



Date: December 15, 2025
To: Mayor and Council
Author: Ethan Wuerch, Licensing Coordinator / Municipal Registrar
RE: Short Term Rental Licensing – One Year Update

RECOMMENDED ACTION

That Council **approves** amending the “Term of Licence” for the Town’s Short-Term Rental Licensing Program from one (1) year to three (3) years;

And that Council **approves** amending the insurance requirements of the Town’s Short-Term Rental Licensing Program as noted in this report;

And that By-law 76-2025 being a By-law to Amend By-law 82-2024 being a By-law to License, Regulate and Govern Short-Term Rentals in the Town of Kingsville, **be adopted** during the By-law stage of this Council Agenda.

BACKGROUND

On November 4, 2024, Council adopted By-law 82-2024, being a By-law to License, Regulate and Govern Short-Term Rentals in the Town of Kingsville. This By-law provides for an annual licensing program for Short-Term Rentals. Council made this decision after extensive consultation with the general public, which included public surveys and public information sessions. The feedback collected was incorporated into draft versions of the By-law throughout its development.

Following the passage of the By-law, Administration developed and implemented a licensing program to support its administration and enforcement. This program includes compliance monitoring measures and a 24/7 hotline, allowing residents to submit nuisance complaints related to Short Term Rental activity either anonymously or with identification.

The Short-Term Rental application process requires proof of ownership, a satisfactory Criminal Record Check, a valid Certificate of Insurance, fire inspection clearance from the Kingsville Fire Department, and payment of an occupancy-based licensing fee. The By-law also requires all Short-Term Rental licensees to renew their Licence on an annual basis.

DISCUSSION

As of December 10, 2025, the Town of Kingsville has received 121 Applications for Short-Term Rental Licences. 83 Short-Term Rental Licences have been issued. Of the remaining 38 applications, 12 have been refused, 4 have been withdrawn, and 22 applications are still pending as described more fully below. All licensed properties and pending applications are publicly listed on the Town's website.

Of the refused applications:

- 1 applicant failed to satisfy the 300-metre distance separation requirement
- 1 applicant did not have an actual structure to be used as a Short-Term Rental when the application was submitted.
- 5 applicants failed to provide a satisfactory Certificate of Insurance
- 7 applicants failed to schedule Fire Inspections
- 9 applicants failed to provide a satisfactory Criminal Record Check

Processing Applications

Since the passage of this By-law, Administration has been reviewing applications as they are submitted to determine compliance with the Short-Term Rental By-law and ensure that all required documentation is submitted by the applicants. This review process requires substantial resources from the Municipal Governance and Fire Departments.

Of the 22 pending applications, many applicants were unable to receive a Criminal Record Check prior to submitting their application as a result of processing delays at the Ontario Provincial Police. Further delays have resulted from applicants either experiencing scheduling conflicts with fire inspections or failing to attend their scheduled appointments. This has contributed to lengthy processing time for some applications.

Additionally, the By-law has a mechanism for applicants to appeal Administration's decision to refuse to issue a licence. To date, the Town has not received any appeals.

Complaints

Residents have the ability to report Short-Term Rental-related issues at any time using a web form or a 24/7 hotline. When a complaint is received, the Agent of the Short-Term Rental property is automatically notified and required to address the concern within sixty (60) minutes.

The Short-Term Rental Hotline has received 12 total submissions to date. Of these, 7 were valid complaints, addressing concerns over noise, improper lighting, parking, and unlicensed listings. These complaints were resolved by the Agent of the respective properties. The remaining submissions were general inquiries or follow-ups to previously reported complaints. While not formal complaints, they demonstrate

continued public engagement with the hotline and interest in the short-term rental program.

All complaints that are submitted about a licensed Short-Term Rental property are noted and will be taken into consideration should the property owner apply to renew their Licence.

Improved Data

This By-law has provided Administration with reliable data as to the number of Short-Term Rentals that are operating within the Town of Kingsville. Prior to the By-law's passage, it was speculated that there were approximately 182 STRs operating unregulated in the Town of Kingsville. With support from compliance tools and applications received, it has been determined that the actual number is lower.

Limiting Growth of STRs

The 300-metre distance separation requirement outlined in the By-law has proven to be an effective regulatory tool in managing the growth of short-term rentals and ensuring that multiple Short Term Rentals are not overly concentrated in any residential subdivision.

Program Efficiency and Term of Licence Recommendation

The Short-Term Rental Licensing Program has been effective at providing the public with accurate and timely data on Short-Term Rental operations in the Town of Kingsville and addressing complaints from neighbours. It has also been successful in providing Administration with the tools necessary to enforce standards across a sector that was largely unregulated prior to the passage of the By-law.

The By-law has achieved the desired effect to promote public safety and ensure that all Short-Term Rentals operating in the Town meet specific quality and safety standards.

Given the program's success, largely due to public education and the sector's willingness to comply with the By-law, Administration believes there is an opportunity to transition the licensing program from annual licensing to multi-year licensing. Several departments have invested a considerable amount of staff time and resources reviewing initial applications and working with owner/operators to detect and correct deficiencies prior to licence issuance.

To improve the efficiency of the program, Administration is recommending amending the "Term of Licence" from one (1) year to three (3) years.

Administration is also recommending an amendment to Schedule 1, Section 1, Subsection H, to remove the requirement for Certificates of Insurance to be endorsed to provide 30-day notice of policy cancellation or variation. At the onset of the Short-Term

Rental Licensing Program, several insurance companies noted that they could not satisfy this requirement. The requirement has since been shifted to the applicant during the initial stage of the application process.

Should Council adopt the Recommended Actions, it is important to note that all other provisions of the By-law will still apply, including the initial requirement to obtain a Licence. Further, all Licences issued thus far will be reissued with a new expiry date reflecting the new Term of Licence.

There will be some resulting reduction in workload for Administration and STR owners. However, a large part of the work done by Administration for STR licensing will still continue, such as enforcement and review of applications for those inquiring about new permits.

Comments from the Fire Chief

In writing this report, the Fire Chief was consulted on whether annual fire inspections should remain a requirement despite recommending a change to the Term of Licence. The Fire Chief has noted that from a fire safety perspective, it does not make sense to license short term rentals and then not ensure, on a regular basis, that the basic life safety equipment is in place and functioning. When we issue a Licence, there is at least an implied assurance that the property meets minimum life safety requirements under the Ontario Fire Code. If we move to a three-year Licence term without annual inspections, we're effectively saying a one-time inspection is good for the next three years, even though:

- Smoke and carbon monoxide alarms can be removed, disabled, or expire.
- Fire extinguishers can be discharged, removed, or not maintained.

STRs are also higher risk by nature, people are sleeping, they're unfamiliar with the building, and they often don't know the exits or where alarms are. That's very different from a typical long-term rental or owner-occupied home.

FINANCIAL CONSIDERATIONS

The Short-Term Rental Licensing Program was intended to operate on a cost-recovery basis, with all revenue supplementing administrative time to process applications, respond to complaints and general inquiries, conduct enforcement measures, and purchase compliance software. Extending the license term from 1 to 3 years will reduce some administrative burden in processing applications, but all other aspects of monitoring and enforcing compliance will remain unchanged.

Since inception, this licensing program has generated \$106,200 in revenue. Should Council approve the Recommended Action, this revenue will be amortized over a 3-year period.

ENVIRONMENTAL CONSIDERATIONS

There are no significant environmental considerations.

CONSULTATIONS

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