

THE CORPORATION OF THE TOWN OF GEORGINA

SPECIAL COUNCIL MINUTES

Tuesday, June 25, 2019
7:00 PM

****Short-Term Rental Accommodation****

Staff:

David Reddon, Chief Administrative Officer
Harold Lenters, Director of Development Services
Ron Jenkins, Director of Emergency Services/Fire Chief
Rob Wheeler, Director of Corporate Services and Treasurer
Ryan Cronsberry, Deputy CAO
Anne Winstanley, Communications Supervisor
Rachel Dillabough, Acting Town Clerk
Carolyn Lance, Council Services Coordinator

A moment of meditation was observed.

1. CALL TO ORDER - MOMENT OF MEDITATION

"We would like to begin today's meeting by acknowledging that the Town of Georgina is located over lands originally used and occupied by the First Peoples of the Williams Treaties First Nations and other Indigenous Peoples and thank them for sharing this land. We would also like to acknowledge the Chippewas of Georgina Island First Nation as our close neighbour and friend, one with which we strive to build a cooperative and respectful relationship."

2. ROLL CALL

The following Members of Council were present:

Mayor Quirk	Regional Councillor Grossi
Councillor Waddington	Councillor Fellini
Councillor Neeson	Councillor Sebo
Councillor Harding	

3. COMMUNITY ANNOUNCEMENTS

- Friday, June 28th, Udora-Leaskdale Lions Club hosting Spaghetti Dinner, 5:30pm
- Saturday, July 27th, Georgina Art Centre and Gallery hosting first annual Charity Gala, 6pm, 'Art in the Park'

- July 1st, Canada Day Celebrations at The ROC, 2pm start, fireworks at 10pm, Kinsmen to host beer tent
- Congratulations to Georgina Military Museum's Military Day and Connors' Music's 'Music in the Streets' both held on Saturday, June 22nd

4. INTRODUCTION OF ADDENDUM ITEM(S)

- Item No. 17(6) Addition of Section 2 (2)(b) to page 3 of Bylaw 2019-0061 (LI-3) respecting maximum number of persons within short-term rental accommodations on lots serviced by septic systems
- Item No. 11(1)(A) Correspondence from Ann Wylie
Correspondence from Paula Sarginson

5. APPROVAL OF AGENDA

Moved by Councillor Harding, Seconded by Councillor Waddington

RESOLUTION NO. C-2019-0395

That the June 25th Special Council Agenda be approved with the following addendum items:

- Item No. 17(6) Addition of Section 2 (2)(b) to page 3 of Bylaw 2019-0061 (LI-3) respecting maximum number of persons within short-term rental accommodations on lots serviced by septic systems
- Item No. 11(1)(A) Correspondence from Ann Wylie
Correspondence from Paula Sarginson

6. DECLARATIONS OF PECUNIARY INTEREST AND GENERAL NATURE THEREOF

7. ADOPTION OF MINUTES *None.*

8. SPEAKERS *None.*

9. DELEGATIONS/PETITIONS *None.*

10. PRESENTATIONS *None.*

11. PUBLIC MEETINGS

(1) STATUTORY MEETING(S) UNDER THE PLANNING ACT OR MEETINGS PERTAINING TO THE CONTINUATION OF PLANNING MATTERS

- (A) Regulation of Short-Term Rental Accommodation (STRA) in the Town of Georgina

Report No. CAO-2019-0027

Michael Smith, Consultant, reviewed the report, providing a summary of the comments received since the April 24, 2019 statutory public meeting and apprising Council of the proposed short-term rental accommodation (STRA) regulatory framework.

