

To: Council in Committee of the Whole

From: Tracy Adams, Commissioner,
Corporate Services Department

Report Number: CNCL-20-59

Date of Report: May 20, 2020

Date of Meeting: May 25, 2020

Subject: Proposed Short-Term Rental Licensing System

File: D-2200

1.0 Purpose

The purpose of this report is to respond to the Corporate Services Committee's ("Committee") February 3, 2020 referral and direction to further review and report back on the following items:

1. That Licensing By-law 120-2005, as amended, and General Fees and Charges By-law 13-2003, as amended, be further amended as described in Section 5.6 of Report CORP-20-03 concerning Short-Term Rental (S.T.R.) Licensing consultation results and a proposed licensing system, dated January 29, 2020, to license Short-Term Rental Operators and to implement other technical amendments, and that such an amending by-law be passed in a form and content acceptable to the Commissioner, Corporate Services Department and Legal Services; and,
2. That Council approve the licensing and enforcement approach outlined in Section 5.8 of Report CORP-20-03 concerning Short-Term Rental Licensing consultation results and proposed licensing system, dated January 29, 2020 with the following amendments:
 - a. That the term 'Renter's Code' be replaced with the term 'Visitor's Code' throughout the program;
 - b. That, in principle, the limit to the number of rooms be amended by deleting the number four (4) and replacing it with the number two (2) and each room be limited to a maximum of two (2) occupants;
 - c. That municipal taxes be in good standing and no liens on the tax roll at the time of issuance of the licence; and,
3. That staff be directed to investigate entering into Memorandums of Understanding with participating Short-Term Rental Companies that facilitate the booking of S.T.R.s located in the City of Oshawa and report back to the Corporate Services Committee; and,

4. That a reference to impacts on housing and rental supplies be added to the General Regulatory Objectives and anywhere else appropriate in future Short Term Rental reports; and,
5. That staff consult with and receive comments back from the Durham Regional Police Service in regards to Short Term Rentals.

This report:

- Responds to the direction from the February 3, 2020 Committee meeting;
- Presents an updated list of standards to be included in a future by-law to license Short-term Rental (S.T.R.) Operators (**Attachment 1**);
- Provides responses to other items raised at the Committee meeting (**Section 5.1** and **Attachment 2**); and,
- Presents a draft Visitor's Code to be finalized as part of the implementation process (**Attachment 3**).

The two previous reports related to the proposed licensing of S.T.R.s (CORP-18-51 and CORP-20-03) are not attached to this report due to their length, but are available online at www.oshawa.ca/str.

2.0 Recommendation

It is recommended to Council:

- 1) That Licensing By-law 120-2005, as amended, and General Fees and Charges By-law 13-2003, as amended, be further amended in a form and content acceptable to the Commissioner of Corporate Services and Legal Services to:
 - a. Establish standards as detailed in Report CNCL-20-59 "Proposed Short-Term Rental Licensing System", dated May 20, 2020, and Attachment 1, to license Short-Term Rental Operators;
 - b. In relation to the proposed licensing system, limit the number of rooms rented at any time to two (2) when renting by the room; and,
 - c. In relation to the proposed licensing system, limit the room occupancy to no more than two (2) people per room when renting by the room.
- 2) That references to the General Regulatory Objectives of health and safety, consumer protection, nuisance control, and impact on housing and rental supplies be included where appropriate in future Short-Term Rental reports; and,
- 3) That Council approve the enforcement approach outlined in Section 5.3 of Report CNCL-20-59 "Proposed Short-Term Rental Licensing System", dated May 20, 2020; and,
- 4) That staff be directed to investigate entering into Memorandums of Understanding with participating Short-Term Rental Companies that facilitate the booking of S.T.R.s located in the City of Oshawa and report back to the Corporate Services Committee.

3.0 Executive Summary

Not applicable.

4.0 Input From Other Sources

The following were consulted in preparation of this report:

- Fire Services
- Legal Services
- Planning Services
- Durham Municipal Insurance Pool (D.M.I.P.)
- Durham Regional Police Service (D.R.P.S.)
- Airbnb
- City of Toronto
- City of London

5.0 Analysis

5.1 February 3, 2020 Committee Items

Amendments were made to the proposed S.T.R. Operator licensing system and items were raised for further consideration at the February 3, 2020 Committee meeting. The following provides responses to the Committee directed items. **Attachment 2** provides information regarding other inquiries raised at the meeting.

Item #1: Change reference from “Renter’s Code” to “Visitor’s Code”

Staff Response: Operators will be required to provide renters with a “Visitor’s Code”. **Attachment 3** reflects this wording change.

