

Regulation of Long-Term Rental Accommodations

The screenshot displays a real estate website interface. At the top, there are two featured listings. The first listing is a Multi-Unit property with 3 bedrooms, 1 bathroom, and 1000 square feet, priced between \$2100 and \$2300. The second listing is an Apartment with 2 bedrooms and 1 bathroom, priced at \$2350. Below these listings is a 'PRIMARY RENTAL MARKET (by bedroom type)' table. The table shows vacancy rates and average rents for Bachelor, One bedroom, Two bedroom, and Three or more bedrooms categories. At the bottom, there are two more listings: an Apartment with 4-7 bedrooms and 1-3 bathrooms, priced between \$3000 and \$5250, and a House with 3 bedrooms, 2.5 bathrooms, and 2200 square feet, priced at \$2000.

PRIMARY RENTAL MARKET (by bedroom type)			
Bachelor	One bedroom	Two bedroom	Three or more bedrooms
1.3%	1.5%	1.8%	1.5%
Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate
\$881 Avg. Rent	\$1,088 Avg. Rent	\$1,301 Avg. Rent	\$1,584 Avg. Rent

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Table of Contents

- 1. Executive Summary 3**
 - Improved Enforcement.....4
 - Registration of Rental Accommodations4
- 2. Mandate 6**
- 3. Methodology 6**
 - What is the problem?7
- 4. What are the Recommended Actions? 9**
 - Strengthened Enforcement9
 - Pest Control By-law.....12
 - Regulatory Measures.....13
 - Characteristics of the Regulatory Regime.....26
 - Complementary Initiatives.....27
 - Conclusion29
- Appendices..... 30**
 - Appendix 1 – Individual Community Stakeholder Meetings.....30
 - Appendix 2 – Workshops32
 - Appendix 3 - Results of Online Survey commenting on Policy Options Report33

Cover illustrations taken from Rentals.ca on-line advertisements and CMHC statistics

1. Executive Summary

The City of Ottawa's Emergency and Protective Services Department retained Maclaren Municipal Consulting to perform an analysis of Ottawa's regulatory framework for rental accommodations and to recommend innovations that would improve outcomes. The study addresses issues related to regulation of:

- Short-Term Rentals of housing accommodations.
- Long-Term Rentals, including rooms, apartments and houses.

After extensive research and consultations with the public, key stakeholders, members of Council and City staff, this report presents findings and recommendations with respect to Long-term Rental Accommodations.

Over the past ten years there has been a 60% increase in Property Standards Service Requests in the City of Ottawa, with a comparable increase in the 18% of those complaints that relate to private rental housing (social housing is outside the scope of this review).

Conditions in rental housing are generally good. For nine of ten private rental properties, there have been no property standards complaints in the past ten years. But for the remaining 10%, one-third had multiple complaints – and 223 properties (0.5% of all properties) generated almost one-quarter of all complaints.

Almost 60% of complaints relate to issues interior to the unit, with pests, mould, heat and plumbing topping the list. Property standards complaints are most concentrated in central city neighbourhoods where buildings are oldest and there has traditionally been a high ratio of rental properties; but many of the surrounding wards also have a high number of complaints and a number of properties that are chronic offenders.

So, while most rental units have no problems, where they do arise, they can be severe and chronic – and in some neighbourhoods, they are widespread. As a result, we have some rental housing where tenants are living in substandard conditions, and some neighbourhoods are suffering the impact of poor upkeep and excessive waste, weeds, parking and noise.

During our consultations, residents called for stricter and more effective enforcement of by-laws, to protect tenants and to ensure respect for neighbourhoods. But care must be taken to ensure increased regulation and enforcement does not inadvertently undermine the City's efforts to protect and grow the supply of affordable housing.

Improved Enforcement

The most immediate and effective response to by-law violations and property standards issues facing the City is to shift to a model of enhanced proactive enforcement, similar to the approach Ottawa takes to parking violations.

This model requires proactive, targeted and persistent enforcement with increased ticketing, substantive and escalating consequences, greater transparency and increased staffing – and ensures improved responsiveness and results. Higher enforcement costs can be recovered from inspection fees and fines.

As well, the City should enact a Pest Control By-law to avert and contain infestations, an access by-law to facilitate enforcement, and a fee on vacant buildings to offset the high costs of safeguarding these units.

Registration of Rental Accommodations

Regulation and registration of rental accommodations is a viable and effective regulatory response where there are significant, endemic problems with by-law violations related to property standards and other issues that cannot be controlled through proactive enforcement. It can be particularly helpful in requiring and enforcing plans for property upkeep, waste management and parking.

At this time, in the City of Ottawa, by-law violations are neither sufficiently numerous nor sufficiently wide-spread to warrant city-wide regulation of long-term rental accommodations; recognizing that additional regulation will have undesirable consequences, including diverting staff resources at the City and, in the private sector, towards compliance and enforcement where there are few violations and limited benefits.

That said, in certain neighbourhoods both the pervasiveness and persistence of property standards complaints appear to warrant regulation of rental housing, at least on a trial basis. The report recommends the City pilot a rental regulation regime in three neighbourhoods: Sandy Hill, Vanier and the Ryan Farm area. These are neighbourhoods where the problems are both acute and chronic and where it is not clear that proactive enforcement will be a sufficient solution.

Distinguishing between the issues and responses in mid-density (generally zoned R3 and R4) zones and lower density areas (generally zoned R1 and R2), the report sets out factors to consider as the pilots are evaluated, and describes key characteristics and requirements of a registration regime. These include regular inspection, plans for upkeep, waste, parking, and limits on bedrooms.

The report recommends owner-occupied dwellings with up to three roomers be exempt from regulation as they tend not to be problematic. High-rise apartment buildings would not be included as they have site plans that regulate parking and waste management, and the upkeep of grounds is not a significant problem. Problems that do occur, such as pest infestations and mould, need to be addressed quickly through proactive enforcement and the Pest Control By-law rather than being left to an annual inspection process.

The City should continue to license rooming houses – and include bunkhouses and other “rooming unit” arrangements to protect tenants and ensure community standards.

To implement the recommendations – and significantly improve outcomes and public confidence in the City’s regulatory regime – an increase in staffing will be required. The report recommends that much of the cost of this increase be covered through new fees and increased revenues that flow from proactive enforcement issuing more frequent, higher, and escalating fines and inspection fees.

2. Mandate

The City of Ottawa's Emergency and Protective Services Department retained Maclaren Municipal Consulting to perform an analysis of Ottawa's regulatory framework for rental accommodations and to recommend innovations that would improve outcomes. The study addresses issues related to regulation of:

- Short-Term Rentals of housing.
- Long-Term Rentals, including rooms, apartments and houses¹.

This review was informed by these guiding principles:

1. Maintain consistent standards to assure the health, safety and well-being of the public.
2. Consider how regulations affect the quality, availability and affordability of rental accommodations.
3. Foster the economic and social well-being of the municipality.
4. Assure efficient, effective and sustainable enforcement.

3. Methodology

In undertaking this study, Maclaren Municipal Consulting considered:

- the findings of a *Rental Market Analysis* and a *Rental Accommodations Literature Review and Inter-jurisdictional Environmental Scan*, commissioned by the City.
- further research on alternative and innovative approaches to regulating rental accommodations in Ontario and elsewhere.
- an analysis of property standards service calls related to rental accommodations in the City of Ottawa over the past ten years.
- economic modeling undertaken by the City of potential costs and revenues of alternate enforcement regimes.
- input from a wide range of stakeholders representing housing providers, tenants, hotels, universities and colleges, students, community associations, and others.

Based on this analysis, Maclaren prepared discussion papers on Short-Term Rentals, Rental Housing Conditions, and Student Housing, posting these documents and an accompanying survey to the City's website for public comment, and organized 12 public workshops to receive

¹ The mandate of the review excluded residential care homes and long-term care homes, and restricted consideration of social housing. Land-use planning mechanisms and social programs were not addressed; however, certain issues have been referred to the inter-departmental Rental Accommodations Working Group for follow-up.

further feedback. As well, additional consultations were held with stakeholders, members of City Council, and City staff.²

Informed by meetings with stakeholders, many online comments, and more than 4,200 survey responses, Maclaren then prepared two Policy Options papers, setting out possible actions and identifying potential risks and benefits as they apply to Short-Term Rentals and Long-Term Rentals. These papers were posted online and circulated to stakeholders and all those who attended a public workshop, again soliciting input. A summary of the online feedback to the Options papers can be found in Appendix 3. As well, further consultations were held with key stakeholders to receive their feedback on the regulatory options. ACORN, an organization representing low income tenants, also conducted a survey of its members, the results of which indicated very strong support for licensing all rental housing.