- proposed definition of short-term rental accommodation
- comments received from 9 residents, 2 Bed & Breakfasts and the Hotel Association of Canada, ranging from i) concerns and suggestions regarding disruptive renters and negligent hosts, ii) regulatory framework ineffective and burdensome on taxpayers, iii) proliferation of Short-Term Rental Accommodation, loss of housing and character/sense of community, iv) fairness to existing accommodation industry, licensing fee too expensive, v) should only permit where responsible person is on-site
- complaints aimed at 'whole-home' short-term rental accommodation; problem sites will be addressed through strategic enforcement
- limited concerns at this time regarding the issue of Short-Term Rental Accommodation proliferation in Georgina
- measures to curb proliferation can be included in licensing by-law if desired
- Town may impose Municipal Accommodation Tax (MAT) to Short-Term Rental Accommodation to assist in taxation fairness between hotels and Short-Term Rental Accommodation; hotels pay taxes while short-term rental accommodation do not
- Short-Term Rental Accommodation not necessarily 24/7 rental properties compared to hotels
- Bed & Breakfasts are a form of short-term rental accommodation; same administration, inspections, and by extension fee will be required unless Council chooses to exempt Bed & Breakfasts
- license fees being reviewed, will be subject to a separate report to Council
- a new regulatory and enforcement program will be required, and costly to the Town; has already put money towards improved by-law enforcement for short-term rental accommodation
- believe problem is best solved through strategic enforcement and not limiting the Short-Term Rental Accommodation to being only primary residence or owner-occupied
- proposed Official Plan Amendment 138 would remove references to Bed & Breakfast establishments, defines short-term rental accommodation as set out in the Short-Term Rental Accommodation licensing bylaw, permits short-term rental accommodation in any designation permitting a single detached dwelling
- Secondary Plan Amendments 139, 140 and 141 would remove references to Bed & Breakfast establishments, define Short-Term Rental Accommodation as defined by the short-term rental accommodation licensing bylaw, permit Short-Term Rental Accommodation in any designation permitting single detached dwellings, acknowledge site-specific amendments for larger Bed & Breakfasts

- zoning bylaw amendment would remove references to Bed & Breakfast establishments, define short-term rental accommodation as set out in the Short-Term Rental Accommodation licensing bylaw, add short-term rental accommodation to the definition of single family dwelling, permit short-term rental accommodation in any designation permitting single family dwellings, acknowledge existing site-specific zoning amendments
- in the past, controls for land uses such as Bed & Breakfasts were put in the zoning bylaw; more effective to have those regulations put in the licensing bylaw
- Licensing Bylaw would replace existing Bed & Breakfast licensing bylaw, apply to all short-term rental accommodation resulting in no legal non-conforming use, provide town staff with necessary administrative and enforcement powers to effectively license and control short-term rental accommodation including a demerit point system, licensing fees, renter's code of conduct
- maximum number of persons on a premises would be 1 and 2 bedrooms with maximum of 8 persons, and 3 or more bedrooms would have a maximum of 12 persons
- properties serviced by septic system would be subject to an on-site sewage inspection to determine if the septic system could accommodate the short-term rental accommodation numbers
- inspections to ensure safety of renters
- renter's code of conduct
- demerit point system, similar to the motor vehicle demerit system, would allow the Town to manage negligent short-term rental accommodation hosts and renters to ensure adherence to the applicable bylaws, acts and codes and would provide more immediate consequences and controls on negligent short-term rental accommodation hosts, while applicable fines are being processed by a court; fees will be determined in a supplementary report following a thorough analysis of required staffing and staff time
- if approved, next steps would include i) a Notice of Passing of OPA, ii) Secondary Plan Amendments and Zoning Bylaw Amendment in accordance with requirements of the Planning Act, Notice of Approval of licensing bylaw not to come into effect until the Planning Act documents are in force and not before January 1, 2020, iii) preparation of a communication plan on short-term rental accommodation which may include frequently asked questions, contact persons, etc, iv) preparation of supplementary fees bylaw, v) staffing resources would be subject to 2020 budget approval, and vi) if Council directs, amend licensing bylaw to take steps to address any concerns concerning proliferation of short-term rental accommodation in Georgina

Sue Jagminas, 137 Lake Drive North, advised that the proposed regulations seem to support the short-term rental accommodation hosts rather than the residents.

• Issues can be resolved by restricting short-term rental accommodation to principle residences, ensuring the rental market is not impacted and communities remain as communities with year-long residents. Requested Council support its residents and consider impact to the long-term rental market.

- Innisfil recently adopted a sharing platform permitting its residents to rent out portions of their driveways to deal with a beach parking issue and has a zoning bylaw against operating a commercial parking lot in a residential area. Residents cannot rent out part of a driveway because it would be considered a commercial use, yet can purchase an entire house in Georgina and rent it out every night and be considered a residential use.

