

## Multi-Tenant Houses Regulatory Framework: Implementation Update

**Date:** November 19, 2025

**To:** Planning and Housing Committee

**From:** Interim Executive Director, Municipal Licensing and Standards; Chief Planner and Executive Director, City Planning; Executive Director, Housing Secretariat; Interim Chief Building Official and Executive Director, Toronto Building; Fire Chief and General Manager, Toronto Fire Services

**Wards:** All

### SUMMARY

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Multi-tenant houses (also known as rooming houses) are one of the most affordable forms of housing and have long provided accommodation to diverse communities across Toronto, including students, seniors, newcomers, low-income residents, and people exiting homelessness. To preserve this type of affordable housing and ensure it is safe and secure across all neighbourhoods in Toronto, City Council adopted the New Regulatory Framework for Multi-Tenant Houses ("the framework") on December 14, 2022 ([2023.CC2.1](#)). The framework came into effect on March 31, 2024, and introduced a city-wide zoning approach to permit multi-tenant houses in all areas of the city (subject to zone-specific requirements), a new licensing bylaw (Toronto Municipal Code, Chapter 575, Multi-Tenant Houses) and a phased, interdivisional approach to licensing and enforcement. The framework also established the Multi-Tenant House Licensing Tribunal, a renovation and repair program, and a communications and engagement program to inform tenants, operators, and the broader public.

The framework was adopted to advance key actions under the HousingTO 2020-2030 Action Plan ("HousingTO Plan") and other core policy objectives: to harmonize zoning permissions across Toronto; improve tenant safety and housing conditions; preserve and expand deeply affordable housing; and apply an equity lens to the regulation of multi-tenant houses. The framework is also one of many concrete steps the City has taken to advance the progressive realization of the right to adequate housing, a commitment made by City Council in adopting the Toronto Housing Charter. Staff have been monitoring progress toward the framework's objectives through indicators such as licensing uptake, compliance with property and safety standards, tenant protection measures, and the legal, safe, and equitable integration of multi-tenant houses into all neighbourhoods.

This report responds to City Council's direction to provide an implementation update on the framework, and assesses the activities and outcomes between March 31, 2024, and July 31, 2025. The report includes operational insights, licensing and enforcement data, interdivisional collaboration updates, findings from a land economics study, and community engagement activities, including an online feedback form for the public and a targeted survey of operators.

Implementation of the framework is progressing in line with the planned phased rollout. Licensing activity to date indicates that most operators previously licensed under legacy bylaws have transitioned to the new framework, which applies higher standards. At the same time, implementation has highlighted challenges, particularly when it comes to bringing unlicensed operators into the framework.

To build on progress achieved during the initial phases of implementation and advance policy objectives, this report highlights and recommends targeted refinements and stronger supports to respond to some of the challenges experienced since implementation began.

The City remains committed to increasing participation in the framework, protecting tenants, and advancing the long-term goals of safety, affordability, and equitable housing access across Toronto. To support these objectives, staff introduced an Operator Concierge service in September 2025 to guide operators through the licensing process and are proposing enhancements to the Multi-Tenant Houses Renovation Program. Staff also recommend a set of technical and administrative refinements to both licensing and zoning bylaws, recommended to come into effect on February 15, 2026, that would clarify applicable standards, including for buildings upon multiple properties or containing both dwelling rooms and dwelling units.

## **RECOMMENDATIONS**

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The Interim Executive Director, Municipal Licensing and Standards; Chief Planner and Executive Director, City Planning; Executive Director, Housing Secretariat; Interim Chief Building Official and Executive Director, Toronto Building; Fire Chief and General Manager, Toronto Fire Services recommend that:

1. City Council amend Toronto Municipal Code Chapter 575, Multi-Tenant Houses as follows:

a. Amend the definition of "Multi-Tenant House" in section 575-1.1 (1) as follows:

(1) Delete the word "building" in the first sentence of subsection [1] and replace it with "premises" so that it reads as follows:

[1] A premises 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.

(2) Add the following as subsection [3](g) in the list of what a multi-tenant house does not include:

(g) units and areas outside of units in an apartment building as defined in City of Toronto Zoning Bylaw 569-2013 or Chapter 354, Apartment Buildings, except for units that individually meet the criteria of subsection (1) or a building described in subsection (2).

b. Amend section 575-2.2A(1)(e) to read as follows:

(e) On first applying for an initial licence, a zoning review from Toronto Building and on a licence renewal, a statement of no change in use;

c. Amend section 575-2.2A(1)(f)[3] to read as follows such that floor plans provided as part of licence applications or renewals include dimensions:

[3] A floor plan of the building showing each multi-tenant house room or dwelling room, the dimensions of each multi-tenant house room or dwelling room, and the maximum number of tenants to be provided with living accommodation in each multi-tenant house room or dwelling room;

d. Amend section 575-2.2A(2) to add a new subsection (e) as follows:

(e) Despite Subsection A(2)(b)[1], when the operator is a corporation, a person authorized to bind the corporation may submit the following in lieu of the documentation required in Subsection A(2)(b)[1]:

[1] A declaration in a form satisfactory to the Executive Director confirming that:

[a] each director of the corporation meets the requirements in Subsection A(2)(b)[1];

[b] the operator will maintain satisfactory documentation to show each director's compliance with the requirements in Subsection A(2)(b)[1] at all times; and

[c] the operator will provide the documentation described in subsection [b] to the City at any time upon request.

e. Amend section 575-3.1H(1)(b) so it reads as follows such that an operator must provide the City's approval of a transition plan as part of the notice to tenants:

(b) On receiving approval of a transition plan from the Executive Director, deliver to each tenant a written notice along with the Executive Director's approval at least 180 days in advance indicating the date on which operations will end.

f. Amend section 575-4.1 to add a new paragraph C as follows:

C. Where a declaration was submitted in accordance with § 575-2.2A(2)(e), the operator of a personal-care multi-tenant house shall ensure that documentation showing each director's compliance with the requirements in Subsection § 575-2.2A(2)(b)[1] is provided forthwith to the City at any time upon request.

2. City Council direct that the amendments to Toronto Municipal Code, Chapter 575, Multi-Tenant Houses come into force on February 15, 2026.

3. City Council amend Zoning Bylaw 569-2013, as amended, substantially in accordance with the draft Zoning Bylaw Amendment attached as Attachment 2 to this report and direct that the amendments come into force and effect on February 15, 2026.

4. City Council authorize the City Solicitor to make any necessary clarifications, refinements, minor modifications, technical amendments, or bylaw amendments as may be identified by the City Solicitor, the Chief Planner and Executive Director, City Planning, and the Interim Executive Director, Municipal Licensing and Standards.

5. City Council adopt the revised Multi-Tenant Houses Renovation Program ("the Program") in accordance with the Program guidelines provided in Attachment 8 to this report and such additional parameters as may be determined by the Executive Director, Housing Secretariat, and subject to available City Council approved funding within the Housing Secretariat's annual operating budget.

6. 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 referenced in Recommendation 5 above 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.

## **FINANCIAL IMPACT**

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There is no financial impact resulting from the recommendations in this report.

This report (Recommendation 5) proposes changes to eligibility and implementation of the Multi-Tenant Houses Renovation Program as approved by City Council in March, 2024, which will be applied within existing funding. No incremental impact beyond the currently budgeted annual funding is expected. \$5 million is available within the Council-approved 2024 Housing Secretariat Capital Budget and Plan, and is anticipated to be sufficient to cover increased Program demand arising from the changes recommended in this report.

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

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Access to safe, good quality and affordable housing is an important determinant of physical and mental health, and a fundamental goal of the City's HousingTO 2020-2030 Action Plan. This plan aligns with the Government of Canada recognition that the right to adequate housing is a fundamental right affirmed in international law. Adequate and more affordable housing is also the cornerstone of inclusive neighbourhoods, supports the environment, and improves the socio-economic status of individuals, families, and communities as a whole.

The Ontario Human Rights Commission (OHRC) states that municipalities not only have a responsibility to zone for land use and not people, but that they must also “take steps to apply a human rights lens to decisions that could result in the loss of affordable housing.” Multi-tenant houses represent one of the most affordable housing options in the city. Their tenants often include marginalized and vulnerable groups such as individuals with very low incomes, seniors on fixed incomes, immigrants, and students. Without access to this form of housing, many tenants could face displacement and homelessness and potentially end up relying on the shelter system. They may need to stay in their current communities to remain 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.

At the same time, operators, many of whom are older adults, may rely on rental income from a multi-tenant house to offset their own housing costs and may face equity related challenges of their own. These challenges include limited financial capacity to complete required renovations and/or navigate regulatory processes. These realities underscore the importance of expanding and adjusting the Multi-Tenant House Renovation Program to better support operators in maintaining safe and affordable housing, particularly in situations where aging property owners may lack the means to undertake necessary adjustments without assistance and guidance. In addition, the Concierge Service for multi-tenant house operators provides direct support in navigating the framework and City processes, including connecting operators to the Multi-Tenant House Renovation Program, while also identifying common challenges to inform Program improvements.

