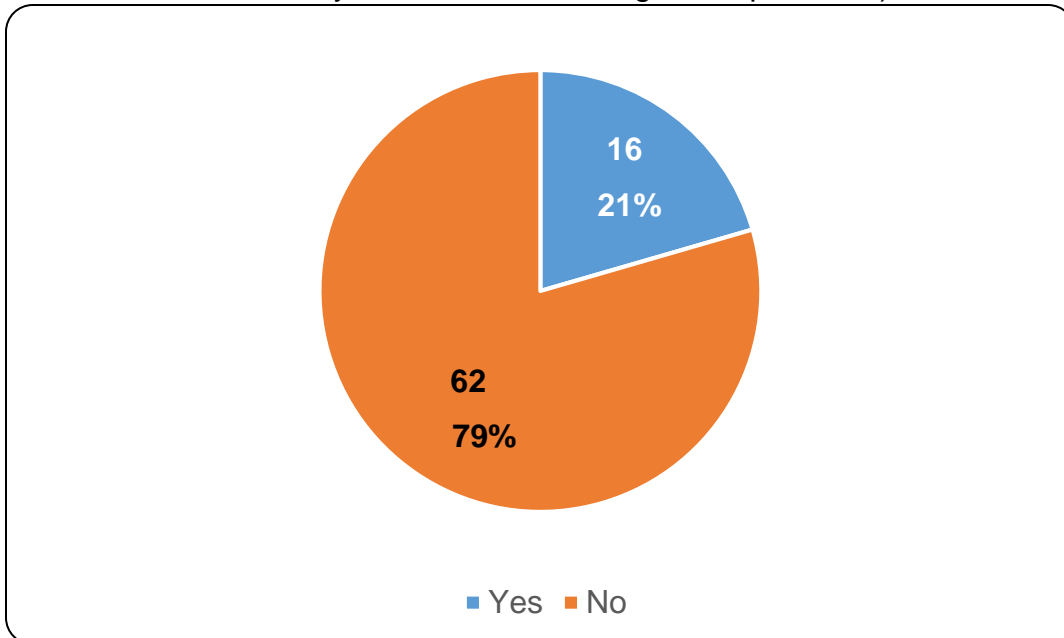
80 responses, 4 skipped

Noise and Nuisance (e.g. littering, loud music, vandalism, etc.) issues



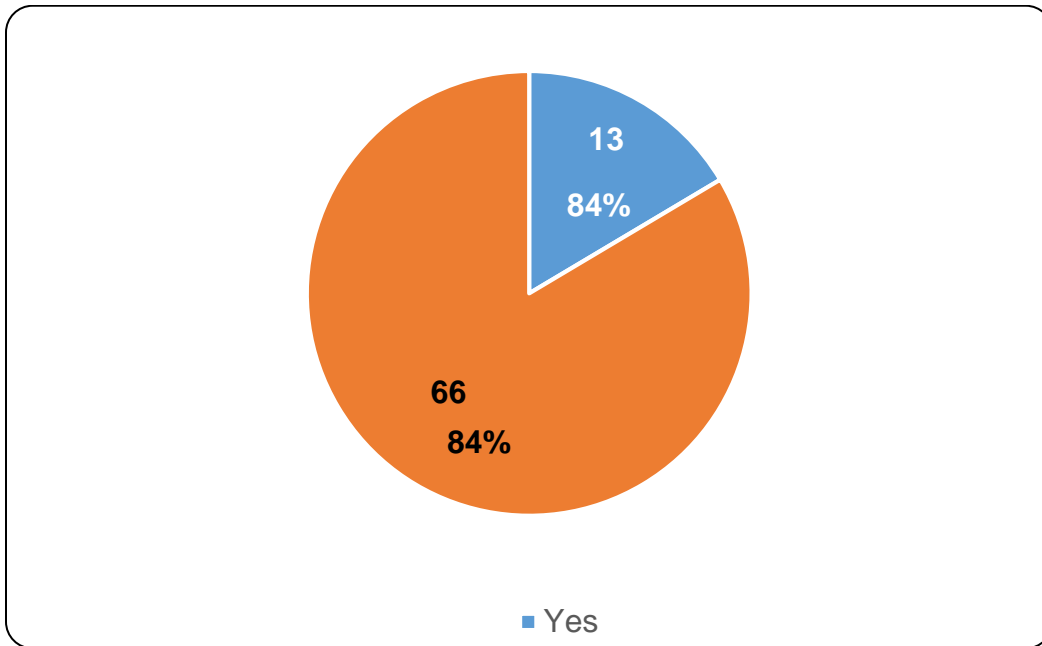
79 responses, 5 skipped

Tenant Notification Board in Apartment Buildings (e.g. service disruptions, emergency contact information, City notice, waste management plan, etc.)



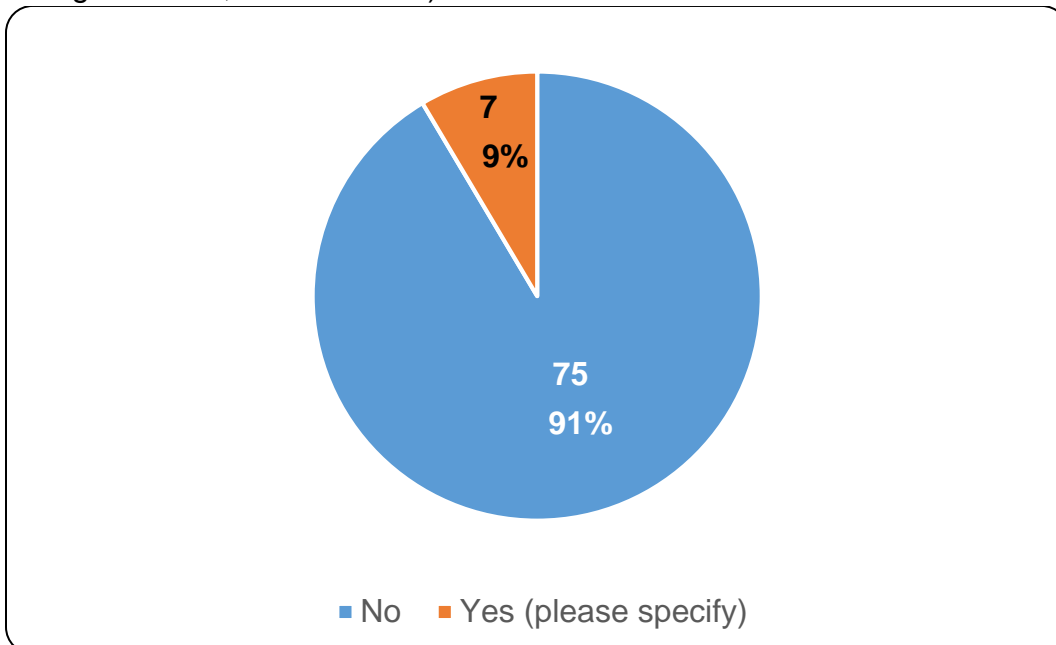
78 responses, 6 skipped

Local contact requirement to help resolve issues



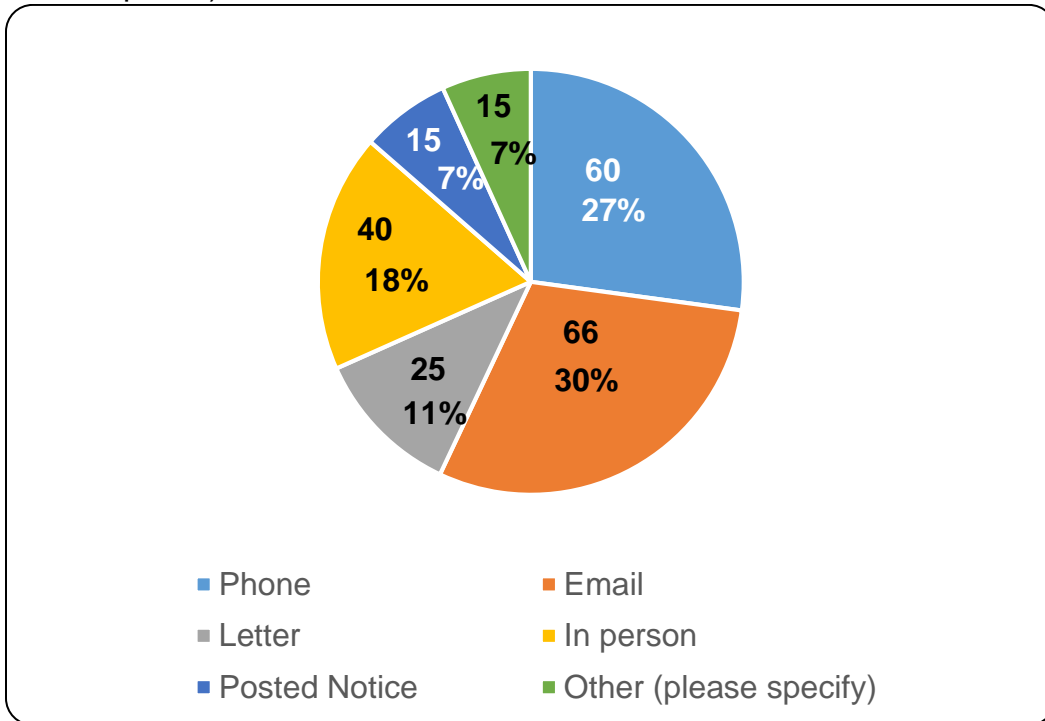
79 responses, 5 skipped

6. Are there other standards you feel the City should regulate for rental properties?
Note: a City licensing program does not regulate standards governed by the Residential Tenancies Act (R.T.A.) (e.g. rent, landlord tenant disputes, tenancy agreements, and evictions)



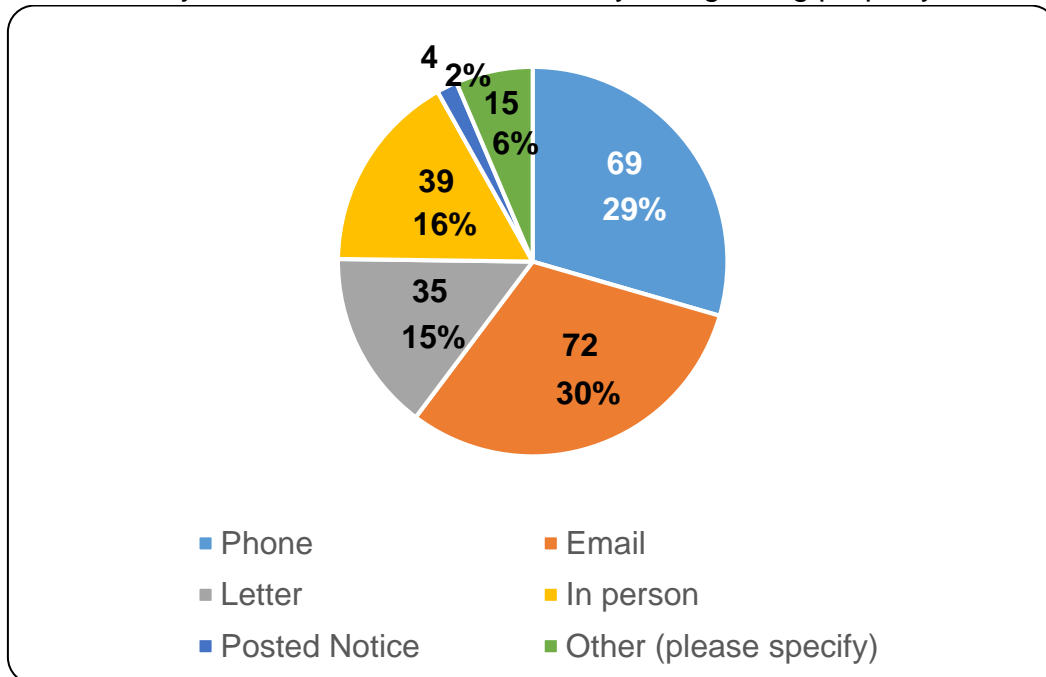
82 responses, 2 skipped

7. How do you communicate property related issues to your tenants (e.g. service disruptions)?



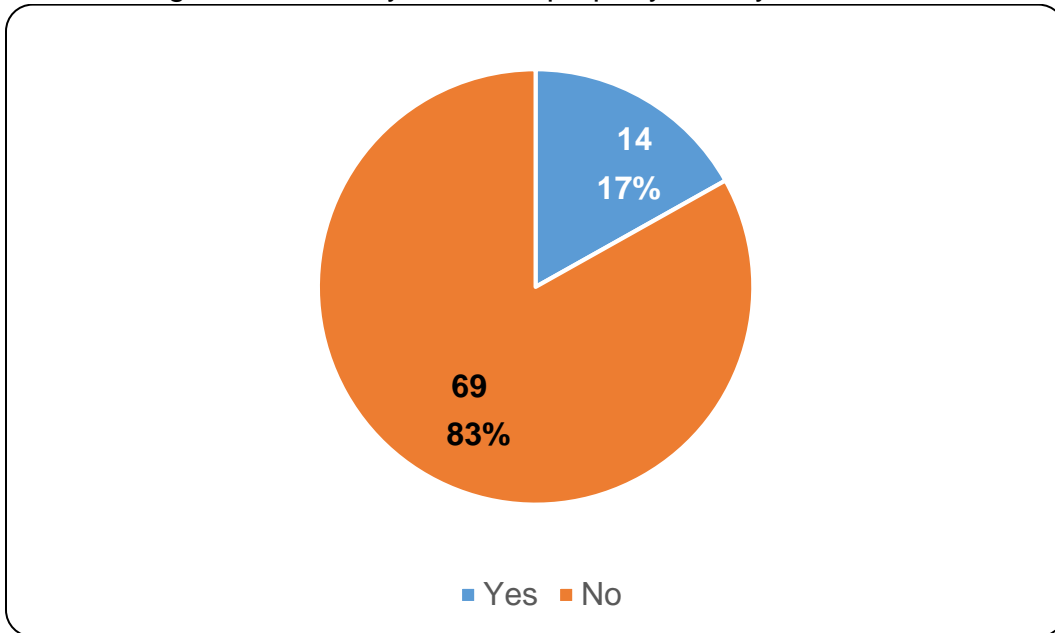
84 responses, 0 skipped. Multiple responses available.

8. How can your tenant communicate with you regarding property related issues?



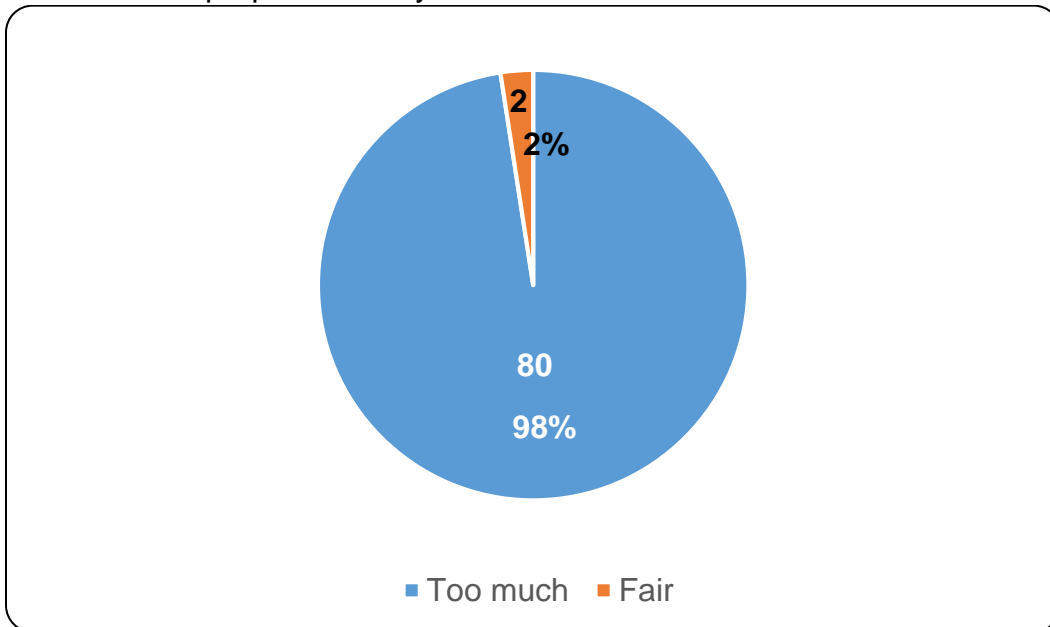
84 responses, 0 skipped. Multiple responses available.

9. Licensing is a good way to let potential tenants know that your property is safe and complies with all applicable standards. Given this, do you think it would be an advantage to advertise your rental property as City licensed?