- believes it would take a long time to cease the operation of a short-term rental accommodation through the court system

Larry Trollope, 168 Irving Drive, Pefferlaw, advised that he is strongly opposed to the exemption of homes being rented out to family and friends from short-term rental accommodation regulations; a neighbouring property is being rented out to large numbers of the owner's friends and family every weekend, with vehicles parked on top of the obviously overloaded septic field.

Nancy Relihan, 999 Lake Drive East, Jackson's Point, host of an Airbnb since 2012, advised that people wish to travel and stay in these types of establishments worldwide, and that the proposed \$2,000 operating fee is unacceptable.

Dan Driedzic, 121 Lake Drive East, advised that he is concerned with the maximum number of people permitted, believing a reasonable limit would be 2 people per bedroom with a maximum of 4 bedrooms or a maximum of 8 people permitted at an Airbnb establishment.

Andrea Iro, 20 Chartwell Crescent, agrees with voiced concerns, would like to know the potential costs associated with the regulation and enforcement of short-term rental accommodation as well as the proposed licensing fee, does not believe a demerit point system or renter code of conduct would work as they are unenforceable, and the people behind the short-term rental accommodation platforms/companies do not take responsibility and are unreachable.

Jake Chen advised that he operates a Bed & Breakfast at 327 Lake Drive North and has a local property manager to ensure guests are happy and not causing problems with neighbours. Airbnb establishments contribute to the local economy and if an Airbnb has a rating lower than 4-stars, it would be difficult to attract guests. Believes regulations are necessary.

Brad Walker, 70 McRae Beach South, believes that short-term rental accommodation owners should pay for enforcement as it is the owners who need to be enforced, rather than the community residents paying for an issue they did not create, and believes the Town should be supporting the permanent residents, rather than the short-term rental accommodation owners.

Rick Kreckler, 55 Canal Street, Keswick, advised that three Airbnb's have opened on his street resulting in renters throwing garbage into the canal and disturbing neighbours with yelling late into the evenings and playing loud music. Suggested

an application for potential short-term rental accommodation owners, with an inspection service that inspects the premises and advises what is permitted.

Doug Vaughan, 29 Bedford Road, owns a rental duplex at 861 Lake Drive and is interested in the criteria for short-term rental accommodation compared to long-term rentals.

Lauren Helmkey, 123 Lake Drive East, advised that permanent residents all just want good neighbours. She is a host of a short-term rental accommodation and takes responsibility seriously and is in full support of regulating STRA. Concerns that regulations will not resolve the issues. She rents approximately 100 days a year. The irresponsible short-term rental accommodation owners need to be regulated.

Pat Ralph, 373 Hedge Road, the former Irish House, agrees with many concerns voiced and believes Council is not paying attention to the permanent residents living with badly managed short-term rental accommodation beside them

- not sure how demerit system would work and is not in favour of needing to make calls for enforcement
- the investors running their short-term rental accommodation businesses seem to be the ones being accommodated with the belief that they bring in tourism, but renters arrive with their own food, disrupt the neighbours and leave; non-resident investors are simply running a commercial operation in a residential neighbourhood.
- regulations will only serve to regulate the responsible Airbnb operators
- 12 people in a four-bedroom home is not ridiculous
- would like details on the licensing fee structure
- Airbnb's do not help property values of neighbouring properties

Darryl Urquhart, 4 Hutner Lane, Jackson's Point, observed that the bylaws to differentiate between industrial, commercial and residential property are in place for good reason, but the proposed amendments indicate businesses should now be permitted to operate in areas previously designated for single detached dwellings.

- short-term rental accommodation should not be permitted to operate in residential areas as he does not believe penalties, punishments, fines or levies will control the behaviour of short-term rental accommodation hosts

Betty Guttormson, 29 Bedford Road, advised that she has owned a number of businesses in Georgina for the past 40 years and currently own 861 Lake Drive

- three-storey building next door contains 3 separate units, was purchased by an out-of-town owner with the intention of running a three-unit Airbnb which is a business investment, with no intention to live there; owner intends to make a profit and promotes it to be able to accommodate individuals in 3 separate units or as a group. It is clearly a business
- would support it as a Bed & Breakfast with the owner residing at the location, but the owners live in Markham

- important that residents be considered
- owners of short-term rental accommodation should be responsible like other businesses regarding taxes, etc.

