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| To: | Warden Hicks and Members of Grey County Council |
| Committee Date: | September 12, 2019 |
| Subject / Report No: | PDR-CW-36-19 |
| Title: | Town of The Blue Mountains Official Plan Short Term Accommodations Policies |
| Prepared by: | Scott Taylor |
| Reviewed by: | Randy Scherzer |
| Lower Tier(s) Affected: | Town of The Blue Mountains |
| Status: | Recommendation adopted by Committee as presented per Resolution CW180-19; Resolution CW180-19 was amended by Council September 26, 2019 per Resolution CC76-19. |

Recommendation

1. That Report PDR-CW-36-19 be received, and
2. That the County hereby approves sections B2.5 and B3.7.6.14 of the Town of The Blue Mountains Official Plan, subject to the following modifications attached to Report PRD-CW-36-19 as Schedule 1 dated September 12, 2019.

Executive Summary

The County of Grey approved the new Town of The Blue Mountains Official Plan in June 2016. At that time the County withheld the decision on section B2.5 of the Plan, regarding Short Term Accommodations, pending some additional work to be completed by the Town. The Town has now completed their additional work on the Short Term Accommodations, which included public consultation, on official plan, zoning and licensing provisions. Town staff have now forwarded proposed new Official Plan policies to be considered and approved by the County. The new Short Term Accommodations policies are very similar to the policies in the previous Town of The Blue Mountains Official Plan, and County staff are recommending them for approval with two minor modifications, as shown in Schedule 1.

Background and Discussion

On June 21, 2016 the County approved the new Town of The Blue Mountains Official Plan (TOTBMOP). At that time the County passed the following motion;

“THAT the Planning and Community Development Committee hereby approves the “Town of The Blue Mountains Official Plan” as adopted by By-law No. 2014-56, subject to the following modifications attached to Report PDR-PCD-22-16 as Schedule 1 and dated June 21, 2016;

AND FURTHER THAT the County withhold a decision on section B2.5 of the Plan, regarding Short Term Accommodations, pending the presentation of future draft zoning provisions to accompany this section of the Plan.”

A link to staff report PDR-PCD-22-16 and the addendum report have been included in the Attachments section of this report. Following the County’s decision on the TOTBMOP, portions of the Official Plan were appealed to the Ontario Municipal Board (OMB), which has now been replaced by the Local Planning Appeal Tribunal (LPAT). Some of those appeals have since been resolved and one appeal remains active on a site-specific basis. None of the appeals related to Short Term Accommodations (STA), as the County withheld their decision on the STA policies.

Since 2016 Town staff and Council have completed their review of the STA official plan and zoning policies as well as the Town’s STA licensing by-law. Through a resolution dated May 13th, 2019, the Town has now forwarded new STA official plan policies for the County’s consideration and approval in the 2016 TOTBMOP.

Prior to the new TOTBMOP, the Town had STA policies in their previous official plan approved via Official Plan Amendment (OPA) # 11. At the time those previous policies were approved, they were appealed to the OMB, and later approved by the OMB. When OPA 11 was passed, the Town became a leader in the Province in trying to regulate STA uses, which had not yet ‘exploded in popularity’ in the way they now have through the sharing economy.

The intent throughout the new TOTBMOP was to keep the new policies as similar as possible to the original STA policies approved by the OMB. Based on the new TOTBMOP and some changed designations and policies, it was not possible to duplicate the earlier policies exactly, but the strategy was to maintain the wording and intent of the policies as much as possible.

The current TOTBMOP contains definition for ‘Short Term Accommodation’ as follows;

“Means a building or structure or any part thereof that operates or offers a place of temporary residence, lodging or occupancy by way of concession, permit, lease, license, rental agreement or similar commercial arrangement for any period less than thirty (30) consecutive calendar days, throughout all or any part of a calendar year. Short term accommodation shall not mean or include a motel, hotel, bed and breakfast establishment, tourist cabin or cottage, hospital, commercial resort unit, village commercial resort unit or similar commercial or institutional use.”

The Town regulates STA uses for a number of reasons in an effort to prevent land use conflict, ensure public health and safety, and to ensure such uses are properly monitored and enforced. STA uses have traditionally been more of a land use ‘issue’ in the Town of The Blue Mountains, versus some of the other municipalities within Grey.

A link to the Town's staff reports on the STA policy changes, including the proposed policies themselves (found at pages 9 – 12 of the Town staff report PDF document), have been included in the Attachments section of this report.

Public and Agency Comments Received

County staff have not received any further public or agency comments on the STA policies since being forwarded the Town's proposed policies on May 16, 2019. Copies of the comments received have been included in the Town's staff reports linked to in the Attachments section of this report. It is worth noting that much of the concern expressed in the comments received relates more directly to;

- a) proposed zoning provisions,
- b) proposed changes to the licensing by-law, and
- c) revocation of some existing STA licenses.

The proposed STA official plan policies are similar to the previous OPA 11 policies. These policies are somewhat general in nature but are implemented by the specifics in the zoning and licensing by-laws.

Analysis of Planning Issues

When rendering a land use planning decision, planning authorities must have regard to matters of Provincial Interest under the *Planning Act*, be consistent with the Provincial Policy Statement (PPS) 2014, and conform to any official plans or provincial plans that govern the subject lands. Portions of the Town of The Blue Mountains are covered by the Niagara Escarpment Plan. County staff are not aware of any outstanding conformity issues with the Niagara Escarpment Plan with respect to the proposed STA policies.

