

RENTAL HOUSING PROTECTION POLICY REVIEW

October 5, 2022 Public Information Meeting

Questions and Answers

The questions and answers in this document are verbatim questions and staff's verbal responses from the public information meeting for the Rental Housing Protection Policy Review, which took place on October 5, 2022 from 7pm to 8pm. Minor modifications have been made where needed to correct grammar and sentence structure.

Question 1: Why would the proposed demolition rules be different in the Downtown Secondary Plan than outside of it?

Certain areas of the City have what we call "Secondary Plans" where there's more specific policies in place that provide direction for those areas and it is unique to those areas. There are different policies in the Downtown Secondary Plan, and they require replacement units where units are demolished. For other areas of the City, this requirement doesn't apply, and therefore the by-law, as it's been written, creates a distinction between those two areas.

Within the downtown it would require replacement, and outside of the downtown there could be other options such as providing cash in lieu or creating replacement units on a different site. It (the By-law) essentially makes that distinction to make sure we're implementing the policies of the Secondary Plan that are in effect.

Question 2: What does the permitting process do that can't already be addressed via conditions of condo conversion?

It is a little bit more flexible based on what types of things that can be asked for and there are legal agreements that can be used as part of the process. One of the big things is that we can also apply it to the demolition situation which we weren't able to do before. It is just trying to take a consistent approach to all of those situations, and it would be something that would be done concurrently with the condominium applications. We're looking at how we can mesh those 2 processes (condominium conversion application and permit application) together to try and avoid duplication of efforts.

Additional Follow-up Note: In addition to the response provided at the meeting, it should also be noted that decisions on Condominium applications can be appealed to the OLT, whereas the decision to issue or not issue a permit under the Municipal Act is final and cannot be appealed.

Question 3: Is there more information on definitions of rental replacement, tenant assistance, similar rents, and right to come back to the redevelopment?

These items are relating to potential conditions that might be associated with a permit, so we haven't determined all of those details yet. Housing Division staff and Legal Services staff will be providing input on that.

The intent was that units need to be replaced on a like-for-like basis in terms of the number of bedrooms a unit has. For example, a 3 bedroom unit would be replaced by another 3 bedroom unit.

Another example from Mississauga which might be similar to what Hamilton will use: for similar rent, they define it as the last rent paid by the tenant with an increase no higher than the provincial guideline, and a one-time capital allowance of 3 percent.

Question 4: A Developer will often eat penalties as the profits often outweigh the loss. How will you ensure these penalties will stop non-compliance with unit conversions?

The By-law has some fines (for non-compliance) and they are based on the maximum that can be charged through the Municipal Act. We are proposing that the maximum fine is set at \$100,000, and then the initial fines would be \$10,000. We are using the powers that have been given under the Municipal Act and we are planning to incorporate those amounts that we are permitted to ask for as fines for non-compliance.

Question 5: What is the City doing about “renovictions”? (E.g. When a tenant is removed from a unit for renovations and supposed to be allowed back, but are essentially evicted from the unit and the landlord tries to increase rent after the renovations are completed)

This project is not directly related to renovictions. The information below has been provided by Housing Services regarding renovictions:

The City is conducting a jurisdictional review of 'renoviction' programs such as the New Westminister BC style bylaw. Given the challenges around jurisdictional differences among provinces and the legal challenges a by-law must overcome, staff have retained a consultant, Enterprise Canada, to complete engagement and a thorough analysis of the options for implementation of an approach similar to the New Westminister, BC by-law in Ontario and/or other best practices related to the issue of renovictions. This work is underway and is expected to come back to Council for consideration in early 2023.

Question 6: Where are we at with landlord licensing?

This question was not answered at the meeting, as this initiative is not within the Planning Division. Staff advised that a response from the City's Licensing and By-law Services group would be requested following the meeting.

Response provided by Licensing and By-law Services:

On August 13, 2021 City Council approved the creation of a two—year Rental Housing Licensing pilot program for Wards 1, 8 and parts of 14. As per Schedule 31 of By-law 07-170, a license is now required for rental housing units and building or part of buildings with 4 or less self-contained units, detached homes or townhouses, if rented. Each rental housing unit requires a license.

The Pilot Program rolled out April 2022 and property owners were able to submit applications for the first phased-in zone (Zone 1), as we are taking a phased-in approach for accepting applications. Wards 1, 8 and parts of 14 have been broken down into a total of seven zones.

To date, 137 rental housing license applications have been received by the Licensing Section, primarily consisting of single-family dwelling units with 5 or more tenants. A total of 18 rental housing licenses have been issued.

During the past 6 months of implementation, Staff from the relevant City Departments have prioritized education to property owners, residents, and tenants. Focusing on reaching out to property owners suspected of operating a rental housing unit, fielding Municipal Law Enforcement Officers to provide door knockers, and sending informational mail outs.

Question 7: What type of data will be collected during the permit process? (E.g. Type of unit, location, size, etc.) Will that data be used to better understand current rental stock?

There are a number of things that would be required as part of an application. We would ask for the number of dwelling units and the number of units by unit type, and that's the number of bedrooms in each unit and the floor areas. The rental rates would be requested and any related planning application information. If there is a proposal for replacement or retention of units, we would ask for that and potentially information on an agreement between tenants and the landlord for tenants to be able to purchase their units. We would also ask for some other things like tenant engagement information.

Typically, there is a meeting for the condominium conversion (existing process) that the applicant holds for all tenants in advance of submitting an application. That would continue, and they (applicants) would need to provide a record of that meeting. We

need this information to determine whether or not the proposal is meeting the policies for average market rents that are in the Official Plan.

Question 8: Regarding the 6 units for primary rental housing, is there an effort to capture the vast number of units and buildings with 5 or less?

This is something that we identified as a challenge because the Municipal Act only allows us to regulate 6 or more, and the Official Plan policies are based on that as well. That's not to say there aren't any other approaches, but when we're dealing with demolitions and conversions, it is a lot harder to regulate that sort of thing. Some of our other processes that are in place would be part of those checks and balances. The demolition control by-law for one, and then, depending on what type of proposal is in place, there are other planning applications that might be needed where a smaller number of units are being demolished or removed.

So, there are other process where we might flag that through other planning applications and suggest that certain things be done or encourage the replacement of units, but it is difficult to mandate that through a permit process.

Question 9: How or in what circumstances would converting the purpose-based rentals to condos actually be beneficial to affordable housing?

The main benefit is that there is some data that does show that where tenants are able to purchase their unit, it can provide a good opportunity for an affordable home ownership situation because the units are typically less expensive than new units. In that sense, if we're looking at the whole continuum of housing, sometimes it's beneficial because tenants are able to get into a situation where they can have home ownership and it's relatively affordable. It's a lot about finding a balance between trying to protect the most affordable units and looking at other types of housing and benefits that could occur.