
To: Mayor and Council

From: Sasha Helmkey-Playter, Clerk/Director of Legislative Services; Amy Cann, Director of Planning & Building; Terry Vachon, Director of Parks & Recreation; Amanda Murray, Manager Parks & Recreation; Briar Kelly, Community Economic Development Officer

Meeting Date: February 24, 2025

Subject: Report # LS-004-2025 – Short-Term Rental Accommodation Licensing Program

Recommendation

Be It Resolved that Council of the Township of Clearview hereby receive report LS-004-2025 (Investigation of Short-Term Accommodation Licensing Program) dated February 24, 2025; and,

- 1) That Council supports developing a short-term accommodation program for the Township of Clearview, including a licensing by-law; and,
- 2) That Council directs staff to begin the process of investigating a program that will include public and stakeholder engagement, policy considerations, regulations and provincial legislation, and existing programs established by neighbouring municipalities.

Background

The topic of Short-Term Rentals (STRs) or Short-Term Rental Accommodations (STRAs) has been one that municipalities across Ontario have been discussing and developing programs for more than a decade. STRAs are not a new concept but it is one that has not been fully explored in Clearview Township. Currently, short term rentals are prohibited in the municipality under s. 2.35 of the Township's Zoning By-law (06-54, as amended).

The Zoning By-law defines 'short term accommodation' as:

“a use that offers or operates a dwelling as a place of temporary residence, lodging or occupancy on the basis of a concession, lease, license, permit, rental agreement or similar commercial arrangement to facilitate occupancies for a period less than 30 consecutive days throughout all or any part of a calendar year, which may be subject to municipal licensing requirements, but shall not include a bed and breakfast, hotel, inn or motel.”

The addition of STA as a defined term and the formal prohibition of its use within the Township occurred through By-law 18-08, which was a housekeeping Zoning By-law amendment administered by Planning Staff in 2018 in accordance with the Planning Act. This process involved public engagement and approval by Council.

In 2024 the Township and the County of Simcoe adopted/approved the new Township of Clearview Official Plan (OP). The OP (s. 4.2.1.12) provides that dwellings shall not be used for short-term rentals unless the in-force Zoning By-law permits the use and that a licence, established within a Clearview system of licenses, is obtained.

The Township has no licensing regime in place to regulate short term rentals either. Staff are aware that there are STRAs operating in the municipality, but the Zoning By-law is not an effective enforcement tool if a complaint is received. In addition, many properties in the municipality have their zoning regulated by the Niagara Escarpment Commission therefore, the Township's Zoning By-law does not apply.

Home Sharing Programs

The Ministry of Finance in 2018 provided a guide to municipalities to address what was considered the fastest growing sector in the sharing economy – home sharing. Although the market data is outdated, the concepts remain the same. Municipalities when beginning their research on STRAs need to look at policy considerations, regulatory levers, stakeholders, provincial legislation and what other municipalities are doing to get a better understanding of how it would work in their area. Below is a summary of these considerations.

Policy considerations

Why might municipalities consider addressing home-sharing?

- Impact on affordable housing
- Increased opportunities for tourism
- Challenges to existing regulations
- Public safety concerns
- Economic opportunity
- Competitive advantages

Regulatory levers

How might municipalities wish to regulate home-sharing?

- License platforms
- License/register hosts/operators
- Limit rentals to principal residences
- Limit maximum number of consecutive days
- Limit maximum number of days per year

- Limit number of guests
- Zoning
- Prohibited/Ineligible Building List

Stakeholders

Who might municipalities wish to consult before taking action?

- Advocacy Coalitions
- Housing Advocates and Local Residents
- Community Groups
- Homeowners and Landlords
- Platforms
- Hosts/Operators
- Province of Ontario
- Bed & Breakfast and Hotel Industry
- Tourism Organizations
- Tourism/Recreation related businesses

Provincial legislation

What legislation may be of interest to municipalities considering taking action?

- Municipal Act, 2001
- Planning Act
- Accessibility For Ontarians with Disabilities Act
- Condominium Act
- Fire Protection and Prevention Act

Municipalities

What are other municipalities doing?

