APPENDIX A

Vacant Building Rehabilitation & Prevention Strategy

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Purpose

This document provides a high-level outline of the Vacant Building Rehabilitation & Prevention Strategy described in the administrative report titled “Vacancy to Vitality - Creating and Using the Vacancy to Vitality Reserve.” It is intended to serve as a baseline working document for future strategy development, implementation planning, and reporting.

Strategy Overview

The Vacant Building Rehabilitation & Prevention Strategy is a phased City approach intended to respond to vacant and derelict buildings through dedicated reserve funding, enhanced enforcement, targeted remediation, and future vacancy prevention measures.

At a high level, the strategy is designed to:

1. Establish a dedicated reserve funded by Empty Building Fee revenue;
2. Improve enforcement tools and operational capacity related to vacant and derelict buildings;
3. Support the re-occupancy, remediation, and redevelopment of vacant properties;
4. Protect neighbourhood safety, appearance, and confidence;
5. Use cost recovery tools to help sustain enforcement activity; and
6. Develop future measures to prevent residential vacancy.

Core Objectives

The strategy is intended to support the following outcomes:

1. Improve enforcement of vacant building requirements;
2. Encourage re-occupancy and redevelopment of vacant properties;
3. Reduce deterioration and demolition by neglect;
4. Improve neighbourhood appearance and community well-being;
5. Support more timely and effective use of Taking Title Without Compensation (TTWC);
6. Create a sustainable funding model for remediation and enforcement actions; and
7. Lay the groundwork for a future residential vacancy prevention program.

Three-Phase Strategy Framework

The strategy is organized into three implementation phases. Each phase builds on the previous phase and is intended to align with the anticipated growth and use of the Vacancy to Vitality Reserve.

Phase 1 – Establishment of Reserve

Anticipated start: Upon adoption of the report

Phase 1 focuses on establishing the Vacancy to Vitality Reserve and taking the preliminary steps required to support future remediation and enforcement operations.

High-level components of Phase 1 include:

1. Establish the Vacancy to Vitality Reserve;
2. Direct 2026 and future Empty Building Fee revenues into the reserve;
3. Refine revenue and collection estimates to inform implementation timing for later phases;
4. Take steps to improve Empty Building Fee collection rates;
5. Fund one temporary Solicitor II position within Legal Services;
6. Fund one permanent Building Remediation Inspector position;
7. Recruit and train the Building Remediation Inspector for implementation by early 2027;
8. Secure contractor capacity for Advanced Remediation Enforcement Action (AREA) work; and
9. Establish an AREA Committee to review and approve buildings for remediation consideration.

Phase 1 also establishes the operational foundation for enhanced TTWC support and future remediation enforcement.

Phase 2 – Rehabilitation & Occupancy

Anticipated start: Quarter 1, 2027

Phase 2 focuses on active remediation enforcement and the use of enhanced tools to support redevelopment, occupancy, and property stabilization.

High-level components of Phase 2 include:

1. Initiate a regular review schedule for the designated approval committee;
2. Operationalize Advanced Remediation Enforcement Action (AREA);
3. Undertake targeted remediation work to address non-compliant vacant building conditions to protect structural integrity and prevent further building deterioration;
4. Support redevelopment and re-occupancy outcomes through enforcement action; and
5. Recover eligible remediation costs through the property tax system to replenish the reserve.

Phase 2 is intended to move the strategy from setup into active operations, with remediation work used to improve building safety, compliance, and neighbourhood conditions.

Phase 3 – Vacancy Prevention

Anticipated start: When the reserve reaches an accumulated cash balance of $2 million

Phase 3 is intended to expand the strategy beyond remediation and enforcement toward prevention-focused measures, particularly for residential properties.

High-level components under consideration for Phase 3 include:

1. Implement enforcement tools and housing-related measures to promote prevention of residential vacancy;
2. Explore financial assistance approaches to help owners avoid vacancy;
3. Consider expansion of remediation-related interventions to tenant-occupied residential buildings where landlords are not complying with maintenance by-laws; and
4. Use reserve funds above the $2 million operating base to support vacancy prevention programming.

Further details for Phase 3 are expected to be developed in a future report once implementation progress, reserve growth, and operational needs are better understood.

Key Supporting Mechanisms

The strategy relies on several supporting mechanisms to function effectively:

1. Vacancy to Vitality Reserve as the dedicated funding source;
2. Empty Building Fee revenue as the principal reserve contribution;

3. Improved collections supported by Legal Services;
4. Building Remediation Inspector capacity to assess, coordinate, and oversee remediation work;
5. AREA contractor support for specialized enforcement repairs;
6. AREA Committee oversight for prioritization and approvals; and
7. Tax-based cost recovery to replenish reserve funds used for eligible remediation activity.

High-Level Summary

In summary, the Vacant Building Rehabilitation & Prevention Strategy is a staged enforcement and reinvestment model. It begins by creating a reserve funded through Empty Building Fee revenues, uses that reserve to build enforcement and remediation capacity, and ultimately aims to support longer-term vacancy prevention initiatives. The strategy is intended to help the City respond more effectively to vacant and derelict properties while improving safety, neighbourhood conditions, and redevelopment outcomes.

Future Development Considerations

This baseline draft may be further expanded in future versions to include detailed governance, program design, roles and responsibilities, decision-making criteria, performance measures, implementation timelines, and reporting requirements.