Item #2: Prohibit the issuance of a licence to applicants with outstanding debts to the City

Staff Response: Licensing By-law 120-2005, as amended (“Licensing By-law”), presently addresses this issue.

A licence may be denied if:

- The applicant is indebted to the City in respect of fines, penalties, judgments or any other amounts owing, including awards of legal costs and disbursements and including outstanding property taxes and late payment charges against all properties owned by the applicant in any capacity (legally, beneficially or otherwise) and, where the applicant is a corporation, against all properties owned by an officer, or shareholder of the applicant, where such amounts outstanding are, cumulatively, \$10,000 or more; or,
- The applicant is indebted to the City in respect of an administrative penalty imposed pursuant to section 16.1 of the Licensing By-law.

This was introduced to the Licensing By-law in 2006. \$10,000 was selected as the threshold as it can encourage payment of amounts owing to the City and may assist businesses with remaining economically viable while repaying their debt.

Item #3: Limit the number of occupants and rooms rented when renting by the room

Staff Response: When renting by the room, the number of rooms rented would be limited to two (2) with no more than two (2) occupants in each, which is in alignment with Ontario Regulation 213/07: Fire Code (“the Fire Code”). The Fire Code establishes additional standards and requirements for any property that rents to more than four (4) individuals by-the-room. The Fire Code does not establish room or occupancy limits for whole-home rentals that operate as S.T.R.s.

Item# 4: Add S.T.R. impact on housing and rental supplies to General Regulatory Objectives

Staff Response: A licensing system for S.T.R.s has numerous regulatory objectives. In addition to the three (3) previously noted in Report CORP-20-03, a fourth regulatory objective has been added as directed at the February 3, 2020 Committee meeting: Impact on housing and rental supplies. The updated regulatory objectives have been outlined in **Table 1**.

Table 1 Updated Licensing System Regulatory Objectives

Regulatory Objective	Description	Examples
Health and Safety	To enhance and encourage safe practices for S.T.R. Operators.	<ul style="list-style-type: none"> • Inclusion of minimum fire safety standards related to protections such as smoke and carbon monoxide alarms • Requiring compliance with City by-laws
Consumer Protection	To enhance and encourage practices that protect the rights of consumers.	<ul style="list-style-type: none"> • Insurance requirements • Requiring Operators to display a licence number in their online listings • Requiring a local contact be available 24/7 during rental periods
Nuisance Control	To promote responsible behavior and limit community disruption.	<ul style="list-style-type: none"> • Requiring a local contact be available 24/7 during rental periods • Requiring the use of Visitor's Code
Impact on Housing and Rental Supplies	To help reduce the impact of S.T.R.s on housing and rental supplies	<ul style="list-style-type: none"> • Enabling more efficient enforcement of relevant standards found in Zoning By-law 60-94, as amended (“Zoning By-law”), including the principal residence requirement.

According to the 2019 City of Oshawa Housing Monitoring Report, INFO-20-28, the City's rental vacancy rate is currently 2.8% (1.8% in Zone 1 – the area north of Rossland Road; 3.5% in Zone 2 – the area south of Rossland Road). Three per cent (3%) is considered a healthy rental vacancy rate. S.T.R.s in Oshawa are required to be the Operator's principal

residence and no other rental use is permitted in a unit that contains an S.T.R. Based on this, S.T.R.s in Oshawa should not remove units from the rental market.

Item #5: Investigate Memorandums of Understanding with Companies

Staff Response: Given that S.T.R. companies are located outside of the municipality, and in some cases the province or country, enforcing municipal by-laws may be challenging and resource-intensive. Access to data is an important element of effective and efficient regulation. Entering into M.O.U.s with S.T.R. Companies is recommended to establish data/information-sharing with the Companies and to require licence numbers in online listings.

Staff attempted to engage major S.T.R. Companies known to be operating in the City, however only Airbnb responded. Staff has consulted with Airbnb who is willing to engage in further discussion regarding the possibility of entering into an M.O.U. with the City.

Item #6: Consult with Durham Regional Police Services (D.R.P.S.)

Staff Response:

Staff consulted with D.R.P.S. as per Committee's direction. D.R.P.S. is supportive of a licensing system for S.T.R. Operators that helps to establish protections to limit neighbourhood issues. D.R.P.S. will continue to respond to issues related, but not limited to, loud parties, fights, assaults, injuries or criminal offences. In the case of non-emergencies (e.g. noise from a loud party) calls should be placed through D.R.P.S.' non-emergency phone line. In the case of situations that warrant an emergency response (e.g. fights, assaults, injuries or criminal offences in progress), calls should be placed to the emergency 9-1-1 phone line.

