

Report to Community and Protective Services Committee

To: CHAIR AND MEMBERS
COMMUNITY AND PROTECTIVE SERVICES COMMITTEE
From: GEORGE KOTSIFAS, P. ENG., DEPUTY CITY MANAGER,
PLANNING AND ECONOMIC DEVELOPMENT
Subject: PROPERTY STANDARDS MATTERS (MARCH 2021 COUNCIL RESOLUTION)
Date: SEPTEMBER 21, 2021

Recommendation

That, on the recommendation of the Deputy City Manager, Planning and Economic Development: this report and the attached draft terms of reference (**Appendix 'A'** – Tenant Landlord Taskforce) **BE RECEIVED** for information purposes.

Executive Summary

This report is in response to the March 23, 2021, Municipal Council resolution, directing staff to review the Residential Rental Unit Licensing By-law (for all new and existing rental units be licensed, regardless of the type of unit) and report back with a draft term of reference for the establishment of a Tenant Landlord Taskforce (TLT).

Background

On March 2, 2021, a Public Participation Meeting was held to discuss the Property Standards By-law review. At this time, a letter was submitted by two Councillors seeking support for a motion that would expand the Residential Rental Unit Licensing By-law to include all rental units contained in apartment buildings and townhouses. The current By-law exempts apartment buildings and townhouses and applies only to rental units in single detached, semi detached / duplex, triplex, fourplex and converted dwelling structures.

On March 23, 2021, Municipal Council resolved that the following actions be taken:

1. the Civic Administration **BE DIRECTED** to review the Residential Rental Units Licensing By-law CP-19, as amended, and report back at a future meeting of the Community and Protective Services Committee (CPSC) on the possibility of expanding the regulations to include rental units contained in apartment buildings, stacked townhouses and townhouses and to incorporate the following requirements for all rental units:
 - all new and existing rental units be licensed, regardless of the type of unit;
 - random inspections of rental units and buildings be undertaken to ensure compliance with the City's Property Standards By-law and other regulations to prevent the deterioration and disrepair of rental units; and,
 - the establishment of a complaint reporting system that is accessible to tenants.
2. the Civic Administration **BE DIRECTED** to report back at a future meeting of the Community and Protective Services Committee with a draft Terms of Reference for the establishment of a Tenant/Landlord Taskforce that would include representation from tenants, London Property Management Association, and other community stakeholders, including, but not limited to Lifespin, to develop an action plan to address enforcement of property standards by-law matters and health concerns within the City of London's jurisdiction, including developing educational material to assist individuals with navigating the enforcement process and communicating with the Province of Ontario with respect to concerns identified with respect to potential legislative changes to address the concerns.

Analysis

1.0 How are property related complaints addressed?

Property Standards By-law occurrences are initiated by the following:

- Tenant or community complaint;
- Referral from partner agency;
- Proactively as part of rental licence inspection.

When a complaint is received from a tenant (usually dealing with the interior condition of the rental unit), the complainant is requested to advise the landlord in writing of the deficiencies inside the rental unit and provide the landlord reasonable time to resolve the issues.

Normally, a reasonable time period to initiate any repairs would be two to three weeks. If compliance is not achieved, the complainant is asked to forward a copy of the letter to the City; where the complaint involves a safety issue, such as electrical or structural, the requirement to have the tenant advise the landlord in writing is not required. For these types of complaints, it is not possible to keep the complainants' personal information anonymous as the complaint involves the interior of a unit for which the landlord requires access.

When the complaint is made by neighbours, the issue normally involves an exterior infraction such as, the condition of the exterior of the building or other yard maintenance issues (long grass/weeds, derelict vehicles, debris). For these types of complaints, there is no requirement for the complainant to notify the owner of the subject property. Tenants and partner agencies are also able to submit these complaints. For these issues, complainant contact information is encrypted and not public information. Municipal Law Enforcement Officers (MLEOs) respond to these complaints on a priority basis.

