

SHORT-TERM RENTAL ENFORCEMENT FUND (STREF)

ENHANCED PROACTIVE ENFORCEMENT - SHORT-TERM ACCOMMODATIONS - CITY OF LONDON ONTARIO

GRANT AGREEMENT

This Agreement is made as of the date of last signature

BETWEEN: **HIS MAJESTY THE KING IN RIGHT OF CANADA**, as represented by the Minister of Infrastructure and Communities (“Canada”)

AND **CORPORATION OF THE CITY OF LONDON**, continued or incorporated pursuant to the Municipal Corporation Act, 1855 (the “Recipient”),

individually referred to as a “Party” and collectively referred to as the “Parties”.

RECITALS

WHEREAS Canada announced in Budget 2024 over \$45.9 million for the Short-Term Rental Enforcement Fund to support the local enforcement of short-term rental restrictions in an effort to make more long-term housing units available to Canadians.

WHEREAS the Recipient is responsible for carrying out the Project as described in Schedule A (“the Project”) of the Agreement and Canada wishes to provide financial support for the Project and its objectives;

WHEREAS the Recipient has submitted to Canada a proposal for the funding of the Project which qualifies for support under the Short-Term Rental Enforcement Fund;

WHEREAS the Recipient has established a strict regulatory regime with an enforcement and compliance program that prevent housing loss and geared to bringing back units to the long-term market;

AND WHEREAS the Recipient is responsible for carrying out the Project and Canada wishes to provide financial support towards the Eligible Expenditures of the Project and its objectives;

NOW, THEREFORE, the Parties agree as follows:

1. INTERPRETATION

DEFINITIONS

In addition to the terms defined in the recitals and elsewhere in this Agreement, a capitalized term has the meaning given to it in this Section.

“**Agreement**” means this agreement and all its schedules, as may be amended from time to time.

“**Agreement End Date**” means March 31, 2027.

“**Calendar Days**” means consecutive days, inclusive of Saturdays, Sundays and statutory holidays.

“**Communications Activities**” means, but is not limited to, public or media events or ceremonies including key milestone events, news releases, reports, web and social media products or postings, blogs, news conferences, public notices, physical and digital signs, publications, success stories and vignettes, photos, videos, multi-media content, advertising campaigns, awareness campaigns, editorials, multi-media products and all related communication materials under this Agreement.

“**Eligible Activities**” mean those activities allowed to be undertaken and eligible for funding through this agreement as described in Schedule C.1.

“**Eligible Expenditures**” mean those costs incurred on or after the date of formal project approval and eligible for payment by Canada as set out in Schedule C.2.

“**Enforcement and Compliance Program**” refers to the approach and actions taken by municipalities to induce, encourage, or compel compliance with the Regulatory Regime as outlined in Schedule C.3.

“**Fiscal Year**” means the period beginning on April 1st of a calendar year and ending on March 31st of the following calendar year.

“**Indigenous Governing Body**” means a council, government or other entity that is authorized to act on behalf of an Indigenous group, community or people that holds rights recognized and affirmed by section 35 of the *Constitution Act*, 1982. “Indigenous peoples of Canada” has the meaning assigned by the definition of aboriginal peoples of Canada in subsection 35(2) of the *Constitution Act*, 1982.

“**Reporting Period**” means each Fiscal Year that falls within the duration of the agreement.

“**Regulatory Regime**” refers to the set of regulatory tools designed to impact STR activity, either through a series of regulations (e.g., zoning bylaws, business licensing bylaws, enforcement bylaws, accommodation tax bylaws), a stand-alone STR regulation, or a combination of both as outlined in Schedule C.3.

“**Short-Term Rental (STR)**” means the rental of any type of residential dwelling unit (e.g., houses, secondary suites, accessory dwelling units, apartments, condominiums), in whole or in part, for a short period of time (typically less than a month) and facilitated by digital platforms such as Airbnb, Booking.com, or TripAdvisor and Expedia and their respective subsidiaries (e.g., FlipKey and VRBO).

“**Staff Wages**” means any wages, mandatory employment related costs (as required by law) or benefits (as required by a collective agreement or company policy) paid by the Recipient to, or on behalf of, an employee of the Recipient working directly on the Project.

“**Third Party**” means any person or legal entity, other than a Party or Ultimate Recipient, who participates in the implementation of a project by means of a contract.

