

New Multi-Tenant Houses Renovation Program to Preserve and Improve Affordable Rental Homes

Date: February 13, 2024

To: Planning & Housing Committee

From: Executive Director, Housing Secretariat

Wards: All

SUMMARY

Multi-tenant houses (also known as rooming houses) are a critical component of the housing continuum and provide accommodation to diverse communities, including students, seniors, new immigrants, low-income residents, and people exiting homelessness. In recognition of the urgent need to protect this type of rental housing stock, in December, 2022, through [Item 2023.CC2.1](#), City Council adopted the New Regulatory Framework for Multi-Tenant Houses (“Multi-Tenant Houses Framework”).

The Multi-Tenant Houses Framework will come into effect on March 31, 2024, and includes: an updated city-wide zoning approach to permit multi-tenant houses in all areas of the city, subject to zone-specific requirements; a new licensing by-law; and a phased and collaborative approach to licensing and enforcement. The framework is rooted in a human rights-based approach to housing and its implementation will help the City adhere to its commitments under the Toronto Housing Charter – Opportunity for All. Specifically, implementation of the new framework will extend consistent regulation of multi-tenant houses across the City, with the aim that more homes are being maintained in a state of good repair and living conditions are improved for tenants. Through implementation of the framework, the City also aims to secure affordability and availability of this type of rental housing stock.

To support implementation of the Multi-Tenant Houses Framework, in 2020 the Planning and Housing Committee directed the Housing Secretariat to develop and report back on a new incentives program to assist eligible property owners to comply with Ontario Building Code and Ontario Fire Code requirements that are needed to obtain a license. This report responds to the Committee’s request and recommends approval of a new ‘Multi-Tenant Houses Renovation Program’ (the “Program”) focused on improving living conditions and housing stability for tenants; preventing the loss of existing multi-tenant housing stock; and supporting eligible operators with complying with the new framework.

To achieve the intended objectives, the proposed Program will provide grant funding and/or financial incentives (planning application and building permit fee waivers) to eligible property owners to address a broad range of costs directly related to improving safety and building conditions for tenants and bringing properties into compliance with the Zoning By-law, Ontario Building Code and Ontario Fire Codes. A funding allocation of \$2 million for the first year of implementation has been approved in the Housing Secretariat's 2024 Operating Budget and will provide staff with the flexibility to be responsive as issues arise during implementation. Additionally, where City funding and/or financial incentives are provided to support substantial repairs or renovations, the Program will require operators to operate as a licensed multi-tenant rental house for a minimum term of 15 years, and operators must not apply for any rent increases above the guideline as identified in the Residential Tenancies Act in connection with any of the improvements funded through the Program. Public investments will be secured through legal instruments and will be repayable by operators in the event of non-compliance.

The Program described in Attachment 1 is a preliminary model which will continue to be refined and improved based on qualitative and quantitative data and evidence, including feedback from tenants and operators. Staff will develop an evaluation framework, collect data and report back to Council by Q4 2024 with an interim Program update and recommendations to improve the program. An update will be provided to Council in 2025, concurrent with a report back on the first year of implementation of the Multi-Tenant Houses Framework and may provide additional recommendations.

The Program recommended in this report was developed in consultation with several City Divisions involved in the implementation of new Multi-Tenant Houses Framework, including City Planning, Municipal Licensing & Standards, Toronto Building, Toronto Office of Emergency Management, and Toronto Fire. It was also informed through engagement with housing operators, the City's Tenant Advisory Committee, post-secondary institutions, and housing rights advocates. The Housing Secretariat will continue to engage with operators participating in the Program, tenants living in multi-tenant houses, housing advocates, the Tenant Advisory Committee, and the newly formed Housing Rights Advisory Committee, to ensure continued efficacy of the Program.

Implementation of the Program will support delivery of the City's HousingTO 2020-2030 Action Plan and the Generational Transformation of Toronto's Housing System to Urgently Build More Affordable Homes report ([Item EX9.3](#)), both of which are focused on increasing residents' access to safe, secure and adequate homes in all neighbourhoods across Toronto.

