

A New Regulatory Framework for Multi-tenant Houses

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To: Planning and Housing Committee

From: Chief Planner and Executive Director, City Planning;

Executive Director, Municipal Licensing and Standards;

Executive Director, Housing Secretariat;

Executive Director, Toronto Building;

Acting Fire Chief and General Manager, Toronto Fire Services; and

Medical Officer of Health

Wards: All

SUMMARY

The City of Toronto's quality of life, economic competitiveness, social cohesion, and its balance and diversity depend on current and future residents being able to access and maintain adequate, affordable and appropriate housing. This is critical now more than ever as the City is experiencing an affordable housing crisis that has been exacerbated due to the impacts of COVID-19.

This report proposes the creation of a comprehensive city-wide regulatory framework for multi-tenant houses, one of the most affordable forms of housing, to respond to calls for deeply affordable and safe housing in all parts of the city. The framework uses a human rights lens and ensures regulatory oversight to protect tenant life safety and create liveable, well-maintained and affordable places to live that are part of complete communities. Multi-tenant houses are an important part of the housing stock in the city, and have provided affordable housing in Toronto for more than a century.

Current zoning and licensing by-laws for multi-tenant houses are fragmented and have not been harmonized since amalgamation. The most current zoning regulations in the city-wide zoning by-law, 569-2013, remain un-harmonized and under appeal. Zoning only permits multi-tenant houses in the former City of Toronto and parts of the former City of Etobicoke, and former City of York. The zoning regulations and definitions for the use also vary across the different zoning by-laws.

Due to this lack of harmonization, people continue to operate unlicensed multi-tenant houses throughout the city, to meet demand. Residents are seeking affordable housing options where they work and have community ties, even if they are not permitted or in some cases are not safe. Unlicensed operations can result in inadequate and unsafe living conditions for tenants, as well as nuisance issues and wider community safety

concerns for neighbours. The pathway to achieving safe, liveable and affordable multi-tenant houses starts with the recognition of these multi-tenant houses in zoning and licensing by-laws, which then enables regulatory oversight and effective enforcement. This recognition improves City zoning by-laws and reduces the risk of human rights violations and discriminatory actions.

The need and demand for safe and affordable multi-tenant houses cannot be ignored. There are opportunities to broaden the permission for this use in a manner that is sensitive to community concerns, local context, and characteristics. The proposed regulatory framework aims to balance the need for this type of affordable housing, the ability of the City to protect tenants and neighbours from unsafe living conditions, and reflect a sensitivity to the local context.

The report presents a comprehensive city-wide regulatory framework using a human rights-based approach, outlining the need for this affordable housing option city-wide and incorporating feedback from tenants, students, neighbours, operators, the public and other stakeholders. It also provides a financial impact analysis of the proposed framework.

Human Rights-Based Approach

All orders of government have recently taken steps to apply a human rights lens to the development of housing legislation, policies and programs. In June 2019, the federal government enacted legislation which declared that it is the policy of the Government of Canada to recognize that the right to adequate housing is a fundamental human right affirmed in international law. As part of the HousingTO 2020-2030 Action Plan the City adopted a new Housing Charter with a specific principle that states "All residents have a right to a home in a complete community with equitable access to a range of opportunities to live, work, learn and play". The proposed framework seeks to permit this affordable housing choice in all parts of the City and ensure they are operated safely for the benefit of tenants and their neighbours.

The Ontario Human Rights Commission (OHRC) states that municipalities not only have a responsibility to zone for land use and not people, they must "also take steps to apply a human rights lens to decisions that could result in the loss of affordable housing." The OHRC identifies multi-tenant houses as one form of affordable housing. It explicitly cites multi-tenant house zoning and regulations that act to reduce availability of affordable housing as an example of a municipal decision that may result in the loss of affordable housing. The Commission also states that unless municipalities take steps to mitigate the effects of this type of a decision on people who identify with Ontario Human Rights Code grounds (e.g. age, place of origin, family status and several other grounds), they may be at risk of human rights complaints.

The proposed framework aims to comply with federal, provincial and City policies related to human rights and housing.

Housing Affordability

Multi-tenant houses is one of the most affordable forms of housing in the city. According to an October 2020 report from the Maytree Foundation, the average market rent for a bachelor apartment in Toronto in 2019 was \$1,148. While rents for multi-tenant homes vary across the city, they are generally between \$400 to \$700 for a room. In 2018, the most recent year the City's Street Needs Assessment was undertaken, 33 percent of people counted were recipients of Ontario Works (OW) and 21 percent were recipients of the Ontario Disability and Support Program (ODSP). The monthly housing benefit for an individual on OW is \$390 and \$497 for an individual on ODSP. This shows that over 50 percent of shelter users can only afford rent in shared accommodations such as multi-tenant houses. Before the COVID-19 pandemic, it cost approximately \$3000 per month to support an individual in a shelter. This cost has since doubled. The report outlines that without the availability and an increase of safe, affordable and accessible options like multi-tenant houses city-wide, not only will Torontonians continue to suffer due to homelessness or unsafe living conditions, but it will cost all governments millions of dollars annually in shelter costs and housing allowances.

Public and Stakeholder Consultations

Since 2014, the City has held a number of public and stakeholder consultations on multi-tenant houses. In 2014, City Planning and Municipal Licensing and Standards (MLS) launched a multi-tenant house review to identify issues and opportunities related to multi-tenant houses in Toronto. Over the summer of 2017, City staff undertook public and stakeholder consultations on a proposed zoning approach for five pilot areas and licensing strategy as part of the second phase of the multi-tenant house review.

In November 2020, staff were directed to conduct city-wide public and stakeholder engagement on the new proposed regulatory framework. Public consultation was conducted in April and May 2021. City staff invited the public and key stakeholders from across the City to provide feedback on the proposed regulatory framework through the following initiatives:

- Two virtual community meetings held on May 4 and May 11, 2021.
- Eleven virtual workshops with key stakeholder groups, such as tenants, students, owners and operators of multi-tenant houses, post-secondary institutions, ratepayer associations and housing-related organizations.
- A questionnaire that could be completed online or by phone.
- A Do-it-Yourself (DIY) Consultation Toolkit and grant program to encourage community groups to hold their own virtual workshop or consultation.

The feedback received from past and present consultations informed this report, the recommended zoning by-law amendments, and a new regulatory framework for multi-tenant houses.

Proposed Regulatory Framework

City staff reported to the Planning and Housing Committee on November 17, 2020 with preliminary recommendations on the proposed regulatory framework, and is reporting back with final by-law recommendations on the proposed framework after conducting

consultations. This report summarizes the following components of a proposed regulatory framework:

1. City-wide zoning standards that permit the use consistently and enable equal access to multi-tenant houses across the City;
2. Enhanced multi-tenant operator licensing requirements to promote health and safety;
3. A strategic inter-divisional enforcement and compliance program that will ensure effective enforcement of non-compliant operators;
4. Initiatives to support tenants and maintain affordability of housing; and
5. A phased implementation to launch the new framework over a three-year period.

1. City-wide Zoning

This report recommends zoning by-law amendments for a harmonized approach to multi-tenant houses. The zoning amendments would establish city-wide permissions for multi-tenant houses, as well as introduce new, harmonized definitions for "multi-tenant house" and "dwelling room" that are consistent with the proposed licensing by-law. Zoning regulations would set a maximum number of rooms that would vary by zone; a minimum parking standard, depending on proximity to transit, and a minimum number of washrooms.

From a planning perspective, there is no rationale to prohibit multi-tenant houses as a residential use on a geographic basis. City-wide zoning permissions for multi-tenant houses are necessary to implement licensing of multi-tenant houses city-wide and will enable more effective regulatory oversight by City staff. The recommended zoning by-law amendments include an in-force date of November 1, 2022, to fit within the overall implementation plan for the multi-tenant house regulatory framework.

The proposed zoning by-law amendments will replace zoning regulations adopted by Council on May 9, 2013 for rooming houses as part of the city-wide Zoning By-law 569-2013. City Council did not harmonize zoning regulations for rooming houses at that time. The un-harmonized zoning regulations adopted in 2013 remain under appeal.

2. New Multi-tenant House Licensing By-law

City staff are proposing the introduction of a new multi-tenant house licensing by-law. The proposed by-law will replace the existing fragmented by-laws, apply across the City wherever zoning permits, and introduce a number of harmonized and enhanced standards.

In conjunction with Toronto Public Health, MLS is also bringing forward proposed standards for personal care multi-tenant houses under the new by-law, in order to improve health and safety conditions for tenants and also support enforcement against non-compliant operators. Personal care multi-tenant houses are affordable housing options that provide support services beyond a typical multi-tenant house.

3. Enforcement and Compliance Strategy

This report outlines a four-pillared approach to a multi-tenant house compliance enforcement strategy. The strategy seeks to address the challenges of compliance among operators, neighbourhood nuisance issues, and the promotion of health and safety standards for tenants. This approach is a collaborative effort between MLS, Toronto Fire Services, Toronto Building, Toronto Public Health, and Housing Secretariat. MLS is also leveraging its experiences in delivering the RentSafeTO program through a dedicated team and proactive inspections. The four pillars are:

- Inter-divisional strategic enforcement efforts, with an expanded and dedicated MLS team, along with support from other divisions deployed as needed;
- Education and outreach to unlicensed operators, tenants, and communities;
- Compliance strategy including annual inspections of licensed multi-tenant houses and data-driven investigations of unlicensed operators; and
- Enforcement strategy that will include increased maximum fines, a modernized Multi-Tenant House Licensing Tribunal, and undertaking remedial action where appropriate to ensure by-law compliance.

4. Housing Affordability and Student Housing Proposals

Tenants of multi-tenant houses are often marginalized and vulnerable, and can include households with very low income, seniors on fixed incomes, immigrants, and students. Without the affordable housing offered through multi-tenant houses, many tenants could find themselves homeless and potentially end up utilizing the shelter system, as they may need to stay in their current communities to be close to employment, social services, school, and/or their support networks, including ethno-cultural community networks, but are unable to find or afford a self-contained home.

To assist non-profit and private multi-tenant house operators in complying with the enhanced licensing requirements around fire and life safety, the Housing Secretariat is developing a Multi-Tenant Housing Renovation and Retrofit Program. The goal of the program is to work with operators to offset the costs of compliance to maintain housing affordability for the tenant. Program elements include:

- A combination of grants and fee exemptions in exchange for negotiated and guaranteed affordability periods;
- Contributions towards funding for renovations to meet Ontario Building Code, Ontario Fire Code and accessibility upgrades; and
- Contribution agreement signed outlining affordable rent levels and conditions if home is sold.

Full details on the grant amount and program details such as eligibility will be determined during the first implementation phase in partnership with Toronto Building.

As part of the HousingTO 2020-2030 Action Plan the City has committed to approving 40,000 new rental homes by 2030. Work is underway to achieve this goal. A component of this commitment is to meet the housing needs of students. The multi-tenant house consultations highlighted the need to accelerate this goal to improve student safety and improve neighbourhood relations. Licensed multi-tenant houses will likely still play a role

in student housing options but at lower occupancies than what are currently being observed to ensure safety. During the first phase of implementation the Housing Secretariat will work with post-secondary institutions to identify sites on or near campuses to build new affordable housing and better meet the housing needs of students. Considerations will also include affordable student housing plans as part of overall campus secondary plan development.

5. Phased Implementation Plan

City staff recommend adopting a phased and multi-year approach:

Year 1: Laying the Foundation (September 2021 – November 2022)

In Year 1, the implementation will include expansion of a dedicated MLS enforcement team; establishment of an inter-divisional Project Management Team; the launch of a new multi-tenant house licensing system; and preparation for a new Multi-Tenant House Licensing Tribunal. In addition, staff will launch a focused education and outreach strategy; engage with community partners to mitigate tenant displacement; and seek partnerships with post-secondary institutions to identify sites on or near campuses to develop affordable housing.

Toronto Building will also hire a Building Code consultant to identify alternative options for operators to achieve compliance with the Ontario Building Code and Ontario Fire Code as applicable; and the Housing Secretariat will develop a new Multi-tenant Housing Renovation and Retrofit program to provide financial incentives to operators.

Year 2: Launch of New By-laws with a Focus on Existing Operators (November 2022 – November 2023)

The zoning by-law and licensing by-law will come into effect November 1, 2022 (if the zoning by-law is appealed to the Local Planning Appeal Tribunal, then the date that it comes in force could be delayed). City staff will focus on transitioning existing licensed operators to the new requirements, as well as existing unlicensed multi-tenant houses that have been issued Notices of Violations or Charges. City staff will also identify and enforce against high-risk operators that pose a risk to health and safety of tenants or are the subject of a significant number of community complaints. Concurrently, the Housing-at-Risk sub-group will work with identified operators to mitigate tenant displacement.

Year 3: Focus of Licensing to New Operators (November 2023 – November 2024)

The third phase of implementation will focus on outreach to new operators to apply for licences. This phased approach to focusing on different groups will ensure that staff resources are first dedicated to bringing existing operators into compliance. This third phase will also include ongoing monitoring of impacts on housing affordability.

Throughout all three phases, City staff will take a tenants and communities-first approach that:

- Promotes safe, affordable, and liveable houses for tenants;
- Identifies high-risk operators;
- Takes enforcement actions to address immediate risks to life and safety;
- Works with operators to ensure compliance; and

- Mitigates negative impacts on neighbourhoods and third parties.

This report was developed by City Planning, Municipal Licensing and Standards, Housing Secretariat, Toronto Public Health, Toronto Fire Services and Toronto Building. Legal Services, Court Services, and Shelter, Support, and Housing Administration were consulted in the development of the report.

RECOMMENDATIONS

The Chief Planner and Executive Director, City Planning, Executive Director, Municipal Licensing and Standards, Executive Director, Housing Secretariat, Executive Director, Toronto Building, Acting Fire Chief and General Manager, Toronto Fire Services, and Medical Officer of Health recommend that:

1. City Council enact zoning by-law amendments substantially in accordance with Attachments 1 and 2.
2. City Council authorize the City Solicitor to make such stylistic and technical changes to each zoning by-law amendment as may be required.

New multi-tenant house licensing by-law

3. City Council direct that, effective November 1, 2022, a new by-law titled Toronto Municipal Code Chapter 575, Multi-tenant Houses, be established substantially in the form attached as Attachment 4 and in accordance with City Council's decision to adopt the by-law.

4. City Council repeal former City of Toronto Chapter 285, Rooming Houses, and former City of Etobicoke Chapter 166, Lodging Houses effective November 1, 2022.

Definitions

5. City Council direct that the new by-law include the following definitions:

MULTI-TENANT HOUSE –

(1) A building with four or more multi-tenant house rooms, inhabited or intended to be inhabited by persons who do not live together as a single housekeeping unit.

For the purposes of this definition of a multi-tenant house, a “multi-tenant house room” is a room that:

- (a) Is used or intended to be used for living accommodation and is used or intended to be used as a bedroom;
- (b) Is available for rent; and
- (c) May include a bathroom or kitchen facilities for the exclusive use of the room's occupant but does not include both.

(2) A building located within the area bounded on the north by Dundas Street West, on the east by Dufferin Street and the rail lines, on the South by Lake Shore Boulevard West and on the west by Roncesvalles Avenue, where:

(a) The building is a converted house as defined in former City of Toronto General Zoning By-law No. 438-86;

(b) The building contains more than three dwelling units;

(c) The average floor area of the dwelling units is less than 65 square metres; and

(d) One or more dwelling units are intended to be used in return for remuneration.

For the purposes of this definition of a multi-tenant house, a "dwelling unit" is living accommodation for persons living together as a single housekeeping unit, in which both food preparation and sanitary facilities are provided for the exclusive use of the occupants of the unit.

(3) A student fraternity or sorority house with four or more bedrooms, inhabited or intended to be inhabited by students who are members of an active chapter of a bona fide national or international student fraternity or sorority.

For the purposes of this definition of a student fraternity or sorority house, a "bedroom" is a room that:

(a) Is used or intended to be used as a bedroom; and

(b) May include a bathroom or kitchen facilities for the exclusive use of the room's occupant but does not include both.

(4) A multi-tenant house does not include:

(a) Residential premises licensed or similarly approved of by the Government of Ontario or the Government of Canada;

(b) Shelters operated by or on behalf of the City or a City agency which provide short-term emergency accommodation and associated services;

(c) Student housing operated by a college or university;

(d) Co-operative student residences owned or leased by a non-profit, non-share corporation and providing housing accommodation on a co-operative basis; or

(e) Hotels or motels.

OPERATOR — A person who owns or controls the business of operating a Multi-Tenant House.

PERSONAL-CARE MULTI-TENANT HOUSE – A multi-tenant house where personal-care services are provided.

PERSONAL-CARE SERVICES –

(1) Services provided to tenants including but not limited to furnished multi-tenant house rooms, 24-hour urgent care response, safe storage and access to prescribed drugs, meals and snacks, personal laundry and opportunity to participate in social and/or recreational activities.

(2) Personal-care services do not include services provided by a regulated health professional

URGENT SERVICE REQUEST - Any tenant service request related to the discontinuance of the following vital services:

(1) Fuel;

(2) Electricity;

(3) Gas;

(4) Heat; and

(5) Hot or cold water.

Multi-tenant house licensing

6. City Council direct that no person operate without the appropriate licence and that all operators operate in compliance with the chapter, their licence, and any conditions added to their licence.

7. City Council direct that when a completed application to renew a licence has been provided to the Executive Director, MLS, the existing licence does not expire until a final decision on the licence renewal has been made and the operator shall maintain their existing licence in good standing including remaining responsible for the operation of the multi-tenant house in compliance with the chapter at all times.

8. City Council direct that the following two licence categories be established for multi-tenant houses:

(1) Type A: Multi-tenant house (which is not a personal-care multi-tenant house);
and

(2) Type B: Personal-care multi-tenant house.

9. City Council direct that the term of a multi-tenant house licence be 12 months unless otherwise provided for in the chapter, and that each operator must renew their licence each year by submitting a renewal application.

