



# MUNICIPALITY OF GREY HIGHLANDS

Short-Term Accommodation Licencing



Department of Economic and Community Development

## **Background**

The term short-term accommodation (also known as a STA or short-term rental) means the provision of a residentially zoned dwelling unit which is used for the temporary lodging of the travelling public for a rental period not greater than 28 consecutive days. It is recognized that the use of a residentially zoned dwelling for STA purposes can take many forms ranging from a resident of the property who, from time to time, rents out the dwelling while on holiday themselves, to owners of property who continually rent the property out as investment income.

The Municipality of Grey Highlands has a growing stock of short-term rental accommodation in the area. As such, Council recommended that Municipal staff investigate creative options and best-practices to deal with and manage the issues they may arise as a result of home-sharing, while also recognizing the importance of ensuring sufficient inventory of rental properties for residents and visitors. Home-sharing is one of the fastest growing sectors of the sharing economy in Ontario and its growth has been driven by consumers looking for greater choices, flexibility, lower costs, and the opportunity for hosts to earn extra income.

In an ongoing effort to address issues pertaining to short-term accommodation rentals in the Municipality of Grey Highlands, Council and staff undertook extensive consultation with residents, businesses, and community stakeholders.

The creation of a Short-Term Accommodation Task Force helped staff shape a short-term accommodation licencing program, which helped address:

- respect for land use compatibility
- market impacts
- impacts on affordable housing
- Fire Code safety
- property standards
- degradation of neighbourhoods and communities
- noise and security issues; and
- the need for standardization of tourist accommodation regulations/standards.

On November 6, 2019, Council directed staff to proceed with the implementation of the proposed short-term accommodation licensing program as recommended by the Short-Term Accommodation Task Force through Council resolution 2019-695.

The Municipality's [Short-term Accommodations \(STA\) By-law](#) provides a system for the licensing of STA premises (premises rented on a basis of 28 consecutive days or less). No person shall carry on any trade, business or occupation of short-term accommodation unless that person has first obtained a short-term accommodation licence. Any person who obtains a licence shall comply with the regulations set out in the Municipality's STA licence bylaw. Failure to comply with the regulations would constitute an offence.

## **Short-term Accommodation Licencing Objectives**

The Municipality of Grey Highlands short-term accommodation licencing program provides a system of regulation for short-term accommodations with objectives that includes, but is not limited to:

- Protecting the character, amenities, and quality of neighbourhoods and the community as a whole
  - Creating accountability for and to ratepayers, short-term accommodators, and visitors
  - Creating a level playing field for all short-term accommodation owners and operators and providing enhanced consumer protection
  - Ensuring occupants are provided with safe accommodations in terms of fire and building safety
-

- Ensuring short-term accommodation owners and operators are made aware of their responsibilities to comply with Municipality bylaws and other regulations
- Permitting responsible short-term accommodation across the Municipality

### **Short-Term Accommodation Licencing Overview**

All persons operating short-term rentals (less than 28 consecutive days) are required to obtain a STA licence to operate. This allows the Municipality to collect information needed for enforcement and safety purposes. Monthly rentals (those of 28 or more consecutive days) do not require a short-term accommodation licence.

#### *Term of Licence*

- Renewable STA licences are issued for a three-year term.
- A licence holder can begin the renewal of their STA licence during year three of their current licence to ensure they are able to take advance bookings.
- An STA licence is conditional upon the homeowner maintaining ownership of the property; licences are non-transferrable and a new owner of a property will be eligible to apply for their own property STA licence.
- STA licences will be issued for a maximum load of 2 guests per room or suite, to a maximum of 10 guests per licenced property.

