

ADMINISTRATIVE REPORT

Title: Regulating Short-Term Rental Accommodations

Critical Path: Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
T. Yanchishyn W. Yee	T. Austin C. Fernandes	C. Kloepper	M. Jack

EXECUTIVE SUMMARY

The Public Service was directed to report to Council with By-law amendments for regulating STRAs in Winnipeg. The recommended approach to regulating STRAs is seeking to set minimum standards for community safety, consumer safety, neighbourhood accountability, and to foster equity in the accommodations industry.

A STRA licensing program is proposed for the City of Winnipeg. The proposed Community Safety Business Licensing (CSBL) By-Law No. 91/2008 amendments will result in new classes of license – STRA and STRA Platform – that requires both STRA operators and STRA platform operators to obtain and maintain a valid business license. Introducing a licensing program will allow the City to set minimum standards, conduct inspections, and to suspend or revoke a license, or issue a fine, if there are health and/or safety concerns. Six new FTEs are required to implement the STRA licensing program; two administrative Clerks, three Inspectors, and one Coordinator.

Under the proposed Accommodation Tax By-law No. 70/2008 amendments, the accommodation tax of 5% on room accommodations of a continuous period of less than 30 nights within the City of Winnipeg is expanded to apply to STRAs with the revenue and expenses recorded in the Destination Marketing Reserve Fund.

Accommodation tax revenue will be recorded through the Destination Marketing Reserve Fund. Expenditures will be recorded in the department that incurs the expenditure with an equal recovery provided by the Destination Marketing Reserve Fund. Revenue and expenditures for the licensing program administration will be recorded in the Community Services Department with a recovery from the Destination Marketing Reserve Fund if expenditures exceed revenue. All budgetary requirements are outlined in Appendix B.

In addition to the licensing requirements and accommodation tax changes proposed in this report, proposed zoning changes will also be recommended to the Standing Policy Committee on Property and Development, adding STRAs to the Downtown Winnipeg Zoning By-law and the Winnipeg Zoning By-law and a separate report to Standing Policy Committee on Finance and Economic Development will seek approval for changes to the Destination Marketing Reserve Fund's purpose and funding formula to accommodate the STRA program.

RECOMMENDATIONS

1. That Council enact the amending by-law attached as Appendix A to this report:
 - i. to amend the Community Safety Business Licensing By-Law No. 91/2008, to implement the Proposed Licensing Framework for operating short-term rental accommodations and short-term rental accommodation platforms, in accordance with this report;
 - ii. to amend the Accommodation Tax By-law No. 70/2008, to implement the Proposed Accommodation Tax for short-term rental accommodations, in accordance with this report;
 - iii. to amend the Municipal By-law Enforcement Act (MBEA) Enabling By-law No. 59/2016, to establish administrative penalties for contraventions of the licensing requirements established under Recommendation 1.A., in accordance with this report.
2. That Council approve two (2) permanent FTE Clerk C positions, one (1) permanent FTE, and three (3) permanent FTE Licensing Enforcement Inspectors to be added to the City's current staff complement, and all associated operating costs, as outlined in Appendix B, to be funded from revenue to be earned through Licensing Fees and Accommodation Tax Revenues associated with short-term rental accommodations and short-term rental accommodation platforms.
3. That Council approve use of the Destination Marketing Reserve Fund to fund 2023 costs for the Short-Term Rental Program, as an advance against 2024 Accommodation Tax Revenue for any General Revenue Fund Department.
4. That the fees set out in Appendix C be approved, and that authority be delegated to the designated employee under the Community Safety Business Licensing By-Law No. 91/2008, to accept payment for fees up to three (3) months in advance of the By-law effective date.
5. That \$111,200 in additional 2023 capital budget be approved in the Winnipeg Fleet Management Agency funded by the Destination Marketing Reserve in order to purchase three (3) additional compact sedans for lease to the Community Services Department.
6. That the Winnipeg Public Service report back to the Executive Policy Committee in September 2026 with:
 - A. an update on implementation of the STRA regulation program in Winnipeg; and
 - B. any recommended changes to Winnipeg's STRA regulation program.
7. That the Proper Officers of the City of Winnipeg be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

On February 23, 2023, Council directed the Winnipeg Public Service to report back to the Executive Policy Committee within 210 days with any necessary amendments to the Accommodation Tax By-law No. 70/2008 and the Community Safety Business Licensing By-law No. 91/2008, as well as a schedule for implementation and all associated resource implications.

Council approval is required to:

- enact by-laws under the City of Winnipeg Charter;
- increase the City's FTE complement;
- to use the Destination Marketing Fund to cover 2023 costs;
- to implement the proposed Accommodation Tax;
- increase or reallocate budgets and associated debt.

IMPLICATIONS OF THE RECOMMENDATIONS

PROPOSED LICENSING PROGRAM

Introducing a formalized licensing program under the Community Safety Business Licensing By-Law will result in a new class of license – STRA and STRA Platforms – and will allow the City to set minimum standards, conduct inspections, and to suspend or revoke a license, or to issue a fine, if there are health and/or safety concerns.

Licensees will be required to obtain zoning approvals. Licensees will also be required to allow access for a City of Winnipeg employee to conduct an annual inspection, or anytime thereafter when requested. Appendix D provides details of the STRA licensing program.

If Council concurs with the recommendations, the amending By-laws will come into force 130 days after By-law enactment in order to allow time for Community By-law Enforcement Services (CBES) to establish and communicate the licensing program, and to coordinate its commencement with Planning, Property and Development Department's related amendments to the Winnipeg Zoning By-law No. 200/2006 and the Downtown Winnipeg Zoning By-law No. 100/2004.

In preparation of the Amending By-laws coming into force date, STRA operators will have the option of applying for their licenses in advance, to ensure all inspections and approvals have been received prior to the start date as outlined in the Amending By-laws. Authority delegated to the designated employee to accept payment for fees and applications up to three months in advance of the By-law effective date have been requested as part of this report.

Human Resources

For the Amending By-laws to be in force in 130 days, implementation of the STRA license program within the Community Services Department will require staff resources to administer the STRA licensing program, including the remittance collection of the accommodation tax for STRA operators.

For ease of the licensee, one point of contact will be established for all issues related to STRAs. Two new permanent FTE Clerk C positions, at an annualized cost of \$146,000 beginning in

January 2024, in the Community Services Department are required to administer licensing (customer service, file management, and coordination of the approvals required to obtain the required license) and accommodation tax collection, (which normally would be collected by the Assessment and Taxation Department), will be collected by the Community Services Department in addition to the license fee via a single customer portal.

Three new permanent FTE Licensing Enforcement Inspector positions, at an annualized cost of \$246,000 beginning in January 2024, will be dedicated to enforcing the new By-laws (Community Safety Business Licensing By-law, the MBEA Enabling By-law and the Accommodation Tax By-law) related to STRAs.

One new permanent FTE Licensing Enforcement Coordinator, at an annualized cost of \$112,000 beginning in January 2024, will provide direct oversight to the Field Enforcement Program and the staffing that will be in operation on evenings and weekends.

Financial – Licensing Program

Community Services, Community By-law Enforcement Services 'License Fees' revenues are projected to be increased by approximately \$566,000 annually, with the goal of full cost recovery associated with salary and benefits, fleet related costs, software costs, and other administrative expenses. There are a number of variables that can impact the number of licenses being issued; therefore, revenue projections prior to implementation are based on the assumption that 900 STRA licenses and four STRA Platform licenses will be issued annually. Any tax-support shortfall will be offset by a transfer from the Destination Marketing Reserve Fund from the Accommodation Tax collected from STRAs. See Appendix B, Budgetary Requirements, for a detailed financial analysis.

In addition to new positions, expenditures for software, fleet vehicles, and other administrative expenses, at a cost of \$15,000 for 2023 and an annualized cost of \$137,000 in 2024 and each year thereafter, will be funded by the additional license fee revenue and, therefore, budget adjustments in both the Community Services Department, and Innovation and Technology Department will be required. However, there will be no mill rate impact.

The 2023 Capital Budget of the Winnipeg Fleet Management Agency will increase \$111,200, financed by the Destination Marketing Reserve Fund to purchase three fleet vehicles. The Community Services Department will be responsible for the on-going leasing costs associated with these vehicles.

Financial - Accommodation Tax

Accommodation Tax revenue projected to be generated from amending the Accommodation Tax By-law to include STRAs, is estimated to be \$900,000, annually, with a prorated amount of \$750,000, expected in 2024.

This revenue will be recorded in the Destination Marketing Reserve Fund where all accommodation tax is recorded. The funding formula for the use and/or distribution of the accommodation tax revenue will be revised through a separate report to the Standing Policy Committee on Finance and Economic Development, to incorporate the revenue from STRAs, to hold this revenue in the Reserve, and to fund any short fall experienced by General Revenue Fund departments related to the short-term rental program.

As licensing and accommodation tax revenue will not start until 2024, initial software costs (\$75,000), fleet capital financing (\$111,200) required to be incurred in 2023, are being recommended to be funded by the Destination Marketing Reserve Fund as an advance against 2024 Accommodation Tax Revenue. There is sufficient funding in the Reserve to accommodate this advance of funds.

HISTORY/DISCUSSION

Part 1 – Amendments to the Community Safety Licensing By-law

Licensing:

The proposed amendments are based on the framework approved by Council on February 23, 2023, and are part of a multi-pronged approach to regulate Short-Term Rental Accommodations (STRAs), alongside proposed changes to the Winnipeg Zoning By-law No. 200/2006 and Downtown Winnipeg Zoning By-law No. 100/2004, that are being prepared separately by the Planning, Property and Development Department.