10. City Council require that an applicant for an initial licence provide the following information to the Executive Director, MLS, as part of their application, and that the

Executive Director determine what an applicant must submit as part of a licence renewal application:

- (1) The name and contact information of the operator;
- (2) The address of the property where the multi-tenant house is located;
- (3) The name and contact information of the property owner;
- (4) For multi-tenant houses that contain 10 or more multi-tenant rooms or dwelling units on first applying for a licence under this chapter, or for any multi-tenant house where required by the Executive Director, proof of an electrical evaluation by a licensed electrical contractor or qualified person; logs of service; and/or a certificate of inspection from the Electrical Safety Authority that confirms the multi-tenant house complies with the Ontario Electrical Safety Code;
- (5) Proof of compliance with zoning when applying for an initial licence and a statement confirming no change to such compliance on renewal where appropriate;
- (6) Plans showing: compliance with the Ontario Fire Code; the exterior and interior layout of the premises; the maximum number of tenants to be provided with living accommodation; and the processes for waste management, property management, tenant service requests and pest management;
- (7) For Personal-care multi-tenant houses, the name and contact information for the person-in-charge and proof of the qualifications of the operator and their staff to ensure the proper care of tenants, including educational requirements and background checks.
- (8) For Personal-care multi-tenant houses, a safety plan that describes the measures and procedures that are in place to protect the health and safety of the tenants in a form satisfactory to the Medical Officer of Health;
- (9) For Personal-care multi-tenant houses, a personal care plan that describes how the operator will manage tenant admissions and tenant care in a form satisfactory to the Medical Officer of Health;
- (10) The application or renewal fee for the licence set out in Chapter 441, Fees and Charges; and
- (11) Any other information as required by the Executive Director, MLS, or the Medical Officer of Health.

11. City Council direct that on receipt of a complete application, the operator, MLS, provide notice to the tenants of the multi-tenant house by posting the notice of application on the notice board in the multi-tenant house.

12. City Council direct that upon submission of a complete application, the Executive Director, MLS, may cause an inspection to be made of the multi-tenant house by any

authority having jurisdiction to determine whether the multi-tenant house complies with all applicable law, including the Ontario Fire Code and Ontario Building Code.

13. City Council direct that the Executive Director, MLS, may issue a licence for a multi-tenant house where:

(1) The licence application is complete and in compliance with the chapter, including the payment of any required fee; and

(2) The required inspections have been completed and the results provided to the Executive Director, MLS, indicate that the premises complies with the applicable by-laws and laws, including the Ontario Fire Code and the Ontario Building Code.

14. City Council direct that the Executive Director, MLS, may refuse an application for a licence where:

(1) The operator has not met one or more of the requirements under the chapter or one of more of conditions on their current licence;

(2) The operator has not complied with the chapter or applicable law, including the Ontario Fire Code and the Ontario Building Code;

(3) The licence applicant or the operator has provided information in an application or by other means that is false or misleading;

(4) The operator has not paid any fee to be paid under the chapter;

(5) The operator has not paid any fine or court awarded costs resulting from a legal proceeding related to the chapter;

(6) The operator has not complied with any prohibition or other court order resulting from any legal proceeding related to the chapter;

(7) The operation of the multi-tenant house:

(a) Would put the public safety at risk; or

(b) Is not or will not be carried on in compliance with the law.

(8) The conduct of the operator (including, in the case of partnership, the conduct of its partners, employees or agents or in the case of a corporation, the conduct of its officers, directors, employees or agents) affords reasonable grounds for belief that the operator will not operate the multi-tenant house in compliance with the law or with honesty or integrity.

15. City Council direct that where the Executive Director, MLS, refuses an application for a licence, notice shall be provided to the applicant together with the reasons for the refusal.

16. City Council direct that an applicant may appeal a refusal of an application to the Multi-Tenant House Licensing Tribunal by filing an appeal in a form satisfactory to the Multi-Tenant House Licensing Tribunal to the tribunal by no later than 30 days from the date of the refusal.

17. City Council direct that where an applicant appeals a refusal of an application to the Multi-Tenant House Licensing Tribunal, the Tribunal will schedule a hearing, notifying applicant and the Executive Director, MLS who will provide the Tribunal with the refusal on receiving the notice.

18. City Council direct that the Executive Director, MLS may, at any time, refer a licence application or a licence to the Multi-Tenant House Licensing Tribunal with a recommendation that the licence be refused, revoked, suspended or continued with conditions, and that the referral include the reasons for that recommendation.

19. City Council direct that where an applicant appeals a refusal or a recommendation from the Executive Director, MLS, is referred, the Multi-Tenant House Licensing Tribunal will preside over a hearing, after giving notice to the applicant or licence holder and the Executive Director, MLS, where the Multi-Tenant House Licensing Tribunal, and render decisions based on the evidence presented in accordance with the Tribunal's Procedure By-law and the Statutory Powers Procedure Act and may:

- (1) Uphold the recommendation of the Executive Director, MLS;
- (2) Issue (with or without conditions), refuse, suspend or revoke the licence; or
- (3) Add conditions to the licence.

20. City Council direct that the Tribunal be authorized to attach conditions to a licence including, but not limited to requiring the operator to:

- (1) Comply with by-laws or other laws or legal requirements and provide proof of such compliance;
- (2) Pay a fine or other court awarded costs resulting from a legal proceeding related to this chapter and to provide proof of such payment;
- (3) Comply with a prohibition or other court order resulting from a legal proceeding related to the chapter and to provide proof of such compliance;
- (4) Supply additional information on convictions under federal or provincial legislation or periodic updates of such convictions or both to the Executive Director, MLS;
- (5) Supply information to verify evidence given at their hearing; or
- (6) Ensure that the persons operating a multi-tenant house do so in compliance with the law and with honesty and integrity.

21. City Council direct that the Multi-Tenant House Licensing Tribunal shall have regard to the following matters when relevant, as may be raised at a hearing:

- (1) The chapter and other applicable law;
- (2) Circumstances and facts raised by the evidence of the parties;
- (3) If the operation of the multi-tenant house puts or could put public safety at risk;
- (4) If the operation of the multi-tenant house is or will be carried on in compliance with the law; and
- (5) If the conduct of the operator (including, in the case of a partnership, the conduct of its partners, employees or agents or in the case of a corporation, the conduct of its officers, directors, employees or agents) affords reasonable grounds for belief that the operator will not operate the multi-tenant house in compliance with the law or with honesty or integrity.

22. City Council direct that the Executive Director, MLS, may revoke a licence with no refund where:

- (1) The licence has been issued in error; or
- (2) The licence has been issued as a result of inaccurate, misleading or otherwise incorrect information provided by the applicant.

And the Executive Director, MLS, shall give notice to the Operator of the revocation.

23. City Council require that an operator must notify the Executive Director, MLS, at least 90 days in advance of a change in operator with the new operator applying for a new licence while the existing operator maintains the multi-tenant house in compliance with the chapter in the interim.

24. City Council direct that no licence under the chapter shall be transferred.

25. City Council direct that all operators of Multi-Tenant Houses:

- (1) Only use, rent or permit the use or rent of a multi-tenant house or dwelling unit in compliance with the chapter and applicable law;
- (2) Repair and maintain the multi-tenant house in compliance with the chapter;
- (3) Ensure that the operator responds immediately on inquiries about the operations of the multi-tenant house;
- (4) Maintain a notice board which posts conspicuously in the multi-tenant house documents as required by the Executive Director, including updated copies of the licence, contact information in the case of emergencies, and up-to-date plans submitted as part of their most recent application;

(5) Comply with the most recent plans approved as part of the operator's application; and

(6) Maintain records of all electrical work done at the multi-tenant house and all work demonstrating compliance with the most recent plans approved as part of the operator's application.

Ending operations

26. City Council direct that unless otherwise required by law (including decisions of the Multi-Tenant House Licensing Tribunal), if an operator is ending their operation of a multi-tenant house, an operator shall:

(1) Submit to the Executive Director, Housing Secretariat, for their approval, a transition plan at least 210 days in advance of ending operations;

(2) On receiving approval of a transition plan from Executive Director, Housing Secretariat, deliver to each tenant a written notice at least 180 days in advance indicating the date on which operations will end; and

(3) If a tenant, so requests, take reasonable steps to find appropriate alternate accommodation for the tenant and meet all Residential Tenancy Act requirements.

27. City Council direct that a transition plan of an operator of a multi-tenant house shall include:

(1) A statement that the operator intends to end operations;

(2) The date on which the operator intends to end operations;

(3) The operator's reasons for ending operations;

(4) A description of how the operator intends to use the building after ending operations;

(5) The date by which the operator will give each tenant written notice of the date on which operations will end;

(6) A list of alternate accommodation that may be available to tenants; and

(7) A list of community organizations that may be affected by the end of operations.

Personal-Care Multi-Tenant Houses

Operators, person-in-charge, and staff

28. City Council direct that an operator of a personal-care multi-tenant house, or, when the operator is a corporation, each director of the corporation, meet the following minimum qualifications, and on application and when requested by the Executive Director, provide documentation satisfactory to the Executive Director, MLS, that they:

- (1) Are least 18 years of age;
- (2) Hold an Ontario Secondary School Diploma (OSSD), or evidence of equivalent standing as determined by the Minister of Education;
- (3) Have three years employment experience in work comparable to the administration of personal-care multi-tenant houses; and
- (4) Have undergone a Vulnerable Sector Screening that meets the Screening Criteria.

29. City Council direct that a person-in-charge of a personal-care multi-tenant house meet the following minimum qualifications, and on application, renewal, or any time the person-in-charge changes, provide documentation satisfactory to the Executive Director, MLS, that they:

- (1) Are at least 18 years of age;
- (2) Have current CPR and first aid training, as set out by the Medical Officer of Health;
- (3) Have completed Grade 10 in an Ontario Secondary School Certificate, equivalent standing or evidence of one year employment experience working in a personal-care setting, or other standard satisfactory to the Medical Officer of Health; and
- (4) Have undergone a Vulnerable Sector Screening that meets the Screening Criteria.

30. City Council direct that the operator of a personal-care multi-tenant house have a person-in-charge on-site 24 hours a day. The person-in-charge shall be responsible for, but not be limited to, ensuring the following:

- (1) No tenant is denied access to supports, including access to alternative housing options which maintain or enhance the health and welfare of the tenant;
- (2) The tenants are safe and secure;
- (3) Inquiries from the neighbourhood and others such as tenant families or friends, are responded to immediately;
- (4) Emergencies are handled in compliance with by-laws or other laws or legal requirements that apply and otherwise effectively and efficiently including emergency services being contacted immediately by the operator or staff if a tenant experiences a medical emergency; and
- (5) There are sufficient staff on duty at all times.

Tenant admittance

31. City Council direct that operators of a personal-care multi-tenant house obtain from tenants an up-to-date assessment by a regulated health professional (physician, nurse, occupational therapist, physiotherapist), which includes the level of personal-care that the individual requires, as part of the tenancy application.

32. City Council direct that operators of a personal-care multi-tenant house provide each tenant the personal-care services that are set out in their assessment form.

33. City Council direct that if a tenant's needs exceed the level of care available in the personal-care multi-tenant house, the operator of a personal-care multi-tenant house assist in arranging transfer to a long-term care facility or other appropriate living arrangement, with agreement from the tenant.

34. City Council direct that the operator of a personal-care multi-tenant house to enter into a written tenancy agreement with each tenant, specifying all ongoing care services that will be provided.

35. City Council direct that operators of personal care multi-tenant houses collect and maintain the following in accordance with applicable law, with each being available to the City for inspection upon request:

(1) A file for each tenant containing:

(a) The tenant's name, date of birth and gender;

(b) The date the tenancy started;

(c) The tenant's assessment;

(d) The tenancy agreement;

(e) The name, address and telephone number of the attending personal physician, if any;

(f) The name, address and telephone number of the next of kin or other person to notify in case of an emergency;

(g) A list of medication and/or other care prescribed by a regulated health professional;

(h) A list of any other agencies or organizations providing support to the tenant;

(i) The name, address and telephone number of the tenant's attorney for personal care and/or attorney for property; and

(j) A list of dates and particulars of any significant incidents involving the tenant while in the personal-care multi-tenant house.

(2) Records of the following incidents:

(a) An emergency, including a fire or unplanned evacuation of tenants;

(b) A sudden death, including a death resulting from accident or suicide;

(c) A tenant absence of 24 hours or more;

(d) An attendance by a law enforcement agency or emergency services provider that results in a criminal charge against the operator, staff or a tenant or their transportation to a hospital or other emergency care facility; or

(e) An allegation of abuse, threat of violence or danger to the life of the operator, staff or a tenant.

(3) The safety plan and personal care plan provided as part of the application, which have been updated annually to address changes in operations.

36. City Council direct that the operator of a personal care multi-tenant house provides each tenant with:

(1) Physician care;

(2) Personal-care services;

(3) Food and nutritional services;

(4) Prescription drug services;

(5) Bathroom, bedroom, linen and laundry services.

Transition

37. City Council direct that licences held under former City of Toronto Chapter 285, Rooming Houses or former City of Etobicoke Chapter 166, Lodging Houses continue subject to those by-laws until they expire, at which time the operator must submit a new application under the new chapter.

Chapter 441, Fees and Charges

38. City Council direct a licensing fee for all multi-tenant house operators of \$25 per multi-tenant house room or dwelling unit or bedroom for a new application and for licence renewals.

39. City Council direct an inspection fee of \$150.

40. City Council direct that the schedule of multi-tenant house licensing fees be included in Chapter 441 as set out in Table 1.

Table 1:

Ref. No.	Service	Fee Description	Category	Fee Basis	Fee	Annual Adjustment
New	Private Properties	Application fee: multi-tenant house operator	City Policy	Per room and per application	\$25	Yes
New	Private Properties	Renewal fee: multi-tenant house operator	City Policy	Per room and per application	\$25	Yes
New	Private Properties	Inspection fee: multi-tenant house operator	City Policy	Per inspection	\$150	Yes

41. City Council direct that all fees in Table 1 above, be waived for:

- (1) Toronto Community Housing Corporation; and
- (2) A non-profit provider of multi-tenant housing, including non-profit housing providers under a program administered by the City of Toronto.

Enforcement

42. City Council direct that the new chapter include provisions to enable the City to conduct inspections, issue orders for compliance, take remedial action and take any other enforcement activities consistent with the authorities in the City of Toronto Act, 2006, including:

- (1) Increasing the maximum fine to \$100,000;
- (2) Adding a special fine in an amount equal to any economic gain obtained from non-compliance;
- (3) Including offences for obstruction and failure to provide information as required; and
- (4) Designating each offence as a continuing offence.

43. City Council direct that for offences under the new chapter:

- (1) The holding out, for example by advertising by any means, that a multi-tenant house is available for rent is, when entered as evidence, proof, in the absence of evidence to the contrary, that the building is a multi-tenant house; and

(2) When a building otherwise meets the definition of a multi-tenant house, the burden of proving that the persons using the building are living together as a single housekeeping unit is on the person charged.

Multi-Tenant House Licensing Tribunal

44. City Council direct that:

(1) A tribunal, composed of not fewer than six members, inclusive of a Chair and Vice-Chair, who are appointed by resolution of Council, is established under the name "Toronto Multi-Tenant House Licensing Tribunal" or "Multi-Tenant House Licensing Tribunal".

(2) The Multi-Tenant House Licensing Tribunal shall hear proceedings as a panel of three.

(3) The Multi-Tenant House Licensing Tribunal shall have the powers, duties and rights of a tribunal as applicable under the Statutory Powers Procedure Act.

(4) Court Services shall provide administrative support to the Multi-Tenant House Licensing Tribunal and shall attend all meetings of the Multi-Tenant House Licensing Tribunal and shall keep all necessary records and perform such other administrative duties as may be required.

(5) The Multi-Tenant House Licensing Tribunal does not have jurisdiction to consider questions relating to the validity of a statute, regulation or by-law or the constitutional applicability or operability of any statute, regulation or by-law.

Conflict with Other By-laws

45. If there is a conflict between a provision of this chapter and a provision of any other Chapter of the Toronto Municipal Code, the provision that establishes the highest standard to protect the health, safety and well-being of persons shall apply.

Implementation

46. City Council authorize the City Solicitor, in consultation with the Executive Director, Municipal Licensing and Standards, to make such clarifications, minor modifications, technical or stylistic amendments to the new multi-tenant house licensing by-law, former City of Toronto Chapter 285, Rooming Houses, and/or former City of Etobicoke Chapter 166, Lodging Houses as may be required to give effect to City Council's decision including any required transition provisions.

Provincial Oversight of Personal Care Multi-tenant Houses

47. City Council request that the Province of Ontario establish a regulatory oversight framework for personal care multi-tenant houses, including oversight by regulated health professionals, and inspection and enforcement by provincial inspectors.

48. City Council request that, in the absence of a provincial framework regulating personal care multi-tenant houses, the Province of Ontario provide funding to cover the related costs of the City of Toronto's proposed interim licensing, enforcement and compliance program to ensure that protections are in place for these vulnerable tenants.

Supporting Tenants

49. City Council direct the Executive Director, Housing Secretariat, in consultation with Chief Building Official and Executive Director, Toronto Building, the Chief Planner and Executive Director, City Planning, the Fire Chief and General Manager, Fire Services, and the General Manager, Shelter Support and Housing Administration, to report back by November 2021 with a set of recommendations aimed at supporting tenants in the event of required emergency relocations and/or unit closures.

FINANCIAL IMPACT

The current report has no financial implication this year and is absorbed within existing budgets, but will have financial impacts in the future as the program is phased in.

Municipal Licensing and Standards (MLS) projects that program implementation costs in 2022 and 2023 may have total annualized impacts of \$4,359,605 on the operating budget, of which \$3,570,111 would be new budget requests. These costs are associated with 22 additional officers to manage enforcement, as well as implementation costs for licensing.

Toronto Fire Services projects that the cost for program implementation in 2022 and 2023 may have a total potential annualized impact of \$1,775,790 on the operating budget, if the program reaches projected licence volumes. These costs are associated with 16 additional Fire Inspection staff to manage the increased service demand.

Court Services projects that a preliminary estimate of the Multi-Tenant House Licensing Tribunal annual operating budget is \$422,570.

The Housing Secretariat and Shelter, Support and Housing Administration divisions will report on estimated cost related to establishing a new program to support potential tenant displacements due to required emergency evacuations in November 2021.

City staff of the relevant divisions will request the funding required to implement the program in their respective budgets through the 2022 and 2023 operating budget processes for consideration.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial implications as identified in the Financial Impact section.

