



Staff Report

Planning & Development Services – Planning Division

Report To: COW-Operations, Planning and Development Services
Meeting Date: August 15, 2023
Report Number: PDS.23.066
Title: Recommendation Report – Short-Term Accommodation Official Plan Amendment
Prepared by: Carter Triana, Planner

A. Recommendations

THAT Council receive Staff Report PDS.23.066, entitled “Recommendation Report – Short-Term Accommodation Official Plan Amendment”;

AND THAT Council enact a By-law to adopt Official Plan Amendment #3 to the Town of The Blue Mountains Official Plan to modify the policies of Section B2.5 and Exception B3.7.6.14 to add further restrictions to Short Term Accommodation uses;

AND THAT Council authorize Staff to submit Official Plan Amendment #3 to Grey County, as the Approval Authority, for approval.

B. Overview

The purpose of this report is to provide Council with a summary of public consultation and a recommendation regarding a proposed Official Plan Amendment. The application proposes to amend Section 2.5 *Short-Term Accommodations* of the Town of The Blue Mountains Official Plan 2016 to provide additional clarity, formally recognize the licensing requirements for short-term accommodation uses, and to further restrict the addition of Short-Term Accommodation Uses outside of the established Exception Area. The application also proposes to expand the Exception Area identified under Section B3.7.6.14 to also include areas historically zoned to permit a short-term accommodation use. The effect of the proposed amendments is to prohibit the establishment of new short-term accommodation uses outside of this Exception Area.

C. Background

Planning Staff brought forth [Staff Report PDS.23.024 “Short Term Accommodations - Options for Official Plan Amendment”](#) on March 14, 2023, outlining the current regulatory framework for short-term accommodations (STAs) under the Official Plan and recommending that Council direct Staff to initiate the Planning Act process to consider an Official Plan Amendment to Section B2.5 *Short-Term Accommodations* of the Official Plan in order to further restrict the

potential to add new STA units outside of the existing Exception Area. On March 27, 2023, Council passed a resolution directing Staff to begin this process.

In addition to amending existing policy to further restrict new STA units outside of the Exception Area, Planning Staff completed a comprehensive review of the relevant policies of the Official Plan to determine if additional minor modifications were warranted. As such, the draft amendment includes a restructuring of the listed policies to provide better clarity to readers of the Official Plan and recognizes the now-established licensing requirement for STAs.

A Public Meeting was held on June 20, 2023, with written and verbal comments being received from public agencies and area residents. Comments were received from the following public agencies:

- Grey County: Grey County is supportive of the Town's intention to further regulate the location of short-term accommodation units. County Staff would inquire how and whether the proposed policies would impact short-term accommodation uses outside of serviced settlement areas and whether formal bed and breakfast establishments would be part of the restricted uses. Provided the proposed changes would not impact the capacity for a landowner to establish long-term rental accommodation on a fully serviced property, the County has no concerns with the proposed amendments.
- Bell Canada: No comments or concerns at this time.

Comments received from Council and interested members of the public and Staff responses can generally be summarized as:

- **How many legal non-conforming STAs have been unable to renew their licenses due to not maintaining continuous use as an STA?**
According to Town records, only one STA has been unable to renew its license as a result of losing legal non-conforming status.
- **Do licenses lapse upon the sale of a property?**
Section 34(9) of the Planning Act explicitly states that a zoning by-law cannot prohibit the use of land, a building, or a structure that was lawfully commenced on the date the by-law was passed. Land use rights are tied to the land and buildings and structures on that land, not to a property owner. Zoning provides as-of-right permitted uses that are allowed unless the zoning is modified. Non-conforming uses are permitted to continue provided the use is continuous or it can be proven that there is an intent to continue the use. STA licenses are business licenses tied to the owner/operator of the business. As such, they cannot be transferred upon the sale of a property. If the STA permission under zoning or continuation of a non-conforming use is maintained, the new owner may apply for a new license in their name.
- **The Blue Mountain Ratepayers Association - in support.**

Since the public meeting, several changes have been made to the proposal, including:

1. Additional modifications to the text of Section B2.5 for simplicity and to provide greater clarity. These changes also seek to avoid unnecessary repetition of policies. A detailed

list of all changes proposed to the current text is included as Attachment 3 to this report.