1.1 Entire Agreement

This Agreement comprises the entire agreement between the Parties in relation to the subject of the Agreement. No prior document, negotiation, provision, undertaking or agreement has legal effect, unless incorporated by reference into this Agreement. No representation or warranty express, implied or otherwise, is made by Canada to the recipient except as expressly set out in this Agreement.

1.2 Duration of Agreement

This Agreement will be effective as of the date of last signature of this Agreement and will terminate on the 31st of March 2027, subject to early termination in accordance with this Agreement.

1.3 Schedules

The following schedules are attached to, and form part of, this Agreement:

Schedule A – The Project

Schedule B – Reporting Requirements

Schedule C – Eligibility Criteria

2. PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to establish the terms and conditions whereby Canada will provide grant funding to the Recipient. The funding will be used by the Recipient solely for Eligible Activities as described in Schedule C.1 to support the local enforcement of Short Term Rental restrictions in an effort to make more long-term housing units available to Canadians.

3. COMMITMENTS BY CANADA

To allow the Recipient to complete Eligible Activities, Canada agrees to provide grant funding to the recipient in the amount and fiscal year described below:

- a) 2024-2025: \$ 380,000
 - b) 2025-2026: \$ 350,000
 - c) 2026-2027: \$ 350,000
- TOTAL: \$ 1,080,000**

4. COMMITMENTS BY THE RECIPIENT

4.1 Eligible Activities

The Recipient agrees to use this grant only for eligible activities as described in Schedule C.1.

4.2 Eligible Expenditures

The Recipient agrees to use this grant only for the payment of eligible expenditures as described in Schedule C.2.

4.3 Demonstration of Ongoing Eligibility

- a) At the start of each fiscal year, before any payment is issued, the Recipient must demonstrate its continued eligibility for grant funding by providing information to Canada to demonstrate the continuation of the Regulatory Regime and Enforcement and Compliance Program as described in Schedule C.3.
- b) As such, the Recipient agrees to promptly notify Canada should a change in the Recipient's status render it no longer eligible for a grant under the Program or should a change in Project activities result in the Project no longer qualifying for support under the Program.

4.4 Reporting Requirements

- a) The recipient agrees to provide information to Canada as detailed in Schedule B.1, for the purposes of performance measurement and verifying that the Project is being implemented in accordance with this Agreement.
- b) If a report provided by the Recipient pursuant to Schedule B.1 is deemed incomplete or otherwise not satisfactory to Canada, then, in addition to any other remedies set out in this Agreement, Canada may require the Recipient to revise the report so as to provide all the information in a manner that is satisfactory to Canada.

5. APPROPRIATIONS

Notwithstanding Canada's obligation to make any payment under this Agreement, this obligation does not arise if, at the time when a payment under this Agreement becomes due, the Parliament of Canada has not passed an appropriation that is sufficient and constitutes lawful authority for making the payment. Canada may reduce or terminate any payment under this Agreement in response to the reduction of appropriations or departmental funding levels in respect of transfer payments, the Program under which this Agreement was made or otherwise, as evidenced by any appropriation act or the federal Crown's main or supplementary estimates expenditures. Canada will not be liable for any direct, indirect, consequential, exemplary or punitive damages, regardless of the form of action, whether in contract, tort or otherwise, arising from any such reduction or termination of funding.

6. PAYMENTS

- a) Where the total amount described in Article 3. Commitments by Canada is greater than \$250,000, payments will be made in two equal installments each fiscal year: in the first quarter of the fiscal year (the first payment will be made as soon as is feasible upon signature of the agreement), and at a halfway point through the remaining fiscal year (or as soon as is feasible).
- b) Canada may retain a final installment of an amount up to 10% of the full grant amount at the end of the Project Period pending:
 - i. receipt and acceptance by Canada of the final report for the Project that the Recipient is required to submit to Canada as set out in Schedule B, and

- ii. receipt of any other Project-related record that may be required by Canada.

