



**Subject: Lodging House Licensing By-law**

**To: Council**

**From: Office of the Chief Administrative Officer**

Report Number: 2025-40

Meeting Date: February 25, 2025

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**Recommendation:**

That Office of the Chief Administrative Officer Report 2025-40 be received;

That the Lodging House Licensing By-law attached hereto as Appendix A be approved;

That the Clerk be directed to contact the Niagara Region and request that they assume responsibility for regulating Lodging Houses in Niagara and additionally request that the Councils of each municipality in the Niagara Region request the same of the Niagara Region;

That the amending by-law to By-law 4323/159/02, Being a By-law to License, Regulate, and Govern Lodging Houses and the Keepers of Lodging Houses, be approved in order to facilitate a name change of that by-law to "Being a By-law to License, Regulate and Govern Bed & Breakfast Establishments", attached hereto as Appendix B;

That the amending by-law to By-law 7297/119/24, Being a By-law to Establish Fees and Charges for Various Services and to Repeal By-law 7155/97/23 and any amendments thereto, attached hereto as Appendix C, be approved to include the Lodging House licensing fee structure as outlined in this report; and

That the amending by-law to By-law 6902/50/21, Being a by-law to Establish a System for Administrative Penalties for Non-Parking Offences within the City of Port Colborne, attached hereto as Appendix D, be approved to include administrative penalties associated with the Lodging House Licensing By-law.

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**Purpose:**

The purpose of this report is to recommend to Council the enactment of the Lodging House Licensing By-law, attached as Appendix A.

The enactment of the Lodging House Licensing By-law would then trigger the following series of companion amendments:

1. A by-law to amend By-law 4322/159/02, attached as Appendix B to facilitate a name change of that by-law to “Being a By-law to License, Regulate and Govern Bed & Breakfast Establishments”;
2. An update to the Fees and Charges By-law, attached as Appendix C to add Lodging House Licensing fees; and
3. An update to the City’s Non-Parking Administrative Monetary Penalties by-law, attached as Appendix D to add administrative penalties associated with the Lodging House Licensing By-law.

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## **Background:**

Lodging Houses are defined in the City’s Comprehensive Zoning By-law 6575/30/18 as:

Boarding or Lodging House: Means a dwelling in which the proprietor supplies, for gain lodging, with or without meals, to more than four persons, but does not include a group home, hotel, hospital, or other establishment otherwise classified or defined in this By-law.

In many instances, Lodging Houses are operating as supportive living homes. Supportive living homes often provide housing for low-income seniors and people with disabilities who need assistance to live on their own.

Staff are aware of several lodging houses that have operated in Port Colborne in the past, and one that continues to operate at present. In the past, staff have received complaints about the conditions within Lodging Houses; however, the City has no enforcement tools to address these complaints because there is minimal regulation of lodging houses at the City level. In the absence of provincial, regional, or municipal regulation, staff have little to no authority to enforce unsatisfactory conditions in these facilities.

On April 26, 2021, Council approved Report 2021-116, which defined three options for regulating lodging houses: provincial legislation, a Regional By-law, or a City By-law. At the time, a Private Members Bill was before the Provincial legislature that would have provided provincial regulation, but this Bill did not pass in the legislature before the end of the session. Based on the failed provincial option, staff went on to request the Niagara Region undertake the licensing of Lodging Houses. The Region considered the request, but ultimately advised City staff that, under the *Municipal Act, 2001*, a by-law of this type was the responsibility of the local area municipalities rather than the regional municipality and that the Region would not pursue the Regional by-law option.

Since these two options of the recommendation of Report 2021-116 were both unsuccessful, staff continued with the third recommendation of the report: to pursue a Lodging House Licensing By-law at the City level.

Staff brought forward a draft copy of the Lodging House Licensing By-law on May 14, 2024, to obtain feedback from Council and members of the public. All comments received were then considered by staff and legal counsel and in many cases addressed, which led to further changes being incorporated into the draft by-law.

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## **Discussion:**

Over the past several years, City staff have worked with Regional staff and the City Solicitor to create a Lodging House Licensing By-law. The proposed Lodging House Licensing By-law is attached as Appendix A to this report.

The proposed by-law creates a licencing requirement and establishes the authority of municipal staff to enforce the by-law. The proposed by-law also provides regulations over living conditions in Lodging Houses including the accommodation, sanitary conditions, nutrition requirements, and the distribution and administration of medication to lodgers.

Staff recommend that Council approve the proposed Lodging House Licensing By-law to provide a licencing framework for Lodging Houses and to provide enforcement tools to municipal staff.