The new regulatory framework for multi-tenant houses expanded permissions city-wide and strengthened access to safe, adequate and affordable housing for low- and fixed-income, marginalized, and vulnerable populations. Preserving this type of affordable housing ensures that cities remain livable and inclusive, and complies with federal, provincial and City policies related to human rights and housing.

## DECISION HISTORY

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On June 25 and 26, 2025, City Council adopted [PH22.3 - Expanding Housing Options in Neighbourhoods - Multiplex - Monitoring Program - Final Report](#). This report presented the outcomes of the multiplex monitoring program initiated in response to Council's adoption of the Expanding Housing Options in Neighbourhoods official plan

and zoning bylaw amendments that permitted multiplexes in neighbourhoods city-wide. Council adopted the report recommendations including further zoning bylaw amendments to facilitate their construction, address issues emerging from monitoring and consultation including about the relationship between multiplexes and multi-tenant houses, clarify the application of Development Charges to multiplexes, and continue monitoring program reporting back at the end of 2027.

On June 3, 2025, the Housing Rights Advisory Committee adopted Item [HS6.9 – Update on the City’s Multi-Tenant Homes Framework and Support for Tenants](#), and requested City staff to include considerations for collecting disaggregated data on vulnerable tenants in multi-tenant housing as part of the implementation update report in Fall 2025.

On May 21 and 22, 2025, City Council adopted [CC30.3 Ombudsman Toronto Report: Investigation into the City’s Response to a Vital Services Outage in a Multi-Tenant Home](#). Council directed staff to implement the Ombudsman’s recommendations, as outlined in the report. Council also directed the Deputy City Manager, Infrastructure Services to report back with an anonymized list of the ten most recent Priority 1 service requests related to multi-tenant houses, recommendations to support multi-tenant house tenants in the event of unexpected closures, and an annual report on enforcement under the purview of the Multi-Tenant Houses Bylaw.

On December 17, 2024, City Council adopted [PH17.6 Exempting Dwelling Rooms in a Multi-tenant House from Parkland Dedication and Clarifications to Exemptions in Article III of Chapter 415, Development of Land](#). This followed up on Item 2024.MM20.30 by formally exempting multi-tenant dwelling rooms from parkland dedication requirements. Council also approved clarifications on Article III to improve readability and interpretation of related exemptions.

On November 6 and 7, 2024, City Council adopted [PH16.4 Implementing a Rental Renovation Licence Bylaw to Address Renovictions](#). As part of this item, the Multi-Tenant Housing Framework was considered in the development of the new Bylaw, which takes effect on July 31, 2025.

On July 24 and 25, 2024 City Council adopted [PH14.13 Expanding Permitted Uses in Laneway and Garden Suites](#). Council directed the Chief Planner and Executive Director, City Planning to review the feasibility of Zoning Bylaw amendments to permit multi-tenant houses in buildings ancillary to residential buildings, and report back as part of the first annual update on the Multi-Tenant Housing Framework.

On July 24 and 25, 2024, City Council adopted [MM20.30 Multi-tenant Housing Frameworks: Parks Levy Exemption and Framework Application](#). Council directed staff to prepare an amendment to the Municipal Code to exempt dwelling rooms from the parkland dedication requirement and to clarify related exemptions under Chapter 415-30. Council also directed Municipal Licensing and Standards, in collaboration with the Housing Secretariat and Toronto Shelter and Support Services, to clarify how the Multi-Tenant Housing Framework applies to refugee houses operated by registered charities, non-profits or co-operatives, and to publish a public bulletin on the matter.

On March 20 and 21, 2024, City Council adopted [PH10.2 New Multi-Tenant Houses Renovation Program to Preserve and Improve Affordable Rental Homes](#). Council directed the Deputy City Managers of Infrastructure Services and Development and Growth Services to report back in Q4 to inform the 2025 budget process, with a focus on supports for multi-tenant house property owners and tenants. This included exploring a centralized support tool for property owners and additional programs and resources for tenants at risk of displacement.

On March 20 and 21, 2024, City Council adopted [PH10.1 Evaluation of Ontario Building Code Requirements for Multi-Tenant Houses](#). The report provided an update on work to evaluate the Ontario Building Code requirements for multi-tenant houses, including identifying a package of fire protection and life safety requirements that were most challenging and presented barriers to compliance.

On December 14 and 15, 2022, City Council adopted [CC2.1 Housing Action Plan](#). Council directed the Executive Director, Housing Secretariat, in collaboration with City Planning, Toronto Building and Toronto Fire Services to report annually to the Planning and Housing Committee on the implementation of the Multi-Tenant Housing regulatory framework. Reporting was to include licensing activity, compliance efforts, complaint data, resource needs and findings from a land economics study. Council also requested the Executive Director, Municipal Licensing and Standards, to assess the feasibility of establishing an Advisory Committee to review licensing decisions and make recommendations to City Council on updates to the Bylaw.

For a detailed history of City efforts to legalize and regulate multi-tenant houses, see [CC2.1 A New Regulatory Framework for Multi-Tenant Houses](#).

On May 11 and 12, 2010, City Council adopted Item “[EX43.3 - Caring for Toronto Residents Displaced as a Result of Neighbourhood Emergencies: Review of Recent Events and Proposed Strategies](#)” which included the Emergency Human Services Policy to guide the provision of emergency supports for Toronto residents impacted by emergencies, including tenants displaced from their homes due to fire and other incidents.

## COMMENTS

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### Purpose of Report

This report responds to Council direction ([2023.CC2.1](#)) to report back on the implementation of the framework for multi-tenant houses, adopted in December 2022, and in effect as of March 31, 2024. The framework was developed to address longstanding challenges in regulating multi-tenant houses across the city, including fragmented zoning, limited enforcement tools, and unsafe housing conditions. It established a consistent, city-wide approach to zoning and licensing, bringing all multi-tenant houses under the same set of rules. The City’s approach is rooted in the commitment to advance the progressive realization of the right to adequate housing and

aims to eliminate geographic disparities in housing permissions, supporting inclusive communities and equitable access to affordable housing across Toronto.

The implementation update is organized as follows:

1. Program Overview
2. Implementation Overview
3. Overview of Findings
4. Proposed Amendments
5. Supporting Information

## **1. Program Overview**

### **1.1 Toronto Municipal Code, Chapter 575, Multi-Tenant Houses**

The Multi-Tenant Houses Licensing Bylaw requires the licensing of multi-tenant houses (MTH) and harmonizes the standards and requirements of MTH operators. The bylaw includes an updated definition of MTH, requires operators to be licensed and, in applying for a licence, to demonstrate proof of compliance with the Ontario Fire Code and in some cases the Ontario Building Code (where a building permit is required for renovations, a change of use, or new construction), as well as undertake a zoning review, and submit several plans to the City. These requirements are discussed in greater detail below.

There are two types of MTH licences: standard (Type A) and personal care (Type B). A standard MTH may take different forms but is defined as a building with four or more MTH rooms, inhabited or intended to be inhabited by persons who do not live together as a single housekeeping unit. Exemptions include shelters, some co-operative or post-secondary-run student residences, and hotels.

A personal care MTH is an MTH where personal care services are provided to tenants. These services may include but are not limited to: furnished rooms, 24-hour urgent care response, safe storage and access to prescribed medications, meals and snacks, personal laundry and opportunity to participate in social and/or recreational activities. Personal care services do not include services provided by a regulated health professional.

All operators of MTHs must apply for either a Type A MTH licence (standard MTH), or a Type B MTH licence (personal care MTH). Licences are valid for 12 months and must be renewed annually through the City's online portal. Licence fees are calculated per dwelling room (\$26 per room) with an additional inspection fee (\$156 per house), covering inspections by MLS, Toronto Fire Services, and Toronto Public Health (if required). These fees are adjusted annually for inflation. Toronto Community Housing and other non-profit social housing providers are exempt from fees.

To obtain a licence, operators must demonstrate compliance with zoning, building, fire, and submit supporting plans and documents related to the management and maintenance of the premises. These include:

- **Zoning Compliance:** All new applicants are required to obtain a zoning review from Toronto Building, confirming compliance with relevant zoning bylaws including room count limits, washroom ratios, and parking provisions. If zoning relief is required (for example, to permit more rooms than the bylaw allows), applicants would have to take appropriate action potentially including applying to the Committee of Adjustment (CoA) for a minor variance or to file a rezoning application.
- **Building Permit:** A building permit from Toronto Building is required where there is proposed new construction or renovations, additions, or material alterations to an existing building. A permit is also required when changing the use of a building (e.g., converting a single dwelling unit to a multi-tenant house), even if no construction is proposed. For a newly constructed building, the building permit process is followed by the issuance of an occupancy permit which confirms that the building meets the Ontario Building Code requirements for occupancy.
- **Fire Safety Plan:** Where required under the Ontario Fire Code (i.e., for rooming houses with more than four people or other residential occupancies with an occupant load over 10), a fire safety plan must be submitted electronically to Toronto Fire Services. Once the fire safety plan has been reviewed and approved, Toronto Fire Services will need to conduct an inspection of the property to ensure the plan and building meet the requirements of the Ontario Fire Code and confirm the installation of a fire safety plan box.
- **Supporting Plans:** Operators must submit several supporting documents, including a property plan (showing the building layout, entrances/exits, parking and waste storage), a floor plan (with room dimensions and maximum occupancy), a waste management plan (detailing pickup dates, bin storage location, and contact for waste oversight), an indoor and outdoor property management plan (covering cleaning schedules, snow removal, yard and exterior maintenance), a pest management plan (outlining monthly inspections, response timelines, and licensed extermination), a tenant service request plan (detailing response times and documentation for urgent and non-urgent issues), and, in some cases, an electrical evaluation (with service logs and documentation from the Electrical Safety Authority as needed).

