



Seguin Township Report to Council

Prepared for: Township Council **Department:** Development and Protective Services
Agenda Date: January 13, 2020 **Report No:** DPS-PL-2020-001
Subject: Short-term Cottage Rental Study Update

1.0 Recommendation:

That Council receives this report for information and further directs staff on the next steps to be taken in regards to this project and the implementation of a regulation that prohibits short-term rental accommodations.

2.0 Background & Purpose of Report:

At the September 5th, 2017 meeting, Council discussed the possible regulation of short-term cottage rentals. Council directed staff to prepare a summary of terms of reference and a proposed time line for researching regulation of short term cottage rentals and reporting to Council.

On September 18, 2017, Council received Report DPS-PL-2017-111 for information and directed staff to implement the Terms of Reference for the Short-term Cottage Rental Study. In Phase 2 of the project, staff was to research and consult with the municipalities and agencies regarding existing Short-term Cottage Rental Policies/Regulations and their enforceability successes.

On November 20, 2017, Council received Report DPS-PL-2017-138 for information and directed staff to solicit comments from the public and interested parties on the Short-term Cottage Rental Study. Since that time, the Township has received in excess of 60 emails and letters from residents, lake associations and STCR operators on the project.

On March 5, 2018, Council received Report No. DPS-PL-2018-019 for its review. As a result of the debate on the various Regulatory Options found in Section 7 of the Report, Council selected Regulatory Option 3. This option necessitated that:

- i. the STCRs issue be continuously monitored;
- ii. the regulations of Zoning By-law 2006-125 be enforced as they exist today on a complaint basis; and,

- iii. the enforcement is based on a clear definition of what a commercial cottage rental means.

On April 3, 2018, Council heard from its solicitor that the Zoning By-law would have to be amended to ensure enforceability of any nuisance short term cottage rentals.

3.0 Policies and Regulations Affecting the Study:

Sequin Official Plan

Policy C.3.1.3.7 (Resort Commercial Uses) states that the resort commercial uses permitted in the Shoreline Area designation shall be limited to existing and appropriately zoned tourist establishments and resorts, or other similar uses and facilities which are privately owned and operated to provide accommodation on a temporary basis (which includes tent and trailer camps, rental cabins and housekeeping cottages), lodges, motels, marinas or other similar recreational commercial uses.

Zoning By-law 2006-125

For the most part, non-commercially zoned lakefront properties are generally in either a Shoreline Residential Type 1 (SR1) Zone that are serviced by public roads or a Limited Service Residential (LSR) Zone that are serviced by private roads. Among other things, detached dwellings or cottages are permitted uses.

In Section 13 of the existing Zoning By-law 2006-125 a cottage is defined as a residential dwelling unit used or intended to be used as a seasonal recreational building pursuant to Section 9.36 of the Ontario Building Code.

The By-law further defines a Dwelling Unit as a room or rooms which function as a housekeeping unit used or intended to be used as a domicile by one or more persons, in which a kitchen, living quarters and sanitary facilities are provided for the exclusive use of the residents and with a private entrance from outside the building or from a common hallway or stairway. And, a resident is commonly understood to be a person who maintains residency (domicile) in a given place.

4.0 Regulation for Short Term Accommodation

The following regulation is proposed to address only commercial proprietors engaged in the business of short term accommodation within the Township:

Definition to be added to Section 13 of the Zoning By-law 2006-125:

- *Short term accommodation means the use of any form of dwelling or dwelling unit as a place of temporary residence or occupancy by any person or persons (or traveling or vacationing public) by way of concession, permit, lease, license, rental agreement or other similar commercial arrangement, which provides for payment by the temporary resident(s) or occupant(s) for such right of temporary residence or occupation and where that period of temporary residence or occupancy does not exceed 28 days.*

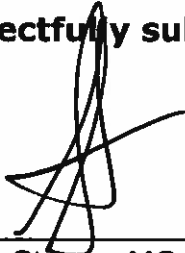
Regulation to be added to Section 6 – Residential Zones as Footnote 1 for Table 6.1 of Zoning By-law 2006-125:

- *Short term accommodation is prohibited in all Residential Zones.*

5.0 Conclusion:

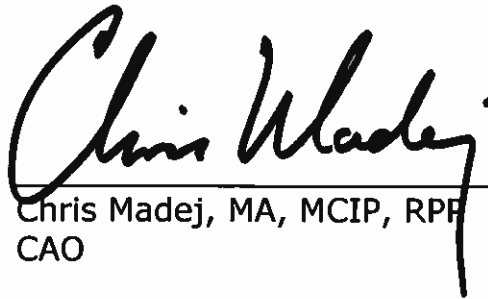
Staff requests that Council considers and concurs with the regulation of a short term accommodation. Council should then direct staff to initiate a Housing Keeping Amendment to Zoning By-law 2006-125 in order to implement the regulation that prohibits short term rental accommodation. This determination will be presented at the upcoming Public Meeting at Council's choosing.

