

TORONTO STAFF REPORT

May 17, 2004

To: Planning and Transportation Committee

From: Paula M. Dill, Commissioner, Urban Development Services

Subject: Public Disclosure of Violations in Multi-unit Residential Properties in Toronto
All Wards

Purpose:

To report on an implementation plan for a system for public disclosure of all violations information in multi-unit residential buildings in Toronto.

Financial Implications and Impact Statement:

The total cost of planning and implementing a public disclosure system is estimated at \$307,000. The project will take approximately six to nine months, with anticipated completion in spring, 2005. Funds in the amount of \$150,000 were to be allocated to an internet pilot for the IBMS project in the Urban Development Services' 2004 Capital Budget. A report recommending approval for the reallocation of the approved 2004 Capital Budget expenditures is before your Committee concurrently with this report. It is proposed that \$150,000 be allocated to this project, and the internet pilot project be deferred to 2005. The remaining \$157,000 of the cost of this project will be requested through the 2005 Budget Process.

The Chief Financial Officer and Treasurer has reviewed this report and concurs with the financial impact statement.

Recommendations:

It is recommended that:

- (1) Council approve the public disclosure system proposed in this report;
- (2) Funds in the amount of \$150,000 for the project be redirected from the internet pilot project, as approved in the Urban Development Services 2004 Capital Budget, with an additional \$157,000 to be included in the 2005 UDS budget submission;
- (3) Staff post notices of common area violations in a prominent location in multi-unit residential buildings pursuant to the Building Code Act;

- (4) Staff report back on service implications and activity levels one year after full implementation; and
- (5) The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Background:

Apartments account for about one-half of Toronto's dwelling units and 49 per cent of the population are renters. There are 454,430 units in 3,590 rental apartment buildings in Toronto. Very few purpose-built rental units have been constructed in recent years and the number of rental units has dropped significantly between 1996 and 2001 (Profile Toronto: Renewed Housing Demand, No. 2, Sept. 2003, Toronto Urban Development Services Policy and Research). The reduction in the number of rental units is accompanied by concerns about the state of the ageing stock and the need to ensure that the health and safety of tenants is protected. At its meeting of January 27, 28, 29, 2004, Council adopted, in principle, a framework strategy to ensure that privately owned, multi-unit residential buildings are maintained in accordance with the provisions of the Toronto Municipal Code. The key goal of the strategy was to develop a licensing system for either apartment buildings or owners, which would, in turn, allow for the development of a funded, pro-active model of maintenance inspections. The other components of the strategy included the development of a protocol for the enforcement of property standards, the development of a call centre, and the development of a web disclosure system for public information on violations in multi-unit residential buildings. Council requested that staff report back separately on various parts of the strategy and on the applicability of the initiatives to apartment buildings other than those privately owned, such as condominiums, public housing and not-for-profit housing. The reports on the development of a call centre and the possible licensing of either apartment buildings or owners will be prepared for a future meeting of the Committee – pending further discussions around the '311' system and action by the Province regarding the removal of a regulation which currently prohibits the licensing of apartment buildings.

This report outlines the necessary steps, resources, costs, budget implications and consultations necessary to implement a public disclosure system – including access to the necessary information through the web, telephone or in person. A public disclosure system will provide easily accessible information for existing tenants about violations in their buildings. It will also provide a new service for prospective tenants and allow them to become more informed customers when looking for an apartment. The public disclosure of information on violations may also act as an additional tool towards compliance on violations.

Comments:

A variety of public disclosure systems are currently in place throughout North America for the purpose of providing information to the public. The City of Toronto has a food inspection disclosure system titled, 'Dinesafe' which is available on the web, by telephone and through the mandatory posting of notices on food premises. Currently, information on violations of property standards (or other by-laws) is only available to in-situ tenants concerning their own units while information on common area violations is available to tenants upon request.

A comprehensive multi-unit residential buildings disclosure system gives consumers easy access to pertinent information about violations of property standards and other by-laws that are enforced by Municipal Licensing and Standards (MLS). The disclosure system can include any private, public, or not-for-profit building where MLS has investigated a complaint and issued Notices or Orders for compliance. The information would allow existing and prospective tenants to make informed choices about where they rent as well as provide an additional incentive towards compliance with Toronto's Municipal Code. Information on violations issued against individual units will need to be referred to collectively with no personal identifiers, so as not to violate the Municipal Freedom of Information and Protection of Privacy Act. The information should be accessible directly from Municipal Licensing and Standards through telephone requests, the City website, and over-the-counter at area offices. Information on violations in common areas may also be posted in a prominent location in the apartment building, since this is where most existing and prospective tenants will first be made aware of violations in the subject building.