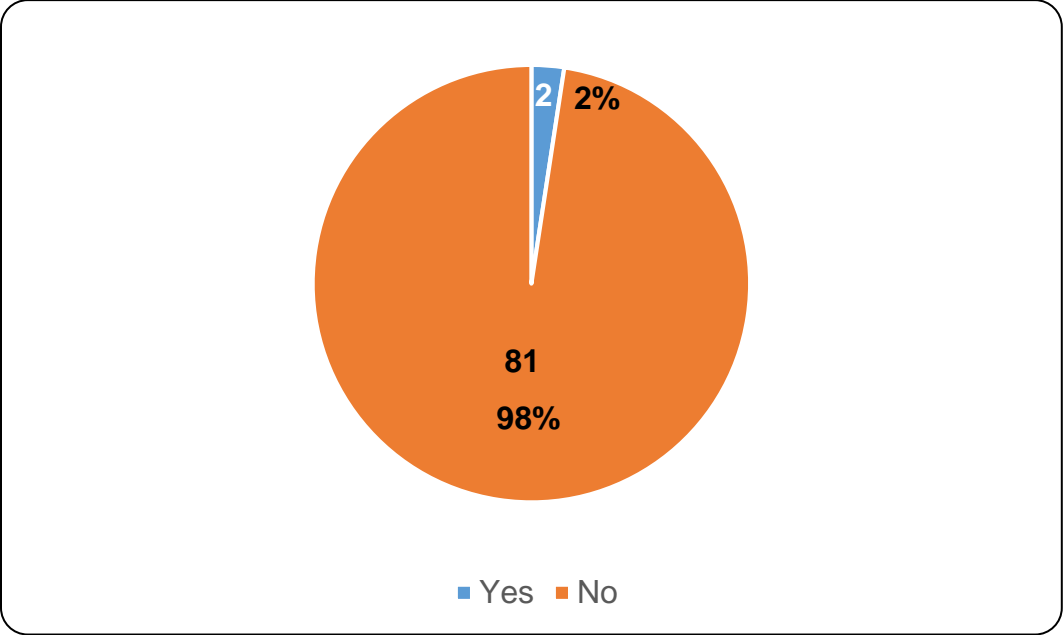
83 responses, 1 skipped

10. Fees are required to recover the costs associated with inspections and administering the program. Below are the associated fees with two (2) year licences for both classes of properties. Do you feel that these fees are:



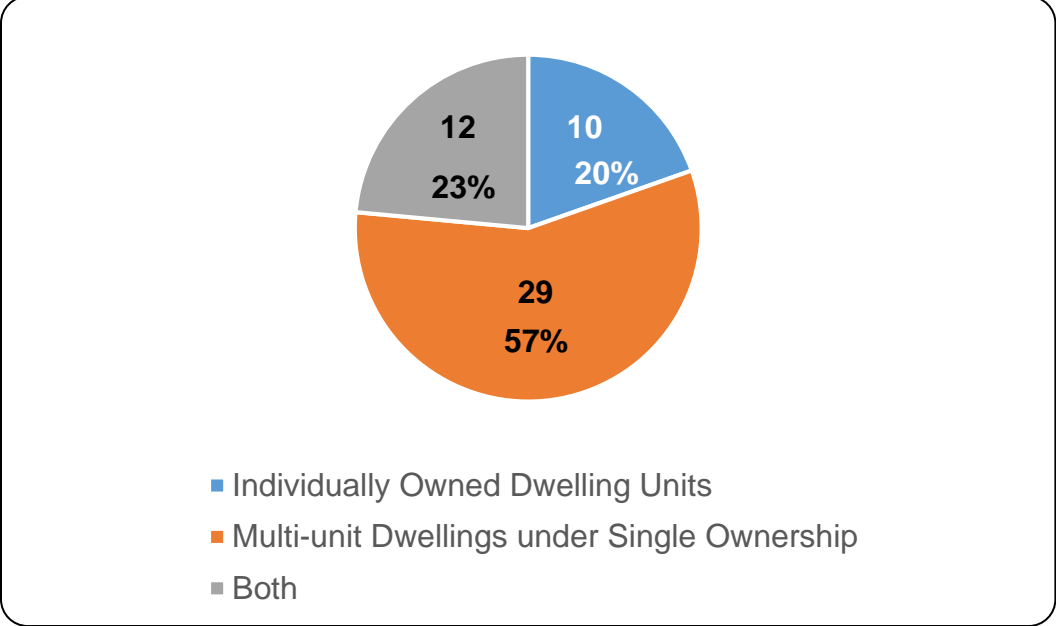
82 responses, 2 skipped

11. The City currently licenses rental properties in the defined area. Do you think the program should be expanded to require all rental properties in the City to be licensed?



83 responses, 1 skipped

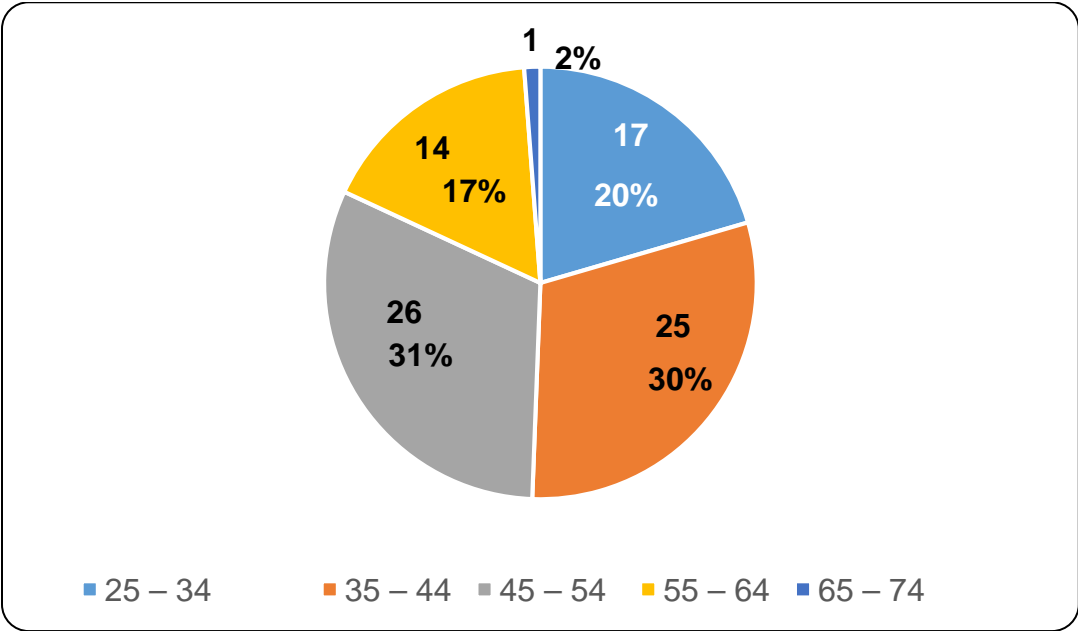
12. Should the City license rental properties that are Individually Owned Dwelling Units, Multi-unit Dwellings under Single Ownership or both?



51 responses, 33 skipped

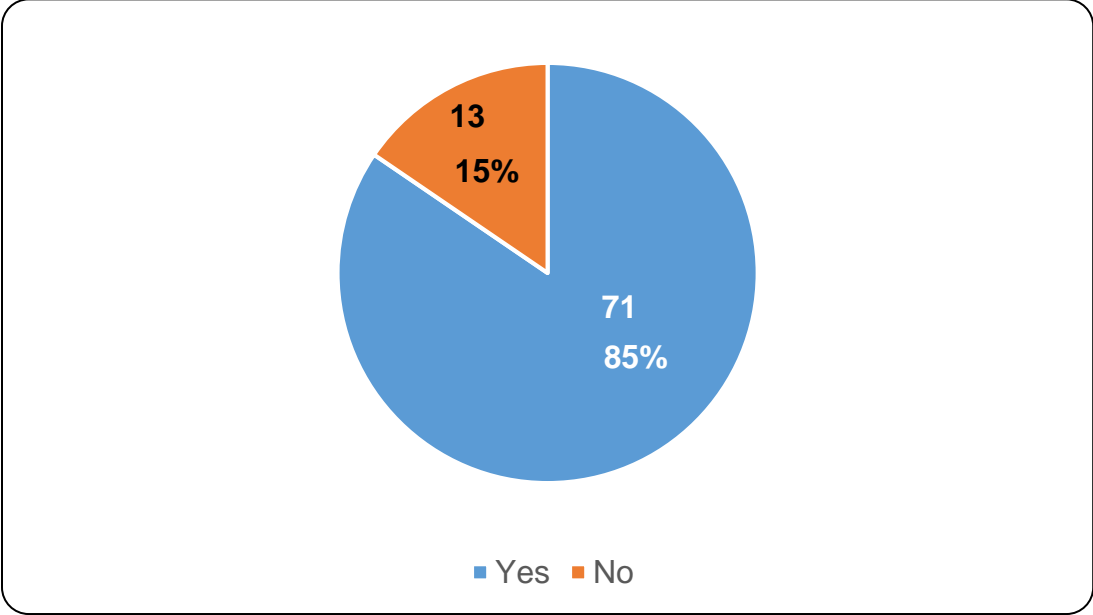
Demographics

1. How old are you?



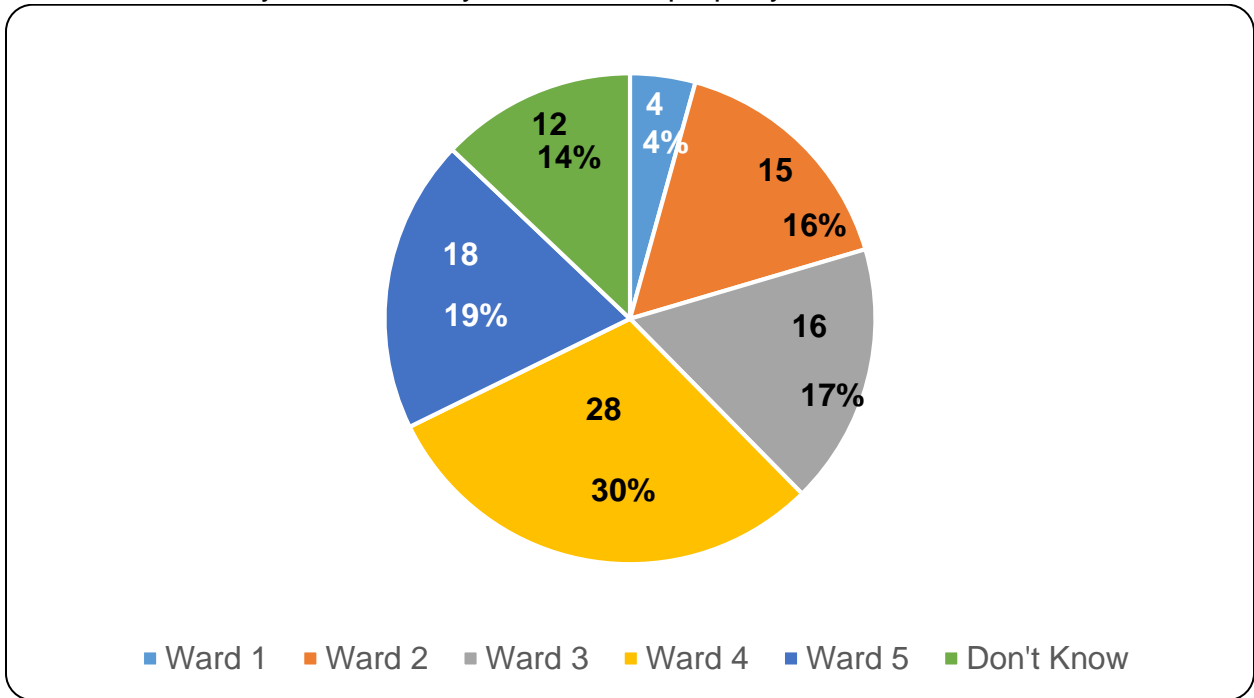
83 responses, 1 skipped

2. Are you an Oshawa resident, and/or Oshawa business/property owner?



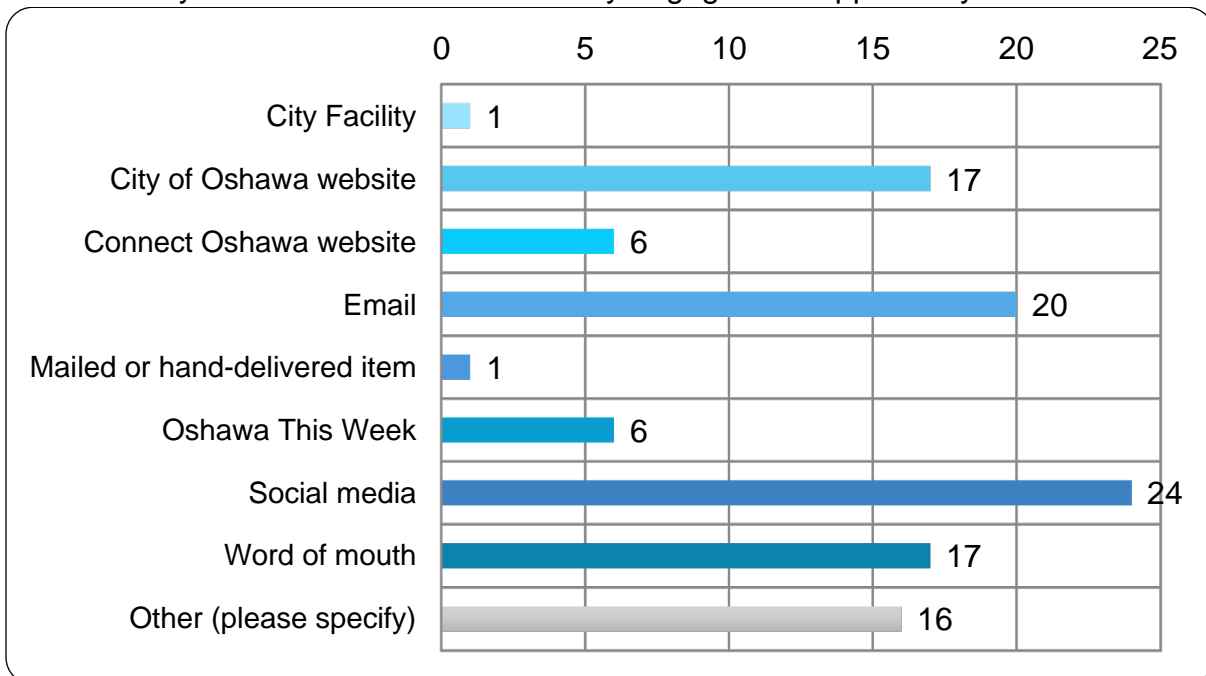
84 responses, 0 skipped

3. What ward do you live in / is your business/property located in?



69 responses, 2 skipped. Multiple responses available.

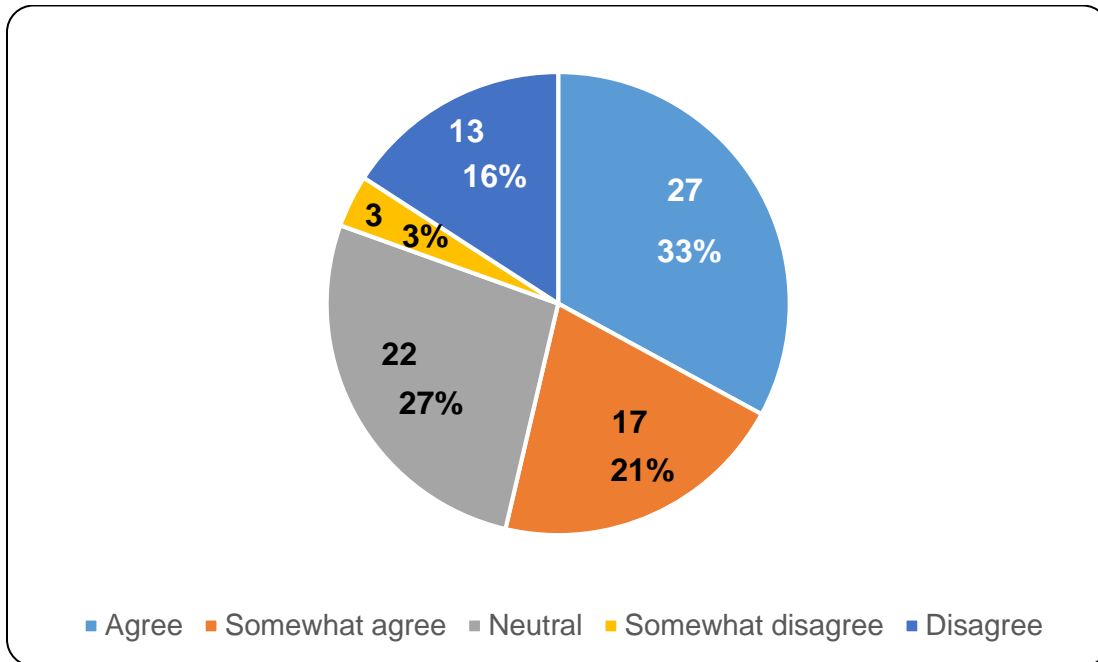
4. How did you learn about this community engagement opportunity?



84 responses, 0 skipped. Multiple responses available.

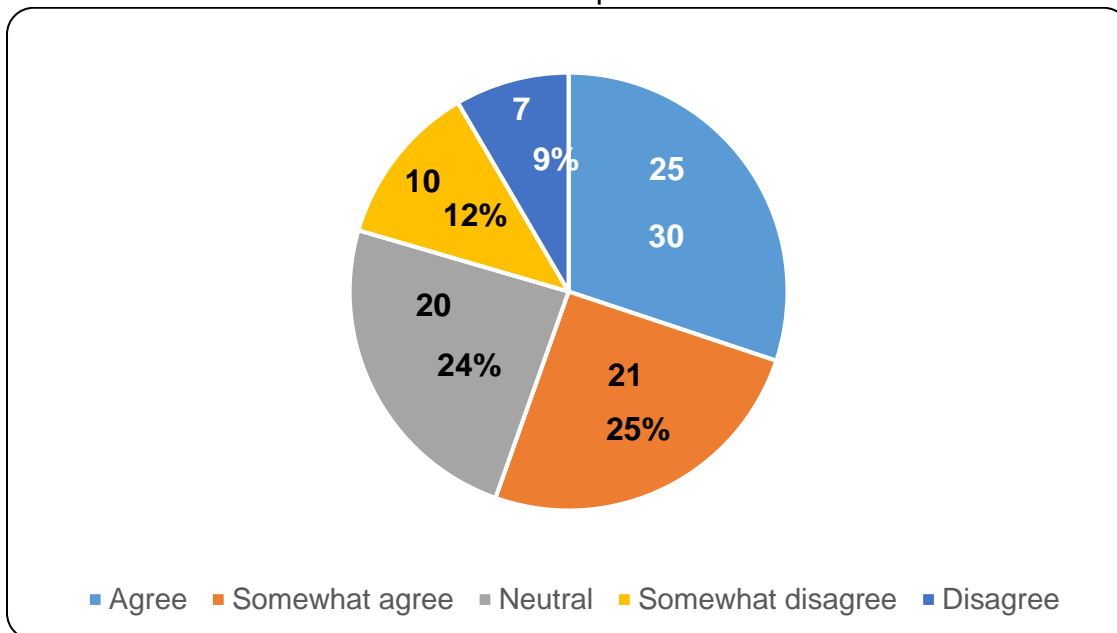
Community Engagement Evaluation

1. I understand how my Residential Rental Housing Licensing consultation feedback will be used.



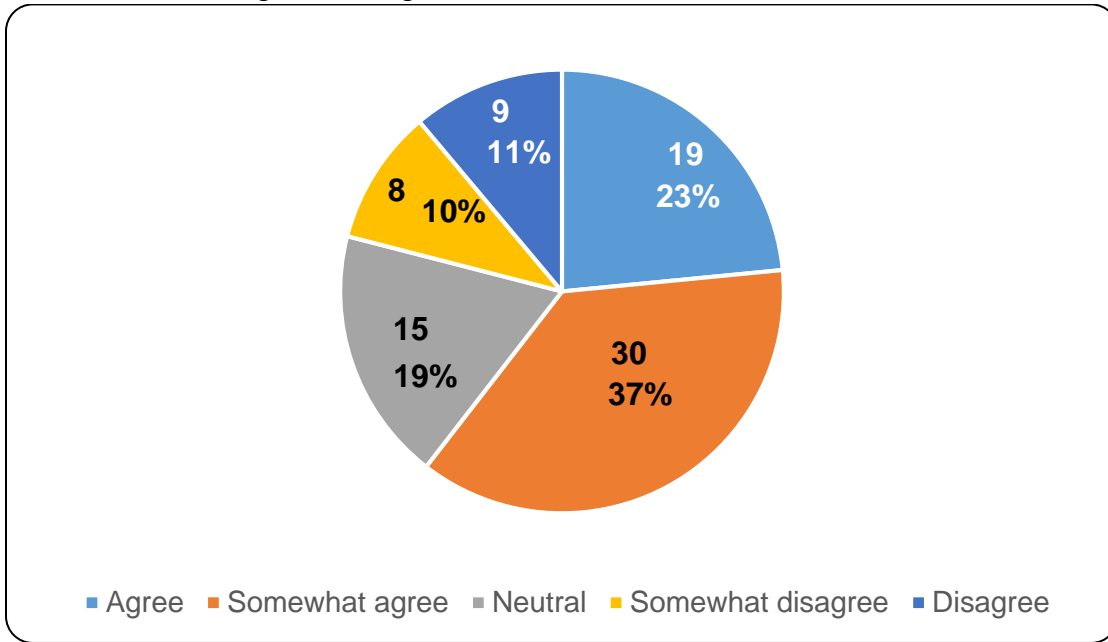
82 responses, 2 skipped

2. I have a good understanding of the Residential Rental Housing Licensing consultation based on the information provided in the Feedback Form.



