

Town of LaSalle  
Short-Term Rental Study

# Recommendations Report

February 2026



*LaSalle* 

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## Table of Terminology

STR	Short-term rental
OP	Official Plan
ZBL	Zoning By-law
B&B	Bed and breakfast



# 1 Introduction

The Town of LaSalle (“the Town”) has engaged WSP Canada Inc. (“WSP”) to undertake a comprehensive Short-Term Rental (“STR”) Study. The purpose of this Study is to review the current policy environment, assess best practices, and provide recommendations to guide the regulation of STRs through the Town’s Official Plan (“OP”) and Zoning By-law (“ZBL”), as well as a potential licensing framework.

Specifically, the Study aims to:

- » Review the existing policy framework governing STRs in LaSalle.
- » Examine best practices and regulatory approaches from comparable municipalities.
- » Develop recommendations for the effective regulation of STR within LaSalle’s planning framework.

Consider amendments, as needed, to the Town’s OP and ZBL, as needed, to implement the regulatory recommendations, as well as consider additional recommendations for the Town-led creation of an STR licensing framework.

## 1.1 Purpose of this Report

This Recommendations Report builds on the Background and Issues Report completed in Fall 2025, which established the policy context and best practices for STR regulation, as well as summarizing issues identified by the community to address through the Study. This Report will summarize WSP’s analysis of various options for addressing these issues, and present recommendations for implementation through the Towns’ OP, ZBL, and a future licensing regime.



## 1.2 What We've Heard

The Study also includes consultation with key stakeholders, including Tourism Windsor-Essex Pelee Island (TWEPI), Invest WindsorEssex, and the Windsor Essex Chamber of Commerce, as well as members of the public to ensure that the Town's final approach to STRs reflects the values, needs, and priorities of the local community.

Key feedback from stakeholders included:

- » General support for permitting STRs but through a regulatory environment that ensures a balanced level of competition with traditional accommodations like hotels.
- » Support for a licensing framework, especially one which ensures that STRs are operated in compliance with local building, fire, and health and safety codes and requirements.
- » If the Town elects to levy Municipal Accommodation Tax ("MAT") on local accommodations, that a licensing framework would make for easier and more equitable implementing of the MAT for TWEPI.
- » That regulating STRs can support housing availability and affordability in the Windsor-Essex area, which in turn supports the local workforce and the area's economic viability.
- » A regulatory environment can also benefit STR operators, as it opens paths for marketing collaboration with TWEPI (e.g., listing on TWEPI's website as an accommodation option for visitors to the Windsor-Essex area).



As summarized in the Background and Issues Report for the Study, key issues raised by the community in LaSalle included:

- » Increased impacts from STRs on noise, traffic congestion, parking problems, property neglect, and a diminished sense of community due to temporary occupancy of housing.
- » Many residents shared direct experiences of disturbances and safety issues linked to STRs in their neighborhoods. Residents reported concerns that STRs threaten the safety and family-friendly atmosphere, and established character of LaSalle neighborhoods.
- » Worry about the impacts of STRs on higher housing costs and reducing the availability of long-term rental options, worsening the local housing crisis.

These responses from stakeholders and the community have been considered in the analysis of options and recommendations in the following sections.



## 2 Analysis of Regulatory Options

The Town is predominantly a suburban residential municipality, characterized by high rates of owner occupancy, stable neighbourhood patterns, limited tourism reliance, and a housing market that is primarily geared toward permanent residents rather than seasonal accommodation users. Unlike municipalities which rely heavily on tourism, LaSalle does not contain significant resort infrastructure, waterfront cottage concentrations, ski destinations, or visitor-driven commercial districts that typically shape STR market pressures.