Introducing licensing requirements allows the City to set minimum standards, conduct inspections and suspend or revoke a license if there are any significant health and safety issues or other by-law violations. In addition, failure to comply with licensing requirements can result in administrative penalties (fines) under the MBEA Enabling By-law.

The licensing program would:

- Require that all STRAs be licensed annually;
- Require that STRAs use a licensed short-term rental platform for all bookings of short-term accommodations;
- Allow a maximum of four STRAs for an individual owner (one being the individual's primary residence) with a maximum of three non-primary STRAs owned by an individual or corporation, provided the individual or corporation is wholly owned by a Winnipeg resident(s) and they owned the properties on February 23, 2023, and that the STRAs are permitted under the appropriate Zoning By-law;
- For STRAs established after February 23, 2023, allows STRA operators to rent their primary residence with a limit of 150 nights per year without the owner being present in the residence;
- Impose requirements on the owner to protect the safety of both the community and renters;
- Impose conditions on a STRA license that have a history of noise nuisance complaints or complaints of other behavior that would create undue nuisance to other residents in the area;
- Require that all STRAs get approval from the Winnipeg Police Service Records Review Board as part of the application process.

As a condition of being licensed, STRAs would be required to comply with building standards in the Neighbourhood Liveability By-law applicable to all residential buildings and fire protection requirements applicable to rented residential buildings set out in the Fire Prevention By-law and demonstrate compliance during annual inspections. In addition, STRAs need to comply with the Manitoba Building Code.

STRA platforms will be required to be licensed to conduct business in the City of Winnipeg, even if the STRA platform is headquartered outside the City. Licensing these platforms is essential to facilitate the administration and enforcement of by-law requirements applicable to STRAs. The City will require these businesses to provide information as to the STRAs located in Winnipeg, including the rental charges they impose.

STRA hosts/operators will be required to provide guests with By-law-related information to help minimize any negative impacts associated with the STRA. This information will include rules related to excessive noise, parking, safety concerns, and any other By-law information to keep the STRA in compliance with all neighborhood liveability issues, and information as it relates to Human Trafficking that has been developed as part of this program.

Under the proposed licensing program, a new STRA licensing program will result in six FTE within the Community By-law Enforcement Services (CBES) Division. Operational expenses will be used to operationalize the STRA licensing program, and one FTE will be provided for the collection of the accommodation tax collected by Community Services Department on behalf of Assessment and Taxation Department.

Elements of the Program	Administrative Staffing
• Administrative and clerical file management of licensing program and registration administration. • Administration and clerical management for accommodation tax collection. • Point of contact for customer service to answer questions related to licensing and tax collection of STRAs. • Coordination of STRA Licensing/tax information on City of Winnipeg website to inform licensees. • Educational outreach for all potential, existing, and new licensees.	1 FTE – Clerk C (licensing intake) 1 FTE – Clerk C (accommodation tax collection)

Elements of the Program	Enforcement Inspectors
• Inspections based on both complaints and proactive enforcement (annual inspection of all 900 STRA) for compliance. • Report findings to Licensing Branch. • Address non-compliance through MBEA and administrative management of licensing including inspections in the evening and on weekends.	3 FTE

Elements of the Program	Enforcement Coordinator
• Supervisory oversight of the licensing enforcement team. • Business analysis that enhances the productivity and effectiveness of the program.	1 FTE

Fee Structure:

License Fees for operators have been established based on a level proportionate to business tax rates paid by establishments offering similar services adjusted for size and reduced slightly recognizing differing amenities provided.

License Fee Revenues are estimated to be \$566,000 annually with the goal of full cost recovery associated with wages and benefits, equipment, and operational expenses. There are a number of variables that will impact the number of licenses being issued, therefore revenue projections prior to implementation are based on assumptions, but are expected to be at a minimum, sufficient to recover the costs of the administrative support of the program. No additional Mill Rate support is required.

Licensing Fee and Structure (annually)	
Short Term Rental Licensing levels	Annual Fees
Primary Residence	\$260
Non-Primary Residence - Tier 1 - 1-bedroom property	\$260
Non-Primary Residence - Tier 2 - 2-bedroom property	\$520
Non-Primary Residence - Tier 3 - 3-bedroom property (baseline)	\$780
Non-Primary Residence - Tier 4 - 4-bedroom property	\$1,040
Non-Primary Residence - Tier 5 - 5-bedroom property	\$1,300
Non-Primary Residence - Tier 6 - 6-bedroom property (max)	\$1,560
Platforms – Tier 1 Less than 100 listings	\$1,000
Platform – Tier 2 101-500 Listings (baseline)	\$2,500
Platform – Tier 3 – More than 500 listings	\$5,000

Projected Licensing 2024 REVENUE (January 2024 - December 2024)			
License Category	Projected # of Licenses Issued	License Fee	Total Revenue (projected)
*assumes 900 STRA's license			
Primary Residence	300	\$260	\$78,000
Non-primary Residence (baseline)	600	\$780	\$468,000
STRA - Platforms (baseline)	4	\$2,500	\$10,000
Penalties and fees			\$10,000
Subtotal	904		\$566,000

Revenue and program expenditures for the Licensing Program administration will be in the Community Services Department with any shortfall being covered by the Destination Marketing Reserve Fund. All budgetary requirements are outlined in Appendix B.

Enforcement:

Since the CBES Division of the Community Services Department is responsible for licensing STRAs, CBES will also be responsible for enforcement of the STRA Licensing Program. The enforcement approach will be complaint-based, as well as a proactive approach to compliance (annual inspections), enforcement of the licensing program, and the collection of the accommodation tax. The proposed framework includes Licensing Enforcement Inspectors to conduct inspections on weekdays, as well as in the evenings and on weekends. Failure to comply with STRA requirements can result in administrative penalties including warnings, suspensions, and/or fines under the MBEA and/or initiating a prosecution in Provincial Judges Court for not submitting the Accommodation Tax for the STRA.

MBEA fines and early payment amounts are set out in Appendix A.

The February 23, 2023, report identified the requirement of at least two inspectors for the program. Further consultation and analysis by the Public Service identified the requirement of a third inspector to provide inspections during the daytime and evening hours, as well as provide redundancy for when one inspector is unavailable. For safety reasons, evening inspections will be conducted by a pair of inspectors.

Further, in order to both supervise the program team, and conduct ongoing business analyses of the metrics collected by the rest of the program team, a Licensing Enforcement Coordinator is also recommended.

The Public Service will engage a short-term rental monitoring service to assist with STRA monitoring, enforcement, and tax collection for this program by providing:

- Address Identification – Monitors STRA websites, duplicate listings, and leverages machine learning coupled with a team of more than 200 human analysts to provide an online dashboard with complete address information and screenshots of all identifiable STRAs in Winnipeg
- Tax Collection – Creates tax reporting and collection for operators and staff to submit and review online. Prompts for reporting periods and creates the ability to collect on back-taxes
- Rental Activity Monitoring – Provides estimated occupancy and rental revenues for each property, based on machine learning modules unique to Host Compliance. Automatically identifies audit candidates who may be under-reporting on taxes or exceeding occupancy requirements
- Custom API integration into existing AMANDA system – Systems synched, so if license is approved in AMANDA the rental unit shows compliant/registered in the STRA monitor software application.

It is vital that any software being utilized can integrate with AMANDA our existing software, to give us the ability to add modules specific to STRA operations to provide a seamless integration of existing software. The Public Services is exploring options to best accomplish this.

Part 2 – Amendments to the Accommodation Tax By-Law No. 70/2008

The accommodation tax is a 5% tax on room accommodations of a continuous periods of less than 30 nights within the City of Winnipeg, with the revenue being recorded in the Destination

Marketing Reserve Fund. Prior to these amendments this revenue has been primarily collected from hotels. Amendments to the Accommodation Tax By-Law No. 70/2008 are proposed in Appendix A to expand the By-law to include STRAs to be subject to the Accommodation Tax. The amendments would become effective at the same time as the amendments to the Community Safety Business Licensing By-Law, 130 days after Council enactment of the By-Law.

Amendments to the Accommodation Tax By-Law are summarized as follows:

- Addition or expansion of definitions to include STRAs and STRA platforms.
- Section 3(1) is modified to include STRAs as being subject to the Accommodation Tax.
- Section 3(3) a) is repealed which was a previous exemption to the accommodation tax for accommodations with fewer than four bedrooms.
- Section 3(3) b) is modified to exclude short term rental accommodations from this exemption.
- Section 5(6) and 5(7) are added to include tax remittance provisions specific to STRAs.

In the report to Council of February 23, 2023 it was proposed that the accommodation tax be charged and collected by each platform and then the platform would in turn remit the tax to the City. Feedback from the online platforms is that they will not remit the tax to the City and that it would be up to each individual host to report and remit. Having each individual host submit accommodation tax reports and remittances requires additional administration and therefore one additional Clerk C FTE is recommended to be added to be funded by the accommodation tax received.

It is estimated that there are approximately 900 STRA operators in Winnipeg that will be subject to the accommodation tax. Based on that number, and assuming 200 nights of rental per year at an estimated rental rate of \$100 per night, the total estimated Accommodation Tax realized from STRAs would be \$900,000 annually. This revenue will be recorded in the Destination Marketing Reserve Fund and will be used to fund salary costs related to administration of the Accommodation Tax on short term rentals as well as all software costs related to the short-term rental program. Any residual amount will be held in the Reserve to fund shortfalls in licensing revenues and related expenses of the By-law Enforcement Program. The required changes to the Destination Marketing Reserve Fund's purpose and funding formula will be submitted in a separate report to the Standing Policy Committee on Finance and Economic Development.