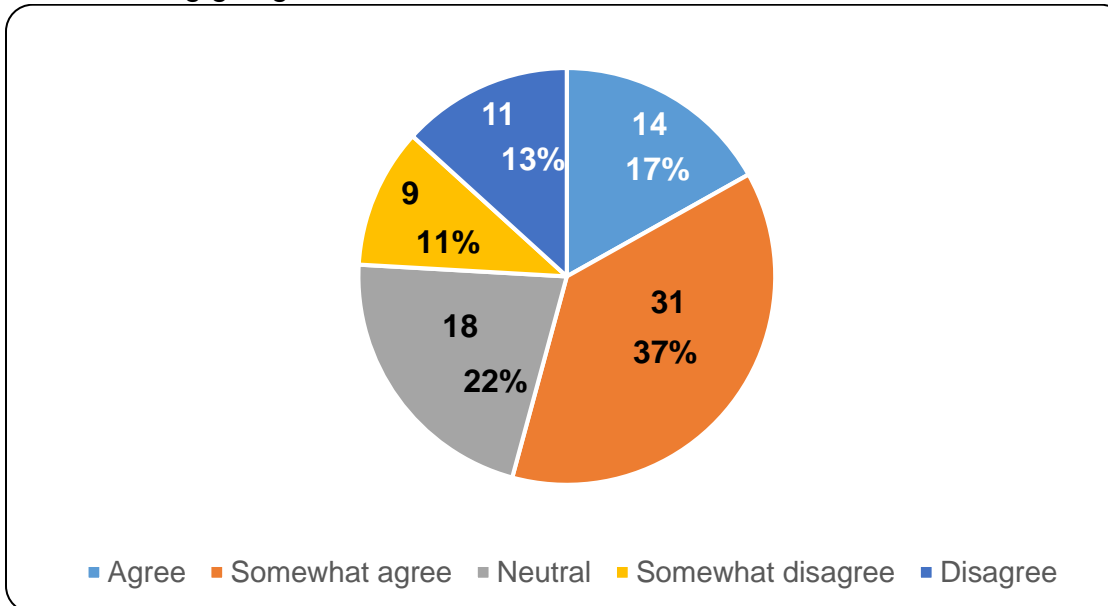
83 responses, 1 skipped

3. I feel the Feedback Form was a good opportunity to participate in the Residential Rental Housing Licensing consultation.



81 responses, 3 skipped

4. I understand the next steps in the Residential Rental Housing Licensing consultation and timing going forward.



83 responses, 1 skipped

I. George Lysyk

April 17th, 2022

[REDACTED]
Oshawa, ON
[REDACTED]

RE: Residential Rental Housing Licensing – Public Feedback

Corporate Services Committee,

Having attended your Residential Rental Housing Licensing (RRHL) open house, I have decided to add my voice to many before me in opposition to the proposed RRHL program. Our family has been in the residential rental business in the City of Oshawa for over 60 years. In that time, there have been issues but they were able to be resolved between ourselves and the City of Oshawa's Municipal By-law Enforcement.

At this time, I want to highlight to you why this process is both unnecessary and unneeded:

- 1) City of Oshawa Municipal By-law Enforcement along with the Oshawa Fire Department, Fire Prevention Department and the Buildings Department of the City of Oshawa, not only have the necessary tools, but they also have the ability to ensure that current apartments are both safe and up to standard for occupancy.
- 2) Is the City of Oshawa planning to establish a new bureaucracy to operate a RRHL? This would result in an enormous overhead to implement and maintain, a further tax burden on the overtaxed property owners of Oshawa.
- 3) With the current state of housing, especially rental housing, why would anyone invest in residential rentals if there is an added layer of bureaucracy and licensing in the City of Oshawa? There are many municipalities in Durham Region that do not have a RRHL requirement. This will drive investors away from Oshawa and towards those municipalities. Again, not only would the City of Oshawa not increase its tax base, the RRHL would result in less investments into residential rentals within the City. Thus, less competition would result in increased rental prices, ultimately reducing the number of units available to tenants.
- 4) The proposed RRHL will not deter those individuals who are planning to build illegal apartments. Just like they are doing today, Municipal By-law currently has the proper jurisdiction to deal with illegal apartments.
- 5) If implemented, the proposed RRHL will deter the current complying small landlords out of the business due to an over abundance of red tape. Currently, the majority of landlords do not feel they are getting treated fairly by the LTB. More red tape as proposed, will not only force more good landlords out of the business, but it will also worsen the current GTHA housing crisis.

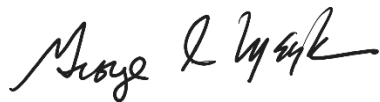
In conclusion, the entire process of this RRHL is not there for the safety of tenants. People who build illegal rental units will continue to do so and currently, the City of Oshawa has all the tools in place to prosecute these perpetrators. The proposed RRHL will become a boondoggle of

bureaucracy, red tape, and unnecessary stress for the very people the City of Oshawa needs to work with to help solve the City's rental housing crisis.

It is my observation from this process that this issue is 100% motivated to create a political issue for some Members of Council during an election year. It seems very sad to me that such an important matter is being politicised for the gain of very few, at the cost of all taxpayers in the City of Oshawa.

If you require any more information, do not hesitate to call me at [REDACTED].

Sincerely,

A handwritten signature in black ink, appearing to read "George I. Lysyk". The signature is written in a cursive, flowing style.

I. George Lysyk

April 28, 2022

Via e-mail

CITY OF OSHAWA
50 Centre Street South
Oshawa, Ontario
L1H 3Z7

Attn: Sam Harris

Dear Sam,

RE: Proposed R.R.H.L. Program
Additional comments

Further to Elizabeth Kelly's comments delivered during the committee meeting, here are my observations:

The purpose of this program – based on my understanding – is to identify landlords operating in our city, who do not meet the established requirements and guidelines which mandate well run and well managed buildings.

I understand and accept the fact that the city feels it necessary to move away from the current complaint-driven evaluations to a more pro-active and comprehensive system which would ensure that landlords of all sizes adhere to providing quality rental housing.

However, instead of charging every landlord to obtain this licence, why not implement a system such as the fire code or building code? Create a system based on these well-established platforms, unique to residential landlords.

This code should include that all landlords must:

1. Register themselves regardless of size or type of rental they own and provide certain information on their rental properties.
2. Meet all required municipal standards, building maintenance standards, follow apartment building by-laws, fire & safety by-laws, pest control, mould issues, etc.
3. Regularly submit proof of common area as well as in-suite inspections. The in-suite inspections should be signed by the tenants, to indicate that they have no damages or other health and safety concerns with their units.
4. Permit by-law officers to carry out periodic inspections, in which they state deficiencies if any.

5. Agree that there may be fines associated with non-compliance, which they must pay.

This way, only non-compliant landlords would be required to pay, rather than all landlords.

The reason behind the city receiving such overwhelming opposition to this licencing program, is because it places yet another financial burden on the responsible, hard-working landlords in order to penalize their substandard counterparts.

While on the topic of responsible landlords who make it their daily mission to provide safe, healthy and well-maintained buildings to their tenants - I believe the city would receive a lot more support in their quest to implement a program like this, if they recognized and conceded that landlords are in dire need of assistance themselves.

Based on my own experience (of over thirty years), here are some incredibly difficult situations we face on a daily basis:

1. Spending millions of dollars in building envelope renovations, building system renovations, etc., and waiting sometimes two - three years (pre-pandemic) to have an AGI application processed by the LTB.
2. Spending millions of dollars in building envelope renovations, building system renovations, etc., but being permitted to re-coup less than 10% of the total cost of the upgrade/reno from tenants - after waiting several years for the order. Why would any landlord spend 1.5M on their building when the best they can hope for is a 3% above guideline increase over a three-year period - by which point, many tenants who would be responsible for this increase leave the building...
3. Tenants who default on their rent payments permitted to drag the eviction process to sometimes 6-7 months (pre-pandemic), then vacating leaving tens of thousands of dollars in back rent and damages.
4. Upon finally receiving an eviction order, having to wait another 3-5 weeks for the sheriff's department to assist with the eviction.
5. Families renting for their elderly or disabled relatives and leaving them in the landlord's care. Spending several weeks trying to track down case workers, support workers so that they can assist us with tenants who cannot take care of themselves. Absolutely zero support for landlords in this situation.

6. Pets left behind in empty apartments or released in and around buildings for the landlords to deal with them, and shelters taking several weeks to provide assistance.
7. Tenants who refuse to let the landlord's agents into their units, despite being overrun by pests, spreading the problem throughout the building and the LTB taking several months to issue an order to the tenant.

To summarize – if the city believes that the existing RTA remedies, by-laws and codes to protect tenants are not enough, then a system fair to all landlords should be established.

A system which requires a financial obligation only from landlords who do not take care of their properties and tenants. Those that play by the rules, keep their buildings in excellent, well-maintained shape, adhere to all laws and regulations, should be able to continue operating as they have been.

If the city does proceed with this licencing system, the landlords who end up with an undeserved, substantial financial burden, will simply pass it on to new tenants looking for rental units. The people who end up being negatively impacted by this licencing program will be the very ones the city is attempting to assist and protect.

Sincerely,
THE VALIANT GROUP OF COMPANIES



Erika Bradbury
V.P. Operations

Sam Harris
City of Oshawa
50 Centre Street South
Oshawa, ON L1H 3Z7

May 4, 2022

Re: Residential Rental Housing Licensing Program

Thank you for reaching out to the Durham Region Home Builders' Association (DRHBA) for our comments on the proposed city-wide Residential Rental Housing Licensing (R.R.H.L.) Program. We have reached out to our members and are basing our comments on their feedback.

Is DRHBA supportive of a city-wide expansion of the R.R.H.L.? Why or why not?

DRHBA is not in support of a city-wide expansion of the R.R.H.L., and there are numerous reasons for this position.

First, our members believe that this program will not achieve its primary goal – which is to root out illegal units and have them brought up to code and the appropriate standards for rental units. The vast majority of landlords are responsible and take great care to ensure their tenants have a safe place to live. Landlords that are already ignoring the regulations and standards that are currently in place will continue to do so and will find ways to avoid participating in this proposed program.

As such, the result of the implementation of this program will be that existing, good landlords will be burdened with more red tape and expenses. These costs will be passed down to the tenants, and if those amounts exceed the currently permitted 1.2% increase, new renters will face that additional financial burden.

Legal rental units, whether they are located in an apartment building or in the basement of a home, already must pass stringent regulations to bring rental units to market. Landlords must acquire building permits, build/renovate to the Ontario Building Code, and pass inspections before they are granted an occupancy permit. As all new and existing legal units have already gone through this process, this program essentially becomes a redundant layer of bureaucracy – adding unnecessary delays and expenses.

1-1255 Terwillegar Avenue, Oshawa, Ontario, L1J 7A4

In speaking with our members who are landlords, they have talked about the fact that their expenses, such as utilities, garbage removal, etc. have gone up substantially and are not being covered by the annual 1.2% increase. As a result, when a unit becomes vacant, the landlord will take that opportunity to increase the rent to a level that will allow them to recover their costs.

As we are currently in an unprecedented housing affordability crisis, it would be counterintuitive to expand a program that will ultimately increase rental rates in legal, safe units, while having little to no impact on the illegal, unsafe units.

The provincial government has also passed two pieces of legislation, the *More Homes, More Choice Act*, and the *More Homes for Everyone Act, 2022*; both of which focus on adding additional housing types to the current supply and cutting red tape to ensure these units can be brought to the market as efficiently as possible. The City of Oshawa's proposed expansion of the rental licensing program goes against the spirit of these pieces of legislation by adding on an additional layer of red tape to housing.

Do you see any ways the City can assist tenants besides a rental licensing program?

The affordability crisis is being caused, at least in part, by a lack of supply. This lack of supply is driving up prices and driving some landlords underground. The City of Oshawa can help with this issue by working with the development community to ensure that approvals/permits are granted in a timely manner. The City could also look at its zoning bylaws to ensure that secondary suites can be built/created in all areas of the City and that all property owners in the City have the opportunity to create legal secondary suites if they so wish.

While the City's municipal bylaw enforcement division can enforce some issues with illegal units through property standards bylaws, other issues must be taken to the Landlord-Tenant Board for resolution. The City could provide on their website easily accessible information for tenants on who to contact if they are having issues or if they believe the unit they are living in is illegal or is not being kept up to safe standards.

Any other feedback you may have on the R.R.H.L.

In general, the Durham Region Home Builders' Association is not in support of municipalities adding more red tape and expense to housing. As an Association, we are championing housing affordability and will only support initiatives that will lead to

1-1255 Terwillegar Avenue, Oshawa, Ontario, L1J 7A4



greater supply, less red tape and more housing options for the residents of Oshawa and Durham Region.

We look forward to continuing to work with City staff to ensure that all residents of Oshawa have a safe and affordable place to call home.

Sincerely,

Stacey Hawkins
Executive Officer
Durham Region Home Builders' Association

Cc:
Tiago Do Couto, President, DRHBA
Emidio Di Palo, Chair, GR Committee, DRHBA
DRHBA Membership

1-1255 Terwillegar Avenue, Oshawa, Ontario, L1J 7A4

P : 905-579-8080

E : info@drhba.com

W : www.drhba.com

Oshawa Residential Rental Housing Licensing (RRHL) program

Good morning Council,

My name is Chris Vale, I'm here on behalf of the Durham Region Association of REALTORS as the Government Relations Co-Chair. Present with me today are Board of Director, Alex Down, and Communications and Government Relations Coordinator, Travis Hoover.

I'd like to start my address with information on our organization. The Durham Region Association of REALTORS represents over 1,500 REALTOR-members who take great pride in their profession and community.

When working with a DRAR member, you can be assured that they're licensed to trade in real estate in the Province of Ontario and are bound to adhere to a professional Code of Ethics as well as numerous provincial and federal laws, policies and regulations.

We are members of the Ontario Real Estate Association and the Canadian Real Estate Association. Our professional development is ongoing in order to provide you with up-to-date and relevant information to make a well informed decision when representing you in the successful completion of your real estate transaction.

You will see DRAR members volunteering in the community; financially supporting local charities and advocating on behalf of the real estate consumer with our local, provincial and federal elected representatives.

Our address today is directed towards Oshawa City Council's consideration of a potential city-wide expansion of the Residential Rental Housing Licensing program.

The program was originally put in place to help ensure minimum health, safety, and maintenance standards in housing conversions around Ontario Tech and Durham College. It is an effective tool for that area, but expanding it across the whole city could have significant negative impacts on our local housing market, especially during a housing crisis.

Firstly, this change would add additional red tape for property managers and landlords, which, in turn, would increase costs for future tenants. Landlords with one or two properties are providing the majority of rental housing in Oshawa.

Another delegate presenting today, Anita Bonger-Lewis from the Doors to Wealth team at RE/MAX Jazz, is a DRAR member who works with landlords will explain in her presentation that when you examine home prices in this market, it already takes high rents for landlords to break even or have a small amount of cash flow for future expenses on the property. Adding this licensing program cost will lead to some landlords not being able to support their properties, and ultimately not being able to support their renters without increasing rents. Renters are already burdened with rising rental rates.

The March 2022 rent report for all of Canada ranks Oshawa as the sixth highest according to Rentals.ca and Bullpen Research, with the average rent for a one bedroom in Oshawa being \$1822, and a two bedroom being \$1846 on average. An almost 5 per cent increase already from the previous year.

Another significant negative effect would be how it could discourage development of much needed rental housing in Oshawa. By enacting these measures, it will hinder rental supply in Oshawa by creating barriers for investors to invest, thereby pushing them to look in other communities for investment opportunities and take away potential additional dollars being contributed to the Oshawa economy. Municipalities with less red tape would be more appealing. It will quickly be less desirable to invest in Oshawa and investors will flood to Whitby, Clarington, Cobourg, Peterborough, and other areas.

Lastly, another critical impact would be regarding the need for density. The City of Oshawa has already been advised through multiple bills to increase density within its borders, as have all cities in Ontario and specifically the Greater Golden Horseshoe. The restrictions of this rental licensing program in the Durham College and Ontario Tech area limited the number of bedrooms allowed in the homes, as well as eliminated the possibility of creating legal two-unit properties. These types of properties allow for a safe increase of density in areas of the city that allow them.

Licensed rental properties must comply with various standards and by-laws, including the Fire Code, Electrical Code, Building Code, and the City's Zoning and Property Standards By-laws. They require permits, inspections, ESA, and more safety regulations, so it's unclear why they would be eliminated from a certain area if safe and properly constructed. To bring that limitation to more of the City of Oshawa would largely reduce the creation of future rental units.