2. Expansion of the current Exception Area to include all areas zoned to permit STA use. This is proposed in order to avoid issues of non-conformity with the Official Plan. Additional discussion of this proposed change is included later in this report. The existing Exception Area is shown in Figure 1 and the proposed Exception Area is shown in Figure 2.

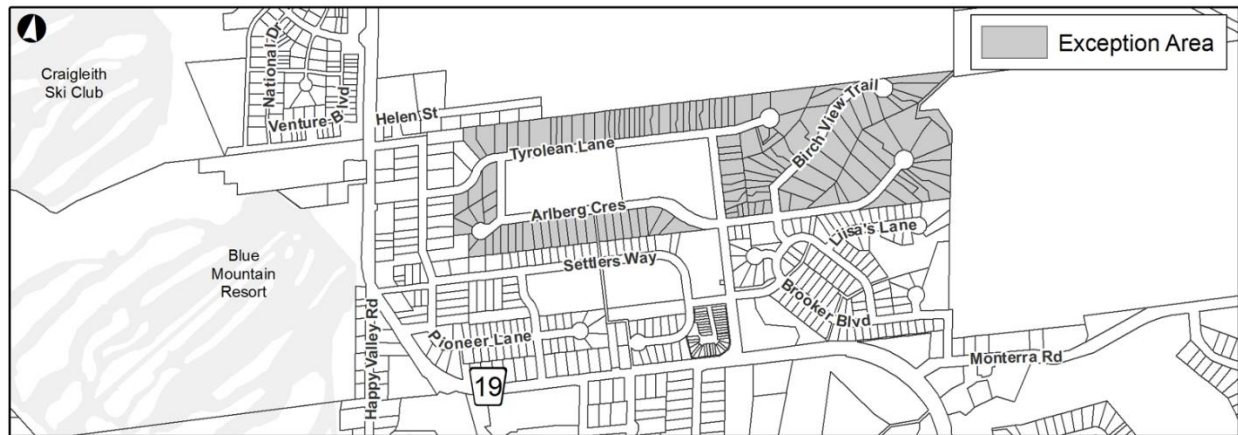


Figure 1. Existing Official Plan Exception Area



Figure 2. Proposed Official Plan Exception Area (OPA 3)

D. Analysis

Planning Act

The Ontario *Planning Act* gives municipal Councils the authority to pass The *Planning Act* requires that, in making planning decisions, Council must have regard for the list of matters of Provincial Interest, as outlined in Section 2 of the *Act*. In this case, Planning Staff are satisfied that there are no concerns with matters of provincial interest.

Provincial Policy Statement 2020

The Provincial Policy Statement (PPS) provides direction on appropriate development, effective land use, and long-term economic prosperity while protecting resources of provincial interest, public health and safety, and the quality of the natural and built environment. The proposed amendment will preserve STA permissions for existing units while also limiting future expansion, thereby preserving the economic benefits of tourism and recreation associated with these uses and avoiding potential land use conflicts in the future. Planning Staff are therefore satisfied that the proposed amendment is consistent with the PPS.

Niagara Escarpment Plan 2017

The Niagara Escarpment Plan (NEP) provides land use policies to guide development while ensuring the preservation and enhancement of the Niagara Escarpment as an internationally recognized World Biosphere Reserve. Key objectives of the Plan are to maintain and enhance the natural environment and the open landscape character of the escarpment and adjacent lands.

The Exception Area, as defined in the Town's Official Plan, and much of the area around the base of Blue Mountain is designated *Escarpment Recreation Area* under the NEP. Objectives of this designation include the provision of areas where recreation and associated development can be concentrated around residential areas and that this type of development protects and maintains community character. The proposed amendment seeks to prohibit the future expansion of zones with STA permissions, thereby concentrating STA uses into existing areas with these permissions and protecting the character of existing and future residential neighbourhoods in the area. For this designation, the NEP lists permitted uses, which includes uses permitted within the Town of The Blue Mountains Official Plan. As such, Planning Staff are satisfied that the proposed amendment is consistent with the NEP.

