
**CITY OF TORONTO
ROOMING HOUSE ISSUES AND FUTURE
OPTIONS**

FINAL REPORT

April, 2004

Prepared by



in association with

RICHARD DRDLA ASSOCIATES

Forward

This Final report is one of three reports prepared for the study of Rooming House Issues and Future Options for the City of Toronto. This final report provides a summary of the main findings of the study and sets out recommended options for future consideration by the City found in background reports One and Two.

The Two Companion Background Reports are:

- **Background Report One: A Description of the Rooming House Sector**
This report provides a profile of the rooming houses and their tenants and owner/operators; and a review of the economics of rooming houses and the role of the City in supporting the sector.
- **Background Report Two: Regulation And Licensing Of Rooming Houses In The City Of Toronto And Other Jurisdictions**
This report is a compilation of three papers dealing with the regulation of rooming houses, and addressing specifically these topics:
 - the current regulatory practices in other Canadian cities;
 - the current regulatory practices in the City of Toronto; and
 - the main considerations affecting what should be licensed.

This study was undertaken by SHS Inc. in association with Richard Drdla Associates Inc.

The study was directed by Rosemary Foulds, Policy Development Officer, in the Shelter Housing and Support Division of Community and Neighbourhood Services.

Guidance and input was provided by a Steering Committee with representatives from various City Departments, and a Rooming House Working Group with representatives from the various constituents of the rooming house sector.

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Rooming House Steering Committee

Name	Organization
Arnie Rose	Shelter, Housing and Support
David Spence	City Planning
Fiona Chapman	Municipal Licensing and Standards
Frank Weinstock	Municipal Licensing and Standards
Gaye Hainsworth	Social Services
Greg Suttor	Shelter, Housing and Support
Hugh Lawson	Toronto Community Housing Corporation
Italo Joe Luzi	Municipal Licensing and Standards
Jack Collins	Toronto Fire Department
Katherine Chislett	Shelter, Housing and Support
Maria Herrera	Public Health
Pam Coburn	Municipal Licensing and Standards
Rosemary Foulds	Shelter, Housing and Support
Scott Sullivan	Municipal Licensing and Standards
Ted Scovell	Toronto Fire Department

Rooming House Working Group

Name	Organization
Adriana Grant	WoodGreen Community Centre
Allen Mernick	Inglewood Arms
Arnie Rose	Shelter, Housing & Support
Bill Munro	Bosley Real Estate Ltd.
Brian Forth	Circle of Life Homes, Inc.
Carmel Hili	Christian Resource Centre
Charlotte Grad	George Street Apartments
David Johnston	Project Connect
Diana Sadikoij	WoodGreen Community Centre
Italo Joe Luzi	Municipal Licensing & Standards
Jim Berger	B Jim Berger C.A.
Judith Binder	Canada Mortgage and Housing Corporation
Ken Kennedy	Kennedy Residence
Laila Parpia	Shelter Housing & Support

Larry Chilton
Ligia Segura
Margaret Moores
Michael Quiggin
Mike O’Gorman
Murray Lowe
Pablo Escobar
Peter Cutten
Phil Nazar
Rebecca Norlock
Rosemary Foulds
Terry Kingsmill
Thoywell Kennedy
Tracey Smith

Toronto Rooming House Association
Dixon Hall School House Shelter
Habitat Services
Connect Project
Circle of Life Homes, Inc.
Bachelorette Owners Association
WoodGreen Community Centre
Circle of Life Homes Inc., Co-Chair
Christian Resource Centre
Habitat Services
Shelter Housing & Support, Chair
Region of Peel
Kennedy Residence
Shelter Housing & Support

Consulting Team

This study was undertaken by SHS Inc. in association with Richard Drdla Associates. The consulting team for this study was comprised of:

Edward Starr, Principal, SHS Inc.
Christine Pacini, Principal, SHS Inc.
Spencer Ferdinands, Research Analyst, SHS Inc.
Richard Drdla, President, Richard Drdla and Associates
Bushra Junaid, Associate, SHS Inc.



12981 Keele Street, Suite #3
King City, ON L7B 1G2

905-833-1313 (phone)
905-833-1132 (fax)

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EXECUTIVE SUMMARY

This final report is the culmination of a major research and consultation process aimed at identifying the role of rooming houses in helping to meet the affordable housing needs of the City of Toronto and at determining approaches that would strengthen the capacity of the rooming house sector to fulfill this role. This final report summarizes the key findings and recommendations developed over the course of the study. It is accompanied by two background reports providing extensive original data profiling the occupants of the City's rooming house stock, the owners of these rooming houses and the characteristics of the stock itself; discussing rooming house economics; examining the City's role in sector support; identifying issues around retaining and expanding the rooming house stock; reviewing the City's regulatory and licensing practices with respect to rooming houses; and examining practices of other jurisdictions with respect to facilitating the preservation and expansion of the rooming house stock.

The report finds that the rooming house sector is providing highly affordable accommodation to a wide range of household types and special needs groups (usually without any form of government subsidy), but is facing a number of financial, regulatory and other barriers and impediments that are threatening its viability. Indeed, the number of licensed rooming houses in the City has declined to about half of the number seen in previous decades (although the decline appears to have levelled out in the past 2-3 years).

Most licensed rooming houses are modest-sized facilities (i.e. less than 10 beds) operated by small independent investor/operators, who often possess little formal experience and training at the many complex facets of rooming house operations. In addition, research conducted during the course of the study found evidence that the number of unlicensed rooming houses in the City is likely equal to or greater than the number of licensed rooming houses, providing further evidence of the demand for such accommodation. Concerns were expressed about the standards being maintained in such facilities and ideas put forward to bring them into conformity with approved standards.

The detailed examination of the City's licensing and regulatory practices and of practices in other similar jurisdictions yielded a number of potential options for consideration in terms of reducing barriers and costs in rooming house operations and encouraging new supply. The report contains a number of recommendations in this regard.

The report also examines the range of initiatives currently underway at the City through which support is provided to the rooming house sector and suggests approaches through which these can be strengthened.

The report provides some 37 recommendations organized around a number of key themes, including:

- Supporting the Role of Rooming Houses in Meeting Affordable Housing Needs
- Improving the Regulatory Environment
- Strengthening the City's Role in Supporting the Rooming House Sector
- Implementation

It also suggests areas for further research to shed additional light on a number of key issues.

The full range of recommendations is summarized below:

1. That the City of Toronto adopt a resolution strongly recognizing the role of the rooming house sector in meeting affordable housing needs and indicating its willingness to work in an ongoing partnership with tenants, owner/operators, community agencies, lenders, neighbourhoods and senior levels of government to undertake initiatives aimed at strengthening this role.
2. That the two existing licensing systems be consolidated by incorporating the licensed rooming houses in former Etobicoke into the licensing system of former Toronto. (Short-Term)
3. That this licensing system be extended to include the existing authorized rooming houses in former York. (Short-Term)
4. That a Rooming House Team be established within MLS with inspectors dedicated exclusively to dealing with rooming houses and responsible for the property standards and the building code. (Short-Term)
5. That the regulations specific to rooming houses be integrated and consolidated in one document. (Medium-Term)
6. That the Rooming House Team assume responsibility for fire-safety in rooming houses, and the inspectors be cross-trained so that they are each capable of addressing this and all other regulatory aspects of rooming houses. (Long-Term)
7. That the properties being licensed include all older properties built as single-family houses, but converted to multiple occupancy without meeting the development standards set out in Part 9 of the Ontario Building Code. (Medium-Term)
8. That the term 'rooming house' be replaced with a more suitable one that is consistent with the character of the licensed properties. (Medium-Term)

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9. That an interim licensing and inspection program be initiated for existing unauthorized rooming houses that are identified by complaints or voluntarily until the new city-wide zoning is implemented. (Medium-Term)
10. That a program be developed to identify the remaining existing rooming houses and to encourage owners of eligible rooming houses to apply for a license. (Long-term)
11. That a “conflict resolution process” or similar program be developed for approving and licensing whenever possible existing rooming houses that do not conform with the new city-wide zoning by-laws. (Long-term)
12. That the land-use regulations permit rooming houses in all residential and residential-commercial zones.
13. That the associated development conditions be limited to those addressing legitimate development concerns.
14. That the minimum floor area standards be consistent with those in the Ontario Building Code, or the differences clearly explained.
15. That a new and more suitable definition and name be used for ‘rooming house’.
16. That the City pursue increased RRAP funding to provide additional assistance to rooming house operators for renovation, conversion and upgrading of rooming houses.
17. That the City, through its Energy Efficiency Office, make available information on energy savings measures to help operators reduce utility costs.
18. That the City expand the mandate of its Let’s Build Program to offer funding support for expansion of rooming house stock at least equal to the 2003 RRAP allocation for apartments or rooms.
19. That the City pursue additional funding under the RRAP Conversion Program to support the creation of additional rooming house stock through conversion of non-residential properties to rooming house use, as well as the conversion of single family dwellings and duplexes to rooming houses.
20. That the City, in association with other key stakeholders within the rooming house sector, commence a public education program to inform the public about the important role of rooming houses in meeting affordable housing needs and to help build public support for the sector.

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21. That the City, in association with the Rooming House Working Group, continue to advocate with lenders, insurance companies and CMHC for changes in lending and insurance practices and rates.
22. That the City, in association with the Rooming House Working Group, explore opportunities for group insurance and preferential lending packages for operators. In particular, the City should approach the Social Housing Services Corporation to explore opportunities to participate in the insurance program currently being facilitated by the SHSC for affordable housing operators.
23. That the City consider a loan program for the installation of sprinklers and monitoring devices in rooming houses in order to increase tenant safety, reduce risks and possibly lower insurance premiums.
24. That the City ensure that rooming houses are reclassified in 2004 under the residential property tax category as per recent amendments to Provincial legislation.
25. That the City approach CMHC to provide orientation sessions for potential borrowers on how to prepare a complete mortgage application and how applications are reviewed and assessed.
26. That City staff, working in close coordination with the Rooming House Working Group, monitor on an ongoing basis federal and provincial government policies and programs that have an impact on the rooming house sector and advocate for change that supports and strengthens the sector.
27. That the City advocate for changes to the new Canada-Ontario Affordable Housing Program to specifically provide funding to support the creation of new rooming house stock and other forms of housing providing affordable accommodation to low income single individuals.
28. It is recommended that the City advocate for expansion of Provincial supportive housing programs to offer greater support for initiatives such as Habitat Services that strengthen the financial viability of the rooming house sector, especially for personal care boarding lodges. In addition, it is recommended that CMHC extend its lending practices on affordable rental housing to include refinancing existing rooming houses or purchasing new rooming houses.
29. That the City, in association with the Rooming House Working Group, formulate and organize an ongoing education and training program for rooming house operators.
30. That the City advocate for increases in social assistance rates and minimum wage levels to increase the revenue potential of rooming houses.