Upon closing, in a market when housing and rental inventory is already at an all-time low, this raises many concerns including adding administrative costs to municipal operations; adding costs for landlords, which could increase pressure to raise rents for tenants; and will discourage the creation of new rental stock in Oshawa, pushing this much needed investment into neighbouring municipalities. Oshawa has a role to play in fixing our housing crisis, and this program adds fuel to an already inflated rental housing shortage.

It's important to meet and discuss with industry professionals to be informed on expert advice and strategies on how else we can improve rental supply and make it easier for all Oshawa residents to find a home safely and affordably. Instead of this program, we recommend that the City of Oshawa should consider creating a Housing Affordability Taskforce to determine the needs of our community while engaging stakeholders, related community groups and housing experts.

Thank you.

May 5, 2022

City of Oshawa
Corporate Services Committee

RE: Expansion of Residential Rental Housing Licensing Expansion Program

The Durham Region Association of REALTORS® is concerned that in a housing/rental market that is already becoming increasingly unaffordable for low and middle income renters, that any financial implications imposed of Landlords, will automatically be passed down to the renter.

As mentioned in our presentation, The March 2022 rent report for all of Canada ranks Oshawa as the sixth highest according to [Rentals.ca](https://rentals.ca) and Bullpen Research, with the average rent for a one bedroom in Oshawa being \$1822, and a two bedroom being \$1846 on average. An almost 5 per cent increase already from the previous year. DRAR does not want to see more homelessness in the City of Oshawa and the additional burden this would place on the average rental family budget, as any costs of a program the city implements would be directly passed on to renters.

Item: SF-23-18
Attachment 9
(Formerly
CORP-22-21)

From: paul Punnoose <M.F.I.P.P.A. Sec 14(1)>
Sent: Thursday, March 10, 2022 9:35 AM
To: Felicia Bianchet <FBianchet@oshawa.ca>
Subject: Re: Rental housing licencing

I would just like the city to know that I'm not interested in having a rental licence.

Residential Rental Housing Licensing (R.R.H.L.) Policy Options

Option	Details	Benefits	Detractors	Cost Estimates
<p>Option “A” Rental Safety Audit Pilot Program (City-Wide)</p>	<p>Existing R.R.H.L. Program:</p> <ul style="list-style-type: none"> No expansion – maintain the current program in the existing R.R.H.L. Program area. Rental unit inspections will be conducted every two (2) years per the licence term of the R.R.H.L. licence. <p>Rental Safety Audit (R.S.A.) Pilot Program:</p> <ul style="list-style-type: none"> The R.S.A. Pilot Program refers to the introduction of a rental inspection program where tenants can request free inspections for their rental units (city-wide). These inspections would involve staff from both Fire Services and Municipal Law Enforcement, who would confirm compliance with relevant Fire Code regulations and City by-laws. Adding an additional F.T.E. equal to one (1) temporary Municipal Law Enforcement (M.L.E.) Officer, one (1) temporary Licensing Examiner, and one (1) temporary Fire Prevention 	<ul style="list-style-type: none"> Dedicated staff available to respond to all requests for rental unit inspections. More nimble implementation than a city-wide expansion. Tenants would not face potentially downloaded R.R.H.L. Program fees, and no-charge inspections may attract more interest in ensuring rental units are safe. Thorough inspections and enforcement could help address the most common tenant, safety and property standards issues (e.g. waste and debris, pests, infestation, etc.). Flexibility to review the success of the pilot program at end of the period and make next step recommendations. Ability to collect information and have a better understanding of the 	<ul style="list-style-type: none"> The R.R.H.L. Program will remain only in the current defined rental area. The City is still relying on complaint-driven evaluations to ensure rental properties are meeting applicable City by-laws and Provincial regulations. The increased costs associated with administering the pilot program will be funded from the City’s property tax levy, as no inspection fees will be charged in order to encourage participation. Requires the hiring of temporary staff to offset the increased workload of 	<p>Estimated Annual Operating Cost:</p> <p>R.S.A: \$419,148</p> <p>Enhanced A.B.A. and Communications: \$31,800</p> <p>R.R.H.L.: \$329,838 (annual cost of a two (2) year licensing term)</p> <p>Estimated Annual Revenue: \$425,412 (annual revenue of a two (2) year licensing term)</p> <p>Estimated Initial One-Time Capital Cost: \$112,000</p> <p>Estimated Additional F.T.E. Required: Three (3) F.T.E.:</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<p>Inspector to administer a rental inspection program where tenants can request free inspections for their rental units (city-wide).</p> <p>Proactive Two-Unit House Registration Enforcement:</p> <ul style="list-style-type: none"> • Introduce proactive two-unit enforcement project on a quarterly basis. <p>City-Wide Apartment Building Audits:</p> <ul style="list-style-type: none"> • Increase the number of Apartment Building Audits (A.B.A.) to four (4) projects (twelve (12) buildings) from two (2) projects (six (6) buildings). <p>Enhanced City-Wide Communications and Collaboration:</p> <ul style="list-style-type: none"> • Advertise the pilot R.S.A. Program through social media, the City website and other communication channels. • Mail out a targeted Landlord Brochure to promote increased compliance of rental property responsibilities (e.g. Property 	<p>safety and property maintenance issues facing renters.</p> <ul style="list-style-type: none"> • Enhanced communications including a Landlord Brochure will help provide landlords/property managers with key information regarding their rights and responsibilities they may not be aware of currently. • Ensure the current rental area remains stabilized, and the problems that existed there prior to 2008 do not return. • Continue to work with the real-estate community to educate about Two-Unit Registration and R.R.H.L. Program requirements. 	<p>administering the pilot program.</p>	<ul style="list-style-type: none"> • One (1) temporary M.L.E. Officer • One (1) temporary Licensing Examiner • One (1) temporary Fire Prevention Inspector <p>Cost Recovery: Partially Recovered from Property Tax Levy</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<p>Standards, other health and safety regulations).</p> <ul style="list-style-type: none"> • Continue to mail out Tenant Information Guide and use the brochure to advertise the enhanced enforcement program. • Continue to engage the Durham Region Association of Realtors about Two-Unit Registration requirements and the R.R.H.L. Program. • Send a letter to the Minister of Public and Business Services, Minister of Municipal Affairs and Housing, and the Real Estate Council of Canada requesting that the location of two-unit houses be disclosed to municipalities. <p>Other Regulatory Considerations are detailed in Section 5.4.</p>			
<p>Option “B” Maintain Current R.R.H.L. Area</p>	<p>Existing R.R.H.L. Program:</p> <ul style="list-style-type: none"> • No expansion – maintain the current program in the existing R.R.H.L. area. Rental unit inspections will be conducted every two (2) years per the licence term of the R.R.H.L. licence. 	<ul style="list-style-type: none"> • Enhanced communications including a Landlord Brochure will help provide landlords/property managers with key information regarding their rights and responsibilities 	<ul style="list-style-type: none"> • The R.R.H.L. Program will remain only in the current defined rental area. • No additional resources to address tenant-related issues. 	<p>Estimated Annual Operating Cost:</p> <p>Enhanced A.B.A. and Communications.: \$31,800</p> <p>R.R.H.L.: \$329,838 (annual cost of a</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<p>Proactive Two-Unit House Registration Enforcement:</p> <ul style="list-style-type: none"> Introduce proactive two-unit enforcement project on a quarterly basis. <p>City-Wide Apartment Building Audits:</p> <ul style="list-style-type: none"> Increase the number of A.B.A.s to four (4) projects (twelve (12) buildings) from two (2) projects (six (6) buildings). <p>Enhanced City-Wide Communications and Collaboration:</p> <ul style="list-style-type: none"> Advertise the current R.R.H.L. Program through social media, targeted mailers, the City website and other communication channels. Mail out a targeted Landlord Brochure to promote increased compliance of rental property responsibilities (e.g. Property Standards, other health and safety regulations). Continue to mail out Tenant Information Guide (city-wide). 	<p>they may not be aware of currently.</p> <ul style="list-style-type: none"> Ensure the current rental area remains stabilized, and the problems that existed there prior to 2008 do not return Continue to work with the real-estate community to educate about Two-Unit Registration and R.R.H.L. Program requirements. 	<ul style="list-style-type: none"> Enhanced consumer protection for tenants is offered in only one area of the City. 	<p>two (2) year licensing term)</p> <p>Estimated Annual Revenue: \$425,412 (annual revenue of a two (2) year licensing term)</p> <p>Estimated Initial One-Time Capital Cost: N/A</p> <p>Estimated Additional F.T.E. Required: None – existing resources would be re-deployed</p> <p>Cost Recovery: Partially Recovered from Property Tax Levy</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<ul style="list-style-type: none"> • Continue to engage the Durham Region Association of Realtors about Two-Unit Registration requirements and the R.R.H.L. program. • Send a letter to the Minister of Public and Business Services, Minister of Municipal Affairs and Housing, and the Real Estate Council of Canada requesting that the location of two-unit houses be disclosed to municipalities. <p>Other Regulatory Considerations are detailed in Section 5.4.</p>			
<p>Option “C” City-Wide R.R.H.L. Program Expansion by Ward</p>	<p>Existing R.R.H.L. Program:</p> <ul style="list-style-type: none"> • City-wide expansion by Ward – add an estimated nineteen (19) additional F.T.E. to administer a city-wide R.R.H.L. Program, requiring all rental units in the city to become licensed. Rental unit inspections will be conducted every two (2) years per the licence term of the R.R.H.L. licence. • Consolidate Lodging House Licensing into the new city-wide R.R.H.L. Program. 	<ul style="list-style-type: none"> • The R.R.H.L. Program would exist throughout the city, offering improved health and safety and consumer protection for all tenants. • Would ensure a consistent approach to regulating various rental properties city-wide (e.g. consolidating Lodging House Licensing and the R.R.H.L. program). • A comprehensive and proactive licensing system would ensure that rental 	<ul style="list-style-type: none"> • Complex implementation: hiring and training additional staff, locating all rental properties in the city, as well as implementing the Program and promoting compliance. • Significant number of additional staff and resources required. • Potential increase to rent of tenants if 	<p>Estimated Annual Operating Cost: \$2,559,242</p> <p>Estimated Annual Revenue: \$2,683,818</p> <p>Estimated Initial One-Time Capital Cost: \$798,000</p> <p>Estimated Additional F.T.E. Required: Nineteen (19) F.T.E.:</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<p>Proactive Two-Unit House Registration Enforcement:</p> <ul style="list-style-type: none"> • Introduce proactive two-unit enforcement project on a quarterly basis. <p>Enhanced City-Wide Communications and Collaboration:</p> <ul style="list-style-type: none"> • Advertise the expanded R.R.H.L. Program through social media, targeted mailers, the City website and other communication channels. • Enhance communications and mail out a targeted Landlord Brochure to promote increased compliance of rental property responsibilities (e.g. Property Standards, other health and safety regulations). • Continue to mail out Tenant Information Guide. • Continue to engage the Durham Region Association of Realtors about Two-Unit Registration requirements and the R.R.H.L. Program. • Send a letter to the Minister of Public and Business Services, Minister of 	<p>properties across the city are meeting applicable City by-laws and Provincial regulations.</p> <ul style="list-style-type: none"> • Full cost recovery program. • Enhanced communications including a Landlord Brochure will help provide landlords/property managers with key information regarding their rights and responsibilities they may not be aware of currently. • Continue to work with the real-estate community to educate about Two-Unit Registration and R.R.H.L. Program requirements. 	<p>landlords choose to pass the licensing fees onto their tenants.</p> <ul style="list-style-type: none"> • Would not initially be fully implemented – requires a multi-year implementation approach. 	<ul style="list-style-type: none"> • One (1) Licensing Supervisor • Four (4) Fire Prevention Inspectors • Eight (8) Licensing Inspectors • Four (4) Licensing Examiners • Two (2) M.L.E. Officers <p>Cost Recovery: Full Cost Recovery Through Licensing Fees When Fully Implemented</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<p>Municipal Affairs and Housing, and the Real Estate Council of Canada requesting that the location of two-unit houses be disclosed to municipalities.</p> <p>Other Regulatory Considerations are detailed in Section 5.4.</p>			
<p>Option “D” City Wide R.R.H.L. Program Expansion by Building Stock</p>	<p>Existing R.R.H.L. Program:</p> <ul style="list-style-type: none"> City-wide expansion by Building Stock – add an estimated Nineteen (19) additional F.T.E. to administer a city-wide R.R.H.L. Program, requiring all rental units in the city to become licensed. Rental unit inspections will be conducted every two (2) years per the licence term of the R.R.H.L. licence. Consolidate Lodging House Licensing into the new city-wide R.R.H.L. Program. <p>Proactive Two-Unit House Registration Enforcement:</p> <ul style="list-style-type: none"> Introduce proactive two-unit enforcement project on a quarterly basis. 	<ul style="list-style-type: none"> The R.R.H.L. Program would exist throughout the city, offering improved health and safety and consumer protection for all tenants. Would ensure a consistent approach to regulating various rental properties city-wide (e.g. consolidating Lodging House Licensing and the R.R.H.L. program). A comprehensive and proactive licensing system would ensure that rental properties across the city are meeting applicable City by-laws and Provincial regulations. Full cost recovery program. Enhanced communications including 	<ul style="list-style-type: none"> Complex implementation: hiring and training additional staff, locating all rental properties in the city, as well as implementing the Program and promoting compliance. Significant number of additional staff and resources required. Provides less time for staff to scale up the City-Wide R.R.H.L. program as majority of staff and resources would be hired/acquired in the first two (2) years of implementation. 	<p>Estimated Annual Operating Cost: \$2,559,242</p> <p>Estimated Annual Revenue: \$2,683,818</p> <p>Estimated Initial One-Time Capital Cost: \$798,000</p> <p>Estimated Additional F.T.E. Required: Nineteen (19) F.T.E.:</p> <ul style="list-style-type: none"> One (1) Licensing Supervisor Four (4) Fire Prevention Inspectors

Option	Details	Benefits	Detractors	Cost Estimates
	<p>Enhanced City-Wide Communications and Collaboration:</p> <ul style="list-style-type: none"> • Advertise the expanded R.R.H.L. Program through social media, targeted mailers, the City website and other communication channels. • Enhance communications and mail out a targeted Landlord Brochure to promote increased compliance of rental property responsibilities (e.g. Property Standards, other health and safety regulations). • Continue to mail out Tenant Information Guide. • Continue to engage the Durham Region Association of Realtors about Two-Unit Registration requirements and the R.R.H.L. Program. • Send a letter to the Minister of Public and Business Services, Minister of Municipal Affairs and Housing, and the Real Estate Council of Canada requesting that the location 	<p>a Landlord Brochure will help provide landlords/property managers with key information regarding their rights and responsibilities they may not be aware of currently.</p> <ul style="list-style-type: none"> • Continue to work with the real-estate community to educate about Two-Unit Registration and R.R.H.L. Program requirements. 	<ul style="list-style-type: none"> • Potential increase to rent of tenants if landlords choose to pass the licensing fees onto their tenants. • Would not initially be fully implemented – requires a multi-year implementation approach. 	<ul style="list-style-type: none"> • Eight (8) Licensing Inspectors • Four (4) Licensing Examiners • Two (2) M.L.E. Officers <p>Cost Recovery: Full Cost Recovery Through Licensing Fees When Fully Implemented</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<p>of two-unit houses be disclosed to municipalities.</p> <p>Other Regulatory Considerations are detailed in Section 5.4.</p>			

Notes:

- Option “A” involves the introduction of an entirely new program and staffing needs may need to be re-assessed in the future if this option is chosen, depending on how many inspection requests the City is receiving.
- Options “C” and “D” are full cost recovery, meaning the operational and staffing costs associated with the program are anticipated to be recovered entirely through licensing revenue, however Options “A” and “B” would be partially funded through the City’s property tax levy.
- Option “B” would re-prioritize M.L.E.’s existing enforcement activities to support an enhanced A.B.A. program.
- Under Options “C” and “D”, workspace location for additional staff are undetermined at this time and would be considered at a later date should Council proceed with expansion.
- With Options “C” and “D”, the Nineteen (19) new positions would be hired using a phased-in approach, and staffing needs would continually be re-evaluated based on program requirements and other fluid variables (e.g. increased rental housing stock)
- Cost recovery estimates were estimated based on one hundred per cent (100%) compliance (e.g. all rental properties paid licensing fees and required inspections).

SF-23-22

May 5th, 2023

**SUBMISSION TO OSHAWA'S SAFETY AND FACILITIES SERVICES COMMITTEE REGARDING
THE RESIDENTIAL RENTAL HOUSING LICENSING PROGRAM**

Dear Committee Members,

The Public Report SF-23-18, titled, "*Proposed Policy Options for the Residential Rental Housing Licensing Program and Other Rental Housing Regulatory Considerations*" (the "subject report") submitted to the Safety and Facilities Services Committee by Tracy Adams, C.A.O., is missing significant impact analysis in order for committee members to make a fully-informed decision.

Lost Property Tax Revenue

No financial impact analysis appears to have been done to determine what property tax revenue loss the City will incur from imposing licensing fees:

- MPAC's (et al) "Direct Capitalization Method" can be simplified as each \$1.00 in operating costs that are not offset by income—such as licensing fees and insurance premiums—results in a \$20 loss in property value, assuming a 5% capitalization rate, or a \$25 loss assuming the current 4% cap rate for rental properties.
 - Assuming an average \$500/year licensing fee results is a permanent \$12,500 equity loss per building license.
 - **10,000(?) buildings(?) means an immediate, permanent loss of \$125 million in property value. The lower the property value, the lower the City's property tax income** (unless it raises taxes, which reduces property value the following year – a vicious negative spiral).
- This financial impact does not include the additional repercussive costs related to the many negative impacts discussed below.

The Critical Success Factor Statistic

Any fees, taxes, levies, etc. imposed on top of already debilitating rental property operating cost increases will exacerbate already dwindling-per-capita rental stock. **Appendix A offers a simplified breakdown of where each \$1.00 of rental income pays goes** in a typical missing middle multiresidential property.

Many media and government reports speak to increases in building permits and housing sales volumes but those are incomplete or and can be misleading. **The critical statistic every politician and housing-related civil servant needs to know is the net housing growth per capita** in their geography.

If population growth notably exceeds housing supply, then a housing crisis arises. Lack of adequate housing, particularly housing that's affordable (not necessarily "affordable housing"), will result in:

Consequences of a Lack of Housing

- **Homelessness:** with not enough homes to go around, people may be forced to sleep on the streets, in cars, or in shelters.

