TO: Chair and Members
Planning Committee

WARD(S) AFFECTED: CITY WIDE

COMMITTEE DATE: September 18, 2012

SUBJECT/REPORT NO:
Regulation of Rental Housing (PED10049(h)) (City Wide)
(Outstanding Business List Item)

SUBMITTED BY:
Tim McCabe
General Manager
Planning and Economic Development
Department

PREPARED BY:
Joe Xamin  (905) 546-2424 ext. 6656

SIGNATURE:

RECOMMENDATION

(a) That the concept of licensing rental housing in low-density buildings, as detailed in Report PED10049(h), be endorsed, and that staff be directed to prepare comprehensive recommendations, a draft by-law amendment and cost-recovery analysis to be presented to the Planning Committee for approval by November 2012;

(b) That all future reports related to the Vital Services By-law be submitted to the Planning Committee with notification provided to the Emergency and Community Services Committee.

EXECUTIVE SUMMARY

On January 1, 2007, the Municipal Statute Law Amendment Act, 2006 (Bill 130) made significant changes to the Municipal Act, 2001, respecting business licensing and the regulations, which included eliminating regulations which prohibited municipalities from
licensing residential rental housing such that municipalities now have the authority to license rental properties.

To augment the extensive work undertaken by the Neighbourhood Residential Rental Housing and the City-Wide Community Liaison Committees, City Council on March 31, 2010, approved an 18 month Proactive By-law Enforcement Pilot Program for Wards 1 to 8 (subsequently named “Project Compliance”) to assist in investigating the feasibility of regulating residential rental housing in the City of Hamilton.

Staff updated the Planning Committee on several occasions with respect to the findings and success of the pilot. City Council extended the pilot to the end of December 2012, and directed staff to report back “…on licensing options based on the experience of other municipalities, including but not limited to a hybrid of a rental housing license/proactive By-law enforcement.”

This Report fulfills the above direction and recommends that Council endorse the concept of licensing low density rental housing and direct staff to develop comprehensive recommendations to include:

(i) an amendment to the City’s Licensing By-Law 07-170 to add a Schedule for the licensing of Single-Detached/Semi-Detached /Duplexes/ Triplexes/ Quads and/or multiplex buildings containing 6 or less independent housekeeping rental units, and

(ii) a proactive by-law enforcement program to:

- identify rental housing which requires licenses,
- deal with problem properties and areas through-out the City; and
- conduct proactive property blitzes and audits/inspections of multi-residential buildings.

All past decisions regarding the Vital Services By-law have been made by the City’s Emergency and Community Services Committee. Staff is recommending that the Planning Committee assume all further decisions related to Vital Services due to the impact that licensing of rental housing will have on the implementation of the Vital Services By-law.

Alternatives for Consideration – See Page 11

Financial/Staffing/Legal: N/A
HISTORICAL BACKGROUND  (Chronology of events)

On October 15, 2008, City Council approved the establishment of a Residential Rental Housing Community Liaison Committee (CLC) to investigate the potential to regulate rental housing in Wards 1, 8, 10 and 12. The “Neighbourhood Residential Rental Housing Community Liaison Committee” (NRRHCLC) began its work in January 2009. A City-wide CLC to investigate rental housing issues across the City was also established in 2009; however, it was deferred by Council in November 2009, until the NRRHCLC reported back.

On September 8, 2009, the NRRHCLC presented eight recommendations, Report 009-001, (Citizen Committee Report), to the (former) Economic Development and Planning Committee and staff reported back on each of these recommendations throughout 2010. One of the key recommendations was to proactively enforce the City’s existing by-laws before considering the creation of new regulations for rental housing. As a result, an 18-month pilot program for Wards 1 to 8 was approved by Council in March 2010 (subsequently named “Project Compliance”) consisting of six temporary part-time Municipal Law Enforcement Officers and one temporary full-time Clerk. The pilot program commenced in July 2010.

Planning Committee, and subsequently City Council on September 14, 2011, approved the following:

“a) That Project Compliance (Property Standards) be extended by four months through to the end of March 2012 to be funded through the Parking Reserve #108021.

b) That staff report back on licensing options based on the experience of other municipalities, including but not limited to a hybrid of a rental housing license/proactive by-law enforcement.”

