

Report to Community and Protective Services Committee

To: Chair and Members
Community & Protective Services Committee
From: Scott Mathers, MPA, P. Eng., Deputy City Manager
Planning And Economic Development
Subject “RentSafeTO” Program and Complaint Process
Improvements
Date: June 21, 2022

Recommendation

That, on the recommendation of the Deputy City Manager, Planning and Economic Development this report **BE RECEIVED** for information purposes.

Summary

This report is in response to the October 5, 2021, Municipal Council resolution directing staff to investigate the feasibility of a rental unit enforcement program modeled after RentSafe Toronto (RentSafeTO). This report includes a summary of the main components of RentSafeTO. While Civic Administration does not recommend such a program, as it mirrors a licensing program for apartment units, through discussions with stakeholders at the Tenant Landlord Taskforce (TLT) a range of compliance process improvements are proposed.

Background Information

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) to review the Residential Rental Units Licensing By-law (CP-19), as amended, and to report back on the possibility of expanding the regulations to include rental units contained in apartment buildings, stacked townhouses and townhouses; and,
- 2) develop a framework for an action plan to address enforcement of property standards by-law matters and health concerns within the City of London’s jurisdiction.

Previous Reports

On September 21, 2021, Civic Administration presented a report to the Community and Protective Services Committee, (CPSC) related to Property Standards matters. It was recommended that “no further action is required regarding the licensing of rental units within apartment or townhouse structures.”

The staff report determined that annual inspections of all 47,000 rental units in townhouses and apartment buildings in London would require hiring 37 new Municipal Law Enforcement Officers and a similar number of Fire Prevention Officers.

On October 5, 2021, Municipal Council resolved that the following actions be taken:

*Civic Administration **BE DIRECTED** to report back at a future meeting of the Community and Protective Services Committee on an evaluation of a RentSafe*

London by-law enforcement program, modelled after the RentSafeTO program, including proposed fees for registration, and building audits.

Strategic Plan

The Staff recommendation of various process improvements will help to ensure that both landlords and tenants better understand City processes, is displayed in the implementation of the 2019-2023 Strategic Plan for the City of London by:

- Leading in Public Service; through researching and responding to emerging planning trends and issues;
- Promote and strengthen continuous improvement practices.

Summary – RentSafeTO

What are some of the main components of RentSafeTO?

RentSafeTO is a By-law enforcement program that was established in 2017 to ensure building maintenance and access to information for tenants in Toronto under the City of Toronto Apartment Building Standards By-law. The main goal of RentSafeTO is to protect tenant's rights and to hold landlords accountable. In effort to summarize the RentSafeTO program, this report will focus on the four main components of program, including:

- Administering the building registration process;
- Creating a process for tracking and responding to tenant service requests; investigating complaints and service requests received through a 3-1-1 phone system and improved access to information through an interactive webpage;
- Conducting building evaluations at least once every three years; and
- Completing building audits for buildings that score 50% or below during evaluations.

How does the licensing/registration system work with RentSafeTO?

A key component of RentSafeTO is that it acts as a landlord registry. The RentSafeTO program requires the owners/operators of apartment buildings to register and comply with the requirements under the RentSafeTO program. Every rental apartment building with three (3) or more storeys and ten (10) or more units must register with the "RentSafeTO: Apartment Building Standards program".

The issuance of the initial licence requires building code and fire code inspections plus payment of an annual renewal fee. Apartment building owners and operators are required to register their building annually with the City. The annual registration/renewal fee is due every year by July 31. For 2021, the RentSafeTO registration and renewal fee was \$11.24 per residential unit. This fee includes the cost of City-initiated building evaluations.

How is a Service Request processed with RentSafeTO?

RentSafeTO receives a variety of complaints from tenants, most often pertaining to the interior condition of the rental unit (water leaks/damage, condition of windows, peeling paint, pests). Landlords/Building operators have seven (7) days to address these types of service requests.

More serious complaints, such as no electricity, no water, low or no heat, or when the complaints involve a safety issue, such as electrical or structural issue or a breach of security, are considered urgent service requests. These complaints that are related to vital services must be dealt with by Landlords/Building operators within 24 hours.