This input, the experience of other jurisdictions, and the consultants' assessment of the opportunities and risks in Ottawa, have been critical in formulating the recommendations presented by Maclaren Municipal Consulting.

These recommendations are presented in two reports: one focused on Short-Term Rentals, and this report, which deals with Long-Term Rental Accommodations.

What is the problem?

Over the past ten years there has been a 60% increase in the number of Property Standards Service Requests in the City of Ottawa, rising to 13,196 in 2018³. While complaints related to rental housing have similarly risen by 60%, it is important to note only 18 per cent of property standards complaints relate to private sector rental housing. This suggests conditions in rental housing are not disproportionately worse than for properties generally.

On the contrary, conditions in rental housing are generally good. For nine of ten private rental properties, there have been no property standards complaints⁴ over the past ten years. But for the remaining 10%, one-third had multiple complaints. And one-half of one per cent (0.5%) – 223 properties – generated almost one-quarter of all complaints, with one property the subject of more than 34 service requests in a single year.

When we look at the nature of the complaints almost 60% relate to issues interior to the unit, with pests, mould, heat and plumbing topping the list of concerns. Ottawa's rental stock is

² For a listing of stakeholder groups and public consultations, see Appendices 1 and 2.

³ The data on Property Standards Service Requests throughout this report are drawn from the City of Ottawa report, *Property Standards in Rental Housing, 2009 – 2018*.

⁴ Property Standards Service Requests do not include complaints related to noise, or parking and, as such, they do not capture all potential by-law violations. As well, it should be noted that tenants may not think to call 3-1-1, or may not see it as useful, so problems internal to rental units or buildings are likely under-reported.

aging – with 62% built before 1979⁵. Buildings built between 1960 and 1979 are more likely to generate property standards requests than newer or older buildings. The relation between complaints and rents varies significantly, with some wards with newer buildings with higher rents generating as many complaints as areas with older, more affordable units.

When we look at where property standards complaints are concentrated we see central wards such as Rideau-Vanier (12), Somerset (14) and Rideau-Rockcliffe (13), but we also find Alta Vista (18), River (16) and Bay (7) wards have a high number of complaints; with a significant number of properties that are chronic offenders. As well, we find Beacon Hill-Cyrville (11), with fewer complaints because it has few rental units, but the highest rate of service requests per rental unit.

For most rental housing there are no property standards problems, but where they arise, they can be severe and chronic – and in some neighbourhoods, they are widespread. As a result, we have some rental housing where tenants are living in substandard conditions and some neighbourhoods are suffering the impact of poor upkeep, noise and nuisance.

In the consultation process, local residents called for stricter and more effective enforcement of by-laws, to protect tenants and ensure respect for neighbourhoods. They expressed a concern that enforcement has been hampered by limited resources, intermittent follow-up and limited consequences for violations. Moreover, there is a risk that the number of chronic offenders creates a climate of impunity – and undermines public confidence in the City’s capacity and commitment to enforce its by-laws.

The City has taken action over the past several years to address these issues – increasing enforcement staff; targeting certain neighbourhoods; piloting new regulations on waste storage; amending the Zoning By-law to limit bedrooms in bunkhouses.

While still assessing the impact of its efforts, the City commissioned this study to review its regulations and recommend innovative regulatory and enforcement approaches that could improve outcomes.

Ottawa has a low vacancy rate (1.6%) and its population continues to grow more quickly than the supply of rental housing. Many households are already facing affordability challenges, with the pressures greatest for low-income households, including those working at or near minimum wage, those dependent on social assistance, students, and seniors on fixed incomes.

For that reason, the City’s Official Plan and Housing Strategy puts a major focus on promoting and protecting affordable rental housing. And given that priority, any changes in regulating rental housing and enforcing property standards must take into account the potential impact on supply and, consequently, rents, as well as quality and safety.

⁵ The data concerning the rental housing market throughout this report are drawn from the City of Ottawa Rental Market Analysis prepared by Prism Economics and Analysis dated March 15, 2019

4. What are the Recommended Actions?

The housing market is complex and inter-related, so a change in one segment can have unintended consequences for others. As a result, the approach we have taken is to:

- match the response to the problem.
- target the response where appropriate.
- start with less contentious initiatives to build confidence and trust.
- move to more complex initiatives as required to get results.
- regulate where necessary but don't necessarily regulate.
- create conditions for success.

In keeping with this approach, we begin by recommending changes to the City's approach to by-law enforcement, followed by changes to the regulatory regime, and then complementary measures to create an enabling environment.

Strengthened Enforcement

Recommendation 1)

The City of Ottawa should change its approach to by-law enforcement for property standards and related issues, adopting a model similar to that for parking control, expanding capacity and increasing responsiveness, while generating compensatory revenues.

Specifically, the City should move to an enhanced model of by-law enforcement which includes:

- ***Proactive enforcement***
In addition to responding to complaints, by-law officers should conduct proactive inspections to ensure compliance with property standards, actively monitoring high-risk addresses as well as adjacent and associated properties. While using big data to identify patterns and priorities, and targeting resources to maximize impact, By-law and Regulatory Services should also undertake City-wide monitoring and random inspections to ensure compliance and equitable treatment.
- ***New ticketing regime***
By-law officers should immediately issue tickets, where warranted, for property maintenance, noise, licensing or registration, and other violations where the evidence is clear, allowing the City to more quickly and efficiently hold property owners (and tenants when appropriate) accountable. For some offences under the Property Standards By-Law, provincial law requires notice be given and time allotted for corrective action; some noise violations will require effort to determine who to charge –

but tickets or charges should follow more quickly when remedial action is delayed without good cause. Penalties can be levied daily and can escalate when the owner fails to comply. An agile ticketing system will compel greater – and swifter – compliance, while increasing revenues to offset higher enforcement costs.

- **Increased scope for corrective action**

When safety is at stake or where remedial action is tardy, By-law and Regulatory Services should take quick action to remedy violations. This will include seeking search warrants or court orders more quickly when confronting barriers to access, and more frequently conducting repairs or corrective action, recovering expenses from the property owner by adding the cost to their tax bill.

- **Increased transparency**

The City should publish to its website a listing of confirmed Property Standards By-law violations that arise from the actions or neglect of the landlord; searchable by address and the name of the property owner (subject to *Municipal Freedom of Information and Protection of Privacy Act* requirements). As with the Ottawa Public Health reports on local eateries, this listing will provide the public – including tenants, neighbours and investors – with information on the history of confirmed by-law violations, corrective action and outstanding compliance orders.

- **Increased staffing**

Proactive enforcement will require additional staff – to identify high-risk properties, follow up on violations, conduct periodic inspections, assure compliance and respond to complaints. Overnight and weekend coverage will need to be enhanced to properly address noise and other complaints. At the same time, proactive enforcement, issuing tickets and escalating fines, can recover the bulk of these costs⁶.

- **Improved service**

More by-law officers doing more inspections and issuing more tickets more quickly will clearly signal the City's commitment to safety and respect for community standards. Agility and responsiveness will be enhanced by making it easier for concerned residents to understand by-law requirements, report complaints, and monitor follow-up – on-line and through 3-1-1. The City should seek authority to issue e-notices of violations and take full advantage of apps to ease reporting of the full range of property standards issues, facilitate transmission of pictures, and improve two-way communication with respect to concerns and compliance.

This enhanced model of by-law enforcement clearly demonstrates the City's commitment to quality, safe, healthy housing and gives By-law and Regulatory Services the tools needed to identify risks and ensure speedy and effective follow up on issues as they arise.

Moving from an approach that is complaint-driven and address-and incident-specific to a more proactive and systemic approach to identifying and addressing issues, will allow By-law and

⁶ It should be noted that fine revenues go into general City revenues unlike user fees, which are recorded in the budget related to the service or activity involved. Thus, the enforcement budgets would appear to rise, although they would be off-set by revenues recorded elsewhere in the City's financial reports.

Regulatory Services to target problematic properties, owners and tenants, and compel earlier compliance for many offences.

While some will object to the new approach, as with parking enforcement, a model of enhanced proactive enforcement is more likely to create a climate of compliance; building public confidence in the efficacy of the regulatory regime.

Too often verification is hampered by unavailable or uncooperative owners or tenants who stymie the ability of by-law officers to access the property. Legislative changes that would reduce barriers to access for properties in apparent violation of municipal by-laws should be sought.

