



Hamilton

INFORMATION REPORT

TO:	Chair and Members Planning Committee
COMMITTEE DATE:	November 19, 2024
SUBJECT/REPORT NO:	Rental Housing Licensing Pilot Program - Update (PED21097(f)) (Wards 1, 8 and parts of 14)
WARD(S) AFFECTED:	Wards 1, 8 and parts of 14
PREPARED BY:	Dan Smith (905) 546-2424 Ext. 3465
SUBMITTED BY:	Monica Ciriello Director, Licensing & By-law Services Planning and Economic Development Department
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 14.

INFORMATION

This is the fifth Information Report on the status of the Rental Housing Licensing Pilot Program (Pilot Program) for Wards 1, 8 and parts of 14, focusing on information from zones 1-7 collected between April 1, 2022 – September 13, 2024.

As of September 20, 2024:

- **1002** rental housing license applications have been received by the City’s Licensing Section
- **786** zoning verification applications have been processed by Zoning Examiners
- **420** licensing compliance (property standards) inspections have been completed by the Licensing Compliance Officers
- **289** licenses issued.

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.

Appendix “A” to Report PED21097(f) details data that has been collected through the stages of the Rental Housing Licensing Pilot Program up to September 13, 2024.

Trends to date:

Proactive enforcement

Each zone within the Pilot wards had an application in-take period of three (3) months. As of December 31, 2023, proactive enforcement of the Rental Housing Licence By-law has begun in all seven (7) zones.

To date, Licensing Compliance Officers have proactively investigated 1910 properties in zones past their application in-take period. These investigations have resulted in an increase in zoning verification and licence applications. Staff have identified that 57.2% of all license applications have been received as a direct result of proactive enforcement since the application period began. Dedicated proactive enforcement methods have resulted in additional applications and improved compliance rates.

Proactive and reactive enforcement strategies have promoted licensing compliance, as most license applications received since August 2023 have been the result of licensing enforcement.

Occupancy Change

To date, 21 rental housing properties have been identified as lodging homes by Fire Prevention during their inspection (occupancy assessment). Five (5) of these homes changed occupancy. This change has allowed the property owners 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. Three of these homes requested that Fire Prevention reassess the occupancy, ultimately resulting in the homes being determined as single detached dwellings.

The remaining 13 homes are currently in the process of changing the operation of their rental units to reflect that of a single housekeeping establishment (single detached dwelling). These properties also do not permit lodging homes under the City of Hamilton Zoning By-law.

Impacts of the Cybersecurity Incident

The Cybersecurity Incident has had an impact on the Pilot Program, leading to longer-than-expected timelines for completing work and a temporary pause in certain aspects of the Pilot Program during the initial recovery phase.

Despite these challenges, Licensing and By-law Services staff have worked diligently to address the situation. While file data and documents with respect to applications submitted before the Cybersecurity Incident were unfortunately unrecoverable. Licensing Administrative staff and Licensing Compliance Officers have worked cooperatively with applicants and licence holders to regain access to previously submitted documents. Staff have requested the resubmission of applications and supporting documents to reestablish the necessary application records. While this process has been time-intensive and, at times, been frustrating for property owners and complainants, their cooperation has been appreciated. Approximately 570 applications have been impacted.

Zoning Verification Certificates, required by Licensing and By-law Services and Hamilton Fire Prevention for completing application requirements and rental property inspections, were also affected. Operational impacts to the Zoning section within the Planning Division meant that new applications processed after the Cybersecurity incident were temporarily unable to obtain zoning certificates. This resulted in delays for applications moving forward to the licence issuance stage.

Progress is being made, and, as of September 9, 2024, the Zoning section has resumed processing applications received during this period. Zoning Verification Certificates can now be submitted as part of the Licensing application process, with positive progress being made to address the backlog. 130 licence applications were impacted, and efforts are ongoing to move these forward efficiently.

Comprehensive Review of the Pilot Program

The pilot program will conclude December 31, 2025. A staff recommendation report to Planning Committee on a review of the pilot program will be completed in Q4 of 2025, prior to conclusion of the pilot.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report PED21097(f) - Data