EQUITY IMPACT STATEMENT

The City recognizes the barriers presented by discrimination and the disadvantages faced by equity-seeking groups and vulnerable populations, including tenants of low-end of market rental housing such as multi-tenant houses. This population is affected by the redevelopment of low-end of market rental housing, as often there are no other private market rental options available.

The recommended zoning approach for multi-tenant houses would expand the areas of the city where multi-tenant houses are permitted, to help ensure that low/fixed income, marginalized and vulnerable populations have access to safe, adequate and affordable housing across the city. Zoning standards that reflect this approach would help equity-seeking groups and vulnerable populations maintain access to their communities and preserve the diversity of our neighbourhoods.

Current housing initiatives at all orders of government are endeavouring to adopt a human rights-based approach to the development of housing legislation, policy, and programs. In June 2019, the federal government enacted legislation which declares that it is the policy of the Government of Canada to recognize that the right to adequate housing is a fundamental human right affirmed in international law; to recognize that housing is essential to the inherent dignity and well-being of the person and to building sustainable and inclusive communities; to support improved housing outcomes for the people of Canada. The legislation furthers the progressive realization of this right as recognized in the International Covenant on Economic, Social and Cultural Rights, to which Canada is a party.

At its meeting of December 17, 2019, City Council adopted the HousingTO 2020-2030 Action Plan, which updates the Toronto Housing Charter. Consistent with the federal legislation, the charter expresses that the City adopts a human rights-based approach to housing as defined in the federal legislation.

Access to good quality, safe, affordable housing for households in need and improving housing stability for residents struggling to maintain their existing homes are also fundamental goals of the City's Official Plan.

DECISION HISTORY

At its meeting of June 16, 2008, the Affordable Housing Committee referred a number of motions and submissions filed by speakers with respect to the Housing Opportunities Toronto Affordable Housing Framework, to the Deputy City Manager, for consideration and report back to the Affordable Housing Committee. One of the motions asked that City Planning staff be requested to review the feasibility of amending the Zoning By-Law to permit rooming houses in all residential zones in Toronto. It also requested staff to report on the advantages and disadvantages of extending the licensing requirements for rooming houses. The committee's decision can be accessed at this link:

<https://www.toronto.ca/legdocs/mmis/2008/ah/decisions/2008-06-16-ah07-dd.pdf>

At its meetings of November 13, 2008, and January 8, 2009, the Planning and Growth Management Committee considered a report that provided information on the feasibility of extending zoning to permit rooming houses throughout the city, as well as extending the licensing system for rooming houses. Staff were directed to include this work as part of the City-wide Zoning By-law. The reports can be accessed at these links:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2008.PG20.11>

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2009.PG22.5>

At its meeting of November 4, 2009, the Planning and Growth Management Committee postponed consideration of a status report that provided an update on the proposed zoning regulations for rooming houses. The report can be accessed at this link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2009.PG33.9>

At its meeting of January 6, 2010, the Planning and Growth Management Committee deferred a report which proposed a zoning approach for rooming house zoning regulations predicated on an associated licensing regime. The item was deferred until the next term of Council, with direction to be brought back no later than November 2011. The report can be accessed at this link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2010.PG34.2>

At its meeting of March 6, 2013, the Planning and Growth Management Committee requested that the Chief Planner and Executive Director, City Planning in consultation with the Executive Director, Municipal Licensing and Standards report back to the Committee in October 2013 on a framework for introducing city-wide zoning regulations for dwelling room accommodation and on a process for public consultation. The committee's recommendations can be accessed at this link: <http://app.toronto.ca/tmmis/viewPublishedReport.do?function=getMinutesReport&meetingId=7425>

At its meeting of October 22, 2013, the Planning and Growth Management Committee considered a report that presented a framework for introducing city-wide Zoning By-law regulations for "dwelling room accommodation", including a process for public consultation. The recommendations of the report were revised to request MLS to produce an effective enforcement strategy, and with City Planning to engage in community consultation. The report can be accessed at this link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.PG27.5>

At its meeting of August 20, 2014, Executive Committee directed the Executive Director, Municipal Licensing and Standards and the Chief Planner and Executive Director, City Planning to bring to Executive Committee a discussion paper on rooming houses that includes issues and preliminary findings based on research and extensive community-based consultations. The Committee's decision can be accessed at this link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.EX44.21>

At its meeting of September 2, 2015, the Affordable Housing Committee adopted a motion with respect to large single-room occupancy buildings. The motion requests that the rooming house review include a special focus on commercially operated single-room occupancy buildings with 15 or more dwelling rooms to examine, among other things, policy options for the City to provide protection for or replacement of this kind of affordable rental housing. The motion can be accessed at the following link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.AH3.6>

At its meeting of October 26, 2016, Executive Committee directed the Executive Director, Municipal Licensing and Standards and the Chief Planner and Executive Director, City Planning to conduct public consultation on the regulatory and licensing strategy for multi-tenant houses developed in response to the research and community consultations undertaken in 2016 and report back to Executive Committee in 2017. The

Executive Committee directed that the report back include an enforcement strategy on multi-tenant houses, including enforcement in areas where multi-tenant houses are not permitted, as well. Additionally, the Executive Director, Municipal Licensing and Standards was directed to report in the first quarter of 2017 to the Licensing and Standards Committee with proposals to improve the renewal process for existing rooming house licenses. The Executive Committee's decision can be accessed at this link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX18.13>

At its meeting of October 12, 2017, the Planning and Growth Management Committee adopted a motion requesting the Acting Chief Planner and Executive Director, City Planning to report back in the second quarter of 2018 on a policy framework that protects dwelling rooms, similar to policies in the Official Plan that provide for the protection of self-contained rental units. The motion can be accessed at the following link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.PG23.11>

At its meeting of May 22, 2018, City Council adopted a motion to amend former City of Toronto Chapter 285, Rooming Houses, so that a registered student fraternity or sorority houses may be required to be licensed, as set out in Chapter 285. City Council directed the Executive Director, Municipal Licensing and Standards, to conduct research and public consultation on potential licensing requirements for fraternities and sororities and to report back to the Licensing and Standards Committee in 2019. City Council's decision can be accessed at this link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.LS25.2>

City Council, on May 14 and 15, 2019, adopted The Right to Adequate Housing presentation from the United Nations Special Rapporteur on the Right to Adequate Housing and requested the Director, Affordable Housing Office: to consider the presentation when updating Toronto's 2009 Housing Charter and the Housing Opportunities Toronto: Affordable Housing Action Plan 2010-2020; and, as part of the public consultation process on Toronto's housing plan, to include a "rights based approach" to housing in policy areas that fall within the City's jurisdiction. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PH5.1>

At its meeting of June 18, 2019, City Council adopted the Official Plan Amendment to Address the Loss of Dwelling Rooms (OPA 453) pursuant to Section 26 of the Planning Act. Council's decision was appealed to the LPAT, although no hearing date has been set. City Council's decision can be accessed at the following link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PH6.1>

At its meeting of December 16-18, 2019, City Council adopted the HousingTO 2020-2030 Action Plan, and its recommended actions as the framework to guide the City's efforts over the next 10 years to strategically and effectively address housing needs for current and future residents, including a human rights based approach to housing. City Council also directed the Housing Secretariat to explore options to address affordable housing challenges for students as part of this plan. The report can be accessed at this link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PH11.5>

At its meeting of September 30 and October 1-2, 2020, City Council adopted the HousingTO 2020-2030 Implementation Plan. The implementation plan calls for City

divisions to begin reviewing their policies and programs to ensure compliance with the new Toronto Housing Charter. Additionally, Council recommended that the implementation plan include the creation of a housing data strategy to include the collection of data from across the housing continuum. The report and decision can be found at the following link:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.PH16.5>

Also on September 30, 2020, City Council adopted Building on Laneway Suites: Fire Access Requirements. One of the recommendations of this report requires that the Chief Building Official and Executive Director, Toronto Building undertake a review of Code-related requirements for multi-tenant houses in order to identify generic alternative solutions that all property owners and designers can use to more easily meet Code requirements. City Council's decision can be accessed using the following link:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.PH16.10>

On November 17, 2020, Planning and Housing Committee directed the Chief Planner and Executive Director, City Planning in consultation with the Executive Director, Municipal Licensing and Standards, the Fire Chief and General Manager, Toronto Fire Services, Chief Building Official and Executive Director, Toronto Building, the Executive Director, Housing Secretariat, and other Divisions as appropriate, to conduct city-wide public and stakeholder engagement on the proposed zoning standards to introduce city-wide permissions for multi-tenant houses. Committee also directed staff to report back with recommended zoning by-law amendments and a new regulatory by-law for multi-tenant houses to the Planning and Housing Committee in mid-2021, along with an implementation plan to phase in the updated by-laws and a coordinated approach to compliance and enforcement. Planning and Housing Committee's decision can be accessed at the following link:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.PH18.2>

At its meeting of December 16-18, 2019, City Council adopted the HousingTO 2020-2030 Action Plan, and its recommended actions as the framework to guide the City's efforts over the next 10 years to strategically and effectively address housing needs for current and future residents, including a human rights based approach to housing. City Council also directed the Housing Secretariat to explore options to address affordable housing challenges for students as part of this plan.

Planning and Housing Committee's decision can be accessed at the following link:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.PH19.10>

At its meeting of April 22, 2021 the Planning and Housing Committee directed staff to improve interdivisional response to tenant emergency evacuations to ensure tenants were better supported on-site and received improved communications about their rights and options. Planning and Housing Committee's decision can be accessed at the following link:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.PH22.12>

COMMENTS

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Planning Policy Considerations

The Ontario Land Tribunal (OLT) was established on June 1, 2021 under the authority of section 2 of the Ontario Land Tribunal Act, 2021. The Act amalgamates the Board of Negotiation under the Expropriations Act, and continues the Conservation Review Board, the Environmental Review Tribunal, the Local Planning Appeal Tribunal and the Mining and Lands Tribunal, as the Ontario Land Tribunal. Any references in this report to the Local Planning Appeal Tribunal (LPAT) after June 1, 2021 should be considered to be references to the OLT.

Provincial Planning Policy Framework

The Planning Act

Section 2 of the Planning Act sets out matters of provincial interest, that the council of a municipality must have regard for when making planning decisions. Included in this list is the adequate provision of a full range of housing, including affordable housing.

Under Section 34 of the Planning Act, municipalities are authorized to enact zoning by-laws to regulate the use of land along with the height, size, bulk, floor area, setbacks, and location of buildings. Section 35(2) of the Planning Act indicates that this authority “does not include the authority to pass a by-law that has the effect of distinguishing between persons who are related and persons who are unrelated in respect of the occupancy or use of a building or structure or a part of a building or structure, including the occupancy or use as a single housekeeping unit.”

Municipalities may enact zoning by-laws to regulate residential density based on intensity of use. They cannot regulate residential density on the basis of household size, type, or composition. For example, a zoning by-law cannot stipulate that a family rather than roommates must occupy a house. This is commonly described as the requirement for municipalities to zone for land use, not for people.

The Provincial Policy Statement (2020)

The Provincial Policy Statement (the "PPS") provides province-wide policy direction on land use planning and development matters. The PPS is issued under Section 3 of the Planning Act. All decisions of Council in respect of the exercise of any authority that affects a planning matter must be consistent with the PPS.

Policy 1.1.1 of the PPS recognizes that healthy, liveable and safe communities are sustained by accommodating an affordable range and mix of residential uses, including multi-unit housing, second units and housing for older persons.

Policy 1.4.3 of the PPS requires planning authorities to establish and implement minimum targets for the provision of housing which is affordable to low and moderate income households and which aligns with applicable housing and homelessness plans. It requires planning authorities to permit and facilitate all housing options required to meet the social, health, economic and well-being requirements of current and future residents, including special needs requirements and needs arising from demographic changes and employment opportunities.

Policy 4.4 of the PPS sets out that the PPS must be implemented in a way that is consistent with the Ontario Human Rights Code and the Canadian Charter of Rights and Freedoms.

A Place to Grow: Growth Plan for the Greater Golden Horseshoe (2019)

A Place to Grow: Growth Plan for the Greater Golden Horseshoe (the "Growth Plan") provides a strategic framework for managing growth and environmental protection in the Greater Golden Horseshoe (GGH) region, with the City of Toronto forming an integral part. A guiding principle of the Growth Plan is to provide a diverse range and mix of housing options, including affordable housing, to accommodate people at all stages of life, and to accommodate the needs of all household sizes and incomes.

Policy 2.2.6.2 of the Growth Plan requires municipalities to support the achievement of complete communities by considering the range and mix of housing options and densities of the existing housing stock and by planning to diversify their overall housing stock across the municipality.

Toronto Official Plan

The Official Plan provides for a long-term vision for future growth in the city. It includes City Council's policies and objectives for the physical development and redevelopment of the City. Section 3.2.1 of the Official Plan contains policies pertaining to the provision of housing and for maintaining and replenishing the housing stock in the city.

Policy 3.2.1.1 states that a full range of housing, in terms of form, tenure and affordability, across the city and within neighbourhoods, will be provided and maintained to meet the current and future needs of residents. A full range of housing, the policy states, includes shared and/or congregate-living housing arrangements.

Policy 3.2.1.2 states that the existing stock of housing will be maintained, improved and replenished, and new housing supply will be encouraged through intensification and infill that is consistent with the Official Plan.

At its meeting on June 18, 2019, City Council adopted OPA 453, which includes policies providing for the protection and replacement of dwelling rooms in multi-tenant houses. OPA 453 has been appealed to the LPAT. It is not in force and effect; however, the City is working to achieve the intent of the Council adopted policy framework through the development review process in order to address the loss of dwelling rooms where redevelopment has been proposed. The policies in OPA 453 are intended to protect existing dwelling rooms by requiring replacement where six or more dwelling rooms will be lost as a result of redevelopment. These policies would only apply to areas where multi-tenant houses are already permitted by zoning. As such, the policies would not protect the redevelopment of multi-tenant houses in low-density residential areas where they are not currently permitted. The purpose of the policies are to maintain the existing dwelling room stock in higher-density residential areas and commercial areas.

HousingTO 2020-2030 Action Plan

The HousingTO 2020-2030 Action Plan includes an action for the City to continue to measure, protect, and preserve multi-tenant houses, including security of tenure for tenants. It also updates the Toronto Housing Charter that was first adopted by Council in 2010. The updated Toronto Housing Charter states that the City adopts a human rights-based approach to housing that is rooted in several equity principles, including the principle that all residents have a right to equal treatment with respect to housing, without discrimination contrary to the Ontario Human Rights Code and to protection against arbitrary requirements that result in discrimination based on membership in groups protected by the Code or on housing status.

The Charter is designed to guide City Council and the City's public service in its decision-making, resource allocation, policy development and in providing services and programs. One of the guiding principles is that in moving towards the progressive realization of the right to adequate housing that is affirmed in international law and in taking a human rights-based approach, the City will allocate the maximum available resources within its means and jurisdiction to support the Toronto Housing Charter. One such resource is land; the zoning of land is a significant tool available to the City.

Human Rights-Based Approach

In recent years all governments have taken steps to adopt a human rights based approach to the development of housing legislation, policy and programs.

In June 2019, the federal government enacted legislation which declared that it is the policy of the Government of Canada to recognize that the right to adequate housing is a

fundamental human right affirmed in international law; to recognize that housing is essential to the inherent dignity and well-being of the person and to building sustainable and inclusive communities; and to support improved housing outcomes for the people of Canada. The legislation supports the progressive realization of this right as recognized in the International Covenant on Economic, Social and Cultural Rights, to which Canada is a party.

Ontario's Provincial Policy Statement, 2020 states that Provincial Policy Statement shall be implemented in a manner that is consistent with Ontario Human Rights Code and the Canadian Charter of Rights and Freedoms. The Ontario Human Rights Commission published [In the Zone: Housing, Human Rights and Municipal Planning](#) to guide municipalities on their human rights responsibilities in zoning for housing.

In December 2019, City Council adopted the HousingTO 2020-2030 Action Plan. The plan includes an updated Toronto Housing Charter which affirmed the City's commitment to further the progressive realization of the right to adequate housing, recognized in the International Covenant on Economic, Social and Cultural Rights. The Toronto Housing Charter is also rooted in the principle that all residents have a right to a safe, secure, affordable home in which they can live in peace and dignity and realize their full potential.

This proposed policy, which includes new zoning permissions and licensing requirements, may result in some emergency relocation of tenants and/or unit closures due to unsafe living conditions. As part of a human rights-based approach to implementation, the City will proactively develop a strategy in consultation with community partners and people with lived experience to attempt to mitigate potential tenant displacement resulting from this framework. Additionally staff are pro-actively working to identify social and affordable housing properties that may be affected by the zoning amendments, in order to collaborate with the housing providers to ensure that social and affordable housing is supported and maintained under the new regulatory framework.

Adopting this framework will ensure that the City's policies related to multi-tenant houses are consistent with the Canadian Charter of Rights and Freedoms, the Ontario Human Rights Code, and City's Housing Charter.

Housing Affordability

The City is facing an unprecedented housing crisis that has been exacerbated by the COVID-19 pandemic. Household incomes have not kept pace with rising prices and rents in the City and Torontonians are calling for increased measures to make affordable and safe housing options available in all parts of the city. This city-wide need was recently highlighted through a Coroner's report in response to the death of Mr. Grant Faulkner.

On June 11-15, 2018, the Office of the Chief Coroner held a discretionary inquest into the death of Mr. Grant Faulkner. Mr. Faulkner, aged 49, died on January 13, 2015 in a fire inside a wooden encampment on private property behind a cement plant near McCowan and Sheppard Ave East in Scarborough. Mr. Faulkner had experienced

episodic periods of homelessness leading up to the date of his death. He had previously used various homeless services available in the community. The focus of the inquest was on services provided in Scarborough to those who are homeless or precariously housed. Among other recommendations, the Coroner's Jury recommended to the City of Toronto that it "take steps to consider, in consultation with community members, possible measures to increase and standardize access to safe rooming houses in the City, including Scarborough." The jury recommended that all municipalities should consider zoning that might increase the availability of housing, such as rooming houses, inclusionary zoning, laneway houses, single family use conversions, etc.