In addition to the standard requirements for Type A licences outlined above, Type B (personal care MTH) operators must meet additional criteria as part of the licensing process:

- **A Personal Care and Safety Plan:** A personal care plan must outline procedures for tenant admission and care. A high-level version is submitted through the online portal, while individual tenant plans are kept on file by the operator. A safety plan must also be submitted, detailing measures to protect the health and safety of tenants.
- **Operator Qualifications:** Operators must provide documentation confirming that they are at least 18 years old, hold an Ontario Secondary School Diploma or

equivalent, have at least three years of relevant experience, and have completed a valid Vulnerable Sector Screening.

- **Person-in-Charge Qualifications:** Documentation for the designated person-in-charge must include the individual's full name and contact information, proof of being at least 18 years old, and evidence of having completed Grade 10 in an Ontario Secondary School, or equivalent educational standing, or at least one year of employment experience comparable to work in a personal care MTH. Documentation must also include a valid Vulnerable Sector Screening and proof of current CPR and First Aid certification.

Multiple City divisions are involved in different stages of the licensing process. Operators first register their intent to apply through the City's online portal, then work with Toronto Building and Toronto Fire Services to demonstrate compliance with the Ontario Building and Ontario Fire Code requirements. Once those steps are complete, operators submit all required documents to Municipal Licensing and Standards (MLS), who coordinates inspections for compliance with applicable bylaws and conducts the final review for licence issuance.

## 1.2 Zoning Regulations

City-wide Zoning Bylaw 569-2013, and the former General Zoning Bylaws where the city-wide Bylaw does not yet apply, regulate the development and use of MTHs through use permissions, built form standards and use-specific regulations. Together, these zoning provisions form part of the broader regulatory framework that includes licensing requirements and compliance with the Ontario Building Code and Ontario Fire Code.

The definition of an MTH in the zoning bylaws is as follows:

“multi-tenant house means a building with four or more dwelling rooms that may have shared common facilities for sanitary and cooking. 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.”

The zoning bylaws permit MTHs across the city in all zones that permit residential uses, subject to regulations governing the maximum number of dwelling rooms and requirements to provide a minimum number of washrooms and parking spaces.

The maximum number of dwelling rooms that an MTH may contain is determined by its location and the underlying zone category. Within the former municipal boundaries of Etobicoke, North York and Scarborough, the maximum permitted number of dwelling rooms is always 6. In former Toronto, York and East York, the permitted number of dwelling rooms is determined by zone as follows:

- a maximum of 6 dwelling rooms in the low-density Residential zones: Residential Detached (RD), Residential Semi-Detached (RS), Residential Townhouse (RT), and certain Residential (R) and Residential Multiple (RM) zones

- a maximum of 12 dwelling rooms in the Residential Apartment zones: Residential Apartment (RA), Residential Apartment Commercial (RAC), and certain R and RM zones
- a maximum of 25 dwelling rooms in the Mixed Use zones: Commercial Residential (CR) and Commercial Residential Employment (CRE)

All MTHs are required to provide at least one washroom for every 4 dwelling rooms. In all areas of the city excluding former Toronto, the “Centres”, the Avenues, and Major Transit Station Areas, the required minimum is 0.34 parking spaces per dwelling room, rounded down. For example, a multi-tenant house with 4 or 5 dwelling rooms must provide at least one parking space, while those with 6 or more dwelling rooms must provide at least two parking spaces. No parking spaces are required for MTHs within former Toronto, or in the “Centres”, the Avenues or Major Transit Station Areas.

### 1.3 Compliance and Enforcement Strategy

To promote compliance and protect tenants, the City adopted a four-pillar enforcement strategy that focuses on improving living standards, minimizing tenant displacement and managing community nuisance.

Compliance and enforcement efforts are led by a dedicated team of bylaw enforcement officers within Municipal Licensing and Standards (MLS), supported by staff from Toronto Fire Services, Toronto Building, Toronto Public Health, and the Housing Secretariat. This interdivisional team coordinates inspections and compliance activities aligned with each division’s mandate and regulatory authority, including fire safety, building code enforcement, public health standards and tenant supports. The strategy rests on the following pillars:

- **Interdivisional Collaboration:** Roles and responsibilities were formalized through a Memorandum of Understanding (MOU) between MLS, Toronto Building, and Toronto Fire Services. The MOU establishes a coordinated referral process for inspections, compliance actions, and information sharing. It also sets shared principles for a case-by-case, tenant-centred approach and outlines protocols for referrals when unsafe conditions, change-of-use issues, or fire safety risks are identified. Any of the three divisions may be the first to respond, depending on where a complaint originates, and staff refer files to the division with legal authority when issues fall outside their jurisdiction. MLS leads licensing and property standards investigations under Chapter 575 and related bylaws. Toronto Building enforces Ontario Building Code requirements by identifying contraventions, reviewing and issuing building permits, and completing required inspections. Toronto Fire Services enforces the Ontario Fire Code through fire and life safety inspections and orders under the Fire Protection and Prevention Act.
- **Education and Outreach:** Ongoing outreach efforts support voluntary compliance, reduce misinformation and create a more informed tenant and operator base. These efforts include plain-language, multilingual materials and guidance resources. Key activities have included: public information sessions held before the regulatory framework came into effect; outreach to colleges and universities to raise awareness of the framework and how it may affect students living in this type of housing; targeted outreach to hospitals to explain Type B MTH requirements and ensure they

are referring patients to licensed homes; and co-creating a community of practice with Fred Victor to engage and support non-profit and private MTH operators through resource sharing and peer learning. Additional details are in Attachment 3: Communications, Tenant Education, and Public and Stakeholder Engagement.

- **Ongoing Compliance Monitoring:** This includes annual inspections of licensed MTHs; monitoring implementation of property maintenance plans, pest control, tenant service protocols and compliance with floor plans and other standards. There is an emphasis on fire inspections, given the fire risks associated with unlicensed MTHs.
- **Progressive Enforcement:** The City's enforcement approach varies based on the requirement being enforced and the authority having jurisdiction (e.g., MLS, Fire, or Building). Enforcement is applied progressively on a case-by-case basis, with the aim of resolving issues, supporting bylaw/statutory compliance in a fair and reasonable manner, preserving tenancies, and preventing evictions. Enforcement is typically phased: beginning with education and opportunities to comply and escalating when necessary. It involves inspections and enforcement actions such as verbal warnings, Orders to Comply and charges. Life and safety risks are prioritized, with particular attention to high-risk properties where conditions may pose greater hazards to occupants. This approach emphasizes housing preservation and tenant protection while working toward compliance through a collaborative and risk-based model. In cases where there is an immediate threat to the health and safety of tenants or the public, such as fire hazards or structural issues, staff may consider shutting down an MTH, where there is authority to do so.

## **2. Implementation Overview**

### **2.1. Implementation Approach**

Implementation of the framework was structured as a three-phase approach over a three-year period, with each phase building on the last to support a gradual and coordinated rollout of the framework. Preserving tenancies and preventing evictions remains a central policy and principle guiding the City's approach throughout each phase.

- Phase 1 (January 2023 to February 2024) focused on building internal capacity and operational readiness, including the launch of the new licensing system and tribunal, the expansion of the MLS enforcement team, engagement with tenants and organizations working in tenants rights, the development of tenant-focused resources, and the creation of the Multi-Tenant House Renovation Program.
- Phase 2 (March 2024 to March 2025) prioritized transitioning previously licensed operators into the new framework. With the bylaw in effect as of March 31, 2024, the City focused on supporting these operators in meeting new requirements, identifying high-risk unlicensed operators, and initiating targeted enforcement where health and safety risks were identified.

- Phase 3 (April 2025 to present) is focused on licensing new and unlicensed operators. While the enforcement strategy continues to prioritize an education-first approach, staff apply enforcement tools where appropriate.

## **2.2. Implementation Activity**

Since Chapter 575 came into effect on March 31, 2024, the City has undertaken coordinated licensing and enforcement actions to support compliance. These actions align with the intent and objectives of the framework: promoting safe and well-maintained houses in neighborhoods across Toronto, working with operators who are making efforts to comply with the new framework, and addressing licensing and violation issues on a case-by-case basis.

