



Town of Wasaga Beach

Discussion Paper

Long-term Residential Use of
Tourism Accommodation Establishments

July 2013



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Executive Summary

This discussion paper describes the issue of longer-term residential use of tourist establishments in Wasaga Beach. The purpose of this paper is to review the current policy framework, generate discussion on potential options in managing the issue, and create a dialogue on what the municipality's role is in regulating longer-term residential uses in tourist establishments.

The following steps were taken in the preparation of this paper:

- Issue identification;
- Evaluate recommendations from the Housing Strategy;
- Review of the general patterns of conversion to residential use;
- Research Official Plan and Zoning By-laws from other municipalities to find similar examples or experiences;
- Discuss a legal opinion on the long-term use of these properties;
- Initial spatial analysis of Tourism Accommodation Conversion (TAC) properties with consideration for land use compatibility; and
- Present potential policy options in the decision-making process.

Many tourism accommodation properties have not been designed or constructed with the intent of permanent residential use. Nonetheless, some of these accommodations are meeting the community's needs for rental housing. Different forms of conversion to longer-term residential uses are occurring in 36 of the 106 properties that are intended for tourist accommodations. Several patterns of conversion have been identified – permanent full conversions, partial conversions, and seasonal conversions. Recently, the Town has inspected the TAC properties to ensure health and safety concerns have been addressed. This paper discusses the policy issues relating to longer-term use of tourist establishments, and presents advantages and disadvantages to different approaches if the Town were to be permissive, restrictive or prohibitive of these uses.

The Town of Wasaga Beach Housing Strategy was completed in March 2013 and briefly examined the issue in the context of the larger affordable housing challenges faced by the Town, providing recommendations that are a good starting point for this paper.

The Town's existing Official Plan policy framework is summarized, and the Zoning By-law provisions for tourist establishments are examined. The relevant policies of the Official Plan encourage redevelopment of older commercial sites for



the highest and best use, encourage buffering with adjacent uses for land use compatibility, and maintaining the availability of tourism commercial uses to support the tourism industry. The Zoning By-law's definition of Tourist Establishment permits the accommodation of the travelling or vacationing public for a period not to exceed 31 days, which is more restrictive than current Official Plan policy allows. However, the purpose of the restriction is to distinguish between a commercial rental use and a residential rental use.

A review of other municipalities Official Plan policies and Zoning provisions relating to longer-term use of seasonal oriented properties was conducted. Very few examples could be found that were similar to Wasaga Beach, although several municipalities were aware that some older tourist establishments were being used on longer-term bases as rental housing. Most Zoning By-laws did not specify a maximum timeframe for which tourist establishments could be used. Instead, municipal Zoning by-laws tended to be more vague, opting to limit the use of tourist establishments to cater to the travelling and vacationing public within no set time limit.

In Wasaga Beach, a number of factors have contributed to the use of tourist accommodation establishments for longer-term residential use, including a) lack of variety in the housing stock; b) lack of rental housing units; c) lack of affordable housing options for people with modest incomes, d) the low demand for off-season tourist accommodation; and e) a desire from business owners to supplement income generated during the peak tourist season. The use of the motel, hotel, and cottage courts as residential rental housing falls within the 'affordable' housing range in the housing continuum – balanced between supportive/transitional housing and private sector market rental housing.

The Residential Tenancies Act (RTA) is the main provincial law which governs landlord and tenant relations in the Province. One of the key provisions of this Act is that tenants are granted 'security of tenure' meaning that tenants can remain in their accommodation as long as they pay their rent and don't disturb their neighbours. There are exemptions in the RTA where the RTA does not apply to living accommodation intended to be provided to the travelling or vacationing public or occupied for a seasonal or temporary period in a hotel, motel, cottage or cabin establishment. The Town retained legal counsel for advice on the issue of residential use of tourist establishments, which stated that there is no bright and defining line for when the longer-term rental of a tourist establishment use might become a tenancy under the Residential Tenancies Act (RTA).