5.2 Proposed Licensing System

A licensing system for S.T.R. Operators can assist the City with numerous items, including:

- Ensuring compliance with City standards in an efficient and effective manner (e.g. the Zoning By-law, Noise By-law 112-82, Nuisance By-law 65-2009, etc.);
- Addressing the public's interest and achieving the City's regulatory objectives;
- Tracking S.T.R.s (e.g. the quantity and location of those operating in the City);
- Providing information about currently licensed S.T.R.s on the City's website; and,
- Increasing Operator accountability through the risk of licence revocation.

Table 2 provides a comparison of existing S.T.R. regulations to the proposed licensing standards.

Table 2: Existing Standards v. Proposed S.T.R. Licensing System

Item	Current	Proposed Licensing System
Allowing S.T.R.s where dwelling units are permitted	✓	✓
Owner-occupied principal residences only (i.e. to address “party houses” and disruptions)	✓	✓
Prohibiting other rental uses in an S.T.R. (e.g. Bed and Breakfast establishment (“B&B”))	✓	✓
Maximum night limits	✓	✓
Prohibiting changes to the external residential appearance	✓	✓
Fire safety standards (i.e. smoke and carbon monoxide alarms)	✓	✓
Room and occupancy limits (when renting by the room)		✓
S.T.R. Operators licensed		✓
Additional fire safety standards (i.e. floor plans)		✓
Municipally required insurance (confirmed through licensing application)		✓
Local contact requirements (i.e. to address “party houses”)		✓
Visitor’s Code (education to inform visitors of municipal standards)		✓
Recordkeeping requirements (to assist with investigating complaints and enforcement)		✓

A new licensing system would require that the City’s Licensing By-law and the General Fees and Charges By-law 13-2003, as amended, be further amended to establish a regulatory framework for S.T.R. Operators. Technical amendments to the Licensing By-law would be required in addition to establishing an S.T.R. business licensing schedule, including ensuring clear delineation between licensed S.T.R.s and other licensing schedules (e.g. reviewing definitions and ensuring delineation and alignment with Schedule “K” - Rental Housing). Notice would be provided as required by the Notice to the Public By-law 147-2007.

Highlights of the proposed licensing system include:

- Establishing new and updating existing definitions in the Licensing By-law as necessary (possible examples include Short-Term Rental and Short-Term Rental Operator);
- Introducing a new schedule to the Licensing By-law to license S.T.R. Operators;

- Licensing S.T.R. Operators on an annual basis;
- Requiring applicants to attest to compliance with various rules and standards, including City by-laws and the Fire Code (e.g. having functioning smoke and carbon monoxide alarms) as part of the application process;
- Requiring S.T.R. Operators to supply the City and renters with information for a local contact available to respond to issues at all times within a period of no greater than one (1) hour from the time of contact by telephone or email while the S.T.R. is in operation;
- Undertaking property and record inspections in response to complaints and on an audit-basis;
- Restricting the number of rooms rented to no more than two (2) with no more than two (2) occupants in each, if renting by the room as opposed to a whole home rental;
- Introducing a Visitor's Code to educate guests about City by-laws and renter responsibilities;
- Requiring S.T.R. Operators to share operating data with the City (e.g. the number of nights rented in the previous year).

The proposed draft application requirements and operating standards are found in **Attachment 1** and would form the basis of an amending by-law to be drafted to establish a new licensing schedule for S.T.R. Operators within the Licensing By-law. Standards would align with existing licensing systems, address regulatory objectives, and limit the regulatory burden for S.T.R. Operators to achieve compliance.

5.3 Enforcement Approach

Enforcement of by-law violations related to S.T.R. operations will be undertaken on a complaint-basis for the first six (6) months while public education and communication is undertaken. Following this, enforcement will be undertaken on a complaint- and audit-based approach, utilizing data obtained from a third-party compliance monitoring service to identify those operating in contravention of the Licensing By-law. Staff would obtain the services of a third-party compliance monitoring service to assist with contacting and tracking S.T.R.s. The anticipated costs have been included in the 2020 Council approved operating budget.

Municipal Law Enforcement and Licensing Services (M.L.E.L.S.) will undertake the appropriate enforcement action (e.g. education, issuance of applicable orders/administrative monetary penalties, etc.) should a violation be confirmed. S.T.R. Operators are responsible for ensuring their principal residences meet health and safety standards and by-law requirements on an ongoing basis.

The following enforcement approaches will be undertaken:

- **Complaint-based:** involves responding to and investigating complaints related to potential by-law violations. If complaints are received, M.L.E.L.S. will investigate to ensure that:
 - If the property is operating as an S.T.R., the Operator has a licence
 - The S.T.R. Operator is complying with the terms and conditions of their licence (e.g. the Visitor's Code is provided to renters, they are not renting more than the permitted number of days or rooms, etc.)

