

Date: March 12, 2024	Originator's files:
To: Chair and Members of General Committee	
From: Raj Sheth, P.Eng, Commissioner of Corporate Services	Meeting date: March 27, 2024

Subject

Apartment Building Standards and Maintenance Program Update

Recommendation

That the report from the Commissioner of Corporate Services, dated March 12, 2024 and entitled "Apartment Building Standards and Maintenance Program Update", be received for information.

Executive Summary

- The Mississauga Apartment Rental Compliance five-year pilot program ensures apartment buildings are well maintained to support safe, secure and liveable communities, and has been in effect since July 2022.
- Of the 356 apartment buildings across the city that are regulated by the program, a 99% registration rate has been achieved and staff have completed 99% of initial building evaluations.
- During the initial evaluations, the average building score was 76% and Municipal Law Enforcement Officers instructed owners to resolve 1,499 violations.
- In December 2023, staff were directed by Council to make immediate program changes, as well as assess the feasibility and report on additional program enhancements.
- Staff will review the impact of program changes and present an enhanced service delivery framework through the 2025 Budget Request process.

Background

The Mississauga Apartment Rental Compliance (MARC) 5-year pilot program was launched in July 2022 with the intent to regulate 356 apartment buildings across the city. The goal of the program is to ensure rental apartment buildings are well maintained to support safe, secure and

livable communities. The success of the program is assessed through registration rates, tenant engagement, building evaluations, audit results and overall compliance rates.

From July 2022 to March 2024, staff have inspected 99% of eligible buildings and have proactively addressed approximately 1,500 by-law violations through building evaluations. It should be noted that the MARC program is currently limited to the common areas and inspections within the individual apartment units are performed at the request of the resident, since permission to enter is required. Renters can also engage the Landlord and Tenant Board (LTB) for disputes with their landlords to resolve issues through mediation or adjudication. The LTB also provides information to landlords and tenants about the Residential Tenancies Act (RTA). Feedback from PEEL ACORN (a tenant advocacy group) and individual tenants indicate more needs to be done to improve conditions within apartment buildings.

Many stakeholders have communicated that the program is a necessary initiative to protect housing and promote compliance to building maintenance standards. Staff have received numerous requests for increased proactive inspection frequency and enforcement. Some building maintenance staff have also expressed that MLEOs have been instrumental in ordering repairs for issues identified during inspections that were previously overlooked or delayed by owners. Additionally, MLEOs have received requests from building maintenance staff to order corrective action for various concerns to expedite repairs.

For the first year and a half of the program (July 2022 to December 2023), staff focused primarily on core program elements including registration compliance, increased awareness of owner and tenant obligations, as well as the completion of initial evaluations.

Present Status

The scope of the program includes 356 buildings, however, 41 of these buildings are exempt from registration fees and evaluations as they are owned and operated by the Region of Peel or Peel Living.

Registration commenced in July 2022 and was valid until July 2023. Building owners will be required to renew their building registration for the duration of the program. After one full registration cycle, registration compliance rates have continued to increase as summarized in Table 1.

Table 1: Registration Rates and Enforcement Actions

Registration Period	Buildings in Scope	Notices of Contravention Issued to Unregistered Buildings	Part III Charges Laid Against Unregistered Buildings	Buildings Registered	Registration Compliance Rate
July 2022	356	89	7	345	97%
July 2023*	356	30	1	355	99%

*Data valid as of March 4, 2024.

The program has leveraged a variety of both paid and unpaid marketing tactics including: a dedicated webpage, media releases, social media, diverse communities print, posters, post cards, programmatic advertising, digital signage, as well as the use of display banners and attendance at various public events. Refer to Appendix 1: MARC Program Awareness Materials and Marketing Plan Results for further details.

With respect to inspections/evaluations, an overall score is generated based on the state of repair, cleanliness, pest prevention and compliance with the program requirements. The score determines the frequency of future proactive inspections. Municipal Law Enforcement Officers ('MLEOs') direct owners to resolve any health, safety or security concerns that were identified.

During the initial evaluations, the average building score was 76% and MLEOs instructed owners to resolve 1,499 violations. As shown in Table 2, there is a direct correlation between the number of health, safety and security violations and the evaluation score.

Table 2: Evaluation Schedule and Results

Range	Resulting Action	Buildings	Violations Addressed Through Enforcement Action	Average Violations per Building	Unresolved Evaluation Files
91% to 100%	Evaluation in three (3) years.	20	15	1	2
66% to 90%	Evaluation in two (2) years.	235	835	4	72
51% to 65%	Evaluation in one (1) year.*	52	511	10	35
0% to 50%	Audit within 90 days and evaluation in one (1) year.	7	138	20	7
Total		314	1499		116

* Two consecutive one (1) year evaluation scores will result in an audit.