The need for affordable and safe housing options is also highlighted by the number of people that are experiencing homelessness in the City. In April 2021, there were 7,516 people actively experiencing homelessness in the City shelter system of which 3,637 (48 percent) were considered chronically homeless since they had been experiencing homelessness for at least six months. Homelessness is costly and more importantly, prevents people living safely and with dignity. The cost to operate a shelter bed pre-COVID-19 was over \$3,000 per month and has since doubled under the current COVID-19 scenario.

In 2018 – the most recent year the City's Street Needs Assessment was undertaken – 33 percent of people counted were recipients of Ontario Works (OW) and 21 percent were recipients of the Ontario Disability and Support Program (ODSP). The monthly housing benefit for an individual on OW is \$390 and \$497 for an individual on ODSP. The average market rent for a bachelor apartment in Toronto in 2019 was \$1,142 compared to an average rent range of \$400 to \$700 for a room in a multi-tenant house. This shows that over 50 percent of shelter users can only afford rent in shared accommodations such as multi-tenant houses.

Without the availability and an increase of safe, affordable and accessible options like multi-tenant houses city-wide, not only will Torontonians continue to suffer due to homelessness or unsafe living conditions, but it will cost all governments significantly. Monthly, the cost to support 50 percent of the shelter users that receive OW/ODSP and who lack affordable housing options, costs taxpayers approximately \$22.5M per month based on the April 2021 count and COVID-19 shelter costs. The alternative to shared accommodation is a bachelor apartment which would require a monthly housing allowance of \$600-\$700 on a monthly basis at a cost of approximately \$2.3M to \$2.6M. Annually, lack of affordable housing options for individuals on a fixed income such as OW or ODSP could cost tax payers an estimated \$270 million in shelter costs or between \$27.6M and \$31.2M in housing allowances.

The proposed multi-tenant house framework would help the City address the demand for deeply affordable housing. It would provide housing choice to tenants in neighbourhoods where they have community ties, while also ensuring the maintenance and improvement of this housing stock. Stabilizing and increasing housing options for those with low or fixed incomes could potentially save the City and taxpayers millions of dollars per month.

Public and Stakeholder Consultations

The City procured the services of a third party consultant, LURA Consulting, to assist with the engagement and consultation process. The engagement included reaching out to known stakeholders from previous consultations and new stakeholders including post-secondary schools, housing providers, multi-tenant house owners and operators, and residents' associations. The consultation took place in April and May, 2021, and was advertised using the following methods:

- Dedicated project webpage
- Various City of Toronto social media accounts such as Twitter, Facebook and Instagram
- Emails to stakeholders
- Newspaper ads in the Toronto Star and community newspapers (Metroland)
- Email to all members of City Council
- Media release from Strategic Communications
- Meeting invitations mailed to tenants and owners of the over 350 licensed multi-tenant houses

In order to reach as many participants and stakeholders, the consultation included the following events and feedback tools:

- Two virtual public meetings;
- 11 stakeholder meetings with key stakeholder groups, such as tenants, students, owners and operators of multi-tenant houses, post-secondary institutions, residents associations, and housing-related organizations;
- 15 Do-It-Yourself (DIY) Consultations completed; and
- Telephone and Online Questionnaires.

The following is a summary of the number of participants for the consultation events and the responses to the various feedback tools:

- Total number of participants at public community engagement meetings: 193
- Total number of participants at stakeholder meetings: 182
- Total number of participants through DIY consultations: 338
- Total number of telephone and online questionnaires completed: 1035
- Over 5000 visits to the project webpage

A Do-it-Yourself (DIY) Consultation Toolkit was developed so that community-based groups and other eligible organizations could facilitate their own tailored consultations. This approach was intended to engage groups from across the city who would normally be difficult to reach, and facilitate local engagement during the COVID-19 pandemic when traditional consultation approaches are limited. The City provided a capped grant to eligible groups to offset approved costs that they necessarily incurred to undertake the self-facilitated consultation. Fifteen organizations participated in the DIY consultations, which resulted in feedback from over 330 participants representing groups that are typically hard to reach, such as newcomers, students and other multi-tenant house tenants.

In addition to the official consultation and engagement program, staff were invited to participate in a town hall on multi-tenant houses held by Councillor Lai for residents of her ward. Staff have also been asked to participate in a ward meeting which will include

discussion on multi-tenant houses, by Deputy Mayor Minnan-Wong. The meeting is scheduled for June 21.

Discussion of what was heard in the consultation, and staff's responses can be found throughout the report and in the Community Engagement Summary Report produced by LURA Consulting (Attachment 7).

Consultation Feedback

Through the consultation process staff received wide-ranging feedback regarding the proposed framework. Staff reviewed the proposals in light of the responses, and considered and analyzed alternatives that were suggested by the public. Feedback that discusses specific components of the regulatory framework are discussed throughout the report. Three common feedback themes that apply to multiple aspects the regulatory framework are summarized and discussed below.

Requirement for owner-occupancy

Some participants in the consultation suggested that the owner of a multi-tenant house be required to live in the house, in order to ensure that the property is well-maintained. Staff are not recommending this, since this is not a requirement of any other permitted residential use. The appropriate tool for ensuring that properties are maintained is the property maintenance by-laws. The enhanced licensing requirements also include new requirements for property maintenance plan that includes pest and waste management, and the new enforcement and compliance regime includes authority to undertake remedial action. In combination, these measures are intended to improve property maintenance issues.

Requirement for community approval

Some participants felt that approval of all property owners in the area surrounding a proposed multi-tenant house should be required before it is permitted. The Planning Act does not provide the authority to apply such a requirement through zoning. In addition, this is not a zoning or licensing requirement that is applied to any other residential use. However, notice would be given to owners in proximity to a property where a multi-tenant house requires a minor variance or rezoning application, in accordance with Planning Act requirements.

Existing multi-tenant houses

Concerns were expressed with respect to existing multi-tenant houses, both legal and illegal, that exceed the proposed maximum number of permitted dwelling rooms. These multi-tenant houses, may have legal non-conforming status or they may have been permitted through a zoning change resulting from a rezoning or minor variance process.

Where this is not the case, for example existing multi-tenant houses in areas where the use is not currently permitted, owners could apply to permit additional dwelling rooms above the proposed maximum, through a rezoning or minor variance application.

SSHA, City Planning, and Housing Secretariat staff are pro-actively working to identify social and affordable housing properties that may be affected by the zoning

amendments. Staff will collaborate with the housing providers to ensure that social and affordable housing is maintained and supported under the new regulatory framework.

The City does not intend to purposely de-house tenants, unless there is a life and safety issue, and is looking at proactive ways that displacement of tenants can be avoided, and addressed if needed.

Zoning for Multi-tenant Houses

Zoning Overview

As described in the Decision History section of this report, at its meeting of January 6, 2010, the Planning and Growth Management Committee deferred a report that proposed a zoning approach for multi-tenant house zoning regulations. The item was deferred until the next term of Council, with direction for staff to report back no later than November 2011. This decision had the effect of separating the harmonization of these regulations from the City-wide zoning by-law exercise which was subsequently adopted by Council on August 25, 2010, and on May 9, 2013. As a result, zoning permissions for multi-tenant houses remain un-harmonized across the city.

Currently, zoning only permits multi-tenant houses in the former City of Toronto and parts of the former City of Etobicoke and former City of York. The zoning regulations and definitions also vary across the different zoning by-laws. The existing, inconsistent zoning definitions and regulations make the establishment of new multi-tenant houses and the investigation and enforcement of unlicensed multi-tenant houses in Toronto difficult. If a multi-tenant house is not permitted under the applicable zoning by-law, staff cannot grant it a licence.

The existing, un-harmonized zoning regulations are no longer effective to regulate multi-tenant houses as a land use in Toronto. To be effective, zoning for multi-tenant houses in Toronto needs to meaningfully reflect and balance the following:

- Recognition that multi-tenant houses exist as part of Toronto's housing mix.
- Appropriate regulation of the intensity of multi-tenant houses as a land use.
- Consistency and compatibility with the City's licensing regime. Zoning must also work with other parts of the overall regulatory framework, such as the Ontario Building Code and Fire Code.
- Conformity to Toronto's Official Plan, and consistency with provincial policies such as the Provincial Policy Statement.
- Consistency with the Human Rights Code, including and consideration of zoning and regulations for multi-tenant houses through a human rights lens, due to their potential to reduce availability of affordable housing.
- Zoning standards that manage potential land use impacts in a straight-forward manner without creating unreasonable barriers to the creation of multi-tenant houses.
- Permission for multi-tenant houses in residential areas across the city. When multi-tenant houses are subject to appropriate zoning regulations, there is no planning basis to prohibit multi-tenant houses from areas where residential uses are otherwise permitted.

Two appeals were filed before the Local Planning Appeal Tribunal (LPAT) with respect to the lack of harmonized regulations for multi-tenant houses in Zoning By-law 569-2013. The two appellants are the Advocacy Centre for Tenants Ontario (ACTO) and the Rupert Coalition. These appeals are considered to be issue-specific appeals for the purpose of the appeal process established by the LPAT, and they have yet to be scheduled for a hearing.

Proposed City-wide Zoning

The proposed zoning amendments would establish an appropriate framework to permit and regulate multi-tenant houses across the city, to support the objective that tenants have equitable access to affordable, adequate, safe, accessible and secure homes. The proposed zoning would introduce harmonized definitions for "multi-tenant house" and "dwelling room", and establish city-wide permissions for multi-tenant houses with regulations respecting the maximum number of dwelling rooms, minimum parking, and minimum number of washrooms.

The zoning by-law amendments intend to establish consistency, fairness in permissions, and an approach which reflects needs and is straightforward to administer. The amendments will also support effective implementation and enforcement in all neighbourhoods, since licensing and its associated requirements can only be applied in areas where zoning permits multi-tenant houses.

The zoning by-law amendments would amend city-wide Zoning By-law 569-2013, as well as all of the former general zoning by-laws. The amendments to the former general zoning by-laws are required to permit multi-tenant houses in areas that are not yet subject to By-law 569-2013.

The proposed zoning supports the provincial planning policies as set out in the Provincial Policy Statement (PPS) with respect to the provision of a mix of housing types including the conversion of existing residential buildings for rooming houses. The proposal also supports the achievement of complete communities as envisioned by the Growth Plan through a diverse range and mix of housing options.

Expanding the permissions for multi-tenant houses encourages the provision of a full range of housing, including shared housing arrangements, across the city and within all neighbourhoods, in keeping with the Official Plan. It also furthers the objectives in the HousingTO Action Plan 2020-2030 and TO Prosperity: Toronto Poverty Reduction Strategy.

Definitions

The existing definitions for what is now being referred to as a multi-tenant house are numerous and inconsistent in the former general zoning by-laws. The proposed zoning by-law amendments include new definitions for "dwelling room" and "multi-tenant house" which provide consistency and clarity for this use across the city:

Dwelling Room - means a room used as living accommodation that is available for rent and that is not self-contained. A dwelling room may contain private sanitary facilities or cooking facilities, but not both.

Multi-tenant House - means a building with four or more dwelling rooms that may have shared common sanitary facilities and cooking facilities. A group home, residential care home, nursing home, retirement home, seniors community house, religious residence, student residence, tourist home, or hotel is not a multi-tenant house.

An important distinction between the proposed definition of dwelling room, and the definition of dwelling unit in By-law 569-2013, is that a dwelling unit is self-contained (i.e. it has a kitchen and a bathroom) and the tenants are living together as a single housekeeping unit. In comparison, a dwelling room is not self-contained as it can only contain a bathroom or kitchen, but not both. In a multi-tenant house, tenants live separately as individuals each with their own dwelling rooms. The definition is not intended to apply to a room available for rent in a student residence, long-term care home or other institutional accommodation.

The definition of a multi-tenant house is based on a minimum threshold of four dwelling rooms. This is consistent with historical permissions for two to three roomers/boarders in most parts of the city, which does not require a licence. For example, someone could rent a room to a student in their home for the duration of the school year, perhaps providing meals. The historical permissions for boarders are based on the rented rooms functioning as part of the dwelling unit, meaning that the owner and boarders are considered to be a single housekeeping unit. This is also consistent with the definition of short-term rental in Zoning By-law 569-2013, which allows for a maximum of three rooms in a dwelling unit to be rented on a short-term basis. The proposed definition for dwelling room is also consistent with the definition provided in OPA 453 in the report Address the Loss of Dwelling Rooms, adopted unanimously by City Council at its meeting on June 18, 2019 and under appeal.

Consideration has also been given to establishing consistency with the definition for dwelling room and multi-tenant house in the licensing by-law. The definitions between the two by-laws have been aligned as much as possible, with some minor distinctions required for operational reasons.

City-wide Zone Permissions

Municipalities may enact zoning by-laws to regulate where permitted uses may be located based on land use impacts. They cannot regulate a land use based on the user of that use. This is commonly known as the requirement for municipalities to zone for land use, not for people.

From a planning perspective, there is no rationale to prohibit multi-tenant houses as a residential use on a geographic basis. The basis of the proposed zoning by-law amendments is that multi-tenant houses be permitted in all zones that permit residential uses, subject to conditions. In Zoning By-law 569-2013, multi-tenant house would be added to the list of permitted uses in the Residential (R), Residential Detached (RD), Residential Semi-Detached (RS), Residential Townhouse (RT), Residential Multiple

(RM), Residential Apartment (RA), Residential Apartment (RAC), Commercial Residential (CR), and Commercial Residential Employment (CRE) zones, subject to conditions. The effect of the zoning amendments will be that multi-tenant houses will be permitted in residential and mixed use neighbourhoods where they are not currently permitted. Consistency in zoning permissions would allow for licensing to also be applied in a consistent manner, and ensure that this form of housing is safe and well-maintained in all neighbourhoods.

The Official Plan sets out that a full range of housing, including shared housing arrangements, should be provided and maintained across the city and within all neighbourhoods. Providing options for different types of housing in all areas contributes to complete and inclusive communities where residents in different situations or stages of their lives have access to housing that is safe and affordable to them. The city's quality of life, economic competitiveness, social cohesion, as well as its balance and diversity depend on current and future residents being able to access and maintain adequate, affordable and appropriate housing. The proposed zoning by-law amendments conform to the Official Plan by providing as-of-right permission for this land use consistently across the city.

Staff heard feedback from residents with respect to a desire to place limits on the number of multi-tenant houses that would be permitted in each neighbourhood, with the intent of preventing any given neighbourhood from having too many multi-tenant houses located in it. This approach assumes that there are negative land use impacts associated with the use which need to be mitigated, and is similar to using separation distances, which in the past has been applied to some residential uses such as group homes. More recently, City Council voted to remove separation distances for residential uses such as group homes and municipal shelters since there is no basis of land use impacts to support such a provision for residential uses, and because such provisions can be discriminatory by limiting where people can or cannot live. The use of such a regulation in zoning would need to be based in land use planning and demonstrated adverse land use impacts. It is important to note that land use impacts are separate and distinct from nuisance issues such as property maintenance issues. Staff are not recommending the use of separation distances or a limit to the number of multi-tenant houses that can locate in any one area.

Comments were also made with respect to the need to consider neighbourhood character, and that all neighbourhoods should not be treated equally when it comes to allowing multi-tenant houses as a permitted use. Some participants felt that multi-tenant houses should only be permitted on arterial roads. The Official Plan contains policies that consider Neighbourhoods and Apartment Neighbourhoods as physically stable and to respect and reinforce the physical character of Neighbourhoods.

The maximum number of rooms for multi-tenant houses recommended by staff are zone-specific, and are intended to ensure that multi-tenant houses maintain a form and scale that is consistent with the physical character of neighbourhoods based on increasing levels of intensity between low density residential zones, higher density residential apartment zones and high density mixed commercial-residential zones. A multi-tenant house would also need to comply with all of the applicable zoning

regulations for the zone where it is located, such as height, and setbacks, which would ensure that the built form is consistent with that of other buildings in the same zone.

Maximum Number of Dwelling Rooms

As a condition to the land use permission, the zoning by-law amendments include a proposed maximum number of dwelling rooms in a multi-tenant house depending on the zone that they are located in. In Zoning By-law 569-2013, this would be:

- Six dwelling rooms in the RD, RS, RT and most RM zones;
- No change in the R zone (currently allows for six or 12 dwelling rooms, depending on location);
- 12 dwelling rooms in the RA, RAC, and some RM zones; and
- 25 dwelling rooms in the CR and CRE zones.

The purpose of including a maximum number of dwelling rooms in the zoning by-law is to regulate the intensity of multi-tenant houses as a land use. In Toronto, zoning typically regulates the intensity of residential uses by setting limits on floor space index, lot coverage, and/or number of dwelling units within a residential building type.

The proposed maximum number of rooms is consistent with what is currently permitted in the former City of Toronto Zoning By-law 438-86 and has been in place there for decades. The maximum number corresponds with an increasing intensity in built form from low density residential zones (most residential neighbourhoods in the city), to higher density residential zones (residential apartment zones) and to high density mixed commercial-residential zones (those zones typically found along arterial roads and in the downtown core). The proposed limits on the maximum number of dwelling rooms are reflective of the typical scale of house form buildings in residential areas across the city and of traditional commercial-residential buildings in mixed-use areas. The map in Attachment 6 illustrates how the maximum number of dwelling rooms regulation would apply across the geography of the city.

Most neighbourhoods will be subject to the six room maximum. The maximum number of six dwelling rooms reflect varied configurations of a dwelling unit in a detached house, semi-detached house or townhouse. For example, six dwellings rooms could be reflective of a four-bedroom single-detached home with a two-bedroom secondary suite, or a three-bedroom townhouse with potential to convert some of the living spaces into additional bedrooms. These are two examples of typical house configurations that can be found in neighbourhoods in all parts of the city. It is important to note that not all buildings may be able to accommodate the maximum number of dwelling rooms permitted in that given zone. The dwelling rooms would also have to comply with the minimum room size as required by the Ontario Building Code.

Six dwelling rooms is less than the maximum of seven rooms that was proposed for the pilot areas in 2017. At that time, the seven room maximum was poorly received in public consultation. Staff would recommend that the maximum number should not be less than four because historically up to three boarders were permitted as an ancillary use within a dwelling unit.