An initial spatial analysis of the Tourism Accommodation properties has been completed, showing general geographic patterns of conversion. It is recommended that certain criteria be considered if the Town seeks to recognize the permanence of full tourism accommodation conversions. These criteria include a) location in relation to community services b) relationship to surrounding uses, c) suitability for the type of buildings to be used as full-time residential uses d) suitability for long-term intended use as tourism accommodation, e) required improvements prior to acceptance for residential purposes; f) taxation implications.

The Town should consider whether the existing policy framework should be changed to permit the long-term residential use of tourist establishments. A number of options with advantages and disadvantages are presented in a table format for discussion purposes. The Town may wish to consider the following direction:

- Further examine removing the 31 day time limit from the definition of tourist establishment in the Zoning By-law and allow tourist establishments to be occupied for a seasonal or temporary period.
- Seek to recognize the full conversions to residential use through Official Plan Amendments and Zoning By-law Amendments for properties that can demonstrate that they meet certain criteria and are deemed to be appropriate conversions for permanent housing.
- Maintain the current Business Licensing program for tourist establishment, and examine potential licensing mechanisms to confirm that tourism accommodation units are operating in a manner that protects guests/tenants health and safety.

The Discussion Paper provides observations about the general conversion types and options that have been provided. This Discussion Paper is intended to promote a dialogue in the community about this issue, and should be distributed to stakeholders for consultation and feedback.



Introduction

People have always been drawn to the beautiful beach along the south Shore of the Georgian Bay. Since the early 1900's, Wasaga Beach's historic tourism industry has relied on overnight accommodation for shelter sun-seeking visitors. Stately beachfront hotels such as the Capstan and Wasaga Inns once attracted many visitors during the summer season. Along with these upper-class accommodations came the cottage courts, cabins, and accommodation that were more affordable to the hotel employees and visitors with more modest incomes.

Over time, the tourism climate has changed in Wasaga Beach, resulting in a wide array of accommodations designed for tourists. The fact that Wasaga Beach is primarily a summer resort Town remains as it was at the turn of the 20th century, although efforts are being made to extend tourist stays and attractions in the off-season. As a result, some tourism accommodation business owners attempt to supplement the summer income by renting to longer-term tenants outside the core summer tourist season.

There have always been inherent conflicts between the interests of full-time residents and visitors. This has led the Town to create a distinction between residential and tourist commercial land uses, which is expressed through intended land use policy in Town planning documents.

This discussion paper provides a synthesis of the issues, opportunities and challenges associated with longer-term residential use of tourist establishments in Wasaga Beach. The purpose of this paper is to review the current policy framework, and to generate discussion on potential options in managing the issue that would be acceptable for the community. Key to this discussion is to determine what the municipality's role is in regulating longer-term residential uses in tourist establishments.



Methodology

In the preparation of this discussion paper, the following steps were taken provide a basis for discussion:

- Issue identification;
- Initial spatial analysis of TAC properties with consideration for land use compatibility;
- Review of the general patterns of conversion to residential use – seasonal, partial, and full conversions;
- Researched Official Plan and Zoning By-laws from other municipalities, and spoke to municipal representatives to find similar examples or determine if there are lessons to be learned from other experience;
- Evaluate detailed recommendations from the Housing Strategy and other relevant Town studies;
- Discuss a legal opinion on the long-term use of tourism accommodation properties; and
- Present a number of possible options in the decision-making process.

Background

Issue Identification

The long-term residential use of tourism accommodation properties has been occurring in Wasaga Beach for many years. Many tourism accommodation properties have not been designed or constructed with the intent of permanent residential use. Nonetheless, some of these accommodations are meeting the community's needs for rental housing.

In recent years, issues have arisen wherein certain tourism accommodations were not meeting basic health and safety standards set out in the Building Code, Fire Code, and Electrical Safety Standards. In 2011, as a result of complaints of unsafe housing conditions in tourism properties, the Town conducted a compliance review of all tourist accommodation properties to ensure proper Business Licenses were in place. Situations of serious and potentially life-threatening conditions were noted on certain properties through inspections by Municipal By-law Enforcement, Fire, and Building Department staff. The safety issues for these few properties were noted to be a direct result of the change-of-use from seasonal to permanent accommodation, coupled with poor maintenance and upkeep.