All applications for residential rental licenses require a Property Standards inspection as well as an inspection for Fire Code compliance. These inspections are undertaken at the time of application. Previously, property owners submitted self-certification forms confirming compliance with City By-laws. Random inspections were planned, however, the random inspection protocol failed as numerous tenants refused entry or there was no response at the door. The random inspection protocol was disbanded and replaced with a required interior inspection at the time of licence application.

1.2 What are the historic metrics of complaints investigated?

A review of complaints between 2015 to 2020 indicated that a total of 44,692 property related complaints were received. Of these complaints, 7.4% (3,300) were related to apartments and 2.7% (1,200) were related to townhouse units. Most complaints pertain to single detached dwellings.

1.3 Should all rental units be licensed?

In 2008, as part of the public and industry consultations, staff presented an options report to Council with a spectrum of compliance scenarios ranging from not licensing rental units at all, to licensing every type of rental unit. It was concluded that the greatest return on investment would focus on exclusively licencing low density forms of housing, where there have been numerous structural changes made to add more units/bedrooms without permits and where there were the most property related complaints.

Currently, there are 6,200 rental properties licensed in the City. A licensed rental property could contain more than one rental unit (ie. fourplex). All applications for residential rental licenses require a Property Standards inspection as well as an inspection for Fire Code compliance. Access to the rental unit is required for these inspections. There are approximately 700 applications awaiting further Property Standards and Fire Code inspections as these interior inspections were paused due to the pandemic. These inspections were reinitiated in September 2021 and are ongoing.

In addition to the work of MLEOs and Fire Prevention Officers, there are several other staff positions involved in the process including: Customer Service Representatives (review for completeness of application); Zoning and Business Coordinators (zoning compliance); and Code Compliance Inspectors (review of Building Code compliance if necessary).

There are 47,000 rental units in townhouse and apartment structures. To inspect all these units in one year would require a staffing of 37 new MLEOs. There would be a similar required staffing impact for Fire Prevention Officers. Less new inspection staff would be required if only a sample of units were inspected. There would be a further staffing impact for Building Code compliance inspections and application intake.

As per the Fire Protection and Prevention Act (FPPA), “an inspector may, without a warrant, enter and inspect land and premises for the purpose of assessing fire safety.” The FPPA also states, “the power to enter and inspect land and premises without a warrant may be exercised at all reasonable times.” This provides Fire Prevention Officers with the ability to do proactive inspections along with responding to complaints from the community and referrals from community partners.

Fire Prevention Officers, Public Health Inspectors, London Police Service (LPS) (specifically the Community Oriented Response Unit (COR)) and Municipal Law Enforcement Officers work collaboratively on a number of community compliance matters and constantly refer observed alleged violations to the appropriate agencies for follow-up and action. This multi agency partnership has eliminated silos between regulatory and enforcement agencies in adopting a risk-based approach to compliance.

There would be a low return on investment to create a program of licensing all rental units in apartments and townhouses. The current property related complaints process as well as the multi agency referral protocol applies to all residential properties. All complaints are investigated, and enforcement actions are taken for valid infractions. The spectrum of enforcement actions include: the issuance of Orders, fines and/or penalties, property repairs or clean ups, legal actions and building demolition. Any tenant, property owner, partner agency or citizen may submit/refer a property related complaint.

1.4 What is the goal of the Tenant Landlord Taskforce?

The draft terms of reference for a Tenant Landlord Taskforce is attached as Appendix “A” to this report. The terms of reference document is modeled on successful ongoing industry consultation processes that have taken place in throughout many City departments. For example, the outcome of some of the discussions regarding building related matters, resulted in immediate processing improvements implemented by Civic Administration.

The intent of the TLT is to improve communications and processes involving the City of London, tenants, landlords, and representative associations. The TLT will strive to work cooperatively to identify and resolve issues and concerns regarding landlord, tenant, and municipal practices and procedures. Actionable items may include developing new educational material for all tenants, providing better communications, marketing and improving the existing complaint process.