Respectfully submitted



Steve Stone, MSc, BES, MCIP, RPP
Director of Planning & Development

Reviewed



Chris Madej, MA, MCIP, RPP
CAO

- Schedule A: Town of Huntsville – Short Term Rental Regulations
- Schedule B: City of Toronto – Short Term Rental Regulations
- Schedule C: Report DPS-PL-2018-019 – Short-term Cottage Rental Study
- Schedule D: Report DPS-PL-2018-019 - Schedule B – Research



CORPORATION OF THE TOWN OF HUNTSVILLE

BY-LAW NUMBER 2019-xx

**(Short Term Rental Accommodation)
Being a by-law to amend Zoning By-law 2008-66P
as amended, of the Corporation of the Town of Huntsville**

WHEREAS the council of the Corporation of the Town of Huntsville finds it expedient to amend Zoning By-law 2008-66P, as amended;

AND WHEREAS authority to pass this by-law is provided by Section 34 of the Planning Act, R.S.O, 1990, c. P. 13 and amendments thereto;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF HUNTSVILLE ENACTS AS FOLLOWS:

1. New definition 2.159:

"SHORT TERM RENTAL ACCOMMODATION"

Means the commercial use of a single detached dwelling that may be rented for up to 30 consecutive days as temporary accommodation, lodging or occupancy by way of concession, permit, lease, licence, rental agreement or similar arrangement, unless otherwise prohibited by this by-law, or any other by-law of the Town of Huntsville.

Short Term Rental Accommodation uses shall not include a tourist establishment, tourist home, tourist camping establishment, or institutional tourist establishment.

A short term rental accommodation use must be licensed appropriately with the Town of Huntsville.

2. Table 4.1 – "Parking Requirement Table" is hereby further amended by the addition of the following:
 - 4.1. xxxlii Short term rental accommodation 1 parking space for each guest room
3. Permitted Accessory Uses Table 5.2.3 Add "short term rental accommodation" as an additional permitted accessory use in R1 and R2 Zones;
4. Permitted Accessory Uses Table 5.3.3 Add "short term rental accommodation" as an additional permitted accessory use in SR1, SR2, SR3, SR4 and SR5 Zones;
5. Permitted Accessory Uses Table 5.7.3 Add "short term rental accommodation" as an additional permitted accessory use in MU1, MU2 and MU3 Zones;

6. Permitted Accessory Uses Table 5.8.3 Add "short term rental accommodation" as an additional permitted accessory use in RU1 and RU2 Zones;
7. Schedule "I" attached hereto, is hereby made part of this by-law.
8. This By-law shall come into force on the date of passage and take effect the day after the last date for filing of appeals where no appeals are received, or, where appeals are received, upon the approval of the Local Planning Appeal Tribunal.

READ a first, second and third time and finally passed this th day of , 2019.

Mayor (Scott Aitchison)

Clerk (Tanya Calleja)

Attachment 1: Draft City-wide Stand-alone Zoning By-law to Permit Short-term Rentals

Authority: Planning and Growth Management Committee Item PGXX.X, as adopted by City of Toronto Council on Month Date, 2017.

CITY OF TORONTO

Bill No.

BY-LAW No. XXXX-2017

To enact Zoning By-law No. XXX-2017 to permit short-term rentals.

Whereas Council of the City of Toronto has the authority pursuant to Section 34 of the *Planning Act*, R.S.O. 1990, c. P. 13, as amended, to pass this By-law; and

Whereas Council of the City of Toronto has provided adequate information to the public and has held at least one public meeting in accordance with the *Planning Act*;

The Council of the City of Toronto enacts:

1. This By-law applies to all the lands in the City of Toronto.
2. The terms shown in bold text indicate they are defined terms in this by-law.
3. Despite defined terms in the former general zoning by-laws, for the purposes of this by-law the defined terms below have the following meaning:
 - (1) **Ancillary** means naturally and normally incidental, subordinate in purpose or floor area, and exclusively devoted to a permitted use, building or structure.
 - (2) **Bed Sitting Room** means a room used as separate living accommodation that:
 - (a) has a private entrance from a hallway inside a building; and,
 - (b) may have sanitary facilities but not food preparation facilities.
 - (3) **Building** means a wholly or partially enclosed structure with a roof supported by walls, columns, piers or other structural systems. A vehicle is not a building.
 - (4) **Dwelling Unit** means living accommodation for a person or persons living together as a single housekeeping unit, in which both food preparation and sanitary facilities are provided for the exclusive use of the occupants of the unit.
 - (5) **Secondary Suite** means self-contained living accommodation for an additional person or persons living together as a separate single housekeeping unit, in which both food preparation and sanitary facilities are provided for the exclusive use of the occupants of the suite, located in

and subordinate to a **dwelling unit**. A **secondary suite** includes a converted dwelling in the former City of Toronto by-law 438-86.