Subsequently, on February 14, 2012, Council approved Report PED10049(g) which recommended a further extension of Project Compliance until December 31, 2012 to allow staff additional time to investigate, analyze and consult on the potential models of licensing.

Another matter related to rental licensing is the Vital Services By-law 05-322. To date, all Reports and approvals have been through the Emergency and Community Services Committee. However, due to the impact that the licensing of rental housing will have on the implementation of the Vital Services By-law, staff is recommending that all further decisions related to the Vital Services By-law be vetted through the Planning Committee with notification and information provided to the Emergency and Community Services Committee, as necessary.
POLICY IMPLICATIONS

N/A

RELEVANT CONSULTATION

Staff has monitored other Ontario municipalities’ approaches to dealing with rental housing issues, including Guelph, London, Mississauga, North Bay, Oshawa, St. Catharines, Toronto, and Waterloo.

The Fire Prevention Division is “very supportive of the overarching goal to establish a Rental Housing By-law”, and is currently examining the approach taken by the Cities of London and Waterloo in order to be able to assess and develop an option that would best meet the needs of Hamilton.

The Housing Services Division has expressed concerns that a licensing by-law and focus on illegally zoned rentals may result in potential loss of housing stock, lead to evictions, and impact affordable housing options. The concern is that landlords may de-convert properties (likely apartments in houses) rather than be subject to licensing. Licensing may also act as a disincentive to the creation of new rental units.

The Tenant Advisory Committee supports the concept of a residential licensing program in order to address poor living conditions in rental units. However, there is concern about the potential impact on tenants if landlords pass home improvement costs and licensing fees onto tenants.

Based upon feedback received from these stakeholders, further consultation needs to be undertaken to formulate the recommendations to be presented to the Planning Committee for approval by November 2012.

Legal Services was consulted in the preparation of this Report.

ANALYSIS / RATIONALE FOR RECOMMENDATION

(include Performance Measurement/Benchmarking Data, if applicable)

Comparative Licensing Models

Hamilton’s rental housing stock ranges from single detached/semi-detached dwellings, duplexes, triplexes, to multiple dwellings (low-rises and high-rises). The concentration and mix of rental accommodations varies across the City as does the condition ranging from poor to well-maintained units. Complaints are regularly received from tenants and neighbourhood residents about:
Staff has been monitoring the rental housing issues, by-laws and experiences of other municipalities including Guelph, London, Mississauga, North Bay, Oshawa, St. Catharines, Toronto, and Waterloo; some of which have implemented rental housing licensing by-laws.

The following table outlines some of the highlights of each municipality’s licensing by-law, with greater detail provided in Appendix “A” to this Report.

<table>
<thead>
<tr>
<th>Municipality</th>
<th>Attributes of the By-law/ Administration and Enforcement of the By-law</th>
<th>Fees</th>
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</table>
| City of Oshawa¹     | – By-law applies to a geographical area around local College and University  
| (enacted 2008)      | – Limits the number of bedrooms to four                                                                                       | – $500 fee for a property, if applying for the 1st time  
|                     |                                                                                                                                  | – $75 non-refundable application submission fee  
|                     |                                                                                                                                  | – $360 fee for renewing an existing licence |
| City of London²     | – By-law applies City-wide to all rental housing containing four or less rental units  
| (enacted 2009)      | – Property owner is required to complete a self-audit checklist certifying compliance with the City’s Property Standards By-law and submit it with their application | – annual fee is $25 per rental property regardless of the number of units (however, considering an increase to these fees) |
| City of Waterloo    | – By-law applies City-wide to all low-density residential buildings (i.e. one to three rental units) (a maximum of four rental bedrooms permitted in any rental unit) | – fees are dependent upon the Class of Licence and the number of bedrooms in the rental unit |
| (enacted 2011)      |                                                                                                                                  |                                                                      |

¹ The City of Oshawa has faced several challenges to its approach. To date, its zoning and licensing by-laws have been upheld. A Superior Court decision, upholding Oshawa’s licensing by-law, is being appealed and will likely be argued in 2012.