As identified in the Background and Issues Report, a limited number of STRs are present in LaSalle, but even this small supply has resulted in complaints, neighbourhood conflict, and potential displacement of long-term housing supply. The Town's planning and regulatory framework does not currently define or distinguish STRs from other forms of residential or temporary accommodation. Bed and breakfast ("B&B") establishments are recognized as a home occupation under the ZBL, but no provisions exist that differentiate STRs, regulate them as a land use, or determine when they are considered commercial in nature. This absence of regulation creates uncertainty for enforcement, complicates municipal response to nuisance events, and poses risk as STR activity grows.

The findings indicate that LaSalle requires a framework that emphasizes neighbourhood stability, establishes clear definitions, considers how to treat B&Bs, and ensures that STR activity remains compatible with residential character.



Clear policies and zoning regulations on STRs would enable the Town to:

- » Define and distinguish STRs and B&Bs.
- » Specify where STRs are permitted, prohibited, or restricted.
- » Differentiate principal residence STRs from non-principal residence operations (see options below in Section 2.1).
- » Align with recent Ontario Land Tribunal considerations considering STRs as commercial uses.
- » Provide the basis for a licensing framework.

Based on the issues identified (nuisance prevention, neighbourhood stability, housing protection, clarity in definitions, and the need for enforcement), the following options represent viable regulatory directions for the Town.

A note for terminology used in the following sections:

- » **Operator** refers to the person(s) advertising and renting a dwelling unit to the travelling public as an STR. The operator does not necessarily have to be the owner of the dwelling unit. The operator does not refer to the listing service for the STR (e.g., Airbnb or VRBO).
- » **Owner** refers to the registered owner of the legal parcel on which the STR is located. The owner and the operator may be the same person, but the operator is not always the owner.
- » **Principal residence** refers to any dwelling unit that is occupied full-time, i.e., for more than 30 days at a time. An Additional Residential Unit may be considered a principal residence provided that it is occupied full-time.



## 2.1 Defining and Permitting STRs

Regulating STRs through land-use planning means clearly defining an STR and clearly articulating where an STR is permitted.

There are two options for type of STR:

- » Principal residence STRs, where the dwelling unit serving as the STR is occupied full-time as the principal residence of the operator and/or owner; or
- » Non-principal residence STRs, where the dwelling unit servicing as the STR is not occupied full-time as a principal residence, and thus only serves the STR use.

For permitted locations of STRs, there is a broad range of options, from permitting in certain zones, to permitting in certain specific geographic areas. These two topics (type and location) have been combined into several options described below.



### 2.1.1 Option 1: Permit Principal Residence STRs throughout the Town

This option would permit STRs in dwelling units in all zones in the Town, where the dwelling unit is the operator’s and/or owner’s principal residence. To further clarify, this would permit STRs where the operator is not the owner of the dwelling unit, as long as the operator lives full-time in the dwelling unit. Under this option, it is recommended that the Town require proof of consent from the dwelling unit’s owner to be operated as an STR.

Under this option, any dwelling unit could be operated as an STR, including Additional Residential Units (ARUs). It is important to note that this framework would not permit scenarios where a property owner builds an ARU accessory to their primary dwelling unit to be operated solely as an STR. Requiring that the full-time resident of the STR be the operator can also help to prevent exploitative situations where the owner of an ARU has a full-time tenant, but also operates the ARU as an STR and displaces the tenant. Table 1 includes several scenarios to illustrate this point.

**Table 1: Illustrative scenarios for STRs in ARUs**

<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>
Owner builds detached ARU in their backyard.	Owner builds detached ARU in their backyard.	Owner builds detached ARU in their backyard.
Owner rents the ARU to a full-time tenant.	Owner rents the ARU to a full-time tenant.	Owner does not rent the ARU to a full-time tenant.
Tenant operates an STR in the ARU, with consent of the owner.	Owner operates an STR in the ARU, with or without consent of the tenant.	Owner operates an STR in the ARU.
<b>Permitted</b>	<b>Prohibited</b>	<b>Prohibited</b>



This principal residence requirement aligns with emerging practice in municipalities such as Toronto and Fort Erie, where principal residence requirements have been used to preserve neighbourhood character and protect housing availability.

