

**Recommendation:**

That the C.A.O.-2023-24 report, dated October 3, 2023 regarding the Short-Term Rental Advisory Committee Summary and Next Steps be received; and  
That Council direct staff to finalize the draft by-laws related to noise and nuisance for approval at the next Council meeting; and  
That Council provide direction to staff on next steps with regard to short-term rentals and related enforcement in the Township of Douro-Dummer.

**Overview:**

At the June 21, 2022 Council meeting, staff were directed to draft a Terms of Reference for the establishment of a Short-Term Rental Advisory Committee, including a mandate to review the various models for enforcement and to make a recommendation to Council on how to proceed in the Township.

At the August 2, 2022 Council meeting, the Terms of Reference (attached) were approved and staff were directed to recruit six (6) members for appointment by Council.

The members appointed to the Short-Term Rental Advisory Committee included the following:

Richard Clark  
Suzanne Coros  
Nina Janosick  
Jeff Martin  
Doug Owens  
Dave Koch

The Committee held its first meeting on February 22, 2023, (minutes attached) Ajay Garjaria, a solicitor with Aird & Berlis LLP was invited to provided an overview of enforcement options as well as examples of current court cases that are facing other municipalities navigating the same issues. He reviewed different approaches on how to manage these properties, including nuisance by-law enforcement, civil legal proceedings, licensing and Zoning By-law regulations. Each Committee member was provided the opportunity to speak to their views and provide their own experiences with short-term rentals. It was decided that at the next meeting the Township Planner would attend to review the existing Zoning By-law and the existing as well as draft Official Plan to provide clarity and generate discussion for changes specifically related to short-term rentals in the Zoning By-law as it is scheduled to be redone in 2024. Mr. Garjaria was also asked to provide a letter regarding the enforcement options similar to what had been provided to the previous Council in a Closed Session meeting in 2022.

The second meeting was held on May 18, 2023, (minutes attached) and Mr. Garjaria was once again invited to attend, along with the Township Planner Christina Coulter.

Ms. Coulter provided a presentation (attached) consisting of information related to the existing County of Peterborough Official Plan and the proposed Official Plan and how they relate to short-term rentals. She also spoke to the current Zoning By-law which does not specifically define short-term rentals, but does speak to tourist establishments and rental cabins and rental cottages which are a permitted use on ten (10) properties in the Township.

Mr. Garjaria provided a redacted version of the original letter provided to Council in Closed Session, Municipal Regulation of Short-Term Accommodations and Short-Term Accommodation Platforms Under the Authority of the *Municipal Act, 2001*, (attached), he clarified his role with the Committee which was to provide an overview of tools and approaches on how to manage short-term rentals and encouraged members to be mindful of costs with each approach. He also provided an update on a variety of court cases and related news worthy information.

The Committee discussed the options available and it was requested that staff investigate the services of Host Compliance to determine the number of short-term rentals within the municipality. It was also requested that staff report back on licensing programs and the Municipal Accommodation Tax (MAT) as well as conduct a review of the nuisance by-law and other relevant by-laws.

Staff provided a timeline with the expectation that the next meeting would be held in August with a final report being provided to Council in September or October.

The final meeting took place on August 24, 2023, the Committee was provided with a draft Noise By-law (attached), a Draft Public Nuisance By-law (attached) and a draft Short-Term Rental Licensing By-law (attached). The Committee had discussion and each member was offered the opportunity to provide their feedback.

Staff provided an overview of the information received through Host Compliance which resulted in a proposal from the associated firm, Granicus (attached). The information on specifics about the MAT program in Peterborough County was not yet available and staff continue to investigate this as an option to provide details on the parameters and advantages and disadvantages of the implementation of a MAT.

The intent with the establishment of this Committee was to achieve a consensus, although through dialogue amongst members, it was evident that a consensus was unachievable and staff recommended that all information be provided to Council for further staff direction.

### **Conclusion:**

The Short-Term Rental Advisory Committee was split on how to proceed with enforcement and licensing and unfortunately could not come to a consensus and subsequently could not provide a recommendation to Council. At this time, staff are

recommending that the initial step would be that the draft Nuisance By-law and the Noise By-law be reviewed and be brought back to Council at the next meeting with any required amendments and that it then be forwarded to the Solicitor General for approval of the set fines.