Part 3 – Information on Sex Trafficking and Human Trafficking for Owners of STRAs

The Public Service in conjunction with the Winnipeg Police Service, worked with the National Human Trafficking Education Centre, located in Winnipeg, to develop the information on human trafficking and sex trafficking for owners of STRAs. The National Human Trafficking Education Centre was selected for collaboration based on the organization's goal alignment to increase education and awareness for the prevention of human trafficking and sexual exploitation. Information was created to provide tips to STRA owners on how to help stop human trafficking and will be made available on the City's licensing page related to STRAs, and printable PDF documents will be provided. In addition, a sign has been created to be included in their STRA information and must be available to all renters of the STRA and is attached as Appendix E.

The Public Service also engaged in discussions with the Winnipeg Police Service and the Coordinator of the Winnipeg Committee for Safety | Winnipeg Safe City Initiative (UN Women), to address Recommendation E of Council's June 23, 2022 disposition:

- E. Develop, in co-ordination with the Winnipeg Police Service and the UN Women Safe Cities Global Initiative Steering Committee, information on Sex Trafficking and Human Trafficking for owners of short-term rentals, similar to what is available from the City of Toronto.

Through these discussions it was identified that Winnipeg Safe City is focused on reducing/preventing sexual violence against women and girls in *public* spaces, addressing short-term rental accommodations is outside the purview of the initiative, as STRAs are *private* spaces.

Part 4 – Schedule for Implementation

If Council enacts the proposed amendments to the Community Safety Business Licensing By-law No. 91.2008, the MBEA Enabling By-law No. 59/2016 and the Accommodation Tax By-law No. 70/2008, together with the approval of forthcoming amendments to the Winnipeg Zoning By-law No. 200/2006 and the Downtown Winnipeg Zoning By-law No.100/2004 to enable a new framework to regulate the operation of STRAs, a period of time would be required before the program would take effect. The timeline is as follows:

- October 2023 – By-law amendments are enacted and will come into force in 130 Days
- December 2023 – Communication Strategy implemented
 - Winnipeg.ca licensing webpage updated with all relevant STRA information
 - Social media plan implemented regarding licensing requirements for STRAs
 - Our City, Our Stories on STRAs
 - Digital signage in City facilities to include STRA license requirements
- December 2023 – First phase of recruitment (Enforcement Coordinator and Licensing Clerk), with an expected start date of January 2024.
- January 2024 – Online registration for STRAs to go live
- January 2024 – Second phase of recruitment (Enforcement Inspectors, and Clerk C tax collection)
- January – March 2024 – receipt, processing and approval of STRA applications
- March 2024 – Licensing and Accommodation Tax By-laws come into force

Part 5 – Next Steps

The Public Service will develop an STRA handbook outlining all requirements and resources and will have it available on Winnipeg.ca licensing webpage within the first year of the licensing program.

The intent is to review the amended By-laws after three years in order to make any required amendments or modifications. Public and Stakeholder input will be solicited to assist with the review and ongoing analysis of customer and community feedback

FINANCIAL IMPACT

Financial Impact Statement

Date: **September 22, 2023**

Project Name:

First Year of Program

2023

Regulating Short-Term Rentals

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Capital					
Capital Expenditures Required	\$ 111,200	\$ -	\$ -	\$ -	\$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	<u>\$ 111,200</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Funding Sources:					
Debt - External	\$ -	\$ -	\$ -	\$ -	\$ -
Grants (Enter Description Here)	-	-	-	-	-
Destination Marketing Reserve	111,200	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	<u>\$ 111,200</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Additional Capital Budget Required	<u>\$ 111,200</u>				
Total Additional Debt Required	<u>\$ -</u>				
Current Expenditures/Revenues					
Direct Costs	\$ 75,000	\$ 778,000	\$ 720,000	\$ 741,000	\$ 764,000
Less: Incremental Revenue/Recovery	-	566,000	580,000	594,000	608,000
Net Cost/(Benefit)	<u>\$ 75,000</u>	<u>\$ 212,000</u>	<u>\$ 140,000</u>	<u>\$ 147,000</u>	<u>\$ 156,000</u>
Less: Transfer from Destination Marketing Reserve	75,000	212,000	140,000	147,000	156,000
Net Budget Adjustment Required	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Comments: Capital expenditures of \$111,200 (financed by the Destination Marketing Reserve) will be incurred in the Winnipeg Fleet Management Agency SOA for the procurement of three (3) vehicles to be used by the License Enforcement Inspectors.

General Revenue Fund:

Direct costs in 2023 include software technology costs at \$75,000. Direct Costs 2024 onwards includes the additional staffing requirements for one (1) permanent License Enforcement Coordinator, three (3) permanent License Enforcement Inspectors, two (2) permanent Clerk C positions, employee related administrative costs, fleet related costs and ongoing software related costs required to administer the Short-term rental accommodation program (STRA). Salaries and benefits increase annually in accordance with collective agreements. Technology related software costs increase 7% annually in line with industry standards.

Incremental License Fee revenue is estimated to be \$566,000 (starting in 2024) based on the assumption that 900 STRA license and four (4) STRA Platform licenses will be issued. STRA License fee revenues increase by approximately 2% annually for inflation each year 2025 onwards. Not shown above is the Accommodation Tax revenue (\$900,000 annualized) that is deposited as collected into the Destination Marketing Reserve.

No additional mill rate support is required. Any annual deficits in the General Revenue (Tax-supported) Fund (as outlined above) will be offset by a transfer of accommodation tax revenue related to short-term rentals from the Destination Marketing Reserve Fund.

A fullsome detailed financial analysis on the program is outlined in Appendix B of the report.

Ozzy Garrett - September 22, 2023

Ozzy Garrett, CPA, CGA,
Manager of Finance
Community Services Department

CONSULTATION

This Report has been prepared in consultation with:

- Legal Services (as to Legal matters)
- Planning, Property & Development
- Winnipeg Police Service
- Winnipeg Fleet Management Agency

OURWINNIPEG 2045 POLICY ALIGNMENT

Leadership and Good Governance

Objective 1.: Establish and implement priority actions through evidence-informed decision-making processes

Policy 1.4 Integrated Knowledge and Resources: Coordinate inter-departmental systems, projects and resources, making the best use of internal and external expertise to better understand service needs, find the most appropriate solutions, optimize resources, and maximize community outcomes.

City Building

Objective 3.: Facilitate development opportunities that complete established communities, and plan new communities as complete and connected from the outset.

Policy 6.2 Complete Communities Characteristics: The characteristics of complete communities must be identified and defined in Complete Communities, and will include, at minimum, equitable access to: safety and security, affordable housing for all incomes, local employment opportunities, health-supportive amenities, access to nature, social interaction opportunities, sustainable transportation options, and digital communication technology infrastructure to align with this Plan's goals.

Alignment with Complete Communities Direction Strategy 2.0

Vision: The City of Winnipeg is planned and designed based on a logical Urban Structure that focuses growth and change to enhance existing assets, to create complete communities and complete existing communities, and to ensure a socially, environmentally, and economically sustainable future through the integration of transportation planning, land uses, built forms, and urban design.

Principle 1: Creating complete communities and completing existing communities - enhancing their existing infrastructure and assets in ways that make most amenities for daily living universally accessible - will be key to making our city attractive and competitive.

Principle 7: The implementation of Complete Communities recognizes the complexity of cities and the people within them and aims for an approach that promotes resilience and adaptability.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan (CAP), and it was determined that the CAP is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS) and its Goals and Objectives, and it was determined that the PRS is not applicable to this specific report.

SUBMITTED BY

Department: Community Services Department
Division: Community By-law Enforcement Services
Prepared by: Terry Cormier
Date: September 22, 2023
File No: CMS-2023-16

Attachments:

Appendix A: By-Law amendments (Community Safety Business Licensing, Accommodation Tax, and Municipal By-law Enforcement Act By-laws)

Appendix B: Budgetary Requirements – Estimated Revenues and Expenses

Appendix C: Fee Structure

Appendix D: Licensing and Enforcement Framework

Appendix E: Information on Human Trafficking

THE CITY OF WINNIPEG

BY-LAW NO. /2023

A By-law of THE CITY OF WINNIPEG to amend the Community Safety Business Licensing By-law and the Accommodation Tax By-law to regulate businesses engaged in providing short term rental accommodations

THE CITY OF WINNIPEG, in Council assembled, enacts as follows:

**PART 1
AMENDMENTS TO THE
COMMUNITY SAFETY BUSINESS LICENSING BY-LAW**

Community Safety Business Licensing By-law amended

1 The Community Safety Business Licensing By-law No. 91/2008 is amended by this Part.

Spelling correction

2(1) The spelling of “licencing” is replaced with “*licensing*” everywhere that it appears in the by-law, including in titles, schedules and the name of the by-law

2(2) The spelling of “licence” is replaced with “*license*” everywhere that it appears in the by-law, including in titles and schedules.

Division 7.1 added

3 The following is added immediately after section 61.3:

Division 7.1 – Short Term Rental Accommodations

Definitions

61.4 *In this Division*

“accommodation tax” *has the meaning ascribed thereto in The Accommodation Tax By-law 70/2008;*

“bedroom” *means a room that has been identified as such for the purposes of the property inspection required by subsection 61.12(3) as a condition of an initial STRA license;*

“booking” means a commitment between an STRA operator and an individual that an STRA will be available for the individual’s use, whether or not the STRA is actually used, for a specified period of time in exchange for payment of money or other value; a reservation.