- The S.T.R. Operator and renters are complying with other City by-laws (e.g. noise, property standards, parking, etc.)
- **Audit-based:**
 - In reviewing compliance monitoring data, if M.L.E.L.S. staff become aware of a potential by-law violation for a licensed or unlicensed S.T.R., an audit and/or investigation will be undertaken, as appropriate
 - M.L.E.L.S. will periodically audit S.T.R. Operator records or conduct inspections of the property after a licence has been issued, as required, as a method of ensuring compliance. For example, if an Operator is known for having a history of issues such as previous non-compliance or is suspected to be operating beyond the permitted number of days, an audit and/or inspection may be conducted. This approach would:
 - Require applicants to attest to compliance with all by-law standards (e.g. Property Standards By-law 01-2002, Lot Maintenance By-law 127-2007, and the Zoning By-law), the Ontario Fire Code and fire safety requirements that are a part of the licensing system at the time of application
 - Require applicants to maintain records related to their operation (e.g. the number of nights rented and the type of rental – whole home or by-the-room), and to present these records at the time of application or for audit and enforcement purposes
 - Involve the undertaking of property and record inspections by City staff, including M.L.E.L.S. and potentially Fire Services to ensure compliance with applicable standards

B&Bs and Proposed S.T.R. Licensing System

The City does not currently license traditional B&Bs. This proposed licensing system is not intended to license traditional B&Bs, as their operations do not typically cause the neighbourhood issues seen with S.T.R.s. However, affiliation with an S.T.R. Company is one of the major differences between B&Bs and S.T.R.s. Accordingly, if a B&B chooses to advertise on or work with an S.T.R. Company, an S.T.R. licence would be required under the proposed licensing system.

6.0 Financial Implications

The cost for third-party compliance monitoring services is approximately \$5,000 in 2020. This has been included in the 2020 Operating Budget. The overall impact of licensing revenues and enforcement costs are unknown at this time. An annual \$75 licence fee is proposed in addition to the pre-existing \$75 business licence application fee for a total annual licence cost of \$150. Staff will assess the licence fee after implementation and will recommend adjustments, if necessary, in order to attempt full-cost recovery.

7.0 Relationship to the Oshawa Strategic Plan

The recommendations in this report respond to the Oshawa Strategic Plan Goals:

- 4.1 Economic Prosperity and Financial Stewardship: Responsible Taxation; and,
- 4.2 Accountable Leadership: Deliberate Community Engagement.



Brenda Jeffs, Director,
Municipal Law Enforcement and Licensing Services



Tracy Adams, Commissioner,
Corporate Services Department

Attachments

Proposed Licensing System Overview

Note: This document provides a general overview of the standards that would form the basis of a licensing system for Short-Term Rentals (S.T.R.). Final standards and wording will form an amending by-law to be presented for approval at future date.

Proposed Licence Application Requirements for S.T.R. Operators:

Applicants would be required to submit various items, including but not limited to:

- (1) A completed application form with the information required by Municipal Law Enforcement and Licensing Services (M.L.E.L.S.) and payment of applicable fees
- (2) Proof of compliance with the applicable regulations found in Zoning By-law 60-94 (including proof of principal residence)
- (3) Acknowledgement or proof that all property owners are aware of and authorize the S.T.R. use
- (4) A floor plan that identifies details as required by the City (ex. All exits and windows, and all rooms, spaces and common areas and how each will be used)
- (5) Proof of required insurance
- (6) The contact information for a local contact who is available to attend to the S.T.R. at all times within a period of no greater than one (1) hour from the time of contact by telephone or email
- (7) A statement by the applicant attesting to the accuracy, truthfulness and completeness of the application and other items, including but not limited to, that:
 - a. If the S.T.R. is a condominium unit, that the S.T.R. use is permitted by their condominium board
 - b. The S.T.R. is in compliance with various legislation, including the Building Code Act, 1992, or any regulations made under it, including the Building Code; all City of Oshawa municipal by-laws, including the Property Standards By-law 1-2002, as amended, and the Zoning By-law 60-94, as amended; and the Fire Protection and Prevention Act, 1997, or any regulations made under it, including the Fire Code
 - c. The S.T.R. has and will continue to have working smoke alarms on each level of the S.T.R. and carbon monoxide alarms on all levels where sleeping occurs, and that S.T.R. will have instructions posted in a location to be determined by the City advising renters of what to do in the event of an emergency and these instructions will include a copy of the S.T.R. floor plan submitted with the application
 - d. If renting by the room, no more than two (2) rooms with a maximum of two (2) occupants in each will be rented out as part of the S.T.R. operation at any given time
 - e. They will give all renters a copy of the Visitor's Code (provided by the City) and require all renters to abide by it

- f. They acknowledge that inspections or audits may be required as part of the licensing process
- (8) Any other information as required by the Director, M.L.E.L.S.