Grey County Official Plan 2018

The Grey County Official Plan is intended to guide development within the whole of Grey County and provides broad policy framework for local municipal Official Plans, Secondary Plans, and By-laws. The policy framework encourages strong healthy communities and new development growth while maintaining and protecting environmental and economic resources.

The area where most STA uses are concentrated is designated *Recreation Resort Area* in the County Official Plan. The County Official Plan recognizes the potential for land use conflicts

between STA uses and residential uses and potential long-term impacts on the availability of rental housing. The Plan recommends that local municipalities implement policies to address long-term concerns. The proposed amendment seeks to address these long-term concerns by limiting the expansion of STA uses to a greater degree than the limits imposed under the current policies. Additional commentary addressing concerns from Grey County Staff received via formal comments is included below. Planning Staff are therefore satisfied that the proposed amendment is consistent with the policies of the Grey County Official Plan.

Town of The Blue Mountains Official Plan 2016

The Official Plan provides land use policy direction for the long-term growth and development of the municipality. The policies include site-specific land use designations that list permitted uses and development requirements for those uses.

Goals and Strategic Objectives of Section A3 of the Plan are intended to work together in the pursuit of a sustainable balance between the environment, society, culture, and the economy, and to support development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Some relevant Goals and Strategic Objectives listed in the Official Plan include Sustainable Development, Growth and Settlement, Urban Community Character, Economic Development, Tourism and Recreation, Housing. The proposed amendment will further restrict the potential for the creation of new zones with STA permissions outside of the Exception Area and will remove two current policies that allow for the consideration of creating new STA zones 1) within new Plans of Subdivision and 2) outside of the Exception Area, in limited instances subject to meeting strict criteria. As the current and proposed policies both recognize the potential for land use conflicts between STA uses and residential uses, the proposed amendment will provide an even greater protection for existing and future residential uses in the Town. The Town recognizes the importance of STA uses for tourism, recreation and the economy in general, so the proposed amendment will continue to allow for additional growth of STA uses within a specific defined area only. The Town also recognizes the need to ensure a viable amount of long-term rental remains available for residents in the Town. Additional expansion of zones with STA permissions has the potential to threaten the existing and future rental housing stock in the Town and the proposed amendment will help alleviate this pressure by prohibiting this expansion.

Section E5.1 of the Official Plan states that existing uses that do not conform with the policies of the Official Plan should gradually be phased out so that the affected land use may change to a use which is in conformity with the goals of the Official Plan and the intent of the Zoning By-law. The proposed amendment includes an expansion of the current Official Plan Exception Area to include areas presently zoned to permit STA use. These areas currently conform to the Official Plan as they met the general policy direction described in the previous paragraph and were included as part of the June 2011 Ontario Municipal Board decision that specifically permitted Short Term Accommodation units in some areas outside of the Official Plan Exception Area. The June 2011 decision allowed Short-Term Accommodation Units on these lands, and the proposed Official Plan Amendment Number 3 as modified will carry forward those previous permissions. The Exception Area defined by the June 2011 OMB decision is shown in Figure 3.