The Planning Act

Section 1.1 of the *Planning Act* outlines the purposes of the Act. The purposes of the Act promote sustainable economic development, in a healthy natural environment, within a land use planning system led by provincial policy and matters of provincial interest. Section 2 of the *Planning Act* outlines matters of Provincial Interest, which decision makers must be consistent with when carrying out their responsibilities under the Act. The proposed revisions are very specific in nature (i.e. relating to STA) and not directly addressed in the matters of Provincial Interest under the *Planning Act*. New STA uses are required to be located in settlement areas on full municipal water and sewer services. In doing so this would encourage development within settlement areas, while helping protect agricultural, environmental and resource lands, as prescribed by the *Planning Act*. STA uses are considered commercial in nature, and therefore can provide some economic activity supporting tourism in the Town. STA uses are restricted in some residential areas where nuisance or land use conflict between the STA uses and the existing residential uses could be prevalent.

County staff are satisfied that the Town followed the appropriate legislative requirements for notification and the hosting of a public meeting for the proposed STA TOTBMOP policies.

Provincial Policy Statement (PPS)

A key goal of the PPS is to encourage development and redevelopment within settlement areas. As noted above, new STA uses are required to be on full municipal services within settlement areas. Similar to the *Planning Act*, the PPS promotes a range of economic opportunities including both tourism and commercial businesses. STA uses serve as both income properties and accommodations for short-term tourists. Appropriate mechanisms are in place through the official plan policies, and more so through the zoning provisions and licensing by-law to prevent such commercial uses from being; (a) a risk to public health and safety, and (b) causing undue impact on existing residential uses.

County staff are satisfied that the proposed STA policies are consistent with the PPS.

County Official Plan

When approving the TOTBMOP in 2016, County staff were testing the Plan against the County Official Plan in place at the time, which was approved in 2000, and modified substantially in 2012 by OPA 80. Since then the County has had a new Official Plan, *Recolour Grey*, approved by the Province. Both *Recolour Grey* and its predecessor contain two main settlement area designations (or land use types) in the Town of The Blue Mountains;

- 1) Primary Settlement Areas, and
- 2) Recreational Resort Areas.

In both instances the County Plan requires new development to be on full municipal water and sewer services. The County Plan also generally defers to the detailed policies in municipal official plans and the Niagara Escarpment Plan for development in settlement areas.

In *Recolour Grey* the County did not insert any detailed STA policies, but did include the following provisions in section 4.2.8;

“4.2.8 Short-Term Accommodation

The County recognizes the need to identify and have regard for short-term accommodations. There are many different types, some of which include bed and breakfast establishments, care homes, farm vacation homes, and dwellings rented for short term periods, but do not include motels or hotels. Short-term accommodations (rented less than 30 days at a time) are at times being operated similar to commercial hotel operations. The County acknowledges that this may pose land use conflicts for surrounding residential areas and could have long-term implications on the available rental market. There are recognized benefits to allowing these types of short-term uses, although we recommend local municipalities implement regulating policies to address any potential long-term concerns.”

The County had earlier approved OPA 11 to the previous TOTBMOP, which was later approved by the OMB. The proposed STA policies are very similar to the OPA 11 policies. The proposed policies would not appear to conflict with any provisions in the previous County Official Plan, or in the current *Recolour Grey*. Staff are satisfied that the proposed policy provisions conform to the County Official Plan.

Town of The Blue Mountains Official Plan

The proposed policy provisions would be inserted into the TOTBMOP at sections B2.5 and an exception at B3.7.6.14. With respect to a specific analysis on the TOTBMOP County staff would generally defer to the detailed staff reports prepared by Town staff and linked to in the Attachments section of this report. Town staff have recommended approval of the proposed STA policies, and are satisfied that they maintain the goals and objectives of the TOTBMOP.

The proposed STA policies are found at pages 9 – 12 of the Town staff report PDF document (linked to in the Attachments section of this report). There are two minor modifications to the proposed policies to correct and clarify typographical matters. Both modifications have been supported by Town staff.

Legal and Legislated Requirements

These proposed changes to the Town of The Blue Mountains Official Plan have been processed in accordance with the *Planning Act*. The proposed STA policies would not appear to conflict with the outstanding site-specific matters under appeal in the 2016 TOTBMOP.

Financial and Resource Implications

There are no anticipated financial, staffing or legal considerations associated with the proposed official plan policy changes, beyond those normally encountered in processing official plans or official plan amendments.

Relevant Consultation

Internal: Planning Staff

External: Town of The Blue Mountains, members of the public, and agencies under the Planning Act.

Appendices and Attachments

[Addendum to Report PDR-PCD-22-16 Blue Mountains Official Plan](#)

[PDR-PCD-22-16 Town The Blue Mountains Official Plan](#)

[Town of The Blue Mountains STA Staff Reports](#)

Schedule 1: Proposed Modifications to the Short Term Accommodation Policies

| Modification Number | Section Number | Principle Basis for the Proposed Modification | Recommended Modification |
|---------------------|----------------|---|---|
| 1 | Item 2 | Typographical correction | Under 'Item 2' the reference to ' Schedule A-5 ' is hereby deleted and replaced by ' Schedule A-4 '. |
| 2 | Item 3 | Mapping clarification | <p>'Item 3' is hereby deleted and replaced by the following;</p> <p>“Add Exception Areas of B3.7.6.14 to Official Plan Schedule A-4 as shown below;</p> <div data-bbox="787 714 1333 1388" style="border: 1px solid black; padding: 10px; margin: 10px auto; width: fit-content;"> <p style="text-align: center;">Short Term Accommodation Areas Exception B3.7.6.14 2016 Town of The Blue Mountains Official Plan</p> <p style="text-align: center;">  Area affected by Exception B3.7.6.14 </p>  </div> |