² The City of London’s licensing by-law was upheld in October 2011. Its zoning by-law, limiting the number of bedrooms to five, was upheld by the Ontario Municipal Board.
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| City of North Bay (enacted 2011) | – includes five classes of licences based on such criteria as owner occupation and sole rental use  
– lodging home by-law repealed and consolidated into new By-law. Lodging homes must conform to additional regulations but not the new bedroom limit until they are sold.  
– Written tenancy agreements for every tenant  
– Property owner required to complete a self-audit checklist certifying compliance with the City’s Property Standards By-law and submit it with their application | – fees set to fully recover the costs of administering and enforcing the licensing program  
– initial application fees range from $412 to $757  
– annual renewal fees range from $204 to $413 |
| City of Mississauga (enacted 2010) | – By-law applies to properties zoned for low-density residential use, containing no more than 5 rental units in specific geographical areas  
– No more than 40% of the gross floor area of the rental unit’s ground floor may be comprised of bedrooms  
– Being implemented in phases from January 2012 to January 2016 | – annual fee is $300 per property  
– proof of payment of any fine/fee/property taxes owed to the City |
| City of Guelph (being currently proposed) | – has a “Residential Rental Accommodation Licensing By-law” requiring all landlords to obtain an annual lodging house licence  
– by-law language indicates that this is primarily a lodging home by-law as opposed to rental housing | – annual fee $500 per property |
Possible Models Regulating Rental Housing in Hamilton

Given the scope of housing types and issues in Hamilton, in staff’s opinion, there are two practical approaches for consideration:

(1) Multiple Dwelling Audits (Low-rise & High-rise Buildings)
Project Compliance has been conducting “audits” of multiple dwellings, which consist of an inspection of the external sides of the building and the interior common areas, stairwells, laundry room, corridors, etc. An audit also includes inspections of individual tenant units if the tenant allows staff to enter. This is similar to the Multi-Residential Rental Audit Program adopted by the City of Toronto in 2009 as an alternative to licensing multi-residential buildings.

Project Compliance’s audits have had success in dealing with numerous problems in the interior common areas and exterior of the buildings. Initially, Officers were able to gain entry into only 20% to 40% of the individual tenant’s units. Some tenants decline the inspection and there are a number of tenants who are not home during the audit. However, in recent months, staff has been able to increase contact with tenants to roughly 90% and have increased inspections of individual units from 40% to 60%. This is accomplished by attending the property twice in one day to revisit units/tenants who did not answer earlier in the day.

Over 20 audits of multi-residential buildings have been undertaken to date. Some properties have had numerous issues while others have been well-maintained. Based on these findings, staff recommends that a multi-residential building audit/inspection program continue, but that this type of housing not be subject to licensing requirements.

(2) Licensing of Rental Units in Low-Density Housing (i.e., Single-Detached/Semi-Detached/Duplexes, Triplexes, Quads, and Multiplexes)
The age and condition of this housing stock varies depending upon what part of the City it is located. Project Compliance inspections suggest that interior conditions can be quite poor, even threatening to the safety of tenants. A licensing by-law, drawing on the London and Waterloo By-laws, might be considered for rental units in single-detached/semi-detached/duplexes, triplexes, quads, and multiplexes.

Considerations in developing a low-density rental housing licensing by-law and program include:

(a) Potential Requirements under a Licensing By-law:
- owner to provide proof of ownership and contact information, proof of insurance and local emergency contact information,
- self/City inspections for compliance with the City’s property standards and yard maintenance by-laws,
- property to meet electrical safety and fire safety requirements,
– floor plan for the building,
– property/yard maintenance plan and parking plan,
– proof of tenant agreements, and
– annual licence fee.