Proposed General Prohibition:

General licensing standards would include, but not be limited to:

- (1) Requirements related to City-required removal of listings and advertisements and not advertising without a valid licence
- (2) Requirements related to the City's ability to audit/examine books, records and documents, electronic or otherwise, as well as for conducting property inspections related to the S.T.R. operation

Proposed Licence Conditions/Standards for S.T.R. Operators:

In addition to general requirements of Licensing By-law 120-2005, as amended, and the new schedule, there would be a number of conditions as a requirement of continuing to hold a S.T.R. Operator licence, including but not limited to:

- (1) Operators must notify the City of any changes to the information provided at the time of licence application or renewal
- (2) A valid licence must be displayed prominently in the S.T.R.
- (3) Advertisements must include a valid City S.T.R. Operator licence number
- (4) The insurance required at the time of licence application must be maintained
- (5) If the S.T.R. is being operated by individual room rentals as opposed to a whole home rental, the number of bedrooms for rent cannot exceed two (2) with no more than two (2) occupants in each
- (6) Instructions must be posted and maintained in a location to be determined by the City advising renters of what to do in the event of an emergency, as well as a copy of the floor plan submitted with the application
- (7) There must be working smoke alarms on each level of the S.T.R. and carbon monoxide alarms on all levels where sleeping occurs. Alarms must be maintained in good working order, be less than ten (10) years old and be tested annually. A written record of tests must be kept
- (8) S.T.R. Operators must give the Fire Chief, Director (M.L.E.L.S.), or any member of staff authorized by the Fire Chief or Director, access to the S.T.R. at any reasonable hour for the purposes of conducting an inspection to confirm compliance with regulations
- (9) S.T.R. Operators and associated S.T.R.s must comply with all applicable law, including but not limited to:
 - a. the Health Protection and Promotion Act, 1990 (Ontario) and its regulations;
 - b. the Fire Protection and Prevention Act, 1997 (Ontario) and its regulations;
 - c. the Building Code Act, 1992 (Ontario) and its regulations;
 - d. the City's Zoning By-law 60-94, as amended;
 - e. the City's Property Standards By-law 1-2002, as amended;
 - f. the City's Lot Maintenance By-law 127-2007, as amended;

- g. the City's Noise By-law 112-82, as amended;
 - h. the City's Nuisance By-law 65-2009, as amended;
 - i. the City's Snow and Ice Removal By-law 92-2009, as amended;
 - j. the City's Unauthorized Parking By-law 97-2009, as amended; and
 - k. the City's Waste Collection By-law 113-2008, as amended
- (10) S.T.R. Operators must keep records available for inspection by the City for a period of six (6) years following the date of the transaction (which is the last day of the rental period) and must provide the information referred to above to M.L.E.L.S. within thirty (30) days of being requested to do so, unless M.L.E.L.S. requires the records within twenty-four (24) hours, including but not limited to:
- a. the number of nights the S.T.R. was rented
 - b. the dates rented
 - c. whether the rental was a whole home rental or by-the-room rental
- (11) Requirements related to Operators responsibilities in complying with audit and inspection directions given by the City
- (12) Records referred to must be provided to M.L.E.L.S. in a format and on a schedule to be determined by M.L.E.L.S.
- (13) Operators must provide each renter with the Visitor's Code (document to be provided to Operators by the City) and the S.T.R. Operator must keep a record that shows confirmation of renter's receipt for a period of six (6) years
- (14) The local contact provided to the City at time of application must be available to attend to the S.T.R. at all times within a period of no greater than one (1) hour from the time of contact by telephone or email and this information must also be provided to all renters