RECOMMENDATIONS

The Executive Director, Housing Secretariat recommends that:

1. City Council authorize the Executive Director, Housing Secretariat, in consultation with the Executive Director and Chief Building Official, Toronto Building, Fire Chief and General Manager, Toronto Fire Services, and Executive Director, Municipal Licensing & Standards, to establish the Multi-Tenant Houses

Renovation Program (the “Program”) and provide grant funding to eligible multi-tenant house operators (“Operators”) under the Program, in accordance with the Program guidelines as described in Attachment 1 and such additional parameters as may be determined by the Executive Director, Housing Secretariat, and subject to available Council approved funding within the Housing Secretariat’s annual operating budget.

2. City Council authorize the Executive Director, Housing Secretariat to negotiate and execute, on behalf of the City, any agreements with eligible Operators selected under the Program to secure the financial assistance being provided and to set out the terms for the funding, renovation, and operation of multi-tenant housing, on terms and conditions satisfactory to the Executive Director, Housing Secretariat, and in a form acceptable to the City Solicitor.
3. City Council authorize up to 250 multi-tenant house rooms to be secured through the Program to be eligible for waivers of planning application and building permit fees, as outlined in the Financial Impact Section of the report (February 13, 2024) from the Executive Director, Housing Secretariat.
4. City Council authorize the Executive Director, Housing Secretariat to support the selected Operators with any applications to the federal or provincial governments to secure funding to support the renovation of affordable rental housing under the Program, and to execute any agreements or other documents required with respect to same, on terms and conditions satisfactory to the Executive Director, Housing Secretariat and in a form acceptable to the City Solicitor.
5. City Council authorize the Executive Director, Housing Secretariat to execute, on behalf of the City, any security or financing documents or any other documents required to facilitate the funding process, including any documents required by the selected Operators to complete third party financing and refinancing, when required during the term of the City's agreement with the selected Operators or their successors, as required by normal business practices, and provided that such documents do not give rise to financial obligations on the part of the City that have not been previously approved by City Council.
6. City Council reiterate requests to the federal and provincial governments to:
 - a. allocate new and enhanced investments to support repairs and modernization of the city’s existing multi-tenant housing stock; and
 - b. establish an acquisition program to support acquisitions and renovations/conversions for at-risk private market rental properties, including multi-tenant houses, or provide funding to augment the City’s Multi-Unit Residential Acquisitions (“MURA”) Program.

FINANCIAL IMPACT

The proposed Program will provide financial incentives and/or grant funding to eligible multi-tenant house operators, to support the repair and renovation of their properties to:

improve the safety and quality of housing for tenants; come into compliance with the new Multi-Tenant Houses Framework; and secure rental housing stock that is at risk of being lost due to housing speculation.

Financial Incentives

The financial incentives proposed to be provided include relief from planning application and building permit fees in accordance with the guidelines set out in Attachment 1. The incentives will be available to applicants selected under the Program regardless of whether they receive City funding. Additionally, as the full scale of unlicensed multi-tenant houses in Toronto and the nature of repairs that may be required is currently unknown, staff will continuously assess the Program and make recommendations to Council on any improvements, as required. The fee waivers are not a direct payment from the City but rather foregone revenues in the form of waivers or exemptions to planning and building application fees.

To estimate financial impact, staff have assumed a maximum of 250 multi-tenant house rooms to be provided incentives through the first year of Program implementation (March 31, 2024 to December 31, 2024). See Table 1 below for further details.

Table 1 – Summary of City Financial Incentives for 250 Multi-Tenant House rooms.

Multi-Tenant House rooms	Estimated Planning Fees*	Estimated Building Fees*	Estimated Total Value of Incentives
250	\$271,410	\$87,974	\$359,384

*Calculated using 2024 planning application and building permit fees. Actual impact will depend on number of approved projects.