“dwelling” means a building in which one or more dwelling units are located;

“dwelling unit” means one or more connected rooms in a dwelling used or intended to be used for human habitation by one or more people, containing cooking, eating, living, sleeping and sanitary facilities;

“individual” means a human being, at least 18 years of age;

“operator” means an individual, partnership or corporation who carries on the business of operating a short term rental accommodation or a short term rental accommodation platform, as the case may be;

“non-primary residence” means a dwelling unit that is not the operator’s primary residence;

“non-primary residence STRA license” means a license issued under section 61.8;

“primary residence” means a dwelling unit that is owned or rented by an individual, either alone or jointly with other individuals, pursuant to a lease or rental agreement and where the individual lives for the majority of the year;

“primary residence STRA license” means a license issued under section 61.7;

“renter” means a person that has rented an STRA for a period of less than 30 consecutive days in return for payment of money or other value;

“short term rental accommodation” or **“STRA”** means a dwelling unit which is rented in whole or in part for a period of less than 30 consecutive days in exchange for payment of money or other value;

“STRA license” means a Short Term Rental Accommodation License issued under this By-law;

“short term rental accommodation platform” or **“STRA platform”** means a person (or group of persons) or corporation that, for compensation, markets or brokers the booking, reservation, rental or listing of all or part of a dwelling unit as a short term rental accommodation, and collects fees in whole or in part on behalf of an STRA operator by means of a website or any digital application.

“STRA platform license” means a Short Term Rental Accommodation Platform License issued under section 61.20;

Licensing of operator and platform mandatory

61.5(1) *An STRA operator must not carry on the business of operating a short-term rental accommodation without holding a subsisting STRA License issued under this By-law.*

61.5(2) *An STRA platform operator must not carry on the business of operating a STRA platform without holding a subsisting STRA platform license issued under this By-law.*

61.5(3) *An operator must obtain a separate license for each STRA or STRA platform.*

Licenses issued annually

61.6(1) *Licenses issued under this Division expire on the anniversary of the date they were issued.*

Conditions on primary residence STRA licenses

61.7(1) *An individual may obtain one STRA license for their primary residence on the following conditions:*

- (a) *the premises in which their primary residence is located has been legally established; and*
- (b) *adequate documentation confirming one of the following must be provided:*
 - (i) *the applicant is the owner of the proposed STRA; or,*
 - (ii) *if the proposed STRA is a condominium, a letter of approval from the condominium board giving the applicant permission to operate a STRA must be provided; or,*
 - (iii) *if the applicant is the tenant of a rented unit, a letter from the owner or their designate authorizing its use as an STRA must be provided.*

61.7(2) *It is the responsibility of the applicant who is seeking to obtain a primary residence STRA license to provide evidence sufficient for the designated employee to reasonably conclude that the premises for which a primary residence STRA license is sought or is sought to be renewed is in fact the applicant's primary residence and that they have permission to use it as an STRA.*

61.7(3) *For further clarity, a partnership or corporation cannot own or rent a primary residence and an individual cannot have more than one primary residence.*

Conditions on non-primary residence STRA licenses

61.8(1) *In order to qualify to obtain a non-primary residence STRA license under this Division, an applicant must provide evidence sufficient for the designated employee to reasonably conclude that the applicant is one of the following:*

- (a) *An individual whose primary residence is within the boundaries of the city of Winnipeg;*
- (b) *A partnership whose members all have primary residences within the boundaries of the city of Winnipeg; or*
- (c) *A corporation whose shareholders all have primary residences within the boundaries of the city of Winnipeg.*

61.8(2) *In order to qualify to obtain a non-primary residence STRA license under this Division,*

- (a) *a STRA must be a permitted use under the relevant zoning by-law on the property on which it is located;*
- (b) *the dwelling unit must have been owned by the applicant on February 23, 2023.*

61.8(3) *An applicant may obtain a license under this Division for each of up to three non-primary residences that have been legally established.*

61.8(4) *A non-primary residence STRA license under this Division permanently expires and cannot be renewed or revived if any of the following occur:*

- (a) *the STRA license is revoked due to contravention of this Division;*
- (b) *the premises for which the license has been issued is the subject of a rental agreement for a period of 30 days or more;*
- (c) *the ownership of the property changes;*
- (d) *there is any change in the membership of the partnership, or in the ownership of the corporation, that owns the property.*

STRA license application requirements and fees

61.9(1) *In order to obtain an STRA license or any renewals thereof, the applicant must*

- (a) *apply by submitting a completed application form acceptable to the designated employee;*
- (b) *disclose on the application form the details of any past noise complaints that have been made to the Winnipeg Police Service pertaining to the proposed STRA during the time that it has been owned or rented by the applicant;*
- (c) *provide, in a form acceptable to the designated employee, all information reasonably required in order to consider the application;*

- (d) *provide a floor plan outlining the number of bedrooms and fire exits within the proposed STRA;*
 - (e) *submit to any inspections of the proposed STRA as required under this Division;*
 - (f) *pay the license fee and any other applicable fees; and*
 - (g) *pay any outstanding penalties for contravention of this By-law or the Accommodation Tax By-law.*
- 61.9(2) *The applicant must inform the City within 10 days of any change to the information that was provided during the application process outlined in subsection (1).*
- 61.9(3) *An STRA license or any renewals thereof must not be granted to any applicant that has outstanding penalties owing to The City of Winnipeg for contravention of this by-law or the Accommodation Tax By-law.*
- 61.9(4) *Further to subsection 5(2) (Issuing licenses), a designated employee is authorized to impose conditions on a STRA license where the premises for which a STRA license is sought or is sought to be renewed has a history of noise nuisance complaints or complaints of other behavior that would create an undue nuisance to other residents in the area.*

Non-primary residence application requirements

61.10(1) *In addition to the requirements outlined at section 61.9, in order to obtain a non-primary residence STRA license or any renewals thereof, the applicant must provide*

- (a) *the name and contact information of an individual who is authorized by the owner to address any legal issues or complaints; and*
- (b) *a safety plan that entails floor plans that identify the location of smoke detectors, carbon monoxide detectors, fire extinguishers, and emergency exits at the time of application.*

Record Review Board certificate required

61.11(1) *An initial STRA license under this Division must not be issued unless the designated employee receives a certificate from the Record Review Board in respect of each of the individuals referred to in section 16.*

61.11(2) *Subsections 16(2) (obligation to notify of changes) and 16(3) (obligation to notify of criminal charges) apply in respect of any individual for whom a certificate is required under subsection (1).*

Zoning and property approval required before license issued

61.12(1) *An initial STRA license shall not be issued until the designated employee receives verification from a City employee authorized to administer and enforce the*

Winnipeg Zoning By-law or the Downtown Winnipeg Zoning By-law that operation of the STRA as a primary residence STRA or a non-primary residence STRA, as the case may be, is permitted under the zoning by-law that applies to those premises.

61.12(2) An initial STRA license and any license renewal shall not be issued until the designated employee receives verification from a City employee authorized to administer and enforce the Neighbourhood Liveability By-law that the premises for which a license is sought meets the standards set out in Part 1 Division 1 and in Part 2 of that By-law.

61.12(3) As part of the verification referred to in subsection (2), the City employee must identify the number and the location of the bedrooms in the dwelling unit which meet the standards for bedrooms in the Neighbourhood Liveability By-law.

61.12(4) An initial STRA license and any license renewal shall not be issued until the designated employee receives verification from a City employee authorized to administer and enforce the Community Safety Business Licensing By-law that the premises for which a license is sought meets the conditions set out herein.

Limitations on primary residence STRAs

61.13(1) There are no limits on the total number of nights a primary residence STRA may be rented during a one-year period, so long as the operator is in residence during those nights.

61.13(2) The operator must not rent a primary residence STRA for more than 150 nights in total during a one-year period, without the operator being in residence.

61.13(3) Notwithstanding subsections (1) and (2), a primary residence STRA may only be rented for a period of less than 30 consecutive nights per booking.

61.13(4) For greater certainty, the operator is not in residence unless the operator spends the night in the dwelling unit.

Limitations on non-primary residence STRAs

61.14(1) There are no limits on the total number of nights a non-primary residence STRA may be rented during a one-year period.

61.14(2) Notwithstanding subsection (1), a non-primary residence STRA may only be rented for a period of less than 30 consecutive nights per booking.