7. PUBLIC COMMUNICATIONS

- a) Canada and the Recipient retain the right to meet their obligations to communicate information to Canadians about the Agreement and the use of funds through their own Communications Activities.
- b) The Recipient shall ensure that in any and all Communication Activities regarding the Project, recognition, in terms and in a form and manner satisfactory to Canada, are given to Canada's financial assistance to the Project.
- c) The Recipient agrees to recognize federal funding in Communications Activities created to promote or communicate the Project funded under this Agreement through the use of a digital sign or the Canada wordmark and the following wording, "This project is funded in part by the Government of Canada" or "This project is funded by the Government of Canada".
- d) The Recipient shall notify Canada fifteen (15) working days in advance of any Communications Activities planned by the Recipient or by a Third Party with whom it has an agreement relating to the Project. Any Canada and Recipient joint publication material will be approved by Canada prior to the release. Should the Recipient decide that the activity take the form of an official ceremony or event related to the announcement of the funding of the Project, Canada reserves the right to approve the time, place, and agenda of the ceremony or event as well as the participation of the Minister or delegate to it.
- e) The Recipient hereby agrees that any public announcement with respect to this Agreement and subsequent communication opportunities may be made by the Minister or delegate, and that all reasonable and necessary assistance in the organization of a public announcement, as Canada sees fit, shall be provided. The Recipient shall cooperate with representatives of Canada during any official news release or in-person and virtual media events relating to the announcement of the Project.

8. OFFICIAL LANGUAGES

- a) Where the eligible activities are to be delivered to members of either language community, the Recipient will:
 - i. make documentation and announcements in both official languages where applicable;
 - ii. actively offer and provide in both official languages any services to be provided or made available to members of the public, where applicable;
 - iii. encourage members of both official language communities, including official language minority communities, to participate in eligible activities; and
 - iv. organize activities and provide its services, where appropriate, in such a manner as to address the needs of both official language communities.

9. AUDIT

9.1 Recipient Audit

Canada may, at its discretion, conduct a Recipient audit related to this Agreement during the term of this Agreement and up to six (6) years after the Agreement End Date, in accordance with the Canadian Auditing Standards.

9.2 *INTENTIONALLY OMITTED*

10. EVALUATION

- a) The Recipient agrees to cooperate with Canada in the conduct of any evaluation of the Program named in this agreement that Canada may carry out during the Project Period or within a period of three (3) years after the term of this Agreement.
- b) The Recipient will provide Canada with the contact information of an authorized project official or project participant if requested by Canada to do so for the purpose of conducting an evaluation.
- c) The Recipient will provide Canada with the contact information of a person referred to in paragraph b) only if the person has given their written consent to the release of the information to Canada. The Recipient agrees to make all reasonable efforts to secure such consent during the Project Period and thereafter. When providing a person's contact

information to Canada, the Recipient will provide Canada with an accompanying written statement certifying that the person has given their consent to the sharing of their contact information with Canada.

- d) All evaluation results will be made available to the public, subject to all applicable laws and policy requirements.

11. ACCESS

The recipient will ensure Canada, the Auditor General of Canada, and its designated representatives are provided with reasonable and timely access to Project sites, facilities, and any records, documentation or information for the purposes of audit, inspection, monitoring, evaluation, and ensuring compliance with this Agreement.

12. DISPUTE RESOLUTION

- a) The Parties will keep each other informed of any issue that could be contentious by exchanging information and will, in good faith and reasonably, attempt to resolve potential disputes.
- b) Where the Parties cannot agree on a resolution, the Parties may explore any alternative dispute resolution mechanisms available to them to resolve the contentious issue.
- c) The Parties agree that nothing in this section will affect, alter or modify the rights of Canada to terminate this Agreement.

13. DEFAULT

13.1 Events of Default

The following constitutes the "Event of Default" under this Agreement:

- a) The recipient has not complied with one or more of the terms and conditions of this Agreement.
- b) the Recipient has submitted false or misleading information to Canada or made a false or misleading representation in respect of this Agreement, except for an error in good faith, demonstration of which is incumbent on the Recipient, to Canada's satisfaction;
- c) in the opinion of Canada, the recipient is no longer eligible for this grant;
- d) the Recipient becomes insolvent, commits an act of bankruptcy, takes the benefit of any statute relating to bankrupt and insolvent debtors or goes into receivership or bankruptcy; and,
- e) the Recipient is wound up or dissolved.