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31. That the City continue to provide funding support to assist the CIWG in completing the revisions to the Rooming House Emergency Response Protocol and in refining participating agency agreements.
32. That the City examine the potential for ongoing support of displaced rooming house residents and enhance funding support for crisis intervention to enable implementing agencies to carry out their roles more effectively.
33. That the city support the creation, maintenance and distribution of a directory of rooming houses.
34. That the City explore and identify other ways to provide supports to tenants to help them maintain their tenancies.
35. That the City appoint a **Department** to undertake the lead role in implementing the recommendations of this report. The roles and responsibilities of this department would include:
 - Monitoring the availability of housing for low income individuals;
 - Monitoring trends in the financial position of housing providers;
 - Forecasting the need for housing of this type in the future; and
 - Implementing programs to address market conditions.
36. That the lead department prepare a detailed work plan for implementing the recommendations of this report. This work plan should be reviewed with the Rooming House Working Group and the Staff Steering Committee prior to moving forward.
37. That the **Rooming House Working Group** continue to act as the primary forum for discussing issues, identifying concerns and working towards solutions related to the rooming house sector. The lead department should work closely with the Working Group. The terms of reference for the Working Group should be reviewed and potentially enhanced to include commenting on any proposed changes to City regulations and standards affecting rooming houses.

1 INTRODUCTION

1.1 Background

Research conducted in 1998 by the Mayor's Task Force on Homelessness (the Anne Golden Report) found that rooming and boarding homes in the amalgamated City of Toronto accommodate an estimated 6,000 to 10,000 people. The report emphasized that they provide a crucial housing option to low income households in the City of Toronto. Generally, rooming/boarding houses provide decent yet inexpensive accommodation, primarily for individual seniors, younger singles, childless couples, small families and persons with psychiatric illness with few other housing options.

In view of the importance of rooming houses in meeting housing needs, the City has a strong interest in retention and expansion of the existing stock. It also has an interest in ensuring the health and safety of rooming house residents and ensuring that rooming houses make positive contributions to the neighbourhoods in which they are located.

This study has been undertaken to develop a better understanding of the role of rooming houses in helping to meet Toronto's affordable housing needs and to identify potential policies, programs and initiatives through which the City can assist the rooming house sector in more effectively fulfilling this role, while also protecting the well-being of rooming house residents and the neighbourhoods in which they are located.

Below we describe the key issues of concern in relation to the role of the rooming house sector in meeting affordable housing needs and the objectives of this study in addressing these issues.

1.1.1 Current Housing Market Conditions

Today's housing market poses great challenges for individuals and families with limited financial resources. Recent Census results find that the number of bachelor and one-bedroom units in the Toronto CMA renting for below \$700 per month has declined from 120,000 in 1996 to 63,000 in 2001. While vacancy rates have started to climb somewhat, most vacancies are in the higher cost units out of reach of lower income households. Termination of social housing programs has brought the production of new affordable housing supply virtually to a halt. The Housing Connections Coordinated Access Waiting List for rent-geared-to-income accommodation has grown to more than 60,000 applicants.

Single person households and lone parent families, in fact, comprise the majority of applicants on this waiting list and their numbers are continuing to grow. At the same time, the development of housing supports has not kept pace with the needs of people

who live with psychiatric illness and need appropriate affordable accommodation with supports. In view of these trends, the need for accommodation affordable to single persons and small families and suitable for those with psychiatric illness has intensified.

Rooming houses represent one of the few options available to such individuals. Most rooming houses provide shelter at monthly rents below \$500. Some provide not only inexpensive accommodation, but also meals, housekeeping and other services, including supports for persons with psychiatric illness. Rooming houses provide an opportunity for social interaction and a shared-living environment which many individuals find an important element of day-to-day living. Most operate with no government funding or subsidies, adding further to their value as a sustainable solution for those of lower income.

Yet, despite the growing need for such accommodation and the ability of rooming houses to help meet these needs, the number of licensed rooming houses in the City dropped steadily over the past decade and is now less than half the number observed in the 1970's (although the decline appears to have stabilized in the past couple of years, with the number of licensed rooming houses remaining fairly constant over this time period). At present, there are a total of 484 licensed (or license pending) rooming houses in the former City of Toronto and 20 in the former City of Etobicoke, down from some 1,200 in 1974.

Previous research has found many reasons for this decline, ranging from growing financial difficulties being experienced by many rooming house operators, to increasing difficulty obtaining financing and insurance, to resistance from existing neighbourhoods toward new facilities, to difficulties complying with the growing range of regulations governing their development and operations and other such factors. In view of the important role of rooming houses in meeting the housing needs of many lower income households, there is clearly a need to better understand the factors which affect the rooming house market and suggest options for the City to help strengthen and expand this important sector.

1.1.2 Regulatory Environment

One of the key factors affecting the provision and operation of rooming houses is the regulatory environment. Rooming houses are subject to an extensive range of regulations, many of which are municipally-imposed. The Municipal Licensing and Standards Division administers the property standards bylaw and supports the licensing commissioner in the licensing process. Toronto Fire Services provide inspection services and advice to the commissioner. The Legal Services Division is involved in licensing and enforcement where required. The City Planning Division reviews and administers land use issues related to rooming house location and development. Toronto Public Health is responsible for municipal standards of care where these apply to Boarding Home licensing or to compliance with standards of personal care.

In order to better enable rooming houses to contribute to meeting affordable housing needs, the City needs a clear understanding of the impacts of such regulations on the retention and expansion of the rooming house stock and needs to identify options and approaches for the City to consider in addressing identified concerns.

1.1.3 The City's Role in Supporting the Rooming House Sector

Beyond its regulatory role, the City plays an extensive role in supporting the rooming house sector. In particular, the City provides funding and/or support in four main areas:

1. Housing subsidies
2. Housing repair
3. Support to the sector
4. Support to owners and tenants

An important aspect of this study is an examination of the range of sector support roles being carried out by the City and identification of options and approaches for ensuring these activities are effective in addressing identified issues and concerns. There is also a need to understand non-regulatory approaches being used in other jurisdictions and identify any that might be applicable to the City.

1.1.4 The Changing Municipal Landscape

The last major review of rooming house issues took place in 1992, more than ten years ago. That review, in fact, dealt only with the former City of Toronto, whereas amalgamation has created the need to review such issues across the entire amalgamated City.

It is clear that the timing is most appropriate for a comprehensive review of this nature and that the changing municipal landscape creates further context within which to research rooming house issues and identify options and approaches for supporting the role of this key sector in meeting affordable housing needs.

1.2 Study Goals and Objectives

The terms of reference identified the overall goal of the study as follows:

“To review and describe the contribution of rooming houses to the city's current and future affordable housing supply. An examination of how regulation and support can help to sustain this housing stock will be completed. This will be achieved by collecting and analysing information about rooming houses and using the results to inform city decision making about rooming house policies, programs and options.”

A number of specific study objectives were identified. These are contained in Appendix One of this report.

1.3 Methodology

A wide range of activities were carried out to gather information and consult key stakeholders on the various issues being studied. These activities are outlined below.

1.3.1 Research Activities

- A review of previous literature on rooming houses in Toronto and elsewhere;
- Visits to some rooming houses to provide a first-hand look at the nature of the accommodation and the range of tenants being housed;
- Collection and analysis of data providing a profile of the rooming house stock, primarily based on the former City of Toronto's "BIDS" and assessment data bases;
- Collection and analysis of data from various sources providing a profile of residents living in rooming houses in the City of Toronto, including an original face-to-face survey of 100 rooming house residents in which we collected both profile information and viewpoints of tenants on a variety of issues;
- Collection and analysis of data providing a profile of rooming house owners and operators, primarily by means of a survey sent to every licensed rooming house operator in the City requesting both profile information and viewpoints of operators on a variety of issues;
- Collection and analysis of data from the City's rooming house "complaints" file and discussions with staff of the Municipal Licensing and Standards Division and other key community informants to investigate the potential incidence of illegal rooming houses;
- Analysis of financial data provided by a number of rooming house operators on the revenues and expenses of operating licensed rooming houses;
- A review of the regulatory environment affecting the provision and operation of rooming houses in the City of Toronto and a number of other Canadian cities where innovative regulatory approaches have been established; and
- A review of the non-regulatory role of the City in relation to the rooming house sector.

1.3.2 Consultation Activities

We have consulted with a host of individuals and organizations involved in the above areas to develop a better understanding of the issues and concerns with respect to these areas and to ensure wide-ranging and informed input into the development of options for consideration by the City. This consultation activity has been comprised of:

- Conducting discussion sessions with the Rooming House Working Group and its Finance, Insurance and City Charges Sub-committee;
- Conducting discussion sessions with staff of the Municipal Licensing and Standards Division;
- Conducting a focus group with staff involved in the various forms of regulation of rooming houses (including licensing, fire, health and planning);
- Conducting a survey of rooming house owners and operators;
- Conducting a survey of Housing Help Centres across the City;
- Conducting a focus group with rooming house owners and operators;
- Conducting 100 face-to-face interviews with rooming house tenants;
- Conducting personal and telephone interviews with a wide range of City staff;
- Conducting personal and telephone interviews with a wide range of community agencies, stakeholders and other key informants; and
- Conducting discussion sessions with the Staff Steering Committee.

In order to help provide a reference for consultation sessions, two background reports were produced over the course of the project, as follows:

Background Report One: A Description of the Rooming House Sector in the City of Toronto. This report provides a profile of the tenants, owner/operators and rooming house units comprising the rooming house sector in the City of Toronto. It also includes a discussion of the economics of rooming houses, identifies the role of the City of Toronto in providing support to the sector and identifies barriers to the retention and expansion of the rooming house stock.

