

THE CORPORATION OF THE TOWN OF GEORGINA

REPORT NO. CAO-2018-0016

FOR THE CONSIDERATION OF

COUNCIL

September 12, 2018

SUBJECT: REGULATION OF SHORT-TERM RENTAL ACCOMMODATION (STRA) IN THE TOWN OF GEORGINA – SUMMARY OF INPUT FROM JULY 11, 2018 PUBLIC INFORMATION MEETING FILE NO. 05-256

1. RECOMMENDATIONS

- 1. THAT Council receive Report CAO-2018-0016 prepared by Michael Smith Planning Consultants; Development Coordinators Ltd., dated September 12, 2018 providing a summary of input from the July 11, 2018 Public Information Meeting, respecting the regulation of Short-term Rental Accommodation in the Town of Georgina.**
- 2. THAT Council direct Staff and Michael Smith Planning Consultants; Development Coordinators Ltd., upon receipt of a legal opinion from the Town's solicitor on the status of existing STRA, to prepare a report for Council's consideration recommending a preferred regulatory framework for Short-term Rental Accommodation.**

2. PURPOSE

The purpose of this report is :

- (a) to apprise Council of the input received from the Public Information Meeting held on July 11, 2018; including questionnaire results, subsequent public comments, and additional research; and,**
- (b) to seek further direction from Council on a preferred regulatory framework pending a legal opinion from the Town's solicitor.**

3. BACKGROUND

The following reports have led to the preparation of this report:

- Report No. CAO-2018-0003 presented to Council on February 7, 2018
- Report No. CAO-2018-0004 presented to Council on February 28, 2018
- Report No. CAO-2018-0007 presented to Council on June 6, 2018

3.1 Report History and Public Input

On September 6, 2017, Council received delegations and speakers on the topic of STRA and the impacts on neighbourhoods and individuals. Staff were subsequently directed to begin researching enforcement options. Staff meetings and research into this complex issue took place over the fall of 2017.

On February 7, 2018 Council received report CAO-2018-0003 and directed staff to continue with the development of a policy framework to regulate STRA (Resolution No. C-2018-0065). Council also requested that a legal opinion be obtained with respect to considering an Interim Control By-law (ICB). On February 14, 2018 staff provided Council with correspondence from Town legal counsel.

On February 28, 2018 Council received report CAO-2018-0004 and granted staff the authority to retain the services of Michael Smith Planning Consultants; Development Coordinators Ltd. (MSPCDC), to assist in research and preparation of a policy framework to regulate STRA. (Resolution NO. C-2018-0101)

On May 8, 2018 and May 14, 2018, Town Staff and MSPCDC met to discuss the background research prepared by MSPCDC, and the future direction of the study. Following these meetings, a report was prepared addressing the potential policy and regulatory framework for STRA in the Town of Georgina. A preferred option for "*Discussion Purposes Only*" was outlined in the report.

On May 14, 2018, Ryan Cronsberry, Manager of Municipal Law Enforcement, provided a 'Briefing Note' to Council on the "*Short-term Rental 2018 Summer Municipal Law Enforcement Initiative*". This document outlined the interim measures being undertaken, including expanding the hours of operation of the municipal law enforcement staff, while the long-term policy and regulatory framework are being undertaken.

On June 6, 2018, Council received report CAO-2018-0007 and directed staff to schedule a public information meeting to provide information on and receive input about regulating Short-term Rental Accommodation in the Town of Georgina. As report CAO-2018-0007 provides an overview of several regulatory options as

well as other background information and mapping, this material is not repeated in this report. The minutes of the public meeting are included as Attachment 1.

Report CAO-2018-0007 is available on the Town's website at:

<https://www.georgina.ca/living-here/municipal-law-enforcement/short-term-rental-accommodations>

On July 11, 2018, a Public Information Meeting (PIM) was held at the ROC to provide information on, and receive input about, regulating Short-term Rental Accommodation in the Town of Georgina. A short questionnaire was posted online for the period of June 19, 2018 to August 10, 2018 – See Attachment 2.