#### *Density of Short-Term Rentals*

- In sub-division or settlement areas where properties are less than one acre in size, the Municipality has established a guideline of approximately 15% short-term rentals on any single street.
  - Density requirements do not apply to properties on privately owned roads.
- This guideline is based on the number of homes constructed and occupied on the street.
- Council retains the ability to allow more or fewer short-term rentals if the property seeking the STA licence is surrounded in part or completely by other rental properties (clustering) or if Council deems it advisable to set a different limit based on other presented factors.
- Under the direction of the department of Economic and Community Development, the Municipality has engaged the services of an external third-party agency to ensure compliance with the regulations set out in the licencing agreement.
- Neighbours of short-term rental properties will be advised to contact the compliance agency to report any violations or disturbances.

#### *Privacy*

- The Municipality will not publicly post the names or addresses of short-term accommodation licenced properties and will ensure all information collected as part of the short-term accommodation licencing process will be protected in according with Ontario's Municipal Freedom of Information and Protection of Privacy Act (MFIPPA).
-

### **Required Information to Obtain a STA Licence**

- The name, address, telephone number, and email address of each owner, applicant, and/or agent.
  - A copy of the transfer/deed evidencing the ownership of the premises.
  - In the instance of an applicant or agent acting on behalf of the owner, the owner's written authorization permitting the applicant or agent to act on their behalf.
  - The name, address, telephone number and email address of the rental agent or agency (if applicable).
  - In the instance of a corporation or partnership, the name, address, telephone number and email of each director and officer or partner of the owner and/or rental agent or agency.
  - The name, address, telephone number and email address of a person who has been assigned by the owner or operator to be the agent for the operation and conduct of the inhabitants of the licenced short-term accommodation premises.
  - An acknowledgement from the owner certifying the accuracy, truthfulness, and completeness of the application.
  - The applicant/licencee shall defend, indemnify and save harmless the Municipality of Grey Highlands its elected officials, officers, employees and agents from and against any and all claims of any nature, actions, causes of action, losses, expenses, fines, costs (including legal costs), interest or damages of every nature and kind whatsoever, including but not limited to bodily injury, sickness, disease or death or to damage to or destruction of tangible property including loss of revenue or incurred expense resulting from disruption of service, arising out of or allegedly attributable to the negligence, acts, errors, omissions, misfeasance, nonfeasance, fraud or willful misconduct of the applicant/licencee, its directors, officers, employees, agents, contractors and subcontractors, or any of them, in connection with or in any way related to the delivery or performance of this contract.
  - Floor plans and a site plan of the short-term accommodation premises depicting:
    - the use of the premises including the proposed occupancy of each room
    - occupant load for sleeping purposes of each room
    - location of smoke detection and early warning devices
    - location of fire extinguishers
    - related site amenities including parking and other buildings or structures on the land.
  - A Parking Management Plan that complies with the Municipality's zoning bylaw.
  - A Property Management Plan identifying measures the owner will implement for the purposes of complying with various Municipal By-laws, including:
    - Property Standards Bylaw
    - Waste Collection Bylaw
    - Any other Bylaw relating to property maintenance and/or management
  - The prescribed fees.
  - Any outstanding fees or fines owed to the Municipality by the owner respecting any short-term accommodation premises.
-

- Municipality of Grey Highlands life safety/fire inspection (at time of application, and upon renewal every three years).