The program establishes and maintain records related to the operations of the building and all tenant service requests are tracked and responded to in a timely manner. The two main mechanisms for receiving work orders and logging, tracking, and responding to tenant service requests include:

1. Tenants can contact 3-1-1 to submit complaints about violations of the Apartment Buildings By-law to a Customer Service Representative who will collect tenant contact information and ask detailed questions about their concerns. The 3-1-1 system will then generate the service request and the tenant(s) initiating the Service Request will receive a 3-1-1 reference number to track the service request;
2. The City of Toronto has an interactive webpage available for the public to view and download evaluation results for apartment buildings registered with RentSafeTO. The webpage improves access to information for both existing tenants and those looking for a new home. The interactive webpage RentSafeTO: Apartment Building Standards can be found at [Toronto.ca/RentSafeTO](https://toronto.ca/RentSafeTO).

If a landlord does not resolve an issue in a reasonable amount of time, By-law enforcement officers can issue a Property Standards Order, Notice to Comply, or a charge which can result in fines to the building landlord/owner/operator.

What is the system for Building Evaluations with RentSafeTO?

The City of Toronto evaluates RentSafeTO buildings at least once every three (3) years. During evaluations, staff inspect the condition of common areas, mechanical and security systems, parking areas and exterior grounds. The condition of these areas and systems are grading using a scoring system which tally up to an overall building score. The lowest scoring buildings are subject to a more intensive building audit.

What is the system for Building Audits with RentSafeTO?

The program requires the buildings that have scored 50% or below during the evaluations be subject to a more intensive building audit. The lowest scoring buildings must then undergo a comprehensive inspection and audit of all common areas. There is an educational component to the audits as well. During audits, City staff help tenants document any concerns they may have regarding property standards issues within their unit or the common areas of the building. Audits are used as an opportunity for City staff to better engage with tenants to help educate them about local by-laws, the program, and its initiatives, and community expectations.

What are the associated Building Audit fees?

There is a fee required when the City conducts a building audit. For 2021, the audit administrative fee was \$1,907.74 and the audit inspection fee was \$115.31 per hour, per officer. If re-inspections are necessary, the applicable fee(s) are also applied.

Building Audit fees are waived for social housing providers in Toronto, which includes:

- Toronto Community Housing Corporation;
- Non-profit housing provider of assisted or social housing under a program administered by the City of Toronto; and
- Dedicated supportive housing provided funded by the Province of Ontario.

Discussion and Considerations – City of London

How does the current Residential Rental Unit Licensing system work in London?

Currently, the City of London Residential Rental Unit Licensing By-law (CP-19), applies to rental units in single detached houses, semi-detached, duplexes, triplexes,

fourplexes and converted dwelling structures. The By-law exempts apartment buildings and townhouses and this exemption was concurred by Council in its resolution of October 2021.

In 2008, as part of the public and rental industry consultations, staff presented an options report to Council with a spectrum of compliance scenarios ranging from not licensing rental units whatsoever, to licensing every type of rental unit. The report concluded that the best option would be for licensing to focus low density forms of housing exclusively, as there were the most property related complaints related to structural changes made to low density dwellings adding more units/bedrooms without sufficient permits. All applications for residential rental licenses require a Property Standards inspection as a part of the required inspection for Fire Code compliance. These inspections are undertaken at the time of application.

How do tenant service requests (complaints) currently work with the City of London?

When tenants are concerned about any property standards deficiencies inside the rental unit, it is advised that they first contact their landlord or property owner, in writing. The tenant is then advised to list the problems and by-law violations in the letter to the landlord and allow a reasonable amount of time for the problems to be fixed. Normally two to three weeks is granted to landlords to initiate any repairs to the rental unit. Ideally, most building owners/operators can resolve issues without any City involvement.

If the property owner does not fix the problem and compliance is not achieved, the tenant/complainant is asked to forward a copy of the (written) letter and file a complaint with the City. Tenants are advised to give City staff a copy of their dated letter or documentation proving they have contacted the property owner about the problems.

When there are complaints and information is forwarded about possible violations, Municipal Law Enforcement Officers (MLEOs) investigate and ensure that property owners are following the Property Standards By-law. If it is determined that a violation has occurred, a MLEO has a variety of compliance options to utilise based on their discretion. This includes a spectrum from warnings to AMPs/charges.

What are the staffing requirements for a RentSafe type program in London?

There are over 47,000 rental units in townhouse and apartment structures currently in the City of London. A previous Staff report to the CPSC dated September 21, 2021, estimated that an additional staff complement of thirty-seven (37) new Municipal Law Enforcement Officers (MLEOs) and a similar amount of Fire Prevention Officers would be required to expand the current Residential Rental Unit Licence program and inspect all rental units. A variation of staffing complement would depend on the number of required rental units inspections and frequency. It is difficult at this preliminary stage to predict fees for service. Staff are of the opinion that the RentSafe program is essentially a variation of a licensing regime and as a result would require approximately the same number of staff to implement the program.