Through the initial review, it was determined that approximately 33% of the tourism accommodation properties have been converted to permanent residential use, in varying degrees of conversion. This represents thirty-six (36) of the total one hundred and six (106) properties that are zoned for tourism accommodation uses, being identified as operating in non-compliance with the Zoning By-law (due to occupancies which are longer than the current permission of 31 days).

An ad-hoc working group was formed to address public health and safety concerns. In November 2012, By-law Enforcement reported on the progress of the inspections, finding that there were relatively few tourism accommodation properties remaining with serious property standards and fire/life safety concerns. At that time, Council granted a temporary exemption to the Business Licensing By-law for the identified tourism accommodation properties that were operating outside of the current Zoning By-law permissions. The temporary exemption allows the identified businesses to obtain a business license while the Town reviews the matter of long-term residential use of tourism accommodation.

Through its actions and administration of the Ontario Building Code and Fire Code, the Town has determined that an important role to play is to maintain the health and safety of the citizens of Wasaga Beach. Prior to deciding on a direction for the long-term use of tourism accommodation in Wasaga Beach, the following questions should also be considered in determining the Town's role in this matter:

- Should long-term residential (seasonal and/or permanent) uses be permitted in Tourist Establishments?
- What is the intended role of the Municipality in regulating long term use of tourism accommodation?
- Is it in the Town's interests to maintain and enforce the 31-day stay limitation for tourist establishments in the Zoning By-law?

Several general approaches have been identified in Appendix A, which provides a brief look at the advantages and disadvantages of taking a permissive, restrictive, or prohibitive approach to the issue in Wasaga Beach. This Appendix is intended to guide reader's to consider the breadth of the issue and the impacts of decisions on this matter.



Description of Conversion Patterns

Through examination of the Tourism Accommodation conversion properties, it was determined by Municipal By-law Enforcement that 36 of the total 106 Tourism Accommodation properties were operating in contravention of the Zoning By-law. These properties contain approximately 485 tourism accommodation units in varying degrees of conversion. They have been converted, either wholly or in part, to some form of permanent residential accommodation, or were renting accommodation units on a temporary basis but for a period of time that was longer than the Zoning By-law permitted (typically in the off-season).

The types of tourism accommodations being used for rental housing in Wasaga Beach are typically one and two-storey hotels/motels and smaller cabins within 'cottage courts'. Cottage courts are older forms of tourism accommodation where a number of small cabins available for rental are located on a single property, and are usually located in a manner that provides a central court area for parking and recreation. This form of tourist accommodation represents a relatively intensive use of a commercial property, as they can accommodate a large number of visitors on small sites.

Three general patterns of conversion emerged;

- a) **Full Conversion** where the whole property is converted to longer-term accommodation and no longer rents any units to the travelling public (16 of 36 properties and 210 units);
- b) **Partial Conversion** where a portion of units are converted to longer-term accommodation on a year-round basis, while also providing rentals to the travelling public (8 of 36 properties and 138 units); and
- c) **Seasonal Conversion** where a motel or cottage court is used for rentals to the travelling public in the summer but is converted partially in the winter months to longer term accommodation (12 of 36 properties and 137 units).

The 36 properties are identified on a map and table in Appendix B.

The challenge with describing the conversion patterns with specific numbers of properties and units is that the use of them is temporary and transitional by nature. They could be constantly changing between longer term rentals and short-term/seasonal rentals depending on the season and the needs of the guests/tenants



who are occupying them. The numbers reflected in this paper represent a snapshot in time.

Wasaga Beach Housing Strategy

The Town recently completed a Housing Strategy (March 2013), which examined a wide range of housing related issues. This included reviewing the long-term use of tourism accommodation properties as housing in the context of larger affordable housing issues facing the Town. Several of the recommendations of the Housing Strategy on this topic were as follows:

1. The Tourism Accommodation Committee should continue its proactive and consensus building approach to resolving this complex issue.
2. The Town could consider amending the Official Plan to provide clear policy direction for conversion of tourist accommodations to permanent residential, including a policy framework for any related changes to existing by-laws and/or the enactment of new by-laws if needed. The challenge is whether to require owners to obtain site-specific amendments for each TAC property, or to permit a more flexible zoning provision which could recognize the reality of the rental use of seasonal accommodation but at the same time, have the housing be recognized as rental accommodation that must meet health and safety standards and other regulatory requirements.

