Comité de l'urbanisme et Comité des services communautaires et de protection Rapport conjoint 1 le 28 avril 2021

Extract of Minutes 1 Special Joint meeting of Planning Committee and Community and Protective Services Committee April 22, 2021 Extrait de l'ébauche du procès-verbal 1 Réunion extraordinaire conjointe du Comité de l'urbanisme et du Comité des services communautaires et de protection Le 22 avril 2021

Zoning By-law Amendments to Permit the Short-Term Rental of Residential Dwelling Units City-Wide

ACS2021-PIE-EDP-0005

City Wide

Report recommendations

That the Community and Protective Services Committee and Planning Committee recommend that Council:

- 1. approve amendments to Zoning By-law 2008-250 to modify existing definitions for Bed and Breakfast and Hotel uses and introduce new definitions and provisions for Short-term rental and Cottage rental, as detailed in Document 1;
- 2. approve a temporary (three-year) amendment to Zoning By-law 2008-250 to permit the short-term rental of residential dwelling units city-wide, as detailed in Document 2; and
- 3. that the temporary Zoning By-law Amendment set out in Recommendation 2 be conditional upon the coming into full force and effect of the related Short-Term Rental By-law proposed in report ACS2021-EPS-PPD-0001.

The committee considered this item concurrently with Item 2 of the agenda, Short-Term Rental By-law (ACS2021-EPS-PPD-0001).

The following staff provided a presentation, a copy of which is held on file: Valérie Bietlot, Manager of Public Policy Development, Emergency and Protective Services Department (EPS); Marika Atfield, Planner II, Planning, Infrastructure and Economic

Development Department (PIED).

In addition, the following staff responded to questions or provided comments:

- EPS: Laila Gibbons, Associate General Manager; Jerrod Riley, By-law Review Specialist; Roger Chapman, Director, By-Law & Regulatory Services
- > PIED: David Wise, Program Manager, Zoning & Intensification
- > Finance Services Department: Joseph Muhini, Deputy City Treasurer
- Innovative Client Services Department: Stuart Huxley, Senior Legal Counsel; Tim Marc, Senior Legal Counsel-Planning, Development & Real Estate

The committee heard seven delegations on the two reports, as follows:

- Michael Crockatt, President & CEO, Ottawa Tourism, said the bylaw strikes the right balance and is a good time for the pilot before the tourism sector returns to some sense of normalcy post pandemic.
- Steve Ball, President, Ottawa Gatineau Hotel Association, supported the proposed regulations as good measures to level the playing field for the shortterm rental industry. He noted the need for strong monitoring and enforcement of the regulations once implemented.
- Cheryl Parrott, Hintonburg Community Association, echoed previous speakers' comments in support and agreed that now is a good time to implement the By-law before travel restrictions are eased post-pandemic. She also noted the need for stringent monitoring (and enforcement) of rental platforms, and in particular mentioned the 30-day minimum stay being advertised by some apartment buildings.
- Nathan Rotman, Public Policy, Airbnb, suggested that with so many people and small businesses suffering during the pandemic, this is not the time to consider additional restrictions on short-term rentals; he asked that the City delay implementing the proposed By-law until winter of 2022.
- Tony Miller, President, Ottawa Small Landlord Association (OSLA), spoke in support but noted that the proposed By-law will likely not lead to an increase in

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rental vacancy rates or improve housing affordability. He noted OSLA's concerns around the exclusion of corporations from the definition of "principal residence" and with challenges that small landlords will continue to face because of significant delays and lack of legal recourse at the Landlord and Tenant Board.

- Nicole Robinson, Articling Student, Davidson Houle Allen LLP Condominium Law, spoke in support but suggested that a provision be added to the By-law to clarify that condo corporations retain the authority to govern short-term rentals in their communities, separate and apart from the municipal regulations.
- Heather Pearl, Co-Chair, Champlain Park Community Association, was supportive of the proposed By-law, noting some of the challenges their community has faced with 'ghost hotels' and short-term rental properties; she suggested the regulations could be further tightened to protect public health and safety through measures such as limiting the number of rentable bedrooms to three and limiting the number of days per year a property can be rented.