This approach would prohibit the establishment of STRs in dwelling units not occupied by a full-time resident as their principal residence, which can function as de-facto commercial accommodations in residential neighbourhoods. By restricting STR activity to dwelling units where the operator resides, this approach is intended to:

- » Reduce nuisance concerns related to noise, parking, and waste by placing the responsibility for the STR on the person who lives there.
- » Protect long-term housing stock from conversion STR operations.
- » Ensure a level of on-site oversight that mitigates impacts.
- » Provide a balanced accommodation option that still supports tourism and temporary lodging needs.

This model reflects LaSalle's local context, where STRs are not currently widespread, housing availability is a community priority, and tourism pressures are minor. It provides a controlled pathway for STR activity without enabling a commercial STR market that could alter neighbourhood character or strain municipal enforcement capacity.



**Table 2: Implementation options for principal residence STRs**

Official Plan	Amend the OP to permit STRs in dwelling units in residential and rural areas, conditional on the dwelling unit being the principal residence of the operator.
	Add a policy noting that where the operator of an STR is not the owner of the dwelling unit, the owner must provide written consent for the operation of the STR.
Zoning By-law	Amend the ZBL to permit STRs as an accessory use in all zones where dwelling units are permitted.
	Add general provision to establish land-use and building standards such as parking, occupancy, separation distance, and permitted building types for STRs.

**2.1.2 Option 2: Permit STRs in residential and rural zones (without principal residence requirement)**

This option would permit STRs more broadly across LaSalle in both residential and rural areas, without requiring that the STR be in a principal residence. Under this approach, STRs could be operated as whole-home rentals, seasonal cottages, etc., provided they comply with zoning provisions and obtain a municipal licence.

This approach reflects a more permissive regulatory model and would allow LaSalle to accommodate tourism-related demand, visiting family and workers, and short-term housing needs, without prohibiting non-principal residence STRs. It would align with examples found in parts of Niagara region and lake-oriented municipalities, where STRs form part of the local accommodation supply.



However, permitting STRs without a principal residence requirement creates several considerations for LaSalle:

- » Greater risk of commercial-style STR operations in neighbourhoods.
- » Increased potential for noise, parking, and turnover impacts.
- » Reduced availability of long-term rental housing stock.
- » Heightened enforcement expectations and resourcing strain, with STR operators not necessarily directly tied to the STR as their residence.

To manage these risks, this option would require a more robust licensing and enforcement framework capable of monitoring STR locations, responding to complaints, enforcing conditions, and suspending licences where necessary. Without licensing, this option would be difficult to administer and could increase land-use conflict.

This model would create more flexibility for property owners, but it may be less aligned with LaSalle's existing neighbourhood character, lower tolerance for disruption, and the absence of significant tourism-driven demand compared with municipalities like Fort Erie.



**Table 3: Implementation options permitting non-principal residence STRs**

Official Plan	Amend the OP to permit STRs in Residential District and Rural/Agricultural District designations.
	Amend existing B&B and agri-tourism policies to bring B&Bs under the umbrella of STRs.
Zoning By-law	Amend the ZBL to permit STRs as an accessory use to dwelling units in Residential District and Rural/Agricultural Area zones.
	Add general provision to establish land-use and building standards such as parking, occupancy, separation distance, and permitted building types for STRs.



### 2.1.3 Option 3: Permit STRs only in mixed-use/commercial, tourist, or legacy areas

This option would limit STR permissions to areas in the Town supporting commercial uses, or to areas with a legacy of STRs and/or tourism draw. This approach has been used in several municipalities in Ontario, as shown in the case studies reviewed in the Background Report for this Study. In LaSalle, however, there is no established area of the Town where accommodation or tourist uses predominate, and from the data available to the Town, most existing STRs are located in houses in residential neighbourhoods. This option would therefore leave a regulatory gap and increase the potential for unlicensed STRs to continue.