In addition to information on violations, the website will provide an important opportunity to provide more information on property standards, by-law requirements and related information to the public. Copies of maintenance request forms, protocols for the enforcement of by-laws, brochures, etc. can all be easily read and downloaded from the website. In addition, members of the public will be able to use the proposed website to log a complaint online.

Disclosure System Features

1. Weekly Reports and Internet Posting	
Description	Rationale
a) lists all multi-unit residential buildings that have been issued a Notice or Order for violations of Toronto's Municipal Code	a) makes information currently available to in-situ tenants available to all of the public
b) includes descriptions of violation(s) and date for compliance	b) informs public of action taken
c) lists all premises that have since complied with Orders, and	c) motivates landlords to achieve compliance, and
d) includes information on appeals against Property Standards Orders	d) keeps complainants up to date on appeals

2. Additional Public Access to Information about Violations in Multi-Unit Residential Buildings	
Description	Rationale
<ul style="list-style-type: none"> a) makes information available by telephone, website or over-the-counter at MLS area offices b) provides general information about property standards, and c) provides information about enforcement programs and initiatives 	<ul style="list-style-type: none"> a) gives broad range of access to information b) provides information for tenants or potential tenants, Rental Housing Tribunal, mortgagees, insurers, etc. c) provides on-line complaint forms for the public, and d) allows frequently asked questions to be posted on the website (to educate the public, tenants and landlords and to reduce the demand on MLS staff)

3. Posting of Violations in a conspicuous place for public viewing in multi-unit residential buildings	
Description	Rationale
<ul style="list-style-type: none"> a) lists the building name and address of the premises b) provides the date of the inspection and the violations for which a Notice or Order has been issued in the common areas of the building and will collectively identify violations in units c) gives the date of compliance on the above d) includes notice of appeals of Orders, and e) provides an internet address, telephone number and fax number for laying complaints and inquiries to MLS 	<ul style="list-style-type: none"> a) provides information to those most affected by violations b) identifies the deficiencies that were noted in the building and may collectively identify violations in units (with no further personal identifiers) c) provides a reference point for compliance d) provides information on the status of Orders, and e) gives clear actions that tenants can take if they are concerned about maintenance or other issues in the specific premises

A number of program elements are critical to a successful and meaningful public disclosure system: sound and consistent inspection and disclosure criteria, appropriate quality control measures, adequate information technology, public education, and convenient public access to violations data.

A) Standardization of Inspection and Enforcement Policies and Procedures

Standardized inspection and enforcement policies and protocols are vital to the success of the new disclosure system. Notices and Orders issued under the Toronto Municipal Code must be based on the same fair, objective and consistent criteria.

Operational policies are currently being reviewed and an inspection checklist is being developed for use in multi-unit residential buildings. The checklist will be field-tested and revised accordingly; the operational policies will be posted on the Intranet site of MLS and training for MLS management staff and property standards officers will be provided on any new and/or amended policies and protocols.

B) Responding to Complaints

The current system for enforcement of Property Standards in multi-unit residential buildings is to respond to complaints – most of which come from either tenants or neighbours. Complaints are assessed on a priority basis with health and safety complaints receiving the highest priority and the quickest response. Issues such as West Nile virus or seasonal temperature changes can influence the number of complaints received and these varying volumes will also have an impact on response times. In addition, the overall number of complaints received by MLS has grown by 15 percent in the last three years. This is balanced by concerns that many tenants may not use the complaints system due to barriers related to language, culture or out of fear of retaliation from their landlord - leading to unsatisfactory living conditions and, often more expensive solutions once the problem is revealed. A further report on the licensing of apartment buildings or owners will also address these issues in terms of pro-active inspections and/or building condition audits. Revenues obtained from licensing will be used to fund the additional resources required to implement enhanced inspection services.

C) Quality Assurance

Standardized policies and procedures, applied in a consistent manner, are key to the success of the new disclosure system. Quality assurance (QA) measures may take the form of:

- a) periodic review of records and reports;
- b) periodic follow-up of telephone calls made by management to complainants and landlords where an inspection has occurred;
- c) random field audits by management either as a joint inspection with the officer or a follow-up inspection; and
- d) a client satisfaction survey of complainants, landlords and the public after one year's full implementation

The existing database system will be reviewed to identify further Quality Assurance measures that can be taken to ensure consistency and accuracy in data capture.