Grant Funding / Forgivable Loans

In addition to financial incentives, this report recommends grant funding in the form of forgivable loans, to support eligible projects. A total of \$2 million (gross and net) was approved in the 2024 Approved Operating Budget for Housing Secretariat to launch the Program. Attachment 1 outlines Program eligibility and a process for allocating such grants. Operators will be required to enter into an agreement (“Agreement”) with the City to access funding and/or incentives and Housing Secretariat staff will monitor compliance throughout the Agreement term. Operators who default on the Agreement at any time during the term will be required to repay any unforgiven portion of the value of any grant funding and/or incentives.

In addition, subject to the availability of future federal and/or provincial housing program funding, the Executive Director, Housing Secretariat, may allocate such funds towards this Program, under existing or future delegated authorities.

As part of this pilot, staff will monitor Program demand and uptake throughout 2024, including impacts on staffing resources within the Division, and will report back to Council by Q4 2024 on interim findings from early implementation. Should additional resources or allocations of funding be needed, requests will be made through the 2025 annual budget process. Staff will also report back to Council on the outcomes of this Program and any recommended changes in 2025 concurrent with a report back on the first year of implementation of the Multi-Tenant Houses Framework.

Federal and Provincial Funding to Support Implementation of the Program

The City has experience delivering programs that assist operators with completing multi-tenant house repairs and renovations. Between 2013-2015, the Toronto Renovates program (Rooming House component) supported the renovation of several multi-tenant houses using allocations from federal/provincial governments. Currently, funding is available to non-profit social housing providers designated under the Housing Services Act through the Repair Component of the Canada-Ontario Community Housing Initiative (COCHI). As some social housing providers operate in multi-tenant house properties, this program provides an additional source of funds to assist operators with undertaking necessary renovations to comply with the Multi-Tenant Houses Framework. Lastly, should additional investments from other governments into the MURA program be received, the City and its non-profit and Indigenous housing partners will be able to permanently secure more private rental buildings, including multi-tenant houses, as permanent affordable rental housing.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the Financial Impact Section.

EQUITY IMPACT STATEMENT

The HousingTO 2020-2030 Action Plan (“HousingTO Plan”) and the actions outlined in the Generational Transformation of Toronto’s Housing System to Urgently Build More Affordable Homes report ([Item EX9.3](#)) envision a city in which all residents have equal opportunity to develop to their full potential. In addition, they are both centred on a human rights-based approach to housing rooted in the principle that housing is essential to the inherent dignity and well-being of a person and to building healthy, inclusive, and sustainable communities.

Preserving the City’s existing housing stock through the Multi-Tenant Houses Renovation Program proposed in this report will increase opportunities for Indigenous residents as well as people from equity-deserving groups to access and maintain safe, secure and adequate homes in all neighbourhoods across Toronto.

Access to good quality, safe, affordable housing is an important determinant of health and improves the social and economic status of an individual. Good quality, affordable housing is also the cornerstone of vibrant, healthy neighbourhoods and supports the environmental and economic health of the city, region, and country as a whole.

DECISION HISTORY

At its meeting of December 14 and 15, 2022, City Council adopted with amendments CC2.1 “2023 Housing Action Plan” which directed that, effective March 31, 2024, a new By-law titled Toronto Municipal Code Chapter 575, Multi-tenant Houses, be established. This direction allowed for the creation of a city-wide regulatory framework for multi-tenant houses to support residents in accessing safe, secure, and affordable housing in all communities across Toronto.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.CC2.1>

At its meeting in July 2021 and then again in October 2021, City Council considered item PH25.10 “A New Regulatory Framework for Multi-tenant Houses”, an interdivisional report recommending a city-wide regulatory framework for multi-tenant houses. On October 1 and 4, 2021, City Council referred this item and requested staff to report back to the Planning and Housing Committee in 2022 on a list of 14 work items listed in Council’s motion direction, including: parking, public consultation and outreach to residents and resident groups, and an enhanced enforcement staffing plan.

<https://secure.toronto.ca/council/agenda-item.do?item=2021.PH25.10>

At its meeting on November 17, 2020, the Planning and Housing Committee adopted with amendments PH18.2 “Creating the Regulatory and Compliance Framework for Multi-tenant Houses across Toronto”. The Committee directed Housing Secretariat to include in the 2021 Multi-tenant Houses Implementation Plan recommendations on an incentive program to assist eligible property owners in complying with Fire and Building Code requirements.

