

Introducing Colour-Coded Signage for RentSafeTO

Date: October 1, 2025

To: City Council

From: Executive Director, Municipal Licensing and Standards

Wards: All

SUMMARY

Toronto Municipal Code Chapter 354, Apartment Buildings outlines maintenance and operational standards for rental buildings with three or more storeys and ten or more rental units. These standards are enforced through the City's RentSafeTO: Apartment Building Standards program, which aims to strengthen compliance with City by-laws, enhance tenant engagement and access to information, and promote proactive maintenance in apartment buildings to prevent the deterioration of critical housing stock.

At its meeting of July 23-24, 2025, City Council adopted [MM32.23](#) - Taking Action to Protect Tenants and directed Municipal Licensing and Standards (MLS) to establish a colour-coded rating system based on the dynamic building evaluation score of the building, and that the colour-coded rating system be integrated into the RentSafeTO online Interactive Building Score Map. Council further directed MLS to report directly to Council with the necessary amendments to Toronto Municipal Code Chapter 354, Apartment Buildings to establish colour-coded signage based on the building score for RentSafeTO buildings. This report proposes amendments to Chapter 354 to implement colour-coded signage for apartment buildings in Toronto by July 31, 2026.

RECOMMENDATIONS

The Executive Director, Municipal Licensing and Standards recommends that:

1. City Council establish colour-coded signage by amending section 354-3.2 of Toronto Municipal Code Chapter 354, Apartment Building as follows:
 - a. Require apartment building owners and operators to post, in a conspicuous location satisfactory to the Executive Director near the entrance of each apartment building, colour-coded signage in a form satisfactory to the Executive Director reflecting the most recent colour category assigned to the apartment building by the Executive Director.
 - b. Require apartment building owners and operators, where the Executive Director notifies them that the building score has changed such that the

building falls under a different colour category, to replace the existing signage with signage that reflects the new colour category, within 14 calendar days of the Executive Director providing the notice.

- c. Require apartment building owners and operators to inform tenants and prospective tenants of the colour-coded rating of the apartment building before a lease agreement is signed, on the signing of a lease agreement and annually thereafter and provide the colour-coded rating of the apartment building to any person on request.
2. City Council clarify the existing authority for the Executive Director, Municipal Licensing and Standards, to provide a rating system for buildings by adding a new section 354-5.1C as follows:
 - C. The Executive Director is authorized to establish an apartment building evaluation system based on the results of site visits, pre-audits, audits and/or any other inspection assessing an apartment building's compliance with City by-laws and other applicable law, with such a building evaluation system including:
 - (1) providing each apartment building an evaluation score which will be posted on the City's website; and
 - (2) developing a colour-coded rating system sorting apartment buildings into categories based on their compliance with City by-laws and other applicable law and providing each apartment building a colour-coded rating which the owner or operator must post in the apartment building.
3. City Council direct that the amendments to Toronto Municipal Code Chapter 354, Apartment Buildings come into effect on July 31, 2026.

FINANCIAL IMPACT

There are no immediate financial implications resulting from this report.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the Financial Impact section.

EQUITY IMPACT

Access to good quality and safe housing is an important determinant of health and improves the social and economic status of an individual. Toronto City Council adopted the [Toronto Housing Charter](#), which highlights the importance of a resident's right to housing that is maintained in a state of good repair and fosters their ability to participate in decision-making processes that affect their communities. The aging state of Toronto's

publicly and privately-owned high-rise buildings has been identified as a critical concern for both tenants and property owners through the City's HousingTO 2020-2030 Action Plan.

According to the City of Toronto's Housing Data Book ([Data Book](#)) published in March 2023, the majority (66%) of Toronto's purpose-built rental housing stock - mainly apartments with 20 or more units - was built between 1960 and 1979. The Data Book notes that almost half (48%) of Toronto households rent their homes and the demographic of the City's renters include equity-deserving populations such as newcomers, people belonging to racialized groups, and households with very low to moderate incomes that cannot afford to buy a home in Toronto's housing market. Notably, 65% of renter households live in apartment buildings with 5 or more storeys, which is more than twice the rate of owner-occupied households.

