




INFORMATION REPORT

TO:	Chair and Members Planning Committee
COMMITTEE DATE:	June 13, 2023
SUBJECT/REPORT NO:	Rental Housing Licensing Pilot Program Update (PED21097(d)) (Wards 1, 8 and part of 14)
WARD(S) AFFECTED:	Wards 1, 8 and part of 14
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SIGNATURE:	

COUNCIL DIRECTION

At its meeting on August 13, 2021, Council approved item 9 of Planning Committee Report 21-012 directing staff to report back to the Planning Committee every 6 months with an update on the Rental Housing Licensing Pilot Program for Wards 1, 8, and parts of Ward 14.

INFORMATION

This is the third information update on the status of implementing the Rental Housing Licensing Pilot Program (Pilot Program) for Wards 1, 8 and parts of Ward 14. Focusing on the information in Zone 1-4 collected from April 1, 2022, to March 31, 2023.

Rental Housing Licence Applications

During the application in-take period for Zone 1-4, see attached as Appendix "A" to Report PED21097(d):

- **223** rental housing licence applications have been received by the City's Licensing Section.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

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- **311** zoning verification applications have been processed by Zoning Examiners.
- **84** inspections have been completed by the Hamilton Fire Prevention Division.
- **69** licensing compliance (property standards) inspections have been completed by the Licensing Compliance Officers (LCO).
- **69** of Licenses issued as of March 31, 2023.

Of the 223 applications submitted:

- 84.3% of the applications operate as single-family dwelling units.
- 7.9% are duplexes (two-family dwelling units).
- The remaining 7.8% are three and four family dwelling units.
- There is an average of 5.5 bedrooms per unit.

During the licensing process:

- 12 rental properties were determined to be operating as illegal duplexes.
 - 3 of these properties were identified as a duplex via the occupancy assessment completed during the fire inspection.
 - 9 of these were identified through the zoning verification certificate, as not legally recognized. A building permit is required to recognize illegal dwelling units.

Compliance Rates

Based on the original identified list of suspected Rental Housing Units presented to Council, below are the percentages of applications received and licences issued:

Status	Zone 1	Zone 2	Zone 3	Zone 4
Applied	40.3%	33.1%	25.3%	6.1%
Licensed	13.4%	15.3%	9.8%	0.8%

23.8% of all applications received are a direct result of pro-active enforcement.

Licensed Rental Units

Between April 1, 2022, to March 31, 2023, a total of 69 licenses have been issued:

Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
27	24	14	2	2

The average days to licence for a rental housing licence is approximately 86 days, inclusive of the administrative process, completion of electrical, fire and property standard inspections, coordinating date and times with the property owner and

compliance of any outstanding requirements (orders, open building permits). Staff recognize that this average days to licence is high, and attribute it to a combination of administration, Electrical Safety Authority inspection delays and working with property owners to coordinate Fire and Licensing inspection dates.

Trends to Date

Occupancy Change

To date, 6 of the rental housing properties have been determined as lodging homes by Fire Prevention during their inspection (occupancy assessment). One of these homes changed occupancy by reducing the number of tenants from 6 to 4. This allowed the property owner to obtain a rental housing licence and avoid re-zoning the property to permit the lodging home, as a lodging home was not a permitted use within the zone.

The remainder 5 homes are currently in the process of changing the operations of their rental units to reflect that of a single housekeeping establishment (single family dwelling unit). These properties also do not permit lodging homes under the City of Hamilton Zoning By-law. None of the determined lodging homes have moved forward with legalizing the use through a Committee of Adjustment (COA) application. All appear to be decreasing tenant occupancy to fall within the Rental Licensing framework.

Proactive Licensing Investigations

To date, LCO's have investigated 657 properties in zones past their application period. A larger number of these have been proactive visits in addition to visiting properties on the original rental housing properties list. As noted in the report, these LCO investigations have resulted in an increase in zoning verification applications and licence applications. Prior to proactive enforcement, Licensing was receiving approximately 16 applications per month. Following increase proactive enforcement that number has increased to 26 per month (average).

With increased applications submitted and requiring inspection, less time is available to proactive enforcement. Staff would benefit from additional resourcing focused solely on pro-active enforcement methods.

Of the pro-active work to date:

- 119 properties did not require a rental housing licence.
- 45 suspected rentals were identified as multi-residential properties (containing 5 or more self-contained units), falling outside the scope of the Rental Housing Licensing By-law.
- 74 were identified to be solely owner occupied.

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- 42 Notices of Non-Compliance have been served to properties passed the application period and requiring a licence.
- 1 Administrative Penalty Notice has been issued for non-compliance.

Through pro-active enforcement measures, we have identified an additional 84 suspected rental properties not originally identified.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report PED21097(d) – Application Zone Map