Ed Baird, Warden Avenue, Belhaven; advised that if bylaws and regulations are not enforced, they are of no use.

Council & staff discussion:

- if on septic system, will be subject to septic system capacity inspection
 - short-term rental accommodation subject to building and fire code requirements, above and beyond the normal residential apartment; appropriate number of working smoke alarms, CO Detector if gas-fueled appliances are within the building, Electrical Safety Authority inspection, requirements for outdoor burning, woodstove energy technology certification
 - demerit point system;
 - can be assessed on violation of code of conduct
 - if charge issued, owner and those on premises can be fined, as well as applying demerit points
 - once reaching 7 points, license may be suspended for up to 14 days, suspension could be extended past 14 days or revoked
 - If revoked, could be appealed
 - in theory, demerit points could accumulate in one weekend and licence could be revoked immediately
 - if continue to operate, can quickly apply to the court for a closure order
 - these are tools and enforcement powers to deal with problem Short-Term Rental Accommodation to address issues
 - will take resources to address it, court system can be much faster on problem properties
 - if implemented, the benefit would be having a list of licenced premises that would advise staff of each location; officers would have list of licenced short-term rental accommodation and would patrol them proactively
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- further report will review Section 391(1)(b) authorizing municipalities to charge service fees. Outside the demerit system, if a by-law officer is required to go to property, a fee would be charged, and that fee could double if re-attendance is necessary
 - Part 1 tickets will be requesting substantial fines, issued to renters on site, not just issued to owners, of \$500 and above
 - Part 3 ticket is a subpoena to court of both the renter and owner
 - municipality receives one court date every 3 months for first appearance for noise complaints, resulting in up to one year to deal with a noise charge; alternatively, the demerit point system could easily result in revocation of a license
 - proliferation of short-term rental accommodation in one area; need number or radius restriction

- owner-occupied or principal residence option; hybrid potential where a responsible agent either onsite or close by for quick attendance at the property
- costs and fee structure required prior to endorsement of proposal

Andrew Biggart advised that if a bylaw was in place and its requirements violated or a license revoked and operation continues, he could get into court under a Municipal Act application (Superior Court of Justice) within 1 or 2 days on an emergency basis and prohibit the use of the property as a short-term rental accommodation. If an owner continued to operate the short-term rental accommodation, would be in contempt of court, resulting from fines to jail-time.

- a bylaw in place would move actions much faster and the ramifications would be much greater
- need separation distance between short-term rental accommodation, so that not everyone who applies for a licence will be issued one; consider parking requirements, septic system, etc.
- radius between short-term rental accommodation necessary
- need to know fee structure and costs prior to moving forward
- agent on call near the site
- Bed & Breakfasts could be licensed but exempted from the fees
- option to put penalties on registration fees means to change the re-registration fee based on the amount of demerit points given
- license would not be transferrable to new owners of a property; demerit points would transfer
- no-one has a right to a short-term rental accommodation license; if the Town limits the number of licenses per area, it can demonstrate that it is acting in the public good and he sees no legal ramifications from property owners refused a license
- a zoning by-law amendment would be required if Council wished to create a zone for short-term rental accommodation
- if general amendment process continues, permitting short-term rental accommodation with no resident occupant, it could be separated in a site-specific zoning
- costs are not awarded in a Provincial Offences Act matter; short-term rental accommodation owners would be responsible for all costs in Superior Court of Justice
- need short-term rental accommodation operator code of conduct as part of the licensing
- requirement that contact information for short-term rental accommodation owner be clearly visible at the site
- fees need to pay for enforcement and additional resources required
- Municipal Accommodation Tax could be applied to short-term rental accommodation; review Municipal Accommodation Tax more fully in follow-up report
- find a way to give a break to existing licensed Bed & Breakfasts
- problem with enforcing the number of people on a property; would need to differentiate between the people occupying it overnight and those visiting during the day