13.2 Declaration of Default

Canada may declare default if:

- a) Any of the Events of Default occur;
- b) Canada gives notice to the recipient of the event, which in Canada's opinion constitutes an Event of Default; and
- c) The Recipient has failed, within thirty (30) business days of receipt of the notice, either to remedy the Event of Default or to notify and demonstrate to the satisfaction of Canada that it has taken such steps as are necessary to remedy the Event of Default.

13.3 Remedies on Default

In the event that Canada declares default under section 13.2 Declaration of Default, Canada may exercise one or more of the following remedies, without limiting any remedy available to it by law:

- a) Suspend or terminate any obligation by Canada pay further installments of the agreed upon grant amounts;
- b) Terminate this Agreement.

14. LIMITATION OF LIABILITY AND INDEMNIFICATION

14.1 Definition of Person

In this section, "Person" includes, without limitation, a person, Recipient, a Third Party, a corporation, or any other legal entity, and their officers, servants, employees or agents.

14.2 Limitation of Liability

In no event will Canada, its officers, servants, employees or agents be held liable for any damages in contract, tort (including negligence) or otherwise, for:

- a) any injury to any Person, including, but not limited to, death, economic loss or infringement of rights;
- b) any damage to or loss or destruction of property of any Person; or
- c) any obligation of any Person, including, but not limited to, any obligation arising from a loan, capital lease or other long-term obligation in relation to this Agreement or each of the Projects.

14.3 Indemnification

The Recipient will at all times indemnify and save harmless Canada, its officers, servants, employees or agents, from and against all actions, claims, demands, losses, costs, damages, suits or other proceedings, whether in contract, tort (including negligence) or otherwise, by whomsoever brought or prosecuted in any manner based upon or occasioned by:

- a) any injury to any Person, including, but not limited to, death, economic loss or any infringement of rights;
- b) any damage to or loss or destruction of property of any Person; or
- c) any obligation of any Person, including, but not limited to, any obligation arising from a loan, capital lease or other long term obligation,

in relation to this Agreement, except to the extent to which such actions, claims, demands, losses, costs, damages, suits or other proceedings are caused by the negligence or breach of the Agreement by an officer, servant, employee or agent of Canada in the performance of his or her duties.

15. AWARDING OF CONTRACTS

a) Corporation of the City of London will ensure that Contracts will be awarded in a way that is fair, transparent, competitive and consistent with value-for-money principles, or in a manner otherwise acceptable to Canada, and if applicable, in accordance with the Canadian Free Trade Agreement and international trade agreements.

b) If Canada determines that a Contract is awarded in a manner that is not in compliance with the foregoing, upon notification to Corporation of the City of London, Canada may consider the expenditures associated with the Contract to be ineligible.

16. PROACTIVE DISCLOSURE

The Recipient acknowledges that the name of the Recipient, the amount of Canada's funding and the general nature of the Project may be made publicly available by Canada in accordance with the Government of Canada's commitment to proactively disclose the awarding of grants and contributions.

17. INTELLECTUAL PROPERTY

The Recipient hereby grants to Canada a free of charge, non-exclusive, royalty-free, perpetual, worldwide and irrevocable licence to collect, retain, use, reproduce, communicate, modify, disclose, translate, publish, and distribute internally or externally, in whole or in part, information related to the Project, including reports, photos and videos provided by the Recipient, for promotional, informational and reporting purposes, in relation to this Agreement, in any form and by any medium, for any purpose directly or indirectly related to the Program or for any other future program administered by Canada.

18. MEMBERS OF THE HOUSE OF COMMONS AND SENATE

No member of the House of Commons or the Senate of Canada will be admitted to any share or part of this Agreement, or to any benefit arising from it that is not otherwise available to the public. The Recipient will promptly inform Canada should it become aware of the existence of any such situation.

19. CONFLICT OF INTEREST

No current or former public servant or public office holder to whom any post-employment, ethics and conflict of interest legislation, guidelines, codes or policies of Canada applies will derive direct benefit from this Agreement unless the provision or receipt of such benefits is in compliance with such legislation, guidelines, policies or codes. The Recipient will promptly inform Canada should it become aware of the existence of any such situation.

20. NO AGENCY, PARTNERSHIP, JOINT VENTURE, ETC.

- a) No provision of this Agreement and no action by the Parties will establish or be deemed to establish a partnership, joint venture, principal-agent relationship or employer-employee relationship in any way or for any purpose whatsoever between Canada and the Recipient, or between Canada and a Third Party.
- b) The Recipient will not represent itself as a partner, employee or agent of Canada.