The proposed zoning amendments do not regulate the number of occupants of a dwelling room, just as other residential uses are not regulated in terms of number of occupants. Occupancy is regulated by the Ontario Building Code and the Fire Code, for the purpose of life safety.

Staff recognize that there are several options for how the intensity of multi-tenant houses may be regulated as a land use. The approach being recommended in the zoning by-law amendments is to use the maximum number of dwelling rooms as described above. Some of the other options will be described and discussed in this report. A wide-range of comments were made throughout the consultation with respect to the proposed maximum number of dwelling rooms, including views that the maximum number of rooms is too high and not reflective of house-sizes in various neighbourhoods; and that the maximum number of rooms is not reflective of existing multi-tenant houses that operate in Toronto today. Nonetheless, staff are not recommending changes to the proposed maximum number of rooms of six, 12, and 25 for the reasons outlined in this report.

Some feedback also questioned whether regulation of the maximum number of rooms is the most appropriate approach to regulating the intensity of multi-tenant houses. Other options that were suggested include: relating the number of permitted rooms to the size of the building itself, or using a minimum or average room size. Some feedback suggested that there be no zoning control on either the number or size of dwelling rooms, and that the regulatory framework instead rely on the minimum standards of the Ontario Building Code.

Staff have reviewed data on the sizes of houses in Toronto across the areas of all four Community Councils. Average house sizes in all four areas can accommodate six rooms. This review took into account the area taken up by hallways, entrances and other such spaces in a typical house. It also assumed one kitchen and two bathrooms. With the exception of North York, where the average house size was larger than the rest of the city, accommodating six dwelling rooms into the average house would leave 20-25 square metres of space, to include any types of shared indoor space such as a living room. Feedback received from some tenants indicated a desire for shared indoor space as a valuable amenity.

An approach using minimum room size was also tested using the minimum room size under the City's Property Standards By-law. This is the standard that would be applied to dwelling rooms in multi-tenant houses. Applying this to the average house size, anywhere from 11-13 rooms could be accommodated in most of the city, with 16 rooms in the average house in North York house. Shared indoor space, if provided, would result in fewer rooms. Applying the minimum room size approach could result in an intensity of use that is higher than what would be expected in most low density neighbourhoods.

Staff have considered the alternative options, and are recommending that the most appropriate option to regulate the intensity of multi-tenant houses is through the use of a maximum number of dwelling rooms by zone.

Bathrooms

The proposed zoning amendments would require that multi-tenant houses must have sanitary facilities, which include a toilet, wash basin, and a bath or a shower, at a minimum rate of one bathroom for every four dwelling rooms or part thereof. This requirement is intended to ensure all tenants of a multi-tenant house have good access to bathrooms. Through past consultations on multi-tenant houses, staff heard that insufficient bathroom facilities for tenants results in a poor state of repair of bathrooms in multi-tenant houses. This requirement aims to address these concerns.

Minimum Parking Requirement

Where multi-tenant houses are currently permitted, the parking rates vary widely and are reflective of outdated zoning standards from the former general zoning by-laws. Multi-tenant house is the only land use with parking rates that were not updated or harmonized in Zoning By-law 569-2013.

The parking rates included in the proposed zoning by-law amendments are based on proximity to transit, and represent reductions from the rates currently in place (where the use is currently permitted), especially in areas which are generally well served by transit. For the rest of the city, including residential zones in areas where the use not currently permitted, the proposed parking minimums are reflective of local parking rates established for similar uses and of parking rates for multi-tenant houses in comparable jurisdictions in North America, such as Ottawa, Montreal and Seattle.

The proposed parking rates for multi-tenant houses are:

- 0 spaces per dwelling room in Policy Area 1 (PA1), Policy Area 2 (PA2), Policy Area 3 (PA3), and Policy Area 4 (PA4);
- 0 spaces per dwelling room in Residential Zones outside of the Policy Areas but within the former City of Toronto; and
- 0.34 spaces per dwelling room in all other areas of the city.

The Policy Areas found in Zoning By-law 569-2013, are premised on less parking being required for uses that are located in close proximity to public transit. For example, a use located in Policy Area 1 (the Downtown) would require less parking than the same use located in another part of the city because the Downtown is very well-served by transit. An overview map of the Policy Areas in By-law 569-2013 can be found on the City's webpage: <https://www.toronto.ca/wp-content/uploads/2017/10/96e8-City-Planning-Zoning-city-wide-Policy-Areas-zone-map.pdf>. Applying the proposed rates, a multi-tenant house with six dwelling rooms would require no parking spaces if it was located in one of the Policy Areas such as the Downtown, or two spaces if it was located in any other area.

In areas outside of the Policy Areas, the proposed parking rates are higher than what would currently be required for alternative or assisted housing, which have reduced parking requirements based on the affordable nature of these uses. In addition, private student residences built or operated by post-secondary schools are not required to provide parking under By-law 569-2013. The proposed parking rates are in between what is required for affordable housing, and bachelor dwelling units.

Multi-tenant houses are often the most affordable housing option for many tenants, and car ownership among multi-tenant house tenants is likely lower than other residential uses. However, there are some multi-tenant house tenants, such as students, that may have higher car ownership. Based on data from the 2019 StudentMoveTO survey (studentmove.ca), there are very few student households in Toronto that have more than two cars. Depending on the neighbourhood, this comprises only 5-15% of all student households. This supports the proposed minimum parking rates as being adequate in addressing the potential range in car ownership among multi-tenant house tenants.

The proposed rates are consistent with the Official Plan's policies which strive to reduce auto dependence and auto use in the city and will support the creation of a larger supply of affordable housing. They also recognize that transit service is expanding and being enhanced through the addition of transit priority measures. Recent city-wide zoning by-law amendments to allow additional residential units in laneway suites and facilitate secondary suites did not require parking, in most cases. The rates as proposed, result in a number of parking spaces which is consistent with what can reasonably be accommodated on many residential properties, while preserving the ability of a lot to provide soft landscaping in the front and rear, which is in keeping with the character of Toronto's neighbourhoods.

Like the maximum number of dwelling rooms, a wide-range of feedback was received with respect to the proposed minimum parking rates. Some comments were related to the proposed rates being too onerous, which would likely result in difficulties in compliance for many multi-tenant houses. Other comments were related to a need for higher parking rates especially in areas surrounding post-secondary schools.

The lack of on-street parking as an option in most areas outside of the former City of Toronto was also raised as an issue. On-street parking is not an issue that can be regulated through zoning since it is located in the public right-of-way where zoning regulations do not apply. Changes to on-street parking prohibitions would need to be directed by Council/Committee, in accordance with established processes.

Staff considered whether or not a higher parking rate should be applied to areas in close proximity to post-secondary schools in response to comments that multi-tenant houses in these areas have a higher parking demand. Staff are not recommending changes to the proposed parking based on all of the factors previously described in the proposed parking section of this report.

Building Types

Where zoning permissions for multi-tenant houses exist currently, they are generally only permitted through the conversion of existing buildings, such as a detached house. While it has not been a common proposal in the past, the proposed zoning by-law amendments would enable purpose-built multi-tenant houses to be established. In the case of converting existing buildings, the proposed zoning limits on the maximum number of dwelling rooms will restrict the ability of existing apartment buildings to convert dwelling units to dwelling rooms. Conversion of apartment buildings would also need to consider the potential loss of existing rental units.

Regardless if they are purpose-built or converted from existing buildings, in all zones where multi-tenant houses would be permitted, the development standards for lots and buildings in the respective zone, such as minimum lot frontage, maximum number of storeys, maximum floor space index, and minimum building setbacks, among others, would also apply to the lot and building with the multi-tenant house.

Human Rights and Zoning

The Ontario Human Rights Commission (OHRC) recommends that municipalities consider the Ontario Human Rights Code before drafting zoning by-laws; eliminate minimum separation distances; and monitor for any potentially discriminatory impacts that zoning by-laws may have.

The Provincial Policy Statement states that it "shall be implemented in a manner that is consistent with Ontario Human Rights Code and the Canadian Charter of Rights and Freedoms". This includes accommodating an affordable range and mix of residential uses to ensure healthy, liveable and safe communities.

Zoning regulations which do not permit multi-tenant houses across the City may be deemed discriminatory. This issue has been previously raised by the Ontario Human Rights Commission (OHRC), which observed that it "falls short" of the Ontario Human Rights Code because it "does not allow rooming houses as of right in most parts of Toronto". It also notes that the restrictions have "an ongoing, real and significant negative impact on many code-protected groups".

Where zoning does not permit multi-tenant houses, it risks forcing operators and their tenants underground, creating further risks to safety and disproportionately affecting equity seeking groups, whom research shows are overrepresented in multi-tenant houses. Permitting multi-tenant houses across Toronto would not only address significant discrimination and equity issues, but it would also shift focus to increasing safety, and improving the adequacy and security of tenure.

By taking action to harmonize the zoning by-law and regulate multi-tenant houses city-wide, the City is reducing its risk of a human rights and discriminatory challenge to the zoning by-law.

The proposed city-wide zoning permissions would allow the use in all zones that permit residential uses, resulting in fairness and consistency in zoning, and allowing for licensing to be applied in a consistent manner, to ensure that this form of housing is safe and well-maintained in all neighbourhoods.

Staff heard feedback with respect to the proposed maximum number of rooms as being discriminatory because this is not a regulation that is applied to other residential uses, such as dwelling units in single-family dwellings. As discussed in the report, staff considered this feedback and analysed some other approaches to regulate the intensity of this use.

The regulation of the maximum number of rooms in a multi-tenant house is intended to regulate the intensity of the use, which is distinguished from other residential uses in that living accommodation is provided in individual rooms instead of self-contained dwelling units. Staff are recommending a maximum number of rooms be used to regulate the intensity of multi-tenant houses and mitigate potential land use impacts. This approach is not intended to limit where people may live, but how intense this specific land use may be.

Zoning Implementation

When zoning by-laws are adopted by Council, they come into force once the statutory appeal period of 20 days from the notice of passage lapses, provided there is no appeal. City staff are recommending a phased and multi-year approach to gradually introduce expanded zoning and licensing, and introduce incentive programs for operators. In order to ensure that implementation can proceed accordingly, the recommended zoning by-law amendments include an in-force date of November 1, 2022, which will result in the amendments being applicable law after the first year of the phased implementation plan. This will ensure that the new licensing regime, and enhanced enforcement and compliance program are in place, and that the education and outreach strategy is underway.

New Multi-Tenant House Licensing By-Law

Below, staff have outlined plans for a new multi-tenant house licensing by-law within a comprehensive city-wide regulatory framework for multi-tenant houses. The by-law is designed to replace the current fragmented pre-amalgamation by-laws, with new and enhanced standards.

Unlike the current environment where multi-tenant houses are only permitted in some areas of the City, under the proposed framework, multi-tenant houses will be licensed and permitted throughout the City where zoning permits.

Updated Definition

Multi-tenant house is defined in different ways in former City of Toronto Chapter 285, Rooming Houses, former City of Etobicoke Chapter 166, Lodging Houses, the Zoning by-law, the Ontario Building Code, and the Ontario Fire Code. For the new City-wide licensing by-law, staff propose the following definition of a multi-tenant house:

(1) A building with four or more multi-tenant house rooms, inhabited or intended to be inhabited by persons who do not live together as a single housekeeping unit.

For the purposes of this definition of a multi-tenant house, a “multi-tenant house room” is a room that:

- (a) Is used or intended to be used for living accommodation and is used or intended to be used as a bedroom;
- (b) Is available for rent; and
- (c) May include a bathroom or kitchen facilities for the exclusive use of the room's occupant but does not include both.

The definition will exclude certain buildings such as hotels or motels. The exemptions are described later in this report.

The recommended definition for a multi-tenant house responds to enforcement challenges with the previous definition that required proof of remuneration, or an exchange of payment, in return for accommodation. The proposed new definition focuses on how the property is being used and whether it is functioning as a single housekeeping unit rather than relying on remuneration as a key determinant of a multi-tenant house.

This updated definition makes the definition easier to understand for operators and will also allow By-law Enforcement Officers ("officers") to more effectively determine which properties are captured in their enforcement of the by-law.

Where a property otherwise meets the definition of a multi-tenant house, the proposed by-law will also provide that advertising that a multi-tenant house is available for rent will be proof that the building is a multi-tenant house in the absence of evidence to the contrary. Where officers are able to confirm the foregoing and take enforcement action under the proposed by-law, the burden of proving that persons using the building are not doing so as a multi-tenant house will shift to the person charged. This is expected to make enforcement of the by-law easier for City officers.

Finally, it is recommended that the City preserve the definition and regulations for bachelorettes as part of the Parkdale Project. The proposed definition of multi-tenant houses includes existing legacy definitions from the Parkdale Project for the geographical area bounded on the north by Dundas Street West, on the east by Dufferin Street and the rail lines, on the South by the Lake Shore Boulevard West and on the west by Roncesvalles Avenue from legacy of the Parkdale Pilot Project in former City of Toronto Chapter 285, Rooming Houses.

Fraternalities and Sororities

Staff also recommend that fraternities and sororities with four or more multi-tenant house rooms be included in the definition of a multi-tenant house, and be required to obtain a multi-tenant house licence from the City. In 2018, City Council directed that the exemption for registered student fraternity or sorority houses be deleted from the definition of a multi-tenant house, so that the City could license them if they otherwise met the rooming house definitions. This proposal ensures that in a new licensing framework, fraternities and sororities will continue to be required to be licensed in the same manner as multi-tenant houses.

During consultations, the Sorority and Fraternity Association of Toronto Federation opposed this proposal, and advised that they are private residences that function as membership-based single house-keeping units; and are already subject to property maintenance and nuisance by-laws.

Maximum Occupancy

The Ontario Fire Code (OFC) definition of multi-tenant house (or boarding, lodging and rooming houses, as they are called in the OFC) is set out in provincial legislation. The OFC only applies to multi-tenant houses with 5 or more occupants. In order to support investigative and inspection efforts by Toronto Fire Services under the OFC, staff recommend that operators be required to provide information on the maximum number of occupants that will be residing in the multi-tenant house as part of the licensing application. Occupancy numbers are linked to legislative requirements of certain fire and life safety systems that are to be maintained by the operator.

During consultations, many participants supported providing a record of number of tenants and indicated that it could help manage overcrowding issues, and accountability for operators and tenants.

Zoning Review

Multi-tenant houses may only be located where zoning permits them. A zoning review by Toronto Building is not currently part of the licensing application process. In order to ensure that multi-tenant houses are issued a licence only where they are a permitted use under applicable zoning, staff recommend that all new multi-tenant house operator applicants secure a Preliminary Project Review - Use Only from Toronto Building, at the current cost of \$198.59. The results of the review must be submitted with the multi-tenant house operator's licence application.

This requirement would help ensure that any outstanding zoning issues are addressed before the application is submitted and additional staff resources/costs are incurred to inspect the property.

Building Code Compliance

The Ontario Building Code sets out administrative and technical requirements for the construction, renovation, change of use and demolition of buildings. The Ontario Building Code contains minimum standards for buildings including health life safety, fire protection, and structural sufficiency, among others. Currently, operators are responsible for ensuring that their property meets the appropriate fire and life safety requirements as set out in the Ontario Building Code for this building type.

Staff recommend that upon application for a licence, operators must apply for and receive confirmation from the City that the proposed multi-tenant house is permitted by zoning, and that all construction and renovation which is required for the building's proposed use meets the fire, life safety and other requirements of the Ontario Building Code.

During consultations, some participants expressed concern with the costs associated with this requirement, and the impact of the costs being passed on to tenants or leading to tenant displacement. Participants also noted the importance for incentives and subsidies to ensure compliance. Most operators who provided feedback indicated that the recommendation was not clear and more information is needed - staff note that

Toronto Building will be working on providing alternative options for Building Code compliance, and more information to operators.

Electrical Evaluation

Electrical safety is a particular concern in multi-tenant houses, as many of these houses are within buildings that have been converted from another use (for example, a converted detached dwelling). According to Toronto Fire Services, 11 multi-tenant house fires in the last five years have been attributed to an electrical ignition source.

Electrical safety is regulated by the provincial Electrical Safety Authority, and electrical evaluations can help identify potential electrical hazards that could lead to a fire or electric shock. Staff recommend requiring larger multi-tenant houses that contain 10 or more multi-tenant rooms or dwelling units, or others identified by the Executive Director, MLS, to undertake an electrical evaluation by a licensed electrical contractor, or other qualified and/or competent person(s), upon application for a new licence and periodically if required.

It will not be mandatory for smaller operators to undertake an electrical evaluation upon application, but it is recommended that they be required to do so if directed by City staff. Costs for the evaluation are to be paid by the property owner/operator.

Operators undertaking an electrical evaluation are required to maintain logs of any service conducted on the electrical system per Rule 2-003 of the Ontario Electrical Safety Code (OESC) which is administered by the Electrical Safety Authority (ESA). Staff may request that operators provide logs of service conducted on the electrical system. Staff consulted with the ESA on this proposal.

During consultations, many participants supported the requirement of electrical evaluations and noted it could help address concerns around energy use, deterioration of the home, tenant health safety and overall well-being. Some participants expressed concerns around additional costs for operators, whether the City could enforce this standard, and the potential for costs to be passed on to tenants.

Property Maintenance Plans

Staff recommend that multi-tenant house operators be required to develop property maintenance plans, including processes and strategies for tenant service requests, waste, and pest management. The purpose of the plans is to help improve compliance with property maintenance standards, improve tenant awareness of maintenance plans and processes, ensure that tenant requests are addressed in a timely fashion, and mitigate the impact of waste and pests by establishing clear processes and responsibilities.

The plans must be posted on a notice board in the multi-tenant house, and must be made available to MLS staff upon request. This proposal generally aligns with requirements for apartment building owners or operators under Municipal Code Chapter 354, Apartment Buildings (RentSafeTO).

The plans would include specifics about: general process for service requests, including response time for various types of requests; snow removal; lawn maintenance; porch or patio cleaning; common area maintenance; window cleaning; fence maintenance; date of garbage, green bin and recycling pickup; person(s) responsible for moving waste/recycling/organics to the curb; storage plan for surplus waste; location of garbage storage; and a pest management strategy.