- Bylaw Division would determine whether demerit points should be applied
- if suspended for 14 days, an appeal committee would be set, along with a designated group to hear appeals
- nature of the issue respecting commercial enterprise operating in residential neighbourhood is important, difference between traditional rentals and some short-term rental accommodation
- uncomfortable having individual/corporations purchasing real estate for commercial purposes with no-one living in the premises; there is a difference between running a 'hotel' and those just supplementing their income with occasional renters
- tax fairness
- potential bylaw should include the posting of requirements clearly on premises, a synopsis of rules and consequences of breaking them and some level of acknowledgement of these rules
- Bed & Breakfasts need to be separate from short-term rental accommodation as they are two different operations
- could be merit in differentiating between those using short-term rental accommodation for investment businesses and those supplementing income
 - occupancy per bedroom too high, possible use of square footage of actual house itself to limit number of occupants
- cost recovery through Municipal Act; if true issues
- Regional working group reaching out to platforms for information-sharing
- officers should be able to pick up data on short-term rental accommodation in their vehicles to see the history and check on demerit points
- a license could require a 'natural person' to be at least equally responsible to a property, in order to restrict corporate companies purchasing properties to run them strictly as Airbnb's
- vehicles parking should be a big issue
- prudent to not pass this report at this time, provide consultant and staff to consider comments
- need Official Plan Amendment regulations in place for guidance. Other than a zoning bylaw amendment, under the Planning Act, a Committee of Adjustment approval on a minor variance could set conditions and terms more extensively than Council could do through a zoning by-law amendment; possible quick system through Committee of Adjustment with terms and conditions
- add requirement for short-term rental accommodation owner to obtain appropriate insurance
- Region is interested in collecting more data respecting the potential for a decline in affordable housing and rental housing for the purpose of short-term rentals.
- noted that Georgina is dealing with this issue much faster than other municipalities; Georgina is in the forefront, other municipalities are coming to Georgina for information

Moved by Councillor Neeson, Seconded by Councillor Fellini

That the Rules of Procedure be waived in order to permit Sue Jagminas to address Council.

Carried.

Sue Jagminas requested Council to advertise the extended by-law enforcement hours for the public benefit.

Moved by Regional Councillor Grossi, Seconded by Councillor Neeson

RESOLUTION NO. C-2019-0396

1. That Council receive Report CAO-2019-0027 prepared by Michael Smith Planning Consultants; Development Coordinators Ltd., dated June 25, 2019 respecting the regulation of Short-Term Rental Accommodation in the Town of Georgina.
2. THAT Council direct staff to prepare a report respecting the matters raised concerning Short-Term Rental Accommodation at the public meeting held on June 25, 2019, and report back as directed.

Carried.

- (2) STATUTORY MEETING(S) UNDER OTHER LEGISLATION *None.*
 - (3) OTHER PUBLIC MEETINGS *None.*
12. REPORTS *None.*
- (1) ADOPTION OF REPORTS NOT REQUIRING SEPARATE DISCUSSION *None.*
 - (2) REPORTS REQUIRING SEPARATE DISCUSSION *None.*
13. DISPOSITIONS/PROCLAMATIONS, GENERAL INFORMATION ITEMS AND COMMITTEE OF ADJUSTMENT *None.*
- (1) Dispositions/Proclamations *None.*
 - (2) General Information Items *None.*
 - (3) Committee of Adjustment Planning Matters *None.*
14. MOTIONS/NOTICES OF MOTION
15. REGIONAL BUSINESS
16. OTHER BUSINESS

17. BY-LAWS

No by-laws were approved at this meeting.

18. CLOSED SESSION *None.*

19. CONFIRMING BY-LAW

Moved by Councillor Waddington, Seconded by Councillor Fellini

That the following by-law be adopted:

- (1) By-law No. 2019-0062 (COU-2), a by-law to confirm the proceedings of Special Council on June 25, 2019.

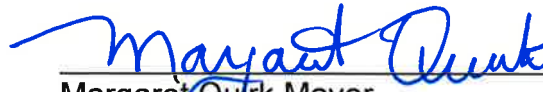
Carried.

20. MOTION TO ADJOURN

Moved by Councillor Harding, Seconded by Councillor Sebo

That the meeting adjourn at 9:27pm

Carried.



Margaret Quirk Mayor



Rachel Dillabough, Acting Town Clerk