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Staff Report

Enforcement Services – By-law Division

Report To: Committee of The Whole
Meeting Date: April 24, 2017
Report Number: FAF.17.34
Subject: STA Licensing Program Activity – year end 2016
Prepared by: Luc Proulx, Licensing Officer / Program Manager – Short Term Accommodation Program

A. Recommendation

THAT Council receive Staff Report FAF.17.34 “STA Licensing Program Activity – year end 2016”.

B. Overview

The purpose of this report is to provide Council with an update on the Town’s Short Term Accommodation (STA) Licensing Program activity from January 1 to December 31, 2016.

C. Background

Applications Received and Issued

The Short Term Accommodation Licensing By-law No. 2013-50 as amended, came into force July 2nd, 2014, and since then:

- A total 212 STA licence applications have been received and 208 STA licences issued as of December 31, 2016.

STA Licence Applications	2014	2015	2016	Total
Applications Received	143	47	33	223
STA Licences Issued	0	178	31	209

Inspection Activity

A summary of the STA Premises inspections completed during this reporting period is summarized below:

STA Premises Inspections	2014	2015	2016	Total
Property Standards/Fire Safety Inspection	0	313	85	398
Re-Inspections	0	152	43	195
Total Inspections Completed	0	465	128	593

Revenue

A summary of the STA Licensing Program revenue collected is shown in the table below:

Revenue Type	2014	2015	2016	Total
STA Licence Applications	\$288,000.00	\$135,475.00	\$61,175.00	\$484,650.00
STA Administrative Penalties	-	\$250.00	\$2,500.00	\$2,750.00
STA Fines Imposed (No Licence)	-	\$2,500.00	\$29,500.00	\$32,000.00
Appeal Fees	-	-	\$2,500.00	\$2,500.00
Inspection Fees			\$2,125.00	\$2,125.00
Total Revenue	\$288,000.00	\$138,225.00	\$97,800.00	524,025.00

OPP Noise Occurrences vs. STA Licensed Premises

A summary of the OPP Noise Occurrences for 2016 in addition to 2014 and 2015 is summarized below:

OPP Noise Occurrences

	2014				2015				2016			
	Occurrences		Charges		Occurrences		Charges		Occurrences		Charges	
	Total	STA	Total	STA	Total	STA	Total	STA	Total	STA	Total	STA
JAN	8	4	2	0	10	4	2	0	15	4	5	2
FEB	10	4	3	1	7	3	0	0	11	5	2	1
MAR	8	4	3	2	5	2	1	0	5	2	0	0
APRIL	1	0	0	0	2	2	0	0	4	1	1	1
MAY	21	12	2	2	19	11	3	1	11	5	2	1
JUNE	26	12	5	5	29	13	2	2	13	4	1	1
JULY	20	11	2	0	22	7	1	1	12	3	2	1
AUG	22	15	5	5	18	8	3	3	16	10	0	0
SEPT	11	6	0	0	14	6	0	0	4	3	1	1
OCT	8	4	4	3	2	1	0	0	8	4	1	1
NOV	4	2	1	1	4	3	1	1	4	1	0	0
DEC	7	4	0	0	7	4	0	0	3	3	0	0
TOTAL	146	78	27	19	139	64	13	8	106	45	15	9

- Between January to the end of December, there have been 106 total OPP noise occurrences versus 139 in 2015; a 24% decrease.
- Of the 106 total OPP occurrences in 2016, 45 occurrences or 42% were to a licensed STA premises vs. 46% (64 of the 139 total occurrences) during 2015; a 4% decrease.
- Of the 106 total OPP occurrences in 2016, 15 or 14% of the total occurrences resulted in charges being laid vs. 9.3% (13 of 139 total occurrences) during 2015; a 5.8% increase.
- Of the 15 charges laid, 9 were at a licensed STA premises or 60% of the total charges versus 61% (8 of 13 total charges laid) during 2015; a 1% decrease.