**Staff Response to Corporate Services Committee Questions
Regarding Short-Term Rentals (S.T.R.s)**

Question	Staff Response
Fire safety – Identify exits on the floor plan	<ul style="list-style-type: none"> Floorplans will require exits and windows to be identified. Attachment 1 has been updated to reflect this.
Fire safety – fire extinguishers	<ul style="list-style-type: none"> Fire extinguishers are not required by the Fire Code and Fire Services does not recommended them in this instance.
Prohibit corporations and numbered companies from obtaining a licence	<ul style="list-style-type: none"> This can be done; however, this is not necessary for preventing dedicated “income properties” and “party houses” given the existing principal residence requirement and it could prohibit some residents from operating S.T.R.s in their principal residence. Additionally, it would be inconsistent with standards for other City of Oshawa (“City”) rental house licensing systems (e.g. Residential Rental House Licensing (R.R.H.L.) and lodging houses). Staff do not recommend prohibiting corporations and numbered companies from obtaining a licence at this time.
Establishing requirements for the minimum number of nights rented	<ul style="list-style-type: none"> Minimum night standards would require that no bookings be made for under a certain period of time (e.g. two nights or seven nights). It would be very difficult to enforce such a regulation. One might expect that requiring a minimum number of days per booking would eliminate issues related to “party houses”; however, this may not achieve the desired effect as renters could theoretically rent for two (2) or three (3) nights but only stay for one (1). This may result in the City limiting rentals of a certain length to a specific category of business (e.g. hotels, motels, and bed and breakfast establishments). No other municipalities appear to have implemented such a standard. Staff do not recommend the implementation of minimum night standards at this time.
Determination of licence fees	<ul style="list-style-type: none"> The proposed \$75 licence fee is in addition to the existing application fee (\$75) applied to most business licences (for a total annual licence cost of \$150). The proposed fee is based on an assessment of approximate costs and revenues associated with the administration and enforcement of the licensing system. Additionally, the way the property operates may be fluid, sometimes only renting one (1) room, while renting two (2) rooms at other times. For simplicity, ease of administration and a streamlined application process to promote compliance, staff are recommending one licence fee for all S.T.R.s, regardless of operation-style (e.g. whole home or by the room) or number of rooms rented.

Question	Staff Response
Per night booking fees	<ul style="list-style-type: none"> • Should Council wish to collect fees from S.T.R. Companies like Airbnb, the most effective method would be through licensing S.T.R. Companies. • Collecting fees outside of a Company licensing model would be challenging. • Notwithstanding this, it could be possible for the City to cause S.T.R. Operators to remit per night booking fees to the City in addition to the cost of their licence. • Staff recommend investigating the Memorandum of Understanding approach at this time and reassessing at a later date.
Reporting information to the Canada Revenue Agency (C.R.A.)	<ul style="list-style-type: none"> • The C.R.A. has its own internal investigation and enforcement processes. • General information about licensed S.T.R.s will be regularly posted on the City’s website and available for the C.R.A. to access for tax-auditing purposes. • Sharing information regarding this type of business would be inconsistent with the City’s approach for other business types. • Staff do not recommend establishing a dedicated process for sharing licensee information with the C.R.A.
Provincial government intervention	<ul style="list-style-type: none"> • In 2018, the Province of Ontario released the “Home-Sharing Guide for Ontario Municipalities”. • The guide notes that “the province recognizes municipalities as responsible and accountable governments that are in the best position to address matters within their jurisdiction. Through the Municipal Act, municipalities have broad powers respecting certain matters (subject to certain limits), which they may wish to consider using to regulate certain aspects of home-sharing platforms and hosts/operators. Under the Planning Act, municipalities have the authority to make local planning decisions that determine the future of communities, including whether and where homesharing is allowed through their municipal official plan policies and zoning by-laws.” • The proposed licensing system for Operators can address issues experienced in the community.
Conflict with lodging houses	<ul style="list-style-type: none"> • Zoning By-law 60-94, as amended (“Zoning By-law”) defines a Lodging House as: “a building or a part of a building, containing three to ten lodging units, which does not appear to function as a dwelling unit, although one may be included with the lodging units. It includes, without limitation, a rooming house and a boarding house, a fraternity or sorority house. It does not include a hotel, a crisis care residence, a hospital, a group home, a correctional group home, a bed and breakfast establishment, a nursing home, a flat, an apartment building or a block townhouse. A lodging house may involve shared cooking or washroom facilities. Meals may or may not be provided to residents. Common areas, such as living rooms, may or may not be provided.”

