

RESIDENTIAL TENANTS AND MOBILE HOME-OWNERS - PROVINCIAL REQUIREMENTS AND STANDARDS

RECOMMENDATION

That the March 20, 2023, Community Services report CS01339, be received for information.

Requested Council Action	Information only		
ConnectEdmonton's Guiding Principle	ConnectEdmonton Strategic Goals		
CONNECTED This unifies our work to achieve our strategic goals.	Healthy City		
City Plan Values	LIVE		
City Plan Big City Move(s)	Inclusive and compassionate	Relationship to Council's Strategic Priorities	Community safety and well-being
Corporate Business Plan	Serving Edmontonians		
Related Council Discussions	<ul style="list-style-type: none"> UPE01090 Licences for Rental Providers and Public Access to Information, Urban Planning and Economy, June 7/8/10/13, 2022, City Council meeting 		

Previous Council/Committee Action

At the June 7/8/10/13, 2022, City Council meeting, the following motion was passed:

That Administration provide a report identifying options and tools available to the City of Edmonton to support residential tenants and mobile home-owners beyond existing provincial requirements and standards, and available tenant services.

Executive Summary

- Tenants would benefit from information on a property or landlord as it relates to health and safety issues prior to entering into a contract for tenancy. Currently there are supports from

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the province after issues are raised but a gap exists with information prior to the tenant occupying the property.

- The Government of Alberta has jurisdiction over landlord and tenancy issues. Municipalities focus on issues surrounding bylaws, safety code infractions and business licence regulations.
- The Government of Alberta provides support to landlords and tenants in a number of areas to ensure both parties are aware of the rights and roles during a rental situation.
- Considering the tools available through the City's various bylaws and standards, Administration has identified four available options to support residential tenants. These options apply to all residential property rental situations, not just those located in mobile home communities:
 - Make a formal request to the Government of Alberta to explore opportunities for additional provisions for tenants through the *Residential Tenancies Act*. Engagement and consultation with tenants would need to be conducted prior to a formal request to ensure issues, concerns, and recommendations address the problem at hand.
 - Use existing business licence review provisions for those properties that require licensing and where complaints are generated from the public.
 - Create a public online landlord registry to list landlords who consistently breach bylaws, or safety codes requirements.
 - Amend the Business Licence Bylaw 20002 to potentially include additional conditions for rental accommodations, enforcement of those conditions, and improved communication requirements.

REPORT

The Government of Alberta has jurisdiction over landlord and tenancy rights through the *Residential Tenancies Act*, and *Mobile Home Sites Tenancies Act*, with long term rentals also under provincial jurisdiction. The Government of Alberta provides support to landlords and tenants in a number of areas to ensure both parties are aware of the rights and roles during a rental situation. The Residential and Tenancy Act handbook is one example of support and outlines the following information:

- Responsibilities of each party
- Agreement templates
- Security deposit information
- Rent increases
- Referrals for additional support

The landlord of a property is responsible for keeping the rental premise reasonably safe and in good repair through the duration of the rental experience. Standards for safety and comfort are set out in the Public Health Act and Housing Regulations and can be enforced through the Residential Tenancy Dispute Resolution Service (RTDRS), managed through Service Alberta. Concerns around safety and upkeep can be raised with Service Alberta through its consumer contact centre. Complaints received by the City that relate to simple contract or property

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maintenance concerns are redirected by having the tenant contact the Alberta Residential Tenancy Dispute Resolution Services. The City of Edmonton manages complaints related to bylaw violations, fire codes and safety codes, and Alberta Health Services manages minor health concerns.

The City of Edmonton is involved with residential tenancies through the business licensing, development approvals, and community standards processes. Long term (i.e 31 consecutive days or more) and short term rental (i.e. up to 30 consecutive days) operators require a business licence. While a licence is required for each short term rental unit, a business licence is only required for long term operators where they have three or more rental units (which may be located on one or more sites across the city). The requirement for short term rental operator licences has been in place since August 27, 2019, while the long term operator licence has been in place for over 20 years. Other forms of landlord and tenancy agreements, including mobile home operators and supportive housing, are also subject to a business licence.

Under the Business Licence Bylaw 20002, short term rentals are defined as lasting for 30 consecutive days or less and are required to meet all conditions of the 'Residential Rental Accommodation (Short-Term)' category.