After the July PIM, MSPCDC met and communicated with interested parties to discuss their experiences regarding STRA.

At the time of this report, there have been no discussions with representatives from any online STRA platforms. However, it is proposed that a meeting will be held with one or more of the STRA platforms as they are a stakeholder in this process, prior to presenting Council with a final preferred option.

3.2 Legal Opinion

A legal opinion regarding the legality of STRA within the Town of Georgina, and other related regulatory considerations, has been requested of the Town's solicitor. This opinion will help to inform the preferred regulatory option.

3.3 Public Information Meeting (PIM) - July 11, 2018

A PIM was held on Wednesday, July 11, 2018 at the ROC chalet. The PIM included (i) a formal presentation session by MSPCDC and Town staff following which members of the public offered their comments on the regulation of STRA in the Town of Georgina; and, (ii) an informal component, before and after the formal presentation, where the public could view information display boards and handout materials, and discuss matters with MSPCDC and Town staff.

Approximately 50 members of the public (excluding Town staff and some members of Council) attended the PIM. Some members of the public preferred one-on-one discussions with MSPCDC/Town staff, while many spoke during the formal presentation session. The speakers' comments were collectively noted for the record and are summarized below.

There were a small number of hosts and other residents present in support of STRA, while the majority were concerned about or directly opposed to STRA in Georgina. Of those in favour of STRA, some were generally supportive of the regulatory options presented in report CAO-2018-0007, while others thought any regulation of STRA was overly regulatory and unnecessary. Of those concerned or opposed to STRA, some were generally supportive of the regulatory options presented in report CAO-2018-0007, some wanted stricter regulation than what was presented, and many wanted some form of a ban on STRA.

The main areas of concern from those opposing STRA were:

- 1) the commercial nature of STRA;
- 2) the administration/enforcement of STRA;
- 3) the impact of STRA on the quiet enjoyment of one's property, the public realm, and public safety; and,
- 4) the economic impact of STRA.

3.3.1 Concerns Regarding the Commercial Nature of STRA

Many persons expressed that they had no issue with a principal resident renting their property on an occasional basis, but they took issue with residences being rented as investment properties (i.e. year-round rentals), and essentially becoming hotels. Many believed STRA to be of a commercial nature, and that STRA host should be paying commercial taxes, or should only be permitted in tourist commercial (C5) zones to prevent changing the residential nature of neighbourhoods.

3.3.2 Concerns Regarding the Administration/Enforcement of STRA

There were many varied opinions and concerns regarding the administration and enforcement of STRA. Overall, many residents wanted to ban STRA in Georgina, and if not, they wanted strict regulations imposed. Suggestions for regulation included only permitting STRA in a principal residence, a maximum number of rooms or persons, having a limit on the number of STRA in a given geographic area, and requiring a parking plan. Residents also expressed concern regarding the response of by-law enforcement staff and police. Many reported slow and unsatisfactory responses and were concerned with both enforcement resources being spread too thin, and the capability of enforcement staff to deal with a large party of belligerent renters. By-law enforcement staff and police explained that they received relatively few complaints, however, residents expressed fears over calling in as they feared retaliation from renters or found the process too onerous.

3.3.3 Concerns Regarding STRA Impact on the Quiet Enjoyment of One's Property/Public Realm/Public Safety

The main areas of concern, for residents opposed to STRA, was the impact on the quiet enjoyment of one's property, public safety and the public realm. Many residents complained about noise violations/consistent noise, littering, excessive parking, excessive number of persons on premises (fire and septic concern), belligerent renters, negligent hosts, and the potential for illegal activity (i.e. illicit drug use). In addition to these concerns, residents expressed that they were unable to enjoy their properties, had their daily lives disrupted, and were afraid to approach renters for fear of retaliation. Some had experienced renter retaliation.

3.3.4 Concerns Regarding the Economic Impact of STRA

The concerns over the economic impact of STRA were split among those who supported STRA, and those who opposed it. Those who supported STRA were concerned that strict regulation or banning STRA would negatively impact revenue from tourists visiting Georgina, eliminate a source of supplementary income, and negatively impact the future of the agri-tourism industry.