Rules for all STRAs

61.15(1) The operator of an STRA must ensure that

- (a) the total number of adults staying overnight in an STRA while it is rented does not exceed 2 per bedroom. There is no limit on the number of children under 18 years of age;*

- (b) *the operator's name and license number are posted near the door on the exterior of the STRA together with a telephone number that is monitored by the operator or an agent of the operator 24 hours per day. This signage is not required to be posted when the operator is in residence;*
- (c) *the STRA is not rented for a continuous period of 30 days or more;*
- (d) *the STRA is not rented, used or offered for rental or use in a manner that contravenes Manitoba statutes and regulations governing residential tenancies;*
- (e) *the operator and the STRA comply with all City of Winnipeg by-laws;*
- (f) *the STRA or a bedroom within the STRA is not rented to more than one renter for the same period of time;*
- (g) *renters do not cause a noise nuisance in violation of section 67 of the Neighbourhood Liveability By-law or otherwise engage in behavior which would create an undue nuisance to other residents in the area;*
- (h) *the STRA complies with building standards stated in the Neighbourhood Liveability By-law applicable to all residential buildings;*
- (i) *the STRA complies with the Building Code;*
- (j) *the operator must maintain at minimum the last 3 years of the following records on an ongoing basis and provide them to the City upon request:*
 - (i) *number of nights the STRA was rented;*
 - (ii) *rental type – individual rooms or the entire dwelling;*
 - (iii) *names of customers who provided payments for each booking;*
 - (iv) *the nightly price and total price charged for the STRA;*
- (k) *the operator provides any other information or documents reasonably requested by the designated employee;*
- (l) *renters are provided with an emergency exit plan which must also be posted inside the STRA;*
- (m) *renters are provided with reading materials concerning human trafficking and sex trafficking that are made available by the City, and that the operator must produce and place the materials in a prominent place within the STRA;*
- (n) *any City of Winnipeg enforcement official is allowed access to an STRA to conduct an inspection upon reasonable notice at any reasonable time;*
- (o) *the operator complies with any compliance orders issued by the City of Winnipeg under this by-law;*

- (p) *the operator ceases all STRA operations immediately upon the expiry, suspension or revocation of the STRA's license.*

STRA fire protection requirements

61.16(1) *The operator of an STRA must ensure that the STRA complies with fire protection requirements applicable to rented residential buildings, as set out in the Fire Prevention By-law, including but not limited to that smoke alarms must follow the requirements set out in that By-law.*

61.16(2) *The operator of an STRA must ensure that carbon monoxide detectors and fire extinguishers are installed within the STRA, and fire extinguishers must be located in the main area of the STRA, in compliance with applicable laws.*

61.16(3) *Further to clause (1), the operator of an STRA must demonstrate compliance with the Fire Prevention By-law during inspections, including but not limited to that smoke alarms, fire extinguishers, and carbon monoxide detectors are operative.*

Remittance of accommodation tax by STRA operator

61.17 *The operator of an STRA must*

- (a) *collect the accommodation tax from the STRA platform, which is paid by the renter to the STRA platform each time that an STRA is rented, and*
- (b) *remit the accommodation tax funds to the City in accordance with The Accommodation Tax By-law.*

Rental through licensed STRA platform mandatory

61.18 *The operator of an STRA must ensure that the STRA is only rented through a STRA platform licensed under this By-law. For greater clarity, the operator is prohibited from renting an STRA other than by means of a licensed STRA platform collecting the rental payment from the renter and remitting it to the STRA operator.*

STRA license number must be posted

61.19 *The operator of an STRA must include the City of Winnipeg license number for that STRA on the listings within the STRA platform or on any online or physical advertisements publicizing the STRA.*

STRA platform license application requirements and fees

61.20(1) *In order to obtain an STRA platform license or any renewals thereof, the applicant must*

- (a) *apply by submitting a completed application form acceptable to the designated employee;*
- (b) *provide a list of STRA properties within Winnipeg that are listed on the applicant's platform at the time of application;*

- (c) *provide details of the applicant's procedures on how to address complaints associated with the STRAs listed on their platform;*
 - (d) *provide the address for service that is provided on their STRA platform;*
 - (e) *provide, in a form acceptable to the designated employee, all information reasonably required in order to consider the application;*
 - (f) *pay the license fee and any other applicable fees; and*
 - (g) *pay any outstanding penalties for contravention of this By-law.*
- 61.20(2) *The applicant must inform the City within 10 days of any change to the information that was provided during the application process outlined in subsection (1).*
- 61.20(3) *An STRA platform license or any renewals thereof must not be granted to any applicant that has outstanding penalties owing to The City of Winnipeg for contravention of this by-law.*

Rules for all STRA platforms

61.21(1) *The operator of an STRA platform must ensure that*

- (a) *the operator must maintain at minimum the last 3 years of the following records on an ongoing basis and provide them to the City upon request:*
 - (i) *the listing identification number and corresponding license number of each STRA property within Winnipeg that is listed on the platform;*
 - (ii) *number of nights each property is rented as an STRA;*
 - (iii) *rental type – individual rooms or the entire dwelling, or primary residence;*
 - (iv) *price paid for each booking;*
- (b) *the operator provides any other information or documents reasonably requested by the designated employee;*
- (c) *the operator provides listings of properties within the city of Winnipeg on their platform when requested by the City, after the initial application;*
- (d) *listings in Winnipeg are not posted on the platform or advertised unless the listing has a valid STRA license;*
- (e) *the operator complies with any compliance orders issued by the City of Winnipeg under this by-law;*
- (f) *the operator ceases all STRA platform operations in Winnipeg immediately upon the expiry, suspension or revocation of the platform's license.*

Remittance of fees by platform operator

61.22(1) *The operator of an STRA platform must*

- (a) *collect the rental fee, accommodation tax and any other fees owing to an STRA operator as a result of an STRA booking made by a renter on the platform, and*
- (b) *remit the funds outlined in (a) to the STRA operator.*

61.22(2) *Notwithstanding clause (1), the platform operator is entitled to deduct and retain a service fee from the funds to be remitted to the STRA operator, as set out in*

- (a) *a service agreement entered into between the STRA operator and the platform operator, or*
- (b) *the terms of service cited on the platform's website.*

PART 2 AMENDMENTS TO THE ACCOMMODATION TAX BY-LAW

Accommodation Tax By-law amended

1 The Accommodation Tax By-law No. 70/2008 is amended by this Part.

Definitions amended

2(1) Section 2 is amended by adding the following definitions in alphabetical order:

“short term rental accommodation” or ***“STRA”*** *has the same meaning as in Division 7.1 of the Community Safety Business Licensing By-law.*

“short term rental accommodation platform” or ***“STRA platform”*** *has the same meaning as in Division 7.1 of the Community Safety Business Licensing By-law.*

2(2) Section 2 is amended by

- (a) Amending the definition “*establishment*” by adding “*and includes an STRA*” after “*location*”;
- (b) Amending the definition “*lodging*” by
 - (i) adding
 - (a.1) *a short term rental accommodation;*immediately after clause (a); and
 - (ii) adding “, (a.1)” immediately after “clause (a)” in clause (c);

- (c) Amending the definition “operator” by adding “and, in the case of an STRA being rented, means the operator of an STRA platform or the operator of an STRA” after “accommodation”;
- (d) Replacing the definition of “purchase price” with the following:
“purchase price” means the price for which accommodation is purchased,
 - (a) *including the price paid in money, the value of goods provided or services rendered or other consideration accepted by the operator in return for the accommodation provided, and*
 - (b) *including all fees charged to an STRA purchaser by the STRA operator or the STRA platform operator, such as service or cleaning fees,*
 - (c) *but does not include the goods and services tax imposed by the Government of Canada nor the retail sales tax imposed by the Province of Manitoba;*
- (e) Amending the definition “purchaser” by adding “and in the case of an STRA includes a renter” after “accommodation”;

Section 3 amended

3(1) Subsection 3(1) is amended by adding “short term rental accommodation” after “inn”.

3(2) Subsection 3(3) is amended by

- (a) Adding “the following” after “does not apply to” in the stem;
- (b) repealing clause (a); and
- (c) replacing clause (b) with the following:
 - (b) *accommodation where the purchase price is \$30 or less per night or \$210 or less per week, unless the accommodation is listed on a short term rental accommodation platform;*

Section 5 amended

4(1) Subsection 5(2) is amended by adding “or website” after “on a form”.

4(2) Subsections 5(6) and 5(7) are added after subsection 5(5) as follows:

- 5(6) *Notwithstanding subsections (1), (2) and (5), the operator of an STRA must remit quarterly the amounts referred to in subsection (1) and to submit quarterly the statement referred to in subsection (2).*

- 5(7) *An STRA platform operator may remit the accommodation tax referred to in subsection (1) on behalf of an STRA operator, if mutually agreed to between the STRA operator and the STRA platform operator. Notwithstanding the foregoing, the STRA operator shall remain liable for remittance of the accommodation tax to the tax collector.*

PART 3 AMENDMENTS TO THE MUNICIPAL BY-LAW ENFORCEMENT ACT ENABLING BY-LAW

Municipal By-law Enforcement Act (MBEA) Enabling By-law amended

1 The Municipal By-law Enforcement Act (MBEA) Enabling By-law 59/2016 is amended by this Part.

Schedule A amended

2 The table applicable to the Community Safety Business Licensing By-law No. 91/2008 set out in Schedule A of the Municipal By-law Enforcement Act Enabling By-law No. 59/2016 is amended to add the following provisions in numerical order:

<i>Community Safety Business Licensing By-law, By-Law No. 91/2008</i>		<u>Administrative Penalty</u>	
Provision	Contravention summary	Administrative Penalty (\$)	Early Payment Discount (\$)
61.5(1)	STRA operator fails to license an STRA	1000	N/A
61.5(2)	STRA platform operator fails to license platform	1000	N/A
61.9(2)	Operator of an STRA fails to inform the City within 10 days of changes to their application information	500	N/A
61.13(2)	Operator of a primary residence STRA rents the STRA for more than 150 nights in a year, without the operator being in residence	1000	N/A
61.15(1)(b)	STRA operator fails to post their name and license number near the door on the exterior of the STRA with a telephone number monitored by the operator or their agent 24 hours per day, and the operator is not in residence	500	N/A
61.15(1)(c)	STRA operator rents the STRA for a continuous period of 30 days or more	500	N/A
61.15(1)(f)	STRA operator rents the STRA or a bedroom within the STRA to more than one renter for the same period of time	1000	N/A
61.15(1)(l)	STRA operator fails to post an emergency exit plan within an STRA	1000	N/A

<i>Community Safety Business Licensing By-law, By-Law No. 91/2008</i>		Administrative Penalty	
Provision	Contravention summary	Administrative Penalty (\$)	Early Payment Discount (\$)
61.15(1)(p)	STRA operator fails to cease STRA operations on expiry, suspension or revocation of license	1000	N/A
61.15(1)(j)	STRA operator fails to maintain the last 3 years of records on an ongoing basis	500	N/A
61.16(1)	STRA operator fails to maintain fire safety equipment	1000	N/A
61.16(2)	STRA operator fails to install carbon monoxide detectors and fire extinguishers in the STRA	1000	N/A
61.18	STRA operator lists STRA outside of licensed platform	1000	N/A
61.19	STRA operator advertises an STRA without a license number	1000	N/A
61.20(2)	STRA platform operator fails to inform the City within 10 days of changes to their application information	1000	N/A
61.21(1)(a)	STRA platform operator fails to maintain the last 3 years of records on an ongoing basis	500	N/A
61.21(1)(d)	STRA platform operator advertises or brokers unlicensed STRA	1000	N/A

PART 4 COMING INTO FORCE

Coming into force

1 This By-law comes into force 130 days after the date of enactment by Council.

DONE AND PASSED this day of , 2023.