During consultations, tenants outlined concerns about poor multi-tenant house conditions, and shared experiences of living at properties that are not maintained. Tenants and neighbouring residents also shared concerns about waste and pest issues at multi-tenant houses. During consultations, licensed operators, tenants, and other stakeholders generally expressed support for having property maintenance, waste, and pest management plans in place, as these would directly affect the health and safety of tenants, as well as help manage impacts on the community. Those who were unsupportive indicated that this requirement, for renters and not homeowners, assumes poor maintenance standards. Some licensees indicated that there should be clear requirements of what an acceptable plan should include, and that the City should provide some guidance to operators.

To support applicants and licensed operators in developing a property maintenance plan, staff will provide a property maintenance plan template, including all relevant components, which applicants may customize for the unique characteristics of each multi-tenant house.

If an operator does not implement their property maintenance plans, then MLS can take enforcement actions against the operator.

Floor Plan

MLS and Toronto Fire Services have identified a need for floor plans from multi-tenant house operators in order to support inspection and enforcement investigations. Currently, multi-tenant house operators include in their licence applications a count of the number of rooms on each floor of the house. These numbers are often inaccurate due to variations in interpretation. Requiring operators to submit floor and exterior plans showing the layout of the premises on an initial application and each annual renewal would help streamline inspections by allowing enforcement officers to verify information about the multi-tenant house (for example, which rooms are intended for accommodation).

MLS recommends that all multi-tenant house operators be required to maintain a basic floor and exterior plan that includes the relevant interior and exterior details of the house and property (for example, the placement and use of various rooms). These plans would be made available to City officials to support effective inspections and enforcement. To support the process, MLS will provide applicants with sample floor plans and a checklist of the types of information that should be captured in the plan.

During consultations, stakeholders stated that this requirement would have positive impacts on safety for tenants and that illegal and unsafe rooms would potentially be reduced. This requirement could also improve landlord/owner accountability and

transparency. Licensed operators expressed concerns around the cost of having professional floor plans drawn up for their buildings (particularly older buildings that may not have their original floor plan). Since the purpose of requiring floor and exterior plans is to confirm the general features, use, and layout of the building and premises, the plans would not need to be dimensioned or drawn by a professional, and could be produced by the operator.

Licensing Fees

The current multi-tenant house licensing fees under former City of Toronto Chapter 285, Rooming Houses are \$100, \$200, and \$300 per year depending on number of bedrooms, stories, and whether the house is owner-occupied or a non-profit. The fees are affordable, and have not been updated since the by-law was established in pre-amalgamation.

Charging fees that recover all costs of a new licensing framework will result in a significant expense for multi-tenant houses. There is health, safety, and social value in maintaining affordability of the fees to encourage licensing and compliance, and ensure houses are safe and liveable. As such, staff do not recommend raising fees to recover all costs of the licensing framework as would be expected in a cost recovery model that is used for some other City programs. Staff recommend simplification of the fee structure to charge a per multi-tenant house room/dwelling unit licence fee of \$25, in order to maintain affordability, recognizing that larger multi-tenant houses will require greater costs to regulate. For example, under this new structure, for a four-room multi-tenant house, this will mean the fee will be approximately \$100 per year, with annual adjustments.

Staff also note that the proposed fee is in alignment with the per-unit fee under RentSafeTO, and is generally consistent with what other jurisdictions charge.

Finally, staff recommend that fees are waived for non-profit multi-tenant houses, which include Toronto Community Housing Corporation and non-profit housing providers under a program administered by the City of Toronto.

Other Proposals Considered

In the interest of promoting housing affordability and encouraging landlords to become licensed under a legalized framework, staff are not recommending the following proposals.

Vital Services Disruption Plan and Cost Recovery Fee

Under the RentSafeTO program, the City has the ability to recover from landlords the costs of providing emergency social services (such as temporary tenant accommodations) in certain situations where an apartment building is evacuated and/or vital services are disrupted. In addition, apartment building landlords are required to have a vital services disruption plan that would be implemented in situations where vital services are affected and temporary accommodation and emergency social services are needed. The City introduced these requirements to allow it to recover from the landlord

the significant costs that were incurred by the City due to the emergency responses in high-rise apartment buildings.

The Office of Emergency Management, along with other City divisions and partners, coordinates the delivery of Emergency Social Services in multi-tenant house evacuations. For example, in 2019, the cost of providing emergency social services to multi-tenant house tenants was \$200,000 for services delivered to 65 tenants. This is significantly lower than costs for emergency social services historically provided to high-rise apartment buildings.

At this time, it is not recommended that the City apply these requirements, due to the cost impacts on smaller-scale multi-tenant operators and historically low risk levels of cost impacts on the City. It may deter owner/operators from obtaining a licence and legalizing the property. Instead, staff recommend continuing to monitor impacts throughout implementation and assess if there is a need for these requirements at a later date.

Insurance

Existing insurance products for landlords include Commercial Property Insurance, Business Interruption Insurance, and General Liability insurance. These insurance products do not directly cover costs for tenants' additional or alternate living expenses associated with re-housing. Staff do not recommend incorporating landlord insurance requirements into the By-law. There is no guarantee that insurance payouts will result in benefits being passed on to tenants, as it is a business decision by the landlord to decide what to do with insurance funds.

This recommendation aligns with what City staff reported on the RentSafeTO program in 2019 (<https://www.toronto.ca/legdocs/mmis/2019/ph/bgrd/backgroundfile-139475.pdf>). Apartment building landlords under RentSafeTO are not required to have mandatory insurance.

Security Deposit

Staff were directed to report back on the feasibility of a security deposit as part of licensing, such that if the operator fails to meet minimum property maintenance standards (including but not limited to grass cutting, snow clearing and garbage removal), the security deposit may be used to pay for remediation.

The costs for conducting remedial action on property maintenance issues can vary depending on the size of the multi-tenant house, state of the house, and the extent of the issue. It would be a challenge to calculate and charge a security deposit that is designed to guarantee coverage of the costs of remediation given the variability of these costs.

In addition, it would put an additional financial burden on operators who may otherwise comply with the property maintenance requirements. The costs of the security deposit may impact the incentive for landlords to join a legalized licensing framework. In addition, staff note that the enhanced licensing requirements (such as the property maintenance plan) will encourage operators to proactively address such issues, and take on the responsibility of managing property maintenance issues.

While staff do not recommend requiring a security deposit, the proposed by-law would require operators to ensure the multi-tenant house is maintained in accordance with the property maintenance plan and other plans filed by the operator. If the plans were not complied with, the City would have the ability to do the work and, where required, charge the owner by billing the exact costs to the owner's property tax bill. For more information on remedial action authority, see page 57.

Parkdale Pilot Program

In 1998, the City created a conflict resolution process to achieve consensus on the appropriate approach the City should take to the existing bachelorettes and illegal multi-tenant houses in South Parkdale.

After a conflict resolution and mediation process with various stakeholder groups that had an interest in the illegal multi-tenant houses, the City brought forward a proposal with consensus from the stakeholders for a pilot program to legalize the multi-tenant houses in the area.

The pilot program created a dedicated and funded project group to deal with housing issues in Parkdale, focused on the legalization of illegal multi-tenant and bachelorette units. Building owners were provided an opportunity to prove historic compliance with the Building Code. If they were compliant, City staff further reviewed the house against new criteria related to unit size, parking, landscaping and common space. If successful, the units were then legalized through a rezoning and licensing process that included notification and a public consultation process.

One of the lessons learned from the Parkdale Pilot program is that harmonized standards and processes across the city may remove some of the challenges of dealing with multi-tenant houses solely on a case-by-case basis. Rather than approving zoning on a case-by-case basis as was done in Parkdale, staff are recommending expanding standardized zoning across the City and providing a standardized path to legalization for all multi-tenant houses.

In addition, staff note that the project benefited from dedicated staffing, well-defined timelines, and strategies to legalize multi-tenant houses. However, there were instances where the resources and dedicated staff could have been improved or enhanced.

City staff are aiming to address these lessons in this new proposed framework, with an expanded enforcement team and dedicated project management office that coordinates actions across City Divisions whose program areas intersect with multi-tenant houses.

Exemptions

Some types of housing may be exempt from the requirement to obtain a multi-tenant house operator licence, for various reasons. For example, there may be legislation and regulations at the provincial or federal level, or other by-laws and/or municipal programs that provide oversight for specific types of housing.

Staff recommend exempting the following housing types from the new multi-tenant house by-law as there are other regulations that provide oversight for these housing types:

- Residential premises licensed by, approved of or supervised by the Government of Ontario or Canada;
- Shelters operated by on behalf of the City or a City agency which provide short-term emergency accommodation and associated services;
- Student housing operated by a college or university;
- Co-operative student residences owned or leased by a non-profit, non-share corporation and providing housing accommodation on a co-operative basis; and
- Hotels or motels.

Personal Care Multi-Tenant Houses

Personal care multi-tenant houses (PCMTH) are affordable housing options that provide support services beyond a typical multi-tenant house. Tenants of PCMTHs include vulnerable persons with chronic health conditions, mental illness, and addictions, who may not qualify for provincially-regulated group homes, supportive housing or long-term care, but who nevertheless require regular assistance with their activities of daily living. These personal care services can include housekeeping, laundry, meal preparation, medication storage, and social/recreational opportunities.

There are currently approximately 55 licensed in the former City of Toronto and parts of the former City of Etobicoke. The current personal care rooming house by-laws (former City of Toronto Chapter 285, Rooming Houses and former City of Etobicoke Chapter 166, Lodging Houses) are outdated and represent a fragmented approach to regulating PCMTHs across the City. The existing by-laws can be modernized to serve as a mechanism for health and safety oversight, with the provision of clear standards and guidance to operators, regular inspections by specialized staff, and enforcement where necessary. An update to the current approach can address risks to tenant health and safety.

Personal care services exist on a spectrum of health care services provided to vulnerable residents, similar to provincially-regulated group homes, supportive housing, retirement homes, and long-term care. Therefore this report proposes that the City of Toronto request that the Province of Ontario establish a regulatory oversight framework for PCMTHs, including oversight by regulated health professionals (e.g. nurses, nurse practitioners), and inspection and enforcement by provincial inspectors.

In the absence of a provincial framework regulating personal care multi-tenant houses, this report proposes that the Province provide funding to cover the related costs of the City's proposed interim program.

Interim Program to Enhance PCMTHs Currently Operating in Toronto

In the absence of a provincial framework regulating PCMTHs, City staff recommend continuing to license personal care operators in the interim to ensure that protections are in place for these vulnerable residents. MLS and TPH propose an interim licensing, enforcement and compliance program that:

- Recommends and implements enhanced licensing requirements for PCMTH operators in order to promote the health and safety of tenants; and
- Includes specialized health professionals to provide oversight of personal care setting services provided to vulnerable individuals.

Proposed Definitions

The current licensing by-laws use different terms and definitions to describe personal-care multi-tenant houses. In the former City of Toronto, it is where the owner provides meals and/or services to tenants in caring for their personal needs or health, and in Etobicoke, specific levels of care are described. To improve clarity, the following definition for "multi-tenant personal-care house" is proposed:

A multi-tenant house where personal-care services are provided.

For the purposes of this definition of multi-tenant personal-care house, "personal-care" is the provision of care services, including but not limited to, 24-hour urgent response, safe storage and access to prescription drugs, meals and snacks, housekeeping, personal laundry and opportunities for social and/or recreational activities. This does not include services provided by a regulated health professional.

TPH also proposes the following definitions:

- "Operator" is a person who owns and/or controls the business of operating a Multi-Tenant House.
- "Person-in-charge" is the person, either the operator or their employee, who is in attendance at and supervises a personal-care multi-tenant house.
- "Prescription drug" is a drug that is dispensed by a pharmacist on the direction of a physician, dentist or nurse practitioner.
- "Staff" is a person who is employed to provide personal-care services at a personal-care multi-tenant house, and includes a person-in-charge.
- "Regulated health professional" is a person or member listed in the Table under section 44 of the Regulated Health Professions Act, including a physician, nurse, occupational therapist or physiotherapist.

Personal Care Licensing Recommendations:

TPH recommends introducing a set of enhanced requirements for staff qualifications; minimum standards for staffing; environment and sanitary facilities; food and nutrition; and medical care. In addition, TPH recommends introducing new standards for tenant admittance; personal care safety plans and tenant care policies; and record-keeping requirements. These enhanced requirements are intended to ensure that the tenants of these homes are provided with proper protection and care.

In order to support the development of the PCMTH recommendations, TPH conducted a jurisdictional scan of other municipalities to determine what type by-law frameworks exist in other regions. The purpose of the scan was to identify what requirements were in place to address: operator qualifications; managing tenant admissions; tenant care;

and housekeeping. The jurisdictional scan revealed that there is no unified standard definition of PCMTHs and the level of oversight also varies from each municipality.

Qualifications of Operator and Person-in-Charge

Personal-care multi-tenant house operators and person(s)-in-charge work closely to provide direct services to tenants, many of whom may be considered vulnerable persons. To protect tenants, staff recommend enhanced requirements that operators and person(s)-in-charge, must meet minimum age, education/experience qualifications; and undergo Vulnerable Sector Screenings with their licensing application. Vulnerable Sector Screenings are required for all employees in other municipalities and this record must be provided prior to their first day of employment.

Minimum Standards for Staffing

Tenants in personal-care multi-tenant houses may require supervision or care at various hours throughout the day. To ensure that tenants have access to adequate care when needed, staff recommend enhanced standards as follows: that a person-in-charge is present in every PCMTH twenty-four hours a day. The person-in-charge would be responsible for, but not limited to: ensuring the health and safety of tenants; ensuring there is sufficient staff on duty at all times; providing personal-care to tenants; and handling emergencies.

Clearer Expectations for Tenant Admittance

Personal-care multi-tenant houses are one of several options available to individuals who may require some level of care for their personal or health needs. Some individuals' needs may exceed the level of care that a personal-care multi-tenant house can provide, and they may be better accommodated in another type of housing such as a long-term-care facility, or a provincially-licensed group home. Staff recommend that tenant needs are identified appropriately upon admittance to ensure that the house can provide the appropriate personal care services. Through the jurisdictional scan, it was found that some municipalities may prohibit admittance of any person who is deemed eligible for placement in a long-term care facility as an insured person under the Health Insurance Act.

In the new framework, TPH recommends including a new standard that operators would be required to obtain an up-to-date assessment for each tenant, conducted by a regulated health professional (physician, nurse, occupational therapist, physiotherapist), to be submitted with the application for admittance. The assessment is intended to identify whether a tenant's needs exceed the level provided in a personal-care multi-tenant house.

If a tenant's needs are found to exceed the level of care provided in the home, the operator would be required to assist in arranging transfer to a more appropriate living arrangement. Some jurisdictions require assessments to be completed every 6 months, however this was identified as being too prescriptive for operators.

Upon admittance, the operator will enter into a written tenancy agreement with each tenant, specifying all ongoing care services and meals that will be provided. Individuals may not be admitted without their consent or the consent of their guardian. The requirement will aim to address the risk of an operator offering housing to tenants who may not have the capacity to consent; or offering housing to tenants for whom they cannot provide the appropriate level of personal care services.

Environment and Sanitary Facilities

Environment and sanitary facilities can impact the health and safety of tenants. TPH recommends enhanced and more detailed standards as follows: operators be required to ensure that all rooms are kept in a clean and sanitary condition, including but not limited to providing for pest control as needed, and setting a minimum frequency for cleaning of sanitary facilities, towels, and bed linen. The operator must also ensure that sanitary facilities are equipped appropriately at all times (including supplies of toilet paper, liquid soap, waste disposal, and towels), and that bathtubs have slip-resistant material adhered to the bottom of the tub.

Food and Nutrition

Many multi-tenant personal care operators provide meals to tenants. In order to ensure that tenants are provided with a sufficient number of nutritious meals, TPH recommends a new standard that operators be required to employ at least once a year, the services of a registered professional dietician consultant to review and/or develop menus, to ensure that menus meet the guidelines set out in Canada's Food Guide and Canada's Dietary Guidelines. Menus also be kept on file for a minimum of three months. The need for the operator to have their menus assessed by a registered professional dietician is in line with the requirements for personal care multi-tenant houses in other municipalities.

It is also recommended that menus be posted and available to tenants, and that operators adhere to a daily schedule for serving meals and snacks. Additionally, all personal care multi-tenant houses that meet the definition of "Food Premise" under the Health Protection and Promotion Act must comply with the Food Premise regulations, which includes annual inspections by TPH, to ensure that food preparation facilities meet standards.

Medical and Health-related Care

Operators and persons-in-charge may be responsible for the storage and management of tenants' prescription drugs. TPH recommends continuing to require that operators and persons-in-charge must take appropriate measures to ensure that prescription drugs are locked and stored safely, individually labelled for each tenant, and that they are only available to those tenants for whom they have been prescribed and as ordered by the prescriber. Injectable prescribed drugs of any kind must only be administered by a Regulated Health Professional, unless self-administered where ordered by the prescribing Regulated Health Professional.

In addition, TPH recommends that operators be required to make arrangements for tenants to see a physician in a clinic setting when a tenant's regular physician is not

available, and that tenants not be denied access to support services. Operator and staff must also ensure that emergency services is immediately contacted for medical emergencies.

Personal Care Multi-Tenant House Safety and Tenant Care Plans

TPH also recommends new standards for operators to prepare and make available a safety plan that describes the measures and procedures that are in place to protect the health and safety of the tenants. The plan will outline actions to be taken by the operators in events such as emergencies, unexpected death, missing tenants, law enforcement interventions, allegations of abuse, and more. The plan must be posted on a notice board in the multi-tenant house, be reviewed and updated annually, and provided to City staff when requested.

In addition, the operator will be required to have in place plans that outline how the operator is managing tenant care, admissions, and housekeeping. The plans must be made available to any person upon request.

Requirements for Record Keeping

To ensure physicians and other regulated health professionals are provided with the necessary and relevant health information to treat tenants, particularly in emergency situations, TPH recommend that operators be required to maintain a separate records for each tenant, with key information pertinent to their health care and/or history.

These records must include information as set out by the Medical Officer of Health, basic personal information (name, gender, date of birth, date of admission to personal-care multi-tenant houses), contact information for next-of-kin, information for the tenant's physician, attorney for personal-care, and attorney for property, list of prescribed medications and other care as prescribed by a regulated health professional, any other agencies or organizations providing support to the tenant, the signed tenancy agreement, and dates and particulars of any significant incidents while in the facility.