**Table 4: Implementation options to permit STRs only in certain areas**

Official Plan	Amend the OP to permit STRs in Residential District and Rural/Agricultural District designations. LaSalle Town Centre District, Mixed Use Corridor, and Waterfront District designations.
	Retain existing B&B and agri-tourism policies for but add permissions for B&Bs where STRs are permitted.
Zoning By-law	Amend the ZBL to permit STRs as an accessory use to dwelling units in the LaSalle Town Centre, Mixed Use Corridor Districts, and Waterfront Districts zones.
	Add general provision to establish land-use and building standards such as parking, occupancy, separation distance, and permitted building types for STRs.



## **2.2 Distinguishing Short-Term Rentals and B&Bs**

B&Bs are defined in the Town’s in-effect ZBL but are not permitted as-of-right except as agri-tourism uses in the Agricultural and Rural Commercial zones, requiring a ZBL amendment to be permitted in a Residential zone.

Defining and regulating B&Bs separately from STRs is a common approach in municipalities with numerous existing B&Bs, especially if those B&Bs are already subject to a licensing framework. In LaSalle, however, given there is no established B&B industry, the more straightforward approach may be to include B&Bs within the definition of STRs. If STRs are only permitted where occupied as a principal residence by the operator (see below for more), there is no difference in land use impacts between a B&B where one or more meal is provided and an STR where no meals are provided.

Considering B&Bs under the umbrella of STRs also allows for one regulatory and licensing regime, reducing the complexity of administration and enforcement for both the Town and operators.



**Table 5: Implementation options for B&Bs**

Official Plan	Amend existing B&B and agri-tourism policies to bring B&Bs under the umbrella of STRs.
	Remove the ZBL amendment condition for B&Bs.
Zoning By-law	Amend the definition of B&Bs to include them as a sub-type of STR.
	Amend the definition of agri-tourism uses to reflect the new STR and B&B definitions.

### 2.3 Licensing Framework for STRs

Regardless of how and where STRs are defined and permitted in the Town’s planning framework, the Town should enact a municipal licensing program for all STRs. A licensing program would function as the operational enforcement mechanism to support the OP and ZBL permissions the Town ultimately selects, and will be necessary for a STR framework to be successful.

A licensing by-law would be adopted to require that all STR operators obtain and maintain a licence issued by the Town. This requirement would apply to existing STRs as well as STRs established following the enactment of the by-law, and by extension would apply to B&Bs.

The licensing by-law would establish application requirements, operating standards, enforcement tools, and penalties for non-compliance. This framework is consistent with the approach taken in Fort Erie, Essex, Kingsville, and other municipalities in Ontario where licensing is used to ensure accountability, responsiveness, safety, and neighbourhood compatibility.



A licensing program in LaSalle would allow for the Town to have oversight over all STRs, as well as to apply additional requirements not available through just zoning. For example, STR licenses could be required to be renewed annually, subject to an inspection to confirm ongoing compliance with fire, building, and health codes, and proof of liability insurance. Making STRs subject to a license also provides for an enforcement framework to deal with non-compliance with zoning and other requirements, including through the Town’s Administrative Monetary Penalty System (AMPS), and a demerit point system.

The primary advantage of this tool is that it provides LaSalle with ongoing oversight and the ability to intervene when STRs cause disturbances or operate unsafely. Licensing also establishes a registry for STRs, which is currently absent, making it difficult to monitor STR activity or respond proactively to issues. This option does require staff capacity to administer licence applications, track complaints, issue orders, and enforce suspensions.

This option can be paired with either of the land-use options, but it becomes essential if LaSalle wishes to:

- » Ensure neighbourhood impacts are managed.
- » Differentiate responsible operators from problem ones.
- » Avoid relying solely on general by-law enforcement for nuisance control.