Background Report Two: The Regulation of Rooming Houses in the City of Toronto. This report is a compilation of three research papers dealing with the regulation of rooming houses. These three papers address the following topics:

- Regulatory practices in other Canadian cities

- Regulatory practices in the City of Toronto
- Key issues related to the licensing of rooming houses

These background reports summarized the findings of the research and consultation activities and identified potential directions for policy and program development.

These potential directions were distributed to members of the Rooming House Working Group and to members of the Staff Steering Committee for consideration. Following receipt of comments, a draft final report was prepared and distributed to both groups. Discussion sessions took place in October with each group and comments were invited on the draft report.

Following receipt and review of these comments, we moved forward with preparation of this final report.

1.4 Format of this Report

This report summarizes the findings of the study and sets out a series of recommended policy options for consideration by the City. The two background reports noted above act as reference and background materials that form the basis for these recommendations.

Following this introductory section, Chapter 2 of the report summarizes in broad terms the key findings of the study. Also included are references to other studies and research that are relied on.

Chapter 3 outlines the recommended options for strengthening the capacity of the rooming house sector to contribute to meeting the city's affordable housing needs. These recommendations are based on the directions emerging from the research and consultation process carried out over the course of the study and are widely supported by participating stakeholders. In this section we:

- Summarize the key conclusions about each issue being addressed;
- State the policy direction that led to the recommended option;
- State the considerations that need to be taken into account when deciding on strategy to address each issue; and
- State the recommended approach/option for each issue.

Section 4 provides general direction about the implementation of the recommendations.

2 SUMMARY OF KEY FINDINGS

The research and consultation activities conducted over the course of the study gave rise to a number of key findings upon which to base the recommended options. These are presented in detail in the two background reports. Below we summarize the highlights of these background reports.

2.1 Highlights of Background Report One: A Description of the Rooming House Sector in the City of Toronto

2.1.1 Profiles of the Rooming House Sector

A host of sources were used to develop profiles of the tenants, owner/operators and the stock comprising the city's rooming house sector. These are described below, together with general findings and highlights. Detailed statistics are contained in Background Report One.

a) Tenants

Our research found that rooming houses play a significant role in accommodating a wide range of people who generally possess very limited choice in the housing market.

Several sources of data were used to develop the profile of tenants living in rooming and boarding houses, including:

- Data from the Toronto Community Housing Corporation describing the characteristics of tenants living in the 32 rooming houses operated by the Corporation;
- Data from Habitat Services describing the characteristics of tenants living in the boarding houses they administer;
- Data from the City's Ontario Works (OW) data base describing the characteristics of persons receiving OW assistance and living in licensed rooming houses;
- Data from the recent St. Michael's Hospital survey of the health needs of residents of rooming and boarding houses; and
- Data obtained directly by SHS Inc. through conducting face-to-face interviews with 100 rooming house residents recruited by Housing Help Centres across the City.

In view of the wide-ranging sources of data used to compile this profile, we believe it provides a highly comprehensive description of the range of individuals living in rooming houses across the city and the needs being met by the rooming house sector.

The key findings from the above sources of information on rooming house tenants are as follows:

Profile of Rooming House Tenants

Typical Tenant Make up	<ul style="list-style-type: none"> • Predominantly single men • Some single women, students, seniors, youth and single parent families with children
Age	<ul style="list-style-type: none"> • Primarily middle aged. • 64% of SHS-INC survey respondents were between 35 and 54. • 57.5% of TCHC rooming house clients were between 31 and 50 years of age. • 57.4% of Ontario Works recipients living in rooming houses were between 30 and 50 years of age. • Average age according to the St. Mike’s survey was 40.6 years
Income	<ul style="list-style-type: none"> • Most rooming house residents have low incomes with a minority working full or part time. The main sources of income are ODSP and OW. • 75.6% of rooming house tenants in TCHC housing were earning under \$15,000 a year. • 81.2% of SHS-INC survey respondents were earning under \$12,500 annually. 66.6% of these respondents were either OW or ODSP recipients.
Educational Attainment	<ul style="list-style-type: none"> • While most have achieved modest levels of education, many are graduates of secondary school or post-secondary programs • 34.6% of SHS-INC survey respondents had some high school education • 13.8% completed high school • 6.9% possessed only primary school education. • However, 18.8% possessed some college or university and 16.8% had completed college or university
Housing Satisfaction	<ul style="list-style-type: none"> • Most have limited housing options and expressed general satisfaction with their accommodation • 59.4% of SHS-INC respondents indicated that they were either very satisfied (17.8%) or somewhat satisfied (41.6%) with their rooming house. • 20.8% indicated that they were somewhat dissatisfied and 18.8% indicated that they were very dissatisfied with the rooming house
Other Major Findings	<ul style="list-style-type: none"> • Most are short-term residents looking for other forms of permanent affordable housing. Nevertheless, a considerable portion have occupied their current residence for a long period of time (several years) • Housing supports assist vulnerable tenants within this population to maintain their tenancies

	<ul style="list-style-type: none"> • There are many shared accommodation arrangements, not always strictly fitting the conventional definition of a rooming house
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The above information clearly demonstrates the wide-ranging profile of tenants living in rooming houses across the City. At the same time, however, given the wide range of characteristics of tenants living in rooming houses, the comment must be made that, for some (such as families with children living in some rooming houses), the choice of rooming house accommodation is essentially by default due to the lack of other forms of permanent affordable housing in the City. While pursuing strategies to preserve and expand the supply of rooming house stock, the City clearly needs to continue to pursue other alternative forms of accommodation that are of equal or greater suitability for some rooming house occupants (eg. more seniors accommodation, housing for youth, supportive housing for persons with mental health challenges, etc.).

b) Owner/Operators

Our research found that rooming houses owners/operators possess a range of characteristics, interests and concerns.

The primary source of information used to develop the profile of rooming house owner/operators was a survey conducted by SHS Inc. to which 20% of all owner/operators of licensed rooming houses responded (some 60 responses). City staff also assisted in conducting the survey. We also conducted a focus group session with rooming house owner/operators to obtain more in-depth information and viewpoints on key issues.

The key findings from these sources are as follows:

Profile of Rooming Owners/Operators

Concentration of Ownership	<ul style="list-style-type: none"> • The typical owner/operator is a private individual with one rooming house, although ownership is concentrated: 16% of owners have 40% of all licensed rooming houses
Management	<ul style="list-style-type: none"> • Most are small business owners forced to take on most day-to-day management and maintenance functions due to insufficient revenues to hire professional staff. Most have little formal training in the various aspects of owning and operating rooming houses (e.g. finance, maintenance, landlord-tenant legislation, municipal regulation, human behaviour, neighbourhood relations)
Rooming House Size	<ul style="list-style-type: none"> • The majority of owner/operators have facilities containing between 15 and 20 rooms, with some as small as 6 rooms and some as large as 100 rooms
Financial	<ul style="list-style-type: none"> • Owner/operators are facing financial pressure with high

Constraints	interest rates and rising insurance and utility costs on one hand and limited ability to raise rents because the incomes of their tenants are low and, in many cases, limited
Views on Regulation	<ul style="list-style-type: none"> • Most owner/operators support the regulation of rooming houses with the following caveats: are inspections needed annually? do all the inspectors need to show up each time? can they obtain some consistency and assurance about the interpretation of regulations? can there be more benefits associated with licensing?
Zoning	<ul style="list-style-type: none"> • They support permissive zoning across the amalgamated city.
Views on City’s Role in the Provision of Rooming Houses	<ul style="list-style-type: none"> • They would welcome city support to the sector to promote the need for affordable housing, support landlords and tenants in rooming houses, provide education to the public about the role of rooming houses, provide training to owner/operators and advocate to other players whose decisions affect the provision of rooming houses

c) The Rooming House Stock

Another key component of the rooming house sector is comprised of the rooming house stock itself. The City maintains a database of all licensed rooming houses, known as the City of Toronto Building Inspection Department System (BIDS). Using data from this database, we have developed a description of the licensed stock. In addition, the City also maintains a database that contains the assessment roll data for all residential properties throughout the amalgamated City. This database augments the findings from BIDS and provides an additional source of information on rooming house properties throughout the City.

At the same time, it is widely recognized that there are many rooming houses in various areas of the amalgamated City that do not fully comply with various regulations or legislation. For example, they may have been created without obtaining a building permit and/or license and could be in violation of building codes, health and safety standards, zoning and/or other such regulations. SHS-INC carried out a number of research activities to try and generally identify areas of such rooming houses, without identifying specific addresses in order to protect the tenants living in such facilities. A number of sources of information were used to identify the extent of these rooming houses across the city, including:

- A compilation of 1,000 newspaper advertisements for “rooms for rent”;
- the City of Toronto Zoning and Property Standards complaints file;
- a survey of housing help centres; and
- interviews with the City of Toronto “Trouble Shooting” teams

The key findings of these sources are as follows:

Profile of the Rooming Stock

Number of Rooming Houses	<ul style="list-style-type: none"> • According to the BIDS database, there are 484 licensed rooming houses in the former City of Toronto and 17 in the former City of Etobicoke • The Assessment Roll database identified a total of 574 properties zoned as rooming houses throughout the City of Toronto. As well, the assessment roll data identified a further 127 properties zoned as bachelorette units, for a total of 701 properties (574 rooming houses and 127 bachelorettes).
Creation of Rooming Houses	<ul style="list-style-type: none"> • Most are smaller facilities created through the conversion of former single family dwellings
Ownership	<ul style="list-style-type: none"> • The vast majority are privately owned (82.5%). Most provide affordable accommodation through private investment without government subsidy or assistance
Spatial Distribution	<ul style="list-style-type: none"> • The BIDS database showed three large concentrations – in the southwest end of the former City of Toronto (especially Parkdale and close to the Queen Street Mental Health Centre), in the area east of Yonge and south of Bloor and in the Annex adjacent to the University of Toronto. • According to the Assessment Roll Data, the majority, some 92.0%, are located in the former City of Toronto. The former York contains a total of 23 rooming houses (4.0%), while an additional 18 rooming houses (3.1%) are located in Etobicoke. The former municipality of Scarborough contains a total of two rooming houses (0.3%).
Structure Type	<ul style="list-style-type: none"> • According to the Assessment Roll data, 59.4% of the rooming houses were single detached, 29.4% were semi detached, 9.4% town/row houses. • The BIDS database did not provide information on structure type.
Average Number of Storeys	<ul style="list-style-type: none"> • The Assessment Roll data identified that most properties (85.4%) contained a total of two full storeys. A further 13.2% of the properties contained three storeys. Only a very small proportion, some 0.3% of the properties (2) contained four storeys. • In addition, some 38.3% of the properties contained two partial storeys. A total of 59 properties (10.3%) contained one partial storey, while 118 properties (20.6%) contained three partial storeys.
Number of Rooms	<ul style="list-style-type: none"> • According to the Assessment Roll data, rooming house properties contain between one and 54 rooms. Based on these findings, the average number of rooms is 9 (9.3) bedrooms per property

