



Update on Tenant Led Improvements in Basement Spaces

Item 7A

July 13, 2023

Tenant Services Committee

Report: TSC:2023-35

To: Tenant Service Committee (“TSC”)

From: Vice President, Facilities Management

Date: June 28, 2023

PURPOSE:

The purpose of this report is to provide the Tenant Services Committee (“TSC”) with an update on tenant led improvements in basement spaces.

RECOMMENDATION:

It is recommended that the TSC receive this report for information.

BACKGROUND:

Currently, basement space in TCHC properties is unfinished and deemed to be uninhabitable space used to house mechanical equipment, laundry facilities and storage. There are approximately 6,000 basement spaces in the TCHC portfolio.

During the COVID-19 pandemic, tenants and their families were remaining home more often due to virtual educational learning and work from home policies. A request was made at TSC to review its policy to allow tenants to make improvements to basement spaces so that they may be used as additional space to facilitate these at home activities.

Management responded to this request at the March 29, 2022 meeting ([Report TSC:2022-22](#)). The report indicated that, following consultation by TCHC’s Facilities Management Division with Legal Services, Risk and

Insurance, and regional staff, TCHC proposed to amend its existing policy to allow tenants to complete the following improvements to basement spaces that did not require a building permit:

- Painting of existing ceilings or walls;
- Installation of drapes or window covering;
- Installation of loose flooring/area rugs;
- General decorating; and
- Placement of furniture required to permit virtual learning, work from home or other activities.

Upon receipt of the report, the TSC directed staff to undertake a further review of the proposal and to report to the TSC on a process through which tenants could work with TCHC in order to effect physical improvements to basements in townhouses owned by TCHC, at a tenant's expense.

At its September 20, 2022 meeting, the Tenant Services Committee considered a further report that responded to the direction given at the March 29 TSC meeting (Report TSC:2022-48). This report reiterated the recommendation contained in the earlier report to the Committee.

Upon receipt of this updated report, the TSC requested that TCHC management report back to the TSC on possible options for non-structural improvements such as temporary modular or movable room divisions, and the impact of these improvements on the rental relationship.

Facilities Management staff engaged the services of a third party consultant to review basement renovations in TCHC buildings. The consultant confirmed advice, previously received from Toronto Building staff, that that renovations to basement spaces in TCHC buildings would require a building permit in order to ensure compliance with the *Building Code* and the *Fire Code* in connection with the work.

TCHC also reached out to other housing providers, all of whom stated they do not allow tenants to complete basement renovations.

Facilities Management, Operations, Legal Services, and Risk and Insurance staff and TCHC's external consultant are all of the opinion that tenant led basement renovations requiring a building permit should not be permitted in the absence of the introduction of operational controls, and the addition of

necessary staff, to ensure that such renovations are conducted in a manner that complies with TCHC's legislative, regulatory and collective agreement obligations. TCHC does not support nor recommend this approach.

At its February 17, 2023 meeting, the TSC considered a further report from Management in relation to tenant led improvements in basement spaces. ([Report TSC:2022-05](#)). Following the TSC's consideration of the report, the TSC directed TCHC to establish a pilot that would allow for tenant led improvements to basement spaces over and above those already agreed to. These renovations would allow tenants, at their expense, to create net new living spaces in the basement which, subject to building permit approval, could be additional bedrooms, washrooms, etc.

If a pilot was to be undertaken, it would entail:

- TCHC applying for any permits as owner of the property;
- Tenants would need to prove they had sufficient funding for the renovations to:
 - Engage the services of a consultant to design the renovations;
 - Pay for any permits;
 - Engage the services of a contractor to complete the contemplated work; and
- TCHC would need to set up an inspection process as it has with all construction projects it undertakes

It is important to note that if a tenant were to leave the property, they would not be reimbursed for any such changes.

NEXT STEPS:

In response to the request from the TSC at its February 17, 2023 meeting, Management has engaged with the City of Toronto's Housing Secretariat's office to allow them the opportunity to provide any applicable comments or direction in relation to allowing tenant led improvements to basement spaces in TCHC single family homes, which would be pertinent to the development of a pilot program.

This report is provided to update the TSC on the status of their request. At the time of writing this report, a response has not been received from the Housing Secretariat's office in relation to this matter. Further updates will be provided once the response of the Housing Secretariat is known.

SIGNATURE:

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