### *Licensing Activity*

Applicants must first register their intent to apply for a licence through the City's online licensing portal, prior to proceeding in the licensing process. Between March 31, 2024 and July 31, 2025, a total of 762 MTH operators have registered through the online licensing portal. Of these, 403 are first-time applicants, while 359 held licences under legacy bylaws.

After registering, operators must then make an application that includes demonstrating compliance with zoning, building, fire, and other operational requirements to obtain a licence. As of July 31, 2025, a total of 398 MTH licence applications have been submitted since the enactment of Chapter 575, with 42 of these applications located in areas of the City where legacy bylaws did not previously permit multi-tenant houses. A total of 180 MTH licences have been issued across nine wards, most notably in Ward 4 (68), Ward 11 (34), and Ward 13 (37). The remaining applications are under review, typically pending zoning confirmation, fire or building code compliance, submission of additional documentation, or completion of payment and inspection. Additional details, including ward-level breakdowns and licence types (Type A and Type B), are provided in Attachment 1: MLS Licensing and Enforcement Data.

### *Enforcement and Compliance Activity*

#### **Licensed Operators and Properties:**

Between March 31, 2024 and July 31, 2025, MLS conducted 199 investigations involving properties that were previously licensed under legacy bylaws. These investigations were triggered where a previously licensed operator had not yet submitted a licence application for an MTH under the new framework. Where appropriate, bylaw enforcement officers issued Orders to Comply for operating without a licence, to ensure tenants were living in safe properties. A total of 40 orders were issued through this process: 19 have been complied with (i.e. the operator has since submitted a complete application and obtained a licence) and 21 orders remain open. Two charges have been laid for continued non-compliance. The remaining cases are within their compliance period, progressing toward compliance through the online portal, or in the inspection stage.

MLS also received 310 complaints related to licensed properties, including waste accumulation, graffiti, and other property standards issues. All complaints were investigated, and 13 Orders to Comply were issued. All orders have since been complied with. More information is provided in Attachment 1.

#### Suspected Unlicensed Properties:

Between March 31, 2024 and July 31, 2025, MLS received 2,870 complaints about suspected unlicensed MTHs, including repeat complaints about some properties. Beginning in September 2024, following an initial education-first phase, MLS began issuing Orders to Comply under Chapter 575 to confirmed unlicensed operators, in line with the City's progressive enforcement model. A total of 274 orders were issued, corresponding to 269 unique properties. In some cases multiple or re-issued orders were required for the same property where earlier orders had expired before compliance was achieved.

Enforcement files have been closed for 133 cases, as investigations determined that the properties no longer met the definition of a multi-tenant house under Chapter 575, for example, where the property became vacant, converted to a single housekeeping unit, or reduced the number of rooms from four or more to three or fewer (see Context and Limitations below for further explanation). Another 141 orders remain outstanding, representing cases where compliance has not yet been achieved.

As of April 1, 2025, in line with the transition to Phase 3 of implementation, the City began laying charges against operators who failed to comply with orders. To date, three charges have been laid under Chapter 575, marking a shift toward a more progressive enforcement model. This approach maintains an education-first stance but escalates to charges when appropriate.

Other City divisions also played key roles in implementation and enforcement, either through referrals from MLS or as part of the licensing process. The divisions report their enforcement activity separately because they enforce different parts of the regulatory framework, and some properties appear in more than one dataset through referrals. Together, these actions form a city-wide approach that responds to safety and compliance issues and helps maintain safe, quality homes for tenants. Enforcement escalates when needed, but it starts with education and voluntary compliance before moving to orders, inspections, or charges.

- Toronto Building has initiated 120 investigations for the files referred between March 31, 2024 and July 31, 2025 and issued 76 Orders to Comply under the Building Code Act. Of the 76 Orders, 48 are closed, including 15 closed after a permit was obtained. No Unsafe Orders have been issued, as none of the referred files involved unsafe buildings. Orders to Comply are issued when construction, demolition or a change of use (e.g., single suite converted into multiple use) occurs without a building permit. An Order requires the owner to obtain a building permit or revert the construction or use to its original condition. Toronto Building inspectors continue to

actively monitor open Orders and MLS/TFS referrals until compliance is achieved through permits or removal of unpermitted work.

- Toronto Fire Services (TFS) has conducted 480 inspection files at 356 addresses, including 251 licensed and 106 unlicensed properties between March 31, 2024 and July 31, 2025. Of these, TFS initiated legal proceedings against 58 addresses for noncompliance with the Ontario Fire Code. 52 of these 58 addresses were unlicensed and six were licensed.
- Toronto Public Health conducted inspections at all Type B premises and responded to seven complaints. Complaints were regarding food safety, mould, sanitation and/or bedbugs. While TPH's role with Type B premises has been limited to food safety inspections, public health inspectors will investigate complaints regarding bedbugs or potential health hazards in addition to addressing food safety issues.

#### Context and Limitations:

As noted above, of the 274 orders issued under Chapter 575 to unlicensed operators, 133 enforcement files have been closed. These closures indicate administrative resolution of the enforcement file only; they do not necessarily mean that properties ceased operation or that rooms were lost, whether permanently or temporarily. In some instances, occupancy may have changed temporarily (for example, reduced to three or fewer rooms at the time of inspection), but could later return to a configuration that again meets the definition of a multi-tenant house under Chapter 575. Similarly, when a property converts to a single housekeeping unit, tenants may remain in place, but under a different living arrangement that no longer meets the bylaw's definition.

#### *System Supports and Compliance Tools*

To assist operators, particularly those who are unlicensed, a dedicated concierge service has been established within MLS. Active since September 2025, the service provides a single point of contact to navigate licensing processes and related sub-processes across City divisions. It coordinates case management, resolves escalations, and facilitates interdivisional collaboration by tracking and escalating files. The concierge service also documents recurring operator challenges and bottlenecks, generating feedback to inform process improvements and digital enhancements. To date, the service has engaged with seven properties referred by MLS Licensing and Enforcement teams. Four of these properties have applied for licences, and follow-up is underway with the remaining three. The concierge has also initiated discussions with other City divisions to explore potential supports for operators and to identify process challenges and barriers.

A conversion of housing that was originally constructed as a single dwelling unit to a multi-tenant dwelling can be challenging and complex. Building Code challenges include determining necessary upgrades, but also how to incorporate them in an efficient and cost-effective manner. Toronto Building has previously reported to Planning and Housing Committee ([2024.PH10.1](#)) on efforts to assist operators and designers navigate common challenges they may face in achieving code compliance and have made a third-party code consultant report [available publicly](#), to help operators navigate

Code requirements. In conjunction with the concierge service offered by MLS, Toronto Building also offers one-on-one appointments to operators with staff to support them through the building permit process and address questions early.

The City established the Multi-Tenant House Licensing Tribunal (MTHLT) in March 2024 as a quasi-judicial body for appeals, reviews, and referrals under Chapter 575. While no hearings have been held to date, the Tribunal remains in place.

As part of the City's broader strategy to supporting compliance while preserving existing tenancies, the [Multi-Tenant Houses Renovation Program](#) was launched by the Housing Secretariat in 2024. The Program provides capital funding and financial incentives (waivers of certain City permit and application fees) to help cover costs associated with bringing unlicensed MTHs into compliance and improving housing conditions while preserving tenancies. Council approved \$2 million in funding for the Program through the 2024 Budget, followed by \$3 million in 2025, with annual commitments of \$2 million until 2029. The Housing Secretariat complements this funding with available resources through the Canada-Ontario Community Housing Initiative (COCHI) earmarked specifically for community housing providers administered under the *Housing Services Act*.

To date, staff have received over 50 inquiries from both private and non-profit operators for Program support for multi-tenant house renovations, and application forms were requested by some 30 operators. Capital funding applications are currently proceeding through approvals for 9 properties, and discussions are ongoing with a number of operators seeking fee waivers and/or funding for due diligence in advance of building renovation work. No funding agreements have been signed or funds disbursed by the Program. Section 4.2 of this report provides details on recommended enhancements to this program to respond to feedback and experience to date.

### **2.3. Programs and Initiatives to Support MTH Tenants**

This section summarizes the programs available and actions taken to support tenants through the implementation period.

#### **Resources and Supports Available to Multi-Tenant House Tenants**

In the absence of stronger legislative protections for tenants at the provincial level, building tenants' understanding of their rights and how to access legal and financial support is critical to preventing evictions and displacement in all rental housing, including MTHs. As part of implementing the framework, the City's strategy includes developing and distributing tenant education materials and funding community organizations to work directly with tenants.

A brochure for MTH tenants was created in 2024, which outlines the framework, tenant rights, and available resources and contacts, and was translated into 11 languages. The brochure directs tenants to phone and online channels for information on rights and available supports, including through the City's three Toronto Tenant Support Program (TTSP) agencies:

- the Canadian Centre for Housing Rights (CCHR) hotline, which offers free legal supports and referrals to legal aid clinics;
- the Federation of Metro Tenants' Associations' (FMTA) hotline, which provides tenant rights counselling services; and
- the Centre for Immigrant and Community Services (CICS) tenant hotline, which offers multi-lingual information about tenant rights.

