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Proposed Multi-Residential Rental Building Licence

Tenant Issues Committee

Wednesday, February 24, 2016

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Municipal Licensing & Standards

- June 26, 2014: L&S Committee directed ML&S to review the feasibility of licensing landlords in Toronto
- June 25, 2015: L&S Committee directed ML&S to report on potential measures to encourage compliance with Property Standards by-laws relating to rental properties, including a Live Safe (Rent Safe) program
- June 25, 2015: L&S Committee requested ML&S to report on regulatory options for ensuring safe and adequate rental housing in Toronto, including next steps and consider whether a standard of rental properties with 6 units or greater is appropriate for a licensing regime.
- July 7, 2015: City Council directed ML&S to report on a cost recovery model for the MRAB program

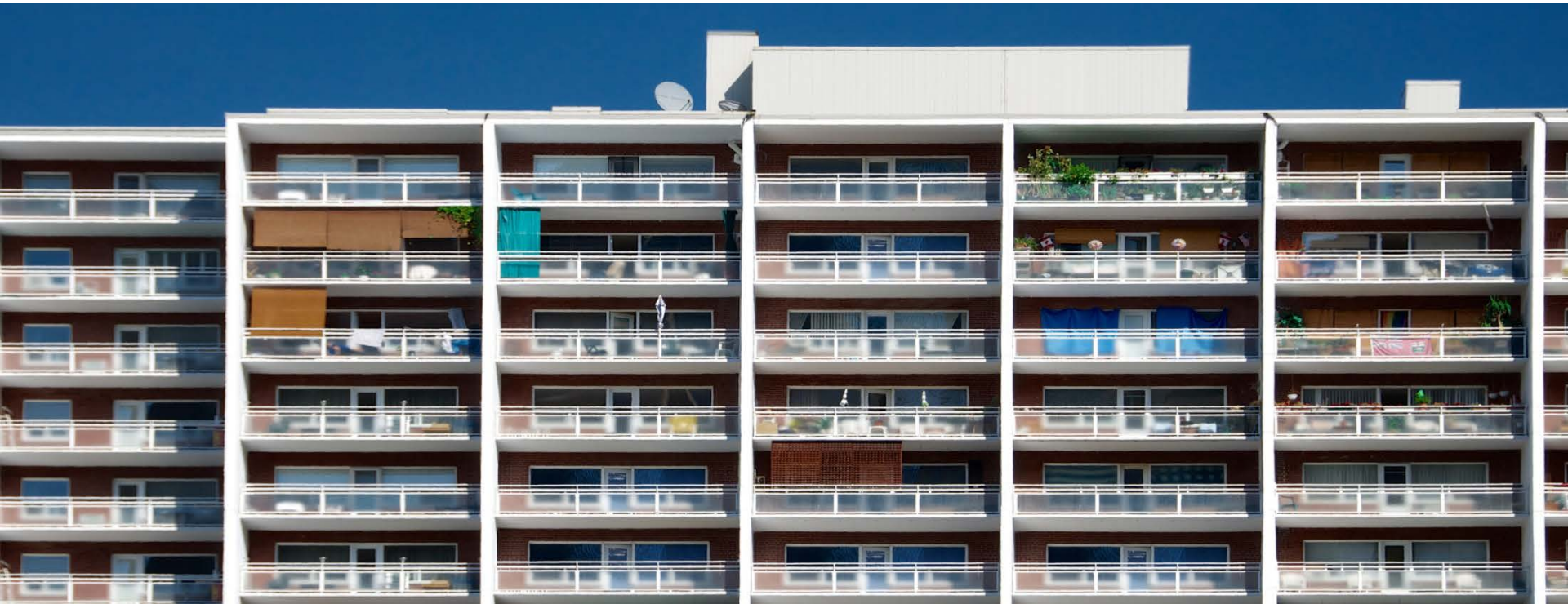
- Multi-Residential Apartment Building Audit and Enforcement Program was established in December 2008 to ensure compliance with the following municipal By-laws;
 - Chapter 629, Toronto Municipal Code – Property Standards By-law
 - Chapter 447, Toronto Municipal Code – Fences
 - Chapter 485, Toronto Municipal Code – Graffiti
 - Chapter 489, Toronto Municipal Code – Grass and Weeds
 - Chapter 548, Toronto Municipal Code – Littering and Dumping of Refuse
- Since starting in 2008, 1077 buildings have been audited and over 4500 orders issued identifying over 58,000 deficiencies

