

STAFF REPORT:

Planning



REPORT TO: Mayor and Members of Council
MEETING DATE: April 7, 2008
REPORT NO.: PL.08.30
SUBJECT: Short Term Accommodation Study
PREPARED BY: Cindy Welsh, MCIP, RPP
Senior Policy Planner

A. Recommendations

THAT Council receive report Number PL.08.30 entitled "Short Term Accommodation Study".

AND THAT Council authorize staff to proceed to a Public Meeting for the draft Official Plan Amendment and Zoning By-law Amendments on May 5, 2008.

AND THAT Council approve an amendment to the Interim Control By-law such that this control is removed from the "Residential Sixth Density (R6), Residential Seventh Density (R7) and Residential Eighth Density (R8)" as established and declared in the Township of Collingwood Zoning By-law 83-40, as amended, and "Residential Multiple RM1" as established and declared in the Town of Thornbury Zoning By-law 10-77, as amended, for Council's consideration on April 7, 2008.

AND THAT staff report back to Council on the implementation of a licensing by-law.

B. Background

A statutory public meeting was held on Saturday, October 13, 2007. The purpose of the meeting was to give the public the opportunity to make representations in respect of a current proposed Official Plan Amendment and three Zoning By-law Amendments (ZBL). It was indicated that staff wished to review all the input and report back to Council at a future date and make a recommendation on the current proposed Official Plan and Zoning By-law Amendments. A total of 43 submissions were received as of October 24, 2007.

On February 4, 2008, Council passed an Interim Control By-law (ICBL) on all lands zoned residential. The purpose and effect is to prohibit the use of any land, buildings or structures within areas zoned residential for the purpose of short term accommodation. This is to enable staff to complete a study related to short term accommodation uses and proceed with the development of current proposed draft Official Plan policies and draft Zoning By-law Amendments.

The purpose of this Study is to report back to Council on short term accommodation uses. Short term accommodation uses need to be regulated in response to the

complaints that the Town has received from the public related to garbage, noise, parking, overcrowding and safety. This is most evident in the single family, lower density zoned neighbourhoods.

DRAFT OFFICIAL PLAN AND ZONING BY-LAW AMENDMENTS

Current proposed draft Official Plan and Zoning By-law Amendments were presented to Council and the public on October 13, 2007. Basically they established policies for Short Term Accommodation (STA) in the Town Official Plan and not permit STA uses in the Residential First Density (R1), Residential Second Density (R2), Residential Third Density (R3) and Residential Fourth Density (R4) zones of the By-law.

Based on public consultation and a further detailed review of the proposed amendments, Town Staff have identified that it would be appropriate to revise both the proposed Official Plan and Zoning By-law Amendments.

The Official Plan Amendment current proposed changes will include minor wording changes (as denoted in Attachment 1).

Changes to the draft Township of Collingwood Zoning By-law Amendment are:

1. Along with permitting Short Term Accommodation in the Residential Fifth Density (R5), Residential Sixth Density (R6), Residential Seventh Density (R7) and Residential Eighth Density (R8) zones, a further area within the municipality where existing short term accommodation uses would be recognized in the Tyrolean Lane, Alberg Crescent, Kandahar Lane and Birch View Trail area. They exist now and are concentrated in this specific area, and should be recognized lawfully.
2. The lands comprised of Lots 1 and 2 and 4 thru 81, Plan 910, known as the Thunder Hill Subdivision are proposed to be rezoned from Resort Residential RR Zone to Residential Third Density R3-210 Zone. The only change for this area is the name or label of the category. Exception 210 will allow for existing provisions in the RR Zone to remain in the R3-210 Zone.

There are no proposed changes to the October 2007, draft Town of Thornbury Zoning By-law Amendment. The changes to the October 2007, draft Township of Collingwood Zoning By-law Amendment are such that a second statutory public meeting under the *Planning Act* should be held. This public meeting will be held May 5, 2008, with all Official Plan and Zoning By-law Amendments regarding Short Term Accommodation. The revised Zoning By-law Amendments are attached (Attachment 2).

Although Council is not being asked to enact these by-law amendments at this time, it would be appropriate for Council to provide input on the direction to proceed in.

INTERIM CONTROL BY-LAW

The Interim Control By-law affects all residentially zoned lands. After further review and consultation, certain residentially zoned lands may be excluded from the area of interim control. The Residential Sixth Density (R6), Residential Seventh Density (R7) and Residential Eighth Density (R8) zones are identified as areas where short term accommodation uses have been used in a rental pool and have not been problematic from a garbage, parking, overcrowding and safety perspective. A number of these uses with the residential zones include condominiums with self regulating Boards of Management and self-enforced By-laws. This amendment to the Interim Control By-law would be such that the By-law would only apply to the Residential First Density (R1), Residential Second Density (R2), Residential Third Density (R3), Residential Fourth Density (R4), Residential Fifth Density (R5), Village Residential (VR), Rural Residential (RUR), Estate Residential (ER), Resort Residential (RR) and Rural Estate Residential (RER) zones as established and declared in the Township of Collingwood Zoning By-law 83-40, as amended, and within the areas zoned Residential R1, Residential R2, Residential R3 and Residential Multiple RM2 as established and declared in the Town of Thornbury Zoning By-law 10-77, as amended.

LICENCING BY-LAW

With regards to the licencing by-law, there will be a report back to Council regarding the establishment of a licencing regime by Council.