Operators are also responsible for providing a certain level of care for tenants, as described in the sections above. In some cases, there may be emergencies (e.g. fires, unplanned evacuations), unexpected or unusual incidents, or events that result in law enforcement or emergency services interventions. Staff recommend that operators must maintain records of all such events, and make them available to City officials upon request. These records will assist in identifying issues and potential solutions, and aiding in investigations into compliance levels.

Stakeholder Feedback

Personal care multi-tenant operators expressed a willingness to comply with the new standards, but also recommended that the City partner with operators to help cut down their costs for meeting the compliance requirements. It was also stated that there is a need for more housing like this and the requirements should not be a barrier to operation.

Personal Care Enforcement, Compliance, and Needs Assessment Program

Staff recommend that the City employ provincially-regulated healthcare staff to conduct inspections and investigations into the health and safety standards of personal care multi-tenant houses. It is proposed that two nurses or nurse-practitioners be embedded within the MLS enforcement team to conduct compliance and oversight activities. The day-to-day operations for enforcement and compliance will be managed by MLS, and Toronto Public Health will provide consultative services to the MLS team. Toronto Public Health will also continue to conduct enforcement related to food premises.

The designated nurses will also collaborate with Toronto Public Health to conduct an assessment of the needs of vulnerable individuals residing in personal care settings, as these data are lacking. After the temporary program, which is recommended to take place over a period of approximately two years, staff will report back with findings and recommendations to Committee and Council. Staff will also engage the provincial government in its findings, and to advocate for greater provincial oversight of the regulatory framework.

Strategic Compliance and Enforcement Program

Four-pillar Enforcement Strategy

The enhanced enforcement strategy will focus on living standards, tenant health and safety and managing community nuisance, and will include a four-pillar approach, described in detail, below.

Collaboration and Inter-divisional Resources

Inter-divisional Collaboration

City staff will coordinate enforcement and compliance measures with a City-wide inter-divisional team that includes staff from MLS, Toronto Fire Services, Toronto Building, Housing Secretariat, and Shelter, Support, and Housing Administration, and other divisions.

Staff have established a protocol outlining the roles and responsibilities of key divisional partners (see Attachment 3), which will guide the collaborative approach to regulating multi-tenant houses. Roles include, but are not limited to, the following:

- Dedicated team of MLS officers that are solely focused on ensuring that operators comply with the multi-tenant houses licensing by-law, similar to the RentSafeTO dedicated team;
- Deployment of staff from Toronto Fire Services to ensure compliance with the Fire Code;
- Deployment of staff from Toronto Building to ensure that operators provide proof of compliance with Ontario Building Code and zoning permissions;
- Deployment of staff from Toronto Public Health under their statutory authority to ensure compliance with health and safety standards e.g. kitchen inspections of personal care multi-tenant houses; and
- Deployment of other divisions as needed, including the Office of Emergency Management, Housing Secretariat, Shelter, Support and Housing Administration, and others to promote health, safety, and security, and propose compliance assistance measures and proactive anti-and displacement strategies for tenants.

Increased Resources

In order for the regulatory framework to be effective, there is a need for dedicated and enhanced resources to ensure that City staff have the ability to conduct inspections, respond to complaints, and take enforcement actions against non-compliant operators.

A dedicated MLS team of 6 officers has already been established, and it is proposed that the team be increased to 28 officers as the zoning by-law is introduced and the scale of legalization is established. In addition, Toronto Fire Services proposes the hiring of up to approximately 16 new inspection staff, as the program grows to conduct mandatory inspections under the Fire Protection and Prevention Act.

The number of MLS and Toronto Fire Services staff to be hired will be gradually increased and determined at each phase, depending on the uptake of the program.

2. Education and Outreach

City staff recommend launching a public awareness plan to raise awareness of new permissions and regulations with a focus on gaining compliance, including creating and sharing guidance materials with multi-tenant house operators to ensure they are aware of their responsibilities to comply with the new by-law, assist them in improving and maintaining multi-tenant houses, and outline resources to assist with compliance.

The public awareness plan will also improve tenant access to multi-tenant house information to promote transparency and to better guide them in exercising their rights. Steps will be taken to develop plain language user friendly on-line and print materials available in different languages. Materials will be tested by tenants before they are finalized to ensure they are effective.

A student-specific toolkit will also be co-developed with students as many are first time renters and unaware of their tenant rights. The engagement plan will also seek to develop effective relationships externally with community groups to enable two-way communication and effective feedback.

3. Compliance

Under a new licensing framework, operators will have an opportunity to become licensed; and this will facilitate better annual inspection oversight, data collection, and ability to track multi-tenant houses by City staff.

Annual Inspections

MLS and Toronto Fire Services will conduct annual inspections of licensed multi-tenant houses by MLS and Toronto Fire Services, and by Toronto Public Health on an as-needed basis, in order to bring the multi-tenant houses into compliance.

Licensing inspections will focus on ensuring compliance with property maintenance requirements, including ensuring that operators are implementing their property maintenance plan to address waste, pest management, and tenant service requests. In addition, MLS will inspect for compliance with floor plans, nuisance issues, and any

other standards that operators are required to comply with under the new multi-tenant house licensing by-law.

Thorough fire inspections and re-inspections are also the mainstay of effective fire prevention work and a major factor in reducing the loss of life and property from fire. Annual fire inspections required in licensed multi-tenant houses are an important tool to providing safer environments for all tenants. Toronto Fire Services fire investigation data collected over the last ten years (2010-2020) found that approximately 10 percent of all Toronto residential fire fatalities took place in a multi-tenant house. In total, 18 multi-tenant houses were involved in 16 fire fatalities and six serious injuries. 16 of these multi-tenant houses were unlicensed.

Data Collection

City staff will also focus on improved data collection on unlicensed and licensed operators, enhance information-sharing among divisions, establish performance measures to better track enforcement outcomes, and undertake the necessary information technology improvements for compliance.

Coordinated Enforcement Approach to Complaints

MLS and Toronto Fire Services will continue to utilize a coordinated approach to compliance to address multi-tenant house issues; and also use complaints data to carry out targeted, proactive compliance efforts in areas where the highest number of complaints and requests are received. MLS staff are developing a priority response matrix for responding to by-law issues that uses strategic priorities to determine the urgency and potential impact in addressing complaints, and focusing investigations. Prioritization of service requests and investigations is intended to facilitate a more effective deployment of staff.

This will allow staff to be responsive to complaints from members of the public, tenants, landlords, and any other parties impacted by the regulations. With the expanded enforcement team and additional resources that are being requested for this program, staff anticipate that the City's capacity to address complaints will be enhanced.

4. Enforcement

The ultimate goal of enforcement is to resolve issues and ensure that multi-tenant house operators are following the by-law. Each issue is addressed on case-by-case basis to make sure reasonable, fair and appropriate actions are taken.

Licensing Investigations

Additional targeted and coordinated enforcement against unlicensed and problematic houses using the complaints data and priority matrix will be undertaken; and MLS will carry out on-site and in-person investigations into high-risk operator locations.

MLS must abide by the power of entry restrictions in the City of Toronto Act. With the new dedicated team of MLS officers in place since 2020, MLS has had more success in being able to educate tenants on their rights and the protections in place for them; and successfully gain entry into unlicensed multi-tenant houses to investigate them. In conducting its investigations, MLS will connect with tenants to conduct education and

awareness; and collect evidence of unlicensed activity, as well as property maintenance violations such as garbage, noise, parking, and more.

In some cases an issue may be resolved through education. In other cases, further enforcement action is required, such as issuing a ticket, an order to comply, or a summons to court or having a Multi-Tenant House Licensing Tribunal hearing.

Penalties and Prosecutions

The City's enforcement tools for people operating without a licence or otherwise contravening the by-law will also now include increased fines as follows:

- New set fines for tickets that can be easily issued by officers;
- Maximum fines of up to \$100,000;
- Continuing offences with fines of \$10,000 a day; and
- Special fines in an amount equal to any economic gain obtained from non-compliance.

The Provincial Offences Act, 1990 and its regulations are the legislation under which by-law offences are prosecuted. Part I (tickets) are available for generally less serious offences. When a ticket is issued, the recipient may choose to pay the fine (which is no more than \$1000 and approved by the Regional Senior Justice) or dispute it by means of a trial. Part III (summons) are available for generally more serious offences and require the recipient to appear before a Justice of the Peace, as the summons cannot be resolved through the payment of a set fine.

Convictions under the Ontario Fire Code have a maximum fine of \$50,000 for first time offences, and \$100,000 for subsequent offences for individuals. For corporations, first time offences have a maximum fine of \$500,000 and \$1,500,000 for subsequent offences.

Finally, a Multi-Tenant House Licensing Tribunal hearing can be held for licensed operators that violate the by-law. After hearing from the parties, the City and the operator, the Tribunal will have authority to issue, refuse, suspend or revoke a licence, or add conditions to the licence.

Remedial Action

The new multi-tenant house licensing by-law will also include new authority for MLS and TPH to undertake remedial action under the harmonized multi-tenant houses by-law. If an operator or owner fails to correct a contravention under the new multi-tenant house licensing by-law, MLS will have the authority to enter the premises and undertake the work at the owner's expense and place it on the property tax bill. This is in addition to remedial action authority that the City has under existing by-laws, including Property Standards.

Moving forward, it is recommended that the division work with the City's Purchasing and Material's Management division to obtain general contractor(s) that can undertake remedial action a wider range of maintenance work.

An additional tool that Toronto Fire Services has to ensure work is done for the fire safety of all tenants is the Immediate Threat to Life action. Under the Fire Protection

and Prevention Act, 1997 (FPPA), TFS has the authority to issue an Immediate Threat to Life notice if the inspector feels that leaving the property with the identified violations would pose a threat to the life of the tenants at the address. This provision of the Act allows TFS to have the issues fixed immediately and seek cost recovery from the owner. In the event that the issues are so serious that it cannot be corrected immediately to mitigate risk to life, TFS also has the authority to remove occupants and/or close the structure.

Prioritization of Life and Safety Inspections

It is also recommended that life and safety issues be prioritized as part of the enforcement approach.

In cases where there are no immediate threats to life or safety, City staff will undertake enforcement that first aims to bring the owner into compliance through education and awareness; apply penalties and fines in cases where compliance is not achieved; and finally, employ measures to undertake remedial action.

In the interests of protecting tenants and preserving affordable housing, under the new by-law, City staff would not be in the business of shutting down multi-tenant houses, unless there is an immediate risk to life and safety that is identified by Toronto Fire Services. Staff will generally seek to work collaboratively with operators to bring them into the new licensing regulatory framework.

This takes into account the impact on tenants and housing affordability, and uses a phased approach to promote compliance, while ensuring that if compliance is not achieved, the City takes enforcement actions.

Stakeholder Feedback

During the consultations, many participants raised concerns that the City may not be able to enforce all the relevant by-laws and licensing requirements proposed, which may lead to an increase in the number of illegal multi-tenant houses across the city. This included concerns with getting access to illegal non-compliant properties, capacity to address concerns raised by communities and equitably enforcing tenants and operators who may be negligent. Additionally, it was noted that some operators may have multiple properties and not live on site, which can create challenges establishing contact with the appropriate parties, should issues arise. Participants also considered enforcement measures to be the most critical piece to the proposed changes and maintained that without the proper enforcement this initiative can fail.

New Multi-Tenant House Licensing Tribunal

Current Rooming House Licensing Commission

The Rooming Housing Licensing Commission is a quasi-judicial body that may issue, suspend, renew, or revoke a rooming house licence for rooming houses located within the geographic area of the old City of Toronto. In issuing a licence, the Commission may also place conditions upon the owner of the rooming house.

The Commission is comprised of a Commissioner and a Deputy Commissioner. Two members of the public are appointed by City Council as the Rooming House Licensing Commissioner and the Deputy Commissioner through the City's Public Appointments process. The Committee has the authority to hold hearings on whether a licence should be revoked, suspended, or issued with conditions.

Through its licensing and licence renewal processes, MLS identifies rooming houses that should be issued a licence by the Commissioner, or where the Commissioner may have grounds to refuse, revoke, suspend, or place conditions on a licence. MLS also provides administrative support for the functioning of the Commission.

Through the review, City staff have identified a number of ways in which the roles of MLS and the Commission could be improved and modernized. Below, staff recommend the establishment of a new Multi-Tenant House Licensing Tribunal which would have a clearer and more distinct role than the existing Commission.

Update Tribunal Mandate

Currently, the Commission is the body that issues multi-tenant house licences, as well as the body that holds hearings regarding whether the licence should be denied, revoked, suspended, or have conditions placed on it. It is recommended that the mandate of the Multi-Tenant House Licensing Tribunal be updated so that it is the quasi-judicial body through which a licensing decision may be reviewed or appealed.

Under the new by-law, the responsibility for issuing and denying licences would be within the purview of MLS. MLS would receive and review applications, and would have the ability to refuse applications where the applicant has failed to meet criteria set out in the by-law. MLS could also refer an application to the Tribunal where MLS staff feel a licence should be revoked, suspended or continued with conditions.

Operators will have an opportunity to appeal a refusal of an application by MLS staff and can participate in a hearing where MLS has referred a licence to the Tribunal. The Tribunal will have authority to issue, refuse, suspend or revoke a licence, or add conditions to the licence.

The Tribunal's role will be confined to hearing matters appealed to or referred to it rather than being directly involved in the standard application and issuance processes.

Expand Tribunal Authority

The Commission currently only has jurisdiction over the former City of Toronto. Staff recommend that the Multi-Tenant House Licensing Tribunal's authority be expanded to all areas where multi-tenant houses is permitted under City of Toronto zoning rules.

Implement Modernized Procedures and Accessibility

The Tribunal should have documented guidelines for its processes in order to provide transparency for the general public and affected parties. The proposed new Tribunal

should implement processes that are in line with the best practices of other administrative bodies in order to promote fairness, responsiveness, and transparency.

Staff will encourage the new Tribunal to develop processes that align with best practices in documents such as rules of procedure and evidence submission processes.

It is recommended that the Tribunal report publicly on their work. Accountability is an important part of Tribunal governance, and it is recommended that the Tribunal should undertake greater disclosure of information on performance against defined service standards through a public annual report.

The concept of accessibility also encompasses various procedures that a tribunal should institute, including:

- Ensuring that procedures are accessible to the public and all parties impacted – so that there is clarity and transparency, and parties know what to expect from the process i.e. such as Rules of Procedures, Public Guides on What to Expect at a Hearing, etc.
- Providing timely and responsive service to the parties involved, and setting out service standards for response times and decision-making timelines.
- Publishing the information on tribunal procedures in clear and plain language.
- Ensuring that hearing locations are accessible to members of the public.
- Instituting alternative processes for individuals to participate, particularly if they have barriers that make in-person attendance more challenging. This means providing avenues such as email or teleconferences for individuals to participate in the hearing process.
- Being sensitive to diversity issues and accessible to parties with different ethnic, cultural, and religious backgrounds.
- Timelines for servicing of documents and communication with parties should provide ample notice and time for review and response.

The new Tribunal will be encouraged to develop supports to guide landlords and tenants through the adjudicative process, including providing them with informational materials on Tribunal processes and the ability to participate in the adjudicative process.

Court Services Administration of Tribunal

Currently, administrative support for the Rooming House Commission is provided by MLS. The new Multi-Tenant House Licensing Tribunal requires expert administrative and hearing support in order to operate effectively, including support related to:

- processing of appeals and hearings;
- scheduling hearings and assembling required materials;
- preparing notices and orders;
- meeting management support for hearings and mediations;
- administrative support for the Tribunal business meetings, public materials and annual report preparation; and
- preparing its annual budget proposal for inclusion in the City's annual budget process.

Court Services already provide administrative services to the Courts and three of the City's adjudicative boards: Administrative Penalty Tribunal, Toronto Licensing Tribunal, and Toronto Local Appeal Body and are well suited to assume this responsibility. This report recommends that City Council authorize Court Services to provide administrative and hearing support to the Tribunal.

Expand Panel Membership

Among other jurisdictions and other City of Toronto quasi-judicial boards, it is a common practice that an appeal body is comprised of more than one individual and quorum is also more than one person. Currently, the quorum for the Commission is one member of the two-person panel, either the Commissioner or the Deputy Commissioner. Staff recommend that the new Tribunal be expanded, and that quorum be expanded to three members. The governance structure of the new Tribunal will be determined during implementation and submitted as part of the annual budget process for consideration.

The members of the new Tribunal will be recruited in accordance with the City's Public Appointments Policy. City Council, on the recommendation of the appropriate Nominating Panel, appoints the members. The Nominating Panel will review applications, determine which candidates are to be interviewed, conduct the interviews and assessments, and make a recommendation to City Council on which members and a Chair should be appointed to the Tribunal.

Proposed Tribunal Budget

It is estimated that the Tribunal's annual operating costs will be \$422,570, including staff costs. This is a preliminary estimate that does not include facilities, interpreter costs, Tribunal remuneration and legal support costs, which will be determined through implementation. Staff will report back on a final proposed budget via the 2022 budget process.

Housing Affordability Incentives

The proposed multi-tenant house framework introduces licensing requirements related to fire and life safety that are fundamental to ensuring the safety and security of tenants. These requirements may result in additional costs for the operator. The City intends to explore ways to mitigate the cost of these new requirements as much as possible, so as to avoid increases in affordable rents and influence an operator to maintain operations as a multi-tenant house, potentially avoiding the loss of affordable homes.

To address this, the City is developing a Multi-Tenant Housing Renovation and Retrofit program to help offset costs of fire and building code compliance and maintain rental affordability. Incentives will also be made available for accessibility upgrades. The City has extensive experience operating programs to assist with multi-tenant house retrofits, such as the previous Toronto Renovates provincially-funded multi-tenant house retrofit program. Incentives could be offered to eligible operators in exchange for guaranteed periods of affordability for tenants. Proposed program elements based on feedback from operators and tenants during the multi-tenant house consultations include:

- A combination of grants and fee exemptions in exchange for a guaranteed affordability periods;
- Contributions towards funding of renovations to meet Ontario Building Code, Ontario Fire Code and accessibility upgrades; and
- Contribution agreement signed outlining affordable rent levels, length of affordability and conditions if home is sold.