Introducing a licensing requirement for multi-residential properties would enable the City to further enhance the current requirements a multi-residential rental property would need to comply with and would;

- Clearly stipulate landlord/property owner obligations
- Ensure minimum property standards are met and maintained
- Increase by-law compliance
- Increase oversight by the City through annual inspections
- Assist in the identification and early intervention of life safety risks
- Improve communications for tenants of their rights and responsibilities
- Increase oversight by other regulatory bodies such as TSSA, ESA, and Enbridge

Scope of Licence

- 10 units or more and 3 storeys or higher
- Purpose-built apartment buildings
- Excludes houses (i.e. secondary suites, etc.), condominiums, cooperatives
- Approx. 3300 buildings in the City





- Every tenant deserves a safe, secure and decent place to live
- To assist tenants in making fully informed decisions regarding rental properties, we will be making improvements in;
 - Communications
 - Reporting mechanisms, including the website so that all orders are easily accessible and understandable
 - Tenant awareness
 - Increased stakeholder engagement, education and outreach

Landlord Requirements:

Notification Plan

Includes requirements to notify tenants of service disruptions, outstanding City orders, and a centrally located posting board for all notifications

Service Request Process

Provide tenants with information on how to submit service requests and have a process in place for receiving and tracking of tenant requests.

Waste Management Plan

Indicate whether waste is collected by the City or private contractor, and if by the City a waste diversion plan is required.

Maintenance Plan

Includes both interior and exterior maintenance. Also includes pest management plan, snow removal/de-icing plans, and maintenance of mechanical systems (i.e. heating, elevators).

Cleaning Plan

Includes regular cleaning schedule of all common areas (both interior and exterior).

State of Good Repair Capital Plan

Develop and file a Capital Repair Plan.

Toronto Fire Inspection/Certification

Up to date inspections and no outstanding orders.

Electrical Safety Authority Inspection/Certification

Clearance document required.

Technical Standards and Safety Authority Inspection/Certification

Clearance documents for elevating devices and gas powered heating systems.

Enbridge Inspection/Certification

Clearance document for fuel fired appliances.

Property Owner Information

Contact information of the owner and their representative for the residential rental property must be provided to the City.

Description of Property

Includes address, year built, type of construction, number of floors, number of units, and estimated number of occupied units.

Description of Common Elements

Includes information on heating systems, cooling systems, elevators, fire alarms, sprinklers, windows, security systems, amenities (i.e. pool, gym, storage), parking structures, laundry facilities, and other mechanical systems not listed.

Certificate of Insurance

Provide proof of insurance to the City.

Annual Inspections

Walk through by ML&S Officer of common areas of all multi-residential rental properties.

Licensing Fee:

- Payment of a per unit, annual licence fee. City-owned assets will be exempt from fee (currently TCHC). Staff are consulting on other potential exemptions.
- Preliminary estimates indicate a \$12 to \$15 per rental unit annually.
- Fee help offset the costs of:
 - General administration of program
 - Annual inspections by the City
 - Audit and enforcement where deficiencies identified
 - Tenant education, communication and outreach
- % of program would be taxpayer supported (City-owned assets)
- Even though an annual licence fee would not be applied to City-owned assets – these buildings would still need to comply with all other aspects of the licensing requirements.

- Key objective is to gain compliance not to seek monetary penalties.
- MSOs have the necessary tools they can rely on to gain compliance including having the necessary remedial work done to rectify the deficiencies.
- In terms of non-compliant landlords with respect to licensing – monetary penalties would be applied, we cannot close down apartment buildings or de-house residents.
- The only time when a resident would have to vacate their apartment would be in situations where there is an immediate life safety concern and orders are issued by either Toronto Fire Services or Toronto Building directing the vacating of the unit.
- The maximum fine amount under the City of Toronto Act is \$100,000.00

February 24, 2016

Receive feedback from Tenant Issues Committee and the public on proposal to licence multi-residential rental properties

May 19, 2016

Report to L&S Committee, recommending that a Multi-Residential Rental Property Licence be developed for implementation in January 2017

Summer 2016

Public and stakeholder consultation and draft licensing bylaw

August/September 2016

Report to Tenant Issue and L&S Committee with draft Licensing By-law

January 2017

First phase of licensing begins

Questions ?

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