



Short Term Rentals (STRs)

Corporate Services Committee

July 13, 2023

Survey Results and Feedback

- 583 respondents
- 7% of respondents are STR operators
- 58% of respondents are aware of an STR in their neighbourhood
- 27% of respondents have been disrupted by an STR
 - Of those disrupted, the majority indicate that a disruption occurred approximately once a month

Survey Results and Feedback

- When disrupted by an STR, individuals:
 - Didn't do anything
 - Talked to the property owner
 - Contacted By-law or Police
 - Contacted the hosting platform
- The majority of STR respondents operate their STR in a detached dwelling
- The majority of respondents believe STRs should be operated in a detached dwelling

Survey Results and Feedback

- 54% of respondents believe STRs should be restricted to an operator's principal residence
- The majority of STR respondents are present when the STR is rented
- 75% of respondents believe that STRs should be licensed in Owen Sound

Options

- Option A – Status Quo
 - Not using zoning or licensing
 - Using current regulatory by-laws to enforce complaints
- Option B – Ban
 - Not permit STRs
- Option C – Licence
 - Permit STRs and implement a licensing program

Option A – Status Quo

NOT RECOMMENDED

- As the STR industry evolves, drawbacks could become more prevalent
- A licensing program will create parameters within which STRs will be required to operate and a way to include STRs in the Municipal Accommodation Tax (MAT)

Option B – Ban

FULL BAN: NOT RECOMMENDED

- Adversely impact the benefits
- May result in an underground market which will continue to cause issues in neighbourhoods
- Inability to collect MAT
- Identified challenges can be addressed through licensing

Option B – Ban

RESTRICT TO PRINCIPAL RESIDENCE: RECOMMENDED

- Will reduce the impact of investment properties on housing availability and affordability
- This was a key theme of concern in survey comments

Option C – Licence

RECOMMENDED

- Majority of survey respondents support the implementation of a licensing program
- Will provide mechanism for education and enforcement
- Will provide data on number of STRs in community and the number of complaints
- Will provide the ability to collect the MAT

Staff Recommended Approach

- Annual licence for any residence that offers rentals of 28 days or less
- Licenses will not be transferable
- Licenses will not be granted where a residence has outstanding enforcement or financial issues
- Licenses will permit 2 people per legal bedroom and 2 people in the common area to a maximum of 10 people

Staff Recommended Approach

- Parking will be limited to the number of vehicles the property can accommodate
- Operated at the owner's principal residence property
- The licence can be suspended/revoked/denied

Staff Recommended Approach

- The applicant will be required to provide:
 - Fire and safety plans
 - Proof of insurance
 - Proof of principal residency
 - Proof of MAT registration
 - Written permission from the owner in the case of a tenant
 - Written permission from the condominium board, if applicable
- City officials will conduct inspections as part of the application process

Staff Recommended Approach

- There will be offences for:
 - Advertising without a licence
 - Advertising without the licence number
 - Advertising in contravention of the by-law
 - Not displaying the licence
 - Not providing the Visitor Code of Conduct to renters
- The By-law will ensure that both the owner and renter can be held accountable for violations

Resources – Option 1

- Modest approach
- Review after one year
- Cost-neutral
- Similar to current Business Licensing Program
- Utilize existing Building, By-law and Fire staff

Resources – Option 1

Hire a Part-Time Licensing Coordinator

- Maintain STR website
- Set up online application form
- Produce visitor code of conduct
- Review applications and site plans
- Circulate applications for comment
- Schedule inspections
- Consult with STR operators
- Issue licences
- Review websites
- Send compliance letters
- Track complaint calls
- Provide by-law support

Next Steps, Phase II

- Create webpage
- Draft STR By-law, set fines, complimentary zoning provisions
- Provide notice of new by-law
- Update Fees and Charges, Fireworks, Noise, Public Nuisance and Zoning By-laws
- Hire Part-Time Licensing Coordinator
- Implementation of licensing program
- Provide notice of new licensing program coming into effect
- One year review

Recommendation

THAT in consideration of Staff Report CR-23-065 respecting STR feedback and next steps, the Corporate Services Committee recommends that City Council direct staff to:

1. Implement an STR licensing program as follows:
 - a. Using the staff recommended approach, as outlined in the report; and
 - b. Using option 1, respecting resources, as outlined in the report; and
2. Continue with the next steps, phase II, as outlined in the report.