Action is required to protect tenants living in deteriorating properties or facing renovations. Landlords tend to withdraw maintenance services when they are planning a major renovation or even demolition and redevelopment of a property. While the economic incentive is obvious, landlords should not be able continue to charge rents for properties they allow to deteriorate. The City should ensure units meet standards as long as tenants remain in the properties. If orders are not respected, needed repairs should be undertaken without delay and the property owner should be subject to increasing fines.

A shift to an Administrative Penalties System (APS), under the authority of the *Municipal Act, 2001*, could further enhance the effectiveness of this new approach to by-law enforcement. An APS gives the City increased flexibility to set and levy penalties, and creates a light, agile appeal system, significantly reducing court time and court costs for the City – and for those who have received tickets. Such a system has been established by a number of Ontario cities. Toronto, Windsor, Waterloo and Kitchener who have found the business case compelling for parking related offenses, while Hamilton has extended the APS to its Property Maintenance and Noise By-laws.

While the Property Maintenance By-law, Noise By-law and Licensing By-law all derive their authority from the *Municipal Act, 2001*, the Property Standards By-law is based on the *Building Code Act*, which requires notice periods that can delay remedial action – and charges. However, the City has authority under the Property Maintenance By-law, Noise By-law and Licensing By-law to issue tickets immediately upon determining a violation has occurred; the by-laws could provide for escalating fines for repeat offenses.

Adopting an APS would allow the City to take full advantage of its authority under the *Act* to penalize violations and press for their speedy resolution.

Consequences for staffing, costs and revenues

While further analysis will be required to confirm penalties, first offence penalties could range from \$50 to \$150, depending upon the nature of the offence. They could increase to \$100 to \$500 for subsequent violations, provided that the outcome is to achieve cost recovery for the

City. When an order is issued against a property under the Property Standards By-law, a fine cannot be given, but a \$100 fee for a follow-up inspection could be assessed, increasing to \$200 for any further inspections required due to non-compliance. Where remedial action is delayed, fines could be levied daily, escalating to compel compliance.

The City could start modestly, adding five By-law Enforcement Officers to launch this new enhanced proactive enforcement model, and adding staff incrementally, as the need and the increased revenue from fees and fines warrants. The process would increase revenues from current enforcement officers, and result in new revenues from the additional officers, which should be sufficient to recover the costs.

Pest Control By-law

Recommendation 2)

The City of Ottawa should enact a new Pest Control By-law that requires properties be free of rodents, vermin, insects and pests, and from conditions that encourage infestation by pests.

To complement enhanced proactive enforcement of property standards and other by-laws, and to further strengthen tenant protection, the City should adopt a by-law on pest control that would more clearly set out the obligations of building owners (and tenants) to reduce the risks posed by pests and vermin – with significant and escalating consequences for non-compliance.

The City's analysis of property standards complaints related to building interiors in 2018 shows:

- 23% concerned insect infestation. Of these:
 - 35% alleged bed bug infestation.
 - 32% alleged cockroach infestation.
 - 9% alleged ant infestation.
- 9% concerned vermin infestation, such as mice, rats, squirrels and raccoons.

One-third of complaints relate to pests and infestations. When you add complaints about general cleanliness, waste disposal and general maintenance, it is clear that pest control is one of the most common, persistent, and distressing problems facing tenants – and building owners.

Ottawa's by-law should apply to all rental accommodations and all owner-occupied units physically attached to other units; for example, condos and townhouses. The by-law should require:

- inspection of common areas by or for property owners at least every 30 days, with the results recorded.
- inspections within 72 hours of evidence or information indicating the presence of pests.

- action to eliminate pests and prevent further spread, including inspection of adjacent areas and dwelling areas, and action to eliminate pests in those areas if found.

Given the cooperation of tenants is essential, the by-law should also promote awareness and identify remedies to ensure access to infected units and remedial action by tenants as required. When by-law officers find tenants resisting action to control pests due to hoarding or mental health issues, the City should involve social workers or organizations, such as the Canadian Mental Health Association, to work with the tenants.

Significant fines should be levied for non-compliance, with escalating fines for repeat offences.

Regulatory Measures

Enhanced pro-active enforcement will go a great distance to address property standards violations and other issues relating to the quality and safety of rental housing – and the concerns of neighbours about property maintenance, waste, parking, and noise.

A robust enforcement regime will underline the City's commitment to uphold standards and respect neighbourhoods, encouraging owners and tenants to comply with by-law requirements.

But even when the most effective, rigorous follow-up by by-law officers is focused on addressing known problems, there is a limited ability to inspect building interiors. To prevent, pre-empt or, at a minimum, mitigate such problems, some Ontario municipalities have moved to regulate and register rental housing units – where and when proactive enforcement is not seen as sufficient.

The approach they have taken has generally been through business licensing, under the authority of the *Municipal Act*⁷. This allows them to set rules for renting over and above those constraints that may flow from the *Planning Act* and Zoning By-law. For example, in the same way that municipalities license restaurants – requiring inspections and applying standards that are more strict than those for the public as a whole – a city can create a regulatory regime that places requirements on the business of rental accommodations that goes beyond the provisions of the Zoning By-law, which deals more with land use, location and building form.

The Courts have upheld municipal licensing by-laws that regulate rental accommodations *in the public interest*. But it is important to note that while municipalities are empowered to regulate uses, they cannot regulate users – and the Ontario Human Rights Commission has expressed

⁷ Ontario municipalities that regulate rental accommodations do so under the authority of the *Municipal Act*, 2001, which was amended in 2007 to permit licensing of “residential unit” rental properties. While the courts have upheld these municipal licensing by-laws, Ontario Regulation 583/06 bars municipalities from licensing “the trade of real estate,” which is governed by the *Real Estate and Business Brokers Act*, 2002.

concerns should municipal licensing regimes be used to discriminate against any group identified under the *Human Rights Code*.

For that reason, the approach to regulation of rental accommodations recommended here is tied to the nature of the housing and the residential zones in which it is located, rather than the nature of the occupants.

The benefits of municipal regulation or registration of rental accommodations can include:

- allowing regular inspection of rental accommodations.
- ensuring compliance with zoning, building code, property standards, fire and health regulations.
- securing current contact information for owners or property managers to facilitate agile communication.
- requiring background checks and adequate insurance.
- applying additional requirements in the public interest.
- providing additional legal avenues to secure compliance.
- recovering the cost of regulation and inspections through fees.

As well, some municipalities have built additional requirements into registry programs for rental accommodations, including:

- ensuring each rental property has a plan for upkeep, waste disposal, parking, and snow/ice removal, making owners and tenants aware of their responsibilities.
- confirming the number and location of bedrooms, with posted floor plans.
- limiting the number of bedrooms and the portion of the unit devoted to bedrooms.
- ensuring tenants have contact information for the property manager.
- ensuring tenants are informed of maintenance plans.
- ensuring there is a system to record tenant complaints and follow-up.

That said, regulation and registration of rental accommodations has its risks and drawbacks. Depending upon the conditions imposed, these can include:

- higher rents as owners apply regulatory fees – and the cost of required repairs or enhanced maintenance – to tenants' rents.
- less rental housing as units are withdrawn or withheld to avoid licensing requirements.
- less new development as regulatory burdens for rental housing increase.
- less choice as prospective landlords are deterred from offering a room or suite in their home; in particular, small owners, including the elderly.
- increased municipal staffing and administrative costs.

In Ontario municipalities with licensing regimes, proactive inspection of rental accommodations has identified many violations⁸, requiring repairs and renovations to bring properties up to current code requirements. While the housing stock is safer and of a higher quality as a result, upgrading costs have been passed on in many cases – as are the fees for licensing, which can amount to more than \$500 per unit per year – in the form of higher rents.

What is less clear is the extent to which regulation of rental housing has resulted in a reduction in the housing stock. While landlords have expressed concerns about “red tape and red ink” and the number of rooming houses has declined since licensing was implemented, we have not found studies that quantify the extent to which municipal regulation has reduced the supply of rental housing. However, it should be expected that increased regulation, and particularly increased costs, would affect both rent levels and rental housing availability.

Notwithstanding this concern, there are some neighbourhoods where there are significant problems related to rental housing. In some cases, the issues relate to the ability of many apparent rooming houses to avoid licensing as rooming houses. In some neighbourhoods the incidence of nuisance complaints, related to noise, excessive parking on lawns, garbage and poor maintenance of yards is significant. In others, the condition of the rental units is sub-standard, leading to many service requests related to pests, mould, leaks or safety risks.