Question	Staff Response
Conflict with lodging houses (cont'd)	<ul style="list-style-type: none"> • Lodging houses are typically long-term rentals and are not the principal residence of the owner/operator. • According to the Zoning By-law, an S.T.R. must be the principal residence of the operator. • The established night limits would prohibit someone from operating as an S.T.R. year-round. • The proposed licensing system would restrict S.T.R.s to renting no more than two (2) rooms when operated as a by-the-room rental.
Liability and insurance	<ul style="list-style-type: none"> • Staff have consulted the City's insurance coordinator, Durham Municipal Insurance Pool (D.M.I.P.) which has recommended the following insurance requirements for S.T.R. Operators at the time of application: <ul style="list-style-type: none"> ○ Applicant to provide proof of insurance which includes a liability limit of no less than two million dollars (\$2,000,000.00) per occurrence for property damage and bodily injury, and identifies that an S.T.R. is being operated on the property, with the City being added as additional insured. The applicant shall provide the City with a certificate of insurance in a form acceptable by the City. The insurance coverage required must be endorsed to the effect that the City shall be given at least 15 days' notice in writing of any cancellation or material variation to the policy. ○ Applicant hereby waives and releases the City from any and all liability for any property damage and/or injury sustained by the Applicant/owner or any third party, regardless of how caused. ○ Applicant shall defend, indemnify and save harmless the City and its elected officials, officers, employees and agents from and against all claims of any nature, actions, causes of action, losses, expenses, fines, costs, interest or damages of every nature and kind whatsoever in connection with or in any way related to the S.T.R. This indemnity shall be in addition to and not in lieu of any insurance to be provided by the Applicant/owner, and shall survive the Licence.
Public and industry communication	<ul style="list-style-type: none"> • Staff have been actively notifying interested parties of updates related to the licensing review process. • Regular updates and information are provided through the following mediums: <ul style="list-style-type: none"> ○ the City's S.T.R. website: www.oshawa.ca/str; ○ direct contact with interested parties/industry through telephone, email, etc.; ○ public notice in local newspapers and on the City's social media channels (notice for 2019 consultation only) • If Council approves a licensing system for S.T.R.s, staff will initiate the implementation process which will include undertaking communication and education activities to inform the public and industry about the new and existing regulations, information on the licensing process (e.g. application deadlines, where to apply, etc.), and information pertaining to compliance with applicable standards. This information will be communicated through:

Question	Staff Response
Public and industry communication (cont'd)	<ul style="list-style-type: none"> ○ the City's S.T.R. website: www.oshawa.ca/str; ○ direct contact with interested parties/industry through telephone, email, etc.; ○ letter mail to S.T.R. operators identified through the use of a third-party compliance monitoring service; ○ public notice in local newspapers (notice of passing the by-law only); ○ the City's social media channels; ○ City publications (e.g. visitor's code).
The availability of licensing and contact information on the City's website	<ul style="list-style-type: none"> ● Providing a list of licensed S.T.R.s on the City's website is consistent with the City's approach to other forms of licensed businesses (e.g. R.R.H.L., designated drivers, etc.) and registered two-unit properties. ● The information about S.T.R.s will include the local contact information, which can assist with resolution of issues. ● Members of the public and Durham Regional Police Service (D.R.P.S.) officers will have access to this information which would otherwise be difficult to share with them at times.
Preventing and responding to "party houses"	<ul style="list-style-type: none"> ● The existing principal residence requirement will assist with reducing or eliminating issues related to "party houses". ● The risk of licence revocation and additional penalties can encourage Operator compliance. ● By-law complaints during regular hours will be received through Service Oshawa, with a case file being created for Municipal Law Enforcement and Licensing Services response and investigation. ● After-hours by-law complaints will be received through Corporate Security. When a Municipal Law Enforcement Officer (M.L.E.O.) is on shift, they will respond accordingly. ● Concerns related to loud parties, fights, assaults, injuries or criminal offences should be directed to D.R.P.S. It is beyond the role of M.L.E.O. to stop active parties.
Dedicated Staff Resource	<ul style="list-style-type: none"> ● Service Oshawa is a one-stop customer service centre for City of Oshawa services and facilities. Service is provided in-person, over the phone, by live chat and by email Monday through Friday from 8:00 a.m. to 6:00 p.m. and on Saturdays from 9:00 a.m. to 1:00 p.m. In addition, web self-service is available 24/7. ● Customer Service Representatives (C.S.R.) have in-depth knowledge and an extensive knowledge base that enables them to respond to a multitude of information requests and requests for service. They have access to a variety of software applications and information used by City Branches to be able to respond to a wide-variety of inquiries. ● In addition to ongoing and seasonal refresher training, C.S.R.s regularly receive training on new or changed services and programs. Before the implementation of S.T.R. licensing, training would be provided on the new licensing structure, the relevant sections of the Zoning By-law and any other helpful information.