21. NO AUTHORITY TO REPRESENT

Nothing in this Agreement is to be construed as authorizing any Person, including a Third Party, to contract for or to incur any obligation on behalf of Canada or to act as an agent for Canada. The Recipient will take the necessary action to ensure that any Contract between the Recipient and any Third Party contains a provision to that effect.

22. LOBBYIST

The Recipient has not made and will not make a payment or other compensation to any individual required to be registered under the federal Lobbying Act that is, in whole or in part, contingent on the outcome of arranging a meeting between a public office holder and any other person, or communicating with a public office holder in the awarding of any grant funding or other financial benefit under this Agreement or negotiating, in whole or in part, any of the terms and conditions of this Agreement by or on behalf of His Majesty in Right of Canada.

23. SURVIVAL

The Parties' rights and obligations, which by their nature, extend beyond the termination of this Agreement, will survive any termination of this Agreement.

24. COUNTERPART SIGNATURE

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts (including by electronic signature, facsimile or other means of electronic transmission, such as by electronic mail in "PDF" form), with the same effect as if all Parties had signed and delivered the same document, and all counterparts will together constitute one and the same original document.

25. SEVERABILITY

If for any reason a provision of this Agreement that is not a fundamental term of this Agreement between the Parties is found to be or becomes invalid or unenforceable, in whole or in part, and if both Parties agree, it will be deemed to be severable and will be deleted from this Agreement, but all the other terms and conditions of this Agreement will continue to be valid and enforceable.

26. ASSIGNMENT

The Recipient will not transfer or assign its rights or obligations under this Agreement without the prior written consent of Canada. Any attempt by the Recipient to assign any of the rights, duties or obligations of this Agreement without Canada's express written consent is void.

27. AMENDMENTS

This Agreement may be amended from time to time on written agreement of the Parties.

28. WAIVER

A Party may waive any of its rights under this Agreement only in writing. Any tolerance or indulgence demonstrated by the Party will not constitute a waiver.

29. NOTICE

Any notice provided for under this Agreement may be delivered in person, sent by email, facsimile or mail addressed to:

for Canada:

Senior Assistant Deputy Minister
Community Policy and Programs Branch
Housing, Infrastructure and Communities Canada.
1100 - 180 Kent Street
Ottawa, Ontario
K1P 0B6

or to such other address, email, or addressed to such other person as Canada may, from time to time, designate in writing to the Recipient; and

for the Recipient

Manager, Licensing, Policy, and Special Operations
Corporation of the City of London
300 Dufferin Avenue
London, Ontario
N6B 1Z2

or such other address, email, or addressed to such other person as the Recipient may, from time to time, designate in writing to Canada.

Such notice will be deemed to have been received, if sent by mail or email, when receipt is acknowledged by the other Party; by facsimile, when transmitted and receipt is confirmed; and in person, when delivered.

30. COMPLIANCE WITH LAWS

The Recipient will comply with and ensure that each Project complies with all statutes, regulations, and other applicable laws governing the Recipient under this Agreement, including all requirements of, and conditions imposed by, regulatory bodies having jurisdiction over the subject matter.

31. GOVERNING LAW

This Agreement is governed by, and is to be interpreted in accordance with, the applicable federal laws and the laws in force in Ontario. The Parties attorn to the jurisdiction of the Courts of Ontario and all courts competent to hear appeals from the Courts of Ontario.

32. SUCCESSORS AND ASSIGNS

This Agreement is binding upon the Parties and their respective successors and assigns.

33. INDEPENDENT LEGAL ADVICE

The Parties acknowledge and agree that they have been given full opportunity to seek independent legal advice and if they chose to avail themselves of said opportunity, had independent legal advice to the full extent deemed necessary by each of them, and that they have not acted under any duress or undue influence in the negotiating, preparation and execution of this Agreement.

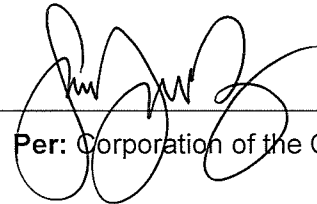
SIGNATURES

This Agreement has been executed on behalf of Canada by the Minister of Infrastructure and Communities and on behalf of Corporation of the City of London.

