Short Term Rental Enforcement Fund Budget Adjustment

ISSUE

The City of Saskatoon's (City) application to Housing, Infrastructure and Communities Canada (HICC) was approved for the Short-Term Rental Enforcement Fund (STREF). City Council approval is required to create a capital project to run the program and properly track costs for reporting back to HICC.

RECOMMENDATION

That Capital Project P.10116 Short Term Rental Enforcement be increased by \$380,000 to be funded through Housing, Infrastructure and Communities Canada Short Term Rental Enforcement Fund.

BACKGROUND

On December 16, 2024, HICC began accepting applications for the STREF which provides \$50 million over three years to address non-compliant short-term rentals. The STREF will support up to 100% of eligible costs which 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 <u>August 31, 2020</u>, 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.

At its regular business meeting on February 26, 2025 while considering <u>January 2025</u> <u>Government Funding Applications</u>, City Council resolved:

- "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."

DISCUSSION/ANALYSIS

The application for STREF was approved for up to \$380,000 over three years. The project will result in the City implementing activities to enhance its existing strict regulatory regime to support the local enforcement of short-term rental restrictions to make more long-term housing units available. This includes supporting the planning, implementation, enhancement, and review of short-term rental enforcement and compliance measures as well as increasing short-term rental enforcement and compliance capacity.

The objective of the project is to address bylaw contraventions and prioritize the availability of long-term rental housing by helping the City to better enforce its short-term accommodation regulations. This objective will be accomplished by adding additional resources and tools to the existing enforcement efforts for short-term accommodation regulations already in place.

The STREF program will be introducing an enhanced pro-active component to the City's existing education and complaint driven enforcement strategy. The City will review all data received on short-term accommodation listings and identify non-compliant properties and property owners. Those in violation will be informed of the bylaw and will be provided 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.

FINANCIAL IMPLICATIONS

The STREF funding of \$380,000 will cover 100% of the eligible costs for the program. Any of the approximately \$25,000 of in-kind costs for management and supervision of the program will be funded through existing operating budgets.

OTHER IMPLICATIONS

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

NEXT STEPS

If approved, Administration will create the capital project and make the appropriate additions for the STREF funding. The Administration will begin to procure listing data services from a third-party vendor upon approval of the capital budget.

REPORT APPROVAL

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