

## Secondary Suite Registry Improvements Supporting Affordable Housing Options

### RECOMMENDATION(S):

That the Infrastructure and Planning Committee recommend that Council give three readings to the bylaw amendments as proposed in Attachment 2 to amend the Suite Registry Bylaw 11M2018.

### RECOMMENDATION OF THE INFRASTRUCTURE AND PLANNING COMMITTEE, 2022 NOVEMBER 10:

That Council give three readings to **Proposed Bylaw 53M2022** amendments as proposed in Attachment 2 to amend the Suite Registry Bylaw 11M2018.

### HIGHLIGHTS

- The Secondary Suite Program has successfully registered over 8000 suites over the last four years. Suites are the most affordable form of market housing options for Calgarians. The Suite Registry is mandatory for all secondary suites in Calgary. An unregistered suite offered for rent is illegal and likely unsafe.
- The Suite Registry Bylaw does not provide for the suspension of a suite that has fallen into disrepair from the registry, which has been identified as a gap. A five-year registry renewal process for registered suites is set to begin June 2023. The recommended Suite Registry Bylaw amendments will replace the renewal process with the ability to suspend a suite, under specified circumstances, from the registry. This will strengthen the integrity of the registry and remove red tape for owners who are operating safe suites.
- What does this mean to Calgarians? The proposed bylaw amendments will ensure registered suites are legal, safe and avoid the red tape of renewing every five-years for Calgary's diligent suite owners.
- Why does it matter? Unsafe suites can be removed from registry, which makes affordable housing choices safer for renters in Calgary.
- Strategic Alignment to Council's Citizen Priorities: A city of safe and inspiring neighbourhoods
- Background and Previous Council Direction is included as Attachment 1.

### DISCUSSION

The Secondary Suite Program, which includes the amnesty program, safety codes interpretation, education and marketing campaigns, and suite registry, is providing a continually increasing supply of safe and affordable housing for Calgarians. There are over 8500 suites on the Suite Registry today. Secondary suites listed on the Suite Registry have completed the required approvals and inspections to meet the Land Use Bylaw and Alberta's safety code. Currently, there is no process in place for Administration to suspend or remove a suite from the registry as long as it has approved permits and passed inspections. This poses the risk of a suite that has fallen into disrepair remaining on the registry and diminishes the integrity of the registry.

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### **Suspending a suite from the registry**

The addition of a suite suspension process to the Suite Registry Bylaw strengthens Administration's ability to regulate registered secondary suites effectively. The bylaw amendments allow for a suite to be suspended at any time for violating health and safety regulations and standards. Violations resulting in an order related to housing in the Safety Codes Act, the Public Health Act and the Municipal Government Act would be grounds for suspension from the registry. The suite would be placed back on the Suite Registry once the violation has been remediated.

### **Eliminating the renewal requirement (Section 5.1 of 11M2018)**

Based on the current bylaw, renewals for over 1,200 registered suites will begin June 2023, with an additional average of 170 registered suites to be renewed per month thereafter. Evaluation of the registry renewal process has resulted in the conclusion that removing the renewal requirement from the Suite Registry Bylaw will:

- Remove the unnecessary burden and red tape on property owners who already went through the required approvals to legalize and register their suite. The City does not licence, register, or reinspect any other type of residential unit after the permit has been completed.
- Maintain the Secondary Suite Program's efficacy as the renewal would not contribute to an increase of the supply of safe secondary suites.
- Retain the meaningful status of being registered and eliminates avoidance from property owners due to the nuisance of a continuous renewal process.
- Avoid confusion for current or future tenants when a registered suite is removed from the registry due to an owner's failure to complete the renewal process when the suite is still safe.
- Eliminate the need for additional resources to manage the registry renewal while saving Calgarians \$1 million over five-years.
- Existing resources would be focused on getting secondary suites registered.

The amendments to the Suite Registry Bylaw as proposed in Attachment 2 will remove the five-year renewal process and replace it with the ability to suspend an unsafe suite from the registry at any time. These enhancements will ensure suites that fall into disrepair do not continue to benefit from being listed on the registry without the added red tape of the renewal, thereby strengthening the integrity of the bylaw. The changes would be implemented on Council's approval of the bylaw.

### **STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)**

- Public Engagement was undertaken
- Public Communication or Engagement was not required
- Public/Stakeholders were informed
- Stakeholder dialogue/relations were undertaken

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Public communication or engagement was not required on this project; however, media campaigns were released for tenants and owners on the benefits of legal secondary suites. We are working with industry, like the Calgary Residential Rental Association, on public outreach and education.

If the renewal is not removed, significant public communication and education will be required.

### **IMPLICATIONS**

#### **Social**

Being able to suspend a secondary suite from the registry because it violates or no longer meets the minimum safety and housing standards enables Administration to support Calgarians as renters by holding all suite owners to a high standard of safety.

This promotes equity for people experiencing poverty, or people and/or families with low income to find safe and affordable housing options.

#### **Environmental**

Policy and rules on secondary suites provide opportunities to use existing community infrastructure and to meet the varied needs of households.

#### **Economic**

The creation of new or the upgrading of existing secondary suites can enable the primary homeowners to generate additional income towards their mortgage. It may enable prospective home purchasers to buy a home when their incomes would have otherwise limited them to renting. Removing the renewal requirement saves suite owners time and money.

### **Service and Financial Implications**

#### **Cost savings**

\$2 million

If this recommendation is approved, it will generate operational and capital savings of approximately \$1 million. It will also save Calgarians \$1 million over five years.

### **RISK**

Risks of the suite renewal requirement remaining:

- Decrease of registered suites: safe and legal suites would be removed from the suite registry because the owner failed to pay the renewal fee, creating confusion for tenants.
- Ineffective use of City resources: resources redirected to the renewal will affect the current push for making illegal suites safe.
- Introducing a challenging requirement to enforce: a suite could be completely safe and compliant other than the renewal not being completed.
- Other projects will be negatively affected: priority will need to be given to building the renewal infrastructure.
- Financial implications: \$1 million to develop and operate a renewal program.

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2022 November 10**

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Risks of removing the suite renewal requirement:

- Possibility of suites that no longer meet required standards being undetected and unreported.

Risks of not adding suspension:

- Suites that have fallen into disrepair continue to benefit from the registry.
- Confusion for tenants who believe their suite is safe when it is not.

### **ATTACHMENT(S)**

1. Previous Council Direction and Background
2. **Proposed Bylaw 53M2022**
3. Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Stuart Dalglish	Planning & Development Services	Approve
Shawn Swinn	Law Department	Consult