Proactive enhanced enforcement should resolve many of these concerns; however in some cases it is likely to be insufficient. In these cases, and these cases only, further regulation is recommended.

A segmented response is recommended, treating different types of rental accommodations in different ways, distinguishing among rooming houses, rental accommodations in mid-density residential neighbourhoods and low-density residential neighbourhoods, and high-density rental apartments. This approach recognizes the different types of issues related to these different types of buildings and the need for regulations that relate to the built form.

Rooming Houses

Recommendation 3)

The City of Ottawa should continue to license rooming houses and make efforts to include bunkhouses and other forms of “rooming unit” accommodations.

As with most municipalities, rooming houses are the one segment of the rental market that Ottawa has historically regulated. The City’s Licensing By-law defines rooming houses as:

⁸ *Rental Housing Policy Options*, dated August 12, 2019, prepared by Maclaren Municipal Consulting for the City of Ottawa, page 33

“a residential unit, other than a group home, retirement home or converted retirement home, that:

- (i) is not used or intended for use as a residential premises by a household; or
- (ii) is intended for use as a residential premises by a household and more than three roomers or boarders; or
- (iii) contains more than eight bedrooms.”

Rooming units imply private sleeping quarters with shared use of a kitchen or bath or both.

Rooming houses play a vital role as temporary housing, filling a critical gap between shelters and long-term rentals. But more profitable investment alternatives, combined with rising costs, the growing complexity of tenants’ needs, and ever-more stringent code requirements, have made it unattractive for private landlords to offer rooms to those who have historically relied on rooming houses. As a result, the number of licensed rooming houses has fallen from an estimated 400 – before licensing was introduced in the 1990s – to 91 today, offering 1,130 rooms.

While most rooming houses meet standards, a number are in poor condition with unresponsive owners. The need to regulate rooming houses to protect the health and safety of vulnerable tenants therefore continues. This past year, the City has dedicated one By-law Enforcement Officer full-time to ensure proactive inspections and to follow-up on rooming houses.

Ironically, while the number of traditional rooming houses has been shrinking, there has been a significant increase in the number of bunkhouses, and related accommodations, that essentially offer rooming units; but these have escaped regulation. Yet many of these properties generate a large volume of complaints and concern related to excessive bedroom counts, safe egress from basement units, unkempt properties, strewn waste, excess parking and unruly behaviour.

As part of its R4 zoning review, the City took action to limit the future scale of bunkhouses – yet the concerns related to tenant protection and community standards for existing stock and future developments persist. Moreover, there are many other properties across the city that constitute *de facto* rooming houses but are not licensed as such.

The City should move to ensure bunkhouses and similar “rooming unit” arrangements not operating or intended for use as a household, are licensed as rooming houses, closing a gap that has frustrated enforcement,⁹ and providing both tenants and neighbours with increased protections.

⁹ It can be difficult to amass the evidence required to support a charge of operating a rooming house without a license. Landlords, sometimes with tenants’ cooperation, can represent the household as communal, with shared decision-making – the standard the courts have used to distinguish between households and independent occupants. The City must ensure families, including extended families, and non-traditional households, including co-ops and other forms of communal living, are not caught up in rooming house regulation.

To capture bunkhouses within rooming house licensing, an amendment will be required to the restrictions on rooming houses arising from the R4 review. Currently, the Zoning By-law states that a building cannot contain more than one rooming house. But many bunkhouses take the form of two or more dwellings, each of which constitutes a *de facto* rooming house¹⁰.

By using the Licensing By-law, which regulates a business or activity, rather than the Zoning By-law, which is focused more on land use and building form, the City is better placed to address the key concerns that arise for residents – and neighbours – of bunkhouses and *de facto* rooming houses..

To address a broader range of issues, incorporate best practices from other jurisdictions, and reduce costs and lessen the administrative burden for rooming house operators who are meeting the City's standards, the current regulatory regime should be amended to:

- move from annual to tri-annual inspections for properties that have had no violation notices over the previous three years.
- reduce license fees by 50% when inspections are not required.
- require the following plans be filed with and approved by the City¹¹:
 - maintenance plan, clarifying responsibility and service levels for common areas, lawns, and clearing snow and ice.
 - waste plan, outlining provisions for storage and collection of waste, and how responsibilities are allocated.
 - Parking plan, specifying the number and location of parking spaces.
- require floor plans be posted, clearly showing bedrooms and common areas.
- apply new building code requirements only when Property Standards Officers believe it will materially improve safety¹².
- allow licenses to be transferred to new owners without additional inspections, requiring only proof of insurance and new contact information.
- secure right of access to common areas by By-law and Regulatory Services.

Other municipalities use their regulatory regime to help discern between rooming units and legitimate households. For example, they ask whether leases are collective or separate; bedrooms are locked; tenants move in individually or as a group; landlord must approve new tenants; tenants are independent economic actors; who assigns bedrooms; and who assumes responsibility for replacing tenants.

¹⁰ The City might also choose to put an upper limit on its rooming house regulation; for example, limiting licensing to buildings with fewer than four storeys and ten dwelling units in order to focus its efforts on those properties that have generated the greatest concern.

¹¹ The plans themselves can be simple to prepare; for example, selecting boxes to indicate who is responsible, or various activities, or how frequently they must be carried out. The City could provide templates for this purpose.

¹² Regulation with inspections can result in the application of building code requirements that were not in place when the building was built, or the use established. This can result in the need for expensive retrofits that would not be required without regulation. The result can be a decision to change from the regulated use, or increased rents to recover the costs.

In addition, the City should recognize that many rooming house tenants would qualify for social housing and could benefit from the social and mental health supports provided to help Housing First tenants maintain their housing.

Mid-Density Residential Neighbourhoods

Recommendation 4)

The City of Ottawa should initiate regulation and registration for rental housing with 10 or fewer dwelling units in mid-density residential zones (generally R3 and R4) where a high volume of by-law violation continues, and enhanced proactive enforcement is not an adequate response.

Recommendation 5)

As a pilot, regulation should be enacted in the areas of Sandy Hill and Vanier. The trial should be evaluated after two years, comparing results against other mid-density neighbourhoods. Based on the findings, the regulatory regime could be cancelled, revised or made permanent, and consideration could be given to extending the regime to other neighbourhoods facing similar challenges if the regulatory approach is found to be successful.

Property standards complaints and chronic offenders are most frequent in central-city neighbourhoods with R3 and R4 zoning and a high portion of older mixed and mid-density housing, including single homes, duplexes and semi-detached dwellings, town houses and two- and three-storey walk-up apartments.