Over 3,300 copies of the brochure have been distributed to MTH tenants by City staff, and TTSP partners and tenant-serving organizations to-date.

The City provides annual funding to the TTSP agencies to deliver a range of advocacy, legal, outreach, information sharing and referral services to tenants in private rental homes including MTHs. To further support implementation of the framework and other priorities (such as the Rental Renovation Licence Bylaw), Council approved an additional \$1.1 million in the 2025 Budget for TTSP, bringing the total investment in 2025 to \$2.57 million. These resources enabled CCHR to hire two additional legal services staff to provide legal aid and support to tenants, including representation at the Landlord and Tenant Board (LTB), and FMTA to hire an outreach worker dedicated to connecting with tenants residing in unlicensed MTHs.

Through this outreach program, where an unlicensed MTH is issued an Order to Comply, the address of the unlicensed location in the Order is provided to FMTA. An FMTA outreach worker visits the identified address to provide tenants with information on their rights and how to access support. Through this initiative, FMTA has visited 135 suspected unlicensed MTHs to provide materials and, where possible, engage with tenants to offer additional support and advice.

In total TTSP agencies have provided renter rights information, legal advice, and other supports to approximately 400 MTH tenants through both door-to-door outreach, one-on-one counselling and legal support.

### *Support for Tenants in Event of Emergencies*

As described in previous reports to Council (2024.PH10.2), City divisions have protocols to support MTH tenants who are displaced from their homes due to sudden emergencies, such as fire, or when building safety conditions are so severe that the property is ordered to be evacuated and closed. Where Toronto Building or Toronto Fire Services order the closure of a property, protocols are in place to activate the Toronto Emergency Management (TEM) Emergency Social Services (ESS) program. This program, delivered in partnership with the Canadian Red Cross (CRC), provides emergency accommodation and basic needs services (e.g. food, clothing) for at least 72 hours, and up to 14 days. In cases where tenants are vulnerable and/or meet other policy criteria (as [established by Council in 2010](#) as part of the Emergency Human Services Policy), accommodation and support beyond 14 days is provided by Toronto Emergency Management (TEM) through its Emergency Social Services (ESS) program.

Where the TEM ESS program is activated by Toronto Fire Services or Toronto Building, EPIC is subsequently engaged under an interdivisional protocol with TEM. The EPIC program provides housing recovery case management services to eligible tenants who need assistance finding a new permanent home. This protocol supports tenants during periods of temporary displacement by helping them secure new, affordable homes, or where possible support them in the interim before they can return to the home from which they were displaced. This type of support can reduce reliance on the City's overburdened shelter system and help promote long-term housing stability, although it should be noted that in a challenging housing market like Toronto, finding new affordable homes for displaced MTH tenants can be difficult.

A report to the Executive Committee at its December 2025 meeting on implementation of Council directives from the Ombudsman's investigation into a vital services disruption in an unlicensed multi-tenant house ([2025.CC30.3](#)) will provide additional information on services for MTH tenants.

#### *Launch of the Situation Table for Housing-at-Risk (STAR)*

In July 2025, the City launched the Situation Table for Housing-at-Risk (STAR). STAR is a city-wide situation table that serves tenants and other residents who are facing acute elevated risk and vulnerability, and require intervention from multiple agencies and/or supports to reduce the risk of harm and respond to complex vulnerabilities.

The table functions as a service coordinator for situations referred to the table and includes representatives from over 40 City Divisions and external community partners.

Representatives can bring complex cases to the table that have been assessed by the Housing Secretariat and Social Development divisions (as STAR co-chairs) as potentially meeting the threshold of acutely elevated risk. Upon confirmation of eligibility, an individualized plan is developed leveraging the resources of partner agencies, with case coordination provided by City staff. As part of the launch of STAR in July, 2025, supporting vulnerable MTH tenants was identified as a new priority for the table. Divisions and community partners supporting the MTH Framework and represented at STAR are now able to bring cases to this table to request support for vulnerable tenants.

Importantly, STAR is not an emergency response service intended to provide case management supports during a crisis. STAR provides medium and long-term support to complex cases that require extensive coordination and partnership across Divisions and Agencies, with an opportunity for more sustained involvement over time to stabilize the client. For this reason, STAR is best mobilized as part of an upstream intervention to prevent displacement or crisis before it occurs, or to provide continuous support once the immediate emergency of a displacement has passed.

#### *Acquisition Opportunities through Multi-Unit Residential Acquisition (MURA) Program*

The MURA program was launched in 2021 and provides funding to non-profit housing providers to acquire rental properties and secure them as permanently affordable homes. The program has also funded the acquisition of multi-tenant houses, where the property is licensed or has a feasible pathway to obtaining a license. With the introduction of the regulatory framework and pathway to compliance for multi-tenant houses city-wide, there are increased opportunities for community housing providers to leverage MURA funding and acquire at-risk multi-tenant houses across the city.

### **3. Overview of Findings**

This section provides a preliminary analysis of how implementation of the MTH framework is progressing, based on operational data, interdivisional feedback, and community engagement. It reflects the first year of a major transition from fragmented, legacy bylaws to a unified city-wide framework for regulating multi-tenant houses.

Foundational elements of the program are in place. Digital tools, enforcement protocols, interdivisional structures and education supports have been developed and deployed. In line with the expected outcomes of the phased implementation plan, most operators licensed under legacy bylaws have transitioned or are in the process of transitioning into the new framework. This has been a substantial undertaking, due to the higher standards of the framework and the complexity of the application process. The transition has required significant one-on-one support, including new dedicated services to guide operators through licensing.

The challenges outlined below highlight the complexity of bringing unlicensed multi-tenant housing into a formal regulatory system, where compliance requires significant financial and administrative capacity.

#### **3.1 Compliance Challenges**

As Phase 3 of implementation progresses, uptake among new or unlicensed operators may be gradual and despite ongoing education and enforcement efforts, some operators may continue to remain outside the licensing regime. Many operators have raised concerns about the cost and complexity of achieving compliance, particularly related to renovations necessary to meet building and/or fire code requirements, obtaining zoning approvals, and the time and resources required to complete applications. Some operators also face zoning constraints such as the six-room cap and have expressed reluctance to seek Committee of Adjustment approvals due to application costs and process uncertainty.

Although the City offers financial assistance through the MTH Renovation Program, interest and uptake has been limited. Private operators in particular point to capacity constraints and reluctance to apply for funding. Staff have undertaken an analysis and evaluation of the program's implementation, and more details are provided in Section 4: Proposed Refinements.

#### **3.2 New Supply is Constrained by Poor Financial Viability**

The MTH framework is primarily focused on bringing the existing stock of licensed and unlicensed MTHs into compliance with zoning, licensing and other requirements to improve tenant safety and reduce nuisance impacts on neighbours. To support this work, in 2023 Council directed that a land economics study be undertaken to assess the economic viability of MTHs and their potential impacts on surrounding residential property values.

This study was completed in 2025 and found that creating a new MTH through the conversion of existing properties or new construction is generally not financially viable under current real estate conditions. This is primarily due to high land acquisition costs across the city, construction costs, and significant development related fees and charges. As a result, development costs often cannot be recovered through rents, particularly at affordable levels. The study found that MTH development would only be viable if properties were acquired below market value, the dwelling room cap was increased beyond current permissions and/or public subsidies in the range of \$50,000 to \$400,000 per project were made available to affordable housing providers to reach affordable rent levels. These findings reinforce the importance of preserving the existing supply and focusing near-term efforts on bringing current operators into compliance. This study is appended to this report at Attachment 5: Multi-Tenant Houses Land Economics Study.

### **3.3 Enforcement and Compliance Considerations**

Enforcement mechanisms have begun to shift in line with the progressive enforcement model. Since April 2025, the City has started laying charges in cases where Orders to Comply with the Multi-Tenant Houses Bylaw remained unresolved. While it is too early to fully assess the impact of prosecutions, initial trends indicate that some operators are responding to orders by altering their operations to fall outside the bylaw's scope, including through conversion to a single housekeeping unit or by reducing the number of rooms to three or fewer.

In some cases, investigations identified properties that were overcrowded or not suitable for the number of tenants residing within them. Where this has occurred, resulting reductions in occupancy may reflect actions taken to bring properties into compliance and to align with the framework's intent to improve health and safety conditions for tenants. As discussed below, tenant outcomes are not always known, and potential implications for housing stability should continue to be considered as part of ongoing monitoring of implementation impacts.

### **3.4 Monitoring Impacts on Housing Stability**

In the 180 cases where licenses have been issued under the new framework, tenants of these homes are now protected by additional health and safety measures and other standards related to housing quality that will have a positive impact on their housing stability. However, trends across the unlicensed sector are more difficult to identify particularly regarding tenant displacement. Within this context, staff have identified a need for strengthened monitoring to ensure the City and its partners are able to track

displacement trends and respond more effectively. Details of proposed improvements are provided in Section 4. Details of proposed improvements are provided in Section 4.

