

Municipality of Lakeshore - Report to Council

Growth & Sustainability



To: Mayor & Members of Council

From: Tammie Ryall, BES, RPP, Corporate Leader – Growth & Sustainability

Date: July 7, 2023

Subject: Policies for Short Term Rentals in the Municipality of Lakeshore Official Plan Review, Official Plan Amendment No. 16

Recommendation

Endorse the policies to regulate Short Term Rentals in the Lakeshore Official Plan Review, Official Plan Amendment No. 16, as included in Attachment 1;

Direct Administration to advise the County of Essex of Council's endorsement of the Short Term Rental policies; and

Prepare a zoning by-law amendment to implement the Short Term Rental policies and Council direction; all as presented at the July 18, 2023 Regular Council meeting.

Background

The Official Plan is a document which contains goals, objectives and policies intended to guide the long-term future land use and growth within the Municipality. It provides the policy framework to guide the physical, social and economic development of the Municipality. All municipal public works undertaken, and all by-laws passed must be in conformity to the Official Plan (as required under Section 24 of the *Planning Act*).

Lakeshore Council adopted Official Plan Amendment No. 16 on April 20, 2021 in order to update the Official Plan. More detailed information and a summary of the process, public engagement and Council motions are included in Attachment 2.

Council Motion on Short Term Rentals

A motion of Council, 15-2020 was passed on July 28, 2020, which directed "Administration to prepare a report for the first meeting of September regarding prohibiting short term accommodation rentals."

A report was presented in September 2020 with different options for consideration. Subsequently, public meetings were held to receive public comments on short term rentals.

The version of the Official Plan Amendment No. 16 (OPA 16) presented at the November 17, 2020 Public meeting contained policies intended to guide the development of Short Term Rentals. This meeting was the “statutory” public meeting required under the Planning Act, prior to Council adoption. A subsequent report to Council summarized the comments received and recommended changes to the OPA 16.

The following resolution was passed at the special Council meeting of December 15, 2020:

451-12-2020

Remove revisions to the draft Official Plan regarding short term rentals.

Carried

On September 28, 2021, a report was presented. Council passed a motion to defer consideration of the report pending a further report regarding regulatory options for short term rentals, including business licensing, number of permitted short term rentals, definition of primary residence and types of dwelling.

Following receiving a report on Short Term Accommodations, Regulating and Licensing Options on May 10, 2022, Council directed Administration to implement Option 3, to permit short-term rental accommodations in primary residences only, to be regulated in the zoning by-law.

Comments

In keeping with the motion of Council 451-12-2020, references to short term rentals were removed from the OPA 16.

Council directed administration to review short term rentals in 2021 and undertake public consultation on this topic.

As public consultation was undertaken, and Council subsequently directed that Short Term Rentals be regulated in the Zoning By-law on May 10, 2022, it is recommended that the Official Plan policies previously in the OPA 16 be reinstated.

The policies treat short term rentals the same as bed and breakfast establishments. Bed and Breakfast establishments are in the current Official Plan. The policies refer to short term rentals as “other forms of short term accommodation” and permit them in the following areas:

Section 4.4.2 – Tourism – general policies supporting the development of short term rentals

Section 6.2.1 – Agricultural – short-term rentals would be permitted in the agricultural area and considered as a home occupation that is an on-farm diversified use.

Section 6.3 – Hamlet Sections; 6.4 – Waterfront; Section 6.5.1 Urban Fringe; and, Section 6.6. Residential – short-term rentals would be permitted in a single detached dwelling subject to a zoning by-law amendment. The need for a zoning by-law amendment would ensure that criteria such as adequate parking and ensuring that it is the primary residence would be reviewed and that adjacent residents would be informed of the change of use.

Council directed that short term rentals be permitted in primary residences. Therefore, the wording has been revised to state that short term rentals will be permitted in residential units in the Mixed-Use designation, Section 6.9 of the Official Plan.

The changes to include short term rentals are shown in yellow highlights in Attachment 1.

Conclusion

Administration is of the opinion that the short-term rental policies are consistent with the Policies of the 2020 Provincial Policy Statement and conform with the policies of the upper tier Official Plan, namely the County of Essex Official Plan (2014).

Next Steps

If Council supports the recommendation in this report to regulate short term rentals in OPA 16, as included in Attachment 1, Administration will advise the County Planning Department of Council's direction. The County of Essex is the approval authority for review and approval of OPA 16.

The County will review the request, and if in agreement, will include the short term rental policies in the list of modifications (changes) to OPA 16.

A list of the proposed modifications (changes) will be presented to Lakeshore Council for endorsement at a future meeting (Q3 or Q4 of 2023).

Administration will prepare a zoning by-law amendment to implement the policies and the previous Council direction. A public meeting is required for a zoning by-law amendment. Notice of the public meeting and subsequent adoption will be sent to those persons and agencies which are required under the Planning Act and Regulations.

Others Consulted

The Municipality of Lakeshore Planning Consultant, WSP

The County of Essex, as the approval authority of OPA 16.

Financial Impacts

There are no budget impacts resulting from the recommendation. Council allocated \$115,000.00 to the OPA 16 capital project in 2020.

Attachments:

Attachment 1 – wording to include Short Term Rentals into the Official Plan

Attachment 2 – Summary of the Official Plan review process

Final version of Official Plan with deletions and additions (March 2021) with red lines appears at the March 9, 2021 meeting calendar at

<https://events.lakeshore.ca/Meetings/Detail/2021-03-09-1800-Regular-Council-Meeting>

Report Approval Details

Document Title:	Reference to Short Term Rentals in the Lakeshore Official Plan.docx
Attachments:	- Attachment 1 Lakeshore OP Short Term Rental Sections.docx - Attachment 2 Summary of the Official Plan program.docx
Final Approval Date:	Jul 13, 2023

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

Prepared by Tammie Ryall

Approved by Justin Rousseau and Truper McBride