## **Neighbouring Municipalities**

At regularly scheduled quarterly meetings between the Chief Administrative Officers of the local area municipalities in Niagara, the subject of the by-law was discussed and there was general agreement that the staff from other municipalities would propose a version of the Lodging House Licensing By-law to their respective local councils. Once the Lodging House Licensing By-law is enacted, the City's Chief Administrative Officer will provide a copy to each municipality in Niagara.

## **Regional By-law**

The Region of Niagara has a licencing division that licences many business types in Niagara including taxis, wrecking yards, and adult entertainment. Staff believe that licencing Lodging Houses at the regional level would benefit all of Niagara because it would provide consistent rules and enforcement across the region. Staff are aware that Lodging Houses exist in other local area municipalities in Niagara and are sometimes owned by the same operators. A regional by-law would ensure uniformity across Niagara.

Regional staff have stated that the *Municipal Act, 2001* restricts the licencing of Lodging Houses to the lower-tier municipalities. This has been the subject of Area Administrators meetings, and the Chief Administrative Officers of all municipalities in Niagara have shown support for a process that would see local area municipal councils vote to 'upload' the responsibility for licencing to the Region – similar to the process that was followed in recent years to upload transit to the Region from the local area municipalities.

Staff recommend proceeding with the adoption of a City by-law and commencing this process as a separate action. This will ensure that regulation of Lodging Houses is in place in a timelier manner.

### **Existing Bed & Breakfast By-law**

In 2002, the City passed By-law No. 4323/159/02 Being a By-law to License, Regulate, and Govern Lodging Houses and the Keepers of Lodging Houses and to Revoke any Such License. Staff feel that the name of the existing by-law – which is in fact a by-law that regulates bed and breakfast type accommodations – could create confusion with the by-law proposed in this report.

Staff recommend amending By-law No. 4323/159/02 to change the name to something that more accurately reflects the purpose of the by-law and does not create confusion with the by-law proposed in this report. Staff propose changing the name to "By-law to License, Regulate and Govern Bed & Breakfast Establishments".

In addition, minor administrative changes will also be needed to properly reflect the definition of a Bed & Breakfast Establishment and eliminate all references to Lodging Houses.

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### **Internal Consultations:**

The proposed Lodging House Licensing By-law is a product of work from various City divisions, including the Fire Department, By-Law Services, Building Division, Planning Division, Clerks Division, Chief Administrative Office, and the City Solicitor.

Additionally, the City's Social Determinants of Health Committee has reviewed and considered the draft Lodging House Licensing By-law at several meetings and provided feedback that was instrumental in the creation of the final product. The draft was most recently presented to the Committee at their meeting on February 6, 2025 where it was endorsed to be brought forward for Council's final approval following a few suggested changes. The Committee looks forward to this by-law being put in place.

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## Financial Implications:

If Council approves the proposed Lodging House Licensing By-law, an amendment to the 2025 User Fees and Charges by-law will be required. Staff are proposing a cost recovery licensing fee that incorporates inspection fees and staff's time spent reviewing/processing the licence application. Staff have identified that lodging house licensing fees are vastly varied across Ontario municipalities.

A proposed fee structure is recommended as follows:

- Lodging House Licensing Fee (up to 3000 Sq.Ft.) - \$1,100.00
- Lodging House Licensing Fee (3001-6000 Sq.Ft.) - \$1,250.00
- Lodging House Licensing Fee (6001-9000 Sq.Ft.) - \$1,400.00

The above-noted fees would fully recover the costs associated with the administration of the Lodging House Licensing By-law.

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## Public Engagement:

Although public notice is not required, City staff have advised operators of known lodging houses that the draft by-law will be considered by Council and provided instructions on registering to speak as a delegate on the matter before Council.

The City's Communications department also provided public notice of the staff report being presented to Council to ensure that any potential operators that were not notified would be aware of the draft by-law being considered by Council.

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## Strategic Plan Alignment:

The initiative contained within this report supports the following pillar(s) of the strategic plan:

- Welcoming, Livable, Healthy Community
  - Increased Housing Options
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## Conclusion:

Lodging Houses are an unregulated operation in Port Colborne. Staff believe that the existence of a by-law to regulate these operations would provide a benefit to residents of Lodging Houses and the community. Staff are presenting the proposed Lodging House Licensing By-law for Council's consideration in order to provide regulation.

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## **Appendices:**

- a. Lodging House Licensing By-law
- b. Amending by-law to By-law 4323/159/02 to facilitate a name change of that by-law to “By-law to License, Regulate and Govern Bed & Breakfast Establishments”
- c. Amending By-law to Current User Fees and Charges By-law
- d. Amending By-law to Non-Parking AMPS By-law

Respectfully submitted,

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## **Report Approval:**

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.