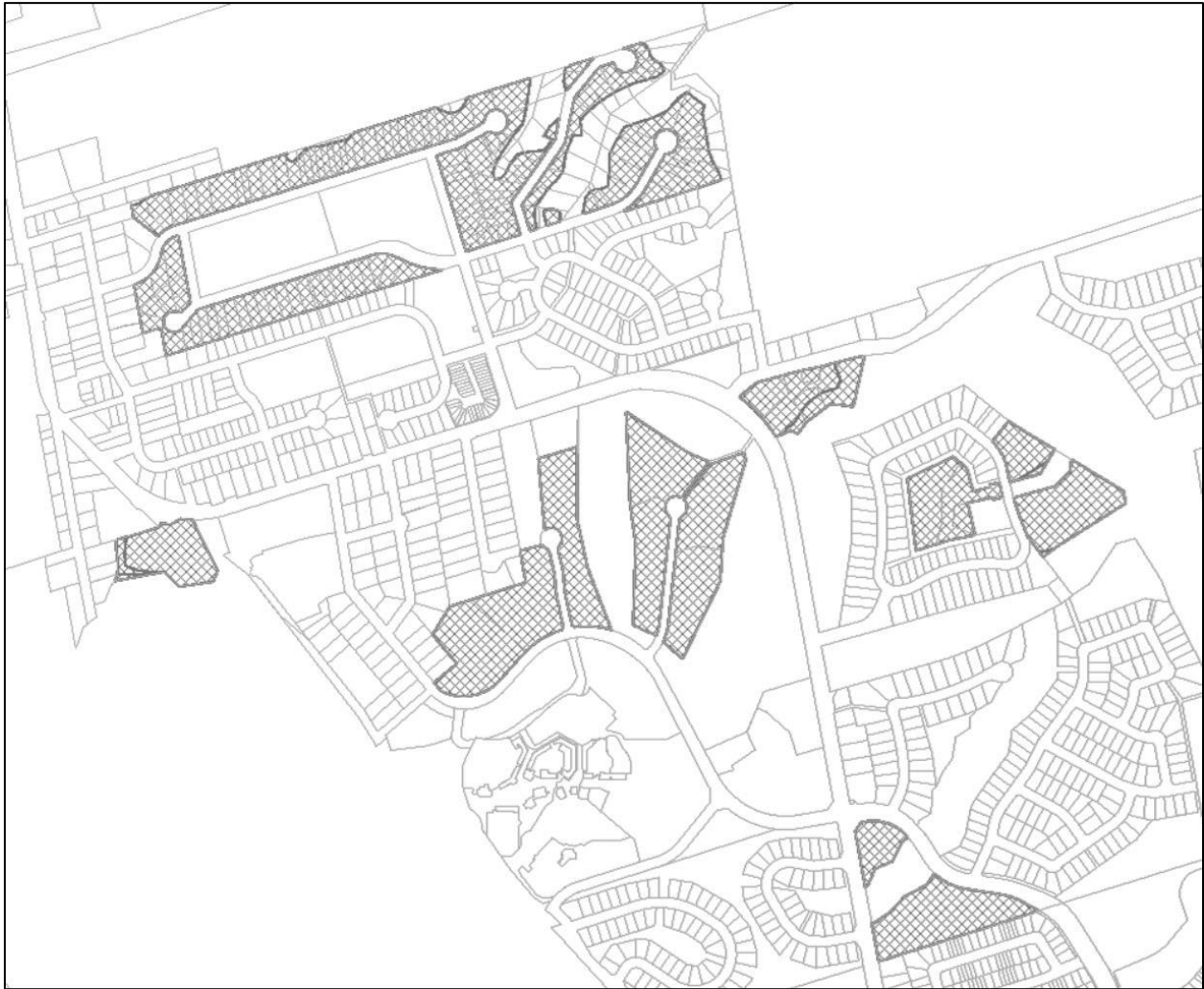


Figure 3. Exception Area under By-law 2009-03

Section B2.5(j) of the current Official Plan requires all short-term accommodation uses to connect to municipal water and sewage services, a policy that is preserved in the subsection (d)(iii) of the proposed amendment. It has therefore been, and will continue to be, a policy of the Town that STA uses are not permitted in areas that do not have full municipal services.

In the current Official Plan, Section B2.5(f) indicates that certain types of commercial accommodation identified under subsection (a), which includes Bed and Breakfast Establishments, Hotels/Motels, and others are distinct from STA uses and may be permitted by a site-specific Zoning By-law Amendment or where they are listed as a permitted use. As such, Bed and Breakfast Establishments are not subject to the same policies listed in Section B2.5 and are instead subject to the policies of Section B2.5.1. The proposed amendment preserves this distinction in subsection (g) and the policies for Bed and Breakfast Establishments will not be impacted by the proposed amendment. Hotels/Motels and other uses are directed by policy to Commercial and other designations in accordance with the Plan.