- (6) **Short-term Rental** means all or part of a **dwelling unit**, that is
 - (A) used to provide sleeping accommodations for any rental period that is less than 28 consecutive days; and,
 - (B) the principal residence of the short-term rental operator.
 - (7) **Structure** means anything that is erected, built or constructed of one of more parts joined together. A **vehicle** is not a structure.
 - (8) **Vehicle** means a wheeled or tracked device, either self-propelled or capable of being pulled by a self-propelled device, for moving persons or objects, or used for construction or agriculture.
4. Despite any other provision in any former general zoning by-law, a **short-term rental** is a permitted use if:
- (1) it is in a **dwelling unit**, a **bed-sitting room**, or a **secondary suite**;
 - (2) in the case of a **bed-sitting room**, no more than three may be permitted in any one **dwelling unit**; and,
 - (3) if it is not in a **vehicle**.

Enacted and passed on (leave blank – clerk to insert the date), 2017.

Frances Nunziata,
Speaker

Ulli S. Watkiss,
City Clerk

(Seal of the City)



Seguin Township Report to Council

Prepared for: Township Council **Department:** Development and Protective Services

Agenda Date: March 5, 2018 **Report No:** DPS-PL-2018-019

Subject: Short-term Cottage Rental Study

1.0 Recommendation:

That Council receives this report for information and direct staff to implement Phase 5 of the Terms of Reference for the Short-term Cottage Rental Study (Public Meeting – April 2018).

2.0 Background & Purpose of Report:

At the September 5th meeting, Council discussed the possible regulation of short-term cottage rentals. Council directed staff to prepare a summary of terms of reference and a proposed time line for researching regulation of short term cottage rentals and reporting to Council. This report suffices Council's direction.

On September 18, 2017, Council received Report DPS-PL-2017-111 for information and directed staff to implement the Terms of Reference for the Short-term Cottage Rental Study. In Phase 2 of the project, staff was to research and consult with the municipalities and agencies regarding existing Short-term Cottage Rental Policies/Regulations and their enforceability successes. This report provides the findings of this research.

On November 20, 2017, Council received Report DPS-PL-2017-138 for information and directed staff to solicit comments from the public and interested parties on the Short-term Cottage Rental Study. Since that time, the Township has received in excess of 60 emails and letters from residents, lake associations and STCR operators on the project.

3.0 Financial Analysis:

The Township's solicitor may be asked to provide an opinion of the enforceability of the Council's preferred regulatory option. Such an opinion is estimated to be \$1,000.

4.0 Policies and Regulations Affecting the Study:

Sequin Official Plan

Policy C.3.1.3.7 (Resort Commercial Uses) states that the resort commercial uses permitted in the Shoreline Area designation shall be limited to existing and appropriately zoned tourist establishments and resorts, or other similar uses and facilities which are privately owned and operated to provide accommodation on a temporary basis (which includes tent and trailer camps, rental cabins and housekeeping cottages), lodges, motels, marinas or other similar recreational commercial uses.

Zoning By-law 2006-125

For the most part, non-commercially zoned lakefront properties are generally in either a Shoreline Residential Type 1 (SR1) Zone that are serviced by public roads or a Limited Service Residential (LSR) Zone that are serviced by private roads. Among other things, detached dwellings or cottages are permitted uses. Section 13 of By-law 2006-125 defines a cottage as a residential dwelling unit used or intended to be used as a seasonal recreational building pursuant to Section 9.36 of the Ontario Building Code. The By-law further defines a Dwelling Unit as a room or rooms which function as a housekeeping unit used or intended to be used as a domicile by one or more persons, in which a kitchen, living quarters and sanitary facilities are provided for the exclusive use of the residents and with a private entrance from outside the building or from a common hallway or stairway. And, a resident is commonly understood to be a person who maintains residency (domicile) in a given place.

5.0 Work Plan for the Short-term Cottage Rental Study

As approved by Council on September 18, 2017, the Terms of Reference and Work Plan for the Short-term Cottage Rental Study are organized into six steps.