<https://secure.toronto.ca/council/agenda-item.do?item=2020.PH18.2>

At its meeting on October 26, 2016, the Executive Committee adopted with amendments EX18.13 “Proposed Regulatory and Licensing Strategy for Multi-Tenant Houses and Consultation Plan, and directed the Executive Director, Municipal Licensing and Standards, and the Chief Planner and Executive Director, City Planning to conduct public consultation on the proposed regulatory and licensing strategy, and report back to the Committee in 2017.

<https://secure.toronto.ca/council/agenda-item.do?item=2016.EX18.13>

An extensive decision history on the multi-tenant house framework can be located on pages 21 to 24 of the June 15, 2021 staff report “A New Regulatory Framework for Multi-tenant Houses”, which can be read here:

<https://www.toronto.ca/legdocs/mmis/2021/ph/bgrd/backgroundfile-168253.pdf>

COMMENTS

Toronto’s Housing and Homelessness Challenges

Toronto continues to experience a housing and homelessness crisis fueled by several contributing and intersecting factors. These include a lack of affordable housing options, rising rental and homeownership costs, rising inflation, social assistance rates and

incomes that have not kept pace with the rising cost of living, insufficient access to physical, mental health, and social care, as well systemic and structural racism. To put these challenges into context:

- The city's current rental vacancy rate is around 1.45% - the vacancy rate in a well-functioning housing system should be 3% or higher.
- Household incomes are failing to keep up with rising prices and rents in the City of Toronto - approximately half of renter households in Toronto spend more than 30% of their income on housing costs.
- While comprehensive data on the rental costs of multi-tenant house rooms is limited, the 2023 average monthly rent for a hostel/dwelling room in Toronto was \$1,024. This cost significantly surpasses the monthly shelter allowances for recipients of Ontario Works (OW) or the Ontario Disability Support Program (ODSP).
- The City's shelter system is full and as of the end of December 2023, the number of individuals experiencing active homelessness was 10,607. Demand for shelter space also continues to outpace capacity with a daily average of approximately 200 callers to the Central Intake call centre not being matched to a shelter space.
- Indigenous and Black residents continue to be overrepresented in the city's homeless population.

The City does not have access to comprehensive data on the affordability of Toronto's MTH stock (as this form of housing is not yet permitted and licensed city-wide). It is widely understood that multi-tenant houses provide some naturally occurring affordable rental housing in the city. Additionally, a 2021 report by the Maytree Foundation found that the monthly rents of dwelling rooms in multi-tenant houses across the city ranged from \$320 to \$600 per month, and recent upward pressure on rents is likely to have increased these amounts. As such, maintaining and securing these homes are critical to preventing lower income residents, including those from vulnerable and marginalized groups, from falling into homelessness.

Implementing a Human Rights-Based Approach to Housing

The City's Housing TO Plan, including the revised Toronto Housing Charter – Opportunity for All ([Item - 2019.PH11.5](#)), affirms the City's policy to further the progressive realization of the right to adequate housing recognized in international law and adopts a human rights based approach to housing that is rooted in the principle that all residents have a right to safe, secure, and affordable homes. To support this policy, one of the key strategic directions in the HousingTO Plan is to prevent homelessness and ensure well-maintained and secure homes for renters. There is also a specific target of improving 2,340 privately-owned rental homes.

In December 2022, the City took a significant step forward to further realize these policies and targets through Council's approval of [Item 2023.CC2.1](#) (New Regulatory Framework for Multi-tenant Houses). The Multi-Tenant Houses Framework, which was informed by human rights experts, includes: new City-wide zoning permissions to permit multi-tenant houses in all neighbourhoods; a new licensing by-law to improve health and safety; a strategic and inter-divisional enforcement and compliance program; initiatives

to support tenants and maintain affordability of housing, and; a phased three-year implementation plan.

Promoting Access to Safe and Liveable Multi-tenant Housing – The Need for a Multi-Tenant Houses Renovation Program.