### *Challenges in Monitoring Evictions*

Obtaining consistent, reliable data on evictions is an ongoing challenge for municipalities in Ontario. Evictions can proceed legitimately or formally, through LTB processes. The Canadian Centre for Housing Rights (CCHR) has indicated that based on its research and consultation with tenants with lived experience, housing service providers, and housing lawyers, it found that many evictions can occur informally with landlords evicting tenants outside of a formal LTB process, such as via emails, texts, or phone calls. In many cases tenants move out after receiving an eviction notice due to lack of familiarity with their rights when facing evictions.

While a lack of Provincial oversight and legislation limits the availability of public data on evictions, there are additional challenges with tracking tenant outcomes related to the implementation of the MTH framework, including:

- Evictions are often a lengthy process, and outcomes are challenging to track unless the tenant continues to engage directly with tenant support agencies over an extended period.
- Evictions can be highly traumatizing, personal experiences. While tenant support agencies can work to build trust, tenants are not required to share information about their housing situation with outreach workers. This may be compounded for vulnerable tenants who face systemic barriers in the housing system that impact their interest in directly engaging with city staff and/or outreach workers.
- Unless a tenant formally goes through intake to a program to receive case management supports, it is not a current practice to collect demographic data during outreach or soft-touch interactions with tenants (for example, during door-to-door knocking or providing advice/referral over the phone).
- Disaggregated data that is available is very limited, as programs focused on providing low-barrier outreach and/or service provision to tenants do not request socio-demographic data from MTH tenants in order to provide service.

### *Approach and Findings to Date*

Recognizing challenges in monitoring data on evictions and displacement, City staff use a range of internal and external information sources to monitor the impact of the framework on tenant housing stability, including data from City Divisions, licensing and enforcement data, and quantitative and anecdotal data collected from TTSP agencies specific to MTH tenants and their experiences.

According to information from TTSP collected from engaging approximately 400 tenants, evictions arising from implementation of the framework appear limited. The FMTA visited 135 multi-tenant houses and were able to provide support to 192 tenants, through the new door-to-door outreach program launched in 2024. In addition, CCHR and CICS provided legal advice, and other eviction prevention supports to approximately 64 MTH tenants.

These organizations reported 11 cases where tenants understood an attempted eviction to be related to the implementation of the framework (e.g. meaning that the landlord referenced being unlicensed, reducing rooms due to overcrowding, or had referenced the framework as a reason for the eviction). There were a further 43 cases where tenants indicated they were at-risk of evictions for other reasons.

It is important to note the purpose of TTSP agencies' work is to provide resources and supports to tenants to help prevent evictions, not to monitor the city-wide implementation of the framework, so these findings are a reflection of their experiences and may not be representative.

As progressive enforcement action continues and resources are deployed to encourage more unlicensed operators to come into compliance, a stronger approach shared across divisions to monitoring impacts on displacement is needed. Details of proposed improvements are provided below.

#### **4. Proposed Refinements**

##### **4.1 Enhanced Tenant Protections and Monitoring**

Implementation of the framework has illustrated the challenges of monitoring impacts on tenants, particularly in the unlicensed sector where direct channels of communication between the City and tenants are limited. Data and experiences from front-line tenant support organizations may point to trends of limited displacement and evictions, however additional tools are needed through other channels to effectively monitor potential impacts. Implementation of the framework requires enhanced measures to better collect this data. As such, City staff will take additional measures to better monitor tenant outcomes, including:

- Updating data collection practices across Divisions engaged in enforcement and compliance action, to more accurately identify cases where tenants may be at risk of displacement.
- Where risks are identified, mobilizing outreach and supports for tenants in parallel to compliance activity.
- Creating more consistency in how Divisions collect information related to how a property came into compliance as a result of enforcement action.

This work will be advanced through an interdivisional working group focused on a stronger housing at-risk lens on data monitoring and sharing related to MTH. Alongside the rollout of risk-based tenant outreach, the Housing Secretariat will continue to monitor the need for enhanced investments in the TTSP, particularly to bolster direct FMTA outreach to tenants in unlicensed MTHs. These measures will improve identification of the impacts of the framework on tenants and also focus on early interventions and enhanced supports for tenants that may be at-risk.

##### **4.2 Renovation Program Enhancements**

As noted above, while nine properties are currently proceeding through approvals under the MTH Renovation Program, as of the date of this report, no agreements have been executed or funding flowed. City staff undertook an evaluation to better understand the Program's slow take among operators. This included analyzing inquiries and applications; consulting with a non-profit multi-tenant housing Community of Practice; and conducting a phone call survey of over 20 operators who expressed an interest in applying to the Program, but did not follow through with an application.

The feedback obtained through the evaluation found the following trends reflecting barriers in both the renovation Program and the broader framework:

- Operators reported facing capacity challenges and a lack of expertise, time, and resources to undertake the due diligence work in meeting complex building, fire and licensing requirements.
- Operators also noted that renovation costs are expected to exceed the existing \$50,000 per room limit in the Program. In one case, an operator noted that renovations to comply with the framework may be equivalent to the cost of the property – and as such, it may not be financially prudent to invest in the renovations.
- Private MTH operators have raised concerns with the amount of City involvement in their properties when renovation funding is offered.
- Unlicensed operators were reluctant to agree to commit to obtaining a licence within 5 years, given licensing decisions and timelines are not within their control and could require approval from multiple City Divisions or other bodies (such as the Committee of Adjustment).
- Licensed operators noted they were not eligible for the Program, but were interested in applying for repair funding in order to meet requirements for maintaining their licences and/or renewing them.

Overall, the most significant concerns related to the costs of renovations, lack of capacity to meet the various requirements of licensing and administering the Program funds, and a reluctance to engage with the City and/or commit to operating the MTH in advance of obtaining a license.

To improve Program uptake, City staff recommend City Council adopt the revised Program Guidelines included as Attachment 8 to this report, which will enhance the Program to address the needs of operators, including:

- Increasing the maximum per-room funding amount from \$50,000 to \$100,000 to reflect the high cost of necessary renovations and repairs.
- Expanding eligibility to include licensed or previously licensed MTH properties who have licences that are at risk of lapsing due to non-compliance.
- Simplifying access to financial incentives and pre-construction due diligence funding by establishing a separate program stream to access these supports.

Although there has been no uptake in the Program in its first year of implementation, early feedback has helped identify structural barriers. The proposed Program refinements aim to address these barriers and improve Program accessibility and impact, particularly for operators committed to maintaining safe, long-term affordable housing.

City staff will continue to monitor implementation and uptake of the Program; promote information on the Program to landlords and landlord organizations; and consult and collaborate with the MTH operators to identify improvements to the Program.

### **4.3 Proposed Technical and Administrative Changes to Chapter 575 – Multi-Tenant Houses**

Staff are recommending several bylaw changes to clarify existing requirements, reduce administrative burdens, and strengthen tenant protections. These changes respond to operational experience gained during the implementation and are intended to make the bylaw more accessible for applicants.

*A. Updating the Definition of Multi-Tenant House:* The definition of multi-tenant house in Chapter 575 has different parts, but the most commonly-applied definition is “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”. To align with related amendments proposed to the Zoning Bylaw and ensure consistency across the regulatory framework, staff recommend replacing the term *building* with *premises* in the licensing definition of a multi-tenant house in Chapter 575. As “premises” in the Zoning Bylaw means the whole or part of lands, buildings or structures or any combination of these (see section 4.4 in this report below), this change clarifies that a multi-tenant house can occupy a part of a building (for example, one side of a semi-detached building) rather than an entire building, making the licensing process more practical and aligned with property level zoning permissions.

Staff also recommend adding a new exclusion to the definition, clarifying how the definition applies within apartment and condominium buildings. This clarification enables the City to regulate individual apartment or condominium units operating as MTHs without licensing the entire apartment or condominium building as an MTH.

*B. Adding Room Dimensions to Floor Plan Requirements:* Under the current licensing process, operators are required to submit a floor plan showing rooms intended for occupancy and the maximum number of tenants per room. However, staff have found that the absence of room dimensions can hinder reviews and on-site inspections. Explicitly including room size information in the bylaw would make it easier for staff to assess compliance and give them a clear reference when working with operators. Staff are recommending that operators be required to include the dimensions of each tenant room as part of their floor plan submission.

*C. Streamlining Type B Licence Requirements for Corporations:* Currently, when a corporation applies for a Type B licence, all corporate directors must meet eligibility

requirements, including age, education, work experience, and a Vulnerable Sector Screening (VSS). Staff have found that this requirement creates an administrative burden for corporations with multiple directors, particularly when only one director may be actively involved in the day-to-day operation of the multi-tenant house.

To streamline administration while maintaining accountability, staff recommend allowing a person authorized to bind a corporation applying for a Type B licence to submit a declaration in lieu of individual documentation for each director required under Chapter 575. Through this declaration, the authorized person would confirm that each director of the corporation meets the eligibility requirements set out in the bylaw, that the operator will keep satisfactory documentation demonstrating each director's compliance at all times, and that these records will be provided to the City at any time upon request. A related amendment to section 575-4.1 clarifies that, where a declaration is submitted, the operator must provide documentation demonstrating each director's compliance upon request. These refinements will maintain all existing eligibility standards while simplifying the application process by allowing a single authorized representative to attest to compliance on behalf of the corporation.