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	<ul style="list-style-type: none"> • A review of the BIDS database found that there were a total of 714 basement bedrooms, 2,035 first floor bedrooms, 2,341 second floor bedrooms, 1,501 third floor bedrooms and 72 bedrooms in properties with more than three floors, for a total of 6,663 rooms. As a result, rooming houses based on the BIDS database contain an average of about 16 (15.9) rooms per property.
Density/ Coverage Area	<ul style="list-style-type: none"> • Site and floor area data were available for only 479 of the properties contained in the Assessment Roll database. Of these properties, floor space ranged from a low of 0.07 to a high of 4.05 times lot area (coverage). Also, the average coverage area stood at 0.863 times coverage, while the median stood at 0.817 times coverage. The majority of the properties, a total of 61.6%, were between 0.501 and 1.0 times coverage. A further 21.5% were between 1.01 and 1.5 times coverage.
Age of Construction	<ul style="list-style-type: none"> • The Assessment Roll data showed that the majority of the properties were constructed prior to 1925. Some 93.5% of the properties were built prior to 1925, while 56.4% were built between 1900 and 1925. Only 1.2% of the properties were built between 1976 and 2000.
Zoning	<ul style="list-style-type: none"> • According to the Assessment Roll data, the majority of the total rooming houses (463 or 80.6%) are zoned as either, R1, R2, R3 or R4. A further 13.8% were zoned as C, C1, C2, C3, CI or CR
License Type	<ul style="list-style-type: none"> • According to the BIDS database, most properties contained either a Class 2 (41.1%) or Class 5 (17.6%) license. In addition, 13.8% contained a Class 1 license and 12.6% contained a class 3 license. • In total, 14.4% of rooming houses are personal care facilities (boarding houses) that provide meals and housekeeping services
Parking Spaces	<ul style="list-style-type: none"> • The Assessment Roll database identified a total of 33 properties with either one, two or three garages. For the remainder, a total of 541 of the properties, the database indicated that they contained no garages. Of those with garages, 18 had one, 12 had two and three had three garage spaces.
Unlicensed Stock	<ul style="list-style-type: none"> • Evidence suggests the widespread existence of unlicensed rooming houses across the amalgamated City. While exact numbers are impossible to quantify, the evidence suggests that the number of such rooming houses equals or exceeds the number of licensed rooming houses. Some major concentrations are located in proximity to post-secondary institutions, major transit routes, hospitals and other such locations.

	<ul style="list-style-type: none"> • While the existence of large numbers of such rooming houses is a concern from a regulatory standpoint, it also clearly demonstrates the extensive need for this form of accommodation • There are many other forms of shared accommodation which provide housing primarily for low income singles but are not defined as rooming houses according to the zoning bylaw and other municipal regulations. Most are also the result of the conversion of existing residential dwellings • SHS-INC collected a total of 1,000 newspaper advertisements from the Toronto Star and the Toronto Sun to try and quantify the number of such rooming houses throughout the amalgamated City. Of Advertisements, some 16.5% were for unfurnished rooms, 41.4% for furnished rooms and 42.1% for shared accommodation. • The cost of rent was unknown for a total of 212 advertisements (21.2%). Of the remainder, however, 47.7% cost between \$351 and \$500 per month and a fairly considerable proportion (10.2%) of the properties were charging over \$600 in rent per month. • In terms of spatial distribution, a high proportion of advertisements appeared along the Yonge and Bloor Street subway lines. Further concentrations are noted in and around post-secondary educational institutions such as York University and Seneca College • We also obtained a listing of rooming house complaints from the Municipal Licensing & Standards Division. There were a total of 672 rooming house properties in this listing. The majority of the complaints were for properties within the former City of Toronto. Additionally, there was a high concentration of complaints about rooming houses in close proximity to Seneca College. This finding supplemented our findings from the newspaper advertisements.
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2.1.2 The Economics of Rooming Houses

Our research found that the rooming house sector is facing serious economic challenges, as follows:

- Only a handful of lenders (primarily secondary lenders) will consider providing mortgage financing for rooming houses, and usually at a rate much higher than conventional mortgage loans. This places most private rooming house operators under severe financial stress in purchasing, creating, selling, repairing and operating rooming houses. Lenders generally will not recognize the value of rooming houses as viable businesses. The efforts of the Rooming House

Working Group are starting to turn around this situation, but it remains a major concern;

- CMHC has generally followed a practice of denying applications for mortgage insurance on licensed rooming houses. This has further handcuffed operators in obtaining financing for their facilities. Recently, the Rooming House Working Group has succeeded in obtaining a commitment from CMHC and major lenders to give greater consideration to applications for mortgage insurance on licensed rooming houses;
- Recent announcements by CMHC regarding their new rooming house mortgage insurance provisions are a concern to owner/operators. They apply only to new construction, whereas virtually all rooming houses in Toronto are created through conversion of existing structures; therefore they will have minimal impact. Further, rents in newly constructed projects do not compare favourably to rents in older existing buildings and therefore may not be supported by CMHC and approved lenders. It is felt that CMHC's initiative to finance newly created private sector stock will not stop the current decline in owner/operators. In addition, these new CMHC provisions are in contrast to their more liberal lending policies under the RRAP Rooming House Program. CMHC's approach needs to be consistent in dealing with affordable housing retention and expansion;
- Insurance rates for rooming houses have grown significantly in recent years, placing even more financial stress on rooming house operators. Insurance companies tend to charge much higher premiums for rooming houses than most other forms of residential property;
- At present, rooming houses are classified as multi-residential properties, which gives rise to property tax rates much higher than many other classes of property in the City. These high tax rates contribute further to the financial difficulties facing many rooming house operators. Recently, however, as an outcome of the Beaubien Report, the provincial government has given municipalities the authority to re-classify licensed rooming houses to the much lower residential rate, starting in 2004. This change should ease some of the financial burden on rooming house operators;
- Continued growth in the number and complexity of regulations (particularly fire codes) has added steadily to the costs of operating rooming houses;
- Given the limited incomes of most rooming house tenants, rooming house operators have limited ability to raise rents as their operating costs rise. Accordingly, the financial viability of some rooming houses has declined over time. The reduction in social assistance levels and the freezing of minimum wage levels in the mid-1990's have contributed significantly to this situation;
- The operating profits of most rooming houses are insufficient to enable operators to hire professional staff, so most tend to undertake as much of the day-to-day operations as possible by themselves. Given their lack of training, this can lead to concerns in many areas ranging from inadequate maintenance and repair to poor financial management, and so on; and
- Private rooming house operators generally can realize equity growth and capital appreciation in their properties if they are able to sustain them financially over the

long term. However, the decline in the number of licensed rooming houses provides evidence of the difficulty in long-term sustainability of such operations.

2.1.3 The City's Role in Sector Support

The City currently plays a wide-ranging role in providing support and assistance to rooming house tenants, owner/operators and community agencies. This support can be categorized into four functions:

1. Housing Subsidies

Housing subsidies are provided to social housing providers in order for low-income tenants to pay rent on a geared-to-income basis. About 17.5% of the rooming house sector is comprised of social housing units which receive a housing subsidy from the City. These units are primarily found in the Toronto Community Housing Corporation's portfolio.

2. Housing Repair

The City of Toronto, through CMHC's Residential Rehabilitation Assistance Programs (RRAP) provides forgivable loans to rooming house operators to repair their facilities. Between 1999 and 2003, an average of \$1,887,000 per year in forgivable loans was awarded to rooming house operators.

3. Support to the Sector

The City provides support to the rooming house sector in a variety of ways. In particular, staff from Shelter, Housing and Support chairs the Rooming Housing Working Group, a group of rooming house operators, housing support agencies and City staff involved in the sector. This group identifies key issues affecting the rooming house sector, co-ordinates research, shares best practices and advocates to senior levels of government, lenders and other stakeholders. The City also supports the sector by promoting the need for affordable housing through research, policy development, and advocating to senior levels of government.

4. Support to Owners and Tenants

The City also provides funding and support to owners and tenants of rooming housing. Habitat Services, Housing Support Workers at various agencies, Emergency Relocation Protocol, Project Connect and other programs received approximately \$6,370,000 in funding from the City in 2003 for programs geared towards helping owners and tenants of rooming houses. The City also provides staff resources to help tenants when a rooming house is closed, assists in the development of the Rooming House Emergency Response Protocol, participates in the Critical Incident Working Group and helps mediate neighbourhood/landlord/ tenant disputes. The City also has supported special initiatives such as the Parkdale Pilot Project and the Rupert Pilot Project, which

provided capital funding, operating per diems and site supports for rooming house tenants.

2.1.4 Retaining and Expanding the Rooming House Stock

A key goal of this study is to examine options for retaining and expanding the rooming house stock. The consultations undertaken in developing Background Report One identified a number of barriers to achieving these objectives, including:

- Restrictive zoning bylaws that effectively prohibit rooming house use across most of the amalgamated city (rooming houses are not a permitted use in more than 66% of residential areas across the city). The Parkdale Pilot Project serves as a ready example of the consequences of not moving forward on addressing zoning issues related to rooming houses and should be studied as one approach to moving forward on resolving the zoning issue;
- Financial barriers in the form of reluctance of lenders to approve mortgage financing, rapidly escalating insurance costs, high property taxes and ceilings on the incomes of many tenants;
- A reluctance among many investors to become involved in the creation and operation of rooming houses due to the complex regulatory environment;
- Ratepayer opposition in many areas to the creation of rooming houses, largely due to perceptions about the behaviour of rooming house tenants;
- A lack of funding programs aimed at supporting the retention and expansion of the rooming house stock; and
- The need for retention and expansion of the rooming house stock is actually part of a broader issue around the provision of various forms of affordable housing for low income single individuals. It was suggested that efforts need to be taken to look at the range of options and solutions for expanding these forms of accommodation.