Mayor

City Clerk

Approved as to content:

City Assessor

Approved as to content:

Director of Community Services

Legally reviewed and certified as to form:

For Director of Legal Services/ City Solicitor

APPENDIX B - Estimated Revenues and Expenses

Licensing Fee and Structure (annually)	
Primary Residence	\$260
Non-Primary Residence - Tier 1 - 1 bedroom property	\$260
Non-Primary Residence - Tier 2 - 2 bedroom property	\$520
Non-Primary Residence - Tier 3 - 3 bedroom property (baseline)	\$780
Non-Primary Residence - Tier 4 - 4 bedroom property	\$1,040
Non-Primary Residence - Tier 5 - 5 bedroom property	\$1,300
Non-Primary Residence - Tier 6 - 6 bedroom property (max)	\$1,560
Platforms – Tier 1 Less than 100 listings	\$1,000
Platform – Tier 2 101-500 Listings (baseline)	\$2,500
Platform – Tier 3 – More than 500 listings	\$4,000
*License fees for operators have been established are based on a level proportionate to business tax rates paid by establishments offering similar services, adjusted for size and reduced slightly recognizing differing amenities provided.	

Projected Licensing 2024 REVENUE (January 2024 - December 2024)			
License Category	Projected # of Licenses Issued	License Fee	Total Revenue (projected)
*assumes 900 STRA's license			
Primary Residence	300	\$260	\$78,000
Non-primary Residence	600	\$780	\$468,000
STRA - Platforms (baseline)	4	\$2,500	\$10,000
Subtotal	904		\$556,000
*The proposed licensing fee structure as projected with the objective to achieve full cost recovery of the program. Annual renewals including inflationary increases to fees apply.			

STRA Full Time Equivalents - Community By-law Enforcement Services Licensing/Enforcement					
	2023	2024	2025	2026	2027
Licensing Enforcement Coordinator (WASPSO X3, Step 19) **	\$0	\$112,000	\$114,000	\$116,000	\$119,000
Licensing Enforcement Inspector (CUPE) **	\$0	\$82,000	\$84,000	\$86,000	\$88,000
Licensing Enforcement Inspector (CUPE) **	\$0	\$82,000	\$84,000	\$86,000	\$88,000
Licensing Enforcement Inspector (CUPE) **	\$0	\$82,000	\$84,000	\$86,000	\$88,000
Clerk C (CUPE) analyze data **	\$0	\$73,000	\$75,000	\$77,000	\$79,000
Shift Premiums	\$0	\$10,000	\$10,000	\$10,000	\$10,000
Total Staffing Cost	\$0	\$441,000	\$451,000	\$461,000	\$472,000
** All positions to start January 1, 2024					

STRA LICENSING OPERATIONS ESTIMATED REVENUES AND EXPENSES					
	2023	2024	2025	2026	2027
Revenues					
Primary Residence License fees	\$0	\$78,000	\$80,000	\$82,000	\$84,000
Non-primary Residence fees	\$0	\$468,000	\$478,000	\$488,000	\$498,000
STRA - Platforms	\$0	\$10,000	\$11,000	\$12,000	\$13,000
Other revenue - penalties and fees	\$0	\$10,000	\$11,000	\$12,000	\$13,000
Total Estimated Revenue	\$0	\$566,000	\$580,000	\$594,000	\$608,000
Expenditures					
Salaries and Benefits	\$0	\$441,000	\$451,000	\$461,000	\$472,000
One-time Staff Office Setup Costs (furniture, computers etc.)	\$0	\$15,000	\$0	\$0	\$0
Staff Training	\$0	\$10,000	\$10,000	\$10,000	\$10,000
Fleet - Three (3) Vehicles - includes lease, insurance, parking *	\$0	\$42,000	\$33,000	\$33,000	\$33,000
Annual ongoing software costs **	\$15,000	\$55,000	\$59,000	\$63,000	\$67,000
Corporation/Title Searches	\$0	\$15,000	\$15,000	\$15,000	\$15,000
Total Estimated Expenditures	\$15,000	\$578,000	\$568,000	\$582,000	\$597,000
Projected Surplus / (Deficit) - Licensing Program	(\$15,000)	(\$12,000)	\$12,000	\$12,000	\$11,000
*Includes Fleet Operating Lease (\$8,000), Insurance (\$6,000), Parking (\$10,000) and Consumables (\$9,000). In addition, the first year includes one time cost of decals and winter tires (\$9,000). Figures provided by Fleet Management Agency.					
**7% increase annually for software costs					

STRA ACCOMMODATION TAX REVENUE AND EXPENSES					
	2023	2024	2025	2026	2027
Revenues					
Accommodation Tax - 5% (deposited in DMR)	\$0	\$750,000	\$900,000	\$900,000	\$900,000
Expenditures					
*Clerk C (CUPE) - Collection of Accommodation Tax Revenue	\$0	\$73,000	\$75,000	\$77,000	\$79,000
One-time Staff Office Setup Costs (furniture, computers etc.)	\$0	\$5,000	\$0	\$0	\$0
Annual ongoing software costs	\$15,000	\$59,000	\$77,000	\$82,000	\$88,000
One-time Startup software costs	\$45,000	\$63,000	\$0	\$0	\$0
Total Estimated Expenditures	\$60,000	\$200,000	\$152,000	\$159,000	\$167,000
Projected Surplus / (Deficit) - Accommodation Tax	(\$60,000)	\$550,000	\$748,000	\$741,000	\$733,000
*Clerk C position to be transferred CBES for tax collection and enforcement activities					
** 7% increase annually for software costs					

City-Wide Financial Impact of the Short-Term Rental Program					
	2023	2024	2025	2026	2027
Licensing Program Revenue	\$0	\$566,000	\$580,000	\$594,000	\$608,000
Less: Operating Expenditures	\$75,000	\$778,000	\$720,000	\$741,000	\$764,000
Less: Capital financing Fleet Procurement of Vehicles (Start-up costs)	\$111,200	\$0	\$0	\$0	\$0
Projected Surplus / (Deficit) - General Revenue Fund	(\$186,200)	(\$212,000)	(\$140,000)	(\$147,000)	(\$156,000)
Accommodation Tax Revenue - Destination Marketing Reserve Fund	\$0	\$750,000	\$900,000	\$900,000	\$900,000
Projected Surplus / (Deficit) - Total STRA Program *	(\$186,200)	\$538,000	\$760,000	\$753,000	\$744,000
Any deficits in the General Revenue (Tax-Supported) Fund will be offset by an equal transfer of Accommodation Tax revenue from the Destination Marketing Reserve Fund. Any Accommodation Tax Revenue will remain in the Destination Marketing Reserve Fund.					
* As per recommendation 3 of the report, authorization is requested to fund all 2023 start-up costs for the Short-Term Rental Program, as an advance against 2024 Accommodation Tax revenue for any General Revenue Fund Department as required. Sufficient funding within the Destination Marketing Reserve is available.					

Appendix C - License Fee Structure

Licencing Fee and Structure (annually)			
Short Term Rental Licencing levels	Annual Fees		
Primary Residence	\$260		
Non-Primary Residence - Tier 1 - 1 bedroom property	\$260		
Non-Primary Residence - Tier 2 - 2 bedroom property	\$520		
Non-Primary Residence - Tier 3 - 3 bedroom property (baseline)	\$780		
Non-Primary Residence - Tier 4 - 4 bedroom property	\$1,040		
Non-Primary Residence - Tier 5 - 5 bedroom property	\$1,300		
Non-Primary Residence - Tier 6 - 6 bedroom property (max)	\$1,560		
Platforms – Tier 1 Less than 100 listings	\$1,000		
Platform – Tier 2 101-500 Listings (baseline)	\$2,500		
Platform – Tier 3 – More then 500 listings	\$4,000		

(Appendix D)

Licensing & Enforcement Program Framework – Short-Term Rental Accommodations (STRAs)

The following Licensing and Enforcement Program Framework for Short-Term Rental Accommodations (STRAs):

PART 1: COMMON TERMS

- **“Primary Residence”**. means a dwelling unit that is owned or rented by an individual, either alone or jointly with other individuals, pursuant to a lease or rental agreement and where the individual lives for the majority of the year.
- **“Short Term Rental Accommodation”** or “STRA” means a dwelling unit which is rented in whole or in part for a period of less than 30 consecutive days in exchange for payment of money or other value.
- **“Short Term Rental Accommodation Platform”** means a person (or group of persons) or corporation that, for compensation, markets or brokers the booking, reservation, rental or listing of all or part of a dwelling unit as a short term rental accommodation, and collects fees in whole or in part on behalf of an STRA operator by means of a website or any digital application.
- **“Operator”** means an individual, partnership or corporation who carries on the business of operating a short term rental accommodation or a short term rental accommodation platform, as the case may be.