Terms of Reference & Work Plan for the Short-term Cottage Rental Study		
1	Short-term Cottage Rental Study Start Up	September 2017
2	Research and consultation with the municipalities and agencies regarding existing Short-term Cottage Rental Policies/Regulations	October/November 2017
3	Policy and Regulation Options Report to Council (circulation to Lake Associations and persons requesting notice for comment)	November 2017

4	Council to review public input on the Study	March 2018
5	Council hold a public meeting and provide staff direction regarding recommended approach	April 2018
6	Council Meeting to adopt Amendment and/or enact By-law, if required	Second Quarter 2018

6.0 Research and Consultation with Municipalities:

In November, Council received Report DPS-PL-2017-138 wherein a synopsis of how 12 municipalities are addressing the STCR issues was provided (see Appendix B). They are summarized as follows:

- a) Seguin Township – not a permitted land use activity;
- b) McDougall Township – prohibited in the Zoning By-law;
- c) Carling Township – not a conforming use;
- d) Whitestone Township – have a Licensing By-law for rental units;
- e) Township of the Archipelago – have not dealt with STCRs;
- f) Muskoka Lakes Township – enforce their existing Municipal By-laws;
- g) Georgian Bay Township – enforce their Zoning By-law;
- h) Puslinch Township – require an amendment to this By-law;
- i) City of Niagara Falls – Cottage Rental Dwellings are licensed;
- j) Niagara on the Lake – licence Short Term Accommodation units;
- k) Blue Mountain – licence Short Term Accommodation units; and,
- l) Other study sources included Cities of Toronto, Mississauga, Vancouver as well as Icompass.

7.0 Regulatory Options:

The options available to Seguin Council include:

- 1. Do nothing (Archipelago);
- 2. Monitor the STCR issue and use other means like the Noise By-law to address neighbourhood nuisances (Muskoka Lakes);
- 3. Continue to monitor the STCRs issue and enforce the regulations of Zoning By-law 2006-125 as they exist today on a complaint basis (Carling, Georgian Bay);
- 4. Amend the Zoning By-law to prohibit the STCRs in all Zones (McDougall);
- 5. Amend the Zoning By-law to permit STCRs only by site specific zoning by-law amendment (Puslinch); or
- 6. Amend the Zoning By-law and establish a Licensing By-law to permit STCRs, subject to specific regulations and licensing requirements (Niagara Falls, Niagara on the Lake, Blue Mountain).

8.0 Summary of Public Comments:

As mentioned previously, the Township received in excess of 60 emails and letters from the public regarding their opinions whether or not to regulate Short Term Cottage Rentals as a land use in Zoning By-law 2006-126. This correspondence is attached as Schedule E. In summary, the comments were divided into three groups as followings:

A. Status Quo - Do not regulate STRCs - Regulatory Options 1 & 2.

32 respondents supported this approach. Some respondents were of the opinion that STRCs were good for the local economy and help support the tax base. In this group, there was several persons who supported of taking an educational approach to improve neighbourhood relations. Still, several others were more adamant that it is not the responsibility of the Township to regulate STRCs as a land use.

B. Prohibit STRCs - Regulatory Options 3 & 4.

29 respondents supported this approach. The majority of this group generally felt that STCRs should not be permitted at all because they were seen as a commercial land use occurring in a residential area. As such, some respondents supported enforcing the Zoning By-law "as is" while several others were in favour of adding more explicit language to support the prohibition.

C. Improved Regulatory Framework for STRCs - Regulatory Option 6.

16 respondents supported this approach. The majority of this group generally felt that there was a need for an improved regulatory framework to control this land use activity.

9.0 Conclusion:

In order to suffice Council's direction regarding the implementation of a Terms of Reference for the Short-term Cottage Rental Study, staff is in the process of working at completing the six step STCR work plan in a timely fashion. This involves undertaking an assessment of the public's opinions on the regulatory options currently in practice as part of Phase 4 of the Study.

As such, Council is respectfully requested to consider the findings of staff to date and to direct staff to proceed to implement Phase 5 (Public Meeting) of the study process.