D) Adequate Information System

In addition to the enhancements of the existing database, a key component will be data verification of the existing records to ensure that information has been consistently entered and is verifiable. This will assist in the determination of any necessary changes to the 'folders' or 'fields' in the system and assist staff in recommending a 'point-forward' date for all violations data being posted. A further review of the system has as its goal the simplification and improvement of the reporting qualities of the IBMS system, for these types of inspection results.

Many components of the new disclosure system will rely on a properly designed and maintained information system. It is also anticipated that an intermediary database will be developed between the existing IBMS system and the actual website to ensure security. The system will be designed to:

- 1) Ensure the public can easily access a website that runs on the City's internet server 24 hours a day. Compared to other means of disseminating information to the general public (TV, radio, mailings, print) a website is much more economical and the information can be kept up-to-date relatively easily;
- 2) Establish links with the City's website so that violations information can be uploaded directly to the internet without duplicate data entry; and
- 3) Provide the capacity for future licensing of apartment buildings or owners.

E) Public Education and Convenient Public Access to Violations Data

The development of the disclosure system will necessitate a careful examination of information to ensure compliance with the Municipal Freedom of Information and Protection of Privacy Act and to reduce any potential liability for the City. Further consultations on the functionality of the website, posted information, etc. will also be conducted with both landlord and tenant groups. The posting of information on violations is a new customer service which will be available to the public through a number of channels – web, telephone and over-the-counter. The proposed new website will have the same 'look' and functionality as the 'Dinesafe' model currently in place for food premises inspections. The public will be able to learn more about the by-laws, protocols, brochures, reports, factsheets, records of violations, etc. and be able to make complaints online. A further report on the licensing of either apartment buildings or owners will address the potential for the development of a 'class' or rating system, which could also be made available to the public. All of these components will need to be conveyed to the public through a communications campaign. As a result, resources have been identified to carry out 'stress' tests on the new website in order to better manage initial and peak loads, which may prove substantial with this new customer service.

F) Resources and Timelines

The creation and delivery of a web disclosure system, similar in look and functionality to the 'Dinesafe' system, will take approximately six to nine months to accomplish and require significant resources, in terms of existing staff and additional expenditures. Approximately 30.5

person-months have been identified as necessary, based on the 'Dinesafe' website development experience. The availability of project staff will be dependent on other projects being completed or changes in timelines and deliverables being negotiated to accommodate this new priority. Dependent on these variables, it is possible to commence the project in July with an anticipated completion date of Spring 2005. While hardware costs are minimal, there is an expectation that additional software and licensing agreement costs will be incurred. Lastly, there will be some costs associated with the necessary 'stress' test, which must be run on the system to ensure its viability and ability to sustain surges in customer traffic.

The identified costs are as follows:

Data conversion/integration/interface and clean-up	\$ 60,000
Web Development/IT Project Mgmt	\$145,000
Software	\$ 10,000
Hardware	\$ 10,000
Infrastructure upgrades/licensing and stress testing	\$ 82,000
Total project costs	\$307,000

Conclusions:

The proposed public disclosure system will inform the public where there are violations of Toronto's Municipal Code in multi-unit rental residential buildings and promote greater compliance with the by-laws. Current and past violations results will be publicly available through a variety of means including the web, telephone, and over-the-counter. Copies of Notices or Orders will also be posted in a conspicuous place of the subject buildings for public viewing, with adequate provisions to ensure the privacy of individual tenants. This system can be made applicable to private, public and not-for-profit multi-unit rental residential buildings.

The disclosure system will use standardized policies and procedures for inspection and enforcement that are clearly understood by the public and consistently applied by Municipal Licensing and Standards staff. Training and communication of policy directives to Divisional staff will be developed as part of this initiative along with the establishment of quality assurance mechanisms to ensure these are consistently interpreted and applied. Consultation with the stakeholder groups will review the content of the proposed disclosure system - which is being modelled on the 'Dinesafe' project for food premises inspections. A communications program will be developed to raise awareness about maintenance issues as well as the additional customer services being offered to the public.

The initial start-up costs total \$307,000 and the project will require 30.5 person-months over an approximate nine month period for completion. Dependent on the availability of project staff, we anticipate beginning this project in July 2004 with a projected completion date of Spring 2005.

This report has been reviewed by Legal Services and they concur with its recommendations.

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