

Council Information Memo

To: Mayor and Members of Council

From: Selena Campbell, Director Municipal Enforcement Services

Date: March 17, 2025

Subject: Short-Term Rental Enforcement Fund (STREF) – Grant Approval

Background

In 2023, the Government of Canada's [Fall Economic Statement](#) proposed \$50 million over three years, starting in 2024-25, to launch a Short-Term Rental Enforcement Fund (STREF). The STREF is one measure in the whole-of-government approach to addressing housing challenges, as outlined in [Canada's Housing Plan](#).

The STREF is delivered through Housing, Infrastructure, and Communities Canada and is designed to support municipal and Indigenous community enforcement of existing restrictions on short-term rentals. The program provides grant funding to municipalities and Indigenous communities with existing strict regulatory regimes to support the local enforcement of short-term rental restrictions to make more long-term housing units available in Canada.

The STREF provides one-time grant funding through a call for proposals. The maximum duration of grant agreements for selected projects under STREF is March 31, 2027.

Comments

The STREF is an application-based program with eligibility for municipalities and Indigenous communities with strict regulatory regimes that could have an impact on protecting units in the long-term housing market, and short-term rental activity. Applicants were required to have an existing strict short-term rental regulatory regime in place to qualify for the funding. Municipalities also needed to display related enforcement and compliance challenges (i.e., lack of capacity and data to identify, monitor, and bring into compliance non-compliant short-term rentals).

Currently, Oakville's MES department is responsible for handling over 8,000 investigation requests annually for various by-law violations (excluding parking).

Short-Term Accommodation (STA) investigations are assigned to Municipal Standards Investigators (MSIs) due to their complexity. Given the high volume of enforcement requests, including those related to STAs, and limited resources, enforcement is primarily reactive.

On average, each case requires eight hours of investigative work to reach an outcome, whether through voluntary compliance, issuance of an order, filing of charges, or removal of a listing. This work is carried out over several weeks, depending on officer shift schedules and case complexity. When orders or charges are issued, additional time is required for follow-up and prosecution brief preparation.

Municipal Enforcement Services believed that Oakville met the STREF requirements and worked with Finance staff to submit a STREF application in January 2025. The Oakville application received grant approval totaling almost \$898,000 from the Ministry of Housing, Infrastructure and Communities Canada on March 4, 2025.

Our plan includes:

- Creation and delivery of a public education program
- Review of administrative processes to develop and implement efficiencies
- Development of officer training manuals and process guides
- Development of Administrator process guides
- Development of a learning system to support continuous improvement of STA enforcement techniques within the existing staff complement and with the onboarding of new staff
- Proactive and reactive enforcement of STA
- Case monitoring to ensure long term compliance

Expected outcomes include:

- 1) Maximizing compliance with STA licensing requirements
- 2) Transitioning STAs to long-term housing where licensing is not permitted or desired
- 3) Data driven enforcement practices
- 4) Increased capacity through training and team development
- 5) Establishment of sustainable enforcement practices
- 6) Development of a by-name list for monitoring
- 7) Increased revenue from STA licensing and penalties

The budget requested included a Supervisor to lead the enforcement program and two MSIs and some support costs to provide the required level of education and enforcement over the program period.

MES staff have begun the implementation process and expect that staffing will be in place by mid-May 2025.