(b) **Scope of the By-law:**
A municipality can narrow the application of a Licensing By-law from all residential rental accommodation in a number of ways including by dwelling type, geographic area and/or owner occupation. The City of Hamilton may wish to apply a licensing by-law to the whole of the City, similar to London and Waterloo; however, it could limit the by-law to certain geographical areas of the City; for example, areas that have a higher concentration of rental housing. The *Municipal Act, 2001* further requires that there be a valid basis for imposing limits. For example, evidence that rental housing in a particular geographic area has given rise to a relatively higher number of by-law violations relating to yard maintenance, property standards, illegal uses, etc., than rental housing in other areas.

The City of Hamilton also needs to be careful that the by-law is not focused or directed at the type of person renting, which was one of the challenges faced by the City of Oshawa, drawing unfavourable comment from the Human Rights Commission as targeting students. In 2009, Hamilton was also cautioned by the Ontario Human Rights Commission when the Neighbourhood Residential Rental Housing Community Liaison Committee began to investigate the feasibility of licensing rental housing. The City of North Bay has placed a geographical limit on its rental housing licensing by-law; staff is closely monitoring this situation to see what the response of the Human Rights Commission will be.

Another consideration is whether or not social housing rental buildings should be licensed. According to the City’s Housing Services Division, there are a few hundred scattered single and semi-detached units in the social housing portfolio in Hamilton (mostly owned by City Housing Hamilton, but also by Hamilton East Kiwanis Non Profit Homes and Urban Native Homes).

(c) **The Number of Dwelling Units:**
The number of dwelling units in a building subject to licensing would have to be determined; a dwelling unit being defined as an independent single-housekeeping unit with a kitchen and bathroom. Based on consultation that has already taken place, the recommendation is that buildings containing from one to five or six dwelling units be licensed. Further consideration includes the threshold between secondary (low-density) and purpose-built rental markets, the number of potential low-density buildings, and the number of owner-occupied dwelling units.

(d) **The Number of Bedrooms:**
The Cities of Oshawa, Waterloo and North Bay have set limits in their By-laws on the number of rental bedrooms and/or the space for rental bedrooms. The City of
London amended its Zoning By-law to limit the number of bedrooms in a single detached dwelling to five in any new development application. Given the issues in some rental accommodations and the impact on community quality of life, setting a bedroom limit would be an option for consideration.

(e) **Lodging Homes:**
Whether a rental house is operating as a legal or illegal lodging home is a continuing issue for Municipal Law Enforcement. The City of Waterloo has repealed its Lodging Home By-law and has consolidated lodging homes into its Rental Licensing By-law. How Schedule 9 (Lodging Houses) would work with a new rental housing by-law and to what extent, if any, they could or should be integrated would be considered.

(f) **Rental Licensing Fees:**
It is assumed that Council would want any licensing program to be based on full cost recovery rather than levy funded. As noted earlier in the Report, licensing fees of other municipalities range from $25 per year to $757 per year, which may be based on per bed, per unit, or per building. This range is a result of some cities offsetting the expense of their licensing program while others are at full cost recovery. In order to ensure that the program is full cost recovery, all potential costs associated with the program need to be determined. For example: property standard inspection, fire inspection and zoning verification costs. Once calculated, the apportionment of those costs, i.e) per dwelling unit and/or per dwelling unit size, would have to be determined.

(g) **Inspections:**
As noted, a rental licensing by-law could require that the owner undertake various inspections in order to ensure the property meets safety requirements and is habitable. Inspections could include property, fire, heating/ventilation and electrical. The Cities of London and Waterloo both require the property owner to submit a “property inspection self-audit”. Both municipalities will do random inspections once the owner has been licensed to ensure that the property is in compliance with their respective property standards and yard maintenance by-laws. Oshawa conducts a property inspection prior to issuing a license; this is feasible and manageable as the scope of their by-law is within a small geographical area.

Currently, the City’s Fire Prevention Division is investigating options for Hamilton and examining the approach taken by London and Waterloo. The City of London requires a fire inspection every two years. The City of Waterloo does not require a fire inspection as part of licensing; however, they do require specific criteria on the “self-audit” checklist that must be submitted at the time the landlord applies for their licence. Once the licence is issued, Waterloo’s Fire Prevention will do random inspections to ensure compliance. For this purpose, the City of Waterloo has hired one full-time Fire Prevention Officer.
(h) **Other Issues:**

As with any by-law, care will have to be taken to ensure compliance with Provincial legislation, in this case the *Residential Tenancies Act, 2006* and the *Municipal Freedom of Information and Protection of Privacy Act (1990)*. While the judge disagreed, two of the grounds of appeal to London’s by-law were that the by-law was in contravention of these acts.