Question	Staff Response
Dedicated Staff Resource (cont'd)	<ul style="list-style-type: none"> • A hotline staffed by one person with expertise in this area could not provide the same hours of service and the issue of coverage during absences could cause delays in service delivery.
Enforcement and licence revocation	<ul style="list-style-type: none"> • Licence revocation may be undertaken as part of the enforcement process. • Instances of licence revocation will be assessed on a case-by-case basis and will be dependent on the frequency and severity of the violations.
Ensuring cost recovery and addressing potential compliance challenges	<ul style="list-style-type: none"> • Following implementation, staff will monitor the progress of the S.T.R. licensing systems to ensure that cost recovery and potential compliance challenges are addressed. • Staff will report back with recommended program enhancements where appropriate.
Section 447.1 of the Municipal Act (Court Order to Close Premises)	<ul style="list-style-type: none"> • Sections 447 and 447.1 of the Municipal Act, 2001, S.O. 2001, c. 25 both authorize a municipality to obtain court-ordered closing of premises. • Section 447 sets out the procedures for obtaining, enforcing, suspending and discharging closure orders if an owner is operating without a licence. • Where an owner is convicted of knowingly using all or part of a premises without a licence, a court may order that the premises or a part of the premises be closed for up to two (2) years. • Section 447.1 gives municipalities a tool to prohibit or restrict a “public nuisance” in certain specified circumstances where a court determines that a nuisance has a detrimental impact on the use and enjoyment of property in the vicinity of the location of the nuisance. • This closure order may be up to two (2) years.

Draft Short-Term Rental Visitor's Code

- **What is a Visitor's Code**
 - This purpose of this Code is to educate visitors and their guests about acceptable standards of behavior and to minimize adverse neighbourhood impacts.
- **Things to Remember:**
 - You are occupying a home.
 - This home should be treated as your own.
 - This home has neighbours.
 - Respect these neighbours.
- **Maximum Number of Renters and Guests (if renting by the room):**
 - If renting by the room, no more than two (2) rooms can be rented and each room may have a maximum of two (2) occupants.
- **Functions, Parties and Noise:**
 - All gatherings, celebrations and parties must be in compliance with all law and cannot disrupt the neighbourhood.
 - Excessive and/or disruptive noise is not permitted. Examples of noise that is likely to disrupt residents include:
 - Loud music
 - Outdoor gatherings that involve excessive noise
 - Disturbances late at night or early in the morning
 - Yelling, shouting, singing, and loud conversations.
- **Parking:**
 - There is a three (3) hour limit on most streets within the City of Oshawa unless otherwise posted. There are also numerous No Parking and No Stopping areas in effect. Winter parking regulations prohibit on-street parking between 3 a.m. and 6 a.m. from December 1 to April 1.
 - Occasional Use Parking Permits are available for parking on residential streets for visitors and special circumstances that prevent homeowners from parking in their driveways. They are only valid in three (3) hour parking areas and there is a maximum on the number available to each licence plate. More information is available by calling Service Oshawa (905-436-3311) or at www.oshawa.ca/parkingpermit.
- **Recycling, Garbage and Lot Maintenance:**
 - Please be aware that the "putting out" of waste outside of the permitted collection schedule is prohibited. Additionally, there are maintenance standards that regulate waste on private property.
- **List of Licensed Short-Term Rentals:**
 - A list of licensed Short-Term Rentals is available on the City's website.
 - [link to be provided]

- **Key By-laws and Associated Penalties**

- Noise:
 - Excessive noise is prohibited by Noise By-law 112-82.
 - Each person who contravenes the by-law is subject to penalties of \$125 for each day on which the contravention occurs or continues. Provincial Offences Act charges may also be applied.
- Nuisance:
 - Nuisances, such as littering, fighting, carrying open liquor, and other disorderly, annoying, unpleasant or obnoxious activities are prohibited by Nuisance By-law 65-2009.
 - Each person who contravenes this by-law is subject to penalties of \$250 for each day on which the contravention occurs or continues to occur. Provincial Offences Act charges may also be applied.
- Lot Maintenance:
 - The maintenance of land is regulated by By-law 127-2007. Waste and debris is not permitted on private property and may not be improperly placed on public property.
 - Each person who fails to comply with this by-law may be issued penalties in the amount of \$125 for each day on which the contravention occurs or continues. Provincial Offences Act charges may also be applied.
- Parking:
 - Parking is regulated through By-law 79-99. Various regulations apply, including:
 - A three (3) hour maximum on all streets, unless signs are posted that say otherwise
 - Various No Parking and No Stopping areas
 - No parking permitted on boulevards
 - No parking in front of or within two (2) metres of a driveway
 - No parking within three (3) metres of a fire hydrant
 - This by-law is enforced with varying penalty amounts.
- Waste:
 - Waste must only be set out for collection in accordance with By-law 113-2008.
 - Waste collection information can be found at www.oshawa.ca/waste.
 - Each person who contravenes this by-law is subject to penalties of \$250 for each day on which the contravention occurs or continues. Provincial Offences Act charges may also be applied.

Important Contact Information

- City of Oshawa: 905-436-3311
- Emergencies (Ambulance, Police, Fire): 911
- Durham Regional Police (non-emergency line): 905-579-1520

Address of this property: [space to be completed by Operator]

Your Local Contact is: [space to be completed by Operator]