

Sam Harris City of Oshawa 50 Centre Street South Oshawa, ON L1H 3Z7

May 4, 2022

Re: Residential Rental Housing Licensing Program

Thank you for reaching out to the Durham Region Home Builders' Association (DRHBA) for our comments on the proposed city-wide Residential Rental Housing Licensing (R.R.H.L) Program. We have reached out to our members and are basing our comments on their feedback.

# Is DRHBA supportive of a city-wide expansion of the R.R.H.L.? Why or why not?

DRHBA is not in support of a city-wide expansion of the R.R.H.L., and there are numerous reasons for this position.

First, our members believe that this program will not achieve its primary goal – which is to root out illegal units and have them brought up to code and the appropriate standards for rental units. The vast majority of landlords are responsible and take great care to ensure their tenants have a safe place to live. Landlords that are already ignoring the regulations and standards that are currently in place will continue to do so and will find ways to avoid participating in this proposed program.

As such, the result of the implementation of this program will be that existing, good landlords will be burdened with more red tape and expenses. These costs will be passed down to the tenants, and if those amounts exceed the currently permitted 1.2% increase, new renters will face that additional financial burden.

Legal rental units, whether they are located in an apartment building or in the basement of a home, already must pass stringent regulations to bring rental units to market. Landlords must acquire building permits, build/renovate to the Ontario Building Code, and pass inspections before they are granted an occupancy permit. As all new and existing legal units have already gone through this process, this program essentially becomes a redundant layer of bureaucracy – adding unnecessary delays and expenses.

### 1-1255 Terwillegar Avenue, Oshawa, Ontario, L1J 7A4



In speaking with our members who are landlords, they have talked about the fact that their expenses, such as utilities, garbage removal, etc. have gone up substantially and are not being covered by the annual 1.2% increase. As a result, when a unit becomes vacant, the landlord will take that opportunity to increase the rent to a level that will allow them to recover their costs.

As we are currently in an unprecedented housing affordability crisis, it would be counterintuitive to expand a program that will ultimately increase rental rates in legal, safe units, while having little to no impact on the illegal, unsafe units.

The provincial government has also passed two pieces of legislation, the *More Homes, More Choice Act*, and the *More Homes for Everyone Act, 2022*; both of which focus on adding additional housing types to the current supply and cutting red tape to ensure these units can be brought to the market as efficiently as possible. The City of Oshawa's proposed expansion of the rental licensing program goes against the spirit of these pieces of legislation by adding on an additional layer of red tape to housing.

## Do you see any ways the City can assist tenants besides a rental licensing program?

The affordability crisis is being caused, at least in part, by a lack of supply. This lack of supply is driving up prices and driving some landlords underground. The City of Oshawa can help with this issue by working with the development community to ensure that approvals/permits are granted in a timely manner. The City could also look at its zoning bylaws to ensure that secondary suites can be built/created in all areas of the City and that all property owners in the City have the opportunity to create legal secondary suites if they so wish.

While the City's municipal bylaw enforcement division can enforce some issues with illegal units through property standards bylaws, other issues must be taken to the Landlord-Tenant Board for resolution. The City could provide on their website easily accessible information for tenants on who to contact if they are having issues or if they believe the unit they are living in is illegal or is not being kept up to safe standards.

### Any other feedback you may have on the R.R.H.L.

In general, the Durham Region Home Builders' Association is not in support of municipalities adding more red tape and expense to housing. As an Association, we are championing housing affordability and will only support initiatives that will lead to

### 1-1255 Terwillegar Avenue, Oshawa, Ontario, L1J 7A4



greater supply, less red tape and more housing options for the residents of Oshawa and Durham Region.

We look forward to continuing to work with City staff to ensure that all residents of Oshawa have a safe and affordable place to call home.

Sincerely,

Kathi

Stacey Hawkins Executive Officer Durham Region Home Builders' Association

Cc: Tiago Do Couto, President, DRHBA Emidio Di Palo, Chair, GR Committee, DRHBA DRHBA Membership

1-1255 Terwillegar Avenue, Oshawa, Ontario, L1J 7A4