#### **Other Terms and Conditions for STA Licence Compliance Include**

- Each STA licenced property MUST have an on-site owner or identified agent who is available to be onsite within 60 minutes, 24 hours/day, 7 days/week, when the property is being rented.
  - The owner/agent would be held accountable for rectifying any complaints that are lodged.
  - The name and contact information of the owner and the agent must be supplied to the Municipality of Grey Highlands as part of the application process
  - If the owner or agent is not onsite or has not addressed the complaint within 60 minutes, the compliance agency will record the violation and demerit points will be issued to the homeowner for any non-response
  - The STA must display a sign or notice (provided by the Municipality on approval of licence application) visible upon entering the unit stating the following:
    - Municipality of Grey Highlands STA licence number
    - Maximum capacity of the licenced unit
    - Name, email and telephone number of the owner or agent
    - Name of an alternative emergency contact
    - A sign or notice indicating evacuation routes must be posted in each sleeping unit
  - The property owner or agent must inform occupants in writing of the terms and conditions of use of the property, the STA Code of Conduct, as well as capacity of the unit, community parking and noise bylaws, number of parking spaces.
  - Licences issued will be pursuant to [Municipal By-law 2019-122](#) and will be conditional upon compliance by the licensee with all Municipal bylaws and compliance with all Provincial and Federal laws and regulations and any conditions imposed to the holding of the licence.
  - Through the application process, STA operators will be made aware of and acknowledge all legal requirements including zoning, parking, noise, and property maintenance standards, etc.
  - Life safety/fire inspection to ensure fire and life safety issues are addressed
    - The inspection is undertaken by a qualified professional from the Municipality (a registered building inspector or a member of the Municipality's Fire Prevention Department)
    - The following building components and systems are inspected by Municipal staff to ensure they are complete and operational:
      - exits
      - handrails and guards
      - smoke and carbon monoxide detectors
      - required exhaust fume barriers and self-closing devices on doors between an attached or built-in garage and a dwelling unit
  - Short-term rentals without a valid STA licence are prohibited and fines of up to \$1,000 per week for each violation may be levied.
  - The Municipality is responsible for enforcing the licencing requirements.
-

- Licence fees are payable annually on the anniversary date.
- If payment is not received within 30-days of the anniversary date the licence will be revoked, with a new application being required to reinstate (including life safety/fire inspection).
- Failure to operate without a licence, or after licence revocation will be subject to all penalties outlined herewith.
- Any penalty that is not paid may be added to the tax roll to the property to which is applied and collected in the same manner as taxes, under the provisions of the Municipal Act, 2001.

### **Penalties for Non-Compliance**

A three-strike demerit system is in place for licenced STAs and demerit points are assessed for confirmed violations. If thresholds are exceeded, a licence could be suspended or revoked. Operating with a suspended or revoked licence may result in fines and/or future legal action.

A proposed demerit system would include a three-strike system, whereby if a property has three verified violations of the regulations, the STA licence may be revoked for a one-year period. Should a second suspension of the STA licence be necessary, the property may not be eligible for future short-term rentals unless the ownership of the property changes. If the offender wishes to renew the suspended STA licence, the owner could apply to Council for reconsideration and only after all information is considered, including recommendations from Municipal staff.

The following activities may constitute the issuing of a violation:

- Late evening excessive noise and neighbourhood disturbances after 10pm.
  - Parking of vehicles off the licenced property (for example, parking on neighbour's property, public roadway or in the Municipal road right-of-way).
  - Improper snow storage, or the placement of snow anywhere off the property, including on empty lots or back on the Municipal road.
  - Overcrowding of the property (for example, overnight guests exceeding the number approved in the STA licence).
  - Contravening other restrictions listed in the STA licence (for example, availability and timely response of responsible person, outdoor burn restrictions, etc.).
  - Other disturbances that are deemed problematic to the peaceful enjoyment of one's residence or accommodation.
-

## Appendix A: Definitions

**Agent:** a person duly appointed by the owner to act on their behalf.

**Applicant:** includes a person seeking a licence or renewal of a licence or a person whose licence is being considered for revocation or suspension.

**Bed & Breakfast Establishment:** shall mean sleeping accommodation or vacationing public within a single dwelling which is the principal residence of the proprietor, to a maximum of four guest rooms, and may include the provision of breakfast and other meals and services, facilities or amenities for the exclusive use of the occupants. The guest rooms shall not have kitchen facilities, nor in any other way resemble a motel or Inn, and guests should not have access to kitchen facilities.

A bed and breakfast establishment shall be permitted in any zone in which a single-family residential dwelling is a permitted use; however, is not permitted in combination with any other type of accommodation such as roomers and boarders and accessory apartments. In addition, bed and breakfast establishments are considered a home occupation and governed according to the General Provisions of the Municipality of Grey Highlands Comprehensive Zoning Bylaw 2004-50.