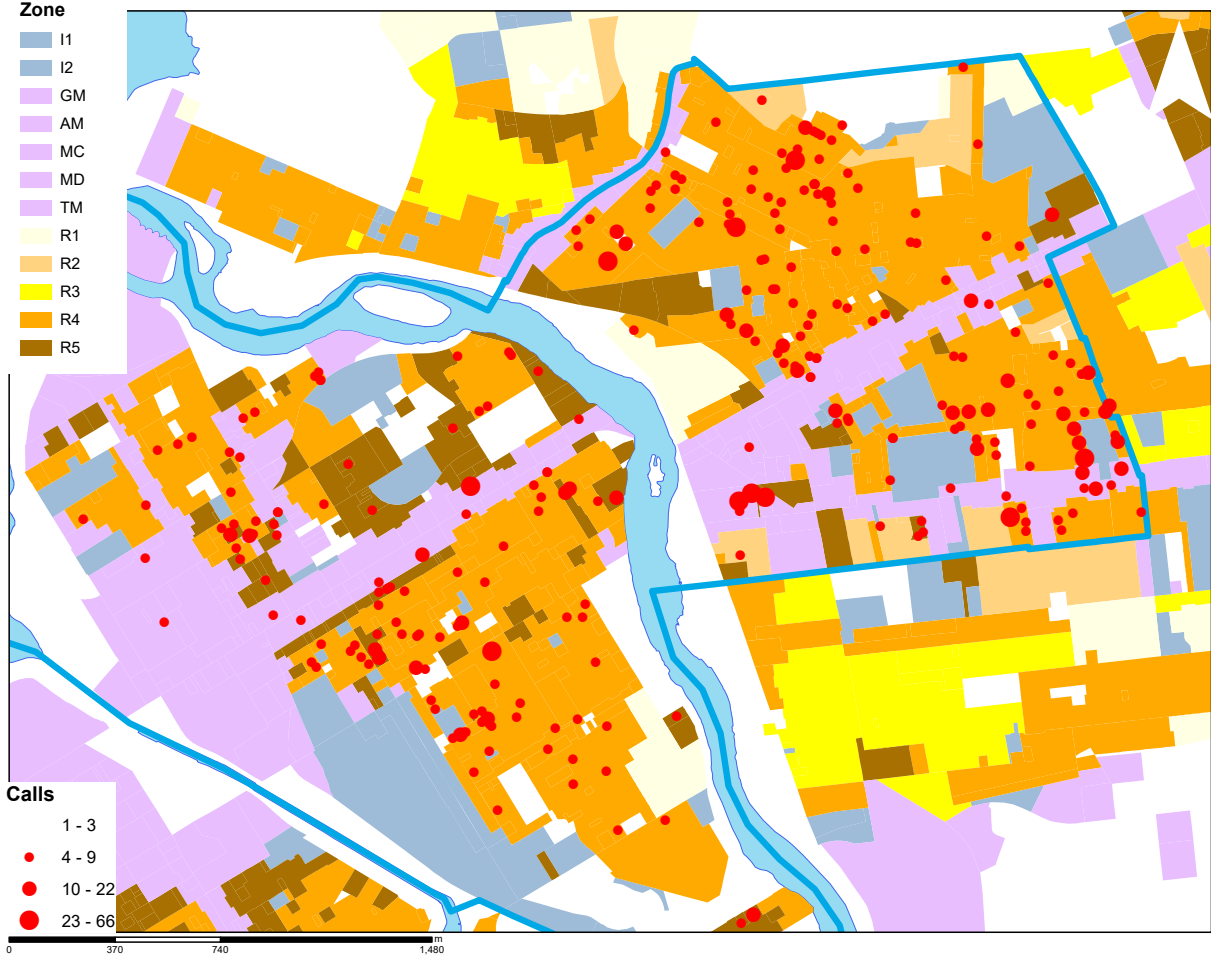
The City's analysis shows Rideau-Vanier (12) has the largest number of property standards complaints, generating 20% of property standards complaints for rental housing, with 462 complaints in 2018 and an average of 416 per year over ten years. Somerset (14) is next at 14%, followed by Rideau-Rockcliffe (13), River (16), Capital (17) and Kitchissippi (15) which range from 8% to 6%. Together, these six wards generate 60% of all property standards complaints related to rental housing.

The map below shows properties in Rideau-Vanier that have generated more than three property standards complaints over a ten-year period. It is clear from the map that there are problem properties throughout Vanier. In Sandy Hill the density of problematic properties diminishes towards the east, but it is difficult to define a particular border short of the river. There are problem properties in Lowertown as well; however, many of them are focused in the Market area, and clearly some are related to short-term rental properties that will be regulated in other ways. However, Lowertown, like other neighbourhoods, can be evaluated after the proactive enforcement and short-term rental regulations have been in place to determine if further action is required.

The case for a city-wide regulation of rental housing is weak. In large parts of Ottawa, the gravity of the problem does not warrant the imposition of a registry. For some neighbourhoods in the central area there is a stronger case for regulation of rental housing, though enhanced proactive enforcement may prove sufficient to allay concerns.

In Rideau-Vanier, the volume, concentration and persistence of property standards complaints related to rental housing warrants stronger regulatory action. There is an opportunity to examine two types of neighbourhoods that appear to have different issues. Sandy Hill has a high concentration of property standards and by-law violations, some of which could be addressed by licensing bunkhouses as rooming houses, but that cannot be easily achieved without establishing a broader regulatory environment. Vanier contains a number of older mid-density apartment buildings that offer low rents, but often have quality and safety issues. Thus, a trial in those two areas would allow testing of the rental regulatory regime in different circumstances.

Map 1 - Rideau-Vanier Ward, Properties with > Three Complaints



For other areas, enhanced proactive enforcement should make a significant difference in identifying and resolving violations. If significant efforts are devoted to licensing the limited number of bunkhouses in these neighbourhoods as rooming houses, the rooming house licensing and proactive enforcement should be sufficient to improve performance and promote public confidence and a culture of compliance¹³. However, if the evaluation after two years proves proactive enforcement is not adequate and/or efforts to license the bunkhouses as rooming houses is not successful in some of these areas, regulation and registration can be considered at that time.

The regulatory process should include inspection when registering, the filing of plans for upkeep, parking, waste and pest control, and the posting of floor plans with bedrooms clearly marked, as well as pro-active inspections as appropriate once registered. The plans themselves can be simple to prepare. The City could provide templates for this purpose, allowing applicants to select from choices to indicate who is responsible for various activities, or how frequently they must be carried out. The costs of the inspection would be covered by fees.

Such a regime would offer increased protection to tenants and neighbours, better equip the City to assure compliance with standards and by-laws, and clarify for property owners, managers, and tenants their obligations and accountability.

Low-Density Residential Neighbourhoods

Recommendation 6)

The City of Ottawa should consider regulation and registration for all rental housing in those low density (generally R1 and R2) residential zones where enhanced enforcement is ineffective.

Recommendation 7)

As a pilot, regulation should be enacted in the R1 and R2 areas within the area bound by Baseline, Woodroffe, Merivale and the railway tracks south of Whitehill/Glenmanor.. The trial should be evaluated after two years, comparing results against other low-density neighbourhoods. Based on the findings, the regulatory regime could be cancelled, revised or made permanent, and consideration could be given to extending the regime to other neighbourhoods facing similar challenges.

The analysis of property standards violations undertaken by the City demonstrates there are many areas of Ottawa where there are very few property standards issues related to rental accommodations. In those neighbourhoods the value of regulation does not warrant the burden.

¹³ Equally important, the City's actions to end construction of new bunkhouses as part of its R4 review will avert replication of the most acute concerns identified by residents of these neighbourhoods.

There are, however, neighbourhoods where the incidence of complaints and violations is well above average and has been high over the past ten years. Enhanced proactive enforcement will address many of these issues, especially those related to the exterior of buildings. But for particular neighbourhoods with a history of problems – sub-standard housing conditions, unkempt lawns, excessive parking and debris, unruly tenants – a more proactive regulatory regime may be necessary to clarify responsibility for remedial action and increase accountability.

Strong views were expressed in the public consultation that the City has a responsibility to protect the low-density residential nature of R1 and R2 neighbourhoods. And there is concern that rental housing, especially in older neighbourhoods predominantly made up of single-family and semi-detached homes, is increasingly being occupied beyond its fair carrying capacity, creating risks for the tenants and problems for the neighbours.

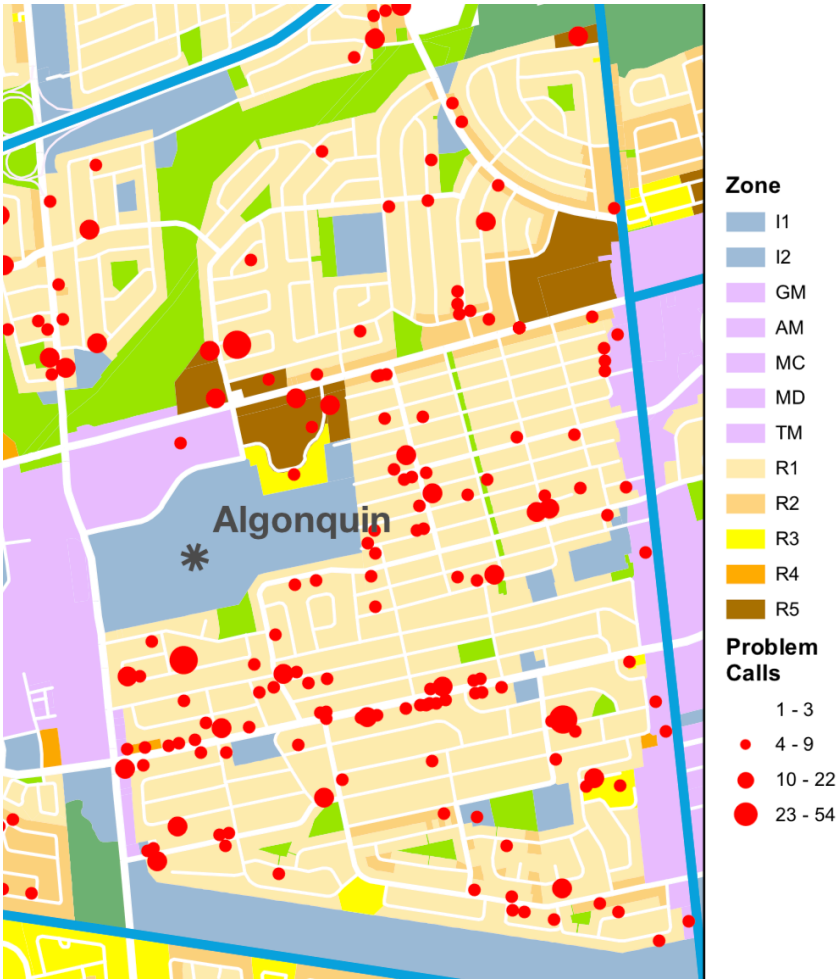
Some of these neighbourhoods will undergo change in any case, as the housing and the communities in them age and new families choose other and newer neighbourhoods. But of particular concern are *de facto* rooming houses, given rooming houses are not permitted in R1 and R2 zones. The City has not been able to categorize these properties as rooming houses and successfully doing so would find them to be in violation of the Zoning By-law and force them to revert to housing households. Rather than relying on this approach, which would either force the relocation of tenants or simply fail if the properties cannot be categorized as rooming houses, the recommended approach is to regulate all rental housing in areas where pro-active enforcement is not sufficient. This would require the registration of all rental properties, whether rented to “households” or not.