**HIS MAJESTY THE KING IN RIGHT OF
CANADA**

**CORPORATION OF THE CITY OF
LONDON**

Per: Genevieve, Viau
Director
National and Quebec Service Delivery
Division
Community Policy and Programs Branch
Housing Infrastructure and Communities
Canada



Per: Corporation of the City of London

Date

11 March 2025

Date

SCHEDULE A – PROJECT DETAILS

SCHEDULE A.1: PROJECT DESCRIPTION

Project Start Date	Project End Date
2025-03-03 yyyy-mm-dd	2027-03-31 yyyy-mm-dd

Agreement Start Date	Agreement End Date
2025-03-05 yyyy-mm-dd	2027-03-31 yyyy-mm-dd

1. Project Description

The Recipient will implement activities to enhance its existing strict regulatory regime to support the local enforcement of short-term rental restrictions in an effort to make more long-term housing units available in Canada.

This includes supporting the planning, implementation, enhancement, and review of short-term rental enforcement and compliance measures as well as increasing short-term rental enforcement and compliance capacity.

2. Project Objective(s)

The objective of this project is to protect new and existing units in the long-term housing stock by helping the Recipient to better enforce its short-term rental regulations in London, Ontario. This objective will be accomplished by increasing the capacity of enforcement and compliance of short-term rental regulations already in place.

3. Activities:

- Activities designed to support the planning, implementation, improvement and review of short-term rental enforcement and compliance measures, including:
 - Managing licensing, permitting or registration systems
 - Conducting investigations and inspections
 - Issuing warnings, bylaw offence notices or tickets
 - Supporting legal proceedings
- Activities designed to increase short-term rental enforcement and compliance capacity, including:
 - Recruiting additional enforcement and compliance personnel

SCHEDULE A.2: PROJECT BUDGET

Table 1:

Project Budget	Amount
Total Project Cost	\$ 1,080,000
Total Eligible Cost	\$ 1,080,000

Table 2:

Total Canada Grant	Annual Breakdown			Total
	2024-25	2025-26	2026-27	
Canada Grant	\$ 380,000	\$ 350,000	\$ 350,000	\$ 1,080,000

SCHEDULE B – REPORTING REQUIREMENTS

SCHEDULE B.1: ANNUAL RESULTS REPORT

Within thirty (30) Calendar days following the end of each Reporting Period during the agreement, the Recipient will provide to Canada an annual results report in a manner prescribed by Canada.

The results report must include the following information:

- Implementation status of proposed enforcement activities (not started, partially implemented, fully implemented) by activity at the start of the program
 - Implementation status updates of proposed enforcement activities (not started, partially implemented, fully implemented) by activity
 - Planned or known status of funded activities following the program
 - Number of known STRs at the start of the agreement period
 - Number of known STRs, annually
 - Number of unique STR units investigated for suspected non-compliance, over all
 - Number of unique STR units investigated for suspected non-compliance in relation to principal residence rules and/or other rules which assist in protecting housing supply and affordability
 - Number of unique STR units that became compliant following investigation
 - Number of unique STR units with investigation outcome still pending
 - Number of unique STR units no longer listed, as a result of investigation
 - Number of unique STR units licenses or registrations revoked as a result of investigation
- a) The Recipient will ensure that appropriate data collection processes are in place to enable the capture and reporting of the performance indicators and results used to measure the achievement of Project outcomes.
- b) Failure on the part of the Recipient to submit annual results reports within the thirty (30) Calendar days following the end of each Reporting Period may result the Recipient being in default.

SCHEDULE B.2: FINAL RESULTS REPORT

The Recipient shall provide Canada with a final report that summarizes the Project scope, describes the results achieved, describes collaboration efforts, explains any discrepancies between the results and the planned or expected results, lessons learned and contains such other information as Canada may specify in writing to the Recipient. The Recipient shall provide Canada with the final report within sixty (60) days following the Project End Date.

