

January 2025 Government Funding Applications

ISSUE

Administration has applied for funding under Housing, Infrastructure and Communities Canada's (HICC) Short-Term Rental Enforcement Fund. City Council approval is required to authorize the Mayor and City Clerk to execute the Contribution Agreements under the corporate Seal if the application is successful.

RECOMMENDATION

That the Standing Policy Committee on Finance recommend to City Council:

1. That if the application for the Short-Term Rental Enforcement Fund is approved, City Council authorize the Mayor and City Clerk to execute the Agreement under the Corporate Seal; and
2. That if required, the Senior Financial Business Partner be granted delegated authority to sign and submit progress reports and financial claims related to the program.

BACKGROUND

On December 16, 2024, HICC began accepting applications for the Short-Term Rental Enforcement Fund (STREF) which provides \$50 million over three years to crack down on non-compliant short-term rentals. The STREF will support up to 100% of eligible costs that are direct and necessary for projects, with a minimum of \$100,000 in year one. To qualify, applicants must have an existing short-term regulatory regime in place. Applications were due January 24, 2025.

On [August 31, 2020](#), Saskatoon City Council at its Public Hearing Meeting, approved the proposed regulations for Short-Term Accommodations under Bylaws No. 9683, the Zoning Amendment Bylaw and Bylaw No. 9684, the Business License Amendment Bylaw.

DISCUSSION/ANALYSIS

The City of Saskatoon (City) has been administering the Business Licence Program since 1997. This program requires every business in Saskatoon to hold a business licence and comply with municipal zoning and building bylaws. Ongoing enforcement is carried out to ensure businesses have obtained a licence and are operating within a licence and that their business activities are carried within the scope of that approval. Having had worked with businesses on compliance for over 25 years, over 12,000 businesses per year are now licensed.

The City has been a leader in regulating short term rentals. In 2020, the Zoning Bylaw and Business License Bylaw were amended to update existing bed and breakfast regulations to adapt to the significant changes in the accommodation sector brought about by hosting platforms and the growth of the short-term rental sector.

Administrations existing enforcement plan has been focused on education and complaint-drive approaches. The STREF program will introduce an enhanced proactive component to the existing plan to help identify non-compliant properties. Administration will work with reliable third-party companies, with a track record of providing data to Canadian municipalities, to purchase short term rental listing data. This data will be reviewed by staff to identify non-compliant properties and property owners. Currently, about 230 dwelling units are licensed. Precise data on the number of units operating without a license is not available, there are currently approximately 700 listings on Airbnb and 150 listing on VBRO. While the actual number of non-complaint properties will be less than this amount, due to duplicate listings, or a licence not required for the type of activity, this indicates there is opportunity to further improve compliance.

The City will contact property owners in violation to inform them of the bylaw and provide strict deadlines to cease operating or obtain the appropriate licence. Administration will continue to monitor compliance using listing data and should property owners not comply, enforcement will be pursued under the City's existing Business Licence Bylaw and/or Zoning Bylaw. This includes fines up to \$25,000 per day, for each day the offence occurred. The amount would be determined in court, should the property owner be found guilty.

FINANCIAL IMPLICATIONS

Administration has applied for funding of \$380,000. If approved, the STREF will cover 100% of eligible costs for the program over its three-year period of operation. Administration also plans to incur \$25,000 of in-kind costs for management/supervision of the program which will be funded through existing operating budgets.

LEGAL IMPLICATIONS

Legal implications have been described in the report.

OTHER IMPLICATIONS

There are no privacy, legal, social or environmental implications identified.

NEXT STEPS

If funding is approved, Administration will report back on creating a capital project for the program and apply for the applicable amount of government funding to the project.

REPORT APPROVAL

Written by: Jeremy Meinema, Senior Financial Business Partner
 Mark Wilson, Licensing and Permitting Manager
Reviewed by: Kari Smith, Director of Finance
Approved by: Frank Long, Acting Chief Financial Officer