

Planning & Housing Committee 2020 Dec 08

Amendments to Chapter 354, Apartment Buildings, and Progress Update on RentSafeTO

PH10.4 (Oct 29, 2019 – Planning & Housing Committee)

The Executive Director, Municipal Licensing and Standards recommends that:

- 1. City Council amend City of Toronto Municipal Code, Chapter 354, Apartment Buildings, as follows:
 - a. Require landlords to display a copy of the building evaluation result document, received by the City following their last evaluation, on the tenant notification board, and provide copies to any persons who request it.

Amendments to Chapter 354, Apartment Buildings, and Progress Update on RentSafeTO

PH10.4 (Oct 29, 2019 – Planning & Housing Committee)

- Highlights of the RentSafeTO program are (from report page 1):
 - As of October 2019, a total of 3,446 buildings have registered with the City.
 - In the first year of the program, staff evaluated 3,420 registered buildings. A total of 68 buildings did not pass evaluations, and were subject to an audit.
 - In the second year of the program, staff re-evaluated 1,801 of the lowest scoring buildings from the first year. A total of 18 buildings did not pass evaluations and were subject to an audit.
 - Buildings scored an average of <u>12 percent higher</u> in the second year of the program compared to the first year.

Supplementary Report - Amendments to Chapter 354, Apartment Buildings & Progress Update on RentSafeTO PH10.4a (Nov 25, 2019 – directly to City Council)

Rating System

The Planning and Housing Committee recommended MLS create a rating system similar to the City's "Dinesafe" program that requires landlords to post a colour-coded sign that displays the City's rating of an apartment building in a prominent, publicly identifiable location, along with posting the same information on the RentSafeTO website.

City staff did not recommend an evaluation system similar to DineSafe. Instead, City staff recommended landlords be required to post the results of their evaluations on the tenant notification board, which is accessible to building tenants and visitors. It is also recommended that landlords be required to provide the results of the evaluation to any tenants, including both existing and prospective tenants. Individual building scores will also be available online. These recommendations ensure that tenants and prospective tenants are made aware of building evaluations.

Supplementary Report - Amendments to Chapter 354, Apartment Buildings & Progress Update on RentSafeTO PH10.4a (Nov 25, 2019 – directly to City Council)

City staff have assessed the feasibility of the request to create a rating system similar to DineSafe. This would require classifying the ratings as a colour-coded system, and staff note that there are considerations and challenges in implementing such a rating system.

Posting a sign visible from the outside of a building, provides neighbours and community members with information on the evaluation score of a building. Staff note that labelling apartment buildings with a red or yellow colour-code rating (which is associated with failure or higher-risk conditions) may be confusing as it may seem that the building is uninhabitable. As well, posting a colour coded sign that is visible from the outside of a building may cause stigmatization of the tenants who have homes there. This type of program could disproportionately stigmatize low-income individuals and families.

Supplementary Report - Amendments to Chapter 354, Apartment Buildings & Progress Update on RentSafeTO PH10.4a (Nov 25, 2019 – directly to City Council)

Staff recommend that the City require landlords to display a copy of the building evaluation result document, received by the City following their last evaluation, on the tenant notification board, and provide copies to any persons who request it, in order to ensure that tenants are aware of the evaluation grade.

City Council November 26-27, 2019, adopted the following

13. City Council direct the Executive Director, Municipal Licensing and Standards to create a rating system similar to the City's "Dinesafe" program that requires landlords to post a colour-coded sign that displays the City's rating in a prominent, publicly identifiable location, along with posting the same information on the RentSafe website, and report to the Planning and Housing Committee in the first quarter of 2020.

RentSafeTO (Apartment Building Standards): Colour-coded Rating System, By-law Amendments, and Program Updates PH19.6 (Nov 24, 2020 – Planning & Housing Committee)

Creation of an Apartment Building Rating System

City Council directed staff to create a rating system for apartment buildings under the RentSafeTO program, similar to the City's DineSafe program administered by Toronto Public Health for food premises. Council also directed that this new system require apartment building owners/operators to post a colour-coded rating sign that displays the City's rating in a prominent, publicly identifiable location, along with posting the same information on the RentSafeTO website (toronto.ca/rentsafeto).

Based on this direction, staff have developed a proposed rating system that requires apartment building owners/operators to display a colour-coded rating sign with the RentSafeTO evaluation score.

Apartment Building Rating System

- a. Require apartment building owners and operators to post a rating sign in a form satisfactory to the Executive Director, Municipal Licensing and Standards, displaying the evaluation score of the apartment building near the entrance and in a prominent location visible from the outside the apartment building to those entering or passing by the apartment building.
- Require apartment building owners and operators to ensure the rating sign is well-maintained, secured, and posted at all times.

Proposed Rating System Approach

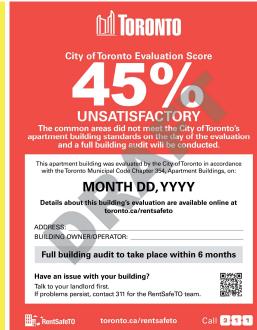
SCORE	NEXT STEP	RATING SIGN COLOUR	# OF BUILDINGS	% OF BUILDINGS
50% and below	Building to receive full audit	Red	30	1%
51% to 65%	Building to be evaluated in 1 year	Yellow	373	11%
66% to 85%	Building to be evaluated in 2 years	Light Green	2,521	73%
86% and above	Building to be evaluated in 3 years	Dark Green	523	15%

Draft Rating Signs









PH19.6 (Nov 24, 2020 – Planning & Housing Committee) (report page 9)

Potential Challenges

During public consultation, there was support for using red signs to indicate that a building has failed their evaluation. However, there are concerns that the use of red may mislead people to believe that their building is closed, dangerous or uninhabitable. There are also concerns around the potential stigma that tenants may experience living in a low-scoring building that receives a red or yellow sign – particularly when placed in a prominent location.

PH19.6 (Nov 24, 2020 – Planning & Housing Committee) (report page 14)

Stigmatization: Some tenants expressed concern that the issuance of a yellow or a red rating sign will cause stigmatization and feeling of embarrassment among tenants who may not have a choice to live elsewhere. This was highlighted to be a particular concern if the rating signs are visible from the street.

PH19.6 (Nov 24, 2020 – Planning & Housing Committee)

Implementation

- Phase One
 - Required to post the signs prominently near the entrance of the building by June 1, 2021.
- Phase Two
 - Through 2021 staff reviewing and redesigning the evaluation 'tool' and will modify what is inspected, and apply a weighting to categories. Expect implementation in 2022.

Purpose?

- Annual improvement since program started
 - Results not perfect, but not sliding backwards
 - Current data: 88% satisfactory or better
- Staff did not recommend this
 - Highlight potential stigmatization, especially of low income families
- Not at all like choosing a place to have a quick meal
 - Moving yourself and children is not simple, often not an option
- Visible from street for neighbours and commuters to see?
 - How does this help the families that live in the building
 - Potential residents will do their due diligence before this major expense
 - Not a hotel star rating system

Suggestion

- Allow staff to complete their redesign, and implementation of the new evaluation process
- Allow staff to prequalify contractors to do remedial work when negligent owners refuse ... this has been very successful in the past with immediate results
- This is the opportunity to improve low scoring buildings in a meaningful way, without the collateral damage of stressing and stigmatizing families