

## **Attachment 2 – Municipalities Interviewed on Residential Rental Licensing Programs as of June/July 2023**

Below is an overview of the rental licensing approach from a few municipalities and key challenges:

1. Waterloo – established their rental licensing program in 2012, and has one (1) full-time enforcement officer dedicated to the program to search all rental properties and issue orders for non-complaint properties. The program currently has approximately four thousand (4,000) units registered. They have one Fire Prevention Officer (FPO) conducting one to two hundred (100-200) random inspections annually to review fire code compliance. A new application takes approximately six to nine (6-9) months to process. The success of Waterloo's program can be attributed to having dedicated staff, aggressive enforcement and utilizing the Non-Parking AMPS (Administrative Monetary Penalty System).
2. Windsor – recently established (2023) their residential licensing pilot program in two (2) wards with higher concentrations of student rental housing. The City hired a Zoning Coordinator, Licensing Administrator and a By-Law Enforcement Officer to manage the program. Since the launch of the pilot program in early June the City has issued forty-six (46) licences. Inspections are required for new applications and renewals. The pilot program aligns with the Ontario Residential Tenancies Act and is currently focused on education versus enforcement. Staff noted the importance of having dedicated staff to run a successful program.
3. Hamilton - established a two-year rental housing licensing pilot program in April 2022 in Wards 1, 8 and part of 14 to improve the condition of rental housing. The pilot program was rolled out in zones allotting three-months for each area. Each zone has approximately 160-270 licensing applications. A team of one (1) licensing administrator and two (2) licensing compliance officers have been assigned to the program. The team dedicates most of their time to education versus enforcement and each application requires inspection from Fire and Property Standards. As of early July 2023, the City processed 348 licensing applications and issued 109 licences with five (5) of the seven (7) zones completed.
4. Oshawa – in January 2013, the City of Oshawa established a demerit point system (DPS) for their Residential Rental Housing Licensing program. The objectives of the demerit point system included:
  - a. To track and manage 'repeat offenders';
  - b. To manage licensees compliance with municipal by-laws and other health and safety standards; and,
  - c. To create an objective measure for the purpose of determining the suitability of issuing a licence to an applicant.

After two-years of implementing the program the City recommended discontinuing the demerit point system because there was insufficient evidence that the system was the best approach to manage repeat offenders.

Approximately 768 of staff hours was utilized to administer the demerit point system annually, equating to an estimated cost of \$28,300. The demerit point system required a significant amount of staff resources to administer the manual process and would require considerable resources if the rental area was expanded and included different dwelling types. The system was also vulnerable to error because of the manual input.

In 2015, staff recommended the DPS be discontinued and move forward with assessing the suitability of issuing a licence based on the applicant's history of by-law infractions. Staff could issue a conditional licence requiring the licensee to comply with additional standards or could deny a licence if there was a high number of infractions.