



Status Update on TCHC's Air Conditioning Exchange and Replacement Program

Item 7B

July 13, 2023

Tenant Services Committee

Report: TSC:2023-36

To: Tenant Services Committee ("TSC")

From: Vice President, Facilities Management

Date: June 13, 2023

PURPOSE

The purpose of this report is to provide a status update on the delivery of the Air Conditioning ("AC") Exchange and Replacement Program as requested at the February 17, 2023 Tenant Services Committee ("TSC") meeting.

RECOMMENDATIONS

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

BACKGROUND

Window AC systems undermine window and wall structures, and given that most window AC units are left in situ during the winter months, energy is lost through overheating as the result of increased air leakage. This form of air leakage also reduces tenant comfort due to drafts.

In 2018, the Facilities Management Smart Buildings and Energy Management ("SBEM") Unit designed a pilot program to test the results of an AC Exchange Program. Window AC units were replaced with new portable terminal AC units, at no cost to the tenants, who would take ownership of the new units. The portable units would eliminate safety concerns, structural stress, reduce air leakage and improve tenant comfort. The AC Exchange Program started delivery in 2019.

In November 2019, a window-mounted air conditioner (“AC”) fell from a TCHC building, resulting in a fatality. As a result, TCHC banned the use of window-mounted AC units and proceeded with the implementation of a phased AC Exchange Program to exchange tenants’ existing window-mounted AC units with new portable AC units.

During the three years that the restrictions have been in place, TCHC has completed more than 26,000 exchanges through the AC Exchange Program, with an additional 7,200 planned for 2023 and beyond (for window ACs over balconies). The total cost of the program to date is \$11.3M.

STATUS OF THE AC EXCHANGE PROGRAM

Upon completion of the 2023 exchanges, approximately 5,600 window-mounted AC units will remain. These units are lower risk units situated over a balcony or in a first-storey window

Due to budgetary constraints, the AC Exchange Program has been put on hold. As part of the 2024 budgeting process, Management will explore the possibility of reinstating the program in 2024, pending available funding.

Additionally, the provincial government introduced a new housing bill on April 6, 2023. The ‘Helping Homebuyers, Protecting Tenants Act’ proposes a series of amendments to existing planning and housing-related legislation. One proposed change to the *Residential Tenancies Act* (“RTA”) would explicitly allow tenants to install and use a window or portable air conditioner in rental units where the landlord does not supply air conditioning, subject to certain conditions and exceptions.

A key objective of the proposed changes is to ensure that all tenants in Ontario have access to cooling through the use of an AC in their unit. TCHC is already achieving this within its existing policy. All tenants are allowed to use a portable or floor mounted AC in their unit; they do not need special permission from TCHC to install them and no additional charges are levied by TCHC for operating them.

The amendment to the *Residential Tenancies Act* that the government has put forward under 36.1(1) states that “a tenant may install and use a window or portable air conditioner in a rental unit for which the landlord does not supply air conditioning.”

As the clause gives explicit permission for tenants to use window air conditioners, it could effectively invalidate TCHC's existing prohibition against window air conditioners and undermine our efforts to mitigate the safety risks associated with their use.

The government sought feedback from stakeholders on the proposed changes. The deadline for written submissions was May 6, 2023.

Based on the above noted concerns, TCHC prepared a written submission to the provincial government requesting that proposed amendments to the *Residential Tenancies Act* under section 36.1 be modified to allow landlords to implement and maintain policies that restrict the use of window model air conditioners, in certain circumstances.

The submission was shared with the City of Toronto and includes input from the Housing Secretariat.

The new legislation received Royal Assent on June 9, 2023, but final regulations have not yet been set.

NEXT STEPS

Since the remaining AC units scheduled for replacement have been deemed as low risk, the current program will remain on hold. The outcome of the TCHC submission to the provincial government may require a review of TCHC's policy regarding the use of window AC units.

Once the outcome of the submission is known, Management will explore the possibility of reinstating the program. Funding in the amount of approximately \$1.2M is required to complete the exchange of the remaining AC units. Funding will be requested in future budget years and the completion of the AC Exchange Program will be dependent upon budget approval in 2024.

SIGNATURE:

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