

Short-Term Rental Review – Proposed By-laws

Presented To:	Finance and Administration Committee
Meeting Date:	March 26, 2024
Type:	Managers' Reports
Prepared by:	Ed Landry Planning Services
Recommended by:	General Manager of Growth and Infrastructure

Report Summary

This report provides recommendations regarding draft by-laws to regulate short-term rentals in Greater Sudbury.

Resolutions

Resolution 1:

THAT The City of Greater Sudbury directs staff to proceed with a public hearing on the proposed Zoning By-law Amendments, as outlined in the report entitled “Short-Term Rental Review – Proposed By-laws”, from the General Manager of Growth and Infrastructure, presented at the Finance and Administration Committee meeting of March 26, 2024

Resolution 2:

THAT The City of Greater Sudbury directs staff to prepare an amendment to the “Registration of Certain Businesses” By-law, as outlined in the report entitled “Short-Term Rental Review – Proposed By-laws”, from the General Manager of Growth and Infrastructure, presented at the Finance and Administration Committee Meeting of March 26, 2024.

Relationship to the Strategic Plan, Health Impact Assessment and Community Energy & Emissions Plan (CEEP)

This report refers to operational matters and has no direct connection to the Community Energy and Emissions Plan

Financial Implications

There are no financial implications associated with this report.

Background

Council Motion

Council passed the following motion on August 15, 2023 (CC2023-205):

“WHEREAS regulation in the Home-sharing and Short-term rental accommodation market has become common in Ontario and the City of Greater Sudbury would benefit from having a system of regulations and systems to ensure the safety of both purchasers and suppliers included in this market.

AND WHEREAS the City of Greater Sudbury currently does not have regulations governing home sharing and short term rental accommodations,

AND WHEREAS home-sharing and short-term rental accommodations offer some benefits to communities such as interim worker housing, tourism and economic activity, but also cause concerns related to housing availability and affordability, human trafficking, land use, and other public impacts,

THEREFORE BE IT RESOLVED that the City of Greater Sudbury directs Staff to present a report by November 7, 2023 analyzing options to implement regulations governing home sharing and short term rental accommodations that reflect, at a minimum, the following principles:

1. The safety of providers and users is paramount before, during and after a rental transaction is complete;
2. Providers will fulfill responsibilities that include, but may not be limited to:
 - a. ensuring listings are valid, and have a process for removing listings that are not valid;
 - b. resolving issues with problematic operators, and
 - c. sharing records with the City from time to time, as prescribed;
3. Short term rental accommodations are good neighbors; and,
4. Short term rental accommodations do not impact long-term rental housing supply

Options to Implement Regulations

Staff reviewed options and presented a report to the Finance and Administration Committee meeting on November 15, 2023. The review found that the City’s current by-laws address many issues or concerns that short-term rentals could pose related to public nuisance and community safety. Due to the limited number of complaints received and the potential impact on City and staff resources, staff did not recommend the creation of a licensing program.

The Committee therefore passed the following resolution:

“THAT the City of Greater Sudbury directs staff to develop regulations for the Short-Term Rental of residential dwelling units including:

- a) Amendments to the City’s Official Plan and Zoning Bylaw to define and permit Short-Term Rentals in certain Zones subject to provisions; and
- b) The creation of a new Short-Term Rental By-Law placing the onus on property owners to abide by a minimum set of standards and to allow for the investigation of complaints and education and enforcement options.

AND THAT staff return to Council with an update and options to consider for the new By-Law in Q3 of 2024, following stakeholder and community engagement as well as municipal comparisons.”

Zoning By-Law

The City’s Zoning By-law currently includes a number of pertinent definitions that assist in refining a potential definition of “short-term rental” (See attachment A). A scan of sample municipalities (e.g., Toronto, North

Bay, London, etc.) has shown that short-term rentals are usually defined by what they are not. For example, they are not “hotels”, “bed and breakfasts”, “boarding houses”, etc.

Staff is proposing that a new definition be added to the Zoning By-law as follows:

X	Short Term Rental	A use of all or part of any <i>dwelling unit</i> where accommodation is provided in exchange for payment for not greater than 28 consecutive days, but does not include a <i>hotel, shared housing, institutional use, bed and breakfast, boarding house dwelling, commercial tourist facility, camping ground, motel, or garden suite</i> .
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Staff is further recommending that a new section be added to the Zoning By-law as follows:

“4.11.1 Short Term Rentals

Notwithstanding any other provision of this By-law to the contrary, *short term rental* accommodation shall be permitted in any *dwelling unit*.”

It should further be noted that such an amendment would conform to the City’s Official Plan. Therefore, an official plan amendment would not be required at this time.

Short-Term Rental By-law/Registration of Certain Businesses (2004-355)

In December 2004, the City of Greater Sudbury passed By-law 2004-355 (as amended from time to time) to require the registration of certain businesses, including hotels, motels, boarding houses, bed and breakfast establishments, etc. The by-law was passed to:

- Assist in the identification and location of certain types of businesses which are not required to be licensed.
- Be of benefit for analysis of economic development within the city.
- Be of benefit to the (then) Sudbury and District Health Unit and the Greater Sudbury Police Services, among others

Staff is recommending that a definition of “Short-Term Rental” be added to Section 1 (Definitions), that a registrant be required to submit a record of a septic system permit issued by a public health unit (Section 5), and that “Short-Term Rental” be added to Schedule “A” of the By-law (See Attachment B). The definition would mirror the proposed definition of the Zoning By-law.

Should these changes come into effect:

- short-term rental operators would have to register (and maintain their registration of) each one of their short-term rental businesses with the City.
- the City would maintain a publicly accessible register of short-term rentals, enforced by By-law Services and the Greater Sudbury Police Service;
- the City would be able to impose fines under the *Provincial Offences Act* for any contravention of the By-law.

Summary and Next Steps

In November 2023, Council directed staff to return with regulations for the Short-Term Rental of residential dwelling units including changes to the Official Plan and Zoning By-law, and the creation of a new Short-Term Rental by-law. Staff has prepared proposed amendments to the Zoning By-law, as well as the “Registration of Certain Businesses” By-law. Staff should now be directed to commence the statutory amendment processes for the proposed by-laws.

Resources Cited

1. "Short-Term Rental Review", report presented at the November 15, 2023 Finance and Administration Committee Meeting
<https://pub-greatersudbury.escribemeetings.com/filestream.ashx?DocumentId=51564>
2. City of Greater Sudbury Zoning By-law 2010-100Z
<https://www.greatersudbury.ca/do-business/zoning/zoning-by-law-2010-100z/>