SCHEDULE C – ELIGIBILITY CRITERIA

C.1 – Eligible Activities

Eligible activities for enforcement and compliance plans must support the STREF's objectives and expected results, and meet applicable federal requirements. They include, but are not limited to, the following activities, as well as other activities approved by Canada, to meet the objectives of the program:

- Activities designed to support the planning, implementation, enhancements and review of STR enforcement and compliance measures, including:
 - Raising awareness and educating the public
 - Managing complaints systems
 - Managing licensing, permitting or registration systems
 - Conducting investigations and inspections
 - Issuing warnings, bylaw offence notices or tickets
 - Supporting legal proceedings
- Activities designed to increase STR enforcement and compliance capacity, including:
 - Procuring or developing software and digital tools
 - Recruiting additional enforcement and compliance personnel
 - Providing staff training
 - Developing, testing and scaling new innovative tools, resources and processes
 - Developing partnerships and agreements, including with other levels of government and STR platforms
 - Creating and implementing an evaluation framework
 - Creating and implementing a monitoring and performance measurement framework in order to measure the performance of the initiative
 - Conducting research and analysis on short-term rental enforcement
 - Building and disseminating knowledge on short-term rental enforcement.

C.2 – Eligible Expenditures

Eligible expenditures are costs incurred by an eligible recipient that are considered by Canada to be direct and necessary for the successful implementation of an eligible project, excluding those explicitly defined as ineligible.

C.2.1 Eligible expenditures include:

- Staff wages;
- Staff training and professional development costs;
- Procurement of enforcement and compliance services;
- Professional fees, including researchers and IT providers;
- Subset capital costs such as software, IT supplies and solutions.
- Overhead costs up to a maximum of 7% of total project expenditures, that are central to the recipient's operations and directly related to support eligible activities as outlined in the Funding Agreement (including postage, telephones, IT maintenance and head office support);
- Printing and communication;
- Transportation costs set out in the National Joint Council of Canada's Travel Directive associated with investigations of suspected non-compliant STRs;
- Translation, including to Indigenous languages; and
- Other expenditures, as approved by Canada, to meet the objectives of the program.

C.2.2 The following expenditures are ineligible:

- Costs incurred before project approval and any expenditures related to contracts signed prior to project approval;
- Cost incurred for cancelled projects;
- New construction, or expansion of physical assets and costs for purchasing or leasing land, buildings and other facilities; real estate fees and related costs;
- Financing charges, collateral on mortgage financing, and loan interest payments, including those related to easements (e.g. surveys);
- Legal fees and mediation/alternative dispute resolution fees except for costs incurred to support legal proceedings related to STR enforcement and compliance;
- Any goods and services costs, which are received through donations or in kind;
- Provincial sales tax, goods and services tax, and harmonized sales tax for which the ultimate recipient is eligible for a rebate, and any other costs eligible for rebates;

- Cost related to furnishings and non-fixed assets, unless approved by Canada

C.3 – Eligible Short-Term Rental Enforcement Minimum Measures

A strict short-term rental Regulatory Regime must in place by January 24, 2025.

1. A strict Regulatory Regime is defined, at minimum, of the following measures:

- a. An existing principal residence requirement limiting short-term rental operation to principal residences;
 - A principal residence requirement can apply to all or part of a municipality's boundaries, or Indigenous Governing Body, and/or be triggered by a minimum vacancy rate or other indicator
- b. A licensing system for short-term rental operators.
 - A licensing system can be a registration, licensing or permitting system that allows short-term rental operators to conduct business within the applicant's boundaries

AND

2. One additional existing regulation from the following list:

- requiring a proof of consent as part of the STR licensing/registration process from condo corporation/strata and property owners for a unit to be used as STR.
- spatial rules, quotas or moratoriums to restrict STRs to specific zones, neighbourhoods or blocks, limit the number of units within those zones, neighbourhoods or blocks, as well as suspend or restrict issuing of STR licenses.
- Enforcing a night cap on bookings to restrict the maximum number of consecutive days that a unit can be rented and the total number of days per year that a unit can be rented as a short-term rental
- Establishing accountability measures for platforms, including mandating short-term rental platforms to obtain a license to operate, to share data with enforcement personnel or to remove non-compliant listings

AND

3. An enforcement and compliance program for their short-term rental regulatory regime with dedicated resources that uses a mix of proactive and reactive tools and techniques, or a commitment from the applicant to implement one as described in their application.

4. One of the minimum requirements from 1a, 1b and 2 in the above could be met through PT and upper-tier municipal measures in provinces where province-wide regimes exist (e.g., British Columbia, Quebec, Prince Edward Island, Nova Scotia). Measure 3 must be met by the signatory to the agreement.