- **Overcrowding:** puts accelerated wear-and-tear and strain on properties, increasing operational and capital costs disproportionate to rent-controlled income, making housing stock more difficult to maintain and discouraging future construction.
- **Economic hardship:** difficult for people to maintain steady employment and earn a living wage, as they may have to travel long distances to work or spend a significant portion of their income on housing – HWY 401 congestion is a testament to this for all Durham municipalities but particularly Oshawa, being further east from Toronto than Ajax, Pickering and Whitby
- **Education:** Children who lack stable housing may have difficulty attending school regularly, which can lead to a range of academic and social challenges and medium-to-long-term impacts on Oshawa’s labour force
- **Crime:** Homelessness and overcrowding can lead to increased crime rates, as people are more likely to resort to desperate measures to survive.
- **Social dislocation:** leads to the displacement of entire communities, causing social dislocation and disruption.
- **Poverty:** Housing is one of the most basic necessities of life. When people spend a large proportion of their income on housing, they may struggle to afford other essentials such as food, healthcare, and education.
- **Social inequality:** housing shortages exacerbate social inequality—disproportionately affects low-income individuals and families, further contributing to the widening wealth gap between haves and have-nots and a lack of upward mobility for those who are most in need.
- **Vulnerable demographic groups:** veterans, the elderly, individuals with disabilities, single moms, newcomers, indigenous people, and the like are at higher risk of experiencing barriers to economic growth or homelessness
- **Housing tenure and insecurity:** Even those who are not homeless are still at risk of losing their home when living expenses exceed income
- **Environmental impact:** inadequate housing near workplaces forces people to live far away and commute long distances, leading to increased traffic congestion, air pollution and carbon emissions, which overburden, and can overwhelm, municipal infrastructure
- **Health problems:** inadequate housing leads to a range of health problems, from malnutrition and exposure to the elements to chronic diseases such as diabetes and mental health issues such as depression and anxiety – increases burden on healthcare sector and OHIP
- **Mental health:** The stress of finding and maintaining a place to live, regardless of its condition, has significant impact on mental health, particularly for individuals and families who are experiencing homelessness or housing insecurity.

- **Physical safety:** there is a direct and well-established correlation between crime and housing shortages along with all the ramifications on municipal costs for police, fire, courts, incarceration, etc.
- **Strained public resources:** puts a strain on public resources, spending more on emergency shelters, healthcare, and other services to support victims of homelessness and housing insecurity.
- **Economic growth:** Housing shortages have significant negative impacts on economic growth. Businesses cannot attract and retain workers. Leads to a decline in property values and tax revenues.
- **Social cohesion:** Housing provides a sense of stability and community. The lack of it leads to fragmentation of neighborhoods and communities, and makes it difficult for people to connect with one another.
- **Domestic violence:** Women experiencing domestic violence can't leave their abuser putting them at further risk of abuse, and perpetuating further unnecessary cycles of violence.

Relevance of Above Points

All of the above points are direct consequences of trading off the perceived advantages of property standards licensing at the expense of the longer-term impacts and consequences that licensing will have on housing availability and affordability, city revenues versus increased expenses, reduction of private rental property investor living and retirement income, and increased living expenses and consequent reduced net incomes of citizens.

Impact of Licensing on Bill 23 Objectives

The subject report addressed how Ontario's Bill 23, *More Homes Built Faster Act, 2022* will have "minimal impacts" on the licensing program. However, the report did not address how the licensing program will impact Bill 23's legislated objectives.

The licensing program appears to be in material conflict with some of Bill 23's objectives:

- Addressing Missing Middle housing
 - **Licensing eliminates any business case for developing missing middle housing.**
- Supporting the Growth and Standardization of Affordable and Rental Housing
 - **Any costs like licensing added to housing operations makes housing less affordable,** per the next point below.
- Freezing, Reducing and Exempting fees for Building Attainable, Affordable and Non-Profit Housing

- From Ontario's Newsroom backgrounder: *"Government charges and fees significantly impact the cost of housing—adding up to \$250,000 to the overall cost of building a home ... Ontario changed the Planning Act, the Development Charges Act and the Conservation Authorities Act to freeze, reduce and exempt fees, spur the supply of new home construction and help address Ontario's housing supply crisis."* (<https://news.ontario.ca/en/backgrounder/1002525/more-homes-built-faster-act-2022>)
- **Licensing-related fees and costs of any kind are in conflict with the above objective**
- Streamlining Bureaucratic Processes to Get More Homes Built Faster
 - **A licensing program adds significant bureaucratic processes to housing construction and management.** A licensing program is in conflict with the above objective for myriad reasons.
- Improving the Ontario Land Tribunal to Support Building More Homes Faster
 - The subject licensing report presumes that there are significant deficiencies in Oshawa's housing that will presumably result in a high number of breaches (otherwise, why have a licensing program?). This will almost certainly result in a greater number of court challenges, resulting in further **exacerbating the massive backlog of cases already present at the Landlord and Tenant Board**, which is facing 9-month wait lists for most applications and up to four years for fractional "cost recovery" (Above Guideline Increase) applications.
- Creating a New Attainable Housing Program
 - **The committee heard testimony last year that any licensing program will discourage housing investors from investing in Oshawa** and encourage investors toward more landlord-friendly municipalities that are anxious to attract much-needed housing
- Protecting Ontario Homebuyers from Unethical Developers
- Taking Action to Crack Down on Land Speculation
 - If developers are unwilling to invest in licensed-housing municipalities, land speculation is likely to be less of an issue since no housing means less industrial, office, and retail development as well
- Improving Ontario's Heritage and Growth Planning
 - The subject report does not mention heritage designations as part of its licensing. Presumably, special considerations may be required with respect to licensing
- Calling for Federal Action on GST/HST
 - **Adding licensing fees is counterintuitive and counterproductive to Ontario's efforts to reduce federal taxes and provide housing incentives.** Licensing is a compelling housing disincentive.
- Promoting Fairness to Support Affordable and Other Rental Housing
 - *"... Ontario will consult with municipalities on potential approaches to reduce the current property tax burden on multi-residential apartment buildings in the province."*
 - **Adding licensing fees is counterproductive to reducing the "... tax burden on multi-residential apartment buildings"**

- Helping Homebuyers and Renters: Addressing Vacant Homes
- Strengthening the Non-Resident Speculation Tax
- Sustainable Building Practices
 - *“... allow municipalities to require certain green standards to promote energy-efficient buildings.”*
 - I have tried for years to interest O.P.U.C. in working with me to install solar panels, heat pumps (replace gas boilers), battery storage, water conservation (not OPUC) and other options for making housing more affordable ... with no responses from multiple inquiries.

FURTHER CONSIDERATIONS FOR COMMITTEE MEMBERS

- **Oshawa’s Exit from Affordable Housing:** for many years, the City struggled with the operational financial deficits and social challenges of its own affordable housing inventory, which I believe the City has completely sold off now, mostly to private sector concerns after trying for four years to encourage any public sector agency to take them over, even for a \$1.00 buyout.
 - Analysis of the financials showed that the affordable rental income was below actual operating costs. Presumably, the City had to divert funds from other programs and services to maintain this property.
 - With no net profit, there were no property-originating funds to fund desperately-needed capital expense improvements and upgrades that resulted in a roughly-estimated backlog of \$1.5 million.
 - This affordable housing property was not affordable to the owner-operator and was unsustainable – hence, presumably, the sell-off.
 - Additionally, Durham Police reported in a phone inquiry that there were between 60 and 100 calls annually to the property for reports of:
 - Domestic violence
 - Noise
 - Mental health-related
 - Unwanted visitors
 - Criminal harassment
 - Breaking and entering
 - How much did these additional services costs the City?
- **Missed Alternative Options to Licensing:** the 13-page submission by the Landlords Association of Durham (LAD) to last year’s Committee meeting was not cited in the report. That submission presented a lengthy list of impacts and a variety of detailed and well-thought-through alternatives to implementing a licensing program, which suggestions would still achieve the aims of the City and the Committee.

In the detailed email response received from Ms. Adams, CAO, the reason proffered was (to paraphrase), “all submissions were carefully considered.” What appears at odds here is that City staff considered the one-line submission from “a local property owner” to be more deserving of the committee members’ attention and consideration (Attachment 9) in the

report's preferential list of attachments than the multiple options presented by an association that represents hundreds of landlords.

The concern is that the spartan brevity of the single sentence from a single landlord might be misconstrued as a representation of complacency or disinterest by and of all other landlords, especially since no other landlord submissions made it into the report. To anticipate one response, property managers are only representatives of landlords and are not vested in, or ultimately responsible for, all the legal, financial and moral responsibilities of a landlord.

- **Unreported Petition:** Committee members should consider the formal petition submitted through due process to the committee last year, which asked that the licensing program not be implemented. It was signed by 1,240 residential landlords from Oshawa, Durham, other provinces and stakeholders in the U.S.A.
 - This petition represents the voices of over a thousand landlords but was not mentioned in the subject report while a mostly blank page attachment (#9) in the report cited a single sentence from “a local property owner.”
- **Region of Durham, Durham Region Affordable Housing and Homelessness, and Durham Community Legal Clinic** all expressed a **singular concern** for “... *tenants being displaced due to the results of inspections that may identify illegal property uses (e.g. Zoning) or unsafe properties (e.g. Fire Code and Property Standards issues).*”
 - The subject report did not address this pivotal concern of several major housing agencies.
- The report cited various **objections** to licensing that were **raised from the April 04, 2022 Special Meeting**.
 - The subject report does not address any of these concerns.
- The **survey of tenants and landlords** conducted by the City cites numerous conclusions that may be faulty due to the leading nature of some of the questions, their poor construction, and the choice of words used that could reflect predisposition towards a conclusion.
 - The three separate forms for Tenants, Renters and Non-rental Property Owners asked questions such as if the City should regulate and license rental properties but then asked, “... what regulations should the City inspect for and confirm *when* issuing a two (2) year residential rental housing licence ... fire safety, adequate heat, long grass, snow removal, noise and nuisance, etc.

The question didn't say “if” but “when” issuing a license. Most non-housing provider respondents will naturally say yes that these violations must be monitored and managed. However, all of the cited issues were already being handled city-wide, even with the limited-area program in effect so the question might mislead respondents into believing that all of the cited issues weren't already being addressed at some level.
 - The Landlord form stated, “Licensing is a good way to let potential tenants know that your property is safe and complies with all applicable standards.” In legal parlance, it's “leading the witness” and presumes a predetermined position.
 - The surveys do not appear to have been constructed by an outside, independent and objective third party.

- The subject report stated, *“The most common issue the [Legal] Clinic sees is evictions, but this often stems from maintenance issues. In the Clinic’s experience, once a tenant complains, rather than getting their property up to code a landlord will often evict the tenant instead.”*
 - Housing providers might consider such a statement highly-inflammatory unless it was backed by facts and statistics. The Legal Clinic’s experience is not supported by the statistics of the Landlord and Tenant Board (LTB), which is the primary legislative body that adjudicates all residential tenancy evictions.
 - An L.T.B. annual report provided the following statistics:
 - 91% of all applications were filed by landlords
 - 9% filed by tenants
 - 71% of landlord applications were L1 applications: Terminate and Evict for Non-Payment of Rent
 - Therefore, **65% (71% of 91%) of all LTB eviction applications were for non-payment of rent**
 - 9.9% of landlord applications were L2 applications: Terminate for Other Reasons and Evict.
 - There is no provision in the Residential Tenancies Act (RTA) that permits a landlord to evict because of any dispute due to maintenance.
 - To the contrary, **Section 83.3a requires the LTB tribunal to immediately dismiss any landlord application of any kind where the landlord is deemed to be in serious breach of any its obligations**, which includes especially property maintenance, safety and other security concerns that are exhaustively addressed in the RTA as well as LTB policies, guidelines, findings and orders.
- City Staff cited municipalities that adopted licensing. Would a balanced analysis not also include the reasons for why other municipalities voted to not implement licensing?
 - I’m aware that the City of Cornwall twice looked at licensing but did not proceed
 - A petition is currently underway to asking the City of Windsor to revoke its licensing program. It has so far received 2,883 signatures.
- A detailed study titled, *“Rental Housing Conditions Discussion Paper: Rental Accommodations”*, dated May 09, 2019, was conducted by Maclaren Municipal Consulting Inc. on behalf of the City of Ottawa. The study referred to 311 calls that were then referred to Property Standards or Zoning By-law officers.
 - **About 100,000 rental units were part of the ten-year study**
 - 91.4% of properties never received any property standards complaints
 - Table 7 of the report titled, *“Frequency of 3-1-1 Calls by Unique Address”* analyzed the remaining 8,597 unique addresses that were the subject of one or more calls
 - 7,940 unique addresses (92.3%) received five or less calls over the 10-year period
 - Only 51 properties (0.6%)—half of one percent—had more than 20 calls over the 10-year period
 - *“The largest 311 call type for ownership properties was for external debris/waste (32.3%), which was twice the number for total rental property calls (16.2%)”*
 - **The study stated, “This indicates that most rental properties in Ottawa are well maintained and managed.”** (page 10)

- Numerous independent public service agencies throughout Oshawa (and nation-wide) struggle literally every day to work with private sector landlords to find housing for their mostly vulnerable charges. These agencies could offer significant insights into the impacts of residential licensing on their housing efforts but none of these independent agencies were included in the subject report.

Consider particularly the province’s overarching concern for housing unaffordability and homelessness, resulting in Bill 23. The Ministry of Municipal Affairs and Housing’s “*Community Housing Renewal Strategy*” dated April 17, 2019, states that **over the next three years** (by 2022), 289 non-profit and co-operative providers with 41,000 units **may exit the affordable housing portfolio**, and this number may **increase to 106,600 by 2027**. Any residential licensing program will impact and accelerate this mass exodus and inventory loss.

- **Alleged Conflict of Interest:** Last year, a committee member abstained from participating in the licensing program discussion because he owned property and felt that would be a conflict of interest. Since no other committee member declared such a conflict of interest then that left only councillors who don’t own a property.
 - By the same logic, would not owning a property or even just being a tenant be a conflict of interest as well?
 - Councillors who have an understanding of the housing industry would provide more balanced perspectives to make a fully informed decision.
- Altus Group reported in their April 2023 Canada-wide Rental Market Update report:
 - **Recent new construction** — averaging ... roughly 41,000 unit starts per year over the past five years — **hasn’t translated into an equivalent gain in the rental universe because demolitions have occurred along with, or as a precursor to, new development ... net new units at closer to 20,000 per year ...** [Canada-wide]
 - Millennials should be exiting the rental market ... yet there are some unprecedented impediments to the traditional generational trajectory. Recent research from CBRE Canada calculates that residents of the Greater Toronto Area need annual income of
 - nearly \$240,000 to affordably purchase a single-detached home at the region’s current average price
 - about \$146,000 for a condominium
- Of the 10 most affluent communities in Durham, Whitby and Pickering have four each. Ajax is no. 1 in terms of household wealth across Durham. Oshawa has none.

Of the ten least affluent communities (lowest median after-tax household incomes) in Durham, Oshawa has seven.

- Therefore, housing affordability is disproportionately acute concern in Oshawa with Oshawa tenants being particularly sensitive to any increases in living costs ... such as licensing fees.
- Most Oshawa citizens rely heavily on rental housing. Less rental housing that adhere to alleged higher property standards will still result in substantially higher tenant living costs.
- CHMC recently reported that there are an estimated 1,350,000 individuals (not corporations) who reported on their personal income tax returns that they received some form of rental

income. This could be residential or commercial but is likely mostly the former. Roughly prorating Oshawa's population to Canada's, that would result in about 6,000 small landlords in Oshawa.

- As of November 2022, Canada aims to welcome 465,000 new permanent residents in 2023, 485,000 in 2024 and 500,000 in 2025, totaling 1,450,000 over the next three years, averaging 484,000 per year. Ontario receives about 42%. Oshawa's population is about 1.2% of Ontario's, Therefore, roughly estimating, Oshawa may receive 5,800 new immigrants each year for a total 17,400 for the next three years.

Most immigrants will begin their new lives in a rental property. Vacancy rates are next to zero – where will they live?

Actually, they will likely win most of the very limited vacancy applications because they must be self-sustaining and therefore affluent in order to qualify for entry into Canada

Summary and Conclusion

Establishing a licensing regimen assumes that housing providers are to blame for the perceived shortfalls in rental property standards, which is not true. While slumlords certainly fall into, or even define, this stereotype, slumlords represent only a fractional percentage of the total rental housing inventory. The alleged degradation of property standards is a symptom of the much greater and infinitely more important housing unaffordability and unavailability crisis.

Licensing does not address or relieve the many crushing causes and consequences on property standards that are collectively beyond the control of any housing provider.

Licensing exacerbates the housing crisis and will cause rental housing inventory shrinkage. Any perceived gains in property standards will be trivial by comparison to the negative impacts the licensing program will have, not only on housing, but also on the significant consequences to the municipality as a whole.

The subject report cited many objections as well as numerous alternative options to licensing but the City staff's report didn't address any of those objections or discuss the merits and disadvantages of any of the proposed alternate solutions to property standards issues. Instead, they elected to provide only four variations all intended to expand licensing.

The cost of the licensing program could be inconsequential versus the potential revenue loss and increased operating costs the City would incur from the many consequences cited in this submission.

The licensing proposal appears to be in direct conflict with, and contrary to the intentions of, several of the major objectives of Ontario's Bill 23, *More Homes Built Faster Act, 2022*.

Respectfully,

Chris Seepe
Rental Housing Provider

Appendix A - Typical Operating Costs of a “Missing Middle” Rental Property

The following is a simplified breakdown of where each \$1.00 of rental income goes. The numbers are for a typical real-world, 60-year-old, 12-unit multiresidential property in southern Ontario (outside Toronto proper):

- 18.8¢ property tax (varies from 15% to 20% (per RTA)
- 09.4¢ repairs & maintenance (varies widely annually, in 2023 it was 16.7 ¢)
- 08.3¢ utilities – common area only, doesn’t include tenant utilities (except heat)
- 05.1¢ Property management, janitorial
- 03.5¢ building insurance
- 01.4¢ Professional fees

- Total of 46.5¢ operating expenses
- 39.8¢ financing (5-yr closed fixed, 25-year am, 75% LTV, **3.0%** interest) – higher now because of substantially increased interest rates
 - Roughly 85% of all rental properties have some level of financing
 - While varying widely, a common rough rule of thumb for many rental properties is that financing takes about one-third of total income

 - **Note:** Rapidly-increased mortgage interest rates without corresponding increase in rental income (because of rent control) may result in **significant mortgage defaults over the next few years**. This will significantly impact new rental housing starts and may decrease rental housing stock ... everywhere

85.3¢ Total Costs leaves 13.7¢ pre-tax profit (lower than many businesses)

- 06.85¢ then paid for corporate tax (your government)
- 06.85¢ net profit after-tax but BEFORE capital costs (new roof, furnace, boiler, windows, etc.)