- Town of the Blue Mountains
- Township of Tiny
- Town of Collingwood
- Town of Wasaga Beach
- Township of Springwater

Township's Strategic & Sustainable Tourism Plan & Corporate Strategic Plan

In December 2022, the Township's consultant BC Hughes finalized the Township's [Strategic & Sustainable Tourism Plan](#). Within the Plan, one of the strategic objectives is to increase the capacity of overnight accommodations in the Township. To support this objective, a key recommendation was to regulate and permit short-term accommodations. As outlined in the Plan:

“STAs are changing the way people travel, allowing them to ‘live like a local’ and be a part of the destination’s fabric. Unique STAs that exemplify with Clearview brand may be of interest to the affluent couples and families target markets. STAs also provide a way that residents can supplement their income through rentals. Not without their share of challenges, municipalities are now starting to regulate STAs so they have greater control and success. STAs can be fast and effective way to increase overnight accommodations.”

In the Township’s 2024-2034 [Corporate Strategic Plan](#), Recreation and Culture was identified as one of the key priorities. To support this priority, it was identified as an initiative that the Township should regulate and permit short-term accommodations. Many of the Township’s key plans and objectives have identified STAs as a program that the municipality should explore, regulate and promote.

Comments and Analysis

The intent of this report is to give Council an idea at a high level of what is entailed with developing a Short-Term Rental Accommodation Licensing By-law and overall program. If Council is to move forward with a program, considering research time, public and stakeholder consultation, council reports/presentations seeking direction on different aspects of licensing, creation of an inventory of short-term accommodation properties, engagement with hosts on licensing requirements and advertising campaign, staff estimate that licensing of short-term rentals would not occur until Spring 2027. Although this is an approximate timeline, the intent is to have the Township’s Zoning By-law updated and a licensing by-law passed by the end of 2026.

The OP (s. 4.2.1.13) outlines the parameters that may be used in establishing a Township licensing system under s. IV of the Municipal Act.

- a) establish a system of licences that, among other things, distinguishes between the use of an entire dwelling as an STRA, on the one hand, and the use of one or more rooms within a dwelling as one or more STRAs, on the other;
- b) provide that the issuance of a licence for an STRA requires the establishment of a Property Management Plan to ensure on-going compliance with the Township’s Property Standards By-law, Noise By-law, Open Air Burning By-law, or any other applicable by-law of the Township;
- c) require that the holder of a licence issued under the licencing by-law renew that licence on an annual basis; and
- d) establish the circumstances under which an inspection of a dwelling being used as an STRA may be undertaken pursuant to Part XIV of the Municipal Act, 2001.

Below is a general outline of the different considerations that staff in the preliminary stages, have identified for Clearview. These lists are not all encompassing but provide a good indication for a program.

By-law Enforcement

- Review neighbouring municipalities in how they have set-up licensing by-laws – classes of licenses, are owners required to be on site, demerit point system for complaints (parking, noise, etc.), inspections (including Fire Department and Building Department).
- For set fines, continue to go through Provincial Offences Act or look at the long term and setting up an AMP program (Administrative Monetary Penalties).
- Obtain feedback from Council, stakeholders, etc. on whether the Township limits rentals to principal residences, maximum number of consecutive days, maximum number of days per year, number of guests, etc.
- Creation of a licensing system – catalogue current short-term rentals that are operating, create license application, system for inspections, catalogue owner/property manager contact information.
- Budget request to Council for additional By-law Enforcement Officer who would manage short term licensing and zoning complaints.

Planning

- Through the 2025 Zoning By-law Review process:
 - remove the provisions that specifically regulate STRAs as a land use, and instead outline provisions in the new regulatory by-law.
 - Add a general provision for STRAs setting out zones or conditions in which STRAs are not permitted.
 - Consider appropriate parking requirements for STRAs and if parking requirements need to be expressed in the new Zoning By-law.
- Ensure that any allowance for STRAs is considered in balance with maintenance of the Clearview housing stock intended for long-term, year round use.