**Table 6: Implementation options for an STR licensing framework**

Official Plan	Establish in new OP policies for STRs that requirements will be enforced through a licensing framework enacted by municipal by-law.
Zoning By-law	Establish in new ZBL general provisions for STRs that requirements will be enforced through a licensing framework enacted by municipal by-law.
Municipal Licensing Framework	Enact a municipal licensing by-law which applies to all existing and future STRs.
	Establish clear enforcement mechanisms and penalties, including but not limited to Administrative Monetary Penalties.
	Consider creating supporting or educational documents such as guides for STR operators and users, standardized signage or other identification for STRs, and a database of emergency contacts for each STR.



## 2.4 Prohibition

A final option for land use permissions is to prohibit STRs altogether. While in theory, this option would remove STRs and any associated negative impacts from the Town, in practice, it is likely that illegal STRs would continue to operate. This places a similar burden of enforcement on the Town as permitting (but regulating and licensing) STRs, without any of the benefits of oversight or fee collection.

**Table 7: Implementation options for prohibiting STRs Town-wide**

Official Plan	Explicitly prohibit STRs anywhere in the Town.
Zoning By-law	Explicitly prohibit STRs anywhere in the Town.



### 3 Recommendations

Based on the findings of the Background Report and the analysis in Section 2 of this report, it is recommended that the Town of LaSalle implement a regulatory framework that combines the following components:

- » Introducing clear zoning definitions that address STRs and B&Bs.
- » Permitting STRs Town-wide, but only where the dwelling unit is the operator's principal residence.
- » Adopting a municipal licensing by-law to regulate the operation of STRs.

Together, these measures would permit STRs in a controlled manner that aligns with the Town's suburban residential context, protects housing availability, minimizes nuisance impacts, and establishes a consistent and enforceable basis for administration.

Under this recommended approach, STRs would be permitted only where the dwelling unit is the operator's principal residence. This ensures on-site accountability and prevents the establishment of investor-operated, commercial-style STRs within residential neighbourhoods. Limiting eligible dwelling units for STRs to principal residences responds directly to concerns regarding neighbourhood disruption, property turnover, enforcement burden, and the erosion of long-term rental housing supply.

A new licensing by-law would regulate the operation of STRs, verify principal residence status, establish operating requirements, and provide tools to address non-compliance, including license suspensions and revocations. The licensing framework would create a registry of STRs, establish clear expectations for hosts and guests, and support enforcement efforts related to noise, parking, waste management, and other operational impacts.



### 3.1 Official Plan Implementation

STRs are not currently considered in the Town's OP. While most of the implementation of a regulatory regime for STRs in LaSalle would be accomplished through the Town's ZBL and a licensing by-law, the OP should be amended to support and enable this regulation.

It is recommended that existing policies in the OP regarding B&Bs be amended to speak to STRs, noting that the implementation of STR permissions will be through the Town's ZBL. More specifically, it is recommended to remove the condition in the OP for a site-specific ZBL amendment to permit a B&B.

### 3.2 Zoning Implementation

A ZBL Amendment is required to define and regulate STRs as a land use in LaSalle.

#### 3.2.1 Definitions

It is recommended to make the following amendments to the definitions in the Town's ZBL:

- » Add a new definition for STRs:
  - **“Short-Term Rental (STR)**  
A dwelling unit, or portion thereof, used for temporary accommodation for a period of thirty (30) consecutive days or less, in exchange for payment, where the operator of the Short-Term Rental is occupying the dwelling unit on a full-time basis as their principal residence. A Short-Term Rental includes a Bed and Breakfast, but is not a hotel, motel, country inn, lodging house or group home.”