Those who were opposed to STRA were skeptical of the tourist revenue generated by STRA as well as the concept of STRA being used for supplementary income. A significant area of contention was the issue of property values. Those in support claimed property values would increase near a STRA, while those opposed said property values would decrease near a STRA.

Overall, the meeting was well attended and informative, with a good exchange of ideas and opinions.

3.4 Background Research Following July 11, 2018 Meeting

Following the June 6, 2018 Council meeting, MSPCDC carried out additional research. The website Airdna was utilized to provide more in-depth information on STRA in Georgina, both prior to and following the July 11, 2018 PIM.

With Airdna, MSPCDC was able to determine (as of the date of the writing of this report) that there are approximately 132 active STRA listings in Georgina, of which 110 (83%) are whole home rentals, and 22 (17%) are single-room rentals. In addition, of the 132 active STRA, 38 (29%) are year-round rentals (i.e. investment properties). Of the 78 active hosts, 67 (86%) of hosts are single-listing hosts, while 11 (14%) of hosts are multi-listing hosts.

The number of 132 active STRA is not fully representative of the actual STRA stock in Georgina for three main reasons. Firstly, this number is taken from

Airdna, which only accounts for Airbnb listings. However, during preliminary research, it was determined that most properties listed on other STRA platforms were also listed on Airbnb. Secondly, there are cases of a single STRA having multiple listings on Airbnb. Finally, this number does not account for STRA that are not advertised online, nor does it account for properties that are rented out/occupied by friends and family when the owner is away.

MSPCDC reached out to members of the public who had attended the public information meeting and asked them to identify, on a confidential basis, and for generic purposes, any neighbouring STRA. There were 20 residents who responded, and 22 properties that were identified. Following the identification, research was conducted to locate listings for the identified properties on Airbnb. For the purposes of this report, an “issue” property will refer to a property that has been identified as being a disruptive STRA by one or more residents. Of the 22 identified properties, 14 were “issue” properties, 6 were “non-issue” properties, and 2 were reported with no additional comment. Of the 14 “issue” properties, 13 are listed on one or more online platforms, and 1 is not. Of the 14 “issue” properties, there were 7 properties with multiple complaints.

The average STRA listed on Airbnb in the Town of Georgina has 3.4 bedrooms and accommodates 8.2 guests. The averages for properties that were identified as being “issue” properties is 4.7 bedrooms and 11.1 guests, and the averages for properties that were identified as being “non-issue” property is 2.4 bedrooms and 6.4 guests. This shows that, generally, STRA which accommodate more guests tend to cause more issues than smaller STRA that accommodate fewer guests.

3.5 STRA Questionnaire

Leading up to and following the PIM, an online survey was made available for members of the public to express their views on the regulation of STRA in the Town of Georgina. A hard copy version of the survey was provided at the PIM, and 111 persons completed the survey.

Of the 111 persons that responded to the questionnaire:

- 1) 109 are Georgina residents, 2 are not.
- 2) 75 live near a STRA, 36 do not.
- 3) 6 operate STRA, 105 do not.
- 4) 35 use STRA, 76 do not.
- 5) 95 want to see STRA regulated, 16 do not

When reviewing the comments from those who completed the survey, there were very similar concerns and suggestions to those expressed at the PIM. It should

be noted that of the 111 completed applications, 10 were either duplicated or invalid.

3.6 Comments from STRA Hosts

While some hosts attended the Public Information Meeting on July 11, 2018, only one spoke about the merits of STRA. Subsequently, in an effort to understand why some STRA were not the subject of complaints, I interviewed some STRA hosts that had not been identified as having problem operations. The following points were collectively suggested:

- Limiting the number of guest bedrooms to 4 (i.e. the current requirement for bed & breakfast operations) (i.e. this puts general limit on number of persons (i.e. 8 to 12 persons maximum);
- Providing adequate parking, without parking on lawn;
- Prohibiting events (i.e. bachelor or bachelorette parties);
- Setting minimum whole-week rentals during summer and minimum two-day rental in off-seasons;
- Ensuring owner or manager is available when required to address conflicts between renters and neighbours. Younger renters typically require closer monitoring;
- Responding to neighbour concerns/complaints in a positive manner.
- Providing renters with Renter Code of Conduct, including guidelines about the playing of loud music, backyard fires, etc.