Section B2.5(c) of the current Official Plan distinguishes long-term rentals from commercial accommodation uses, specifying that this includes residential rental accommodation in a

residential dwelling for periods of thirty (30) days or greater. The policy also indicates that the provisions of the Plan for short-term accommodations do not apply to these types of leased residential dwelling units. Subsection (e) of the proposed amendment preserves this policy and long-term rental units will therefore not be impacted by the proposed amendment.

A fulsome review of proposed amendments to Section B2.5 is included as Attachment 3 to this report.

Based on the above commentary, Planning Staff are satisfied that the proposed amendment will implement the direction from Council to further prohibit any new STA's from being established outside of the defined Exception Area, and that the proposed amendment is consistent with the intent and purpose of the policies of the Official Plan.

Town of The Blue Mountains Zoning By-law 2018-65

In addition to regulation by policies of the Official Plan, STA uses are further regulated by the implementing Zoning By-law. The purpose of the Zoning By-law is to implement the policies of the Official Plan. In the current Zoning By-law, STAs are listed as a permitted use in the Resort Residential 'RR' zone and are not listed as a permitted use in any other zone. Section 4.32 of the Zoning By-law provides policies regulating STA uses, including buffering and parking requirements and occupancy limits. Table 5.3 lists non-residential parking requirements, including those required for STA buildings.

The proposed amendment would maintain existing zoning and permissions for those areas zoned Resort Residential 'RR', allowing property owners, both those currently operating STAs and those wishing to do so in the future, within these zones to operate an STA as-of-right, pending licensing requirements. The expansion or creation of zones with STA permissions would be prohibited outside of the Exception Area, effectively prohibiting the creation of any new zones with STA permissions as the entire Exception Area would already be zoned Resort Residential 'RR'. The creation of new zones with STA permissions would be difficult to achieve as it does require an Official Plan Amendment and Zoning By-law Amendment.

The current Zoning By-law does not appear to require updates as a result of this amendment. Existing zones that permit STA units will be maintained and the policies of the Zoning By-law continue to be relevant in the regulation of STA units. STA units operating as legal non-conforming uses outside of zones where an STA use is permitted will also be permitted to continue as legal non-conforming uses in accordance with Section 34(9) of the Planning Act, provided the use is continuous.

Conclusion

Based on the above commentary, Planning Staff recommend that the proposed amendment to the Official Plan be approved.

E. Strategic Priorities

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders.

3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

4. Quality of Life

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

F. Environmental Impacts

No adverse environmental impacts are anticipated as a result of the recommendations contained in this report.

G. Financial Impacts

No adverse financial impacts to the municipality are anticipated as a result of the recommendations contained in this report.

H. In Consultation With

Shawn Postma, MCIP RPP, Manager of Community Planning

I. Public Engagement

The topic of this Staff Report has been the subject of a Public Meeting which took place on **June 20, 2023**. Those who provided comments at the Public Meeting, including anyone who has asked to receive notice regarding this matter, has been provided notice of this Staff Report. Any comments regarding this report should be submitted to Carter Triana at planning@thebluemountains.ca

J. Attached

1. Public Meeting Comments (Summary)
2. Public Meeting Comments (Original)
3. Proposed Changes Matrix
4. Draft Official Plan Amendment
5. Draft By-law

Respectfully submitted,

Carter Triana

Planner

For more information, please contact:
Carter Triana, Planner
planning@thebluemountains.ca
519-599-3131 extension 262

Report Approval Details

Document Title:	PDS.23.066 Recommendation Report - Short-Term Accommodation Official Plan Amendment.docx
Attachments:	<ul style="list-style-type: none">- PDS-23-066-Attachment-1.pdf- PDS-23-066-Attachment-2_Redacted.pdf- PDS-23-066-Attachment-3.pdf- PDS-23-066-Attachment-4.pdf- PDS-23-066-Attachment-5.pdf
Final Approval Date:	Aug 2, 2023

This report and all of its attachments were approved and signed as outlined below:

Shawn Postma - Aug 2, 2023 - 11:37 AM

Adam Smith - Aug 2, 2023 - 1:32 PM