- Operators require a business licence for each property used for short-term rental.
- Operators are required to submit a Guest Management Operational Plan for review and approval by Administration.
- Conditions imposed on the operator include compliance with the approved Operational plan, providing the City's "Information for Guests" guidelines to all parties renting accommodation, posting the operator's phone number on the premises, and displaying the valid business licence number on any advertisement for accommodation.

Long term rentals, for periods of 31 consecutive days or more, require a 'Residential Rental Accommodation (Long Term)' licence under the Business Licence Bylaw 20002.

- A business licence is not required for landlords that rent up to a total of two units.
- If the landlord has three or more units, the total number of licences required is as follows:
 - one licence is required for every titled lot with three or more units, and/or
 - one licence for all units City wide where there are only one or two units per titled lot.

Mobile Home Owners

While mobile home properties do fall under some of the legislation above, there are complicating factors and nuances. In most mobile home communities, the land is owned by the landlord or Mobile Home Association and a building is owned by the person residing on the property.

Long Term Rental Challenges

The majority of long term rental challenges raised to Administration involve nuisance or land use concerns. These concerns are within the City's jurisdiction and are addressed through the Zoning and Community Standards bylaws. Any serious or problematic properties involving more than just the City of Edmonton are often referred to the Residential Inspection Safety Compliance team within the Problem Property Initiative where that unit supports tenants in resolving concerns within the rental accommodation property. Complaints received by the City for issues outside of the Residential

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Inspection Safety Compliance team are referred to the respective provincial agency or Edmonton Police Service for follow-up.

The City offers support to residential tenants as part of the City's efforts to end homelessness through the Tenant Support program. This program ensures that tenants are aware of their rights and obligations under the *Residential Tenancies Act* by providing advice and mediation support, as well as referrals to other services and supports. This service is available by phone or appointment. As part of the City's Homelessness Prevention strategy, Tenant Support program staff are trained as RentSmart facilitators (providing education and support to tenants in order to achieve successful tenancies). Administration is working with the Bissell Centre to offer public education workshops starting in Q3/Q4 2023.

OPTIONS

Administration provides the following options to inform Committee's discussion:

Option 1 - Letter of Request to the Provincial Government

The Mayor, on behalf of Council, could send a formal request to the Government of Alberta to explore opportunities for additional support for tenants through the *Residential Tenancies Act* and for consideration of potential amendments to other landlord and tenancy legislation.

Option 1 allows formal identification of the concerns that Edmontonians are voicing, considers existing legislation and the appropriate jurisdiction leads the response. In addition, where the primary intention is the additional protection of tenants or the regulation of landlords, existing provincial legislation is the most effective.

The risk to Option 1 is the requirement for another jurisdiction to follow through and implement the potential changes. The upcoming election, timing, provincial capacity, and priorities may also delay or affect any potential changes to legislation.

Option 2 - Business Licence Review

The Business Licence Bylaw 20002 grants Administration the ability to undertake a business licence review for landlords who require a business licence. Enforcement agencies requiring additional support for dealing with problematic operators can submit a business licence review proposal for consideration by Administration. If it is in the public interest, Administration can impose conditions on a business licence, which could potentially relate to the disclosure of business and contact information to tenants where warranted. The business licence review can also be used as part of an escalation enforcement model whereby if problems persist, more substantial action may be taken including additional conditions or suspension or cancellation of the short term or long term rental landlord's business licence.

Some advantages to this option are that, as part of the business licence review, if it is deemed to be in the public interest, Administration can impose conditions on a business licence. These conditions could potentially include the removal of unsafe conditions. This option would not require a bylaw amendment and could be used to improve access to information for tenants who are experiencing issues with their landlords without negatively impacting responsible landlords. This option also currently creates a stronger mechanism for enforcement, including substantial fines if landlords do not comply with a condition, or continue to operate under a suspended or cancelled licence. This

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action can be applied as part of a more comprehensive solution for addressing multiple compliance issues with a particular business.