The above operational costs are before capital costs such as replacing windows every 30 years. For this real-world property, that would currently be around \$50,000. Multiple hot water tanks at 10 years each, roof replaced every 25 years. Keeping the numbers simple, that’s about \$3,300 per year major capital costs. That comes out of the \$6,850 yearly “take home pay.”

Note: **Small and missing middle housing providers pay 50% corporate tax** because CRA considers all small rental property ownership as “passive income.” Large operators have a tax rate of about 13% as an “active income” business but enjoy economies of scale and tax incentives that may reduce that rate further.

---# #---

The original petition consisting of 1,294 signatures attached to this correspondence is available for viewing in the office of the City Clerk, Monday to Friday from 8:30 a.m. to 4:30 p.m.

The City of Oshawa is not accountable for the accuracy or reliability of petitions submitted.



**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

WINDSOR HOUSING PROVIDERS INC.

Applicant

- and -

WINDSOR (CITY)

Respondent.

NOTICE OF APPLICATION

(Re: Windsor By-law 14-2023)

TO THE RESPONDENTS

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicant. The claim made by the applicant appears on the following page.

THIS APPLICATION will come on for a hearing (*choose one of the following*)

X By video conference

at the following location

245 Windsor Avenue, Windsor, ON

on Tuesday May 16, 2023 at 10:00 am (*or on a day to be set by the registrar*).

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

DATE 04/24/2023

Issued by

Bailey E Trotti
Digitally signed by
Bailey E Trotti
Date: 2023.04.24
14:42:24 -04'00'

Registrar

Address of
court office

245 Windsor Avenue
Windsor, ON

TO: WINDSOR (CITY)
350 City Hall Square West
Windsor, Ontario, N9A 6S1

APPLICATION

1. THE APPLICANT makes application for:
 - a) An Order abridging time for service and filing.
 - b) An Order validating service upon the Respondent by email;
 - c) An Order quashing Windsor by-law 14-2023 (the “By-Law”);
 - d) An interim Order that the nothing shall be done under the By-law until the within application is disposed of pursuant to section 273(4) of the *Municipal Act, 2001*;
 - e) Costs; and
 - f) Such other relief that the Court deems just.

2. THE GROUNDS for this Application are:
 - a) *Municipal Act, 2001*, SO 2001, c 25.
 - b) *Constitution Act, 1897*.
 - c) *Canadian Charter of Rights and Freedoms*.
 - d) *Residential Tenancies Act*, SO 2006, c 17.
 - e) *Human Rights Code*, RSO 1990, c H.19.

- f) The Respondent, the City of Windsor (“Windsor”), enacted the By-law on February 13, 2023.
- g) the By-law is named: *“A By-Law To Establish A Licensing Program For The Regulation Of Residential Rental Housing In The City Of Windsor”*.
- h) The stated purpose of the By-law is *“to regulate the renting of residential premises for the purpose of protecting the health and safety of the persons residing in residential rental premises by ensuring that certain regulations are met, that the required essentials such as plumbing, heating and water are provided, for ensuring that the residential rental premises do not create a nuisance to the surrounding properties and neighbourhood and to protect the residential amenity, character and stability of residential areas”*.
- i) The requirement for compliance with the By-law comes into force June 1, 2023.
- j) Windsor is comprised of ten municipal electoral wards numbered 1 to 10. Ward 1 is the home of St. Clair College. Ward 2 is the home of the University of Windsor.
- k) The By-law was passed for an improper purpose, being the regulation of post-secondary student housing which is not the stated purpose of the By-law.
- l) The main debate and decisions related to the of the substance, purpose and passing of the By-law was done in closed meetings of council contrary to s. 239(1) of the *Municipal Act, 2001*.

m) The By-law unlawfully and arbitrarily discriminates against businesses of the same class based on geography without any authority or purpose.

n) The By-law is illegal as it is ultra-vires Municipal powers by unlawfully and arbitrarily imposing further sentences/sanctions on those who have already been sentenced of a criminal offence and as such involves the exercise of the criminal law power exclusively vested in the Parliament of Canada pursuant to s. 91(27) of the *Constitution Act, 1897*.

o) The By-law contravenes the freedom of expression guaranteed to the Applicant and others under section 2(b) of the *Canadian Charter of Rights and Freedoms* (the *Charter*) which cannot be justified under section 1.

p) The By-law contravenes equality rights based on age guaranteed to the Applicant and others under sections 15(1) and 6(2) of the *Charter* which cannot be justified under section 1. These provisions also violate sections 4(1) and 5(1) of Ontario's *Human Rights Code*.

q) The By-law unlawfully, arbitrarily and without purpose or authority requires licensees to be subject to invasions of privacy.

r) The By-law unlawfully, arbitrarily and without purpose or authority requires licensees to be resident in Windsor or to have an agent resident in Windsor (the "Residency Requirement"). Residency Requirement contravenes mobility rights to the Applicant and others under section 6 of the *Charter* which cannot be justified under section 1.

Residency Requirement unlawfully and arbitrarily discriminates against businesses of the same class based on geography without any authority or purpose.

s) The By-law unlawfully conflicts with the *Residential Tenancies Act* (the “RTA”) by restricting the rights of tenants to sub-lease as provided for under Sec 95(5) or the RTA.

t) The By-law regulates non-businesses and non-business activities and requires non-businesses to be licenced in order to sub-lease, advertise for sub-lease or otherwise make any public statement regarding the availability of a rental property.

u) The By-law unlawfully, arbitrarily and without purpose or authority retains the right to deny a license on the basis of “*Financial impact to the City*”.

v) The By-law unlawfully, arbitrarily and without purpose or authority requires licensees to permanently maintain licenses at a location despite the cessation of a rental business at a location. The failure to renew an license automatically revokes the person’s right to hold any license under the By-law at any other location for said failure to renew.

w) The By-law unlawfully, arbitrarily and without purpose or authority automatically cancels licenses should the any of the licensee’s application information changes, including but not limited to phone number, address or name or in the case of a corporation, it’s officers or directors.

x) The By-law unlawfully and without purpose or authority charges multiple persons the same licence fees for the same unit, thereby constituting a tax under the *Municipal Act, 2001*.

3. The following documentary evidence will be used at the hearing of the application:

a) An affidavit on behalf of the Applicant yet unsworn;

b) Such further and other evidence as counsel may advise and the Court may permit.

April 24, 2023

**STEVEN PICKARD LAW
PROFESSIONAL CORPORATION**
214 St. Clair Street
Chatham, Ontario N7L 3J7
Tel: 226-996-8770
Fax: 226-996-8771

Per: STEVEN PICKARD/LSO #67376A
steven.pickard@pickardlaw.ca
Lawyers for the Applicants

WINDSOR HOUSING PROVIDERS INC.

and

WINDSOR (CITY)

Applicant

Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Windsor, Ontario

NOTICE OF APPLICATION

**STEVEN PICKARD LAW
PROFESSIONAL CORPORATION**

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steven.pickard@pickardlaw.ca
Lawyers for the Applicant



100-1300 Benson Street
Oshawa, ON L1K 0W4
289-240-3036
info@acornproperties.ca

May 9, 2023

via e-mail

City of Oshawa
50 Centre Street South
Oshawa, ON L1H 3Z7

Attention: Kenneth Man

Dear Mr. Man:

Please accept this letter as a submission for discussion about the proposed R.R.H.L. Program expansion. I am a third party property manager who manages 210 residential units in Oshawa and another 145 units in other parts of Durham Region. I have reviewed the document produced by Oshawa staff and I have serious concerns about the tone of the document and the intention of the program.

First, let me say that property owners have responsibilities but they also have rights, even as landlords. There is a lot of discussion about tenant rights; but there seems to be a complete disregard for the City's obligations toward property owners in this report. Supporting landlords and property owners, as they try to provide the best housing possible, should be the City's goal. Instead, I see a document that appears to want to push the responsibilities of tenants and the City onto private property owners. The language in the report is clearly prejudiced against property owners and landlords: it paints us all as villains rather than decent business people trying to make a good return on our investment while providing a much needed product. Let me assure you, all my clients care about their investments and are good landlords by all measures.

I know many other submissions about the proposed program expansion will focus on the costs to property owners and tenants. I will echo those sentiments. In my opinion, the proposed fully expanded program will penalize all landlords for the performance of a few bad actors. We already pay significant property taxes for you to employ bylaw officers and staff to enforce bylaws and standards. At the Grand Vista, a 144-suite purpose-built rental in North Oshawa, because we were not permitted to be categorized in the New Multi Family class for our tax rate, we pay approximately \$800,000 per year to the City of Oshawa and Durham Region, about half of that goes to Oshawa. We pay double the residential tax rate but it looks like we will also pay more in your licensing scheme. You are effectively increasing our property tax rate even more. What would you think if I told you, "You pay me \$800,000 for services, but I need another \$1725 to actually get the job done?" That's a tough sell.

Another critical concern is the lack of appeals process for landlords and property owners. The program's tenant bias will allow problem tenants to terrorize property owners and their neighbours since the system is geared to follow up on tenant complaints with no consideration

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for landlords or appeals. For example, a tenant could rip lighting fixtures down in their apartment and call the city for an inspection because of exposed live wires. The landlord would be instructed to make the unit safe or face daily fines. However, in the same case, the landlord cannot call the city for an inspection of a unit that a tenant has damaged willfully and seek justice or compensation. (I use this example because I know this very situation happened in Toronto). I see no supports in the system for landlords whatsoever. Much like property standards, owners will be at the mercy of the bylaw officer who attends. Bylaw officers don't care who is at fault and they won't consider inspection evidence demonstrating tenant willful damage. If I am licensed, shouldn't I have a method of appeal for charges against me that threaten my license? An appeals process must be included. Even the LTB allows landlords to present evidence and make legal arguments in the case of tenant complaints.

It also bears noting, the report states this program will not try to tackle RTA issues, but rather it will focus on fire code, electrical code, plumbing code, etc. If that is the case, how can Bylaw officers do this work? Wouldn't it make more sense for fire prevention, building inspectors, etc. to do this important work? It seems, if the intent is to ensure safe housing, you would use the experts you already employ to enforce the codes, bylaws and standards that already exist. You can understand that not using the appropriate staff is a red flag that this might be simply a measure to levy taxes and fees against multi-family residential housing providers to recoup revenues lost from measures imposed (or to be imposed) by the Places to Grow Act 2005 and Bill 23.

Finally, if you are going to have a service that is focused on healthy, affordable housing, how have you not included any consideration for assisting landlords in dealing with social issues that are beyond private property owners purview, such as mental health issues and hoarding? Landlords struggle to keep buildings safe and healthy when there is a tenant who puts everyone at risk. There needs to be real solutions included in this program; since it will be your inspectors and officers who can have eyes on the problem. The report completely ignores any dangers, risks or issues that are caused by tenants - surely that is the other half of the equation in housing licensing?

Ultimately, more housing needs to be the goal. The question council needs to ask, as they reflect on the report from staff, how will expanding the RRHL increase our housing supply? Affordable housing, today more than ever, means rentals. If that is the case, the City of Oshawa should be encouraging new purpose-built rental developments. The options in the RRHL program expansion do not do this. It sets a tone for an adversarial approach to rental housing providers that will discourage new rentals in Oshawa. If you drive out new purpose-built rental, by effectively increasing the property tax rates through licensing fees and fines, you will be left with aging housing stock. You will watch as surrounding regions like Clarington, Whitby and Ajax get the purpose-built rental projects and as their housing supply increases, they will enjoy the relief on pricing pressure, creating more affordable options. I hope you will consider the longer reaching effects of this expansion. Most importantly, I hope you will consider that we are all working together to build a community and creating an adversarial system is no way to achieve lasting results.

Sincerely,

Angelica Van Leeuwen
President, Acorn Properties Ltd.



May 18, 2023

To: Safety and Facilities Services Committee

From: Daryl Chong
President & CEO
Greater Toronto Apartment Association

Re: **Report SF-23-18**
Proposed Policy Options for the RRHL Program

The Greater Toronto Apartment Association (“GTAA”) represents the interests of the multi-family, purpose-built rental housing industry. GTAA Members own and manage more than 150,000 units of multi-family, purpose-built rental housing across the GTA.

GTAA Members are proud business owners and operators who care about their customers and properly maintain their buildings. Retaining existing and attracting new customers is a key component of success for any business. For apartments, this is done best by ongoing maintenance, upkeep and modernization.

GTAA Members support apartment building standards and maintenance. We believe a better approach would be to focus on poor operators and we encourage you to use every tool available to meet compliance.

The current Residential Rental Housing Licensing program was established in response to student housing around Durham College and Ontario Tech University. It was laser focused to address a specific issue. A very purposeful approach.

We don’t recommend broad or all-encompassing programs as these eliminate the laser focus and an extraordinary amount of staff time (bylaw enforcement and administrative) is spent on checking boxes by visiting a majority of exceptionally well-run buildings. Your time is better spent on aggressively remediating buildings and educating negligent operators that don’t meet the standards.

Continue to use your current complaints-based process to determine which apartment buildings to audit with your interdepartmental inspection teams. Focus on bad operators. Don’t dilute property standards staff time by sending them to well maintained buildings.

Oshawa's Apartment Universe CMHC Rental Market Report (Feb 2022)

	Bachelor	1 Bedroom	2 Bedroom	3 Bedroom +	Total
Zone					
Zone 1 - Oshawa (North)	55	1,039	2,194	303	3,591
Zone 2 - Oshawa (South/Central)	158	1,641	3,160	386	5,345
Oshawa Total (Zones 1-2)	213	2,680	5,354	689	8,936

Oshawa's purpose-built rental inventory is 9,000 units according to CMHC's February 2022 Rental Market Report.

Rossland Park (Q Residential) has more than 900 units, which is 10% of the Oshawa's apartment inventory. Atria's 100 Bond has 239 units, CAPREIT's Mona Lisa (191 Nonquon Road) and Princess Anne (1221 Simcoe N) apartments each have approximately 150 units. These four account for 15% of Oshawa's entire apartment stock.

Average Selling Price Durham Region Association of Realtors Housing Report – April 2023

Area	Avg. Price	Detached	Semi-Detached	Condo/Town-house	Condo Apt.	Link	Attached Row
Durham	\$956,240	\$1,059,382	\$821,154	\$686,198	\$579,025	\$862,000	\$873,233
Ajax	\$1,002,020	\$1,091,950	\$897,400	\$760,011	\$568,217	-	\$910,945
Brock	\$784,065	\$807,321	-	\$505,000	-	-	-
Clarington	\$890,557	\$972,411	\$708,333	\$832,125	\$592,779	\$827,857	\$778,147
Oshawa	\$833,714	\$926,077	\$705,478	\$635,157	\$490,501	-	\$796,781
Pickering	\$1,056,284	\$1,295,694	\$995,220	\$692,677	\$649,000	-	\$941,000
Scugog	\$1,013,336	\$1,036,461	-	-	-	-	\$859,167
Uxbridge	\$1,099,854	\$1,215,894	-	\$699,000	\$613,500	-	\$942,700
Whitby	\$1,067,813	\$1,182,846	\$919,360	\$715,864	\$600,656	\$941,666	\$902,888

The current cost of entry into home ownership is high. More housing options are needed. Much more rental housing is needed.

It's agreed that there is a new housing supply shortage. Even more challenged is new rental supply.

All housing-related decisions need to consider basic resultant effects:

- Will this encourage the creation more rental housing?
- Will this help with affordability by not increasing operating costs (which are recovered by increased rents)?

If the policy or program discourages new rental housing or increases rent, an alternative should be considered.

I **recommend that you continue with the current process** of auditing selected apartment buildings using your interdepartmental inspection teams.

I **further recommend that you consider ways to encourage new rental supply**. The Residential Rental Housing Licensing program was initiated to control the conversion of single-family homes, in single family neighbourhoods, into rental housing because there was (and continues to be) an acute shortage of purpose-built rental apartment buildings in Oshawa. All your efforts leading up to today's report could have been avoided if there wasn't this acute shortage of purpose-built rental apartment buildings in Oshawa.

Appropriated zoned for Multi-Residential, with mixed uses (grocery stores, pharmacies, restaurants), near transit nodes (arterial roads) with ample parking, and professionally managed apartment buildings would house young people, new families, down-sizing seniors who wish to remain in their community, and assist with population growth.

GTAA and our Members are always available to work on improving rental housing in Oshawa.

Thank-you,



Daryl Chong
President & CEO
Greater Toronto Apartment Association
dchong@gtaaonline.com
416.385.3435
103 – 20 Upjohn Road
Toronto ON M3B 2V9



Safety and Facilities Services Committee
City of Oshawa
50 Centre Street South
Oshawa, ON L1H 3Z7

May 17, 2023

Re: Report SF-23-18

The Durham Region Home Builders' Association is in receipt of Report SF-23-18 – *Proposed Policy Options for the Residential Rental Housing Licensing Program and Other Rental Housing Regulatory Considerations* and has circulated this report to our membership. Our comments on this report are based on their feedback.

The DRHBA's position remains as it was in the correspondence submitted on May 4, 2022.

DRHBA is not in support of a city-wide expansion of the R.R.H.L., and there are numerous reasons for this position.

Our members believe that this program will not achieve its primary goal – which is to root out illegal units and have them brought up to code and the appropriate standards for rental units. The vast majority of landlords are responsible and take great care to ensure their tenants have a safe place to live. Landlords that are already ignoring the regulations and standards that are currently in place will continue to do so and will find ways to avoid participating in this proposed program.

As such, the result of the implementation of this program will be that existing, good landlords will be burdened with more red tape and expenses. These costs will be passed down to the tenants, and if those amounts exceed the currently permitted 2.5% increase, new renters will face that additional financial burden.

Legal rental units, whether they are located in an apartment building or in the basement of a home, already must pass stringent regulations to bring rental units to market. Landlords must acquire building permits, build/renovate to the Ontario Building Code, and pass inspections before they are granted an occupancy permit. As all new and existing legal units have already gone through this process, this program essentially becomes a redundant layer of bureaucracy – adding unnecessary delays and expenses.

