

Councillor Todd Dennis Councillor Karl Wettstein 1 Carden Street Guelph, Ontario N1H 3A1

December 4, 2013

Dear Councillor Dennis and Councillor Wettstein,

My wife and I are residents of Guelph with our own home and, for the past ten years, we have also been landlords in Guelph with six other properties. We love Guelph and have invested in Guelph,

We believe that introducing a licensing program for rental properties is going to be a costly mistake and would appreciate a response to the following four questions.

## 1. How big is the problem?

In our own professional lives, we specialize in "process improvement" in business. Whenever an organization feels "pain" in a particular area of operations, the first necessary step is to define and actually measure the current problem. The same metrics should then be used for quantifying what success would look like and then for monitoring ongoing performance after implementing changes.

We can't recall seeing any data quantifying the problems of delinquent tenants and landlords that led to this proposal being tabled.

In the past 5 years, how many complaints has the City received; (1) from residents against tenants, and (2) from tenants against landlords?

And what are the main types of issues the City wants to address, ranked from most frequent issues to least frequent? The 80/20 rule probably applies here – it almost always does. 80% of the problems can likely be resolved by addressing 20% of the causes.

In short, it is not clear what problem the City is trying to solve with this blanket-approach and costly solution.

## 2. Why are the existing bylaws not sufficient?

If a tenant creates excessive noise, litter or disturbance, then he or she should be fined or prosecuted. If a landlord fails to maintain a property, or has legitimate complaints filed against him or her, then he or she should be fined or prosecuted.

Of the total number of complaints related to tenants and landlords in the past five years: (1) how many tenants and landlords were successfully prosecuted, and (2) how many cases was the City not able to prosecute due to insufficient bylaws?

## 3. Why are all tenants and landlords being penalized?

If Guelph's population is represented by a "normal distribution curve", the vast majority of tenants and landlords will be ethical and well-behaved and need no intervention from the City. And there will be only a small minority that needs to be dealt with.

The irony of the City's proposal is that tenants will be the ultimate losers. Not only will the costs of licensing eventually be passed on to tenants, but the majority of landlords, who regularly maintain their properties and who have no tenant complaints, will, in the interim, have less cash on hand to make repairs and improvements.

Consider the following real-life story. An employee parked in the spot reserved for the CEO. The CEO then emailed all 250 employees telling them never to park in his spot. For the CEO, it was quicker and easier to send a communication to everyone than it was to identify and correct the individual who caused a problem. The email ended up upsetting 249 employees.

The proposed licensing program for rental properties in Guelph appears to be a blanket approach comparable to this CEO's actions!

## 4. What about the failure and/or rejection of similar programs in other cities?

This scheme was a failure in London, and Hamilton voted against it. Does that not create any alarm at Guelph City Hall?

The City's licensing proposal will result in the creation of a permanently staffed unit (with associated salaries, benefits, pensions, office space, equipment and vehicles) to police every landlord in Guelph instead of the delinquent few.

This is in addition to the current 2014 budget issues facing the City and the push-back on the proposed property tax increases over the next few years. Once, and if, this licensing unit is up and running, it will not be possible to simply close it down when it doesn't work. It will be with us torever.

We urge the City to drop this proposal and deal with the few delinquent tenants and landlords, as and when issues arise.

Yours sincerely.

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Copy to:

Mayor Karen Farbridge

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