**Vital Services By-law and Program**

When investigating any new rental housing licensing program, consideration will need to be given to the potential impact on the administration of the Vital Services By-Law. This by-law was enacted to ensure the continuation of electricity, water and gas services in the event a utility company cuts service because the landlord is in arrears. The utility provides the City with notification of a potential disruption of service and the City steps in to pay the utility. The by-law allows the City to collect tenant rents to recover the cost of utility payment.

Council approved funding for a temporary Officer upon enactment of the Vital Services By-Law in 2006, and funding to cover the cost of the utilities. Most recently, a final extension of the Vital Services program to December 2012, was approved by Council in response to staff’s concern that a rental housing licensing program will impact how the Vital Services By-law will be administered.

While the development of the by-law was initiated by and vetted through the Emergency and Community Services Committee, staff are recommending that any further decisions respecting the Vital Services By-law be dealt with by the Planning Committee because the matter is directly related to rental housing conditions.

**Recommended Rental Housing Licensing Model**

Giving consideration to all the foregoing issues and challenges, staff is recommending a rental licensing model to regulate rental housing consisting of two fundamental components:

- Licensing rental dwelling units in single-detached/semi-detached, triplexes, quads, and/or multiplexes with the applicant submitting an initial self-audit checklist of their rental property with their licensing application (similar to London and Waterloo), followed by random inspection by staff; and

- Proactive by-law enforcement, which would focus more strategically to addresses of key problem properties and areas across the City and continue to undertake proactive property blitzes; identify rental properties which require licences; and, conduct audits of multi-residential dwellings
The recommended rental housing licensing model will require additional staff resources for enforcement, administrative and clerical support, the full costs of which will be determined and reported to the Planning Committee in the final Report, noting that staff is intending to design a program based on full cost-recovery, if at all possible.

**ALTERNATIVES FOR CONSIDERATION**

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

**Options for Regulating Rental Housing**

The following are other options for consideration as potential solutions to address the needs of regulating rental housing in Hamilton.

**Option 1:** A Regulated Rental Housing Program consisting of three components: Licensing of Single-Detached/Semi-Detached/Duplexes, Triplexes etc., Audit Program of Multiple-Dwellings, and City-wide Proactive Enforcement.

- The staffing and program requirements, as noted in the recommendation above, would remain the same for Option 1 – Licensing of Low Density Housing and Proactive By-law Enforcement.
- The additional expense of this option is a formalized Audit Program of Multiple-Dwellings which would focus on either weekly or bi-weekly audits with dedicated staff assigned to oversee the program and conduct inspections of the exterior/interior areas of the building. The Officers for the Proactive Enforcement would provide assistance in undertaking inspections of individual tenant units on the day of the audit.

**Option 2:** City-wide Proactive By-law Enforcement Team

- Formalize Project Compliance as a dedicated Proactive Enforcement Team to proactively enforce property standards and yard maintenance issues.
- City-wide basis with an approach to continue to monitor key problem areas across the City.
- Multiple Dwelling Audits could occur; however, it would not be as frequent and would likely be the focus of the Proactive Team during the winter months from mid-November to March as noted in Option 1.
- A Proactive Enforcement component would require permanent, full-time Officers and a By-law Clerk for administrative and clerical support.
Option 3: **Licensing of Single-Detached/Semi-Detached/Duplexes, Triplexes, Quads, and Multiplexes**

- Strictly a stand-alone rental housing licensing by-law for the licensing of single-detached/semi-detached, triplexes, quads, etc. with the applicant submitting a self-audit checklist of their rental property with their licensing application (similar to London and Waterloo).
- The Licensing component would potentially require permanent, full-time Municipal Law Enforcement Officers to inspect licensed properties; a Business Licensing Facilitator to complete zoning verifications and approve the licence; and, By-law Clerks for administrative and clerical support.
- No proactive enforcement or audits of multiple-dwellings.