The Multi-Tenant Houses Framework legalizes this form of housing city-wide (within certain limits) and introduces licensing requirements related to health and safety as well as building conditions, that are fundamental to ensuring the safety of tenants. Specifically, licensed multi-tenant houses are subject to a number of requirements, including compliance with the Zoning By-law, Ontario Building Code, and Ontario Fire Code; developing plans for property management, tenant service requests, waste, and pest management; and passing required inspections by City staff.

Coming into compliance with these and other licensing requirements will result in additional costs for multi-tenant house operators. During public consultations in 2021 regarding the new Multi-Tenant Houses Framework, some participants, including tenants and housing advocates, expressed concerns that: 1) the costs associated with these requirements may be passed on to tenants; and 2) operators that cannot afford to bring properties into compliance may convert or sell the properties, resulting in tenant displacement.

The nature and extent of these costs are expected to vary widely, depending on a number of factors including age, condition, layout, and sizes of the properties, and whether any prior renovations - illegal or legal - were made to the building. As detailed in a separate report to Planning and Housing Committee from the Chief Building Official & Executive Director, Toronto Building, there are varied pathways for multi-tenant houses to achieve compliance with the Ontario Building Code which could also lead to a range of different costs. The Toronto Building report identifies actions underway to provide designers and operators with a “menu” of available means to achieve compliance.

In 2021, a Maytree Foundation study found costs to bring existing multi-tenant houses to code or convert single-family houses into multi-tenant houses could range from as low as \$11,889 per room for modest repairs to \$37,518 per room for more extensive renovations. Importantly, the study noted that paying for these renovations through loans, without government financial support, could result in rent increases for tenants of between \$120 to \$379 per month.

The Proposed Multi-Tenant Houses Renovation Program

This report recommends Council’s approval of the Multi-Tenant Houses Renovation Program, outlined in Attachment 1. Through the Program, the City aims to advance the following key objectives:

- Protect tenancies and housing while improving living conditions and the health and safety of tenants;
- Support operators to achieve compliance with the Multi-Tenant Houses Framework;

- Preserve affordability by preventing costs of compliance with the new framework from being passed on to tenants;
- Secure existing privately-owned and ‘naturally occurring’ affordable rental stock; and
- Help curb financialization of affordable and deeply affordable rental homes.

To achieve these objectives, the Program will enable Housing Secretariat staff to respond to diverse and unanticipated situations that may arise during implementation of the Multi-Tenant Houses Framework. The program will be administered, and funding decisions made by the Housing Secretariat to support required repairs or renovations, where tenancies or homes are at risk of being lost due to non-compliance with the Multi-Tenant Houses Framework, building condition and/or code violations. Housing Secretariat will consult as needed with other divisions involved in the implementation of the new framework (i.e. Toronto Building, Toronto Fire Services, Municipal Licensing & Standards, and City Planning).

As proposed, funding will assist eligible operators selected under the Program with a range of soft and hard costs directly associated with planning for and undertaking repairs and renovations required to bring properties into compliance and obtain a license and to improve the safety and quality of housing for tenants. In the first year due to limited funding available, the Program will not provide funds for items not necessary to complying with the Multi-Tenant Houses Framework, including cosmetic upgrades, additional energy efficiency improvements, and others. However, staff will evaluate opportunities for alignment with federal/provincial funding programs including to stack funding to achieve these outcomes in future.

In addition, where more substantial funding and/or incentives are being provided, the legal agreements to be signed with selected operators will require that:

- (1) the operator must operate their property as a licensed multi-tenant rental house for a minimum term of 15 years;
- (2) if the multi-tenant house is subject to the rent increase guideline under the Residential Tenancies Act (RTA), the operator must not apply for any rent increases above the guideline as identified in the RTA in connection with any of the work funded through the Program; and
- (3) if the multi-tenant house is exempt from the rent increase guideline under the RTA, the operator must not increase the rent for a tenancy more than once every 12 months and by not more than the guideline under the rules of the Program.