Full details on the grant amount and program details such as eligibility will be determined during the first implementation phase in partnership with Toronto Building.

Building Code Consultant

At its meeting of September 30, 2020, Toronto City Council requested that the Chief Building Official and Executive Director, Toronto Building develop fire and life safety options for builders and owners of multi-tenant houses to assist them in achieving compliance with the Ontario Building Code. This work will support the proposed regulatory framework for this multi-tenant house strategy.

Toronto Building will be undertaking this innovative approach with the assistance of a Building Code Consultant having fire protection engineering expertise. It is expected that this work will result in additional fire and life safety options to assist property owners in meeting building code requirements, while at the same time providing greater clarity and transparency of code requirements and in the end, reducing compliance costs.

Toronto Building will be working in consultation with Toronto Fire Services, City Planning, Municipal Licensing and Standards and the Housing Secretariat to carry out this work, which is expected to be completed in late 2021.

Considerations to Address Student Housing Challenges

At its meeting of December 8, 2020, the Planning and Housing Committee directed City Planning and the Housing Secretariat to meet with the city's post-secondary institutions to discuss ways to work co-operatively to ensure an increased supply of safe and legal housing for students, and to report back to the Planning and Housing Committee on the outcome of those discussions.

This motion addresses similar subject-matter as a recommendation of the Planning and Housing Committee adopted by City Council on December 17, 2019 to request the Executive Director, Housing Secretariat to further engage post-secondary institutions and students with respect to the HousingTO 2020-2030 Action Plan to ensure student housing needs are formally addressed in the next steps of the Action Plan.

City staff meet on a regular basis with representatives of Toronto's post-secondary institutions through meetings convened by staff in the City Manager's office. Staff from City Planning, MLS, and the Housing Secretariat met with the group in April 2021 to introduce the Multi-tenant House review in advance of the public engagement process, recognizing that many multi-tenant house tenants are students. Staff from the Housing Secretariat have begun discussions with post-secondary institutions to collaborate on

matters related to improving housing opportunities for post-secondary students and to identify opportunities for development of new student housing.

During the multi-tenant house consultations it was evident that there are some parts of the city close to college and university campuses, where neighbourhoods have experienced the emergence of student residences in the form of multi-tenant houses due to the lack of alternative affordable rental housing options in close proximity to post-secondary institutions. Multi-tenant houses should be one of the options for students, but provided in a way that is safe for students and blends into the character of the existing neighbourhood. Students, post-secondary institutions and community members all expressed safety concerns for students living in overcrowded and unsafe living conditions.

Based on the City's commitment in the HousingTO 2020-2030 Action Plan to address affordable housing options for students and the distinct issues of student housing and multi-tenant houses in communities near campuses as part of this framework the City is proposing to accelerate plans to develop affordable housing on or near campuses.

A key element of the HousingTO Action Plan is a land-banking initiative that seeks to secure land on public, private or non-profit land to build affordable housing. The City has recently entered into agreements with public institutions and non-profits to build housing on their land. The multi-tenant house consultations highlight the need to accelerate plans to work with post-secondary institutions to build affordable rental housing on or near campuses. The City continue discussions and explore opportunities to enter into partnerships with post-secondary institutions in Year 1 of the implementation plan. New affordable rental housing options, coupled with a new multi-tenant house strategy, could address many of the housing challenges faced by students.

Proactive Planning for Emergency Relocations and Potential Displacements

Implementing a stronger licensing regime and introducing room caps in different residential zones for multi-tenant houses has raised concerns of many that it will result in mass displacement of tenants. This is not the City's intent. The goal is to ensure that tenants are living in adequate and safe housing and to permit the housing type city-wide respecting densities in different neighbourhoods. Despite the City's best intentions there may be instances that require emergency relocations or the reduction of rooms due to life safety issues or immediate threats to health and safety. The City is proposing the following steps to explore mitigation of tenant displacements:

1. Enhancing the City's Existing Emergency Relocation Protocols

City staff are currently exploring ways to enhance the City's approach to emergency relocations. A report back will follow in November 2021 and include considerations to:

- Clearly identify roles and responsibilities between City divisions to improve the effectiveness and timeliness of the City's response;
- Improve tenant communications during and following the emergency event;
- Develop protocols to ensure that relevant support is immediately available, ideally on-site, to support tenants in their emergency housing needs when evacuation orders are issued; and

- Develop resources and information to immediately assist tenants and Operators when there is a need for an emergency evacuation, including the protection of tenant rights.

The City's Tenant Advisory Committee (TAC) will be consulted as this new protocol is developed to ensure the tenant perspective is included, along with considerations raised during these consultations. The Housing-At-Risk Working Group will provide input on interdivisional protocols and how they are applied.

2. Programs and Plans to Mitigate Tenant Displacement

A major concern raised during the consultations was that the enhanced licensing requirements and room caps would result in the loss of multi-tenant house units, displacing tenants. Consultation participants urged the City to use the implementation period to develop a plan to mitigate displacement caused from operators choosing to no longer operate the properties as multi-tenant houses instead of complying with the new by-law, or due to loss of rooms resulting from the dwelling room caps. The City will take the following steps over the coming months:

- Establish a Housing-at-Risk Working Group comprised of staff from across divisions to identify potential policies, programs and resources that could be applied to mitigate the loss of units or transition tenants to alternative housing solutions, if relocation is the only option;
- Consult community partners and the Tenant Advisory Committee to inform the proactive plan to mitigate displacement;
- Work with social and affordable housing properties that may be affected by the zoning amendments to ensure that social and affordable housing is supported and maintained;
- Engage with post-secondary institutions and non-profit partners to proactively plan for the development of affordable rental housing for students, faculty and staff; and
- Require licensed operators to notify the City of a planned shutdown or sale of a multi-tenant home and provide details of a transition plan so staff can monitor their adherence to any Residential Tenancies Act requirements and supplement steps to support tenants or find ways to mitigate the proposed loss of affordable housing units.

Implementation Plan: A Phased Strategy

Staff recommend adopting a phased implementation strategy based on the following goals:

- Move from a framework of outdated by-laws and unlicensed, potentially unsafe living conditions, to a modern set of regulations with legal and safe multi-tenant houses across the city.
- Provide multi-tenant houses with a phased path to legalization, and ensure a smooth and orderly transition where housing stock growth is driven by licensed and legalized houses.
- Identify high-risk operators and take enforcement actions to address immediate risks to life and safety, promote safe and liveable houses for tenants, encourage affordable housing options, and mitigate negative impacts on neighbourhoods and third parties.

- Transition to the new system using a streamlined, balanced, and coordinated approach with all impacted City divisions in a "One City" approach.

The City will adopt a phased approach to gradually introduce expanded zoning and licensing, and introduce incentive programs for operators, as follows.

Staff note that the 2020 Maytree Report (<https://www.toronto.ca/legdocs/mmis/2020/ph/bgrd/backgroundfile-158041.pdf>) advised that enforcement should consider the risk of driving “underground” those operators who are not able or willing to bring their buildings into compliance. The report recommended that a phased approach might be considered to reap the benefits of legalization without putting tenancies at risk.

Maytree proposed that the City might focus on legalization, inspections, collecting data, and enforcing property maintenance by-laws and legislation to promote tenants’ health and well-being and address easy-to-remedy nuisances to neighbours – while noting that any properties that are found to pose immediate threat to life should, of course, be closed and tenants rehoused elsewhere.

To address these issues, the proposed implementation plan aims to introduce a gradual approach to facilitate the phasing in of the by-law requirements.

Year 1: Laying the Foundation (Sept 2021 – Nov 2022)

Establishment of Project Management Team and Inter-divisional Coordination

City staff will establish a dedicated Project Management Team, with representation from all City Divisions involved in the regulatory framework. It will coordinate enforcement and compliance activities, and will also lead community and stakeholder relations. The project management office will facilitate inter-divisional strategic enforcement and coordination efforts between MLS, Housing Secretariat, Toronto Fire Services, Toronto Building, Toronto Public Health and other divisional staff deployed as needed.

Toronto Building, in consultation with Toronto Fire Services, will also be working to identify alternative options to achieve compliance with the fire and life safety requirements of the Ontario Building Code and Ontario Fire Code as applicable.

The Housing Secretariat will establish a Housing-At-Risk Working Group to proactively plan to attempt to mitigate potential displacement caused by this framework. The details of the Multi-Tenant Housing Renovation and Retrofit Program will also be finalized based on the outcome of the work undertaken by Toronto Building.

Enhancement of Enforcement Staff Resources

City staff will expand the dedicated MLS enforcement team, hiring additional officers in order to prepare for the gradual implementation of expanded zoning permissions; and enhance enforcement against high-risk unlicensed operators. The total number of enforcement officers eventually needed on the team is estimated to be up to 28 officers, with an annualized cost of \$4,359,605 over 2022 and 2023 based on uptake of the program. Modelled on the RentSafeTO approach, this team will be dedicated to enforcement and compliance of multi-tenant house standards.

Toronto Fire Services will also expand its staffing resources, in order to continue to conduct the mandatory inspections and to ensure compliance with the Ontario Fire Code, and it may require up to 16 new inspection staff at an estimated annualized cost of \$1,775,790 over 2022 and 2023 based on uptake of the program.

Development of New Licensing System

A new multi-tenant house licensing process and information technology system will be developed as part of an MLS technology modernization, which will enable:

- Better communication for tenants and landlords on the licensing and complaints processes;
- Facilitation of inter-divisional data sharing and alignment with open data policies;
- Better tracking and reporting of complaints and enforcement actions; and
- Enhanced data collection and reporting, including licensing data that supports the overall compliance and enforcement strategies.

Development of New Multi-Tenant House Licensing Tribunal

Year 1 will also focus on preparing for the new Multi-Tenant House Licensing Tribunal structure, including:

- Amendments to existing by-laws establishing the Tribunal;
- Development of the overarching responsibility and governance of the Tribunal including proposed Tribunal rules, relationship framework, policies and procedures;
- The recruitment, compensation, appointment and orientation of new Tribunal members; and
- Development of the administrative structure and support for Tribunal operations.

Year 2: Launch of New By-laws for Existing Operators (Nov 2022 – Nov 2023)

The zoning by-law and licensing by-law are proposed to come into effect in November 2022, enabling MLS and partners to begin a phased transition, and to provide additional notice for operators on making the necessary preparations for compliance.

Education and Outreach

Prior to and during Year 2, City staff will launch an education and outreach strategy to reach unlicensed operators (in the newly permitted zoning area) and licensed operators, and notify them of by-law requirements. City staff will also provide education/support for tenants, students, communities on the by-law and multi-tenant houses.

Transitioning Licensed Operators to New Framework

Existing operators that are licensed by the City of Toronto will be transitioned to the new licensing system, where they will be required to comply with the updated requirements. The transition will be coordinated by MLS, Toronto Fire Services, Toronto Building, City Planning, and Toronto Public Health to work with operators on implementing the new and updated licensing standards. City staff will proactively work with the licensed operators to guide them through complying with the new standards.

Licensing Pre-existing Multi-Tenant Housing Operators

Using investigations data, City staff will also identify existing properties operating as unlicensed multi-tenant houses – City staff will then focus efforts on this group of

unlicensed operators, and aim to guide them through the licensing application process and bring them into a legalized framework.

Staff will conduct outreach to the pre-existing multi-tenant housing operators to notify them of the expanded zoning permissions and require them to become licensed under the new framework. Similar to transitioning licensed operators, this work will be focused on licensing efforts.

Enhanced Enforcement against High-Risk Operators

Leveraging the newly expanded and dedicated enforcement team, along with inter-divisional partners, the City will concurrently undertake identification of high-risk operators that pose a risk to health and safety of tenants or that cause a significant number of community complaints and nuisance issues – the City will take a focused approach to enforcement actions against them. High-risk operators will be identified using complaints data; via community and neighbourhood organizations; and by staff driven investigations and data analysis.

Ongoing Monitoring of Potential Displacement

The Housing Secretariat, through the Housing-At-Risk Working Group, will monitor the implementation of the framework on potential tenant displacement. As necessary, policy and supports may shift to minimize adverse tenant impacts and the loss of affordable housing.

Year 3: Focus of Licensing on New Operators (Nov 2023 – Nov 2024)

Focus of Licensing on New Operators

The focus of the third phase of the regulatory framework will be working with new operators to facilitate them in applying for licences.

The following partners will be involved in the focus on new applications: Municipal Licensing and Standards, Toronto Fire Services, Housing Secretariat, Toronto Building, City Planning, and Toronto Public Health (see Attachment 3 for the divisional roles). Licence applications will be prioritized on a first-come, first-served basis.

Year 2 priorities would also continue, as City staff identify additional unlicensed and existing properties to be licensed under the new framework. Throughout all three phases, City staff will take a tenants and communities-first approach that:

- Promotes safe and liveable houses;
- Identifies high-risk operators;
- Takes enforcement actions to address immediate risks to life and safety; and
- Mitigates negative impacts on neighbourhoods and third parties.

In addition, staff will monitor the impacts of the new framework throughout implementation, including tracking data and developing metrics on:

- Impacts on tenants, housing affordability, and evictions;
- Impacts on operators, interest in the joining the licensing regime, and levels of unlicensed activity; and
- Impacts on neighbourhoods and third-parties.

Stakeholder Feedback

During the 2021 consultations, participants expressed both support and opposition for the proposed implementation plan. Some participants expressed concerns that it may result in an increase in displacement and homelessness across the city, while others expressed optimism that with well-designed strategies in place to develop support systems and by maintaining a collaborative approach, the implementation can be successful.

Financial Impact Analysis

Impact on Landlords

Under the new framework, landlords will be required to comply with new requirements that will have fiscal impacts on them. The most significant costs are outlined below.

Cost of Compliance with Building Code

Some multi-tenant house operators may find that capital investment is required to achieve Code compliance for their properties. For example, the Maytree Foundation has estimated that Code compliance for houses with between 4 to 9 bedrooms can range in cost from approximately \$74,000 to \$127,000. Staff note that these are estimates, and the cost impacts may vary. The findings of the consultant to be hired by Toronto Buildings may also reduce or have an impact on the costs through the development of fire and life safety options that meet the intent and objectives of the Ontario Building Code.

Cost of Compliance with Licensing Standards

The licensing requirements that generally have predictable costs impacts for operators include:

- Licensing fee (annual) - \$25 per multi-tenant house room/dwelling unit;
- Electrical Evaluation by Licensed Electrical Contractor - approx. \$250 - \$400 (one-time cost, if requested by City staff);
- Zoning Review (Preliminary Project Review - Use Only) - \$198.59 (current and one-time cost); and
- Fire Inspection upon occupancy and Fire Safety Plan approval- \$495 (current and one-time cost).

Personal Care Houses:

- Vulnerable Sector Screening for Personal Care Multi-tenant Houses: \$65 (upon application); and
- Dietitian Services for Personal Care Multi-tenant Houses: \$60 - \$250 per hour (upon application).

There are also a number of standards where it is a challenge to determine approximate costs for compliance, as it will depend on the size of the house, the number of tenancies, the state of the house, and other individual factors that are dependent on each house. These requirements include any electrical work that is needed after an electrical evaluation; staffing costs; implementation of property maintenance plans, including cleaning and waste services; meal plans for personal care tenants; and other standards.

Cost of Implementation and Enforcement

MLS New and Ongoing Budget Requests	Projected Cost
MLS Enforcement Officers	3,477,315
MLS Administration and Management	447,716
MLS Implementation Project Manager (temp)	144,322
MLS Personal Care Healthcare staff	230,000
One-time costs (vehicles)	242,000
Total program costs	4,541,353
MLS Existing Budget	- 971,242
Total additional costs	\$3,570,111

MLS projects that the total program costs in 2022 and 2023 would have total annualized impacts of \$4,359,605 on the operating budget.

Planning and Housing Committee also requested that city staff provide information on the cost of enforcement of illegal multitenant houses. Of the MLS enforcement costs noted above, the proportion of costs dedicated to enforcement of Illegal multi-tenant houses is \$2,440,355.

TFS and Court Services New Budget Requests	Projected Cost
TFS Fire Inspection Staff	\$1,775,790
Multi-Tenant House Licensing Tribunal	\$422,570

TFS cost estimates are based on reaching full implementation of the program and the associated new annual inspection demand it would create.

Projected Licensing Fee Revenue

MLS has calculated projected revenue from licensing fees based on the proposed annual licensing fee of \$25 per multi-tenant house room/dwelling unit, with a fee waiver for non-profit houses.

Revenue projections were modelled based on the number of rooms in currently licenced houses and the number of non-profit houses, and extrapolated for different scenarios with 500, 1,000, and 2,000 licenced multi-tenant houses. Under the new fee structure, current annual licensing fee revenue would be \$79,975. If 500, 1,000, and 2,000 houses were licensed, annual revenues would be \$105,375, \$210,750, and \$421,500 respectively. These figures are estimates only, and will vary depending on the number of rooms in houses that are licenced in the future.

Cost of Multi-Tenant Housing Renovation and Retrofit Program

The Housing Secretariat will bring forward the proposed cost to administer and operate the new renovation and retrofit program for consideration as part of the City's Budget 2022 process.

Conclusion

The objective of a comprehensive city-wide regulatory framework for multi-tenant houses is to encourage and regulate safe, liveable, well-maintained and affordable multi-tenant houses across the city. The efforts to maintain affordability, expand zoning permissions, and introduce an updated licensing framework are aimed at encouraging operators to comply with the City's regulatory framework.

As noted, it is proposed that the new multi-tenant house licensing and zoning by-laws come into effect on November 1, 2022.

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ATTACHMENTS

Attachment 1: Draft City-wide Stand-alone Zoning By-law to Permit Multi-tenant Houses

Attachment 2: Draft Zoning By-law Amendments to all Applicable General Zoning By-laws Permit Multi-tenant Houses

Attachment 3: City Division's Roles and Responsibilities

Attachment 4: Proposed Draft New By-law, Toronto Municipal Code Chapter 575, Multi-tenant Houses

Attachment 5: Jurisdictional Scan and Literature Review of Multi-tenant Houses

Attachment 6: Map of proposed maximum number of dwelling rooms

Attachment 7: Community Engagement Summary Report by LURA Consulting