The following correspondence was provided to the committee coordinator between April 12 (the date the report was originally published to the City's website with the agenda for this meeting) and the time the matter was considered on April 22, 2021, a copy of which is held on file:

- Email dated April 12 from Carol Schwartz
- Email dated April 19 from Pat Lamanna on behalf of Residents of Old Courtland Park
- Email dated April 19 from Martin Bellefleur
- Email dated April 20 from Roberto D. Aburto, Gowling WLG (Canada) LLP on behalf of Ottawa Short Term Rental Association Inc.
- Email dated April 21 from Kevin Ulug
- Email dated April 21 from Nicole Robinson, Articling Student, Davidson Houle Allen LLP Condominium Law
- Email dated April 21 from Karen Petticrew

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- Email dated April 21 from Akeel
- Email dated April 21 from Mr. Dana Michael Lyle
- Email dated April 21 from Joshua Bassett
- Email dated April 21 from Kati Lyon
- Email dated April 21 from Kevin Watson
- Email dated April 21 from email sender 'Jeff Tee' (unsigned)
- Email dated April 21 from Alex Santos
- Email dated April 21 from Anne Taylor
- Email dated April 21 from John Dickie, Chair, Eastern Ontario Landlord Organization
- Email dated April 21 from Erik Miksik
- Email dated April 21 from Anne Bell
- Email dated April 21 from Carol Miksik
- Email dated April 21 from Mike (email sender 'Mike Britton')
- Email dated April 21 from Gabrielle Jacobs
- Email dated April 21 from Cheryl Parrott, Co-Chair Security Committee, Hintonburg Community Association
- Slide presentation from Tony Miller, President, Ottawa Small Landlord Association (received April 21)
- Email dated April 21 from Julia Farrow-Simpson
- Email dated April 21 from Kendra Eyben
- Email dated April 21 from Kevin B.
- Email dated April 21 from Heather Pearl, Co-Chair, Champlain Park Community

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Association

- Email dated April 21 from Jason Leslie
- Email dated April 20 from Debora Jackson
- Email dated April 21 from Robert Brocklebank
- Email dated April 21 from Guy Holmwood-Bramwell
- Email dated April 21 from Gergely Orosi, PhD

The committee considered each report separately, for voting purposes, as follows:

Agenda Item 1, Report - Zoning By-law Amendments to Permit the Short-Term Rental of Residential Dwelling Units City-Wide (ACS2021-PIE-EDP-0005)

Motion N° PLC-CPSC 2021-1/1

Moved by Councillor M. Luloff

WHEREAS the *Planning Act*, as amended by Bill 73, the *Smart Growth for Our* <u>Communities Act, 2015, encompasses provisions around public engagement</u> requirements, including identifying how Council decision-making incorporates formal public submissions; and

WHEREAS City Council adopted a practice in 2016 in an effort to meet those requirements whereby staff reports involving Zoning By-law Amendments or Official Plan Amendments include a recommendation that requires the Office of the City Clerk to prepare a summary of the oral and written submissions received by the Committee Coordinator between the publication of the associated reports with the respective committee agenda and the time of Council's decision on the matters; and

WHEREAS the standard recommendation in respect of this explanation requirement was inadvertently omitted from report ACS2021-PIE-EDP-0005;

THEREFORE BE IT RESOLVED that the report be amended to include the following recommendation:

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 "<u>That the Community and Protective Services Committee and Planning</u> <u>Committee approve the Consultation Details Section of this report be</u> <u>included as part of the 'brief explanation' in the Summary of Written and</u> <u>Oral Public Submissions, to be prepared by the Office of the City Clerk and</u> <u>submitted to Council in the report titled, "Summary of Oral and Written</u> <u>Public Submissions for Items Subject to the Planning Act 'Explanation</u> <u>Requirements' at the City Council Meeting of April 28, 2021," subject to</u> <u>submissions received between the publication of this report and the time of</u> <u>Council's decision</u>."