- » Replace the existing definition for B&Bs with the following:
  - **“Bed and Breakfast**  
A Short Term Rental in which both sleeping accommodation and meals are provided to the travelling public and where the use remains subordinate to the primary residential use.”
- » Amend the existing definition for Agri-tourism Uses as follows:
  - **“Agri-Tourism Uses**  
Means those farm-related tourism uses, including limited accommodation such as a ~~bed and breakfast~~ **Short-Term Rentals** and country inns, that promote the enjoyment, education, or activities related to the farm operation or in proximity to farm operations.”

### 3.2.2 General Provisions for STRS

It is recommended to add the following as new general provisions in the Town’s ZBL:

- » STRs shall be permitted only as an accessory use to a dwelling unit which is a principal residence.
- » Only one STR shall be permitted per lot.
- » STRs shall be permitted only as accessory uses in zones that permit dwelling units.
- » STRs shall have a minimum of one parking space per guest room, counted separately from dwelling unit parking requirements.
- » STRs shall not be permitted in accessory buildings, garages, sheds, boats, or other detached structures which are not dwelling units.
- » STRs must comply with Building and Fire Code safety requirements and may only be located in basements which have dedicated exterior access.



- » Additional refinements may be incorporated based on legal review, administrative capacity, and final Council direction.

### 3.3 Licensing Framework

A new licensing by-law should be adopted to regulate the operation of STRs within LaSalle and ensure that only STRs in dwelling units which are principal residences are eligible for licensing. The licensing by-law should require that no STR operate without a valid municipal licence and should establish clear conditions for issuance, renewal, monitoring, and enforcement. The licensing framework will enable the Town to identify operators, ensure compliance with safety standards, and manage nuisance issues proactively rather than relying solely on general municipal enforcement.

The licensing by-law should include the following core elements:

- » Requirement that a licence be obtained prior to operating or advertising an STR within the Town, which is non-transferable between owners/operators or properties.
- » One-year licence duration, with streamlined renewal procedures and renewal contingent on compliance.
- » Requirement that the operator of the STR be the principal resident of the dwelling unit that is to be used as the STR.
- » Proof that the dwelling unit used as an STR is the operator's principal residence, supported by acceptable documentation.
- » If the operator is not the owner of the dwelling unit, proof that the owner has consented to the use of the dwelling unit as an STR.
- » Proof of insurance with minimum liability limits.
- » Maximum occupancy standards for each STR.



- » A condition that licences may only be issued to STRs that comply with the ZBL, Ontario Building Code, Ontario Fire Code, and Town property standards, subject to inspections by Town staff.
- » Submission of required application materials, including proof of insurance, a floor plan, a parking plan, emergency contact details, and acknowledgement of responsibilities.
- » Establishment of operational standards, including occupancy limits, parking limits based on available on-site spaces, waste management expectations, and mandatory posting of licence and guest information inside the dwelling unit being used as an STR.
- » Identification of an emergency contact individual available 24/7 during rental of the STR, who can attend to issues within a reasonable timeframe.
- » Enforcement mechanisms including fines for unlicensed operation, escalating penalties for repeated violations, a demerit point system tied to nuisance complaints, and authority to suspend or revoke licences.

This licensing framework provides clarity for operators, owners, other residents of the Town, and renters of the STR, and ensures that the Town has enforcement authority proportional to potential impacts. It also establishes a registry that will support monitoring, complaint response, and long-term policy evaluation.



## 4 Next Steps

Following the completion of this Recommendations Report, the following tasks will be undertaken on the project:

- » The Recommendations Report will be consulted on with staff, stakeholders, and members of the public through the PlaceSpeak platform, and presented to Council.
- » Based on Council direction, supporting amendments to the Town's OP and ZBL, as needed, will be prepared.
- » The proposed OP and ZBL amendments will be brought to Statutory Public Meeting of Council as required under the *Planning Act*. At this meeting members of the public will have the opportunity to speak and/or provide written comments on the proposed amendments.
- » If adopted by Council, the OP and ZBL amendments, along with the recommendations in this report, can guide the preparation of the licensing framework and by-law by Town staff.