What are the issues identified by stakeholders regarding the tenant complaint process?

In February 2022, a Tenant Landlord Taskforce (TLT) was formed based on a term of reference presented to CPSC on September 21, 2021. The TLT is a group that represents landlords and tenants. The taskforce has gathered monthly with the goal of exchanging information and presenting ideas designed to improve processes and practices for all members. The group collaborates with a view to strengthening relationships between parties and upgrading the quality of rental accommodations.

Since February, several ideas and issues have been identified by this group related to the tenant complaint process:

- The need for an improved web presence on the City website – www.london.ca including a collection of existing resources, identifying further improvements and access to internal, external links and partner agencies.
- Communicating a clear process on how a tenant can submit a complaint (website).
- Access to Property Standards Orders for hearings and tribunals.
- Community members (or an assigned agents) being able to follow-up on issues on behalf of vulnerable tenants throughout the process.

What actions are currently being considered in response to stakeholder issues?

Website Improvements

Creating a new webpage could act as a one-stop resource library for tenants and landlords including a consistent and transparent information flow for complaints. The webpage could also include information on, but not limited to: By-laws for Rental Properties, Licensing Rental Properties, Rights and Responsibilities for Landlords and Tenants and Tenant Information. A specific link or button would be clearly available on the webpage to register a complaint. A form would be required to be completed prompting the most important information required to best understand the situation. This form could be directly sent to the landlord and copied to the City. If the tenant does not receive any response from the landlord within a reasonable time period, the City could then follow-up on the complaint. Staff will ensure that this information is available in a variety of different languages. This option would ultimately improve the process of registering complaints and provide a single destination for all information related to landlords and tenants.

Inclusive Landlord and Tenant Communications

Civic Administration are mindful that not every resident will have access to computers or technology to research information or submit a complaint. Staff will work with the City of London Anti-Oppression and Anti-Racism office to avoid any barriers to accessibility in customer service, information, and communications with regards to both landlord and tenant matters.

Creating increased supports for the attraction, retention and integration of Newcomers, including international students, internationally trained professionals and multigenerational immigrants, has been identified by the City as a top priority for Londoners, City Council and Civic Administration. Staff will ensure that all tenant and landlord information can be made be available in a variety of languages, including American Sign Language (ASL) or braille in print form upon request, and will be compliant with additional accessibility standards

Create centralized inbox and dedicated phone number

Currently, the submission of building complaints and service requests can land within a multitude of internal departments. One solution to this is a centralized email inbox where tenants can contact the City and submit complaints about violations of the Property Standards By-law or the Vital Services By-law. A dedicated email address such as myhome@london.ca is being considered. A dedicated phone number is also being considered to sufficiently log service requests, collect tenant contact information, and allow for tenants to ask detailed questions about next steps in the process.

Communications Improvements to Landlords

An alternative to a formal registration could include working with our current partners to improve communications regarding building standards with landlords. This may involve creating a system whereby tenants and landlords are provided a self-certification checklist confirming compliance with City By-laws. Providing comprehensive checklists to building owners/ operators and tenants will ensure that they are aware of the City standards and expectations for exterior building condition, common area cleanliness and yard maintenance. By-law enforcement could provide proactive enforcement

services and could work with Municipal Compliance staff on delivering informative presentations to the landlord groups.

Building Blitzes

Buildings could be identified for future proactive building blitzes in situations where a high propensity of tenant complaints resulted in no actions from the property owner and were also deemed valid by Municipal Compliance staff.

Conclusion

RentSafeTO was established in 2017 in effort to maintain Apartment Building Standards by enforcing and ensure compliance with the City's by-laws. Staff's evaluation of the RentSafeTO program has provided good insight into outreach and offers valuable recommendations for improved communications. In a sense, this program is a branded residential licensing program.

Civic Administration does not recommend implementing residential licensing for apartments in London (refer to September 21, 2021 CPSC report). However, Staff recognize that process improvements should be made to our existing services. By recognizing best practices and other options to improve the complaint reporting system, through a website, centralized email inbox and phone number, Civic Administration is assisting improved communication between landlords and tenants and City of London Staff. With a growing number of larger apartment and condominium buildings in our City, an improved process for effectively communicating with both tenants and landlord groups is imperative and many solutions are being debated via the Tenant Landlord Taskforce.

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