Staff have reviewed a variety of licensing models, enforcement options and ongoing case law which have been outlined and provided in this report.

Within the County of Peterborough, only the Township of Selwyn and the Municipality of Trent Lakes have address short-term rentals with specific enforcement. The remaining municipalities in the County of Peterborough have indicated they are not pursuing any enforcement at this time but will continue to monitor the situation and the experiences of the neighbouring municipalities to help form their approach.

The **Township of Selwyn** enhanced their nuisance by-laws and imposed inspection fees, whereby if a complaint is received and by-law enforcement has to attend a fee is charged to the property owner. These fees increase with subsequent occurrences. In discussions with Selwyn staff, they indicated the enhancement of the nuisance by-laws has proven to reduce the complaints and the inspection fees are rarely required.

The **Municipality of Trent Lakes** recently approved updated nuisance and noise by-law and established a licensing program as well as implemented an Administrative Monetary Penalty (AMP) system. It is too early to report on the success of the program.

The **Township of North Kawartha** is establishing a Short-Term Rental Advisory Committee of which members have recently been appointed and have a similar terms of reference as our Committee.

The **City of Kawartha Lakes** launched their licensing program this summer and have approved set fines for non-compliance, they do not use an AMP program, but include fines for such things as operating without a license, exceeding the permitted occupancy and violating the renters code of conduct. They did secure Granicus for services including identifying the location of short-term rentals and are in the process of establishing a 24/7 complaint hotline which Granicus will manage, but this is not yet in place and available to the public.

The **Town of Penetanguishene** has recently launched a licensing program and they are also using the services of Granicus similar to the City of Kawartha Lakes. Similar to the Municipality of Trent Lakes, they have implemented an AMP program for the collection of fines. They are in the very early stages and have limited data as the effectiveness or the ability to off set the cost of administration and enforcement against the revenue generated through licensing and fines. Penetanguishene staff did confirm that additional staffing resources were required to administer the program.

The **Township of Oro-Medonte** is currently involved in a lengthy legal battle after attempting to enforce their Zoning By-law, which similar to ours was approved some time ago, and did not have a specific definition for short-term rentals. Information related to their experience and current status is attached to this report for review and provides further detail, although this court case will be of particular interest to a number of Ontario municipalities who are currently in similar situations and will also provide guidance on how best to address short-term rentals when new Zoning By-laws are being drafted.

**Prince Edward County** has done an extensive amount of work with short-term rentals and establishing a licensing program. The website offers information about the program, the enforcement, the zoning regulations and frequently asked questions under headings which include General, Enforcement, Building and Planning. The County has identified 852 short-term rentals, with a map included to plot the location of each. This municipality provides a comprehensive program with dedicated staff resources due to the volume of rentals in the area.

Staff have spent a considerable amount of time researching other municipalities and the approaches that have been established outlined above. It is very clear that there is not a single solution for every municipality and there are many factors to consider. As short-term rentals continue to gain in popularity it is important we continue to monitor the situation. While it is anticipated that new by-laws will assist in mitigating some of the concerns, staff also intend to draft a "good neighbour" document, similar to that of the Municipality of Trent Lakes (attached) but specific to our Township to create more awareness and in hopes of creating better relationships.

#### **Financial Impact:**

Once Council determines the preferred direction moving forward, staff will be better able to provide a more detailed financial impact.

The services of Granicus as outlined in their submission are as follows:

Address Identification \$6,523.34

24/7 Hotline \$2,134.76

Compliance Monitoring \$2,727.75

Mobile Permitting & Registration \$2,964.94

For an annual cost of **\$14,350.79** should all services be requested.

In addition, staff time for administration of a licensing program, inspections by Fire and Building Department personnel as well as enforcement will also have to be considered depending on the approach.

Revenue from licensing, the possible municipal administration tax and fines would also need to be factored in as an attempt to find a revenue neutral approach, although this seems to be a challenge for most municipalities.