Respectfully submitted

Reviewed



Steve Stone, MSc, BES, MCIP, RPP
Director of Planning & Development



Chris Madej, MA, MCIP, RPP
CAO

Schedules:

Schedule A: Public Comments
Schedule B: Research

6.0 Research and Consultation with Municipalities:

- a) Seguin Township – There has been two complaints in as many years in regards to short-term cottage rentals (STRC). Staff has responded to these complaints by informing the owners of the properties in question that the rental of a cottage for short term overnight guest accommodation is not a permitted land use activity in any of the Zones detailed in Zoning By-law 2006-125. Furthermore, the property owners were advised that the continued rental of the cottages for overnight guest lodging may constitute a violation of the Township Zoning By-law and will be dealt with accordingly. In addition to these actions, staff have also asked the advice of the Township’s solicitor and sought the direction of Council on how to deal with this ongoing issue. In this regard, Council directed staff to monitor the situation and encourage the property owners to actively address the concerns of the neighbours. In the first instance, the complainant moved away while the second case remains unresolved. Prosecution remains an option accordingly to the Township’s solicitor. Most recently, Council directed staff to undertake the Short-term Cottage Rental Study.

With respect to Zoning By-law 2006-125, there are nine residential zones with cottages and dwellings being permitted in all the Shoreline Residential (SR1 - SR6) and Limited Service Residential (LSR) Zones. The By-law defines a cottage as a residential dwelling unit used or intended to be used as a seasonal recreational building pursuant to Section 9.36 of the Ontario Building Code. And, a dwelling unit means a room or rooms which function as a housekeeping unit used or intended to be used as a domicile by one or more persons, in which a kitchen, living quarters and sanitary facilities are provided for the exclusive use of the residents and with a private entrance from outside the building or from a common hallway or stairway.

Furthermore, there are five Commercial Zones of which the Resort Commercial C4 Zone is typically and most prevalently found in lake fronting locales. This Zone permits such commercial uses as existing hotels, existing motels, summer and tourist camps and cabin rental establishments. As an example, a cabin rental establishment means a tourist establishment comprised of two or more housekeeping cabins owned by the same person and rented to members of the travelling or vacationing public.

- b) McDougall Township – Deputy Mayor Kim Dixon noted that early in 2017, they added a definition for Short Term Accommodation (STAs) in their Zoning By-law. They consider STAs to be commercial land uses which are prohibited in their Zoning By-law. Short Term Accommodation is defined as a use of a building or structure or part thereof that operates or offers a place of temporary residence, lodging or occupancy by way of concession, permit, lease, license, rental agreement or similar commercial arrangement for the travelling or vacationing public for any period less than thirty (30) consecutive calendar days, throughout all or any part of a calendar year by any individual, organization or corporation either continuously or as an aggregate in any given calendar year. Short Term Accommodation shall not mean or include a motel, hotel, bed and breakfast establishment, tourist establishment, cottage resort, rental cottage establishment or commercial resort. A residential or seasonal dwelling unit that rents, leases, or assigns the said dwelling for a period greater than thirty (30) consecutive calendar days through all or any part of a calendar year to the same tenant is not considered a “Short Term Accommodation” unit. STAs are also listed as not being a permitted use in any Residential (RR) Zone, or any Waterfront Residential (WF1 – WF6) Zone. McDougall has had some difficulty investigating complaints in the past few years but they have not pursued prosecution to date.
- c) Carling Township – CAO/Clerk Kevin McLLwain noted that they have taken the position that this is a commercial activity as identified in the Blue Mountain case and that it is not a conforming use in the Residential/Waterfront zonings. There has been one significant STCR occurrence in the past six years but it never was prosecuted. Initially, the property owner agreed to stop renting the cottage but he has since started renting it again and, as such, it remains an open case. There are a few other violations out there but when Carling has let the owner know that they cannot have a STCR, they seem to comply for the most part. The Township investigates the operation of a STCR solely on a complaint basis. This is a very sensitive matter for Carling and currently not much has been produced in the way of documents or reports.
- d) Whitestone Township – Deputy Clerk Jennifer Wadden noted that they have By-law 20-2014 for the licensing, regulating and governing of rental units in the municipality. A Rental Unit is defined as a detached dwelling that is offered as a place of temporary residence, lodging or occupancy by way of lease, Rental Agreement or similar Commercial arrangement. A Rental Unit does not include lodging found in any Tourist Commercial (C2) Zone, including a Motel, Hotel, Rental Cottage, Tourist Cabin, Bed and Breakfast, nor does it include a property rented for two weeks or less in any calendar year, and it excludes any Rentals that exceed 30

consecutive days or more to the same tenant, throughout all or part of a calendar year. Their licensing requirements include the following:

- Proof of Ownership;
- Survey or Site Plan (sketch);
- Copy of Property's Sewage System Permit;
- Open Building Permits must be finalized;
- Registered Owner is responsible for Rental Unit Insurance;
- That all Realty Taxes have been paid;
- Confirmation that all Adjoining Properties have been informed of License Application;
- Confirmation that the Property complies with all Laws or Regulations;
- Applications filed shall be accompanied by a \$200.00 Fee.

