



CITY OF HAMILTON
HEALTHY AND SAFE COMMUNITIES DEPARTMENT
Housing Services Division

TO:	Chair and Members General Issues Committee
COMMITTEE DATE:	June 19, 2024
SUBJECT/REPORT NO:	Contractual Obligations and Substandard Tenant Conditions (HSC24009) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Elissa Press Pilar Homerston (905) 973-1129
SUBMITTED BY:	Michelle Baird Director, Housing Services Division Healthy and Safe Communities Department
SIGNATURE:	<i>Michelle Baird</i>

RECOMMENDATIONS

- (a) That Housing Services and Municipal Law Enforcement staff be directed to develop a process to review and respond to property standard violations as they relate to rent subsidy units, with the results reported annually in the Social Housing Update Report.
- (b) That the Outstanding Business list item concerning the contractual relationship with landlords be considered complete and removed from the Outstanding Business List.

EXECUTIVE SUMMARY

On August 17, 2023, Emergency and Community Services Committee approved a motion directing staff to investigate the status of contractual relationships with landlords in receipt of rent subsidies and providing substandard tenant conditions.

Due to the cyber disruption and loss of access to operating systems, staff are not able to identify the current status of contractual relationships with providers receiving subsidy. This has put a limitation on the scope of analysis that can be performed to suggest changes to current practice. It was clear however, that there is no formal

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communication between departments to identify properties with past due Orders to Comply and who are in receipt of a rent subsidy.

This report recommends that staff be directed to strengthen the relationship between the Housing Services Division and Licensing and By-law Services to develop a process for sharing data between the two departments, as well as a process for following up with providers who are not meeting contractual obligations. A summary of this data, including actions taken by the City of Hamilton, will be reported annually to the General Issues Committee through the Social Housing Update Report.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Not applicable

Staffing: Not applicable

Legal: Legal Services was consulted to review and provide feedback on the content of this report.

HISTORICAL BACKGROUND

As a result of delegations from tenants who are experiencing deplorable living conditions, on August 17, 2023 Emergency and Community Services Committee approved a motion to better understand the contractual relationship between the City of Hamilton and landlords with respect to rent subsidies and substandard tenant living conditions.

On February 15, 2024, Council approved report PED23072(b)/HSC23023(c) Opportunities for Tax Levy Savings in the Hamilton Apartment Rental Program and Tenant Support Program. Based on the new timeframe for the Safe Apartment Buildings By-law, staff anticipate that initial evaluations of all registered buildings City-wide would be completed by September 2027.

Both the recently Council-endorsed Hamilton Tenant Support Program and the Hamilton Apartment Rental Program help to further protect tenants' rights. While not specific to rent subsidy units, by being all encompassing, these programs provide additional mechanisms to ensure that rental units are well maintained.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

There are no policy implications or legislated requirements associated with the recommendation in report HSC24009.

The primary approach for municipal agreements for addressing quality is ensuring that agreement holders comply with other legislation. Given that City By-laws and other legislation exist to define the landlord's responsibilities in respect of the conditions of apartments, redefining this within our agreements is not necessary because the agreements require compliance with applicable City By-laws and Provincial legislation.

RELEVANT CONSULTATION

The following internal divisions were consulted, and are supportive of the recommendation:

- Corporate Services Department, Legal and Risk Management Services Division, Legal Services Section
- Corporate Services Department, Financial Planning Administration and Policy Division
- Planning and Economic Development Department, Licensing & By-law Services Division

ANALYSIS AND RATIONALE FOR RECOMMENDATION

This motion approved by Committee was a result of delegations from tenants who are experiencing deplorable living conditions. Committee approved the motion to better understand the City's obligation to ensure landlords are maintaining units in a condition fit for habitation and in a state of good repair when receiving subsidy from the City of Hamilton. Information requested through recommendation (b) of the motion has been provided in Appendix "A" to Report HSC24009. This information helped form the recommendation.

Monitoring if a unit is substandard requires staff with the requisite skill set and staff who are properly resourced to respond to tenant complaints. Currently, property standard violations fall under the domain of Licensing and By-law Services. Municipal Law Enforcement Officers also track and investigate all formal complaints lodged against landlords to determine if there is a By-law violation.

In 2023, the City of Hamilton provided some form of rent subsidy for approximately 8,255 units/households. Appendix "B" to Report HSC24009 provides a summary of landlord agreement contractual obligations under the various forms of rent subsidy. Not all landlords who provide rent subsidies have signed agreements with the City of Hamilton. Agreements with the City reference the need for compliance with other

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legislation, codes, and By-laws to ensure that units are maintained in a satisfactory state of repair. Landlords who have agreements with the city and are in contravention of an agreement risk losing their subsidy.

To determine the scope of this issue, staff propose that communication between Social Housing Services Division and Licensing and By-law Services be strengthened. Specifically, staff have identified the need to cross reference property standard violations with subsidized rental units. A process for Housing Services Staff to receive data from Licensing and By-law Services for landlords in receipt of rent subsidies will be developed. This data will also be reported on in the annual Social Housing Update Report.

ALTERNATIVES FOR CONSIDERATION

Not applicable

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report HSC24009 – Information pertaining to the relationship and obligations between the City of Hamilton and Landlords

Appendix "B" to Report HSC24009 – Rent Subsidy Agreements with the City of Hamilton