The RentSafeTO program seeks to positively impact lower-income and vulnerable individuals and families by ensuring apartment building owners comply with building maintenance standards, thereby improving living conditions within apartment buildings. The program has the potential to increase the opportunity for lower-income and vulnerable individuals and families to access safe, healthy, and adequate housing.

DECISION HISTORY

On July 23 and 24, 2025, City Council adopted Item MM32.23 - Taking Action to Protect Tenants, which directed MLS to report back on the establishment of a colour-coded rating system for RentSafeTO buildings.

<https://secure.toronto.ca/council/agenda-item.do?item=2025.MM32.23>

On April 5, 2024, the Planning and Housing Committee adopted Item PH11.8 – RentSafeTO Program Update Report, which approved amendments to Chapter 354, Apartment Buildings related to COVID-19 measures, notification boards, pest treatments, targeted engagement, audit fees and inspections.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.PH11.8>

On March 25, 2022, the Planning and Housing Committee adopted Item PH32.4 - RentSafeTO Update Report, which directed MLS to report back on the Evaluation Tool Redesign, tenant engagement, bylaw enforcement training and procedures, fee changes and a jurisdictional scan of comparative frameworks.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.PH32.4>

On December 16, 17 and 18, 2020, City Council adopted Item PH19.6 - RentSafeTO (Apartment Building Standards): Colour-coded Rating System, By-law Amendments, and Program Updates, which approved amendments to Chapter 354, Apartment Buildings and Chapter 441, Fees and Charges and responded to directives related to insurance, increased fines, remedial action, standard operating procedures and service standards, administrative penalties, tenant engagement, and N2 forms.

<https://secure.toronto.ca/council/agenda-item.do?item=2020.PH19.6>

On November 27, 2019, City Council adopted Item PH10.4 - Amendments to Chapter 354, Apartment Buildings, and Progress Update on RentSafeTO, which directed MLS to create a colour-coded rating system for apartment buildings, evaluate the feasibility of expanding the criteria for building evaluations, and report back on service standards, remedial action, administrative penalties, and increased set fines.

<https://secure.toronto.ca/council/agenda-item.do?item=2019.PH10.4>

COMMENTS

Background

The RentSafeTO: Apartment Buildings Standards program is a by-law enforcement program enabled by Toronto Municipal Code Chapter 354, Apartment Buildings, which ensures apartment building owners and operators comply with building maintenance standards. The program applies to any purpose-built rental building that has 3 or more storeys and 10 or more units. The program was first introduced in 2017 and currently applies to approximately 3,600 apartment buildings and 326,000 rental units in Toronto.

The RentSafeTO evaluation tool, updated in June 2023, assesses common area elements of apartment buildings using 50 categories and is split into high risk, moderate risk and cosmetic issues. Each category is scored on a scale of 1 to 3 and weighted based on risk level, with high-risk categories carrying the most weight. The total of these weighted scores forms the *proactive building score*, which can range from 0 to 100%. To reflect ongoing and in-suite issues, a reactive component deducts 1% for each unresolved Notice of Violation or Order to Comply and 2% for each unresolved Emergency Order, which forms the *reactive building score*. The final building score is calculated by subtracting the *reactive building score* from the *proactive building score*. Buildings are evaluated every two years, and those in the bottom 2.5 percentile are audited. As part of the audit process, staff conduct a comprehensive inspection of all common areas and exterior grounds, as well as educate tenants about the program and how to report property standards issues. As a result of the building evaluations using the updated tool, a total of 46 audits were conducted in 2024 and 56 in 2025, compared to only 6 in 2022 and 8 in 2023 under the previous evaluation process.

At its meeting of July 23-24, 2025, City Council adopted [MM32.33](#) and directed MLS to establish a colour-coded rating system based on the dynamic building evaluation score of the building and that the colour-coded rating system be integrated into the RentSafeTO online Interactive Building Score Map. Council further directed MLS to report directly to Council with the necessary amendments to Toronto Municipal Code Chapter 354, Apartment Buildings to establish colour-coded signage based on the building score for RentSafeTO buildings. Council directed that apartment building owners and operators be required to prominently display colour-coded signage near the entrance of each building that is visible, well-maintained, and updated within 15 calendar days of any change in the building score. Note that while Council directed that signage be updated within 15 days, in this report staff recommend 14 calendar days to ensure consistency with other requirements in Chapter 354, Apartment Buildings.