These recommendations provide a solid foundation for a discussion on whether and/or how longer-term residential (seasonal and/or permanent) uses should be permitted in Tourist Establishments in Wasaga Beach.

Since the completion of the Town's Housing Strategy in March 2013, a staff Implementation Committee has met on a monthly basis, and has established a smaller working group to review the Tourism Accommodation conversion issues. This working group includes staff from Building, By-law Enforcement, Fire, Administration, Treasury and Planning Departments. This group has obtained a legal opinion to seek guidance on the Town's approach to the residential use of tourism accommodation properties, which will be summarized later in this paper.



Existing Policy Framework

Provincial Planning Policy

The Provincial Policy Statement, Growth Plan for the Greater Golden Horseshoe, and County of Simcoe Official Plan do not provide any specific policy direction regarding the conversions to tourist establishments to permanent residential units. However, these documents do require the establishment of affordable housing and policies to promote and facilitate affordable housing.

Town of Wasaga Beach Official Plan

The Town's Official Plan contains policies for Tourism lands, in addition to the typical Commercial land use policies found in municipal Official Plans, which emphasize the importance of tourism to Wasaga Beach. The Tourism policies contain three separate land use designation, Tourism Commercial, Tourism Accommodation, and Campground Commercial, which are intended to promote major tourism facilities, attractions, and support uses, and establish a tourism destination of provincial significance and beyond.

The majority of the properties containing Tourist establishments are designated as Tourism Accommodation or Tourism Commercial in the Official Plan, however there are a number that fall within the Residential and District Commercial designations. Out of the 36 TAC properties, 21 are designated Tourism Accommodation or Tourism Commercial, 12 are designated Residential (with 2 being also designated District Commercial), 2 are designated District Commercial (wholly), and one is designated Local Commercial.

The Tourism Accommodation and Tourism Commercial designations are generally located in areas that have historically served the tourism market, including:

1. Mosley Village – specifically on Dunkerron and Mosley Streets between 18th Street and 24th Street.
2. The Main Beach Areas One and Two – specifically on Mosley Street east of 12th Street to the spit.
3. Tourism Development Area – identified in Official Plan policy 7.3.10 as the lands within Lots 24, 25, 26, and 27, Concession 9 – specifically on Main Street, River Road East (to Sturgeon Creek), River Avenue Crescent and River Road West (between Beck and Main Street),



The Tourism Accommodation designation means the predominant use of land shall be to provide accommodation for the travelling public and accommodation for seasonal residents (Section 7.2.1). Permitted land uses include various types of temporary accommodation included in defining accommodation for the travelling public, including hotels, motels, cottage courts, rental cabins, etc. The Tourism Commercial designation permits a variety of uses related to tourism and the travelling public, and should reflect a dependence on tourism as opposed to the permanent population of Wasaga Beach (Section 7.2.2). In addition to a wide variety of commercial uses, this designation also permits all tourism accommodation uses.

Relevant Tourism Policies for consideration:

Section 7.3.2 - To encourage the redevelopment of properties containing dwellings and cabin courts in the commercial areas with new commercial construction.

This policy encourages redevelopment for the highest and best commercial use for commercial properties. It also recognizes the logical intensification of seasonal uses to full-time commercial activities.

Section 7.3.7 - Screening or buffer planting shall be provided between commercial uses and non-compatible uses to the satisfaction of Council.

The interface between commercial and residential uses should be carefully planned to avoid land use compatibility issues.

Section 7.3.10 - Within the area historically referred to as the Tourism Development area, located generally within Lots 24, 25, 26 and 27, Concession IX, and designated "Tourism Commercial", no new areas have been designated for future permanent residential use nor is any such use contemplated. This is due to the possible incompatibility of this type of land use with the major commercial uses intended for the area. Only accessory residential uses to permitted uses, in the form of staff accommodation, may be permitted.

