That the following two related pilot programs be extended until December 2013, or until such time as City Council makes a final decision on the creation of a license category for rental housing:

(a) The Proactive By-law Enforcement Pilot Program for Wards 1 to 8, to be funded from the Parking Reserve (Account # 108021);

(b) The temporary Vital Services Program, to be funded from the Tax Stabilization Reserve (Account # 110046).

At the September 18, 2012 Planning Committee meeting, staff presented Report PED10049(h) ("Regulation of Rental Housing") which discussed a rental housing licensing approach. Staff were directed to prepare, among other matters, comprehensive recommendations, a draft by-law amendment and cost-recovery
analysis to be presented to a Special Public Meeting of the Planning Committee to be held before December 15, 2012.

As a result of this direction, and until such time as City Council makes a final decision on rental housing licensing, it is necessary to extend two related pilot programs; the Proactive By-law Enforcement Pilot for Wards 1 to 8 and the temporary Vital Services Program.

_Alternatives for Consideration – See Page 4_

**FINANCIAL / STAFFING / LEGAL IMPLICATIONS** (for Recommendation(s) only)

**Financial:** Extending “Project Compliance” is estimated to cost $25,936 per month and sufficient funds are available in the Parking Reserve Account # 108021.

Extending funding to the temporary Vital Services Program is estimated to cost $6,700 per month and sufficient funds are available in the Tax Stabilization Reserve Account # 110046.

**Staffing/Legal:** N/A

**HISTORICAL BACKGROUND** (Chronology of events)

To assist with the investigation on whether or not to license rental housing, City Council, on March 31, 2010, approved an 18-month Proactive By-law Enforcement Pilot Program (subsequently named “Project Compliance”) for Wards 1 to 8. The pilot consists of six temporary part-time Municipal Law Enforcement Officers and a temporary full-time Clerk and is funded from the Parking Reserve with any fees and fines from the Program being returned to that Reserve. The Pilot Program commenced in July 2010.

On September 14, 2011 City Council extended “Project Compliance” until the end of March 2012 in order to allow staff to prepare a report “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.”

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.

On September 18, 2012 staff presented Report PED10049(h) (“Regulation of Rental Housing”) to the Planning Committee. Committee approved the following direction:

“(a)That the concept of licensing rental housing in low-density buildings, as detailed in Report PED10049(h), be received;
(b) That staff be directed to prepare comprehensive recommendations, a draft by-law amendment and cost-recovery analysis to be presented to a Special Public Meeting of the Planning Committee to be held before December 15, 2012 and that the report be released to the public one week prior to the public meeting;

(c) 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; and,

(d) That staff report back to the Special Public meeting of the Planning Committee with a comprehensive report on proactive enforcement:
   (i) Rentals/Singles;
   (ii) Any limitations within the Landlord Tenancy Act as to whether or not a landlord can apply licensing and inspection fees to a tenant’s rent;
   (iii) Does the tribunal have authority to enforce non-compliant landlords to live in non-compliant units;
   (iv) Report on the City of Waterloo’s successes and issues;
   (v) Reconsider our residential care facilities by-law with rental licensing by-law;
   (vi) Feasibility of utilizing a longer compliance order;
   (vii) Review fire codes pursuant to current technology;
   (viii) Constitutional use of the rental licensing by-laws as means to gain access without search warrant through justice of the peace.”

The Vital Services By-law 05-322 was first enacted in 2005 with approval of a temporary position to administer and enforce the By-law and funding to pay for the utilities and reconnections. Originally, it was intended to be an 18-month pilot (expiring in the Fall of 2006) but due to the need to explore the many complex issues, and the relation to the rental housing investigation, the pilot was extended several times; most recently during the 2012 budget process when Council approved an extension until the end of December 2012.

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<th>POLICY IMPLICATIONS</th>
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<th>RELEVANT CONSULTATION</th>
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<td>Finance staff were consulted in the preparation of this Report</td>
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**ANALYSIS / RATIONALE FOR RECOMMENDATION**

(include Performance Measurement/Benchmarking Data, if applicable)

As Council approved the Planning Committee’s recommended process of hearing public delegations before December 15, 2012, and to deliberate the licensing of rental housing issue early in 2013, it is necessary to extend the related pilot enforcement programs as recommended in this Report.

**ALTERNATIVES FOR CONSIDERATION**

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

Cease the funding and conclude “Project Compliance” and/or the Vital Services Programs, but this is not recommended without proper evaluation and assessment.

**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**

N/A

JX/dt