2.2 Highlights of Background Report Two: The Regulation of Rooming Houses in the City of Toronto

In the course of the study, a review was made of the regulatory and enforcement practices now used in the City of Toronto, and also those in a sample of other cities across the country.

The review of the existing Toronto practices produced these main findings:

- Rooming houses in Toronto are subject to a wide array of diverse regulations contained in the following:
 - The existing zoning by-laws of the six former cities;
 - The city's new consolidated property standards by-law;
 - The province's 'retrofit' fire code and building code; and
 - Its public health protection legislation.

- There is widespread agreement among stakeholders about the importance of these forms of regulation in protecting the health and safety of tenants living in rooming houses and minimizing impacts on surrounding properties.
- The zoning regulations specific to rooming houses remain as they were in the six former cities. These regulations, which differ in many ways, can be summarized as follows:
 - In former Toronto, rooming houses are widely, but not universally, permitted;
 - In former Etobicoke and York, they are permitted but only in very limited areas; and
 - In former North York, Scarborough and East York, they effectively are prohibited.
- In general, with the exception of the zoning regulations, these regulations do not generally appear to cause a major impediment to creating rooming houses, but they can add to the cost and “red tape” of running one.
- Rooming houses are required to have a license in the former cities of Toronto and Etobicoke. The two licensing systems continue to be operated separately and under different rules. Licensing in both cases has been shown to be an important and effective way of enforcing regulations in rooming houses.
- The City’s current definition of rooming houses for licensing purposes may be inadequate in describing the variety of forms of accommodation for low income singles and needs to be addressed. Given that virtually all of these forms of housing involve conversions of existing residential dwellings, it is felt by many that consideration should be given to a broad-based definition for licensing purposes encompassing the range of housing forms that can be created through conversion to serve primarily the low income singles market.

The review of the other Canadian cities produced these relevant additional findings:

- Three cities — Edmonton, Winnipeg and Ottawa — have recently developed new programs for regulating their rooming houses pro-actively. Their intent was to maintain their existing rooming houses as affordable housing, while also ensuring that the tenants are living in safe conditions.
- In those programs, Edmonton and Winnipeg introduced notable changes to make their inspections more cost-effective. Specifically, they respectively consolidated all of their rooming houses regulations in one integrated document, and created a rooming housing branch with cross-trained inspectors capable of making an all-purpose inspection.
- All of the cities significantly underestimated the time and effort needed to establish these programs — first to identify the large number of previously uninspected stock, and then to ensure that they met the applicable standards.
- For the most part, the other examined cities offered lessons in how not to regulate rooming houses. They typically have very restrictive zoning, but enforce it and their other regulations only when complaints are made. As a consequence, rooming houses have proliferated widely in these cities, but they know little about their number or their condition.

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- There are two reasons for their “turning a blind eye.” Addressing these properties after years of ignoring them would require the cities either to loosen their restrictive zoning, or to close a substantial amount of housing. Also, while it is widely recognized that effective enforcement depends upon pro-active and regular inspections, the cities have been unwilling to commit the considerable on-going resources needed for them.

3 RECOMMENDED OPTIONS

Below we outline the recommended options for strengthening the capacity of the rooming house sector to contribute to meeting the city's affordable housing needs. These recommendations are based on the directions emerging from the research and consultation process carried out over the course of the study and are widely supported by participating stakeholders. In this section we:

- Summarize the key conclusions about the issue being addressed;
- State the policy direction that led to the recommended option(s);
- State the considerations that need to be taken into account when deciding on strategy to address each issue; and
- State the recommended approach/option for each issue.

3.1 Supporting the Role of Rooming Houses in Meeting Affordable Housing Needs

- **Key Conclusions**

Rooming houses are one of the most affordable forms of housing currently available in the city. They house a wide range of individuals in need of the most affordable forms of housing. Most operate without government assistance or subsidy. Retaining and expanding the rooming house stock, therefore, is a highly cost-effective means of increasing the accommodation options available to persons of low income and those with special needs.

- **Policy Direction**

Accordingly, it is in the best interest of City Council to support policies that strongly recognize the role of the rooming house sector in meeting affordable housing needs and to support an ongoing partnership with tenants, owner/operators, community agencies, lenders, neighbourhoods and senior levels of government aimed at strengthening this role.

- **Considerations**

City Council needs to adopt a resolution that both sends a message to all stakeholders about the importance of the rooming house sector in meeting affordable housing needs and acts as a foundation for a series of City policies and initiatives aimed at strengthening the capacity of the sector.

- **Recommended Option**

In accordance with the above, considerations should be given to the following:

1. That the City of Toronto adopt a resolution strongly recognizing the role of the rooming house sector in meeting affordable housing needs and indicating its willingness to work in an ongoing partnership with tenants, owner/operators, community agencies, lenders, neighbourhoods and senior levels of government to undertake initiatives aimed at strengthening this role.

All other recommendations identified below flow from this key policy position.

3.2 Improving the Regulatory Environment

The following recommendations are directed primarily at consolidating, extending and improving the licensing provisions for rooming houses. While there are also recommendations affecting the fire-safety, health and maintenance regulations, they are directed at how they are enforced through licensing rather than the regulations themselves.

The zoning regulations for rooming houses are not addressed in any detail. These regulations, which remain different in each of the former cities, also must be consolidated and harmonized. Resolving these differences is best done in tandem with the on-going preparation of the new city-wide zoning by-law.

The preparation of the new zoning by-law, which is likely to be complicated and take considerable time, need not and should not delay making improvements to the licensing system. There are many other aspects of licensing that can be addressed independently and improved in advance of these changes.

The main concern shared by both the zoning and licensing provisions is the definition for 'rooming house'. The definitions used in both should be consistent, but need not be identical because they are used for different purposes. In any case, the definition developed for the licensing provisions could reasonably take precedence, and subsequently inform that used in the zoning.

Some of these recommendations do anticipate that the city's new consolidated zoning by-law will permit rooming houses more widely, and particularly in the former cities where they are now effectively prohibited. If and when this occurs, the change could very significantly add to the workload of the enforcement staff. As a consequence, particular attention has been given to identifying how the enforcement procedures could be made more efficient as a way of handling the additional workload.

It is expected that the recommended changes to the licensing will be undertaken incrementally, as some can be undertaken more readily than others. With that in mind, the recommendations have placed in three categories:

- short-term for those that could be undertaken more or less immediately;
- medium-term for those that could be undertaken in the near future after more study; and
- long-term for those that must wait for the zoning revisions.

3.2.1 Harmonizing and Extending Licensing Regulations

Key Conclusions

Rooming houses are licensed in two separate systems being operated in the former Cities of Toronto and Etobicoke. The two are administered separately and operated under different regulations and procedures.

There are other approved rooming houses in the former City of York that are not subject to licensing, and therefore not regularly inspected.

Policy Direction

The City should consolidate and extend the licensing provisions so that all approved rooming houses are treated consistently across the city.

Considerations

The licensing system in the City of Toronto (with nearly 500 rooming houses) has the most developed administration and procedures of the two systems presently operating. It should be readily capable of absorbing the approximately 20 licensed rooming houses in former Etobicoke, and also the approximately 20 authorized but unlicensed rooming houses in former York.

Before the two existing licensing systems can be consolidated, the standards of personal care used in the rooming houses must be addressed. The two existing licensing by-laws contain separate standards that are significantly different in many regards. Staff have recommended that the consolidated standards be based upon those in former Etobicoke, but with various enhancements and revisions.

What complicates this issue is that these standards are intertwined with the unresolved issue of the licensing of retirement homes. This has been examined in a series of staff reports. Council has taken the position that the City should take no action because the province should be responsible for developing province-wide care standards for both rooming houses and retirement homes, and also funding their enforcement.

In the absence of a provincial response, harmonization of the licensing could still proceed in two possible ways:

- Integrating all other aspects of the licensing administration, but continuing to have the Public Health Department enforce the different standards when regulating the two sets of personal care rooming houses. The retirement homes currently licensed as rooming houses would continue to be regulated under the existing provisions, but no others would be added.
- Enforcing Etobicoke's personal care standards in both jurisdictions, with or without the recommended enhancements. Again, no additional retirement homes would be added.

Recommended Options

In light of the above, consideration should be given to the following:

Short-Term

2. That the two existing licensing systems be consolidated by incorporating the licensed rooming houses in former Etobicoke into the licensing system of former Toronto.
3. That this licensing system be extended to include the existing authorized rooming houses in former York.

3.2.2 Rationalizing Inspection Procedures

Key Conclusions

The current inspection procedures for licensed properties employ different inspectors for the main regulatory disciplines. Each of these inspectors often must make multiple visits to a property in order to succeed in making the first inspection, and also to ensure that any required work is completed properly.

These procedures are costly to the City, and often inconvenient for the operators and intrusive for the tenants. Rationalizing these procedures would be beneficial at the present time. It could become particularly urgent if the number of licensed rooming houses increases after the new city-wide zoning is in place.

Policy Direction

The City should rationalize inspection procedures to reduce the cost to the City and the hassle to the operators and tenants.

Considerations

The inspection process can be facilitated in various ways: by developing a team of specialist inspectors, cross-training these inspectors in all relevant disciplines, and consolidating the regulations.

The first step that can be most readily achieved is to develop a team of property standards inspectors specializing in rooming houses. Such a team appears to be justified by the number of properties that must be regularly inspected. It would also address the complaints from the landlords that they are too often receiving contradictory or incomplete advice because of the multiple duties of these inspectors and the general nature of the property standards.

This team should include staff trained in both property standards and the building code. Before amalgamation, the inspectors in Toronto were capable of addressing both matters. Restoring this practice would cut the number of separate inspections being made.

These inspectors also should continue to be responsible for the public health aspects in conventional rooming houses. The question of who should be responsible for the public health aspects of personal care rooming houses is best left until the wider issue of personal care standards is resolved (see section 3.2.1).

In time, consideration also should be given to incorporating the fire-safety discipline in this team, and cross-training every inspector in all aspects. The purpose would be to develop inspectors that were each capable of comprehensively inspecting every rooming house. Incorporating the fire-safety discipline would be complicated because it is governed by separate provincial legislation.