Among wards with a higher portion of R1 and R2 zones, Alta Vista (18), River (16), Bay (7) and College (8) appear to be candidates for consideration of some sort of regulatory regime for rental housing in R1 and R2 zones. They each have a significant number of rental units, a high portion of older units, and a significant number of problem properties. With the exception of College ward, 60% or more of property standards complaints in these wards relate to issues interior to the property – pests, mould, heat, plumbing, maintenance, mechanical, hazards, etc. Many of these problems could be identified – and their impact mitigated – through proactive inspections. Regulating and registering rental properties would be particularly effective in handling the issues exterior to the building, the waste, parking and maintenance issues the suggested plans would cover.

Within College Ward, the map below shows properties that have received at least three property standards. Unfortunately, noise calls are not included and would increase the number of calls significantly.

The area south of Woodroffe has a fairly even distribution of calls that registration may help to diminish. This area is recommended as the pilot area for a registration program.

Map 2 - Property Standards Calls in Part of College Ward



The pilot results should be evaluated after two years, comparing the results in the pilot area with those in other areas that have received the enhanced enforcement program. The results of that evaluation would be good input to the consultation process discussed above and may be able to identify some clear criteria for the extension of registration programs to particular neighbourhoods.

Higher-Density Apartment Buildings

Recommendation 8)

The City of Ottawa should not institute a program to register higher-density rental housing (greater than 10 dwelling units) from further regulation at this time, focusing on proactive enforcement and the Pest Control By-law to improve conditions.

While the City of Toronto has adopted a regulatory regime to cover rental accommodations of four or more storeys with ten or more units, other Ontario municipalities that regulate rental

housing have excluded higher-density housing, satisfied that existing municipal oversight is sufficient to protect tenants and respect neighbourhoods.

Ottawa already has a higher level of scrutiny built into its planning process for apartment buildings of four floors or more and perhaps for that reason, there are relatively fewer property maintenance issues. Parking, waste storage and landscaping are addressed as part of the site plan approval process. Properties are managed professionally, and maintenance, waste disposal and snow removal are generally contracted. As a result, we heard no call from neighbours to regulate high-rise rental accommodations.

From tenants, there were concerns – in particular, about pest control, followed by mould, water damage, and general maintenance. But these concerns appear to relate to a limited number of buildings – and would be better addressed through a more targeted response. Annual licensing inspections of the common areas of all apartment buildings – the lower cost approach that would have the least impact on rents – would generally not expose these issues. Even a basic inspection of all high-rise apartment units would require an estimated 66 additional FTE in By-law and Regulatory Services and cost recovery would add an estimated \$157/year to rent levels. And addressing the existence of mould or pests cannot wait until the next annual inspection in any case. They need to be dealt with immediately. Enhanced proactive enforcement, informed by more thorough inspections of high-risk properties – triggered by past violations, or complaints from tenants and others – can ensure remediation, both for the initial problem and for other units or sites that have the same issue. Complaints will still be addressed, and the Pest Control By-law will require prompt response from landlords – and from any tenants who interfere with remediation.

The ability to suspend or revoke a license or registration would also have little effect. The City could not force tenants to vacate an unlicensed or unregistered building. The provisions of the Residential Tenancies Act (RTA) would prevail. All the City could do is fine the landlord for operating without registering. Imposing escalating fines for the offense involved and taking action to conduct repairs and add the costs to the property tax roll is a more effective approach to dealing with recurring problems.

A municipal registry of property standards violations for which owners are responsible will increase transparency and accountability, giving tenants greater consumer protection and helping to identify problem landlords.

Depending on the success of these measures, the City could revisit the option of regulating high-density rental accommodations in five years' time.

Owner-occupied Dwellings

Recommendation 9)

The City of Ottawa should exempt from regulation rental accommodations in owner-occupied dwellings with three or fewer roomers, and/or a secondary suite.

With new households being formed more quickly than new housing is being built, the City has an interest in maximizing its current housing stock. Many households, including older – and younger – singles and couples, are over-housed and have – or could create – rooms or adjoining suites they could rent. Meanwhile, many students, seniors, singles and smaller households would welcome the opportunity to rent a room or unit in an established household.

These units are often more affordable, both because they are smaller and because they are generally in established neighbourhoods with public amenities and infrastructure. They help meet people’s housing needs while advancing the City’s densification goals.

Owner-occupied rental accommodations seems to generate few property standards complaints – or concerns from neighbouring property owners. There may be landlord-tenant issues that fall within the purview of the *Residential Tenancies Act*, and owner-occupied rental properties would continue to be subject to enhanced proactive enforcement should an issue arise, but there is no compelling reason to regulate them further.

By exempting this category of rental accommodations, the City avoids inconveniencing those owners who are most likely to be deterred by an added regulatory requirement and mitigates the risk that regulation will result in a reduction in the available rental supply.

Where is further regulation warranted?

As discussed above, it is recommended that three neighbourhoods pilot rental regulation with a view to determining whether the regime improves outcomes when compared to the enhanced proactive enforcement approach.

Further analysis will be required, informed by big data and the evaluation of these pilots, to confirm what threshold of complaints/violations would warrant regulation and registration of rental housing in additional neighbourhoods.

The City’s analysis of property standards service requests over the past ten years shows eight wards had an average of more than 100 complaints per year over the ten-year span that relate to rental housing. The wards with the highest number of calls in 2018 were Rideau-Vanier (12) at 462, Somerset (14) at 340, and River (16) at 180.

The numbers of complaints captured in this analysis fall far short of the number reported by Councillors and members of the public who participated in the consultations. In part, this

discrepancy arises because the property standards data does not include calls related to noise, parking and other violations. Were these service requests included, the number of complaints related to rental housing could easily double. In addition, many tenants and others may not know to call 3-1-1 or may not have confidence that a complaint will result in remedial action.

If the City is successful in having the small number of bunkhouses in some neighbourhoods that are not included in the trials licensed as rooming houses, and if the proactive enforcement program is successful in changing behaviours, that may forestall the need to expand regulation into additional neighbourhoods. However, where the City determines that this is not adequate and the scale, pervasiveness and persistence of by-law violations related to rental housing makes a neighbourhood a candidate for regulation and registration, there should be full consultation with local stakeholders, including tenants, landlords and area residents to air the risks and benefits, before new areas are designated for rental housing regulation.

This process would be greatly improved if the data from 3-1-1 calls, inspections, orders and charges were improved to facilitate analysis specifically of rental properties and allow analysis of communities or neighbourhoods rather than wards. Wards are relatively large areas and generally contain a range of community types – and from time to time ward boundaries will change. A decision to regulate housing in a particular community should be made at the neighbourhood – rather than the ward – level, to minimize the extension of regulation to areas where it is not required.

It should be acknowledged that the burden of regulation falls unevenly. The approach recommended here exempts owner-occupied units with three or fewer roomers. This is seen as reasonable because experience shows these units are least likely to generate complaints and these owners are most likely to be deterred by regulation. The largest landlords are also recommended for exemption, because the City has other processes to assure compliance for high-rise apartment buildings, and because an accreditation program may be effective in raising standards and promoting better practice.

So, the owners who would be most affected by regulation are small and mid-sized landlords and investors, particularly in more central neighbourhoods, and larger landlords with smaller units and buildings within their portfolio, as well as rooming house (including bunkhouse) owners.

It is true that for some of these landlords, the requirements of regulation could be daunting. But it is also the case that these owners are less likely to be familiar with codes, regulations and obligations; more likely to own properties with violations; and less likely to have active property management. Since the onus of regulation should fall on those most likely to need it, the targeting of the regulatory regime appears warranted.