CARRIED

Report recommendations

That the Community and Protective Services Committee and Planning Committee recommend that Council:

- 1. approve amendments to Zoning By-law 2008-250 to modify existing definitions for Bed and Breakfast and Hotel uses and introduce new definitions and provisions for Short-term rental and Cottage rental, as detailed in Document 1;
- 2. approve a temporary (three-year) amendment to Zoning By-law 2008 250 to permit the short-term rental of residential dwelling units city wide, as detailed in Document 2; and
- 3. that the temporary Zoning By-law Amendment set out in Recommendation 2 be conditional upon the coming into full force and effect of the related Short-Term Rental By-law proposed in report ACS2021-EPS-PPD-0001.
- 4. <u>That the Community and Protective Services Committee and Planning</u> <u>Committee approve the Consultation Details Section of this report be</u> <u>included as part of the 'brief explanation' in the Summary of Written and</u> <u>Oral Public Submissions, to be prepared by the Office of the City Clerk and</u> <u>submitted to Council in the report titled, "Summary of Oral and Written</u> <u>Public Submissions for Items Subject to the *Planning Act* 'Explanation <u>Requirements' at the City Council Meeting of April 28, 2021," subject to</u> <u>submissions received between the publication of this report and the time of</u></u>

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Council's decision

CARRIED as amended

Agenda Item 2, Report - Short-term Rental By-law (ACS2021-EPS-PPD-0001)

Motion N° PLC-CPSC 2021-1/2

Moved by Councillor M. Luloff

WHEREAS, as part of the Report on Rental Accommodations Study and Regulatory Regime (ASC2019-EPS-GEN-0015) that detailed the research which informed the recommended Short-term Rentals By-law being proposed by staff, Maclaren Municipal Consulting prepared an independent assessment of local regulations and recommendations for municipal consideration (The Regulation of Short-Term Rental Accommodations report) ; and

WHEREAS, following the publication of the Short-term Rental By-law report on the agenda for this meeting, an error was noted in the language of the report which could give readers the false understanding that Maclaren Municipal Consulting endorsed staff's recommendation to apply the principal residence requirement to secondary dwelling units, and this language requires minor corrective amendments;

THEREFORE BE IT RESOLVED that prior to consideration by the Joint Committee and Council, the language in the 'Discussion' section of report ACS2021-EPS-PPD-0001, under the last paragraph of the subsection 'The Principal Residence Requirement' (page 12 of the report as posted with the agenda), be changed from:

'As a result of the above, staff recommend that the principal residence requirement is an integral part of Ottawa's regulatory regime. This is supported by Maclaren Municipal Consulting's final report, which noted that "Limiting short-term rentals to principal residences is a theme shared by reforms in other jurisdictions, including the leading Canadian examples of Vancouver and Toronto. These large cities with the most acute housing issues have not allowed short-term rental of attached units. Generally, the tightest regulations are found in cities with severe housing shortages or massive tourist flows." (Maclaren Municipal Consulting, Regulation of Short-Term Accommodation, p. 20)'

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<u>to</u>

'As a result of the above, staff recommend that the principal residence requirement is an integral part of Ottawa's regulatory regime. <u>This requirement has been adopted in</u> <u>other jurisdictions where concerns exist about short-term rental use and availability of</u> <u>housing supply, as noted in Maclaren Municipal Consulting's final report:</u> "Limiting short-term rentals to principal residences is a theme shared by reforms in other jurisdictions, including the leading Canadian examples of Vancouver and Toronto. These large cities with the most acute housing issues have not allowed short-term rental of attached units. Generally, the tightest regulations are found in cities with severe housing shortages or massive tourist flows." (Maclaren Municipal Consulting, Regulation of Short-Term Accommodation, p. 20)'

CARRIED

Report recommendations

That Community and Protective Services Committee and Planning Committee recommend that Council approve:

- 1. the proposed Short-Term Rental By-law as described in this report and in the general form set out in Document 1;
- six (6.0) temporary full-time equivalents in By-law and Regulatory Services to enforce and administer the Short-Term Rental By-law, to be funded on a cost-recovery basis from user fees and municipal accommodation tax (MAT) revenue, as further described in this report;
- 3. amendments to By-law 2019-252 (Municipal Accommodation Tax) to align terminology and definitions as further described in this report; and,
- 4. that the short-term rental regulations set out in Recommendation 1 be conditional upon the coming into full force of the related amendments to the Zoning By-law for short-term rentals as proposed in Report ACS2021-PIE-EDP-0005.

CARRIED