2.0 Conclusion

Civic Administration is recommending that no further action is required regarding the licensing of rental units within apartment or townhouse structures. Staff are confident that the current rental licensing system compliant process is adequate, and that the proposed Tenant Landlord Taskforce will assist in strengthening communications and property standards improvements.

Prepared by:	Nicole Musicco, Coordinator, Municipal Compliance
Submitted by:	Orest Katolyk, MLEO (C) Director, Municipal Compliance
Recommended by:	George Kotsifas, P. Eng Deputy City Manager, Planning and Economic Development

APPENDIX 'A'

TENANT LANDLORD TASKFORCE

MISSION

The mission of the Tenant Landlord Taskforce (TLT) is to:

- i. Facilitate the exchange of information and present ideas designed to improve processes and practices for all members.
- ii. Collaborate with a view to strengthening relationships between parties and upgrading the quality of rental accommodations.

ROLES AND RESPONSIBILITIES

Participation is open to representatives of landlord and tenant advocacy groups, City of London Staff (as needed), and any other agencies agreed to by the Chair and members. Individual property owners or tenants will not be participants in this forum.

Role of Chair

- Conduct an effective meeting.
- Ensure that items on the agenda are considered and that the mission is supported throughout the meeting.
- Assist the Recording Secretary as required in approving the meeting agenda before the meeting and reviewing meeting minutes.

Role of Members

- Provide agenda items to the Recording Secretary before the meeting.
- Bring current, relevant, and emerging information to the meeting in keeping with the mission outlined herein.
- Work cooperatively in meetings to identify and resolve issues and concerns regarding landlord, tenant, and municipal practices and procedures.

FORUM COMPOSITION

Chair:

- Meetings will be chaired by the City of London, Municipal Compliance - Policy Coordinator.
- Meeting will be recorded by - Administrative Assistant, Planning and Economic Development.

Agency Members:

The TLT shall also be comprised of those member organizations that self-identify under one or more of the following broad categories:

- Landlord associations
- Tenant associations

City of London representatives:

- Municipal Compliance
- Other (as required)

Working Groups:

It is anticipated that various “working groups” may be formed to undertake research or implementation projects identified. These working groups may include, or be entirely composed of, other persons/resources not listed as members. Working groups shall report back to the TLT and the terms and scope of the project work shall be expressed when the group is struck.

MEETINGS

Location:

Location of meetings will be determined by members of the TLT. Expenses for locations that are not free will be shared by the member organizations.

Frequency:

Meetings will be scheduled as frequently as the membership decides is necessary, at the discretion of members, to be scheduled by the Recording Secretary under the direction of the Chair.

Working Group meetings will be determined by the members of the Working Group and are not required to align with TLT meetings.

Duration:

Meetings are anticipated to last no more than **two hours**.

Quorum:

Quorum is not required for TLT meetings.

Anticipated start date

Meetings are anticipated to start **Q1 2022**.

Scope:

TLT meetings are intended to improve communications and operations between the City of London, tenant associations and landlord associations.

Discussions held during any TLT meeting are not intended to represent a formal position on an item, or items, decided on by Committees or Council. Site specific issues will not be the subject of these meetings although examples may be used for illustrative purposes.

COMMUNICATIONS

Agendas and Minutes:

Meeting notices and agendas will be provided electronically, prior to the scheduled meeting, to TLT members. Meeting minutes will be distributed by email to members, representatives, and attendees, prior to the next scheduled meeting. The Recording Secretary will distribute all notices of meetings, meeting agendas, and minutes via email.

Limitations:

The following items shall not be discussed during the TLT meetings:

- Active complaints
- Active enforcement files
- Specific files, including personal information and addresses.

Reporting:

This group is solely a communication forum, with no direct reporting relationship to a Standing Committee or Council. Any proposed changes or improvements that do require approval by a Committee or Council shall be brought forward by City of London Staff to the appropriate Committee, in a timely manner in keeping with any statutory requirements for Notice and Participation.