**CORPORATE STRATEGIC PLAN** (Linkage to Desired End Results)


*Healthy Community*

- the recommended rental housing licensing program will promote improved living conditions and quality of life for many residents in rental accommodations.

**APPENDICES / SCHEDULES**

Appendix “A” to Report PED10049(h) – Licencing By-laws of Comparative Ontario Municipalities

JX/dt
## Licencing By-laws of Comparative Ontario Municipalities

<table>
<thead>
<tr>
<th>Municipality</th>
<th>Content/Highlights</th>
<th>Current Status</th>
<th>Legal Issues</th>
</tr>
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</table>
| **The City of Oshawa**            | • Applies to rental houses in a geographical area surrounding Durham College and University of Ontario Institute of Technology  
• Limits the number of bedrooms to four.  
• Owner is required to comply with the fire code, building code, electrical code and the City’s zoning, property standards and maintenance by-laws.  
• Annual fire, property standards and electrical safety inspections  
• Owner must provide proof of insurance, floor plans for each rental unit, a parking plan and a property maintenance plan.  
• $500 fee for a property, if applying for the first time  
• $75 non-refundable application submission fee  
• $360 fee for renewing an existing license | • To date over 100 licences have been issued.  
• Currently the City is charging property owners who are operating without a licence.  
• City is considering the use of an administrative penalty for landlords in non-compliance.  
• City has not commenced inspections of units; awaiting the decision of Court | • Ontario Human Rights Commission sought to appeal by-law which they claim targets students due to the geographical zoning  
• Challenged City’s interpretation of what a Single Housekeeping Establishment means. This term is not part of the Licensing By-law and is not a defined term in the Zoning By-law. Notwithstanding this, the term was judicially considered by Justice Peter Howden in the Windfields/Oshawa vs Death et al case in which he indicated that a group of people who come together as a unit may form a Single Housekeeping Unit.  
• Oshawa’s interpretation/application of Howden’s ruling was recently upheld by Justice O’Connell in the Superior Court Case of Hanzelka et al vs the City of Oshawa where the City was being accused of not enforcing its by-laws and/or not enforcing them properly.  
• Consistent opposition from area residents that they believe that the City can restrict the use of a dwelling to a “traditional family unit” and do not believe that a group of people can come together as a unit to form a Single Housekeeping Unit.  
• Recently the applicants in the Superior Court case (Hanzelka et al) appealed the recent Superior Court decision. This appeal will be argued before the Ontario Court of Appeal probably in early 2012. |
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<tbody>
<tr>
<td><strong>The City of London</strong></td>
<td>- Applied City-wide to all rental housing, which contains four or less rental units.</td>
<td>- To date over 2,300 applications for rental licensing have been submitted</td>
<td>• The London Property Management Association appealed the By-law in May 2011</td>
</tr>
<tr>
<td>Residential Rental Units</td>
<td>- Annual fee is $25 regardless of the number of units.</td>
<td>- 1,800 applications have been approved by the City</td>
<td>• October 2011 By-law successfully upheld</td>
</tr>
<tr>
<td>Licensing By-law - (March 2010)</td>
<td>- Owner is required to complete a checklist certifying compliance with the City’s property standards by-law for each tenant unit at the rental property.</td>
<td>- Remaining properties are under review for zoning.</td>
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<td>- Owners must also submit proof of a recently completed and passed fire inspection.</td>
<td>- To date only a Clerk has been hired to administer the program</td>
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<tr>
<td></td>
<td>- The owner must provide proof of insurance, floor plans for each rental unit, a parking plan and a maintenance plan.</td>
<td>- No inspections have occurred; awaiting decision of appeal before 2 full-time inspection Officers are hired</td>
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<td>- City will audit the licensed rental properties</td>
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<td>NB – Bedroom limit is separate from the licensing by-law. London amended Zoning By-law for all new development applications – limit to 5 bedrooms</td>
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<tr>
<td><strong>The City of Waterloo</strong></td>
<td>- Applies City-wide to all low density residential buildings containing one to three rental units (a maximum of four rental bedrooms would be permitted in any rental unit).</td>
<td>- By-law will come into effect in April 2012</td>