Characteristics of the Regulatory Regime

Within the pilot and any subsequent regulatory areas, the registration process should establish requirements registrants must follow.

Recommendation 10)

The regulatory regime should require:

- contact information for owners and property managers.
- proof of insurance from the landlord.
- evidence of compliance with requirements, confirmed through inspection by Property Standards Officers and follow-up inspections if deemed necessary by the Property Standards Officer. Alternately, the owner could provide certification of compliance such as an occupancy certificate for a new building issued within the last year.
- floor plans, clearly showing areas to be used as bedrooms and areas for other uses, with no more than 50% of floor area (excluding unfinished basement areas) in regulated buildings to be used for bedrooms. The floor plan should be posted in a public area inside the building.
- only rooms shown as bedrooms, when a building permit was issued, are to be used as bedrooms.
- maintenance plan for building and grounds, outlining who cleans common areas, repairs damage, tends grounds, mows lawn, and clears snow and ice, with timeframes and frequency.
- waste plan, outlining where and how waste and recycling is to be stored, who is responsible for putting bins out for collection and returning them to storage areas, who does collection and the frequency of collection. The plan should address seasonal peaks and any additional collections to be carried out by owner or contractor.
- parking plan, showing all authorized spaces on property.
- provision to facilitate expedited entry to the property by By-law and Regulatory Services, subject to the requirements of the *Residential Tenancies Act, 2006*.
- the cost of the program should be covered by the fees charged.

An important characteristic of the regulatory regime is that it should be largely self-funded. Recognizing that some or all of these costs are likely to be passed on to tenants, the costs should be kept as low as possible; in particular by requiring the initial inspection only be carried out by a Property Standards Officer.

The City should charge a one-time administrative fee to process the initial application for registration (as it does on other applications) and an annual renewal fee to cover the costs of the regulatory program. As well, there should be an additional fee for any subsequent inspections should they be required based on the findings of the initial inspection.

Further analysis would be required to confirm these fees but the administration or application fee of \$58 should cover the cost of processing applications. A property standards inspection costs about \$125, with obvious efficiencies if more than one unit is inspected at the same time. Thus, an annual fee of \$125 plus \$62.50 per additional unit should recover the costs of the annual inspection. Any subsequent inspection required would be charged at \$125 or the prevailing hourly rate. As with rooming houses, property standards officers would inspect every three years, or annually if any offenses occurred in the last three years, and annual fees would be reduced by 50% when inspections are not required.

Owners would have the right to appeal additional fees, fines or penalties and findings in a two-stage process. The first stage would be to a staff person designated to review appeals, generally called a Screening Officer in other municipalities. The second could be to an Administrative Penalty Tribunal, which could be combined with the current Property Standards and Licensing Appeals Committee.

Demerit systems have proven effective in promoting compliance and disciplining irresponsible owners in some jurisdictions. But caution is required to protect the rights of tenants and ensure they are not unfairly affected. Given the shortage of affordable rental housing, the City would not want to further reduce supply. For that reason, the default recourse for repeat offenders should be to escalate fines and undertake remedial work, adding the cost to the tax roll for the property, rather than suspend or withdraw a license and risk displacing tenants.

For the same reason, a “three-strike and you’re out” approach to compliance is not recommended for long-term rental accommodations. For long-term rentals, the provisions of the RTA would prevail, and the City could not force the unit out of service. The appropriate approach is to apply gradually increasing fines or penalties to ensure the landlord finds it worthwhile to stop the violations.

Complementary Initiatives

While the focus of this study has been the regulatory framework and enforcement regime for rental housing, it has also identified a number of areas where the City can take complementary actions to improve enforcement, protect tenants, support landlords and promote affordable housing.

Recommendation 11)

The City should institute fees for vacant properties to cover monitoring costs and to encourage their return to occupancy.

There are currently about 200 vacant rental units that receive special attention from By-law and Regulatory Services with a view to safety and protection – ensuring properties are secured and not a hazard, and minimizing the risk of demolition by neglect.

Enhanced proactive enforcement will ensure continued efforts to safeguard these buildings and facilitate remedial action to protect the housing stock, undertaking urgent repairs when needed and charging the costs against the property tax roll. A new fee will discourage leaving residences vacant when repairs are feasible, and cover the costs of proactive enforcement.

Recommendation 12)

The City should adopt a by-law requiring landlords to comply with a request from By-law and Regulatory Services to give notice of entry under the Residential Tenancies Act.

Effective enforcement of property standards and other by-laws requires the ability to access dwellings to facilitate inspection and follow-up. Ease of access to common areas can be made a requirement of rental regulation. But access to private rooms requires the cooperation of both landlords and tenants. Were the City to enact an access by-law, landlords would be compelled to give 24-hours written notice to tenants (as required by the RTA) and then enter with the inspector to determine the condition of the unit. This is particularly important in cases of pest management.

Education

Recommendation 13)

The City should increase public awareness and use of 3-1-1 as an avenue to address property standards concerns, in particular among tenants.

Many tenants – especially newcomers, younger, older and vulnerable tenants – are not aware that when a landlord will not resolve property standards concerns, they can contact the City and request an inspection and follow-up action. A promotion campaign explaining the City's role and the range of issues that can be addressed to 3-1-1 would raise awareness and give tenants increased confidence that the City will take action to ensure compliance with regulations and standards. It may be useful to work with existing third-party groups that work with tenants to achieve this end.

Recommendation 14)

The City should improve ottawa.ca to consolidate information sought by tenants and landlords related to services, by-laws, property standards and tenancy rights.

There is no one-stop destination that summarizes City services and rules and regulations with respect to noise, waste, pest control and property standards, with links to further details, support and follow-up action, including resolution of landlord/tenant disputes. While this might be most useful for newcomers, students and vulnerable groups, it would benefit all local residents.

The Limits of Regulatory Action

Regulations are most effective at stopping things from happening. They can prevent people from renting sub-standards housing, but they cannot require people to rent housing that meets

standards at prices all households can afford. The approach recommended in the separate report on the Regulation of Short-Term Rental Accommodations will require that many housing units cease being used as full-time short-term rental units, which will result in many of them being returned to the long-term housing market. However, there is no assurance the units will be rented at prices low-income households can afford. Similarly, the recommendations in this report will ensure more housing units are upgraded to meet standards, but the costs of achieving these changes, whether the costs of complying with the regulations or the costs of the actual improvements, will increase the rents of some of these units.

In order to improve the access of households to affordable housing, the City will need to undertake other initiatives. These could include the adoption of inclusionary zoning provisions and, in cooperation with other levels of government, support to social housing providers to build additional affordable rental housing, and to purchase and refurbish older housing stock. It may also include incentives to private developers to build additional affordable rental housing.

As local post-secondary institutions attract a greater portion of their students from out-of-town, including Indigenous and international students, universities and colleges could also do more to provide affordable housing on, or accessible to, campus – including for older students and students with families. The development of a Student Housing Strategy could help ensure students can find housing, with an acceptable impact on residential communities.

Conclusion

The recommendations in this report, complementing those in the *Regulation of Short-Term Rental Accommodations* report, aim to assure the quality, safety and standards of long-term rental accommodations in the City of Ottawa, respecting the rights of tenants, owners and neighbours, while protecting the supply of affordable, suitable housing. The recommended changes to the regulatory framework and enforcement regime are intended to augment the effectiveness of By-law and Regulatory Services' operations, building public confidence as responsiveness improves, enhancing transparency and accountability and increasing efficiency and impact.

Appendices

Appendix 1 – Individual Community Stakeholder Meetings

(Excludes those who attended workshops)

Note – Some stakeholders focused on particular issues, but many included some discussion of a number of issues related to the Review

Date	Meeting
April 10, 2019	Somerset West Health Centre – re rooming houses
April 10, 2019	Carleton University Students' Association
April 12, 2019	Algonquin College
April 15, 2019	University of Ottawa
April 16, 2019	Eastern Ontario Landlord Organization
April 22, 2019	Ottawa-Gatineau Hotel Association Ottawa Tourism
April 24, 2019	Carleton University
April 25, 2019	Airbnb
May 30, 2019	ACORN
June 26, 2019	Airbnb
June 27, 2019	Lepine Apartments
June 27, 2019	ACORN Public Meeting
July 9, 2019	Meeting with local residents and Councillor Diane Deans at Greenboro Community Centre
August 20, 2019	ACORN Public Meeting
August 21	Action Sandy Hill
August 30, 2019	Ottawa-Gatineau Hotel Association Ottawa Tourism

Many other stakeholders participated in the Workshops

Councillors Interviewed

Councillor Menard

Councillor Fleury

Councillor McKenney

Councillor Sudds

Councillor King

Councillor Chiarelli

Councillor Dudas

Appendix 2 – Workshops

Note – The intended topic is shown, but many included some discussion of other issues related to the Review.

