

Report

Report No. DS2020-135	To: Council	Prepared By: Curtis Shelswell, Chief Municipal Law Enforcement Officer
Meeting Date: October 14, 2020	Subject: Short Term Rental Enforcement	Motion # _____
Roll #:		R.M.S. File #:

Recommendation(s):	Requires Action <input checked="" type="checkbox"/>	For Information Only <input type="checkbox"/>
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It is recommended:

1. That Report No. DS2020-135 be received and adopted.
2. That Council support retaining the services of Host Compliance, as a sole source, for the purpose of Address Identification as outlined in Report No. DS2020-135.
3. That the costs for these services be funded from the 2020 budget surplus and/or revenue/expense adjustments to the municipal law budget.

Background:

Short Term Rentals (STR) continue to be an issue throughout the Township and the number of STR's continues to increase notwithstanding the Interim Control By-law (ICBL). A short term rental typically involves the renting of a dwelling for a period of no more than 28 days. So far, the Municipal Law Division has experienced families, groups and/or sports teams that will rent a dwelling for one weekend at a time (two nights/three days).

Whether it is a cottage along the shores of Lake Simcoe or residential unit in the Horseshoe Valley area, the use is not always easily identifiable for Municipal Law staff. Most group(s) do not typically utilize the property any different than that of a home owner. If on a lake, they are in the rear yard enjoying the waterfront, or utilizing what the dwelling has to offer. In resort rental areas, individuals tend to spend the majority of their time at one of the resorts enjoying the amenities.

Municipal Law Staff have attempted to review/follow platforms similar to that of Airbnb but have found it very challenging as there are a large number of platforms and options for home owners to advertise that can make it challenging to follow and identify. Additionally daily researching by staff is necessary to review the various sites to determine new/existing STR's.

Township staff along with the residents understand and acknowledge the issues/concerns involving STR's. Municipal Law Staff would like to ensure that enforcement is consistent and applied across the boundary of the Township and not just to the ones that create a nuisance for neighboring properties.

To date, enforcement has consisted of Municipal Staff trying to follow platforms to identify a new STR, this has proven to be ineffective and very difficult as a result of the numerous platforms available to operators, alternatively staff have needed to rely on complaints from neighboring properties who would be required to provide evidence in court proceedings.

Another issue that continues to come up, is that operators will take down their advertisement leading you to believe that the use has discontinued but a week or two later you will get additional concerns and/or the property will be advertised on another platform.

Analysis:

Municipal Law staff recently met with a company called Host Compliance/Granicus. The purpose of Host Compliance is to assist municipalities with Short Term Rental Compliance through the following:

- Compliance and Monitoring Software
- Proprietary and Updated Data
- Consulting and Advising Services

Although an American company, Host Compliance is currently providing services to the Township of Ramara in addition to other municipalities in Ontario.

During the consultation staff learned that there are in excess of 125 different platforms for short term rental operators to advertise from. Locating platforms for specific addresses has been one of the biggest road blocks for staff, locating key information about the address is not always easy to find when looking into concerns. For Municipal Law to continue to search the 125 plus platforms and attempt to maintain an accurate database it would require staff to allocate a significant portion of their time searching on the computer which would result in less time in other key areas or additional costs for staff overtime to continue to meet other service levels/duties.

Staff were also made aware that within the Township the market for STR's has grown 20% from last year and potentially will continue to grow as people look for alternative solutions for income as we continue to experience the effects of Covid.

As indicated Host Compliance provides services related to STR's to assist the Municipality with enforcement. An area where the Township could benefit from the services of Host Compliance would be to identify all existing STR's within the Township so that staff can consistently enforce the By-law. This service would provide the Municipal Law division with a list of the current STR's within the Township and any history associated with the rental (address, reviews, existence, and owner). Host Compliance will complete a scan of the platforms every three days. The data collected will come time stamped and will support staff's efforts, Host Compliance will, if requested, provide any signed declaration or affidavits and/or expert testimony if called upon for court proceedings.

Financial/Legal Implications/Risk Management:

If retained, Host Compliance's services would cost the Township \$38.48 per search, per year. It was determined that as of August 2020 the Township has approximately 221 STR's operating within the boundaries of the Township which would equate to approximately \$ 8504.08 per year. This cost was not a component of the 2020 budget and would therefore be an overrun to the 2020 Municipal Law budget. Given the required enforcement in 2020 and reduction in expenses as a result of Covid it is anticipated that the Municipal Law budget will continue to be on track. The costs for Host Compliance would, if supported by Council, be incorporated into the 2021 and 2022 budgets to be considered by Council.

In the event that the services of Host Compliance are not retained to assist Municipal Law staff, there would continue to be costs associated with the necessary overtime for Municipal Law staff to complete these duties and attend sites for investigations after hours. Additionally, there would be additional staff time and costs associated with preparing for court proceedings; and a reliance, as noted above, on testimony/affidavits from neighbours rather than Host Compliance providing these affidavits and expert testimony to support court proceedings.

Policies/Legislation:

- Zoning By-law No. 97-95 as amended

Corporate Strategic Goals:

- Continuous Improvement and Fiscal Responsibility
- Enhance Communications and Customer Service

Consultations:

- Director, Development Services
- Chief Financial Officer/Treasurer

Conclusion:

For the Municipal Law Enforcement Division to consistently apply the provisions of the By-law and ensure more fulsome court documentation. the information provided by Host Compliance would provide a significant benefit, real time information would allow staff to easily identify new listings, listings that move from platform to platform and/or listings that are taken down but then put back up weeks later.

As mentioned the renting of a dwelling is not easily detected by Municipal Law enforcement staff, Municipal Law does not have the power to enter into a dwelling without permission and cannot request applicable documentation without a warrant, which is not easily obtained without substantial evidence. Municipal Law staff rely heavily on complaints from residents to assist with the enforcement but understandably residents are not always willing to follow up if the matter ends up in the courts. By retaining the base services of Host Compliance Municipal Law Staff can effectively and efficiently continue to address the concerns and ensure that the law is applied equally by moving to a proactive approach and dealing with the issue and can utilize the Host Compliance services to assist with court proceedings.

Respectfully submitted:

Curtis Shelswell
Chief Municipal Law Enforcement Officer

Approvals:**Date**

Andria Leigh, Director, Development Services
Robin Dunn, CAO

October 6, 2020
October 9, 2020