They indicated that process 2-3 new rental unit licenses a year and renew about 15 existing licenses annually. They noted that they do not have a STCR enforcement problem at this time.

- e) Township of the Archipelago – Manager of Planning Cale Henderson noted that they have not addressed or seriously dealt with short term rentals.
- f) Muskoka Lakes Township – Director of Planning David Pink noted that they began investigating the STCR issue in 2016 with Report Short Term Cottage Rentals. The matter was raised again in March of this year wherein staff noted that STCR issue continues to be difficult to tackle. They noted that staff does have concerns that STCRs may represent unfair competition against resorts and may jeopardize neighbourhood character and enjoyment. However, they also want to be careful not to enact burdensome (both on the public and Township) and difficult to enforce regulations, that mainly serve to correct what may be only a few troublesome owners/operators. In Muskoka Lakes' case, staff is of the opinion that more diligent enforcement and where needed additional By-laws or strengthening of existing By-laws (noise, parking, property standards, etc.) together with increased fines may be successful in addressing concerns, while still supporting a long standing practice that does contribute to the growth of our region and benefits a number of ratepayers.
- g) Georgian Bay Township – Anna Dankewich, Senior Planner at the Township, noted that they have had a couple of recent compliance issues to date. However, steps to enforce their Zoning By-law regulations have been letters to the property owners to meet with staff to discuss how the

use of the property can be brought into compliance. No prosecutions have been initiated.

- h) Puslinch Township – In 2017, the Township initiated a review of its Zoning By-law as noted on their web site. It is their intention to add a definition and regulations for Short Term Accommodations. The draft regulation states that STAs are a prohibited land use unless specifically permitted by an amendment to this By-law. Where specifically permitted by an amendment to this By-law, no land, building or structure shall be used for short term accommodation, unless the land, building and structure is in compliance with the following regulations and any other applicable provisions of this By-law:
- i. Maximum occupant load – 8.
 - ii. Minimum distance from any other short term accommodation or bed and breakfast establishment - 120 metres.
 - iii. Short term accommodation shall not occur on the same lot as a home business, in an accessory apartment or accessory building or structure.

Short term accommodation is defined as an use of a building or structure or any part thereof that operates or offers a place of temporary residence, lodging or occupancy by way of concession, permit, lease, license, rental agreement or similar commercial arrangement for any period less than thirty (30) consecutive calendar days, throughout all or any part of a calendar year. Short term Accommodation uses shall not mean or include a motel, hotel, bed and breakfast establishment, hospital, or similar commercial or institutional use.

- i) City of Niagara Falls – The City’s web site identifies itself as a major tourist destination with many forms of accommodations which includes Cottage Rental Dwellings. The web site has a definition of a cottage rental dwelling which is a residential house that is rented out by the owner for short stays (traditionally, less than 28 days). The City’s web site advises that only a handful of Cottage Rental Dwellings are licensed by the municipality and have been appropriately inspected.
- j) Niagara on the Lake – In 2013, Shirley Cater, Manager of Planning for the Town noted that they amended their Official Plan via Amendment 55 to introduce new policies governing, among many things, Cottage Rentals. These policies are intend to ensure cottage rentals, villas and vacation Apartments are appropriately located, licensed and controlled to mitigate potential conflicts and maintain the character and stability of neighbourhoods. This action was taken following the Town of Blue

Mountain's successful defense of its regulatory approach to STRs at the Ontario Municipal Board and Superior Court of Justice in 2012.

In addition to NOTL OPA 55, the Town amended their Zoning regulations via By-law 4316A1-13 wherein they established rules for permitting cottage rentals, villas and vacation apartments. These regulations specify that a cottage rental is the commercial use of a single detached dwelling unit with up to three bedrooms that may be rented for periods up to 28 consecutive days for a use as temporary accommodation and used as an occasional or seasonal residential dwelling for recreation, rest or relaxation, but not occupied continuously as a principal residence. A villa is similarly defined but is a dwelling having four or more bedrooms.

Other regulations for a cottage rental include:

- i. Minimum of two off street parking spaces;
- ii. Minimum on site amenity space of 135 sq.m;
- iii. Fully serviced with water and wastewater;
- iv. Frontage on a public road;
- v. Maximum of one cottage rental per lot; and,
- vi. Cottage Rental must be licensed.