Consolidating and integrating the regulations would also assist in the inspection process. It would facilitate compliance by making the regulations more comprehensible to the rooming house operators. It would also provide an opportunity to address any conflicts and inconsistencies between the different regulations, and to develop basic solutions for common problems raised by these different regulations.

The consolidation also should specifically address these two aspects:

- As noted earlier, some inspectors are having difficulty in determining how the general property standards apply specifically to rooming houses. Therefore, it would be helpful to both the inspectors and landlords to develop an abridged document highlighting those most relevant to rooming houses.
- The fire officials in the city have developed a comprehensive set of compliance alternatives for retrofitting rooming houses. These alternatives provide practical solutions for most fire-safety compliance problems typically found in rooming

houses. It would assist the operators in understanding what is required, and presumably also facilitate compliance, if this information could be put in a readily accessible form.

Recommended Options

In light of the above, consideration should be given to the following:

Short-Term

4. That a Rooming House Team be established within MLS with inspectors dedicated exclusively to dealing with rooming houses and responsible for the property standards and the building code.

Mid-term

5. That the regulations specific to rooming houses be integrated and consolidated in one document.

Long-term

6. That the Rooming House Team assume responsibility for fire-safety in rooming houses, and the inspectors be cross-trained so that they are each capable of addressing this and all other regulatory aspects of rooming houses.

3.2.3 Adopting a New Definition and Name for the Licensed Properties

Key Conclusions

There is a wide variation in how the term 'rooming house' is defined in the existing zoning by-laws and the licensing by-laws of the city. This is a reflection of the many difficulties associated with developing a definition that is suitable and effective for regulatory purposes.

The term "rooming house" is also no longer appropriate because the sector is changing so much. Furthermore, it carries a negative image that is unfair to the sector and undermines support for rooming houses.

Policy Direction

The City should develop a new and more suitable definition of what should be licensed, and at the same time, adopt a new name that reflects the changed character of these buildings and overcomes the unfair negative image associated with them.

Considerations

The new definition¹ of the licensed properties should focus essentially on older buildings originally built as single-family homes, but converted to multiple occupancy without meeting the current construction standards.

This approach is specifically intended to leave out buildings meeting the current residential standards contained in Part 9 of the Ontario Building Code, including both entirely new residential structures built for low-income singles as well as older residential buildings that are comprehensively renovated to these standards. Buildings meeting these standards do not merit the additional safety inspections resulting from licensing.

It is also intended to leave out purpose-built structures — sometimes called SRO structures — providing dwelling rooms and small units for singles. These are often included as rooming houses, although they are fundamentally different in their size, building-type, and management. Because of these importance differences, if licensed, they should be subject to a separate regulatory and licensing regime.

This approach would be consistent with what is generally considered to be a rooming house, but it could expand the number of properties requiring a license. At the present time, licensing mainly targets properties containing dwelling rooms — that is, living units without private kitchen and/or bathroom facilities. The new approach would add some properties with self-contained units — that is, those with both kitchen and bathroom facilities. (Although the current licensing generally does not include the latter, two important anomalies must be noted; bachelorettes in Parkdale, and properties containing both self-contained units and dwelling rooms both currently require licenses.)

There is one significant obstacle to making this change. Under the new Municipal Act, the City does not have the authority to license “residential units”, which are defined essentially as self-contained units. However, this issue presumably will need to be addressed at some time regardless of the above recommendation, in order to legitimize the two anomalies just noted.

Winnipeg and Edmonton, the two cities that recently have most comprehensively examined how their rooming houses are regulated, have both adopted this approach. One key reason for making the change was that they found that all such converted properties — that is those with self-contained units as well as those with dwelling rooms — had virtually the same potential for unsafe living conditions. This was due to the

¹ **Error! Main Document Only.** No attempt is made in this report to frame a full definition, which will need to include other limits and conditions not reviewed here. For example, as at the present time, it will be relevant to limit licensing to properties providing accommodation for gain, and for 4 or people not living as a housekeeping unit. Also, some distinction may need to be made with houses containing second suites, possibly by limiting licensing only to those with 3 or more units.

additional living units that had been provided in the older structure not built for that purpose and without inadequate built-in safety measures. For that reason, these properties were considered to merit regular inspections.

It should be noted that many dwelling rooms are now being converted into small self-contained units. This trend can be seen most readily in Parkdale, but is reportedly occurring widely elsewhere as well. These conversions have been facilitated by, and can be expected to increase in number due to, to the lower minimum space standards recently made in the Ontario Building Code. The potential effect is that these properties, although no substantial change has been made to their safety provisions, will no longer be subject to licensing as presently mandated.

There is another important reason for making this change: it would also facilitate changing what rooming houses are called. Because a shift will have been made in the type of property being licensed, a new name other than “rooming house” would be justified.

Changing the name is important because ‘rooming house’ carries negative associations that unfairly stigmatize these properties and their tenants. As a consequence, there is too often reflexive opposition to all rooming houses that does not recognize that the majority are well-run. Therefore, changing what they are called is widely seen in the rooming house sector as critical to gaining greater public acceptance of these properties and have then treated more objectively.

No specific recommendations are made regarding what the new name should be, but two possibilities have been identified. One is to call them ‘converted houses’, which is a term already used in the zoning provisions of the City, but which could be appropriated for this purpose. Another possibility is ‘multiple conversion dwellings’, which is currently used in Vancouver to describe virtually the same type of properties.

Recommended Options

In light of the above, consideration should be given to the following:

Medium-Term

7. That the properties being licensed include all older properties built as single-family houses, but converted to multiple occupancy without meeting the development standards set out in Part 9 of the Ontario Building Code.
8. That the term ‘rooming house’ be replaced with a more suitable one that is consistent with the character of the licensed properties.

3.2.4 Developing Procedures and Programs for Addressing Existing Unauthorized Rooming Houses

Key Conclusions

Our research has found that there are most likely hundreds of unauthorized rooming houses located across the city where they are not permitted. Because this housing provides affordable accommodation for possibly thousands of tenants, the City will need to find ways for maintaining this housing while also ensuring the tenants are living in safe conditions. What it is able to do will depend very much upon how the zoning for these properties is handled.

Policy Direction

The City should develop strategies for addressing the existing unauthorized rooming houses – both before and after the new city-wide zoning is in place.

Considerations

The following focuses mainly on an interim strategy before the new city-zoning provisions are in place. It is difficult to consider a long-term strategy before these new provisions are known. Clearly, the nature and extent of the unauthorized properties at that time will depend on how flexible those provisions are.

In the interim, unless the currently restrictive zoning provisions are relaxed in some way, the City has two options for dealing with existing unauthorized rooming houses. It can “turn a blind eye”, which would have serious implications by undermining the legitimacy of the current licensing system, and by leaving the tenants to live in potentially unsafe conditions. Alternatively, it can enforce the restrictive provisions, which would cause the closure of this housing and add to the affordable housing problems of the city. (The latter would be regrettable in another way, because presumably at least some of this housing might be eventually permitted under the new zoning provisions.)

Another approach is put forward here for consideration as an interim strategy. It would be directed at existing unauthorized rooming houses identified by complaints, and also those identified by owners encouraged to come forward voluntarily. It is directed at enabling the City to phase in the enforcement of the safety and other provisions on a large number – but certainly not all – of the currently unauthorized operations. To do so, however, it will also depend on taking a flexible approach toward the application of the current zoning.

This interim strategy would include the following package of actions:

- introducing a new and consistent definition and description for these properties (as set out in section 3.2.3);

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- developing an educational program directed at encouraging the owners of unauthorized operations to come forward voluntarily;
- requiring these properties to obtain a license and, thereby, to undergo regular inspection and comply with the applicable safety and other regulations;
- suspending the enforcement of the permitted land-use aspects of the existing zoning by-laws on these properties until the new city-wide by-law has been approved, while developing and applying reasonable standards for parking and any other relevant requirements;
- agreeing to support “spot” zoning amendments for those properties that obtained a license but do not comply with the new city-wide zoning provisions, provided that in the interim they had met all of the City’s other regulations and had not been the cause of serious complaints by the local residents.

The last undertaking is particularly important for this reason: the owners of these properties cannot be reasonably expected to come forward, nor to make any necessary improvements, if they face the prospect that the new zoning provisions will require the closing of their operations. A precedent of sort for this undertaking can be found in the Parkdale Pilot Project.

After the new zoning is in place, the City will need to develop a more aggressive program to identify the existing rooming houses, determine their zoning status, and then address the operations that do not conform to the new zoning. The experience in other cities suggests that this process will be very difficult and time-consuming. (Hence, as many of these as possible should be first encouraged in the interim to come forward voluntarily.)

Even at this time, efforts should be made to “regularize” the remaining unlicensed rooming houses whenever possible. These efforts can draw upon the lessons of the Parkdale Pilot Project. This “conflict resolution process” involved local stakeholders in developing suitable alternative development standards, and then formulating “spot” re-zoning amendments for individual properties. The particular process has proven to be successful, but also costly and demanding of staff time. Therefore, it might be practical only in areas with similar concentrations of such activity.

Recommendations Options

Based on the above, consideration should be given to the following:

Medium Term

9. That an interim licensing and inspection program be initiated for existing unauthorized rooming houses that are identified by complaints or voluntarily until the new city-wide zoning is implemented.

Long-term

10. That a program be developed to identify the remaining existing rooming houses and to encourage owners of eligible rooming houses to apply for a license.
11. That a “conflict resolution process” or similar program be developed for approving and licensing whenever possible existing rooming houses that do not conform with the new city-wide zoning by-laws.

3.2.5 Harmonizing Zoning Across the Amalgamated City

Key Conclusions

There are many and substantial inconsistencies in the zoning regulations regarding rooming houses in the zoning by-laws of the former municipalities. Differences occur in the definitions, the areas where they are permitted, and the conditions under which they are permitted. All of these will need to be systemically addressed as part of the consolidation and harmonization of the zoning by-laws.

Policy Direction

The City should move forward with harmonizing zoning bylaws with respect to rooming houses so that they are treated consistently and equitably in all parts of the amalgamated city.

Considerations

Rooming houses are not generally permitted in the amalgamated city outside of the former City of Toronto. They are restricted, first and foremost, by land-use regulations in the existing zoning by-laws that prohibit them outright in most residential zones. Even where they are permitted by the land-use designations, the by-laws also variously subject them to development conditions (like minimum distancing requirements) that appear to be directed only at further restricting where they are allowed.