<td>No current issues; Director anticipates that there will be an appeal</td>
</tr>
<tr>
<td>Rental Housing Licensing</td>
<td>- Includes five (5) classes of licences based upon owner</td>
<td>- Fee range depending upon the class of licence</td>
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<tr>
<td>By-law (May 2011)</td>
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<td>- Five Classes are:</td>
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<td></td>
<td></td>
<td>o Class A – all other rental properties</td>
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<td>o Class B – Owner</td>
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<td>occupation, use and would include accessory apartments, lodging homes.</td>
<td>Occupied Residential Properties</td>
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<td>• Current lodging homes that hold a valid Lodging House Licence would be recognized; however, they must conform to additional regulations but will not be limited to the new bedroom limit; regulations concerning bedroom limits would apply if the lodging home is sold.</td>
<td>o Class C – Boarding Houses</td>
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<td>• Owner must submit proof of ownership; local emergency contact information; contact information for the rental unit/property; proof of insurance; a floor plan for entire building; written tenancy agreements for every tenant; a property maintenance plan; and a parking plan.</td>
<td>o Class D – Recognized Lodging Houses</td>
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<td>• Property must also be in compliance with the City’s various by-laws such as property standards, zoning, lot maintenance, snow and provincial codes and regulations such as fire code, building code act, and electrical safety code.</td>
<td>o Class E – Temporary Rental Unit</td>
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<td>• Similar to the City of London, the property owner will complete a self-audit of their properties and submit it with their application.</td>
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<td>• Licensing fee will be set to fully recover the costs of</td>
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| The City of North Bay      | • Applies to properties that are zoned for low density residential use, containing no more than 5 rental units.  
  • No more than 40% of the Gross Floor area of the rental unit’s ground floor may be comprised of bedrooms.  
  • Owner must submit proof of ownership, a floor plan of the rental unit including each room, maintenance plan, parking plan, proof of insurance with a liability no less than $2,000,000  
  • Owner must also submit proof of recently completed inspections from Fire officials, Electrical Safety Authority, City’s Building officials, City’s Zoning officials, By-Law Enforcement officials and proof of payment of any fine/fee/property taxes owed to the City.  
  • Licence/Renewal Fees are $300  
  • Late Payment Fee is $50 | • Approved in August 2011.  
• The By-law will be phased in according to the following schedule:  
  o Remainder of Pinewood/Cedar Heights (January 2013)  
  o West Ferris (January 2013)  
  o Laurentian/Airport Heights (January 2014)  
  o Central Business District/Old City (January 2015)  
• Circle Lake/Rural (January 2016) | • Ontario Human Rights Commission has warned the City that the By-law is targeting student’s due to its geographical nature |
## Licencing By-laws of Comparative Ontario Municipalities

<table>
<thead>
<tr>
<th>Municipality</th>
<th>Content/Highlights</th>
<th>Current Status</th>
<th>Legal Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>The City of Mississauga</td>
<td>- Requires all landlords to apply for an annual licence to operate a lodging house and applies to residential rental accommodation across the entire city.</td>
<td>- The City is experiencing some difficulty enforcing the By-law as people have been denying entry. It is challenging to provide evidence to obtain a warrant.</td>
<td>Unknown</td>
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<tr>
<td>Residential Rental Accommodation</td>
<td>- Allows the City to inspect to ensure the property is in compliance with the fire and building codes as well as with the City’s property standards, maintenance, and zoning by-laws.</td>
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<td>Licensing By-law (May 2010)</td>
<td>- A lodging house is defined as a dwelling unit containing more than three rental rooms that are occupied by one person in each room.</td>
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<td>- A maximum of four lodging units are permitted in a lodging house.</td>
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<td>- Lodging houses are only allowed in detached homes, and basement apartments are not permitted.</td>
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</tbody>
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