**Dwelling:** shall mean a building occupied, or capable of being occupied, exclusively as a home, residence, or sleeping place by one or more persons, but shall not include hotels, motels, mobile homes, travel trailers, tents, campers, etc.

**Guest:** shall mean a person who contracts for accommodation in a motel or hotel or other similar accommodation and includes all members of the persons party.

**Guest Room:** shall mean a room, suite, or rooms used or maintained for the accommodation of the public.

**Home Occupation:** means an accessory use conducted within a legally established residential dwelling unit. No home occupation shall be permitted in any zone unless identified as a permitted use and conforms to the following provisions.

- Shall not be located in an outbuilding or accessory building or structure.
  - Not more than 25% of the gross floor area of the dwelling house or unit is used for the purpose of home occupation uses, except in the case of a Bed & Breakfast establishment and a separate home occupation exist in the same dwelling, a maximum of 25% of the gross floor space area of the dwelling shall be used for these purposes.
  - Only persons residing in the dwelling operate the home occupation.
  - There is no display visible from outside the premises, other than a legal sign no larger than 1 square metre, to indicate that any part of the dwelling house, unit or lot is being used for a purpose other than residential, and shall not illuminate.
  - Such home occupation is clearly secondary to the main residential use and does not change the residential character of the dwelling house or unit nor create or become a public nuisance, particularly in regard to traffic, parking, noise, noxious odours, or emission of smoke.
  - One additional off-street parking space is provided for every 24 metres of floor space occupied for business or professional purposes, OR, in the case of a Bed and Breakfast establishment, one additional off-street parking space for each guest room.
-

- Such home occupation uses may include a business or professional office, a domestic or household art, a medical or drugless practitioner, however, a health clinic, day nursery, day care centre, nursing home, private hospital, veterinary clinic, and an animal kennel shall be deemed not to be a home occupation.
- The operation of a barber or beauty shop shall be limited to one operator at any one time.
- No outdoor storage or display of materials or goods in support of such home occupation shall be permitted.

**Hosted Property:** shall mean an establishment that has an owner/operator living full-time on-site during the rental period.

**Hotel:** shall mean an establishment that consists of one building, or two or more connected, that caters to the need of the public by furnishing sleeping accommodation, including permanent staff accommodation, may or may not supply food, and is licenced under the Liquor Licence Act and operating under the Tourism Act.

**Life Safety/Fire Inspection:** shall mean the inspection required by the Municipality of Grey Highlands prior to issuing of a short-term accommodation licence. Life-safety inspection to include the following in conformance to Ontario Building Code, Division B, Part 11, Table 11.5.1.1.C:

- Required exits, handrails and guards, smoke and carbon monoxide detectors.
- Required exhaust fume barriers and self-closing devices on doors between an attached or built-in garage and a dwelling unit.

**Motel:** a building consisting of a number of individual rental units, used for catering to the needs of the travelling public by furnishing sleeping accommodation, with or without food.

**Owner:** the person holding title on the lands on which the short-term accommodation premises is located.

**Renter:** the person responsible for the rental of the premises by way of concession, permit, lease, licence, rental agreement or similar commercial arrangement.

**Renter's Code:** a document that has been prepared by the owner that has been approved by the Municipality that is agreed to in writing by a renter that sets out the roles and responsibilities of the renter.

**Secondary Uses:** uses secondary to the principal use of the property, including home occupations, home industry, and uses that produce value-added agricultural products from the farm operation on the property.

**Short-Term Accommodation:** a building or structure or any part thereof that operates or offers a place of temporary residence, lodging or occupancy by way of concession, permit, lease, licence, rental agreement or similar commercial arrangement for a period less than twenty-eight (28) consecutive calendar days, throughout all or any part of a calendar year. Short-term Accommodation shall not mean or include a motel, hotel, inn, hospital commercial resort unit or institutional use.

**Unhosted Property:** an establishment that does not have an owner/operator living full-time on-site during the rental period.

---