There are several risks to Option 2. Business Licence Reviews are undertaken as an escalated enforcement option, only available to internal enforcement agencies after previous and repeated enforcement efforts have failed. Supporting reviews relating to tenancy concerns would be contingent on an enforcement agency's ability to gather prerequisite evidence that the landlord was operating outside the conditions of the business licence or against the public interest. Landlords have the option to respond to a licence review proposal before a decision is made and may appeal a licence review decision to the Community Standards and Licence Appeal Committee. This may result in a tenant being required to attend and provide information which does not always provide a safe and confidential environment for dispute resolutions. While this option is currently permitted within the Business Licence Bylaw 20002, this option would incur significant resource costs if it was emphasized as an enforcement priority. Net new Administrative and enforcement resources would be required to:

- develop the net new service (including identifying new resources required);
- intake tenant and guest concerns;
- initiate and pursue collection of enforcement data and evidence;
- review and adjudicate business licence reviews where warranted; and
- pursue escalated enforcement actions where necessary.

Option 3 - Landlord Registry

Administration could create an online landlord registry in which landlords who consistently breach bylaws, or safety codes requirements could be shared publicly to allow potential renters to make more informed renting decisions.

The registry option was previously considered as part of the Problem Property Initiative to reduce the number of repeat problem landlords. Currently, tenants seeking access to renting information that is not available through the City of Edmonton's Open Data initiative, or that is not required to be provided to tenants under the Business Licence Bylaw, are able to submit a FOIP request to Administration for consideration of release of that information.

Administration maintains a secondary suites registry which confirms whether the suite is legal and has all of the appropriate permits in place¹. Adding onto this current online registry may be another expanded tool or option for tenants to use.

Currently, the business addresses of short term and some long term rentals are not listed on the City's Open Data catalogue. This has been purposeful to prevent any potential privacy breach relating to individual landlords and to help reduce instances of harassment that may result from this disclosure. Publishing this information may potentially create privacy and security risks that would need to be evaluated. In addition, as with Option 2, resources would be needed to create the requirements needed for reporting, developing the online system, and maintaining the information to ensure it is accurate.

Option 4 - Bylaw Amendments

¹ <https://data.edmonton.ca/Urban-Planning-Economy/Secondary-Suites-Completed-Permits-/q3qs-7g3d>

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Deemed conditions could be applied to both Short Term and Long term Residential Rental Accommodation categories with requirements of landlords to disclose information including safety plans, criminal record checks, health inspections, relevant business licences, and contact information to tenants or guests. This approach is similar to the existing requirements for short term rental operators but would require a comprehensive review of what conditions and regulations are reasonable and enforceable to ensure there is an ability to hold landlords accountable for any breaches. This option also improves access to information for tenants without broad changes to FOIP disclosure policies that would impact other types of businesses.

As mentioned above, the Problem Property Initiative is developing a Resident and Landlord toolkit to create better information for both parties in any rental agreement. This toolkit and the “Tenant Support” programs are examples of requirements which could be introduced within the Business Licence Bylaw, similar to the requirement for short term rentals and information pamphlet sharing. Option 4 allows Administration to mandate the disclosure of only relevant pieces of information to directly affected parties and creates a mechanism for enforcement if operators do not provide that information.

The risks for this option are that all short term and long term landlords would be impacted and landlords may oppose regulations they feel are a breach of their privacy, impacts their safety, or imposes operational barriers. Any additional costs that landlords incur for complying with new permit or licensing requirements may result in the downloading of those costs to the renters.

Option 4 has the potential to introduce jurisdictional issues, as landlord and tenant matters are regulated by the Government of Alberta. Lastly, this option would introduce a net-new requirement for Administration to oversee. Net new administrative and enforcement resources would be required to develop the requirements, enforce and adjudicate complaints of non-compliance and process the release of information to tenants when the Bylaw is being breached.

If a landlord was found without a valid business licence, the fine is \$500 and may be doubled for subsequent offences. The impact of a deterrent on this type of licensing is not significant and consideration should be given to increasing this fine should any bylaw changes be explored. The balance between what will be successful in court and what will be effective as a deterrent is always something the Administration reviews and contemplates when any new legislation is developed.

COMMUNITY INSIGHT

Research and engagement was not completed for this Councillor Inquiry. If there is direction to return with bylaw changes, regulation or permitting changes, or new initiatives, Administration will determine what research and engagement activities may be meaningful for this body of work.

GBA+

The impacts on tenants and landlords will be determined depending on the initiatives or changes recommended. It will be important to understand the impact of any recommendations and how that will improve or decrease the safety and welfare of tenants in renting situations. If costs are

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downloaded to the renter due to increases in regulations or costs for landlords, that would be a barrier or issue to be aware of.