



SUBJECT: Short-term accommodations

TO: Planning and Development Committee

FROM: Department of City Building - Planning Building and Culture

Report Number: PB-71-19

Wards Affected: All

File Numbers: N/A

Date to Committee: October 8, 2019

Date to Council: October 28, 2019

Recommendation:

Receive and file department of city building report PB-71-19 regarding short-term accommodations.

Purpose:

Consider options to regulate Short-Term Accommodations.

Background and Discussion:

On September 23, 2019, Burlington City Council passed the following motion:

“Direct the Director of City Building to report back to the Planning and Development Committee meeting of October 8, 2019 with options to regulate operations related to Short-Term Accommodation rentals, including immediate, medium term and long-term options. (SD-28-19).”

Short-term accommodations have become increasingly popular in recent years with the growth of web-based platforms that facilitate the rental of rooms, apartments and entire dwellings for a short period of time by property owners. The short-term aspect of the rental is not consistently defined at this time but has been described in short-term accommodation by-laws enacted in several other jurisdictions as a rental of either less than 28 or less than 30 consecutive days.

The City of Burlington's Zoning By-law 2020 does not specifically address short-term accommodations. The Zoning By-law identifies zones and provides regulations for areas that permit residential uses, but it does not regulate ownership or rental duration of residential dwellings. Dwelling units have historically been rented via monthly or annual leases and there are no current regulations that prohibit the rental of dwelling units for shorter periods of time.

The Zoning By-law also defines Bed and Breakfast Homes as:

"An owner-occupied detached dwelling offering short-term lodging for compensation to the travelling and vacationing public. Guest rooms or suites may include a private bath but shall not include cooking facilities. Breakfast and other meals, services, facilities, or amenities may be offered exclusively to guests."

Regulations under Part 1, Section 2.21 of the By-law, indicate Bed and Breakfast Homes are a use permitted in all zones, in detached dwellings only, on lots greater than 18 m in width, are limited to 3 guest rooms, and require an additional parking space for each guest room in addition to the parking requirements for the dwelling. A short-term accommodation is not currently regulated in such a fashion as it is not currently defined.

In recent years many municipalities have initiated studies to assess the impacts and develop regulations for short-term accommodations in response to issues arising in their respective communities. This includes larger municipalities such as Toronto, Mississauga, Ottawa and Oakville, and smaller jurisdictions like Niagara on the Lake, Prince Edward County and Kawartha Lakes. The studies identified positive impacts such as financial benefits to homeowners struggling with housing affordability and increases in tourism; as well as nuisance issues related to traffic, noise and property maintenance in residential neighbourhoods, and potential negative impacts on the long-term rental market if it is more profitable to rent for short terms. Concerns have also been raised by hotels, motels and businesses traditionally involved in tourist accommodations that different rules and taxation apply to short term accommodations.

The studies also identified the range of stakeholders to be consulted in assessing benefits and impacts, and a variety of tools that could be implemented to regulate short-term accommodations. These include updates to policy documents and enactment of zoning by-laws, and licensing and registration tools. For example, some municipalities have restricted rentals to specific types of units; or only to units where the host is the principal resident; or specific zones or geographic areas. Licensing can be required only for the host or may also be required for the company providing the booking platform.

In Burlington, staff respond to many public inquiries seeking information on requirements to permit short-term accommodations within an existing dwelling unit, as well as questions from neighbours concerned about the potential for short-term

accommodation uses when an accessory dwelling unit is approved. Additionally, complaints are received about noise, parking, traffic management, safety and garbage that residents attribute to short-term accommodations; as well as complaints about dwellings that frequently host events such as large parties and weddings.

Burlington needs to develop an approach to short-term accommodations that responds to the issues and concerns raised above, provides the appropriate policy and regulatory framework to accommodate this emerging land-use and minimizes neighbourhood impacts. A study to assess impacts of the sharing economy was initiated by planning and licensing staff several years ago but was suspended to respond to other Council priorities. The specific issue of short-term accommodations was subsequently added to the Comprehensive Zoning By-law Review study that is scheduled to begin in Q3 2020 and will require a multi-year timeframe.

In response to the September 23, 2019 Council motion, options to address development of short-term regulations are presented below.

Immediate:

- Planning, Zoning and Licensing staff will continue to gather research on short-term accommodation studies, policies, by-laws and regulations being prepared by other municipalities.
- Planning staff will monitor the outcome of LPAT hearings related to short-term accommodation by-laws enacted by other municipalities.
- By-law Enforcement staff will continue to respond to and investigate complaints and fully enforce current bylaws such as noise, property standards, exterior maintenance and parking.
- By-law Enforcement staff will continue to collaborate with other enforcement agencies/stakeholders and communicate with the Integrated Municipal Enforcements Team (IMET) which consists of Halton Regional Police Services, Halton Public Health, Burlington Building & Bylaw Enforcement, Burlington Fire Services and the Alcohol Gaming Commission of Ontario.

Medium-term (2020):

- Planning staff will initiate work on a Terms of Reference for a Short-Term Accommodation study to be incorporated with the Comprehensive Zoning By-law study with assistance from Zoning, Licensing and By-law Enforcement staff.
- Licensing and By-law Enforcement staff will monitor the effectiveness of licensing and registration by-laws enacted in other municipalities.

Long-term:

- The Terms of Reference for a Short-Term Accommodation study will be presented to Council for approval and the study will be undertaken in conjunction with the Comprehensive Zoning By-law Review.
- The study process will involve stakeholder and public engagement, and address matters including impacts on the rental housing market; housing affordability and tourism; potential policy and zoning by-law amendments that consider types of units, applicable zones, geographic areas, parking impacts and specific regulations; and licensing and registration options.

Options considered

Council could direct staff to proceed immediately with a short-term accommodations study. However, there is no capacity with the current staff complement. Should Council wish to initiate a short-term accommodation study in advance of the Comprehensive Zoning By-law Review, staff would need to report back on additional resource requirements, including one-time funding sources.

Financial Matters:

Financial impacts, including potential costs required for consulting work will be identified at time of preparation of the Terms of Reference for the study.

Public Engagement Matters:

A public engagement strategy will be developed as part of the study Terms of Reference.

Conclusion:

Short-term accommodations are a new type of land use that can provide positive impacts to the community. A comprehensive assessment of issues related to short-term accommodations is required to develop the policy and regulatory tools that will best serve the Burlington community. This study is proposed to be undertaken as part of the Comprehensive Zoning By-law review study to be initiated in Q3 2020.

Respectfully submitted,

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Report Approval:

All reports are reviewed and/or approved by Department Director, Director of Finance and Director of Legal. Final approval is by the City Manager.