Parks & Recreation

- There are currently less than 12 private small scale/bed and breakfast operators in Clearview Township, therefore significantly impacting the number of overnight visitors in our Township. With limited availability, Clearview Township is often seen as a “stop along the way” rather than the end destination.
- The Clearview Tourism Plan strategic objective “to increase the capacity of overnight accommodations in Clearview Township” suggests 5 key actions:
 - Develop a licensing program and regulations; consider developing a municipal accommodation tax to apply to STRAs; allow STRAs to operate in the township; encourage the development of unique accommodations, including yurts, geodomes, farm stays, historic homes etc.; and finally educate local residents on the benefits of STRAs with economic returns.

- Municipal Accommodation Tax (MAT) at a high level is a 4% levy that is applied to commercial accommodations within a municipality. The revenue collected can be used for a wide variety of recreation, culture, and tourism related initiatives.
- As an example, in Northern Bruce Peninsula, the 2024 licensing revenue was \$260,500 from 334 issued licences. The municipality used Cloudpermit to track the licences and partnered with Airbnb to collect MAT.

Economic Development

- As recently presented by Tourism Industry Association of Ontario (TIAO) for every \$100 spent on STA, an average of \$300 is spent within the hosting community. For communities who have implemented a STA Bylaw and Municipal Accommodation Tax, the positive economic impacts of both the increasing tourism sector and revenue program are quite evident.
- To ensure the successful adoption of a Municipal Accommodation Tax program, Clearview Township staff will need to create a full program implementation plan. With over 50 municipalities across Ontario already adopting a Municipal Accommodation Tax, there are several opportunities available for Clearview Township staff to gain insight and best practices during the program development.
- Initial discussions with municipalities and regional Destination Marketing Organizations (DMO) have indicated that municipalities experienced success with a STA Bylaw and Municipal Accommodation Tax program that:
 - Allowed a limited number of licenses available per year with a set fee for first time applicants.
 - Once permitted, hosts will see a reduced application fee for following years if there are no complaints received resulting in demerit points or by-law infractions.
 - Other best practices included supporting STA hosts through educational engagements on topics such as how to submit their remittances to the municipality, how to leverage their hosting platform to gain new guests, or how to enhance their guests' stay while strengthening ties with the community.
- Should Clearview Township decide to move forward with exploring a Municipal Accommodation Tax, early research has shown that a key component to a successful implementation is a transparent plan to utilize the revenues generated from the program. Across the Province, municipalities who have engaged their residents, stakeholders and tourism sector in the planning process have seen significant success in the adoption of the program. The uses of this revenue, as seen by other municipalities, can be expenses such as capital upgrades to community resources, implementing a tourism sector CIP, supporting a regional DMO or the creation of a tourism sector support organization. By engaging stakeholders and community members in this long-term plan for revenue use, the

hosts and tourism sector will further align with Clearview Township's Strategic Goals and create a sense of community engagement and building for the sector.

Financial Implications

For this initial report there are no direct financial implications. However, if Council chooses to begin the process of investigating a STRA program, there will be costs associated with staff time, organizing public information/engagement sessions, and advertising. There will also be future budget asks, including the request for an additional by-law officer position to manage the licensing program.

There is also the opportunity for revenue generation through the MAT and licensing fees, that will support the program and assist with funding the additional staff position and initiatives that have been chosen for the accommodation tax.

Clearview's Strategic Plan

The above initiative supports the following strategic pillars:

- Communication
- Recreation and Culture

Report Appendices

Not applicable.

Approvals

Submitted by:	Sasha HelmKay-Playter, B.A., Dipl. M.A., AOMC, Clerk/Director of Legislative Services; Amy Cann, M. Pl., MCIP, RPP, Director of Planning & Building; Terry Vachon, CRFP, MCML, Ec.D., Director of Parks & Recreation; Amanda Murray, MHK, CRFP, Manager Parks & Recreation; Director of Parks & Recreation; Briar Kelly, Community Economic Development Officer
Reviewed by:	Joseph Paddock, Supervisor By-law Enforcement; Krista Pascoe, Deputy Clerk
Financial Implications Reviewed by:	Kelly McDonald, Treasurer
Approved by:	John Ferguson, CAO