PART 2 – GENERAL QUALIFICATIONS FOR LICENSE

Anyone who wishes to operate a STRA in Winnipeg must obtain a license. It is illegal to operate a STRA without a license.

An operator must obtain a separate license for each STRA.

An individual with a permanent residence in Winnipeg may obtain a maximum of four (4) licenses – one for the individual’s primary residence and three (3) for another non-primary dwelling places.

Corporations or partnerships wholly owned by Winnipeg residents would be allowed to obtain a maximum of three (3) licenses for non-primary residential properties owned by them or the wholly-owned Winnipeg partnerships or corporation as a STRA, conditional on them owning the properties on February 23, 2023, and approved by the appropriate Zoning By-law.

Prior to the City of Winnipeg issuing a license the following is required:

1. Completed License Application and payment of the associated license fee
2. If the proposed STRA is a condominium, a letter of approval from the condominium board giving permission to operate a STRA must be provided.
 - This requirement is proposed to mitigate problems within condominium complexes
3. If the applicant is the principal tenant of a rented unit, a letter from the landlord authorizing its use as an STRA must be provided.
 - This requirement is proposed to mitigate problems within apartment complexes
4. A floor plan outlining the number of bedrooms and fire exits within the proposed STRA which is approved by enforcement inspectors.
 - This requirement is proposed to assist enforcement officers in determining whether requirements regarding the maximum number of renters and fire escape plans are being observed.
5. Confirmation that the STRA meets conditions set out in the Winnipeg Zoning By-law or the Downtown Winnipeg Zoning By-law, permitting the STRA to operate.
6. Confirmation that the STRA meets the requirements of the Neighbourhood Liveability By-law for residential properties.
7. Confirmation that the STRA meets conditions set out in the Community Safety Business Licensing By-Law.

General Conditions for operation of STRA:

1. Install and maintain fire safety equipment to include smoke alarms, fire extinguishers, and carbon monoxide detectors, and demonstrate that each are operative during annual inspections.
 - a. Smoke alarms must follow regulations set out in the Fire Prevention By-law 35/2017.
 - b. Fire extinguisher must be available and placed in the main area of the STRA.
 - c. Carbon monoxide detector must be installed in the main area of the STRA.

2. Keep the following records and provide them to the City upon request
 - a) Number of nights STRA was rented
 - b) Rental type – individual rooms or the entire dwelling
 - c) Names of customers who provided payments for each booking
 - d) Nightly and total price charged for the short-term rental
3. Provide guests with an emergency exit plan. The plan must also be posted inside the STRA.
4. Provide guests with an emergency contact number and be available 24/7 to respond during the rental period. The emergency contact number must also be posted inside the STRA.
5. Must book STRAs through a licensed STRA platform only and must include the City of Winnipeg license number on the listings within the platform. Booking privately or through any other advertising medium is prohibited.
6. Approval from the Winnipeg Police Service Records Review Board is required as part of the application process.
 - This requirement was proposed in order to address concerns that STRAs are used for illegal purposes, including human trafficking, prostitution, and drug trafficking.
7. The City STRA license number must be posted on any online or physical advertisements publicizing the STRA. Note again that all bookings are required to be made through a licensed platform.
8. Allow access to any City of Winnipeg enforcement official to conduct an inspection upon reasonable notice at any reasonable time.
9. Must inform the City within 10 days of any change to the information that was provided during the application process.
10. Comply with any orders issued by the City of Winnipeg under the By-law.
11. License is subject to annual renewal. Operator must cease all operations immediately if the license is expired.
12. Provide any other information or documents reasonably requested by the designated employee.

13. Maintain compliance with all City of Winnipeg By-laws.
14. Renters are provided with reading materials concerning human trafficking and sex trafficking that are made available by the City, and that the operator must produce and place the materials in a prominent place within the STRA.
15. Unless operator is in residence, the following must be posted in a conspicuous location at the entrance to the STRA while it is being rented:
 - a. License
 - b. 24/7 phone number of operator
 - This is intended to provide accountability to neighbourhood residents
16. The maximum number of adults per bedroom is two. This does not include minors under 18 years of age.
17. The STRA is not rented for a continuous period of 30 days or more

PART 3 - PRIMARY RESIDENCE

Anyone who wishes to operate a STRA in their primary residence must provide the following, in addition to the general requirements:

1. Provide evidence that the STRA is the primary residence of the STRA operator and is used as their primary residential dwelling.
2. A primary residence may be rented as follows:
 - a. If the owner/principal tenant is in residence, the maximum number of guest rooms that can be rented in a primary residence is one less than the number of bedrooms existing in the structure. There is no limit on the number of nights that these guest rooms can be rented per year but only for a continuous period of less than 30 nights per booking.
 - b. If the owner/principal tenant is not in residence, the entire home can be rented for a maximum of 150 nights per year with a maximum period of less than 30 continuous nights per booking.

PART 4 – NON-PRIMARY RESIDENCE

Any individual or corporation may operate three non-primary residence STRA, providing individuals have a permanent residence in Winnipeg, or corporations or partnerships are wholly owned by Winnipeg residents, conditional on them owning the properties prior to February 23, 2023.

Non-primary residence STRAs have no restrictions on the number of nights per year that they can be rented.

Before issuing a license, the following is required in addition to the general requirements (above). Anyone who wishes to operate a STRA other than at their primary residence must provide the following:

1. The name and contact information of an individual who is authorized by the owner to address any legal issues or complaints.
2. A safety plan that entails floor plans that identifies the location of smoke detectors, carbon monoxide detectors, fire extinguishers, and emergency exits at the time of application.

PART 5 - STRA PLATFORMS:

No STRA platform may list properties as STRAs in Winnipeg without a license issued by the City of Winnipeg under the By-law.

Anyone who wishes to operate a STRA Platform must provide the following at the time of application:

1. Completed License Application and payment of the associated License Fee.
2. Provide a list of STRA properties within Winnipeg that are listed on their platform at the time of application.
3. Provide details of the company's procedures on how to address complaints associated with the STRAs listed on their platform.
4. All STRA platforms must provide an address for service.

Requirements:

1. Keep the following records, and provide to the City upon request:
 - a. The listing identification number and corresponding license number of each STRA listing for which it has provided STRA platform service.

- b. Number of nights each property is rented as an STRA
- c. Rental type – entire home or rooms, or primary residence.
- d. Price paid for each booking

Licensee Conditions:

The licensee must:

1. Provide listings of properties within the city of Winnipeg on their platform when requested, after the initial application.
2. Do not post listings in Winnipeg on their platform unless the listing has a valid STRA license.
3. Comply with any compliance orders issued under this by-law
4. License is subject to annual renewal. Operator must cease all operations immediately if the license is expired.

PART 6: SUSPENSION AND REVOCATIONS

It is proposed that the City accept the same system for suspensions and revocations that exist in other licensed businesses under the Community Safety Business Licensing By-law. In summary, the system is as follows:

Suspension of a License:

1. A designated employee may suspend a license for a period of up to 30 days, if allowing the license holder to continue to carry on the business for which the license was issued would create a reasonable apprehension of significant harm to:
 - The health and safety of people;
 - Private or public property; or
 - The environment
2. The license holder provided false information at the time of application
3. The information on which the decision to issue the license was based was incorrect, and the license would not have been issued had the correct information been known

4. The license holder or the business no longer meets the requirements and standards required for the license to be issued
5. The past conduct of the license holder creates a reasonable apprehension that the business will not be carried on in the future in compliance with this By-law, another By-law, or relevant legislation

Immediate revocation of license:

1. The Records Review Board has revoked a certificate

Revocation of license:

A designated employee may revoke a license if:

1. Any information on an application was falsified
2. Carrying on the business for which the license was issued has resulted in harm or a significant risk of harm to:
 - The health and safety of people;
 - Private or public property; or
 - The environment
3. The information on which the decision to issue the license was based was incorrect, and the license would not have been issued had the correct information been known
4. The past conduct of the license holder creates a reasonable apprehension that the business will not be carried on in the future in compliance with this By-law, or another By-law, or relevant legislation
5. At the discretion of the designated employee, if the licensee is failing to comply with an order made under this By-Law or any other By-laws.

Before revoking a license, the license holder must be given a reasonable opportunity to be heard.

PART 7: LICENSING

STRA Administration

- Based on the regulations being proposed approximately 900 STRA licenses will be issued.

	Elements of the Program	Required Staffing
Impact to current administrative work	• administrative and clerical file management of licensing program and registration administration • point of contact for customer service to answer questions related to licensing • Coordination of STR Licensing/tax information on City of Winnipeg website to inform licensees • Educational outreach for all potential, existing, and new licensees.	1 FTE – Clerk C (licensing)

Short Term Rental Platforms

- Assuming approximately 4 Short term rental platforms operating in Winnipeg.

	Elements of the Program	Required Staffing
Minimal impact on current administrative work	• administrative and clerical file management • point of contact for customer service to answer questions related to licensing of STRA platforms • Educational outreach for all potential, existing, and new licensees.	0 FTE

Licensing Fees and Structure (annually)

Licensing Fee and Structure (annually)	
Short Term Rental Licensing levels	Annual Fees
Primary Residence	\$260
Non-Primary Residence - Tier 1 - 1-bedroom property	\$260
Non-Primary Residence - Tier 2 - 2-bedroom property	\$520
Non-Primary Residence - Tier 3 - 3-bedroom property (baseline)	\$780
Non-Primary Residence - Tier 4 - 4-bedroom property	\$1,040
Non-Primary Residence - Tier 5 - 5-bedroom property	\$1,300
Non-Primary Residence - Tier 6 - 6-bedroom property (max)	\$1,560
Platforms – Tier 1 Less than 100 listings	\$1,000
Platform – Tier 2 101-500 Listings (baseline)	\$2,500
Platform – Tier 3 – More than 500 listings	\$4,000
* License fees for operators have been established based on a level proportionate to business tax rates paid by establishments offering similar services adjusted for size and reduced slightly recognizing differing amenities provided.	