ENFORCEMENT

Passing any Official Plan and Zoning By-law Amendments will require regulation and enforcement of short term accommodation which will affect levels of service within the resulting in budget impacts. To assist Council in this regard a number of options are put forward as follows:

OPTION ONE –Status Quo

That the situation remain as is. Council would not approve changes to either the Official Plan or the two existing Zoning By-laws and no Licencing By-law. Town staff would continue to respond to complaints relating to debris/garbage, parking and other By-law Enforcement issues related to short term accommodation. Public nuisance and noise related complaints would continue to be addressed by the Ontario Provincial Police.

OPTION TWO – Enacting Official Plan and Zoning By-law Amendments

That Council enact the current proposed Official Plan Amendment and three Zoning By-law Amendments to regulate STA's.

OPTION THREE - Enacting Official Plan Amendment, Zoning By-law Amendments and Licencing By-law

In addition to those actions noted in Option Two, Council would also enact a Licencing By-law to regulate STA's within the Town. A Licencing By-law would licence, regulate and govern short term accommodations. The Town, under Part IV of the *Municipal Act*, 2001, S.O. 2001, c. 25, has authority to pass by-laws for licencing, regulating and governing any business carried on within the municipality.

C. Strategic Plan

1. Managing growth to ensure the ongoing health and prosperity of the community.

D. Budget Impact

Building and By-law Department

The enactment of an Interim Control By-law, Zoning By-laws or licencing regime, individually or together, will all immediately result in a significant increase in the amount of work. In the instance of the enactment of an ICBL, ZBL or Licencing By-law, the Building & By-law Department would immediately receive numerous calls/inquiries related to the By-laws and complaints requiring action related to both new and existing STA's. Therefore should Council enact an ICBL, ZBL or licencing regime, individually or concurrently, the costs would be similar. It is noted that in the instance of an ICBL, same is effective on the date it is enacted and therefore enforcement would be expected to commence immediately (Section 38 of the *Planning Act* indicates that the ICBL continues during the course of the appeal). With respect to a ZBL, notwithstanding a possible appeal, Section 24 of the *Planning Act* indicates a ZBL is retroactive back to the date that it is passed.

Should by-laws be enacted a significant amount of By-law Enforcement resources would have to be dedicated to STA's with other enforcement services falling by the wayside or, additional staff would have to be added.

With respect to the estimated costs related to the hiring of staff to address STA's, the Director, Building & By-law estimates that one additional Municipal Law Enforcement Officer (MLEO) and one-half of a support position would be necessary.

- 1 MLEO - Salary/Benefits = \$75,000 per annum
- Recruitment @ \$5,000 (includes staff time)
- Work Station, computer, etc. = \$7,000 (The issue of office space must first be addressed)
- Vehicle = \$35,000 (other options include lease or mileage)
- Vehicle insurance, gas, maintenance, etc. = \$6,000 per annum
- ½ of a Support Position = \$25,000 per annum
- Recruitment @ \$2,500
- Work Station, computer, etc = N/A
- Total First Year Cost = \$155,500

For subsequent years, the minimum costing would be in the magnitude of \$106,000 per annum based on 2008 dollars. The above costs do not include the costs for litigating unlawful operations.

As to offsetting revenues, fees collected pursuant to a licencing regime could be realized to offset the costs noted above. Any estimate as to the potential fees that could be collected would only be speculative. As to imposing significant licencing fees, staff caution Council that same would likely only drive STA's underground and thereby significantly increasing enforcement costs.

Fire Department

If a licencing regime is instituted within the municipality, the Fire Department has insufficient staff to inspect these properties on a yearly basis. The current draft Fire Department Budget does not include projected or anticipated costs associated with this initiative.

With respect to estimated Fire Department costs to address short term accommodation the following is noted:

- One Fire Department Inspection Staff Person - Salary and Benefits = \$75,000 per annum
- Recruitment @ \$5,000 (includes staff time)
- Work Station, computer, etc. = \$7,000
- Vehicle = \$35,000 (lease or mileage)
- Vehicle insurance, gas, maintenance, etc. = \$6,000 per annum
- Total First Year Cost = \$128,000

For subsequent years, the minimum costing would be in the magnitude of \$81,000 per annum based on 2008 dollars. The above costs do not include the costs for litigating unlawful operations.

Total Combined Costing and Impact on Municipal Budget

The initial first year costing would be \$283,500 which includes salary and benefits for three positions, recruitment, work station, vehicle, vehicle insurance, gas and vehicle maintenance. For the second and subsequent years, the minimum costing is in the nature of \$187,000 including salary and benefits for three staff positions and vehicle insurance, gas and vehicle maintenance.

The first year amount of \$283,500 for STA policy and enforcement represents about a 3.4% increase to the tax levy in 2008, therefore the total tax levy increase for 2008 would be 7.7% based on the proposed budget thus far. The \$187,000 ongoing expense represents approximately an additional 2.0% increase on the proposed 2009 budget.

With the options presented above, there are legal implications which may need to address with the passage of the current proposed Official Plan Amendment, three Zoning By-law Amendments and the Licencing By-law if appeals to the Ontario Municipal Board. Legal related to defending the anticipated appeals may be significant. The allocated Capital Budget has funds at \$80,000 for 2009-2010.

The Grey Bruce Health Unit provided comments pertaining to the draft Licencing By-law. On June 13, 2007, Chris Munn, Director of Health Protection of the Grey Bruce Health Unit indicated in an e-mail to the Town that the Health Unit does not have the staff or mandate to enforce municipal By-laws and have asked for any reference in the Licencing By-law to public health be removed.

E. Attachment

1. Current proposed Official Plan Amendment.
2. Current proposed three Zoning By-law Amendments.
3. Letter written by Sheldon Rosen, Blue Mountain Accommodation Providers Association, dated March 29, 2008.
4. Letter written by Janis Burton, Resident, TBM, dated April 1, 2008.

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