


# CITY OF ONTARIO

*Agenda Report*  
**November 21, 2023**

**SECTION:**  
**PUBLIC HEARINGS**

Department: Planning  
Prepared By: Gwen Berendsen  
Staff Member Presenting:  
Scott Murphy, Executive Director Community  
Development  
Approved By: 

Submitted To: Council/OHA  
Approved: \_\_\_\_\_  
Continued To: \_\_\_\_\_  
Denied: \_\_\_\_\_  
Item No: 24

**SUBJECT: A PUBLIC HEARING TO CONSIDER AN AMENDMENT TO SECTION 5.03.363, "SHORT TERM RENTALS," OF DIVISION 5.03 OF CHAPTER 5 OF THE ONTARIO DEVELOPMENT CODE, UPDATING REGULATIONS FOR THE SHORT-TERM RENTAL OF PROPERTY IN THE CITY**

**RECOMMENDATION:** That the City Council introduce and waive the first reading of an Ordinance amending subsections C, D, E, F, I, J and K of Section 5.03.363 of the Ontario Development Code, relating to regulations of short-term rentals.

**THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:**

**Operate in a Businesslike Manner**

**Focus Resources in Ontario's Commercial and Residential Neighborhoods**

**FISCAL IMPACT:** Stricter regulation of short-term rental operations pursuant to the Ontario Development Code may result in increased collection of permit fees and administrative fines which are payable to the City. Staff does not anticipate any increased enforcement cost on the staffing side, as current staffing levels support the need for stricter regulation.

**BACKGROUND & ANALYSIS:** This item was continued from the October 3, 2023, City Council Hearing.

While short term rentals provide options to the traveling public and income to the affected host property owner or tenant, they can also impact the community. Over the past few years, there has been an increase in the number of properties in the City being offered on websites such as Airbnb, VRBO, and Homeaway. In December 2022, the City Council adopted Ordinance No. 3235, adding a new Section 5.03.363 to the Ontario Development Code to regulate short-term rentals in the City. The regulations adopted at that time:

- Established a requirement that operators obtain a short-term rental permit from the City;
- Set forth the process for permit applications, investigations, issuance, expiration, renewal, and revocation;
- Created an appeals procedure for aggrieved applicants;

- Established a series of operating requirements for short-term rentals, including limiting the locations where short-term rentals may be located (zoning districts AR-2, RE-2, RE-4, LDR-5, MDR-11, MDR-18, MDR-25, HDR-45, LUA-3, and MU-2);
- Established a series of requirements applicable to hosting platforms such as AirBNB and VRBO; and
- Established the City's procedures for enforcement of violations of the Ordinance.

The proposed updates to Section 5.03.363 will make updates to strengthen the regulations for permit revocation, operating requirements, enforcement and penalties. In addition, updates are proposed to how the City processes permit applications; allow for short-term rental permit applications to be filed while the applicant is awaiting a pending business license; and clarify the areas of the City in which short-term rentals are allowed (all areas not specifically named in the Ordinance will not allow for short-term rentals).

CONCLUSION: Staff and the City Attorney recommend approval for the first reading of the attached Ordinance. All the Ordinance deletions are shown in strikethrough, additions shown in underline.