A summary of some of the Cottage Rental Licensing Requirements as per Municipal By-law 4634-13 include:

- i. Eligible houses must have been occupied for at least four consecutive years;
- ii. Pass all required inspections before licensing and maintain compliance with the requirements of the Official Plan, Zoning By-law, Building and Fire Codes, Noise and Public Nuisance By-law, Clean Yards and Property Standards, and Signage;
- iii. Copy of Licence and all municipal by-laws on site;
- iv. Copy of floor plan and emergency exit routes on site;
- v. Contact information for property manager and maintenance staff;
- vi. Guest registry and daily journal of guests and their vehicles;
- vii. Upon request, inspection of premises by By-law Enforcement staff;
- viii. No special events such as weddings are permitted;
- ix. Proof of Liability Insurance (\$2,000,000);
- x. Duration of Licence (4 years) which ceases immediately should the STR be sold before the licence expires;
- xi. Remediation of complaints and violations within 72 hours;

- xii. Appeals of Licence refusals, orders to comply, etc. are filed with a Licensing Appeal Committee;
- xiii. Licence Fees include a one-time fee of \$110 per room and another annual fee of \$110 per room.

The above noted actions were taken following the Town of Blue Mountain's successful defense of its regulatory approach to STRs at the Ontario Municipal Board and Superior Court of Justice s in 2012.

- k) Blue Mountain – The Town's web site acknowledges that the accommodation of recreational visitors is critical to their economy and to employment in the many recreational businesses and activities located there. STAs, including the rental of private houses, chalets and condominium units, are important to and encourages visitors. This is critical to the Town's success offering an important alternative to more traditional tourism accommodation such as hotels, motels, bed and breakfasts, and Commercial Resort Units. In this regard, the Town of The Blue Mountains Short Term Accommodation (STA) Licensing By-law (By-law No. 2013-50) came into effect July 2, 2014 and provides for a system of licensing of STA premises (premises rented on a basis of 30 consecutive days or less). The intent of the By-law is to balance the needs of property owners with those of residents looking for safe, adequate and properly maintained STA premises.

Under the STA Licensing Program, property owners must apply for and obtain a licence, and renew it bi-annually. The licence may be suspended or revoked by the Town should the property owner not comply with the provisions of the By-law. If the STA premises is sold, the new owner must apply for a new licence, which includes providing all necessary documentation and having the necessary inspections completed. The STA Licensing requirement has been very effective in meeting the objectives of the STA Licensing By-law, including but not limited to:

- Ensuring that STA occupants are provided with safe accommodations in terms of fire, electrical and building safety;
- Ensuring that STA premises are operated and maintained in a sanitary and acceptable levels of interior conditions as per Property Standards;
- Ensuring an enhanced level of care and maintenance of STA premises and requiring STA Operators to maintain records of same;
- Identifying substandard STA premises;
- Ensuring STA Operators are apprised of their responsibilities to comply with Town by-laws and other regulations (public nuisance and noise);

- Protecting the character, amenities and maintain the quality of existing residential neighborhoods; and
- Creating a level playing field for all STA Operators and providing enhanced consumer protection.

Requirements to obtain a STA Licence include:

- Submission of complete Application
- Payment of the Licensing Fee
- Submission of the Site Plan & Floor Plans
- Proof of Insurance in accordance with the By-law
- Submission of a Parking Management Plan
- Submission of a Property Management Plan
- Renters Codes
- Pass the Fire Safety and Property Standards inspection
- Pass of the Electrical Safety Association (ESA)

Required STA Licence Fees & Charges: (As per By-Law 2017-7)

- STA Licence Fee (Non-Condo): \$2,500.00 (2 Yr.)
- STA Licence Fee (Condo): \$1,500.00 (2 Yr.)
- Licence Renewal Fee (Non-Condo): \$750.00 (2 Yr.)
- Licence Renewal Fee (Condo): \$500.00 (2 Yr.)
- STA Replacement Licence: \$50.00
- Fire and Property Standards inspection fee
 - \$75 (up to 2,500 sq.ft) and \$100.00 (>2,500 sq.ft)

Additional STA Fees that may be applicable:

- Licensing Committee Appeal Fee: \$500.00
- Council Appeal Fee: \$500.00
- Licensing Committee Meeting Fee: \$250.00
- Licensing Committee Hearing Fee: \$250.00
- Late Renewal Fee: \$500.00

Administrative Penalty System (APS) for Licensed STAs

- 15 demerit points assigned under the Licensing By-law
- For example, non-compliance with the Fire Code = 15 demerit points where Long Grass infraction is 2 demerit points
- \$250.00 Per APS Infraction
- Notice of APS Infraction is sent to Property owner & Responsible Person

- The Property owner or Responsible person can request a review of the administrative penalty by the Licensing Committee (15 days)

Enforcement of the STA regulations for Non-licensed STAs includes:

- Identification that the property is being used for STA (Less than 30 Days)
- Notice of Violation sent to property owner for non-permitted use
- By-law Officers monitor rental advertisement and property
- Evidence compiled pertaining to the illegal STA premises
- Charges are laid for infraction with \$2,500 fines per owner if convicted.