Audits are conducted when a building has failed an evaluation – that is, when the evaluation score is 50% or less. During audits, dedicated MLEOs are stationed in the lobby of the building to educate tenants and arrange for in-unit inspections, when requested by tenants. Upon completion of an audit, MLEOs order the owner to resolve all identified violations, as opposed to during an evaluation when only the serious violations are addressed. As a result, audits are more labour intensive and have taken an average of 30 hours to complete.

Comments

At the December 13, 2023 Council meeting and as per Council Resolution No.: 0277-2023 (refer to Appendix 2 for further details), staff were requested to make immediate changes to the program, as well as explore the feasibility of additional enhancements to the pilot program. The requested immediate changes and additional enhancements, as well as the associated actions taken by staff, are outlined below:

1. Increase the evaluation passing score from 51% to 61% in Q1 2024 in order to encourage building owners to consistently improve maintenance standards.

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- Effective March 1, 2024 the evaluation scoring matrix was updated, as per the following:
 - 0% to 60%: audit within 90 days and evaluation in 1 year;
 - 61% to 75%: evaluation in 1 year;
 - 76% to 90%: evaluation in 2 years; and
 - 90% to 100%: evaluation in 3 years.
2. Enhance the City's MARC web page to improve tenants' access to information and provide greater program transparency.
 - Staff commit to enhancing and updating the MARC web page, by no later than June 30, 2024 to:
 - Provide easily accessible and targeted content for tenants;
 - List all buildings within scope, including their current registration status; and
 - Provide access to inspection results, and any enforcement action that has been undertaken.
 3. Review the feasibility of improving the evaluation process to include annual building evaluations and in-unit inspection results as part of the overall scoring in order to improve service delivery and increase compliance rates.
 - Staff are reviewing the feasibility of conducting annual evaluations and will determine the appropriate resources and staffing that would be required to implement an annual evaluation process and in-unit inspections.
 4. Review the feasibility of improving education and outreach activities and expanding the scope of proactive inspections to address enhanced tenant engagement.
 - Staff are reviewing the feasibility of improving education and outreach efforts through a comprehensive annual awareness and education campaign, as well as expanding the scope of proactive inspections to include enhanced tenant engagement. Staff will identify the appropriate resources and associating funding required to implement this enhancement and seek approval through the 2025 Budget Request process.
 5. Review the feasibility of rebranding the program name so it is easily identifiable and reflective of the program purpose to ensure rental apartment buildings are well maintained to support safe, secure, and liveable communities.
 - Staff have initiated the renaming process for the MARC program in collaboration with the Strategic Communications and Legal Services teams. There are a number of factors to be considered during the renaming process such as ensuring that the new name or brand elements do not infringe on existing trademarks. The goal is to have a rebranded name in place by the end of 2024.

6. Provide an updated budget and resourcing requirements that is required to implement any recommended program changes.
 - In order to maintain the current resourcing structure of the program, gap funding is being utilized to support three (3) MLEO FTE's. Staff are exploring the future resourcing requirements and any associated costs with an expanded program delivery framework. Staff will determine the required program funding and seek approval through the 2025 Budget Request process.
7. Conduct a review of the annual registration fee of \$18.25 per residential unit, which was set and has not increased since the pilot began in July 2022.
 - Staff are conducting a costing analysis to determine the appropriate annual registration fee amount that will allow for adequate service delivery of the program. Any updates to the annual registration fees will occur via the Fees and Charges By-law in Fall 2024.
8. Conduct a review of the Rental Apartment Buildings By-law 0089-2022 and report back on the findings, including any proposed amendments.
 - Staff are undertaking a review of the Rental Apartment Buildings By-law 0089-2002 and are looking into how to implement and operationalize Councils requested program enhancements, such as proactive evaluations for eligible buildings and increased public education and outreach. Staff will report back to Council, at an appropriate time, to bring forward any required amendments to the by-law.

Financial Impact

There are no financial impacts resulting from the Recommendations in this report.

Staff will continue to evaluate program operating costs and will be seeking additional funding for the enhanced service delivery framework through the 2025 Budget approval process.

Conclusion

The MARC program has been effective in addressing serious building concerns, which has resulted in an improvement to building safety, appearance and tenant living conditions. Service request volumes have surpassed projections. Feedback from stakeholders has emphasized a demand for enhancements to program awareness and engagement, as well as evaluation process improvements. Staff will present an enhanced service delivery framework and request any additional funding through the 2025 Budget Request process.

Attachments

Appendix 1: MARC Program Awareness Materials and Marketing Plan Results

Appendix 2: Council Resolution No.: 0277-2023

Raj Sheth, P.Eng, Commissioner of Corporate Services

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