In order to ensure that sufficient lands are reserved to accommodate future tourism demands and to prevent the inappropriate scattering of tourism type



uses throughout the Town any application for an Official Plan Amendment to convert lands designated “Tourism Commercial” to non-tourism related uses must be accompanied by sufficient planning rationale demonstrating:

- a) The subject lands are not suitable for development in accordance with the “Tourism Commercial” designation; and,
- b) The removal of lands from the “Tourism Commercial” designation will not have a deleterious impact on the availability or planned function of the balance of similarly designated lands.

This policy refers only to the Tourism Commercial designation within the historic ‘Tourism Development Area’, but provides important guidance in a general sense for conversion of tourism lands in Wasaga Beach. These two tests should be considered in order to redesignate from Tourism Commercial in order to ensure that the long-term health of the Town’s tourism industry is upheld. If redesignating lands to accommodate for existing or potential future permanent residential uses, Council may wish to consider whether the intent of these tests is being achieved through the conversion of the land use.

The availability of tourism accommodation units has been reviewed in past Tourism studies through a count and estimation of the number of units. One of the goals of the Official Plan is to develop tourism areas that serve as the focus for significant tourism activities in the Town. The planned function of these lands, as described in the objectives of the Tourism designation, is to provide tourism-related amenities and entertainment facilities for visitors, while maintaining compatibility with the rest of the community. At the most recent count, there are approximately 639 units within licensed tourist establishments (not including campgrounds, mobile homes, or bed and breakfasts).

Town of Wasaga Beach Comprehensive Zoning By-law 2003-60

The Zoning By-law implements the Official Plan by zoning the lands designated Tourism in commercial zones called the Tourist Commercial (CT) and Accommodation Commercial (CA) Zones. The primary permitted use in the Accommodation Commercial zone is a tourist establishment, while the Tourist Commercial zone permits tourist establishments and a broad range of other commercial uses.



The Town's Zoning By-law identifies the maximum amount of consecutive days that a tourist establishment may be occupied by the same guest. This creates a distinction between a 'short-term' use and a 'longer-term' use that would not be permitted. The definition of Tourist Establishment sets out how it is to be used – by the travelling or vacationing public for a time period not exceeding 31 consecutive days. A business that has a tenant or guest staying longer than 31 days is operating in contravention of the Town's Zoning By-law. This is currently more stringent a requirement for tourism accommodation properties than the Official Plan requires.

Prior to the current Zoning By-law 2003-60, the Town's definition of tourist establishment was a building designed or used for the accommodation of the travelling or vacationing public. In 2003, the Town recognized that there were issues with commercial properties being rented on a residential basis, and vice versa. Therefore, the maximum timeframe of 31 days was introduced to clearly identify a residential use from a commercial use, and aid in by-law enforcement.

The 31 day maximum is to create a distinction between a residential use and a short-term commercial use in both the residential and commercial areas of Town. A tourist establishment is not permitted in residential zones, therefore a dwelling unit may not be used on a commercial basis for periods shorter than 31 days (1 month). It also means that a tourist establishment may not be used for periods of longer than 31 days (1 month). This distinction is important in Wasaga Beach, where many single detached dwellings are cottages, to try to distinguish between land uses to avoid land use conflicts.

Despite the various land use designations that the TAC properties fall within, the zoning of the properties is consistent with the current and intended use of the properties. All but two of the 36 properties fall within the Tourism Commercial or Accommodation Commercial zones.



Planning Policy Review – Other Municipal Experiences

Research was undertaken to learn from the experiences of other Ontario municipalities that have similar characteristics to the Town of Wasaga Beach, including seasonal communities with prominent tourism industries. Appendix C, entitled Municipal Research Summary Table, contains a summary of research undertaken to date. Many conversations were had with staff members from other municipalities, and a number of municipal Official Plans and Zoning By-laws were reviewed.

There were many situations wherein a similar issue was experienced, but no direct parallels could be found at the scale that is experienced in Wasaga Beach. Interestingly, through a review of the Official Plans and Zoning By-laws of these municipalities, it was found that no other municipalities, other than two, included a timeframe for which a seasonal accommodation could be used. The Municipality of Dysart et.al., located in the County of Haliburton, identifies a maximum habitation in a resort per family of 70 days per years (2.5 months). This amount of time was deemed to be the length of their peak tourism season, and therefore represented a ‘seasonal’ stay. The Town of Midland Zoning By-law contains a definition of a motel which includes a maximum stay of 31 days, much like Wasaga Beach’s Zoning By-law. Curiously, other similar uses in the Midland Zoning By-law (such as a hotel or tourist establishment) do not contain such a permission. No other municipalities with specific time limits were found, although they may exist.

