A New Regulatory Framework for Multi-tenant Houses (MTH)

Planning and Housing Committee





June 28, 2021

Multi-tenant houses are...

- single-room accommodation with shared kitchen and/or washroom
- one of the most affordable options in the private rental market
- homes for diverse communities
- an important part of the housing stock and complete communities





Existing regulations for MTH

- zoning, which sets out where the use is permitted, and what land use standards apply
- licensing, which ensures that they are safe and wellmaintained
- outdated and inconsistent across the city
- under appeal (zoning)

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Map of permitted areas for multi-tenant houses in Zoning By-law 569-2013 (Rooming House Overlay)







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Issues today

- despite lack of zoning permissions, MTH exist across the city
- MTH cannot be licensed if they are not permitted by zoning
- unlicensed and illegal MTH can result in inadequate and unsafe living conditions for tenants, and property maintenance and nuisance concerns for communities
- a need for affordable housing, but opportunities are inequitable across the city
 - Former City Boundary

 Data obtained from MLS, Onestep and RMS
 Date range of the report is 2015-01-01 to 2019-04-29 for all inspection files, violations, legal files and incidents
 Date of last inspection implies an inspection file was opened in the above timeframe



Safe and well-maintained houses are only achievable through effective regulation

- affordable and livable housing choices in all neighbourhoods
- safe and well-maintained housing that meets the needs of tenants
- property maintenance and nuisance concerns are addressed to meet the needs of communities
- equitable and fair permissions across the city, consistent with a human rights-based approach to housing







1. City-wide Zoning Strategy

- Permitted in all zones that permit residential uses
- Maximum number of dwelling rooms to control intensity of use
- Consistent and harmonized definitions
- Parking and washroom requirements based on number of rooms



Maximum number of dwelling rooms would be **6 dwelling rooms** in most residential neighbourhoods.



2. Enhanced Licensing Framework

New licensing by-law with increased standards and reviews for compliance across related rules

Updated definition of multi-tenant house	Property standards plan	Floor plans and maximum occupancy numbers	Electrical evaluations
Zoning review	Building Code compliance confirmation	New Multi-Tenant Housing Tribunal	Regulatory oversight framework for personal care MTH



3. Compliance and Enforcement Program

Coordinated, inter-divisional and dedicated resources will take action to promote safe and liveable houses

Collaboration	Education and Outreach	Compliance Strategy	Enforcement Strategy
Dedicated Municipal Licensing and Standards (MLS) enforcement team along with Toronto Fire Services, Toronto Building, Toronto Public Health and other divisional staff as needed.	Identify unlicensed operators and notify them of bylaw requirements; provide education and support for tenants, operators, owners and communities on the process to submit a complaint.	Annual inspections of licensed multi-tenant houses and investigations of unlicensed operators.	Increased fines, modernized housing tribunal and remedial action.



4. Supporting Tenants and Maintaining Housing Affordability

Concerns

Recommendations

 Options to comply with OBC and Fire Code Financial incentive program for operators to offset costs 	
 Proactive planning for emergency relocations and potential displacements 	
 Acceleration of discussions with post-secondary institutions to develop affordable student housing on/near campuses 	



5. Implementation Plan

City is developing an overall implementation plan and phased approach to ensure a smooth and orderly transition to a new framework

<u>Year 1</u> Sep 2021 – Nov 2022

- Dedicated enforcement team
- Project management team
- Tribunal
- System changes
- Building code consultant
- Post-secondary opportunities

<u>Year 2</u> Nov 2022 – Nov 2023

- Zoning / licensing in effect
- Education and outreach
- Focus on enforcement for high-risk operators
- Transition licensed
 operators
- Identify and transition unlicensed operators
- Monitoring any displacement

<u>Year 3</u> Nov 2023 +

- Focus on licensing new operators
- Monitor impacts on housing affordability, communities and tenants

5. Implementation Plan: Financial Impact Analysis

No financial implication this year

Financial impacts in the future as the program is phased in MLS projects that implementation costs will be \$4,359,605

Includes implementation for licensing and enforcement Toronto Fire Services projects implementation costs of \$1,775,790

Potential annualized impact on the operating budget in 2022 and 2023 Divisions will request funding for implementation in their respective budgets

> 2022 and 2023 operating budget processes