May 27, 2019	Student Housing - 6:30pm South East Ottawa CHC
May 28, 2019	Short Term Rental - 6:30pm Heron Community Centre
May 29, 2019	Student Housing - 6:30pm Ben Franklin Place
June 4, 2019	Rental Housing - 6:30pm Hintonburg Community Centre
June 5, 2019	Short Term Rental - 6:30pm Larkin House Community Centre
June 6, 2019	Student Housing - 6:30pm Sandy Hill Community Centre
June 7, 2019	Rooming Houses - 9:30 am Somerset West Community Health Centre
June 10, 2019	Short Term Rental - 6:30pm Ottawa City Hall
June 12, 2019	Short Term Rental Workshop – 6:30pm Ottawa City Hall
June 13, 2019	Short Term Rental - 6:30pm Ottawa City Hall
June 17, 2019	Rental Accommodations (in French) – 6:30pm Richelieu Vanier Community Centre
June 20, 2019	Short Term Rental Workshop – 6:30pm Ottawa City Hall

Appendix 3 - Results of Online Survey commenting on Policy Options Report

Rental Housing Options Paper

Status:	Closed	Partial completes:	185 (9.7%)
Start date:	2019-08-15	Screened out:	0 (0%)
End date:	2019-09-05	Reached end:	1,716 (90.3%)
Live:	22 days	Total responded:	1,901
Questions:	9		
Languages:	en, fr		

1. Please rate your support for each of the policy options concerning rental regulations in low-density (R1 and R2 zoned) residential neighbourhoods?

Sub-questions	Resp.	% of responses	avg	med	SD
Provide more proactive enforcement, similar to parking control and issue tickets when violations are spotted. (garbage, weeds/long grass, snow and ice, etc.)	1885		3.42	4	1.48
Adopt a demerit system (a 'three-strikes' system) to increase penalties and possibly revoke rental permits for repeat offenders.	1877		3.39	4	1.64
Limit the number of bedrooms or percentage of each dwelling that can be used for bedrooms.	1881		3.16	3	1.61
Require registration and inspection of all rental units in low-density zones in close proximity to post-secondary institutions, or where problems emerge.	1881		3.08	3	1.65
Require registration and inspection of all rental units in all low-density neighborhoods city-wide.	1879		2.9	3	1.68
Average: 3.19 — Median: 3 — Standard Deviation: 1.63					
<ul style="list-style-type: none"> ■ 1. 1 (Strongly Oppose) ■ 2. 2 ■ 3. 3 (Neutral) ■ 4. 4 ■ 5. 5 (Strongly Support) ■ - No Opinion 					

2. Please rate your support for each of the policy options for rental regulations in medium-density (R3 and R4 zoning) and high-density (R5 zoning) residential neighbourhoods :

Sub-questions	Resp.	% of responses	avg	med	SD
Provide more proactive enforcement, similar to parking control, and issue tickets when a violation is spotted.	1759		3.46	4	1.51
Require registration and inspection of all low-rise rental properties (4 storeys or less, 10 units or less) across the downtown.	1761		3.12	3	1.72
Require registration and inspection of all low-rise rental properties (4 storeys or less, 10 units or less) across the City.	1761		3.02	3	1.71
Require city-wide registration and inspection of all rental accommodations in R3 and R4 zones.	1760		3.01	3	1.71
Average: 3.15 — Median: 4 — Standard Deviation: 1.68					
<ul style="list-style-type: none"> ■ 1. 1 (Strongly Oppose) ■ 2. 2 ■ 3. 3 (Neutral) ■ 4. 4 ■ 5. 5 (Strongly Support) ■ - No opinion 					

3. Please rate your support for the following policy options for larger apartment buildings:

Sub-questions	Resp.	% of responses	avg	med	SD
Increase pro-active inspections at problem addresses (deteriorating buildings) and force a resolution.	1752		4.05	5	1.37
Create a Pest Control By-law to identify steps landlords and tenants must take to deal with pest infestations.	1750		3.9	5	1.44
Require registration and inspection of all apartment buildings with more than ten units.	1754		3.51	4	1.64
Average: 3.82 — Median: 5 — Standard Deviation: 1.50					
<ul style="list-style-type: none"> ■ 1. 1 (Strongly Oppose) ■ 2. 2 ■ 3. 3 (Neutral) ■ 4. 4 ■ 5. 5 (Strongly Support) ■ - No opinion 					

4. Please rate your support for each of the following policy options:

Sub-questions	Resp.	% of responses	avg	med	SD
The City should help tenants achieve their entitlements under the Residential Tenancies Act.	1749		3.27	3	1.62
The City should adopt policies to prevent the loss of affordable housing units through renovation or redevelopment, even if it slows renovation or redevelopment of older properties.	1752		3.2	3	1.67
Average: 3.23 — Median: 3 — Standard Deviation: 1.64					
<ul style="list-style-type: none"> ■ 1. 1 (Strongly Oppose) ■ 2. 2 ■ 3. 3 (Neutral) ■ 4. 4 ■ 5. 5 (Strongly Support) ■ - No opinion 					

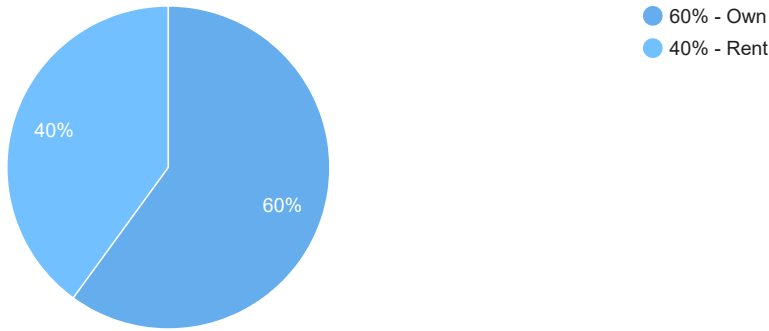
5. Please rate your support for each of the following policy options:

Sub-questions	Resp.	% of responses	avg	med	SD
The City should lobby the Province to resolve Landlord-Tenant Board cases more quickly, and provide more resources for tenants and small landlords.	1725		4.13	5	1.19
The City should do more to work with landlords when tenants refuse entry to a unit and seek court orders when necessary.	1720		3.92	4	1.26
The City should integrate rooming houses more closely with social housing and provide more support for tenants with mental health and addictions issues.	1722		3.78	4	1.37
The City should publish property standards reports, similar to Public Health inspections of restaurants.	1722		3.63	4	1.51
The City should support organizations that offer educational material to tenants and landlords.	1721		3.56	4	1.42
The City should implement a demerit system (a 'three-strikes' rule) for all regulated rental properties, with increasing fines or other penalties for non-compliance.	1722		3.44	4	1.62
Average: 3.75 — Median: 4 — Standard Deviation: 1.43					
<ul style="list-style-type: none"> ■ 1. 1 (Strongly Oppose) ■ 2. 2 ■ 3. 3 (Neutral) ■ 4. 4 ■ 5. 5 (Strongly Support) ■ - No opinion 					

6. Do you have any other comments regarding rental housing policy options for the City of Ottawa to consider ? (2000 character limit)

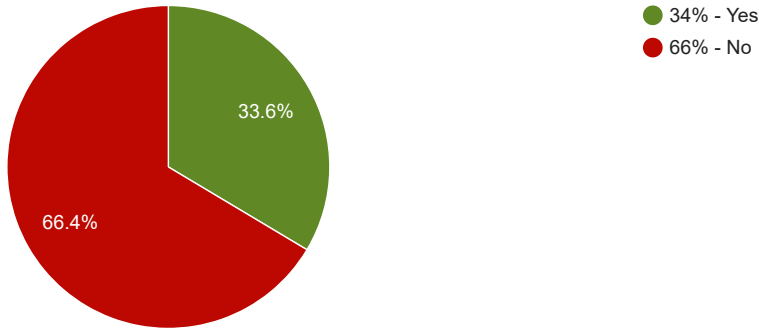


7. Do you own or rent your primary residence?



n=1716

8. Do you own any residential properties that you rent to others?



n=1716

9. What are the first three digits of your postal code? (Format: A1A)