*D. Aligning Zoning Review Terminology:* The bylaw refers to "Preliminary Project Review (use only)" as part of the licensing requirements. However, Toronto Building now uses the term "the Zoning Applicable Law Certificate." To reduce confusion for both applicants and staff and align with updated terminology, this report recommends replacing "preliminary project review (use only)" with "zoning review", to enable staff to determine the appropriate type of zoning review operationally.

*E. Clarifying the Ending Operations Notice Process:* Staff recommend clarifying that tenant notices must be issued in conjunction with an approved transition plan, at least 180 days before ending the operation of an MTH.

At this time, adjustments to staffing and operations are not being recommended. Staff will continue to monitor licensing activity and assess future resourcing needs, if any.

#### **4.4 Proposed Zoning Amendments**

The zoning framework introduced on March 31, 2024 provides clear permissions and standards for MTHs across the city. However, implementation to date highlighted areas where targeted refinements could improve clarity for staff and applicants. These amendments would not alter the fundamental permissions Council approved but would simplify administration and reinforce the intent of the framework.

##### *Applying MTH regulations at property-level rather than building-level*

The current MTH zoning framework carried forward several features from the rooming house framework in the former City of Toronto General Zoning Bylaw 438-86, including defining an MTH as a type of building and applying limits on the number of dwelling rooms per building. However, this approach has resulted in unintended complications as Bylaw 438-86 treated multi-lot structures such as a semi-detached house or townhouse as being a series of "attached buildings" on individual properties, whereas city-wide

Zoning Bylaw 569-2013 treats such buildings as being one single building that spans multiple properties with potentially multiple owners.

This treatment of buildings creates implementation challenges, as a property's compliance with the current MTH zoning regulations may be reliant on the conditions in an adjacent but separate property. Similarly, it can be unclear which if any property owners require licensing as an MTH operator. For example, rental of a single room in each portion of a townhouse building that spans four independent lots may cause the overall building to technically meet the definition of a multi-tenant house despite not operating as such.

To address this issue, staff propose the following amendments to the current MTH zoning regulations:

- a. Amend the multi-tenant house definition to refer to “premises” rather than “a building”, as follows:

“multi-tenant house means **premises** with four or more **dwelling rooms** that may have shared common facilities for sanitary and cooking. **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.**”

- b. Amend the Specific Use Regulations for MTHs to apply the limits on the permitted maximum number of dwelling rooms to the lot rather than to the building.

Under Zoning Bylaw 569-2013, residential uses are typically described as a type of “building” if they contain only dwelling units, and as “premises” if they involve bed-sitting rooms, dwelling rooms and/or dwelling units in combination. The definitions of “building” and “premises” are as follows:

“building means a wholly or partially enclosed **structure** with a roof supported by walls, columns, piers or other structural systems. [...]”

“premises means the whole or part of lands, **buildings** or **structures**, or any combination of these.”

The proposed updated MTH definition would facilitate the application of the MTH standards to only the portion of the building located within a single lot. This is consistent with how the city-wide Zoning Bylaw defines other housing types with bed-sitting rooms or dwelling rooms, such as a group home, religious residence, retirement home or seniors community house.

Applying dwelling room limits for multi-tenant houses at the property level better reflects the intention of Council in establishing the dwelling room limits and will simplify implementation and enforcement. In combination with the revised definition, this change ensures that applications can be reviewed for compliance without investigating neighbouring properties, and that only the appropriate property owner(s) are subject to licensing.

*Providing direction for buildings with both dwelling units and multi-tenant components*

The current MTH zoning standards were drafted prior to Provincial legislative changes under Bill 23 which permits up to three residential units on all parcels of urban residential land, and the City's introduction of multiplex permissions for up to four dwelling units in all residential zones, and Council's recent adoption of six dwelling units in all residential zones within Ward 23 (Scarborough North) and the Toronto-East York District.

As a result, the MTH zoning framework permits multi-tenant houses as both stand-alone buildings and in buildings that also include up to four to six dwelling units (i.e. a multiplex) in these zones. However, the bylaw provides limited direction about how dwelling units and multi-tenant components of a building are combined or the applicable built form standards.

This gap causes ambiguities about how to apply zoning standards in situations where part of an existing residential building containing dwelling units would be converted to multi-tenant operations; where a proposal is to construct a new building that combines dwelling units and MTH; or where a property owner seeks to convert the multi-tenant compartment in a building to a dwelling unit if MTH operations cease. This can result in zoning compliance issues for conversions even if no physical changes are proposed and was not the intent of the Council-adopted MTH zoning permissions in 2022. To resolve these issues, staff recommend amendments to clarify that the applicable built form standards for an MTH building with no dwelling units, in low-density residential zones, are those for a detached house, semi-detached house or townhouse, and clarify the standards that apply when an existing detached house, semi-detached house or townhouse is converted to an MTH.

### *Accessible parking standards*

On February 5, 2025, Council approved amendments to Zoning Bylaw 569-2013 introducing new accessible parking rates which require that specified proportions of provided parking spaces be accessible parking spaces, and replace an older approach of calculating rates based on "effective parking spaces" (Item [2025.PH18.3](#)). The bylaw with the updated accessible parking space rates unintentionally omitted MTHs, making it unclear whether accessible parking space requirements apply to them.

The proposed amendments would update the new Accessible Parking Rates table to add the omitted row for "Dwelling Rooms in a Multi-Tenant House", so that an appropriate number of the parking spaces provided for a multi-tenant house will meet accessibility standards. This change does not affect the overall number of parking spaces required for each multi-tenant house and is consistent with Toronto's commitment to building an inclusive and accessible society.

## **4.5 Previous Zoning Amendments from Multiplex Monitoring**

On June 25, 2025, Council approved amendments to Zoning Bylaw 569-2013 as an outcome of the multiplex monitoring program, to facilitate their construction, and address emerging issues ([Item 2025.PH22.3](#)). These amendments included certain changes relevant to the development and operation of multi-tenant houses. The

changes include establishing a maximum number of bedrooms per dwelling unit in multiplex buildings, set at 4 times the number of dwelling units for duplexes, and 3 times the number of dwelling units for larger multiplexes. The purpose of this amendment was to strengthen the integrity of the MTH regulatory framework.

In a building that includes both a multiplex and an MTH, the bedroom limit applies only to the dwelling units, and explicitly excludes the multi-tenant house dwelling rooms, which remain subject to the existing 6, 12 or 25 dwelling room limits.

#### **4.6 Consideration for Garden Suites and Laneway Suites**

In response to Council direction in [July 2024](#), staff considered the feasibility of permitting multi-tenant houses in buildings ancillary to residential buildings (i.e. a garden suite or a laneway suite). The size and configuration of a residential unit in a garden suite or laneway suite does not generally lend itself well to a multi-tenant house. By definition, a multi-tenant house has four or more dwelling rooms; however, few ancillary residential buildings have four or more bedrooms that could be occupied as dwelling rooms. Furthermore, staff do not suggest encouraging a configuration where a resident of a dwelling room in an ancillary residential building needs to leave the ancillary building to access kitchen or washroom facilities in the principal building.

Staff have identified no past minor variance applications to extend multi-tenant house permissions into a garden suite or laneway suite. Staff suggest proposals related to multi-tenant houses and/or dwelling rooms within garden suites are best considered via a minor variance application to the Committee of Adjustment on a case-by-case basis.

### **5. Supporting Information and Related Work**

This section outlines key planning and regulatory considerations that intersect with the new framework, as well as specific Council directives addressed as part of the program implementation. These issues, ranging from land economics and refugee housing to zoning interpretations and financial exemptions, have important implications for the long-term viability of the MTH program. The information below provides context for recent and upcoming policy decisions that may influence program delivery, enforcement and future amendments to the regulatory framework.

#### **5.1 Results of the Land Economics Study**

As part of [2023.CC2.1](#), City Council directed staff to report back on the results of a land economics study examining the economic viability and potential property value impacts of multi-tenant and other missing middle housing permissions, including comparisons with other residential housing types during the implementation period. In response, the City retained N. Barry Lyon Consultants Limited (“NBLC”) to conduct the analysis. The study, provided as Attachment 5, includes a review of the history and distribution of multi-tenant houses across Toronto, financial and feasibility assessments for both conversions and new construction, and recommendations to improve viability. The assessment examined eight geographic areas distributed throughout the city to provide a broad picture of the challenges and opportunities for multi-tenant houses.

Key findings from the land economics study indicate that multi-tenant houses are present across Toronto, including in areas where they were previously restricted by zoning or licensing rules. There are clear concentrations in the central City and near post-secondary institutions and employment centres. Concentrations are also found in parts of the city where relatively lower land values make it more feasible to purchase and convert properties for multi-tenant use. The study found no strong correlation between subway access and MTH concentration.

