

August 6, 2021

Planning Committee  
Hamilton City Hall  
2nd floor - 71 Main Street West  
Hamilton, Ontario L8P 4Y5

**RE: License Rental Housing (PED21097/LS21022) (Wards 1, 8 and parts of Ward 14)**

The Hamilton and District Apartment Association (HDAA) wishes to provide our thoughts on the Rental Housing Licensing pilot project up for discussion at the August 10, 2021 Planning Committee meeting as we believe it will have a direct impact on rental housing in the City of Hamilton and will affect the way housing providers operate.

The HDAA has read the staff report for the Rental Housing Licensing pilot project and their recommendation to postpone the matter to Q1 of 2023 due to the strains brought on by the pandemic. The HDAA strongly disagrees with licensing in the City of Hamilton and particularly with it being implemented during the current atmosphere and are in strong support of the staff recommendation of the matter being delayed until the circumstances have improved.

As noted in the staff report “the COVID-19 pandemic has significantly increased the pressure on the City’s rental market and the housing system in general. For tenants, rents for new units are increasing, vacancy rates are down especially for the most affordable units, and there is potential for high levels of displacement following the ending of the provincial moratorium on evictions. Introducing a rental housing licensing regime at this time could have a further destabilizing affect on the rental housing market.” We believe this point very accurately summarizes the current environment we are in as well as the many reasons implementing a licensing regime at this time would be very detrimental. Another point to consider is the loss of rental supply due to units converting back to being owner occupied. Housing prices during the pandemic have risen sharply resulting in some landlords putting their rental units on the market which are then bought by buyers who intend to owner occupy, diminishing the rental supply further.

Licensing, as has been argued by us in the past, and its subsequent fees will be downloaded to tenants, resulting in increased rents, would hurt rental supply by discouraging the creation of new units and causing displacement and would be an extra burden both financially and in manpower to the City. As noted in the staff report the cost to implement licensing in the City would result in a cost of approximately \$330,892, which in the current environment the City of Hamilton cannot justify.

The issue of displacement of tenants in the City also needs more attention. With a licensing regime put in place there may be situations where units will need to be shut down causing displacement of tenants with some potentially ending up on the streets. The City will need to make sure it accounts for this and will need a concrete plan in place to make sure tenants have somewhere to go should their unit need to be shut down by the City. In the current environment, rental supply, and in particular affordable rental supply, is hard to find and this poses a very large problem as it will be challenging to find adequate housing for tenants that will need to be displaced.

Furthermore, and as the staff report touches on as well, the City of Hamilton has implemented two new initiatives in regards to rental housing and supply. One being the secondary dwelling initiative which will

provide opportunities for more rental supply through the creation of secondary dwellings. The second being the review and amendment of the property standards by-law which brings with it an expanded scope and addresses many concerns tenants and tenant groups have had. The affects of these two initiatives will need some time to be felt and may very well address most of the concerns tenant groups have been having, and perhaps may even diminish the need for a licensing regime altogether.

The HDAA does not believe the City of Hamilton will be in an environment that will justify the need for a licensing regime in the foreseeable future, particularly with the many other avenues that can be explored, and does not believe the suspected benefits will outweigh the negative repercussions of such a regime, or the burden that would be placed on the City to implement it. We strongly agree with many of the points made in the staff report, and although we prefer the matter of a licensing regime be decided against in general, we do believe that it would be the most wise to postpone a discussion on the matter until we are fully recovered from the pandemic and are able to see how the rental market recovers. We also believe the two new initiatives made by the City will need more time to make their full impacts known as they may solve many of the issues a licensing regime would be seen to encompass.

The pandemic has brought with it many negative impacts on the residents of Hamilton and the City would be exacerbating the issues by considering a licensing regime at this time. We hope the City takes their own staff recommendations into strong consideration and agrees that they would be ill-advised to proceed with this matter during the current atmosphere.

Respectfully yours,

**Hamilton and District Apartment Association**