



Subject: Short-term Rental Follow-up Report

To: Council

From: Community Safety & Enforcement Department

Report Number: 2022-208

Meeting Date: September 13, 2022

Recommendation:

That Community Safety and Enforcement Department – By-law Enforcement Division Report 2022-208 be received;

That the recommendations of Option 2 of Community Safety and Enforcement Department Report 2022-208 be approved; and

That Council direct Staff to draft a Short -Term Rental Registration By-law to be presented to Council in 2023.

Purpose:

The purpose of this report is to provide an update regarding Report 2022-44, which was discussed at the February 22, 2022, Council Meeting.

Background:

Council received the report on February 22, 2022, and requested the following action items:

- 1) Manager of By-law Services be directed to establish an education campaign for renters, owners and neighbours of short-term accommodations;
- 2) That Council supports the Manager of By-law Services enforcing City by-laws directly ticketing owners in accordance with the City's by-law Enforcement Policy;
- 3) City Clerk be directed to bring forward a recommendation for licensing short term accommodations that rent two or more units;
- 4) That a registration program be implemented for short term accommodations.

The full February report is attached as Appendix B to this report.

Discussion:

An education campaign ensued in May of 2022, rack cards were developed, branded, and mailed to areas of the City of Port Colborne that might house short-term accommodations. as part of the education campaign. The cost associated with this education campaign was approximately \$3000.

Further, additional short-term rental information, the rack card, FAQs as well as a voluntary registration program was developed and placed on the City of Port Colborne's web page. To date only a handful of owners have registered their properties.

Staff are prepared to issue Administrative Monetary Penalties for noise, parking and lot maintenance for any infractions that may occur. Thereby satisfying Council's request of items 1, 2, & 4.

A review of some municipalities within the region who have implemented or intended to implement a Short-Term Rental By-law, have found it necessary to increase staff to monitor, conduct inspections and resolve issues that arose.

By-law Enforcement services staff investigated numerous complaints over the last nine months. The current Zoning By-law has no restrictions on the location of short-term rentals. City services were unable to identify or determine if any of these properties were a short-term rental.

Accordingly, staff have provided three options for Council consideration:

Short-Term Rental Options**Option 1 – Status quo**

Voluntary registration of short-term rentals. This option does not seem to be beneficial to the municipality as only a handful of property owners voluntarily registered as a short-term rental operator, which Staff feel is not representative of the actual number of short-term rentals within the municipality.

Option 2 – Mandatory registration of Short-Term Rentals Bylaw.

Staff would continue to respond to all requests and complaints and if necessary, use the existing City By-laws and fine structure to deal with parking, noise, or lot maintenance issues. If time permitted, proactive inspections could also occur. As part of the mandatory registration, additional AMPS fines could be created to deal with non-registered properties, operating with a suspended permit, and providing false information.

This option would allow staff time to review and track short-term rental properties and fine those who fail to comply. With registration currently at zero dollars this could also provide an incentive to register. Any fines incurred should offset staff time to handle

issues. Staff would once again put forth an education campaign outlining the requirements and track any necessary enforcement.

After further discussions to determine how many potential properties could become short-term rentals, it was determined that any property that rented out an approved structure such as a home, bunkie or residential use for 28 days or less could participate in becoming a short-term rental, thereby increasing the number of suspected properties. This proposed by-law would require registration of all short-term rentals in Port Colborne, this would include properties located within Sherkston Shores.

Option 3 – Full Licensing By-law for Short-term rentals with inspections and fees.

This option may be too costly and prove to be cost prohibitive, until the City obtains an actual amount of short-term rental properties. The current Zoning By-law has no restrictions on the location of short-term rentals. By-law Services inquired with other neighbouring municipalities and found that a full by-law with registration, inspections, and administrative work, resulted in additional or dedicated staff to run the program.

Staff recommend Option 2 contained within this report, the City Clerk and Licensing staff would work on a mandatory registration by-law. Staff would bring the draft By-law to Council in Q1 of 2023.

Internal Consultations:

Fire and Emergency Services would find the information provided through a mandatory registration of short-term rentals regime beneficial for the creation of a safety plan, and for proactive safety inspections and enforcement, especially with a fluctuation of residents and visitors to these locations.

By-law Services staff inquired with other neighbouring municipalities and found that a full by-law with registration, inspections, and administrative work, resulted in additional or dedicated staff to run the program.

Financial Implications:

Financial Implications are based on the option chosen.

Option 1 – no additional implications as the web page is up and functioning.

Option 2 – minimal resources to promote the program, monitor the registered list and fine if necessary, however, the AMPS fines could offset the Officer's time.

Option 3 could require additional resources and staffing to conduct all the requirements of the by-law. Costs to run the program at this time is yet to be determined as the number of short-term properties is presently unknown.

Public Engagement:

Staff created and mailed out rack cards and added additional information to the City's website and social media channels for owners and renters of short-term rentals.

Strategic Plan Alignment:

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

- Service and Simplicity - Quality and Innovative Delivery of Customer Services
 - Attracting Business Investment and Tourists to Port Colborne
 - Governance: Communications, Engagement, and Decision-Making
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Conclusion:

Based on the above noted information, lack of voluntary registration, funds not approved for additional staff and resources, Staff recommend Option 2, create a mandatory registration by-law which includes AMPS fines.

Appendices:

- a. Short-term rental rack card and webpage information
- b. Report 2022-44

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.