1-1255 Terwillegar Avenue, Oshawa, Ontario, L1J 7A4

P : 905-579-8080

E : info@drhba.com

W : www.drhba.com

In speaking with our members who are landlords, they have talked about the fact that their expenses, such as utilities, repairs, garbage removal, etc. have gone up substantially and are not being covered by the annual 2.5% increase. As a result, when a unit becomes vacant, the landlord will take that opportunity to increase the rent to a level that will allow them to recover their costs.

As we are currently in an unprecedented housing affordability crisis, it would be counterintuitive to expand a program that will ultimately increase rental rates in legal, safe units, while having little to no impact on the illegal, unsafe units.

The provincial government has also passed two pieces of legislation, the *More Homes, More Choice Act*, and the *More Homes for Everyone Act, 2022*; both of which focus on adding additional housing types to the current supply and cutting red tape to ensure these units can be brought to the market as efficiently as possible. The City of Oshawa's proposed expansion of the rental licensing program goes against the spirit of these pieces of legislation by adding on an additional layer of red tape to housing.

Tenants in the City of Oshawa already have two avenues of redress if they encounter any issues with their rental units: through the City's existing property standards bylaws and through the Landlord and Tenant Board (LTB), which enforces the rules and regulations set out in the *Residential Tenancies Act, 2006*.

While the COVID pandemic has caused a backlog and delays at the LTB, the provincial government has recently released *Bill 97: Helping Homeowners and Protecting Tenants Act*. In addition to providing significantly more funding to the LTB to appoint 40 additional adjudicators (more than doubling the current number), the legislation also aims to make extend the LTB's hearing hours and make the LTB more efficient.

Bill 97 also proposes to increase protections for tenants, specifically addressing issues surrounding evictions. These protections would make it more difficult for landlords to "renovict" tenants or use "personal use for landlord or immediate family" to fraudulently evict tenants. The proposed legislation also clarifies and enhances tenants' rights to install window or portable air conditioning in their units.

The proposed Residential Rental Housing Licensing Program does not provide tenants with any protections that are not already addressed in existing municipal bylaws or provincial legislation.

Instead, expanding the program will only serve to add an additional layer of red tape around housing – which is already in crisis. Added fees and duplication of

1-1255 Terwillegar Avenue, Oshawa, Ontario, L1J 7A4



regulations will only serve to increase rents and decrease the number of rental units available on the market, as it may serve to discourage small landlords from entering the rental market. Combined with the fact that there really hasn't been a concerted effort to entice development of more purpose-built rental units, it is really this shortage of available units that will continue to prop up ever-increasing rental rates.

As an Association, we are championing housing affordability and will only support initiatives that will lead to greater supply, less red tape and more housing options for the residents of Oshawa and Durham Region.

We look forward to continuing to work with City staff to ensure that all residents of Oshawa have a safe and affordable place to call home.

Sincerely,

Stacey Hawkins
Executive Officer
Durham Region Home Builders' Association

Cc:
Domenic Chiodo, President, DRHBA
Nick Henley, Chair, GR Committee, DRHBA
DRHBA Membership

1-1255 Terwillegar Avenue, Oshawa, Ontario, L1J 7A4

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May 17, 2023

Kenneth Man,
Manager, Policy, Licensing and Business Services
City of Oshawa
50 Centre Street South
Oshawa, ON L1H 3Z7

RE: Residential Rental Housing Licensing Program

Durham Community Legal Clinic thanks the City for the opportunity to voice, once again, our objection to the R.R.H.L. Program.

DCLC provides housing-related legal services to low-income residents in both Oshawa and the greater Durham Region. We interact with renters every day and as such, are acutely aware of the current problems facing renters in Oshawa. Many of our clients have no choice but to rent poorly maintained or 'illegal' units. It is quite simply, all they can afford.

The concern with expanding the R.R.H.L. Program is that it will lead to higher rental rates and decrease the amount of existing rental stock. Landlords will pass along the fees or no longer make these units available rather than provide the required unit maintenance.

If this Program is expanded, it is our hope there will be a contingency plan to replace the loss of what little affordable housing there is in the City.

Sincerely,

Patrick Gillespie
Executive Director
Durham Community Legal Clinic

INFO-23-126

From: Paul Weidemann <M.F.I.P.P.A. Sec. 14(1)>
Sent: Thursday, May 18, 2023 11:22 AM
To: clerks <clerks@oshawa.ca>
Subject: Residential Rental Housing Licensing (RRHL) Program Feedback

Good morning,

I am writing to support the RRHL and would ask that this email be included as additional correspondence for today's meeting please.

I read through the attached correspondence from 2022 and many of the arguments against the RRHL highlight cost, red tape, driving investment away, and exacerbating a housing crisis.

To say it will drive investment away is a red herring. Property will be bought either way. With sufficient equity a rental property will cash flow. Mortgages are the largest cost component of a purchase. If the increase in interest rates over the past year - a significant and material cost - hasn't deterred investment, it is doubtful a small licensing fee will. If an investor is deterred from buying in Oshawa due to the RRHL fee, then a future resident will buy the home. Either way, a realtor will also still get their commission.

Clearly, the city is an attractive destination for development, especially after the recently passed provincial legislation mandating new builds. I would observe that the new developments in Oshawa are or almost completely sold out. Interestingly, other than Atria's new tower at 80 Bond, the new housing stock is comprised of single family homes and town homes. Developers are not building multi-unit rental stock anyways. One may point to the UC towers at Simcoe North, but those are condo's, not purpose built rental towers.

Furthermore, why shouldn't landlords be required to ensure minimum health, safety and maintenance standards and evidence compliance? Theirs is a business, it isn't "passive income". They are providing a service. They can choose the amount of equity they put down, with more equity reducing the mortgage and thus increasing cash flow. It just so happens many try to invest as little as possible. No one is forcing a landlord to buy an unprofitable property or hold it. What is often ignored by investors is that if they can no longer afford their purchase, they can choose to sell.

As for concerns over this fee exacerbating a housing crisis, it is telling that now over 20% of Ontario's properties are owned by investors, and over 40% of condos, per StatsCan data for 2020. Unless a landlord is a real estate developer, the properties they buy are already in existence and they haven't provided any new housing, except if they split an existing home. Even then, that isn't all rentals, and in that case, they should be required to ensure the new multi-unit is to code and also address parking to handle the increased density they created.

Much of the attached correspondence in today's Agenda states that landlords already have to comply with Fire Code, Electrical Code, Building Code, and zoning standards. Those codes tend to relate to construction and renovation. In practice, it is only to the extent a landlord is caught not complying that these are enforced. The onus is then on the tenant then to be aware, complain and enforce rights, when the power dynamics are already

against them given the housing crisis. If the landlord's properties all satisfy the standards as the correspondence from investors / real estate agents / property managers claim, what's the issue then with a small fee for an inspection to obtain a rental license for the privilege of owning a property and renting it out?

I stress that I know there are many good landlords that care in our city, and have well maintained properties. I acknowledge it must be frustrating for an existing landlord that does comply to have an extra cost, but if we do this across the city then it levels the playing field from herein out. And if a nominal cost renders an investment unprofitable, one wonders about a business operating so precariously.

With that said, I emphasize that I think the fees do need to be reasonable, and provided this is the case, I think the RRHL is a good way ensure landlords provide good quality and safe rentals in Oshawa while also giving tenants an avenue of enforcement outside of building codes and the beleaguered LTB.

Thank you,

Paul

Residential Rental Housing Licensing (R.R.H.L.) Policy Options

Option	Details	Benefits	Detractors	Cost Estimates
<p>Option “A” Rental Safety Audit Pilot Program (City-Wide)</p>	<p>Existing R.R.H.L. Program:</p> <ul style="list-style-type: none"> No expansion – maintain the current program in the existing R.R.H.L. Program area. Rental unit inspections will be conducted every two (2) years per the licence term of the R.R.H.L licence. <p>Rental Safety Audit (R.S.A.) Pilot Program:</p> <ul style="list-style-type: none"> The R.S.A. Pilot Program refers to the introduction of a rental inspection program where tenants can request free inspections for their rental units (city-wide). These inspections would involve staff from both Fire Services and Municipal Law Enforcement, who would confirm compliance with relevant Fire Code regulations and City by-laws. Adding an additional F.T.E. equal to one (1) temporary Municipal Law Enforcement (M.L.E.) Officer, one (1) temporary Licensing 	<ul style="list-style-type: none"> Dedicated staff available to respond to all requests for rental unit inspections. More nimble implementation than a city-wide expansion. Tenants would not face potentially downloaded R.R.H.L. Program fees, and no-charge inspections may attract more interest in ensuring rental units are safe. Thorough inspections and enforcement could help address the most common tenant, safety and property standards issues (e.g. waste and debris, pests, infestation, etc.). Flexibility to review the success of the pilot program at end of the period and make next step recommendations. Ability to collect information and have a 	<ul style="list-style-type: none"> The R.R.H.L. Program will remain only in the current defined rental area. The City is still relying on complaint-driven evaluations to ensure rental properties are meeting applicable City by-laws and Provincial regulations. The increased costs associated with administering the pilot program will be funded from the City’s property tax levy, as no inspection fees will be charged in order to encourage participation. Requires the hiring of temporary staff to offset the increased workload of 	<p>Estimated Annual Operating Cost:</p> <p>R.S.A: \$419,148</p> <p>Enhanced A.B.A. and Communications: \$31,800</p> <p>R.R.H.L.: \$329,838 (annual cost of a two (2) year licensing term)</p> <p>Estimated Annual Revenue: \$425,412 (annual revenue of a two (2) year licensing term)</p> <p>Estimated Initial One-Time Capital Cost: \$112,000</p> <p>Estimated Additional F.T.E. Required: Three (3) F.T.E.: <ul style="list-style-type: none"> One (1) temporary M.L.E. Officer </p>

Option	Details	Benefits	Detractors	Cost Estimates
	<p>Examiner, and one (1) temporary Fire Prevention Inspector to administer a rental inspection program where tenants can request free inspections for their rental units (city-wide).</p> <p>Proactive Two-Unit House Registration Enforcement:</p> <ul style="list-style-type: none"> • Introduce proactive two-unit enforcement project on a quarterly basis. <p>City-Wide Apartment Building Audits:</p> <ul style="list-style-type: none"> • Increase the number of Apartment Building Audits (A.B.A.) to four (4) projects (twelve (12) buildings) from two (2) projects (six (6) buildings). <p>Enhanced City-Wide Communications and Collaboration:</p> <ul style="list-style-type: none"> • Advertise the pilot R.S.A. Program through social media, the City website and other communication channels. • Mail out a targeted Landlord Brochure to promote increased compliance of rental property responsibilities (e.g. 	<p>better understanding of the safety and property maintenance issues facing renters.</p> <ul style="list-style-type: none"> • Enhanced communications including a Landlord Brochure will help provide landlords/property managers with key information regarding their rights and responsibilities they may not be aware of currently. • Ensure the current rental area remains stabilized, and the problems that existed there prior to 2008 do not return. • Continue to work with the real-estate community to educate about Two-Unit Registration and R.R.H.L. Program requirements. 	<p>administering the pilot program.</p>	<ul style="list-style-type: none"> • One (1) temporary Licensing Examiner • One (1) temporary Fire Prevention Inspector <p>Cost Recovery: Partially Recovered from Property Tax Levy</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<p>Property Standards, other health and safety regulations).</p> <ul style="list-style-type: none"> • Continue to mail out Tenant Information Guide and use the brochure to advertise the enhanced enforcement program. • Continue to engage the Durham Region Association of Realtors about Two-Unit Registration requirements and the R.R.H.L. Program. • Send a letter to the Minister of Public and Business Services, Minister of Municipal Affairs and Housing, and the Real Estate Council of Canada requesting that the location of two-unit houses be disclosed to municipalities. <p>Other Regulatory Considerations are detailed in Section 5.4 of Report SF-23-18.</p>			
<p>Option “B” Maintain Current R.R.H.L. Area</p>	<p>Existing R.R.H.L. Program:</p> <ul style="list-style-type: none"> • No expansion – maintain the current program in the existing R.R.H.L. area. Rental unit inspections will be conducted every two (2) 	<ul style="list-style-type: none"> • Enhanced communications including a Landlord Brochure will help provide landlords/property managers with key information regarding their 	<ul style="list-style-type: none"> • The R.R.H.L. Program will remain only in the current defined rental area. • No additional resources to address 	<p>Estimated Annual Operating Cost:</p> <p>Enhanced A.B.A. and Communications.: \$31,800</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<p>years per the licence term of the R.R.H.L licence.</p> <p>Proactive Two-Unit House Registration Enforcement:</p> <ul style="list-style-type: none"> • Introduce proactive two-unit enforcement project on a quarterly basis. <p>City-Wide Apartment Building Audits:</p> <ul style="list-style-type: none"> • Increase the number of A.B.A.s to four (4) projects (twelve (12) buildings) from two (2) projects (six (6) buildings). <p>Enhanced City-Wide Communications and Collaboration:</p> <ul style="list-style-type: none"> • Advertise the current R.R.H.L. Program through social media, targeted mailers, the City website and other communication channels. • Mail out a targeted Landlord Brochure to promote increased compliance of rental property responsibilities (e.g. Property Standards, other health and safety regulations). 	<p>rights and responsibilities they may not be aware of currently.</p> <ul style="list-style-type: none"> • Ensure the current rental area remains stabilized, and the problems that existed there prior to 2008 do not return • Continue to work with the real-estate community to educate about Two-Unit Registration and R.R.H.L. Program requirements. 	<p>tenant-related issues.</p> <ul style="list-style-type: none"> • Enhanced consumer protection for tenants is offered in only one area of the City. 	<p>R.R.H.L.: \$329,838 (annual cost of a two (2) year licensing term)</p> <p>Estimated Annual Revenue: \$425,412 (annual revenue of a two (2) year licensing term)</p> <p>Estimated Initial One-Time Capital Cost: N/A</p> <p>Estimated Additional F.T.E. Required: None – existing resources would be re-deployed</p> <p>Cost Recovery: Partially Recovered from Property Tax Levy</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<ul style="list-style-type: none"> • Continue to mail out Tenant Information Guide (city-wide). • Continue to engage the Durham Region Association of Realtors about Two-Unit Registration requirements and the R.R.H.L. program. • Send a letter to the Minister of Public and Business Services, Minister of Municipal Affairs and Housing, and the Real Estate Council of Canada requesting that the location of two-unit houses be disclosed to municipalities. <p>Other Regulatory Considerations are detailed in Section 5.4 of Report SF-23-18.</p>			
<p>Option “C” City-Wide R.R.H.L. Program Expansion by Ward</p>	<p>Existing R.R.H.L. Program:</p> <ul style="list-style-type: none"> • City-wide expansion by Ward – add an estimated nineteen (19) additional F.T.E. to administer a city-wide R.R.H.L. Program, requiring all rental units in the city to become licensed. Rental unit inspections will be conducted every two (2) years per the licence term of the R.R.H.L. licence. 	<ul style="list-style-type: none"> • The R.R.H.L. Program would exist throughout the city, offering improved health and safety and consumer protection for all tenants. • Would ensure a consistent approach to regulating various rental properties city-wide (e.g. consolidating Lodging 	<ul style="list-style-type: none"> • Complex implementation: hiring and training additional staff, locating all rental properties in the city, as well as implementing the Program and promoting compliance. 	<p>Estimated Annual Operating Cost: \$2,559,242</p> <p>Estimated Annual Revenue: \$2,683,818</p> <p>Estimated Initial One-Time Capital Cost: \$798,000</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<ul style="list-style-type: none"> • Consolidate Lodging House Licensing into the new city-wide R.R.H.L. Program. <p>Proactive Two-Unit House Registration Enforcement:</p> <ul style="list-style-type: none"> • Introduce proactive two-unit enforcement project on a quarterly basis. <p>Enhanced City-Wide Communications and Collaboration:</p> <ul style="list-style-type: none"> • Advertise the expanded R.R.H.L. Program through social media, targeted mailers, the City website and other communication channels. • Enhance communications and mail out a targeted Landlord Brochure to promote increased compliance of rental property responsibilities (e.g. Property Standards, other health and safety regulations). • Continue to mail out Tenant Information Guide. • Continue to engage the Durham Region Association of Realtors about Two-Unit 	<p>House Licensing and the R.R.H.L. program).</p> <ul style="list-style-type: none"> • A comprehensive and proactive licensing system would ensure that rental properties across the city are meeting applicable City by-laws and Provincial regulations. • Full cost recovery program. • Enhanced communications including a Landlord Brochure will help provide landlords/property managers with key information regarding their rights and responsibilities they may not be aware of currently. • Continue to work with the real-estate community to educate about Two-Unit Registration and R.R.H.L. Program requirements. 	<ul style="list-style-type: none"> • Significant number of additional staff and resources required. • Potential increase to rent of tenants if landlords choose to pass the licensing fees onto their tenants. • Would not initially be fully implemented – requires a multi-year implementation approach. 	<p>Estimated Additional F.T.E. Required: Nineteen (19) F.T.E.:</p> <ul style="list-style-type: none"> • One (1) Licensing Supervisor • Four (4) Fire Prevention Inspectors • Eight (8) Licensing Inspectors • Four (4) Licensing Examiners • Two (2) M.L.E. Officers <p>Cost Recovery: Full Cost Recovery Through Licensing Fees When Fully Implemented</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<p>Registration requirements and the R.R.H.L. Program.</p> <ul style="list-style-type: none"> Send a letter to the Minister of Public and Business Services, Minister of Municipal Affairs and Housing, and the Real Estate Council of Canada requesting that the location of two-unit houses be disclosed to municipalities. <p>Other Regulatory Considerations are detailed in Section 5.4 of Report SF-23-18.</p>			
<p>Option “D” City Wide R.R.H.L. Program Expansion by Building Stock</p>	<p>Existing R.R.H.L. Program:</p> <ul style="list-style-type: none"> City-wide expansion by Building Stock – add an estimated Nineteen (19) additional F.T.E. to administer a city-wide R.R.H.L. Program, requiring all rental units in the city to become licensed. Rental unit inspections will be conducted every two (2) years per the licence term of the R.R.H.L. licence. Consolidate Lodging House Licensing into the new city-wide R.R.H.L. Program. <p>Proactive Two-Unit House Registration Enforcement:</p>	<ul style="list-style-type: none"> The R.R.H.L. Program would exist throughout the city, offering improved health and safety and consumer protection for all tenants. Would ensure a consistent approach to regulating various rental properties city-wide (e.g. consolidating Lodging House Licensing and the R.R.H.L. program). A comprehensive and proactive licensing system would ensure that rental properties across the city are meeting 	<ul style="list-style-type: none"> Complex implementation: hiring and training additional staff, locating all rental properties in the city, as well as implementing the Program and promoting compliance. Significant number of additional staff and resources required. Provides less time for staff to scale up the City-Wide 	<p>Estimated Annual Operating Cost: \$2,559,242</p> <p>Estimated Annual Revenue: \$2,683,818</p> <p>Estimated Initial One-Time Capital Cost: \$798,000</p> <p>Estimated Additional F.T.E. Required: Nineteen (19) F.T.E.:</p> <ul style="list-style-type: none"> One (1) Licensing Supervisor