The zoning should be amended to permit rooming houses in all residential zones across the city, and also to ensure that they are subject only to development standards addressing legitimate development concerns about individual properties. These standards should focus on such aspects as the compatibility of the character, density and intensity of the particular use with the neighbouring development.

No objective grounds were identified in this study that could be used to support the use of zoning to ban rooming houses outright across entire residential zones.

There are development standards, however, that can be applied through the zoning on a property-by-property basis to ensure that rooming houses are compatible with the surrounding development.

These include development standards (like gross floor area and building height) that are generally applied to a range of properties. They also can and should include development standards particular to rooming houses and possibly like multiple occupancies — like minimum room sizes, parking requirements, limits on the number of occupants. In some cases, these can be used legitimately to prevent the use of certain properties as a rooming house, provided they are applied in an equitable and objective manner.

Removing the outright land-use restrictions can be defended on two key grounds. First, rooming houses are a legitimate and much needed form of affordable housing that is not otherwise being adequately supplied by either the public or private sectors.

Furthermore, removing these restrictions would only recognize the current reality that rooming houses already exist widely across the city. Permitting them would allow the City to regulate them properly through the licensing system. Not permitting would mean that the City must continue either to overlook widespread unlicensed operations and possibly unsafe living conditions, or close down housing now accommodating thousands of residents.

It is recognized that there are many neighbourhood concerns about rooming houses, but for the most part these concerns are with the operation of rooming houses, and they occur only in a small number of premises. Licensing, not zoning, provides an appropriate and effective way of addressing those particular concerns.

When developing the new consolidated zoning by-law, special attention should be given the minimum floor area standards. These standards are particularly relevant to rooming houses because they typically provide small or minimally-sized units. The standards in the existing zoning by-laws are widely inconsistent among themselves and also with the city's new property standards by-law and the current Ontario Building Code. The latter two are similar, but comparison is difficult because they are framed in different terms. The standards in the city by-laws should be harmonized and brought into line with the building code. Failing that, at the very least, the basis for any differences should be clear and explicit so that they can be applied without confusion.

Recommended Options

In summary, in the development of the new city-wide zoning by-law, consideration should be given to the following:

12. That the land-use regulations permit rooming houses in all residential and residential-commercial zones.

13. That the associated development conditions be limited to those addressing legitimate development concerns.
14. That the minimum floor area standards be consistent with those in the Ontario Building Code, or the differences clearly explained.
15. That a new and more suitable definition and name be used for 'rooming house'.

3.3 Strengthening the City's Role in Supporting the Rooming House Sector

The City currently plays an important role in supporting various initiatives with respect to rooming houses. By expanding this range of activities and initiatives, it can help overcome many identified barriers and help the rooming house sector contribute more effectively to meeting the City's affordable housing needs. Below we outline the key conclusions, policy directions, considerations and recommended options in this regard.

3.3.1 Housing Repair

- **Key Conclusions**

A critical aspect of retaining the existing stock is ensuring that rooming houses are maintained in an acceptable state of repair. Consultations with key stakeholders found that many rooming house operators lack the financial resources to upgrade their facilities to current standards. The Rooming House RRAP program, funded by CMHC and administered by the City, has been a major contributor to helping operators upgrade their facilities. Rising utility costs have also placed pressures on ongoing rooming house operating costs and many operators have expressed an interest in adopting energy saving approaches to reducing these rising costs.

- **Policy Direction**

The City, in partnership with key stakeholders, should pursue obtaining additional senior government funding to help provide financial assistance and support to rooming house operators.

- **Considerations**

Given that in most years requests for RRAP funding outnumber the available resources, the City should consider requesting an increase in RRAP funding from the federal government. The City should also consider ways it could help operators deal with rising utility costs.

- **Recommended Options**

Based on our findings, consideration should be given to the following:

16. That the City pursue increased RRAP funding to provide additional assistance to rooming house operators for renovation, conversion and upgrading of rooming houses.
17. That the City, through its Energy Efficiency Office, make available information on energy savings measures to help operators reduce utility costs.

3.3.2 Support to the Sector

- **Key Conclusions**

There are a range of initiatives which the City could pursue to support the sector. These include helping expand the stock, change public attitudes, overcome financial barriers, and advocate for change. Suggested recommendations on how the City could provide more support to the sector are summarized below.

Expanding the Stock

- **Policy Direction**

A number ways that the City could assist the sector in expanding the rooming house stock are identified throughout this report. The City should consider additional mechanisms through which greater investment in rooming house stock can be encouraged.

- **Considerations**

Based on consultation with rooming house operators, we have found that there are a number of financial barriers which are restricting the ability of owner/operators to expand the stock. There are two specific areas identified by stakeholders in which the City could assist in the expansion of the rooming house sector. First, the City could, in conjunction with rooming house operators, work with financial institutions to encourage them to finance the creation and operation of rooming houses. Second, the City should consider funding programs aimed at supporting the expansion of the rooming house stock. The City also needs to find a way to ensure that the conversion of single family dwellings fits within the parameters of City and senior government funding programs as this is one of the best opportunities to increase the rooming house stock at an economical price. A recent decision of Council to waive development charges for new rooming houses is a good example of ways in which the City can provide financial support for expanding the supply of rooming houses.

- **Recommended Options**

Based on our findings, consideration should be given to the following:

18. That the City expand the mandate of its Let's Build Program to offer funding support for expansion of rooming house stock at least equal to the 2003 RRAP allocation for apartments or rooms.
19. That the City pursue additional funding under the RRAP Conversion Program to support the creation of additional rooming house stock through conversion of non-residential properties to rooming house use, as well as the conversion of single family dwellings and duplexes to rooming houses.

Changing Public Attitudes through Education and Communication

- **Policy Direction**

Given the identified lack of public understanding of the important role of rooming houses in meeting the needs of low income individuals and families, the City should undertake a process of ongoing education and communication to build acceptance of rooming houses as an important contributor to meeting affordable housing needs.

- **Considerations**

The consultation process undertaken during the study identified widespread concern among stakeholders that the public lacks an understanding of the important role of rooming houses in meeting the needs of low income individuals and families. There was also widespread concern that public perceptions about rooming house tenants, operators and facilities themselves are negative and not based on fact. It is felt that this negative perception plays an influential role in discouraging new investment in rooming houses, in persuading lenders, insurance companies and CMHC to attach restrictive practices and prohibitive costs to rooming houses and indeed to discourage City Council itself from adopting supportive policies and programs to assist the rooming house sector in fulfilling its role.

For these reasons, the City should consider undertaking a public education program to inform the public about the role of rooming houses in meeting affordable housing needs and to help build public support for the sector. This program should also be aimed at enhancing public understanding of the characteristics of tenants, operators and facilities themselves, and about the range of measures in place to ensure the health and safety of tenants and to help minimize negative impacts on existing neighbourhoods. A series of ongoing public education and communication activities, such as community forums, workshops and rooming house tours, should be carried out annually to continue to enhance public understanding and support of the sector.

- **Recommended Options**

Based on our findings, consideration should be given to the following:

20. That the City, in association with other key stakeholders within the rooming house sector, commence a public education program to inform the public about the important role of rooming houses in meeting affordable housing needs and to help build public support for the sector.

Overcoming Financial Barriers

- **Policy Direction**

Rooming house operators face major financial barriers which may affect the viability of their operation and limit their ability to expand the supply. To ensure that this important sector remains viable, the City, in partnership with key stakeholders, should pursue a variety of avenues to help provide various types of financial assistance and support to rooming house operators.

- **Considerations**

The major financial barriers facing rooming house operators are the difficulty and high cost of obtaining mortgage financing, the rapid increase in various forms of insurance and high property taxes. Rooming house operators have indicated that they have unique challenges in obtaining mortgage insurance and financing. First, rooming houses are usually created from the conversion of large single family dwellings, as opposed to new construction, making it difficult to obtain financing through conventional methods. Second, many operators have never sought mortgage insurance before; consequently, they are not existing clients of CMHC or financial institutions. Again, this makes it difficult to obtain financing from conventional financial institutions.

Recent changes in CMHC mortgage insurance practices only pertain to newly constructed structures and conversion of non-residential buildings to rooming houses. Because very few rooming houses are created this way, these changes will be of little benefit in the city. CMHC needs to be made aware of this problem and encouraged to apply its new practices to conversion of residential dwellings into rooming houses.

Operators have indicated their willingness to participate in bulk purchase programs to reduce the cost of property and liability insurance; however, to date they have not been successful in obtaining a group insurance program. The City needs to help operators become better organized to pursue this approach.

Further, until recently, property tax rates for rooming houses were higher than for most other categories of properties; however, changes arising from the Beaubien Report will enable the City to classify rooming houses in the residential category commencing in

2004, thereby leading to significant savings in property taxes. The City needs to make sure these changes are set in place and applied to rooming house properties in the city.

Given these financial barriers which are threatening the viability of the rooming house sector, the City should consider a range of initiatives to provide financial assistance and support to operators.

- **Recommended Options**

Based on our findings, consideration should be given to the following:

21. That the City, in association with the Rooming House Working Group, continue to advocate with lenders, insurance companies and CMHC for changes in lending and insurance practices and rates.
22. That the City, in association with the Rooming House Working Group, explore opportunities for group insurance and preferential lending packages for operators. In particular, the City should approach the Social Housing Services Corporation to explore opportunities to participate in the insurance program currently being facilitated by the SHSC for affordable housing operators.
23. That the City consider a loan program for the installation of sprinklers and monitoring devices in rooming houses in order to increase tenant safety, reduce risks and possibly lower insurance premiums.
24. That the City ensure that rooming houses are reclassified in 2004 under the residential property tax category as per recent amendments to Provincial legislation.
25. That the City approach CMHC to provide orientation sessions for potential borrowers on how to prepare a complete mortgage application and how applications are reviewed and assessed.

Advocating for Changes in Senior Government Policies and Programs

- **Policy Direction**

Policies and programs of the federal and provincial governments have significant impact on the City's rooming house sector. The City should establish an ongoing mechanism to advocate for changes in senior government policies and programs that would offer greater support to the rooming house sector.