The Housing Secretariat will consult with other City Divisions (including Toronto Building, Toronto Fire, Municipal Licensing & Standards, and City Planning) to consider applications for Program funding and/or financial incentives, which will include a tenancies and housing at-risk assessment. This risk-based coordination approach will ensure funding is targeted with the aim of reducing the risk of housing or tenancy loss. It will also support efforts in moving operators towards compliance with the Multi-Tenant Houses Framework and obtaining a license, by linking funding payment milestones to operators meeting specific steps in the compliance and licensing process.

To inform the development of the program, the Housing Secretariat consulted with several divisions leading implementation of the new Multi-Tenant Houses Framework. Staff also engaged with external stakeholders including the Tenant Advisory Committee, the Right to Housing Toronto (R2HTO) network, representatives of Maytree, post-secondary institutions, and non-profit housing providers with experience operating rooming houses.

Other Complementary City Programs and Services to Support Tenants

Preserving tenancies and housing and preventing evictions will be central to the City's approach throughout implementation of the new regulatory framework. In year one of implementing the framework, (starting March 31, 2024) staff from enforcement and compliance divisions will prioritize supporting existing licensed operators to transition to the new licensing framework and are committed to working collaboratively with operators.

Staff will provide operators with sufficient time to come into compliance with the new framework and the City will not take action to close multi-tenant houses unless an immediate health and safety risk is identified.

The City has a number of existing programs and initiatives that are designed to support tenants, prevent evictions, respond during emergencies, and help tenants with longer-term housing needs. These are described below, and each would be activated under different scenarios and based on eligibility to support a tenant of a multi-tenant home facing eviction or displacement, regardless of the licensed status of their home.

Eviction Prevention Programs

In cases where tenants are at risk of evictions, the City offers the following programs and services to support tenants that may be at risk for eviction.

- **Eviction Prevention in the Community Program (EPIC):** Supports tenants at imminent risk of eviction by providing immediate, short-term supports to sustain tenancies.
- **TO Tenant Supports Program:** Through partnerships with the Canadian Centre for Housing Rights and Federation of Metro Tenants' Associations, the program funds the delivery of legal services, assists in organizing supports to develop tenant associations, and aims to enhance tenants' awareness of their rights.
- **Rent Bank:** Provides grants to tenants who are behind on rental payments or require support with a rental deposit.
- **Housing Stabilization Fund:** Provides tenants who are receiving social assistance with funding for rental arrears or establish new housing.

Supporting Tenants in Emergency Situations

In the event of an emergency displacement, or after a fire or life safety incident, the City has existing programs and services to support tenants with emergency re-location and housing services, in addition to support services.

- **Toronto Emergency Management (TEM):** Provides tenants who are evacuated from their home due to an unforeseen emergency (such as a fire) and do not have

access to other support systems, with access to emergency social services to address immediate, short-term needs, including accommodation.

- **Specialized Program for Inter-divisional Enhanced Responsiveness (SPIDER):** Provides coordinated, customized responses to mitigate complex health and safety risks, including cases in which a vulnerable tenant may need housing stabilization services.

Supporting Tenants to Find Permanent Housing

Following a displacement or eviction, or to plan in advance of the end of operations for a multi-tenant house, the City has various programs, services, and policies in place to assist tenants with navigating re-location and finding long-term housing.

- **Housing Help Centres:** Access to City-funded non-profit agencies that help people find and keep long-term housing and avoid evictions.
- **Ending Operations Plan:** Chapter 575 of the Municipal Code will require licensed multi-tenant housing operators who are shutting down a multi-tenant house to submit a plan to the City which includes a list of alternate accommodation that may be available to tenants.
- **Dwelling room replacement policy:** A City policy that requires dwelling rooms lost to redevelopment and demolition to be replaced as rental housing and requires the provision of rental replacement units to displaced tenants.

Throughout 2023 and early 2024, Housing Secretariat staff have undertaken program readiness assessments with each of these programs to identify the role they may play in supporting tenants of multi-tenant homes, in the event of evictions or emergency displacement. Throughout year one implementation of the Multi-Tenant Houses Framework, staff will be monitoring demand across these programs to identify any impacts on demand arising from implementation, if existing resources are sufficient, and assess if policy changes or additional resources are needed in future.