4. CONCLUSIONS

On July 11, 2018, a Public Information Meeting (PIM) to provide information on and receive input about regulating Short-term Rental Accommodation (STRA) in the Town of Georgina was held at the ROC. This report has summarized the information received from the PIM, and additional research undertaken, and information received since the presentation of Report CAO-2018-0007 on June 6, 2018.

In conclusion, it is recommended that Council direct staff to prepare a report, following receipt of a legal opinion from the Town's lawyer, on the legal status of STRA in the Town of Georgina, detailing a preferred regulatory option, including drafts of any proposed Official Plan/Secondary Plan amendments and/or Zoning By-law amendment pursuant to the Planning Act, or licencing by-law pursuant to the Municipal Act. Prior to finalizing the report, a meeting will be held with one or more online platforms to obtain their input as stakeholders in the process.

If Council chooses a regulatory framework which requires Official Plan/Secondary Plan Amendments and/or a Zoning By-law Amendment, a Statutory Public Meeting

pursuant to the Planning Act would follow at Council's direction. At that meeting the draft amendments, together with a proposed licencing by-law, would be presented.

Prepared and Recommended by:



Michael Smith, RPP
Michael Smith Planning Consultants;
Development Coordinators Ltd.

Approved by:



Dave Reddon
Acting Chief Administrative Officer

MINUTES

STRA Public Information Meeting Held at the ROC – July 11, 2018

In attendance: Public

Dave Szollosy, Lauren Helmkey, Virginia Cryderman, Danielle Comolli, Marcella Tanzola, Mike Scarland, Doris Major, Bill Major, Tom Ingersoll, Diane Ingersoll, Nancy Ann Relihan, Laretta Amundson, Shirley Thompson, Mike Hill, Sally Hill, Daryl Blanchard, L. Kendle, Dan Driedzic, Anita Driedzic, Monica Resch, Marco Garavagua (Envision Realty Development), Mary Gellard, Marnie Joblin, Lynne Lofquist, Peter Stevens, Deb Bell, Gord Bell, Sherla Maxwell, Hugh Sibbald, Kelly Wood, Deb Kohlsmith, Christine Legrere, Pat Ralph, Nadia Sartor, Diana McAdam, Gerald St. Onge, Sue Jagmanis, Rod Nagy, Larry Trollope, Sarah Thompson, Heidi Riedner, C. Powis, S. Massey, Peter Wilson, Andrea Fernandes, Alan Kranczoch, Debra Polvi

STRA Technical Advisory Committee Members

Dave Reddon, Acting CAO
John Espinosa, Clerk
Ron Jenkins, Fire Chief
Keith Wells, Captain, Fire Prevention Officer
Ryan Cronsberry, Manager of Municipal Enforcement
Rod Larmer, Chief Building Official
Alan Drozd, Supervisor of Development Planning
Michael Smith and Alex Smith of MSPCDC

York Regional Police Department

Brian Bravener, Inspector
Shannon Anderson, Detective Sargent

Members of Council and support staff also attended.

The public began arriving at about 6:30 pm.

The Public Information Meeting commenced at approximately 7 pm. The first part of the meeting was informal, and the public were invited to view display boards and to ask questions, one-on-one with Technical Advisory Committee members. The formal part of the meeting commenced at approximately 7:20 pm. Michael Smith provided a power point presentation of Report CAO-2018-0007 considered by Council on June 6, 2018, including some updated research. The report, he said, contained a proposed option for *“Discussion Purposes Only”* and

that no formal position had been taken on the subject at this time. He further explained that the study team had not been in contact with online STRA platforms like Airbnb, HomeAway or VRBO. Mr. Smith noted that the Town had posted an online STRA questionnaire which he encouraged the public to complete.