- **Considerations**

The recent decision of the provincial government to permit rooming houses to be classified as residential properties for property tax purposes is a key example of a policy

that can help improve the financial feasibility of rooming houses. CMHC restrictions on mortgage insurance for rooming houses have acted as a barrier to mortgage lenders. The exclusion of rooming houses from the new Federal-Provincial Affordable Housing Program has restricted a potential funding source for creation of new rooming house stock. Limited Provincial funding support for programs such as Habitat Services are restricting the expansion of rooming house facilities of this nature and making it financially difficult for operators of such facilities to meet daily operating costs. Based on the significant impact that these senior government policies and programs have on the rooming house sector, the City should consider establishing an approach for advocating for changes in provincial and federal policies to improve support to the rooming house sector.

- **Recommended Options**

Based on our findings, consideration should be given to the following:

26. That City staff, working in close coordination with the Rooming House Working Group, monitor on an ongoing basis federal and provincial government policies and programs that have an impact on the rooming house sector and advocate for change that supports and strengthens the sector.
27. That the City advocate for changes to the new Canada-Ontario Affordable Housing Program to specifically provide funding to support the creation of new rooming house stock and other forms of housing providing affordable accommodation to low income single individuals.
28. It is recommended that the City advocate for expansion of Provincial supportive housing programs to offer greater support for initiatives such as Habitat Services that strengthen the financial viability of the rooming house sector, especially for personal care boarding lodges. In addition, it is recommended that CMHC extend its lending practices on affordable rental housing to include refinancing existing rooming houses or purchasing new rooming houses.

3.3.3 Support to Owners and Tenants

- **Key Conclusions**

There are a variety of ways that the City provides support to owners and tenants, including enhancing the capabilities of rooming house operators, improving tenants' ability to maintain their tenancies, and resolving conflict between operators and tenants.

Support to Rooming House Operators

- **Policy Direction**

To enhance the capabilities of rooming house operators, the City, in partnership with key stakeholders, should organize ongoing training and education of rooming house operators to improve their understanding of all aspects of rooming house operations and thereby build capacity in the sector.

- **Considerations**

Consultation with stakeholders, including rooming house operators themselves, found concern that many of the problems experienced by rooming houses are a function of the lack of capabilities among many operators in various aspects of rooming house operations, ranging from maintenance and repair to financial management to tenant relations, and so on. Many lack a basic understanding of the regulatory environment, the licensing process and their legal rights and obligations as landlords. They also lack an understanding of the range of support services available to tenants and the agencies that provide them. Improving the capabilities of rooming house operators would be of great assistance in strengthening the capacity of the sector to effectively fulfill its role and in convincing lenders, neighbourhood representatives and others that these facilities will be run in a professional and effective manner.

For these reasons, the City should consider organizing ongoing training and education programs for rooming house operators to build capacity in the sector by improving operators' understanding of all aspects of rooming house operations. These programs should cover all aspects of rooming house financing, regulation, management, maintenance and repair, support services for tenants, human relations and so on. Such courses should be offered on a regular basis and should be widely advertised within the sector to enhance participation.

- **Recommended Option**

Based on our findings, consideration should be given to the following:

29. That the City, in association with the Rooming House Working Group, formulate and organize an ongoing education and training program for rooming house operators.

Support to Tenants

- **Policy Direction**

The City, in partnership with key stakeholders, should pursue a variety of avenues to help provide various types of financial assistance and support to rooming house tenants, including assisting tenants when a rooming house is closed.

- **Considerations**

Reductions in levels of social assistance since 1995 and the freezing of minimum wage since that time have made it difficult for rooming house tenants to pay additional rent to keep pace with increases in operating costs. This negatively affects both tenants, who may not be able to make their rent payments, and rooming house operators, who are finding it increasingly difficult to increase rents to keep pace with increases in their operating costs.

In addition, crisis intervention is a critical function to ensure vulnerable individuals are provided support and assistance in crisis situations such as fire, closure of a rooming house, eviction and other such events that threaten to leave these individuals homeless. The Rooming House Emergency Response Protocol and the Critical Incident Working Group arose out of a grassroots community movement in response to a fatal fire and involve a number of community agencies and the City working together to develop approaches for responding to crises of this nature. While much has been accomplished to date, stakeholders have pointed out the need for stable funding to be made available to the community agencies taking lead roles in implementing the protocol in order for it to be effective.

For these reasons, the City should consider ways to provide support to this group of tenants with limited means, continue its efforts to provide support in the event that a rooming house is closed without warning and enhance the community's capacity to support tenants when this happens.

- **Recommended Options**

Based on our findings, consideration should be given to the following:

30. That the City advocate for increases in social assistance rates and minimum wage levels to increase the revenue potential of rooming houses.
31. That the City continue to provide funding support to assist the CIWG in completing the revisions to the Rooming House Emergency Response Protocol and in refining participating agency agreements.
32. That the City examine the potential for ongoing support of displaced rooming house residents and enhance funding support for crisis intervention to enable implementing agencies to carry out their roles more effectively.
33. That the city support the creation, maintenance and distribution of a directory of rooming houses.
34. That the City explore and identify other ways to provide supports to tenants to help them maintain their tenancies.

4 IMPLEMENTATION

The recommendations contained in Section 3.0 provide a set of options for policies, programs and strategies aimed at strengthening the capacity of the rooming house sector to fulfill its role of providing affordable housing for low income households. They point to the importance of an ongoing and aggressive role by the City in a wide variety of key areas.

Fulfilling this role requires constant attention and action across many segments of the rooming house sector and beyond. It requires coordination of a host of City and community initiatives; communication with numerous local and outside organizations and individuals; ongoing monitoring of the changing legislative, economic and social environments; dialogue with key stakeholders; advocacy to various levels of government, lenders, insurance companies, etc; and various other tasks.

In view of the extensive range of recommended options and the need to ensure the constant attention required to bring them to reality, it is important that a department be appointed to take the lead in coordinating the implementation of recommended policies, programs and strategies. This department should have the authority to draw on resources from other departments and agencies, similar to the structure of the Problem Property Teams. The roles that this lead department would play would include:

- Monitoring the availability of housing for low income individuals;
- Monitoring trends in the financial position of housing providers;
- Forecasting the need for housing of this type in the future; and
- Implementing programs to address market conditions.

Accordingly, consideration should be given to the following:

35. That the City appoint a **Department** to undertake the lead role in implementing the recommendations of this report. The roles and responsibilities of this department would include:

- Monitoring the availability of housing for low income individuals;
- Monitoring trends in the financial position of housing providers;
- Forecasting the need for housing of this type in the future; and
- Implementing programs to address market conditions.

36. That the lead department prepare a detailed work plan for implementing the recommendations of this report. This work plan should be reviewed with the Rooming House Working Group and the Staff Steering Committee prior to moving forward.

The Rooming House Working Group was established as a vehicle to enable individuals and organizations representing all segments of the rooming house sector to come together to discuss issues, identify concerns and work together towards solutions. This Working Group has made important strides on a range of issues, such as helping gain cooperation of some lenders for more favourable mortgage lending terms and practices and helping gain acceptance at CMHC for giving greater consideration to applications for mortgage insurance.

In view of the inclusive nature of the Working Group and its track record of achievement, it is important for it to carry on this role as the primary vehicle for addressing rooming house issues. Its role should be expanded to include commenting on proposed changes to City regulations and standards affecting rooming houses. It should work closely with the lead department on the implementation of the recommendations of this report.

Accordingly, consideration should be given to the following:

37. That the **Rooming House Working Group** continue to act as the primary forum for discussing issues, identifying concerns and working towards solutions related to the rooming house sector. The lead department should work closely with the Working Group. The terms of reference for the Working Group should be reviewed and potentially enhanced to include commenting on any proposed changes to City regulations and standards affecting rooming houses.

5 FURTHER RESEARCH

This report has provided the opportunity to conduct a wide range of original research and consultation about the City's rooming house sector to shed light on the role of this sector in meeting affordable housing needs and to identify key issues that need to be addressed to help the sector in fulfilling this important role. Nevertheless, it is recognized that further research is required to gain a more in-depth understanding of some aspects.

It is suggested that the City consider undertaking further research in the following areas to develop a better understanding of a number of issues:

- **Economics of Rooming Houses**

In order to determine more closely the potential viability of developing new affordable rooming house stock, further research could look in more detail at the economics of constructing new structures and of converting existing buildings of different types into rooming houses (e.g. single family dwellings, non-residential buildings, etc.). The research could be aimed at answering the question: "when (i.e. at what scale) do purpose-built rooming houses become viable? A review of SRO's under Let's Build may help. The research could try and identify the full costs involved and what type and amount of assistance may be required to encourage greater interest and investment.

- **Demand for Rooming House Accommodation**

In order to better judge the demand for rooming house accommodation, research into the current vacancy rates within rooming houses would be helpful, together with the establishment of a monitoring system for tracking such vacancy rates. Given variations that exist in vacancy rates in different parts of the City, the research could examine why some buildings experience greater vacancies than others (eg. due to their condition, location, etc.). Identification of variations in demand across the City would assist in determining the need for rooming houses in different areas.

- **Further Analysis of Building and Locational Characteristics**

This study provides a range of information on rooming house building and locational characteristics, based on assessment and BIDS data. Further in-depth research on these aspects of the rooming house stock would assist City planners in drawing more of a connection between the data and in identifying planning implications of such characteristics. This, in turn, would assist in developing bylaws to regulate their location and design.

APPENDIX 1: STUDY OBJECTIVES

Nine specific study objectives were identified:

- 1) To collect information on the rooming house stock, including trends, rents, characteristics of use and property conditions on a systematic basis;
- 2) To understand the factors which affect the economic viability of rooming houses and identify barriers to the further expansion of rooming house stock (or other options for low-income singles);
- 3) To develop a socio-economic profile of tenants who live in rooming houses;
- 4) To review and describe the regulatory framework governing rooming houses;
- 5) To review and describe the City's role in the rooming house sector including its support to tenants/landlords/operators, agencies and neighbours (e.g. agency roles, and Shelter Housing and Support functions);
- 6) To survey regulatory frameworks and support systems for rooming houses in other jurisdictions;
- 7) To identify an overall approach to rooming house issues which is consistent with the City's responsibilities, and its strategies to reduce homelessness;
- 8) To propose multiple options/approaches for regulation and support systems that are consistent with the overall approach described in 7); and
- 9) To incorporate multi-stakeholder participation (both City and community) during the course of the project.

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