Projected 2024 REVENUE (January 2024 - December 2024)			
License Category	Projected # of Licenses Issued	License Fee	Total Revenue (projected)
*assumes 900 STRA's license			
Primary Residence (baseline)	300	\$260	\$78,000
Non-primary Residence	600	\$780	\$468,000
STRA - Platforms (baseline)	4	\$2,500	\$10,000
Subtotal	904		\$556,000
*The proposed licensing fee structure as projected with the objective to achieve full cost recovery of the program. Annual renewals including inflationary increases to fees apply.			

PART 8: INSPECTION & ENFORCEMENT

Short Term Rental Accommodations

Assumptions:

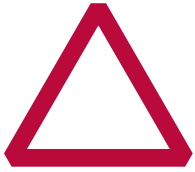
- 900 STRA licensed with growth rate of 10 per year.
- 4 STRA Platforms
- 15% non-compliance rate and/or complaints

Elements of the Program	Enforcement Inspectors
○ Complaint or non-compliant inspections ○ Inspections based on both complaints and proactive enforcement (annual inspection of all 900 STRA) ○ Report findings to licensing branch ○ Address non-compliance through MBEA and administrative management of licensing including inspections in the evening and on weekends.	3 FTE

Elements of the Program	Enforcement Coordinator
○ Supervisory oversight of the licensing enforcement team ○ Business analysis that enhances the productivity and effectiveness of the program	1 FTE

Failure to comply with The City of Winnipeg Community Safety Business Licensing By-Law No. 91/2008 can result in administrative penalties including warnings, suspensions, and/or fines under the Municipal By-law Enforcement Act (MBEA). Fines and early payment amounts are set out in Appendix A.

HOW TO HELP STOP HUMAN TRAFFICKING



Tips for Short-Term Rental Owners

Human trafficking is a pervasive problem that often goes unnoticed. There is a growing trend that traffickers will use short-term rentals instead of hotels and motels due to the greater possibility of anonymity. Short-term rental owners can play a crucial role in combating this crime by learning about human trafficking, how to recognize trafficking signs and how to respond appropriately. This article outlines several ways that short-term rental owners can help prevent human trafficking and what to do if they suspect potential trafficking in their property.

PARTNERING WITH THE COMMUNITY AND LAW ENFORCEMENT

The City of Winnipeg, in partnership with the Winnipeg Police Service and The Joy Smith Foundation, is committed to raising awareness about human trafficking. As a short-term rental owner, there is an obligation to report suspected cases of human trafficking or other suspicious activity in your rental properties.

WHERE TO REPORT

- Immediate Danger, call 911
- Winnipeg Police Service non-emergency 204-986-6222
- Winnipeg Crime Stoppers 204-786-TIPS (204-786-8477)

DETER HUMAN TRAFFICKERS FROM CHOOSING YOUR RENTAL

There are several steps that you can take to deter human traffickers from choosing your rental property in the first place.

- ▶ Screen your bookings carefully including guest reviews from other short-term rentals where they have stayed in the past.
- ▶ Don't accept last-minute bookings.
- ▶ Be cautious before accepting a booking from renters that are from the same area as your rental.
- ▶ Install cameras on the outside of your property to record those coming and going.
- ▶ Use devices that monitor sound levels inside and outside of your property.
- ▶ Do not allow guests to have unregistered guests on your property.
- ▶ Gather information about your renters including the names of all guests, photo identification and license plate numbers.
- ▶ State clearly in your listing that you are committed to preventing human trafficking and other illegal activities in your neighbourhood. State that you will report any suspicious activity and may even allow access to local authorities without notification.
- ▶ Join a neighbourhood watch and state it clearly in your listing.

HOW TO HELP STOP HUMAN TRAFFICKING

SIGNS OF HUMAN TRAFFICKING IN YOUR RENTAL

Traffickers want to fly under the radar, so they often use short-term rentals like yours to run their illegal activities. While it can be difficult to spot a human trafficker, there are several signs that you can look out for. These indications may seem harmless on their own, but in combination, they may be a sign of human trafficking:

- ▶ Frequent use of short-term rentals.
- ▶ Last minute bookings – this is a big red flag!
- ▶ Several bookings that are close to the same time in the same location.
- ▶ Several people entering and leaving your property.
- ▶ Individuals that appear to be under the control of another person – especially where there is an age difference.
- ▶ Individuals who dress inappropriately (especially for their age).
- ▶ A group of people are picked up from your property, taken somewhere else, then brought back at around the same time every day.
- ▶ People arriving and departing from your property with backpacks.
- ▶ The presence of a large amount of condoms, condom wrappers, bottles of lubricant and lotions in the garbage upon check out.

WHAT TO DO IF YOU SUSPECT A POTENTIAL HUMAN TRAFFICKING SITUATION IN YOUR PROPERTY

If you encounter a situation in your rental that could potentially be human trafficking, you are obligated to report it. Never put yourself in harm's way by approaching a guest if you are concerned. If you think something is suspicious, don't say or do anything that may put you or your family in danger. Simply call the police immediately and let them handle it.

As a short-term rental owner, you have a responsibility to help prevent human trafficking in your community. By partnering with the community and law enforcement, deterring human traffickers from choosing your rental, recognizing red flags, and responding appropriately, you can make a significant difference in the fight against human trafficking. Remember, your actions could save lives.

It is also a good idea to ask your neighbors to be your eyes and ears and to report anything suspicious to the police.

If you would like to learn more about human trafficking and how you can help to prevent this from happening in your community, visit joysmithfoundation.com

FACTS ABOUT HUMAN TRAFFICKING IN CANADA



**Right now, less than 1 km from where you are,
someone is being trafficked!**

Often described as modern-day slavery, human trafficking involves the recruitment, transportation, or harbouring of persons for the purpose of exploitation, typically in the sex trade or through forced labour.

It's a growing Canadian problem that goes largely unnoticed because victims are first lured by false trust and then have their ability to make decisions taken from them with threats, coercion and manipulation.

Unfortunately, it is a lucrative criminal enterprise. Traffickers actively recruit in Canadian urban and rural areas. Knowledge is our greatest protection. The more we know and understand about human trafficking, the more we can do to prevent it.

The Joy Smith Foundation and our National Human Trafficking Education Centre work to prevent human trafficking and build awareness by providing easily accessible education. We also offer Intervention Programming.

**The most important first step you can take toward helping combat this issue is to
KNOW THE FACTS!**

WHAT IS HUMAN TRAFFICKING?

According to the United Nations, human trafficking is “a crime that trades in people and exploits them for profit. People of all genders, ages and backgrounds can become victims of this crime, which occurs in every region of the world. Traffickers use violence, fraudulent employment agencies, and fake promises of education and job opportunities to trick, coerce and deceive their victims.

Organized networks or individuals behind this lucrative crime take advantage of people who are vulnerable, desperate or simply seeking a better life.”

In Canada, youth and adults are manipulated by acquaintances, ‘friends’ or sometimes a family member and forced into the sex trade or labour market, which only benefits the perpetrator.

13

*is the average age
of entry into
sex trafficking*

\$280,000

*is the annual revenue
one victim of human trafficking
generates for a trafficker*

93%

*of sex trafficking victims
in Canada
are Canadian-born*

FACTS ABOUT HUMAN TRAFFICKING IN CANADA

WHO IS BEING TRAFFICKED?

Ninety-three percent of Canada's sex trafficking victims are Canadian-born. Youth and children are vulnerable if they aren't taught about this crime and are unaware of the malicious tactics used by predators. It's no accident. They are targeted and manipulated into this life by people they thought they could depend on. It's an act of ultimate betrayal. Our goal is to educate Canadians to recognize the signs and prevent this from happening.

WHY DOES IT HAPPEN?

Individuals are lured because they are unaware of this possibility or the malicious intent and tactics used by predators. It's an act of betrayal that changes the lives of individuals and their families forever. Education and awareness can help.

HOW DOES IT HAPPEN?

Trafficked persons do not choose this life. They are lured into these circumstances with lies and manipulation. Perpetrators work to gain their victims' trust with promises and gifts, with the goal to have them under their complete control.

WHERE DOES IT HAPPEN?

This crime can happen to anyone, anywhere, at any time. It occurs in large urban cities and smaller rural communities across the country. It is happening right now in EVERY community across Canada. It is far more prevalent than people realize.



We want to raise awareness to STOP IT!

When you see the signs and who is vulnerable, you are empowered to take the steps and strategies to prevent this crime from occurring.

WHAT CAN YOU DO?

- ▶ Educate yourself about the issue.
- ▶ Learn who's at risk and the signs of human trafficking.
- ▶ Know what actions to take, if you suspect something.
- ▶ Have conversations with your friends and family to raise awareness and stop this crime from happening.
- ▶ Get involved by fundraising or volunteering.

ZERO TOLERANCE FOR HUMAN TRAFFICKING



Our Property is a Safe Haven



This rental property is committed to preventing human trafficking and other illegal activities from happening in this neighbourhood.

This property may be equipped with cameras outside to record those coming and going. We will report any suspicious activity and may allow access to local authorities without notification.

13

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traffickingsigns.ca
joysmithfoundation.com
info@joysmithfoundation.com
(204) 691-2455