The study identified strong correlations between the concentration of suspected unlicensed MTH operations and several census characteristics, specifically, areas with higher shares of income from government transfers, visible minority populations, households in core housing need, and larger average household sizes. While these findings do not establish causation, they reaffirm the important role multi-tenant houses play in the housing continuum by providing affordable housing options for diverse and vulnerable residents.

The presence of MTHs was found to have little or no measurable impact on surrounding property values. Any variations in property values were more likely driven by site-specific and local factors such as lot size, proximity to green spaces, distance from main streets, and the presence of nearby nuisance-generating uses (e.g. facilities with noise and vibration impacts like above-ground railway lines).

Financial feasibility for both converting existing homes and new construction was found to be a significant challenge. Key barriers include high property acquisition costs and development related fees, most notably the development charges for new construction. While the City's Development Charges bylaw exempts dwelling rooms in "rooming houses", this exemption only applies to conversions of existing detached or semi-detached houses, as the definition was not updated under the new framework. As a result, new-construction MTHs are subject to development charges of \$37,356 for each dwelling room. The issue of development charge applicability to MTHs has been noted as an item requiring review as part of the City's Development Charges Background Study being undertaken in 2026.

The study found that most MTH projects would not be financially viable unless homes were acquired below market value. Feasibility improves only when dwelling room permissions were increased beyond the six-dwelling room limit and/or costs reduced, allowing home acquisition costs to be spread across a larger project. The level of subsidy necessary for most of the eight study areas to be viable ranges between \$50,000 and \$400,000.

## **5.2 MTH Advisory Committee**

As part of [2023.CC2.1](#), City Council directed staff to assess the feasibility of establishing an Advisory Committee to Council to review the Multi-Tenant Houses Licensing Bylaw and decisions of the MTH Licensing Tribunal, and make recommendations to City Council on needed changes to the bylaw to ensure affordable housing is maintained and expanded. The committee would include a mix of experts, including current operators and tenants of MTHs.

During the implementation review, it was determined that Council, and by extension non-standing committees such as an Advisory Committee to Council, cannot provide oversight of a quasi-judicial body, such as the MTH Licensing Tribunal. Oversight of tribunal decisions would need to come through the courts, which are able to consider judicial review applications, when and where appropriate. However, Council could establish a body to review the implementation of the MTH framework (including decisions from the MTH Licensing Tribunal) from a policy perspective and recommend improvements to support the City's housing goals

This function has since been created through actions to related to advancing the progressive realization of the right to adequate housing. The City's Housing Rights Advisory Committee (HRAC) began meeting in March 2024, with a purpose of providing advice to Council on policies, programs and decision-making as it pertains to furthering the progressive realization of the right to adequate housing.

Since its establishment, HRAC identified implementation of the City's MTH Framework as a key priority within its HRAC Priorities Framework ([2024.HS3.1](#)), has established a working group focused on the preservation of affordable housing which focusses on the MTH framework, and has received updates and provided input to staff related to its implementation.

Staff, in consultation with the HRAC Chair, will continue leveraging this Committee to achieve Council's objective in recommending consideration of an Advisory Committee in [2023.CC2.1](#). This approach leverages the existing structure, capacity and expertise of HRAC members and reduces the potential for duplication.

### **5.3 Refugee Housing Clarification**

On July 24, 2024, City Council directed staff to provide clarity, including a public bulletin, on the application of the City's new regulatory framework for MTH and associated requirements to refugee houses ([2024.MM20.30](#)).

In response, staff published a bulletin on September 26, 2024. The bulletin explains that while each property must be reviewed on its own merits, refugee houses operated by registered charities, non-profits, or co-operative housing providers, where residents share meals, common spaces, and responsibilities, typically function as single housekeeping units (SHUs) and do not meet the definition of an MTH under the Multi-Tenant Houses Licensing Bylaw. The bulletin is available upon request and a copy is provided in Attachment 6: Public Interpretation Bulletin.

### **5.4 Implementing a Rental Renovation Licence Bylaw to Address Renovictions**

On November 14, 2024, City Council established a Rental Renovation Licence Bylaw to address "renovictions" ([2024.PH16.4](#)). The Bylaw requires landlords to obtain a licence where they have delivered an N13 notice in order to undertake repairs or renovations that require tenants to vacate their units. The Bylaw came into effect on July 31, 2025. To receive a licence, landlords must follow the bylaw requirements, including

notifying tenants and meeting compensation or accommodation plan requirements. The bylaw aims to preserve affordable rental housing and introduce a transparent and equitable process for landlords undertaking major work.

The Bylaw applies to MTH properties. Where operators issue N13 notices as part of compliance-related repairs, they must now also obtain a Rental Renovation Licence, supporting coordination between MTH licensing and broader tenant protection measures.

The Bylaw includes a \$700 per unit licence fee (adjusted annually for inflation). Council waived the application fee for MTHs, which supports the goals of the new regulatory framework by reducing financial burden for operators undertaking necessary steps to bring their properties into compliance. The City, led by Toronto Building, will report back on implementation of the renovictions bylaw by July 31, 2027, including data on licences issued, enforcement actions, tenant inquiries and recommendations for improvement.

### **5.5 Response to Ombudsman Toronto's Report on the City's Response to a Vital Services Outage in a Multi-Tenant Home**

On May 21 and 22, 2025, City Council adopted report recommendations from the Ombudsman ([2025.CC30.3](#)) on the City's response to a six-month vital services outage in a multi-tenant house. The Ombudsman made 26 recommendations, all accepted by the City, aimed at improving policies and procedures as well as clarifying programs and improving service standards for the Housing Secretariat's EPIC (Eviction Prevention in the Community) Program. City Council provided an additional 6 directives to staff related to the investigation.

In response to [2025.CC30.3](#), this report addresses the two directives Council required as part of the MTH Implementation Update: the review of Priority 1 service requests related to MTHs (licensed or suspected unlicensed) and annual reporting on enforcement actions under the MTH and RentSafeTO bylaws, including outcomes of Priority 1 violations.

A Priority 1 service request is an urgent matter that presents a health and safety issue, relates to a vital service, or has an imminent impact to life safety. Bylaw enforcement officers make initial contact with the complainant as soon as possible and no later than 24 hours from the time the service request is received. Of the most recent Priority 1 service requests related to MTHs staff reviewed, five involved low or no heat, three involved no water, one involved no hydro, and one involved an appliance issue (a freezer left on front lawn with the door attached). Details on how each service request was resolved, along with a summary of whether the City considered carrying out the required work and reasons why it did or did not proceed are provided in Attachment 7: Ten Most Recent Priority 1 Service Requests – Multi Tenant Houses.

Moving forward, licensing and enforcement data will be released through an annual report, similar to the [RentSafeTO Year in Review](#). This would formalize the collection and public reporting of data on licensing activity, enforcement outcomes, tenant supports, and other program metrics on a yearly basis.

In line with recommendations arising from the Ombudsman's report and prior Council direction ([2022.EX34.7](#)), staff are also developing a housing as a human right training program to be delivered to staff across the City, including to enforcement staff engaged in the MTH framework. Following a competitive procurement process, the Canadian Centre for Housing Rights (CCHR) has been selected to develop and deliver this program of training. The CCHR has extensive experience preparing and delivering housing rights training to a variety of audiences, including Ontario municipalities, and has experience preparing toolkits and resources to support the implementation of the right to adequate housing. CCHR will develop a customized training program for Toronto staff in consultation with a range of City Divisions including Legal Services, beginning in Q4 2025. The training program is expected to be developed in Q1 2026.

An update on the remaining Ombudsman recommendations and related Council directives will be reported to the Executive Committee in December 2025.

### **Next Steps**

Staff will continue to coordinate across divisions and with community partners to monitor implementation outcomes, refine data tracking, and identify areas for future policy and operational adjustments as the framework matures.

Updates will be provided through an annual report process referenced above, beginning in spring 2026, summarizing licensing activity, inspections, tenant supports, and program outcomes. Staff will also report to the Executive Committee on December 9, 2025 on a status update on implementation of Ombudsman Toronto's recommendations on the City's response to a vital services outage in an MTH ([2025.CC30.3](#)).

If the recommended refinements to Toronto Municipal Code Chapter 575, Multi-Tenant Houses, and Zoning Bylaw 569-2013 are adopted, they are recommended to come into effect on February 15, 2026, to allow time to update internal standard operating procedures and related communications materials.

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## **ATTACHMENTS**

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Attachment 1: MLS Licensing and Enforcement Data  
Attachment 2: Draft Zoning Bylaw Amendments  
Attachment 3: Communications, Tenant Education, and Public and Stakeholder Engagement  
Attachment 4: MTH Online Feedback Form and Operator Survey Summary  
Attachment 5: Multi-Tenant Houses Land Economics Study  
Attachment 6: Public Interpretation Bulletin  
Attachment 7: Ten Most Recent Priority 1 Service Requests – Multi Tenant Houses  
Attachment 8: Revised Multi-Tenant Houses Renovation Program