Option	Details	Benefits	Detractors	Cost Estimates
	<ul style="list-style-type: none"> • Introduce proactive two-unit enforcement project on a quarterly basis. <p>Enhanced City-Wide Communications and Collaboration:</p> <ul style="list-style-type: none"> • Advertise the expanded R.R.H.L. Program through social media, targeted mailers, the City website and other communication channels. • Enhance communications and mail out a targeted Landlord Brochure to promote increased compliance of rental property responsibilities (e.g. Property Standards, other health and safety regulations). • Continue to mail out Tenant Information Guide. • Continue to engage the Durham Region Association of Realtors about Two-Unit Registration requirements and the R.R.H.L. Program. • Send a letter to the Minister of Public and Business Services, Minister of Municipal Affairs and 	<ul style="list-style-type: none"> • applicable City by-laws and Provincial regulations. • Full cost recovery program. • Enhanced communications including a Landlord Brochure will help provide landlords/property managers with key information regarding their rights and responsibilities they may not be aware of currently. • Continue to work with the real-estate community to educate about Two-Unit Registration and R.R.H.L. Program requirements. 	<ul style="list-style-type: none"> • R.R.H.L. program as majority of staff and resources would be hired/acquired in the first two (2) years of implementation. • Potential increase to rent of tenants if landlords choose to pass the licensing fees onto their tenants. • Would not initially be fully implemented – requires a multi-year implementation approach. 	<ul style="list-style-type: none"> • Four (4) Fire Prevention Inspectors • Eight (8) Licensing Inspectors • Four (4) Licensing Examiners • Two (2) M.L.E. Officers <p>Cost Recovery: Full Cost Recovery Through Licensing Fees When Fully Implemented</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<p>Housing, and the Real Estate Council of Canada requesting that the location of two-unit houses be disclosed to municipalities.</p> <p>Other Regulatory Considerations are detailed in Section 5.4 of Report SF-23-18.</p>			
<p>Option “E” City Wide R.R.H.L. Program Expansion, Extended Licence Term, Class “A” Stock Only</p>	<p>Existing R.R.H.L. Program:</p> <ul style="list-style-type: none"> City-wide expansion for Class “A” rental housing stock only – add an estimated nine (9) additional F.T.E. to administer a city-wide R.R.H.L. Program, requiring all Class “A” rental units in the city to become licensed. Rental unit inspections will be conducted every two (2) or four (4) years per the licence term of the R.R.H.L. licence under the Compliance-Incentive Program. Consolidate Lodging House Licensing into the new city-wide R.R.H.L. Program. <p>Proactive Two-Unit House Registration Enforcement:</p>	<ul style="list-style-type: none"> The R.R.H.L. Program only for Class “A” rental housing stock would exist throughout the city, offering improved health and safety and consumer protection for a portion of tenants. Would ensure a consistent approach to regulating Class “A” rental properties city-wide (e.g. consolidating Lodging House Licensing and the R.R.H.L. program). A comprehensive and proactive licensing system would ensure that Class “A” rental properties across the city are meeting applicable City by-laws and Provincial regulations. 	<ul style="list-style-type: none"> The city-wide R.R.H.L. Program would not include Class “B” rental housing stock, excluding a portion of tenants from improved health, safety and consumer protection. Complex implementation: hiring and training additional staff, locating all rental properties in the city, as well as implementing the Program and promoting compliance. Additional staff and resources required. 	<p>Estimated Annual Operating Cost: Enhanced A.B.A...: \$11,800</p> <p>R.R.H.L.: \$1,210,913</p> <p>Estimated Annual Revenue: \$1,188,728</p> <p>Estimated Initial One-Time Capital Cost: \$399,000</p> <p>Estimated Additional F.T.E. Required: Nine (9) F.T.E.:</p> <ul style="list-style-type: none"> Two (2) Fire Prevention Inspectors Four (4) Licensing Inspectors

Option	Details	Benefits	Detractors	Cost Estimates
	<ul style="list-style-type: none"> • Introduce proactive two-unit enforcement project on a quarterly basis. <p>City-Wide Apartment Building Audits:</p> <ul style="list-style-type: none"> • Increase the number of A.B.A.s to four (4) projects (twelve (12) buildings) from two (2) projects (six (6) buildings). <p>Enhanced City-Wide Communications and Collaboration:</p> <ul style="list-style-type: none"> • Advertise the expanded R.R.H.L. Program through social media, targeted mailers, the City website and other communication channels. • Enhance communications and mail out a targeted Landlord Brochure to promote increased compliance of rental property responsibilities (e.g. Property Standards, other health and safety regulations). • Continue to mail out Tenant Information Guide. • Continue to engage the Durham Region Association 	<ul style="list-style-type: none"> • Compliance-Incentive Program rewards compliant landlords and provides a shorter licence term for landlords who require additional oversight. • Achieves the City-wide Licensing program for Class “A” rental housing stock with a less resource-intensive approach, e.g. staffing and fleet when compared to Options “C” and “D”. • Provides more time for staff to scale up the City-wide R.R.H.L. through a phased roll-out • Extended licence term reduces licensing fees borne by landlords • Enhanced communications including a Landlord Brochure will help provide landlords/property managers with key information regarding their rights and responsibilities they may not be aware of currently. 	<ul style="list-style-type: none"> • Four (4) year licence term extends the inspection frequency • Expanded R.R.H.L. program would not be full cost recovery, requiring funding from the City’s property tax levy. • Would not initially be fully implemented – requires a multi-year implementation approach. 	<ul style="list-style-type: none"> • Two (2) Licensing Examiners • One (1) M.L.E. Officers <p>Cost Recovery: Largely Cost Recovered Through Licensing Fees, Nominal impact to Property Tax Levy</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<p>of Realtors about Two-Unit Registration requirements and the R.R.H.L. Program.</p> <ul style="list-style-type: none"> Send a letter to the Minister of Public and Business Services, Minister of Municipal Affairs and Housing, and the Real Estate Council of Canada requesting that the location of two-unit houses be disclosed to municipalities. <p>Other Regulatory Considerations are detailed in Section 5.4 of Report SF-23-18.</p>	<ul style="list-style-type: none"> Continue to work with the real-estate community to educate about Two-Unit Registration and R.R.H.L. Program requirements. 		
<p>Option “F” City Wide R.R.H.L. Program Expansion, Extended Licence Term, Class “A” Stock and Class “B” Stock with Six (6) or fewer Dwelling Units</p>	<p>Existing R.R.H.L. Program:</p> <ul style="list-style-type: none"> City-wide expansion for Class “A” rental housing stock and Class “B” rental housing stock with 6 or fewer dwelling units – add an estimated nine (9) additional F.T.E. to administer a city-wide R.R.H.L. Program, requiring all Class “A” rental housing stock and Class “B” rental housing stock with 6 or fewer dwelling units in the city to become licensed. Rental unit inspections will be conducted every two (2) or four (4) years per the 	<ul style="list-style-type: none"> The R.R.H.L. Program for Class “A” rental housing stock and Class “B” rental housing stock with 6 or fewer dwelling units would exist throughout the city, offering improved health and safety and consumer protection for a portion of tenants. Would ensure a consistent approach to regulating Class “A” rental housing stock and Class “B” rental housing stock with 6 or fewer dwelling units (e.g. consolidating Lodging 	<ul style="list-style-type: none"> The city-wide R.R.H.L. Program would not include Class “B” rental housing stock with 7 or more dwelling units, excluding a portion of tenants from improved health, safety and consumer protection. Complex implementation: hiring and training additional staff, locating all rental properties in the city, 	<p>Estimated Annual Operating Cost: Enhanced A.B.A...: \$11,800</p> <p>R.R.H.L.: \$1,210,913</p> <p>Estimated Annual Revenue: \$1,273,553</p> <p>Estimated Initial One-Time Capital Cost: \$399,000</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<p>licence term of the R.R.H.L licence under the Compliance-Incentive Program.</p> <ul style="list-style-type: none"> Consolidate Lodging House Licensing into the new city-wide R.R.H.L. Program. <p>Proactive Two-Unit House Registration Enforcement:</p> <ul style="list-style-type: none"> Introduce proactive two-unit enforcement project on a quarterly basis. <p>City-Wide Apartment Building Audits:</p> <ul style="list-style-type: none"> Increase the number of A.B.A.s to four (4) projects (twelve (12) buildings) from two (2) projects (six (6) buildings) for apartments not subject to the R.R.H.L. Program. <p>Enhanced City-Wide Communications and Collaboration:</p> <ul style="list-style-type: none"> Advertise the expanded R.R.H.L. Program through social media, targeted mailers, the City website and other communication channels. Enhance communications and mail out a targeted 	<p>House Licensing and the R.R.H.L. program).</p> <ul style="list-style-type: none"> A comprehensive and proactive licensing system would ensure that Class “A” rental housing stock and Class “B” rental housing stock with 6 or fewer dwelling units across the city are meeting applicable City by-laws and Provincial regulations. Compliance-Incentive Program rewards compliant landlords and provides a shorter licence term for landlords who require additional oversight. Achieves the City-wide Licensing program for Class “A” rental housing stock and Class “B” rental housing stock with 6 or fewer dwelling units with a less resource-intensive approach, e.g. staffing and fleet. Provides more time for staff to scale up the City-wide R.R.H.L. through a phased roll-out. 	<p>as well as implementing the Program and promoting compliance.</p> <ul style="list-style-type: none"> Additional staff and resources required. Four (4) year licence term extends the inspection frequency. Would not initially be fully implemented – requires a multi-year implementation approach. 	<p>Estimated Additional F.T.E. Required: Nine (9) F.T.E.:</p> <ul style="list-style-type: none"> Two (2) Fire Prevention Inspectors Four (4) Licensing Inspectors Two (2) Licensing Examiners One (1) M.L.E. Officers <p>Cost Recovery: Full Cost Recovery Through Licensing Fees Following Full Implementation</p>

Option	Details	Benefits	Detractors	Cost Estimates
	<p>Landlord Brochure to promote increased compliance of rental property responsibilities (e.g. Property Standards, other health and safety regulations).</p> <ul style="list-style-type: none"> • Continue to mail out Tenant Information Guide. • Continue to engage the Durham Region Association of Realtors about Two-Unit Registration requirements and the R.R.H.L. Program. • Send a letter to the Minister of Public and Business Services, Minister of Municipal Affairs and Housing, and the Real Estate Council of Canada requesting that the location of two-unit houses be disclosed to municipalities. <p>Other Regulatory Considerations are detailed in Section 5.4 of Report SF-23-18.</p>	<ul style="list-style-type: none"> • Extended licence term reduces licensing fees borne by landlords. • Full cost recovery program. • Enhanced communications including a Landlord Brochure will help provide landlords/property managers with key information regarding their rights and responsibilities they may not be aware of currently. • Continue to work with the real-estate community to educate about Two-Unit Registration and R.R.H.L. Program requirements. 		

Notes:

- Option “A” involves the introduction of an entirely new program and staffing needs may need to be re-assessed in the future if this option is chosen, depending on how many inspection requests the City is receiving.

- Options “C”, “D” and “F” are full cost recovery, meaning the operational and staffing costs associated with the program are anticipated to be recovered entirely through licensing revenue, however Options “A”, “B” and “E” would be partially funded through the City’s property tax levy.
- Options “B”, “E” and “F” would re-prioritize M.L.E.’s existing enforcement activities to support an enhanced A.B.A. program.
- Under Options “C”, “D”, “E” and “F” workspace location for additional staff are undetermined at this time and would be considered at a later date should Council proceed with expansion.
- With Options “C” and “D”, the nineteen (19) new positions would be hired using a phased-in approach, and staffing needs would continually be re-evaluated based on program requirements and other fluid variables (e.g. increased rental housing stock)
- With Option “E” and “F”, the nine (9) new positions would be hired using a phased-in approach, and staffing needs would continually be re-evaluated based on program requirements and other fluid variables (e.g. increased rental housing stock)
- Cost recovery estimates were estimated based on one hundred per cent (100%) compliance (e.g. all rental properties paid licensing fees and required inspections).

What is the Residential Rental Housing Licensing (R.R.H.L.) Program?

A proactive and efficient tool to address minimum standards of health, safety, and property maintenance to protect tenants.

The R.R.H.L. Program does not regulate standards governed by the Residential Tenancies Act (R.T.A.) (e.g. rent, landlord tenant disputes, tenancy agreements, and evictions).

What Does the R.R.H.L. Check?

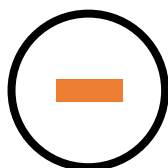
All Properties are inspected for:

- ✓ Compliance with City By-laws (e.g. property maintenance standards)
- ✓ Compliance with Fire Code and Building Code
- ✓ Compliance with Electrical Safety Code
- ✓ Compliance with Zoning By-law (e.g. land use and parking requirements)
- ✓ Appropriate Insurance

Consultation and Feedback Received

In 2022, the City undertook a robust public and industry consultation regarding to the potential city-wide expansion of the R.R.H.L. Program.

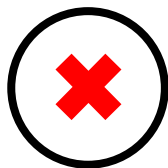
Results from the consultation period and feedback received at the May 18, 2023 Safety and Facilities Services Committee meeting present the following themes:



Members of the public who did not identify as a tenant or landlord are split on their preference to expand the R.R.H.L. Program city-wide



Tenants are in favour of expanding the R.R.H.L. Program city-wide



Residential Property Managers and Landlords are against expanding the R.R.H.L. Program city-wide

What are the Licensing Classes and Fees?

Class “A” – Individually-Owned Dwelling Units

(e.g. single and semi-detached dwellings, townhouses, condo units, etc.)

- Application Fee: \$75
- Base Fee: \$250
- Per Bedroom Fee: \$75

Class “B” – Multi-unit Dwellings Under Single Ownership

(e.g. Apartment Buildings and Townhouse Complexes with a single owner, etc.)

- Application Fee: \$75
- Base Fee: \$250
- Per Dwelling Unit Fee:
 - 0 to 25: \$400
 - 26 to 50: \$600
 - 51 to 75: \$800
 - 76 to 100: \$1,000
 - Every 25+: \$200

Fee Examples – 2 Year Licence



Class “A” – 1 Bedroom Condo Unit

\$400 for a 2 Year Licence
\$16.66 / month



Class “A” – 4 Bedroom House

\$625 for a 2 Year Licence
\$6.51 / month / bedroom



Class “B” – Large Apartment Building (76-100 Units)

\$1,325 for a 2 Year Licence
\$0.55 - \$0.73 / month / unit

Fee Examples – 4 Year Licence

New for Options “E” and “F”



Class “A” – 1 Bedroom Condo Unit

\$400 for a 4 Year Licence
\$8.33 / month



Class “A” – 4 Bedroom House

\$625 for a 4 Year Licence
\$3.26 / month / bedroom



Class “B” – Small Apartment Building

3 Units: \$725 for a 4 Year Licence
\$5.04 / month / unit

6 Units: \$725 for a 4 Year Licence
\$2.52 / month / unit

What are the Proposed Options for the R.R.H.L. Program?

Presented
May 18, 2023

New Options
Presented
September 18, 2023

Details	Option "A"	Option "B"	Option "C"	Option "D"	Option "E"	Option "F"
Option Description	Complaint Pilot Program	Maintain Existing R.R.H.L.	City-wide Expansion	City-wide Expansion	City-wide Expansion	City-wide Expansion
R.R.H.L. Expansion			By Ward	By Stock	Phased Approach	Phased Approach
Rental Housing Stock	Class "A" Class "B"	Class "A" Class "B"	Class "A" Class "B"	Class "A" Class "B"	Class "A"	Class "A" Class "B" with ≤ 6 units
Licence Term	2 Years	2 Years	2 Years	2 Years	2 or 4 Years	2 or 4 Years
Compliance-Incentive Program					✓	✓
Rental Safety Audit (R.S.A.) Pilot Program (City-wide)	✓		Not Applicable	Not Applicable	Not Applicable	Not Applicable
Expansion of Apartment Building Audit (A.B.A.) Projects ²	✓	✓	Not Applicable	Not Applicable	✓	✓
Introduction of Quarterly Two-Unit Enforcement Projects (City-wide)	✓	✓	✓	✓	✓	✓
Enhanced Communication and Collaboration	✓	✓	✓	✓	✓	✓
Other Regulatory Considerations	✓	✓	✓	✓	✓	✓
Initial One-Time Capital Cost ¹	\$112K	N/A	\$798K	\$798K	\$399K	\$399K
Annual Cost ¹	\$781K	\$362K	\$2.559M	\$2.559M	\$1.223M	\$1.223M
Annual Revenue ¹	\$425K	\$425K	\$2.684M	\$2.684M	\$1.189M	\$1.274M
Additional Staff	3 F.T.E.	N/A	19 F.T.E. ³	19 F.T.E. ³	9 F.T.E. ³	9 F.T.E. ³
Cost Recovery	No ⁴	No ⁴	Yes ⁵	Yes ⁵	No ⁶	Yes ⁷

- Notes:**
1. Cost and revenues are estimated with noted assumptions and limitations
 2. Applies to apartment buildings not subject to the R.R.H.L.
 3. Additional F.T.E.s hired with phased-in approach, staffing needs would continually be re-evaluated
 4. Partially covered by the Property Tax Levy
 5. Full cost recovery through licensing fees once expanded R.R.H.L. Program fully implemented
 6. Largely cost recovered through licensing fees, nominal impact to Property Tax Levy
 7. Full cost recovery through licensing fees following expanded R.R.H.L. Program full implementation

What is the Compliance-Incentive Program?

The Compliance-Incentive Program **rewards compliant landlords** by providing a longer licensing term, and requiring a shorter licence term for landlords that need additional oversight.

