

 <p data-bbox="280 268 459 327">Municipality of Magnetawan</p>	<h2 data-bbox="846 205 1133 247">STAFF REPORT</h2>
To:	Council
From:	Erica Kellogg – Acting Deputy Clerk – Planning and Development
	Short-term Accommodation Comparison
Report Date:	March 29 th , 2023

Recommendation:

That the Council of the Municipality of Magnetawan receives this report for information purposes only and directs Staff to prepare a Draft Licensing By-law as discussed.

Background:

Following a 2022 Town Hall meeting on Short-term Accommodation (STA), Staff received public comment on the pros and cons of Short-term Accommodation operations within the Municipality. Council directed Staff to continue to gather information, while allowing the 2022 municipal election to take place and allow the newly elected Council to revisit licensing of Short-term Accommodations.

Evaluation:

17 municipalities who either regulate or outright ban the operation of Short-term Accommodations have responded to our request for feedback on their short-term accommodation policies. Three municipalities have outright prohibited the operation of short-term accommodation.

The below information is a representation of the 14 Municipalities that responded with licensing provisions.

- 93% do not allow accessory structures to be licensed as STA's;
- 93% offer annual licenses;
- 57% require the licensed property to be in good standing with the municipality, including taxes, By-law, Zoning, etc.;
- 86% impose a penalty clause: 3-strike rule, suspension or a complete revocation of the licence;
- 79% impose occupancy limits -- typically two people per bedroom and no more than 2 additional occupants per additional sleeping space (pull out coach). Additional sleeping spaces are deemed a bedroom. A maximum occupancy ranging from 10 – 12 people overnight. Event gatherings (weddings) can be double the permitted occupancy; however, only the permitted occupancy can sleep overnight;
- 29% require licensees to include advertisement platforms used in their operation to be included on their licenses application ie. Air BnB, Virbo, Cottages Ontario, etc.;
- 35.7% require the inclusion of their license, on their advertisement platform i.e Air BnB, Virbo, Cottages Ontario;
- 36% require the license to be posted at the property, typically either in a Code of Conduct or on the back side of the front door;
- 57% permit either numbered companies and/or corporations to operate a licenced STA. Several of the comparable noted in the positive, are year round tourist destinations such as Blue Mountains, North Bruce Peninsula (Tobermory and Bruce Peninsula National Park), Gordan/Barrie Island (Manitoulin Island)
- 100% do not allow a license to be transferred;

- 43% require the host to provide a Code of Conduct to renters, providing information on being a Good Neighbour guide, a Fire Plan, impact of noise, max occupancy, various Municipal By-laws and more;
- 71% require a host to be available by phone within 30 minutes and onsite within 60 minutes;
- 64% require a Site Plan to be provided outlining all structures and parking for the subject lands;
- 86% collect or impose either Municipal Accommodation Tax, Administrative Monetary Penalty, Provincial Offence Fines or Fines under the *Municipal Act*, in addition to permit fees and inspection fees;
- 36% respondent municipalities require either a septic inspection, authority approval letter or a record of pump outs;
- 14% impose limitations on operation months, for example three or five months, non-consecutive;
- 21% respondent municipalities require Fire Department inspections prior to license approval;
- 64% require insurance with notification that an STA is in operation and a two-million liability;
- 14% require Building Code inspections by the Building Department prior to license approval;
- 21% require confirmation of adequate parking, specifically noting parking must be on a hard surface;
- 21% require a floor plan to be provided, indicating number of bedrooms, square footage, means of egress and more.

License fees vary within the comparable municipalities, ranging from the low end of \$250 and the high end of \$2300. In addition to these license fees, 85.7% of municipalities collect either, MAT, AMP/POA fines or fines under the *Municipal Act* as a means to offset inspections, compliance and processing of licensing.

Interesting notes from Staff review;

One municipality requires notice be given to renters that STA operation is located on a private road with limited services provided.

There are minimum distance requirements for STA operation, this is a means to control the density of STA operations within a given area.

One municipality required that if an STA is within 15 feet of another residential property, a 5-foot fence needs to be erected.

Some municipalities speak directly to 'event' hosting, for example, weddings, whereas daytime occupancy can increase however overnight occupancy remains as approved by the license.

There is also a restriction that travel trailers/tents cannot be placed on the STA property, restricting added occupancy outside the primary dwelling.

Hotels, motels, as well as Bed and Breakfasts are excluded from the definition of STA's.

Restrictions on the renting of part of a dwelling, opting to require the entire dwelling to be offered for rent, this supports long-term rental options.

The following are recommendations for consideration for implementation within a licensing By-law:

RECOMMENDATIONS

- STA operations are to be the entire dwelling and not a portion or room of a dwelling. In order to ensure that long-term rental challenges which currently exist are not exasperated. Density of STA operations will be managed since four operating STA room rentals within one dwelling would significantly impact the surround community;
- One licensed issued per property;
- Operators provide renters with a Code of Conduct;
- Operators obtain and provide proof of insurance, with a clear indication an STA is in operation within the property and a minimum five-million dollar liability;
- Require an onsite response time of 60-minutes and a 30-minute phone response time;

- Implement fines for non-compliance
- Implement Municipal Accommodation Tax to offset the cost for potential Staff costs when conducting inspections, compliance responses and license processing;
- Impose occupancy limits and event hosting limits;
- Require licenses to be renewed annually;
- Prohibit the issuance of licenses to corporations and numbered companies;
- Include owner's declarations for conformity with septic and fire – with the understanding that random inspections may occur to ensure compliance;
- Application submissions should include: Site Plan, Floor Plan, confirmation of septic authority approval for adequate servicing for proposed occupancy and fire safety plan;
- Licence fee
- System of penalties and revocation clause

CONCLUSION

Through various means of engagement regarding STA's and the operation of within the Municipality, members of the public have shared how STA's support the local economic environment, increase tourist activity within Magnetawan and add value to the community. We have also heard that the STA operations increase illegal dumping, increase noise, create a disruption on neighbouring residents' enjoyment of their property and have the potential to impact long term rentals and permanent population.

Implementing the above noted recommendations in conjunction with the additional provisions, Staff is of the opinion that a balanced, equitable and responsible approach to the regulation and management of Short-term Accommodations will mitigate current and future challenges, while ensuring the fabric of the Magnetawan community as a whole will be maintained for generations to come.

Respectfully submitted,
Erica Kellogg
Acting Deputy Clerk – Planning and Development