From the above, overall the reported OPP noise occurrences are trending downward with the number of those being to licensed STA premises slightly decreasing.

Administrative Penalties and Demerit Points

Authorized under S. 151(1) (g) of the Municipal Act, the STA By-law provides for Administrative Penalties and for Demerit Points being assessed to a person deemed to have contravened any provisions of the by-law. An Administrative Penalty is a useful tool that may encourage compliance with the By-law rather than the STA Licencee having to face prosecution or proceeding to court.

With regards to the above, the STA By-law contains a list of violations wherein Demerit Points are levied against the premises in the event of their violation.

a) Where a noise Warning is Issued

1. A “Friendly Notice” ([Form BL820](#)) issued by the Municipal Licensing Officer outlining the details of the noise violation Warning issued at an STA is sent to the STA operator/owner(s) as soon as reasonably practical after the warning having been issued by the OPP/MLEO.
2. The purpose of the “Friendly Notice” is to serve as a reminder to the operator/owner(s) of minimizing disturbances within neighbourhoods and that any future noise occurrence to that particular STA premises *may* result in the issuance of a Penalty Notice with corresponding demerit points and administrative penalty being issued.

b) Where a Noise By-law Infraction Notice is Issued

1. Where a noise violation has been deemed to have occurred at a licensed STA premises and a Certificate of Offence pursuant to the Provincial Offences Act is issued by the OPP or MLEO, an “Infraction Notice” ([Form BL 814](#)) outlining the incident is sent to the STA operator/owner as soon as reasonably practical.
2. The Notice specifies that any demerit points and administrative penalty issued in accordance with Sec. 6.1(1) of the STA Licensing By-law will only be imposed upon a conviction being registered under the POA.

A summary of the Administrative Penalties and Demerit points issued to date is summarized below:

Description	2015	2016	Total
Friendly Notices	5	39	44
Noise By-law Infractions Notices	4	9	13
Administrative Penalties	1	5	6
STA Licensing Committee Appeals	0	6	6

- The STA Licensing Committee heard 6 appeals with 5 appeals confirmed and 1 overturned in 2016.

Prosecutions: Operating without STA Licence

Pro-active enforcement of the STA By-law continues and by the end of 2016, 36 charges against those found operating without an STA licence have been laid.

Rental management sites including Airbnb, VRBO, Kijiji etc. are regularly checked and unlicensed STA operators are told to cease their operations or be charged for operating without the STA licence.

Given that the STA Licensing Program has been in full operation for almost 3 years and that the majority of the STA licences have been applied for and issued, any owners operating an STA Premises without a licence or that has not submitted an application for same are now being charged under the Provincial Offences Act with no warnings provided.

By-law Enforcement has initiated a zero tolerance enforcement approach in this regard. Staff continue to prosecute under the Provincial Offences Act for “operating a STA without a licence” contrary to s. 5.1. of the STA Licensing By-law 2013-50; carrying a maximum fine of \$5,000.00 each.

In 2016, 24 charges were laid under the STA By-law for operating without a licence. Eighteen (18) convictions were registered and fines collected and 2 other are pending disposition with trial dates forthcoming as summarized in Table 6 below:

	2015	2016	Total
Operating without a STA licence	11	24	36
Pending Disposition	-	2	2
Conviction Registered	11	18	29

Renewals;

In 2017, 178 STA Licences are due for renewal. Of these, 53 are for condos and 125 for non-condos. At a 2 year renewal rate of \$500.00 for condos and \$750.00 for non-condo units a potential revenue of \$119,250 could be generated this fiscal year.

D. The Blue Mountains Strategic Plan

N/A

E. Environmental Impacts

N/A

F. Financial Impact

\$97,800.00 in total revenue has been collected in 2016.

G. In consultation with

Finance and IT Services and By-law Services Staff

H. Attached

None

Respectfully submitted,

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