The Multi-Unit Residential Acquisition (MURA) Program – Increasing Non-Market Housing Opportunities for Tenants

Some multi-tenant home operators may choose to sell their property instead of complying with the new zoning by-laws and licensing requirements under the Multi-Tenant Houses Framework. Selling multi-tenant houses to private investors and/or ending operations as a multi-tenant house can have a detrimental impact on affordable housing stock and can contribute to the displacement of tenants.

To mitigate the loss of multi-tenant house stock and the displacement of tenants that depend on affordable housing, the City's Multi-Unit Residential Acquisition ("MURA") Program can be leveraged to acquire multi-tenant house properties intended for, or for sale, in the private market. The MURA program makes funding available to non-profits, Indigenous housing organizations, community land trusts, and the City, to facilitate the purchase and renovation of at-risk private market rental housing, including multi-tenant houses.

Through the required Ending Operations Transition Plan under the Multi-Tenant House Framework, the City will have notice when a licensed MTH operator intends to sell their

property. The Housing Secretariat will explore whether there are opportunities to connect such operators with potential participants in the MURA program.

Upon identification of proposed properties, eligible non-profit and Indigenous housing proponents selected through MURA's RFP process may submit acquisition proposals to the City within the terms of MURA and the proponent's funding allocation. In addition, there are opportunities to facilitate the City's acquisition of properties, and subsequently leasing the property to a non-profit or Indigenous housing provider. The City is ready to expand the MURA program should additional investments be provided by other levels of government.

Conclusion

The comprehensive, city-wide regulatory framework for multi-tenant houses will come into effect on March 31, 2024, and will help promote safe and well-maintained houses in neighbourhoods across Toronto. A key component of the successful implementation of this framework is the Multi-Tenant Houses Renovation Program recommended in this report for Council's approval. The Program is focused on improving living conditions and housing stability for tenants; preventing the loss of existing multi-tenant housing stock; and supporting eligible operators to comply with the Multi-Tenant Houses Framework and obtain a license.

While there is a risk of tenant displacement due to implementation of the new regulatory framework, effective regulation is necessary to improve living conditions and the health and safety of tenants and their neighbours, especially those most vulnerable and marginalized. Effective regulation is also necessary to advance the City's commitment to a human rights-based approach to housing and ensure that this much-needed, affordable housing option is available in neighbourhoods all across the city.

As highlighted earlier, staff are committed to working collaboratively with operators, and will focus on bringing properties into compliance, unless an immediate health and safety risk is identified. Staff will take a coordinated and cross-divisional approach to implementation to addressing issues as they arise. Additionally, the recommended Program as well as the suite of other tenant-focused programs, policies and initiatives outlined in this report will provide City staff with tools and resources to support both tenants and operators during implementation.

The Housing Secretariat will also continue to engage with key stakeholders including approved operators under the Program, tenants living in multi-tenant houses, housing advocates, the Tenant Advisory Committee and the newly formed Housing Rights Advisory Committee, to ensure continued efficacy of the Program.

Furthermore, the Program will continue to be reviewed and refined during implementation based on qualitative and quantitative data and evidence, including feedback from tenants and operators. Ongoing engagement with the housing and community service sectors will also assist the Housing Secretariat in monitoring impacts of this Program in relation to the wider housing system. Staff will develop an evaluation framework, collect and analyze data and report back to Council by Q4 2024 with an interim Program update. An update, which may include additional recommendations for

Program enhancements, will be provided to Council in 2025 concurrent with a report back on the first year of implementation of the Multi-Tenant Houses Framework.

CONTACT

Valesa Faria
Director, Housing Strategy & Policy, Housing Secretariat
416-392-0602; Valesa.Faria@toronto.ca

Noah Slater
Director, Housing Development, Revitalization and Improvement, Housing Secretariat
416-397-4165, Noah.Slater@toronto.ca

SIGNATURE

Abigail Bond
Executive Director, Housing Secretariat

ATTACHMENTS

Attachment 1 – Proposed Multi-Tenant Homes Renovation Program