Following his presentation, the floor was open to comments and questions. *(The matters raised are categorized and summarized below).*

1. Commercial Nature of STRA

- The report is based on premise of sharing economy, whereas these STRA are investment properties purchased by corporations/non-locals for exclusive purpose of commercial gain.
- Commercial uses should not be permitted within residential neighbourhoods (zones/designations).
- Should only be permitted in tourist commercial C5 zone?
- This will change the inherent nature of neighbourhoods/community (slippery slope).

2. Town's Role/Administration

- Town does not have to accommodate undesirable activity (should ban STRA).
- Town must manage the transient and shifting nature of STRA through strict regulation/banning STRA.
- Town/Police take too long to respond to issues and do not take some complaints seriously.
- Prosecution based on a regulatory framework may cost too much time and money.
- Maximum number of rooms/persons should be set in by-laws
- Are enforcement staff/police properly trained and equipped to deal with belligerent renters?
- Do STRA put too great of a stress on already stretched town personnel and resources?
- Should limit number permitted in a given area?
- Why should the majority of tax payers spend so much to accommodate the few, just ban?
- Town moving too slow, need immediate action.
- Regulate parking.
- Original Bed & Breakfast by-law regulated # of rooms, why not regulate in same fashion?
- Residents not wanting proactive not reactive response to Zoning infractions.
- Residents do not want to have to call in zoning infractions.
- Should only be permitted with Principal Resident.
- Town should carry out cost/benefit analysis.

3. Safety/Disturbances

- Excessive noise.
- When not excessive, increased frequency/intensity of noise is still a disturbance.
- Afraid to lodge complaint over fear of retaliation and desire to avoid confrontation.
- Worse than hotel (more persons on premises than registered/paying).
- Afraid/not wanting to go outside, unable to enjoy property.
- Littering.
- Fire Safety concern especially with excessive persons.
- Ensure Safety of travelling public.
- Negligent and uncaring hosts/renters (non-locals).
- Belligerent renters.
- Excessive number of guests (over 20 people on property).
- Potential illegal activity/drug use.
- Excessive number of cars and parking violations.
- Airbnb rules and charter do not support the behaviour and nature of party palaces.

4. Economic Impact of STRA

- Skeptical of number of STRA that operate for supplemental income.
- Will these regulations affect the agritourism market?
- Airbnb allows town to share local culture with tourists and earn through tourism.
- Will this negatively or positively impact property values.
- Unfair/unequal treatment compared to traditional accommodation industries.
- STRA properties should have commercial tax assessment.

The formal presentation portion of the meeting concluded at approximately 8:15 pm. The public was invited to meet one-on-one with members of the Technical Advisory Committee.

The public information meeting concluded at approximately 9 pm.

Minutes prepared by:

Michael Smith, Michael Smith Planning Consultants; Development Coordinators Ltd.



Short Term Rental Accomodations *Survey*



Short-term Rental Accommodations (STRA), such as those offered for rent via online platforms including Airbnb or VRBO, offer rooms or entire dwelling units for rent on a short-term basis.

The Town of Georgina does not currently regulate STRA and is working on a long-term regulatory framework to control their location and operation. This framework will seek to address the concerns of all stakeholders. For complete details, please visit the STRA web page on georgina.ca.

We value your feedback on this matter.

Note: For your comments to be considered, your name and address are required

1. Are you a resident of the Town of Georgina?

- Yes No

2. Do you live near a STRA?

- Yes No

3. Do you operate a STRA?

- Yes

4. Do you use a STRA? (Rent through online hosts such as Airbnb, through word of mouth, etc.)

- Yes

5. Do you believe that STRA should be regulated in the Town of Georgina?

- Yes

6. Do you have any additional questions/comments regarding the proposed regulation of STRA in the Town of Georgina?

Full Name: _____

Address: _____

Survey closes July 12, 2018

Visit georgina.ca to complete this survey online.