At the Conference for Ontario Professional Planners Institute in October 2017, Town staff presented their STA experiences in a workshop entitled Beyond Airbnb: Balancing Community Interests in the Sharing Economy – Lessons Learned from Regulating Short Term Accommodations in the Town of Blue Mountains. The presenters included Leo Longo, a lawyer from the firm Aird & Berlis, Denise Whaley (Town's Senior Planner), and Kristy Robitaille (Town's Municipal By-law Enforcement Officer). A summary of their presentation (appended as Schedule) is as follows:

- a. The Town of Blue Mountains has been dealing with its STA issue for 10+ years.
- b. The STAs are primarily associated with the cottage/chalet areas in the communities of Craigeith and Blue Mountain Village.
- c. Common Issues with STAs include:
 - i. People conflicts (long term owners vs. short term renters)
 - ii. Legal non-conforming status of uses
 - iii. Accommodation over crowding
 - iv. Parking, noise, garbage, vandalism
 - v. Property standards and fire/building code infractions
 - vi. Staffing and resources
 - vii. Land use (commercial or residential)
- d. STA Study lead to the development of specific regulations
 - i. They estimate that it has cost the Town over a \$1,000,000 to study and regulate STAs since the early 2000s.
 - ii. Study lead to STAs being regulated as a commercial land use via ZB Amendment in 2011.
 - iii. STAs are accommodations less than 30 days in duration, accommodation for the travelling public, owner does not reside on the premises, includes are forms of contractual arrangements.

- iv. OMB decision upheld the Town's by-law enactment and Court did not grant leave for appeal of the decision.
- e. STA Web based platforms include Airbnb, Hometogo, Flipkey, VRBO, Homeaway, Sonder, as well as local operations with their own websites.
- f. Powers to regulate STAs based on:
 - i. Planning Act via land use (OP policy, ZB regulation, Site Plan Control agreements)
 - ii. Municipal Act via Licensing By-law, Property Standards, Parking By-law
 - iii. Building and Fire Codes
- g. Self-help for Neighbours include:
 - i. Municipal Act - Section 440 where ratepayer can apply to the Court to have the ZB enforced.
 - ii. Rule 14.05 - Court action wherein applications are made by the public in Superior Court for constitutional challenges to the validity of statutes and regulations.
- h. STA Licensing Program
 - i. STAs only permitted in R5 to R8 Zones (medium density equivalent).
 - ii. STAs are allowed elsewhere as legal non-conforming uses.
 - iii. Licenses for Chalets = \$2,500 and for Condos = \$1,500.
 - iv. Application Requirements include Site Plan, deed/ownership confirmation, insurance, parking and property plan, rental code of conduct, accommodation/occupant loading, fire safety and ESA certificates.
 - v. Inspection Fee = \$75. These are done for electrical safety, fire code, building code, property standards, and accommodation/occupancy limits (# of bedrooms).
 - vi. Common OBC issues include improper stairs, railings, egress windows from basements, no operational smoke alarms and unsafe decks.
- i. By-law Enforcement is complaint driven.
 - i. Monitor web sites for ads with nightly rates.
 - ii. Persecutions = \$2,500 per offense.
 - iii. Use demerit system for complaints/licence violations (maximum 15 points).
 - iv. Lose of Demerit Points can be appealed by the operator to a Licensing Committee.
 - v. Administration charge leveled for loosing points.
 - vi. Accommodation/occupant load based on 2 persons per bedroom to a maximum of 8 persons.
 - vii. Licenses have to be renewed after 3 years. Licensing helps deal with legal non-conforming STAs insofar as if the license

is not applied for and renewed in a timely manner, the use is deemed to have ceased.

- viii. 260 STAs currently licensed with and 100+ STAs operating with no licence.
- ix. STA program has one full time administrator. Program does use 2 by-law enforcement officers, a prosecutor, a Senior Planner, fire and building staff on a case by case basis.
- x. Active enforcement files 158 in 2015, 74 in 2016 and 48 in 2017.
- xi. 24 charges laid for violations and 23 convictions in 2016 and 19 prosecutions and convictions in 2017.

l) Other study sources included:

- Cities of Toronto, Mississauga and Vancouver are in the process of exploring their regulator options with respect to Short-Term Rentals.
- Icompass is a Compliance Webinar service that provides guidance on STR Ordinances and Regulatory Best Practices from an USA perspective.