This report has been developed to support the overall objectives of the RentSafeTO program, which include ensuring that apartment building owners/operators comply with building maintenance standards and continuously improve the quality of rental housing stock in Toronto.

Proposed Approach

As directed by City Council, staff are developing colour-coded rating system, including signage, for RentSafeTO buildings. The signage will use the building score to assign a colour category (e.g. red, yellow, green) that reflects the current maintenance conditions of the building, including in-suite areas. The proposed by-law amendments in this report are recommended to come into effect on July 31, 2026. Further operational details such as colours, thresholds, signage design and distribution will be determined by the Executive Director, MLS prior to the in-force date, after consultation with tenants and building owners.

Additionally, City Council has directed the Executive Director, MLS to review the existing RentSafeTO evaluation tool and enforcement measures. Staff are planning to report back in April 2026 to respond to these outstanding directives, and will ensure that any changes to the evaluation tool align with the new colour-coded signage system. Any recommendations from the April 2026 report will not be implemented until 2027 to align with the next building evaluation cycle. The 2026 report may also outline additional adjustments to the colour-coded rating signage if needed. To support this, in this report staff recommend delegated authority for the Executive Director, Municipal Licensing and Standards to adjust the signage as needed. This will allow the program to remain aligned with future updates to the evaluation tool and ensure any changes occur in a timely manner.

Research and Consultation

Based on a previous report in 2020 ([PH19.6](#)), staff conducted research and consultation to support the development of colour-coded rating signage under the RentSafeTO program. This included an online survey and an in-person public meeting. Most tenants supported the signage, highlighting its potential to improve transparency and accountability. In contrast, many building owners and operators raised concerns regarding fairness, consistency, and possible financial implications. Tenants also emphasized the importance of clear and accessible signage, along with stronger guidance to clarify the meaning of a red rating.

Staff plan to engage tenants and building owners prior to implementation of the colour-coded signage to gather input on the new system.

Implementation and Enforcement

As part of the new colour-coded rating system, apartment building owners and operators will be required to display signage near building entrances. The by-law will come into effect on July 31, 2026; however, a short grace period will be provided to

support a phased implementation and allow time for installation and account for potential delays.

The colour-coded rating signage will be incorporated into the City's existing [Interactive Building Score Map](#), so residents can access the colour rating and building score for all registered apartment buildings. In preparation for these changes, all by-law changes and new requirements will be communicated to building owners and operators in advance of implementation, and the Interactive Building Score Map will be updated accordingly. A notification system will also be developed to ensure building owners are promptly informed of any changes to their building score. As directed by City Council, staff will consult with RentSafeTO officers to review job expectations and duties related to the new signage. Staff will also undertake public education to inform residents about the new signage and what it means for tenants living in buildings registered under the RentSafeTO program.

By-law Enforcement Officers (BEOs) will continue regular inspections and property visits of registered buildings, checking both interior and exterior conditions to verify compliance with relevant by-laws. In addition, once implemented, BEOs will monitor for new violations related to the presence, proper display, and correct colour of signage, whether during inspections, audits, or in response to service requests. If violations are found, officers may take enforcement action to bring buildings into compliance such as issuing charges, Notices of Violation, or Orders to Comply.

Any new resource requirements that arise from implementing colour-coded signage will be incorporated as part of MLS' 2027 Operating Budget Submission, which may include staffing resources to administer or enforce the signage system.

Next Steps

As directed by Council, staff will report back to City Council in April 2026 to review the RentSafeTO building evaluation tool, including a review of the time violations take to lower building scores, in-unit inspections, audit thresholds, evaluation category weightings, remedial action processes, and consultations with tenants, building owners and operators, and RentSafeTO officers. The report will address any outstanding Council directives related to remedial action and communicate a clear framework for their implementation. Staff are currently reviewing the conditions under which remedial action can be used, aiming to communicate consistent standards and understand the operational and financial impacts of altering current processes. The report will also consider how the colour-coded rating system, including signage, aligns with any updates to the evaluation tool and may include changes to colours, thresholds, signage design and distribution, and any associated fees required. These updates will support the implementation of the signage regulations starting July 31, 2026.

CONTACT

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SIGNATURE

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Carleton Grant
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