The review of definitions for tourist establishment uses in Ontario municipalities contributed to the evaluation of the appropriateness of the definitions and permissions within the Town of Wasaga Beach’s Zoning By-law.

Many of the cottage country municipalities (and many others as well) differentiated between a commercial and a residential use through the definitions in the zoning by-law. For example, a dwelling unit was for permanent residential accommodation, and a tourist establishment was for commercial accommodation catering to the travelling and vacationing public. Most zoning by-laws explicitly stated that these two uses were mutually exclusive, so as to differentiate between the two.

The municipal poll shows that most Zoning By-laws are vague and use the language “catering to the travelling and vacationing public” when describing how a



tourist establishment may be used. Several municipalities have instituted a maximum timeframe which could be less than a ‘seasonal’ use but only for specific uses. Many of the ‘cottage-country’ municipalities have incorporated newer forms of tourism development in their definitions, including timeshare, interval, and fractional ownership. The longer-term use of commercial establishments in cottage country tends to be of a higher end nature than in Wasaga Beach.

There are examples in some Ontario municipalities of older hotels/motels being used for short-term accommodation but it generally is accepted as providing a service or meeting a community need, and supporting businesses that may struggle in the off-peak tourism seasons otherwise.

The Blue Mountains has experienced significant resistance in their community to short-term commercial rentals within residential areas, and a strong lobby from Short Term Accommodation operators to support the tourism industry. After a long and costly Ontario Municipal Board hearing, the current policies and zoning were approved in 2011. They use a term of ‘less than 30 days’ to define a Short Term Accommodation use, which is a commercial use in a residential area. The Town is currently engaged in contentious community discussions on implementing the OPA and Zoning By-law through licensing these types of uses. Their issue is one that is also experienced in Wasaga Beach, but is not the subject of this discussion paper.

Although not tourism related, the City of Guelph is currently undertaking a consultation process to determine if they should license rental housing to reduce land use conflicts in relation to the student population. They are examining the issues surrounding health, safety, and well-being; neighbourhood destabilization and deterioration; disruptive behavior; lack of information about rental housing stock and inequality among rental housing providers; enforcement challenges; funding implications to various stakeholders, including the City tax base, landlords of rental properties and tenants.

There is an interesting and similar phenomenon occurring in larger Canadian urban centres, such as Toronto and Vancouver, where old historic hotels are used for rental housing. They are referred to as single room occupancies (SRO’s) – which are multiple tenant buildings (typically old motels) that house one person in an individual room, and typically share bathrooms and/or kitchens. Being in large urban settings, the zoning that applies to these hotels is quite broad and permissive, and does not prohibit either commercial or residential uses alike. In Toronto, a



number of older hotels are being used as Single Room Occupancy accommodation, including the Waverley, Parkview Arms, and the Broadview Hotel, all of which are in formerly low-income neighbourhoods that are transitioning and now considered ‘trendy’.

In Vancouver, the hotels are located within the historic Gastown and Downtown Eastside neighbourhoods, and provide residents with short-term or long-term accommodation in single rooms, typically without private bathrooms or kitchens. The Province of British Columbia and BC Housing have purchased a number of historic hotels and are renovating them at a cost of over \$100 million. The purpose of the program is homelessness prevention, and providing affordable and supportive housing to the most vulnerable citizens and those with low incomes.

The examples of other municipal experience provide additional perspective on this issue, despite not being able to find any direct comparisons of the scale that is occurring in Wasaga Beach. The information gathered will be helpful in any further policy recommendations that arise through this process. Further research can be undertaken to provide further perspective on this issue in the decision-making process.

Evaluation of the Issue

General Approach

In Wasaga Beach, a number of factors have contributed to the use of tourist accommodation establishments for longer-term residential use. Among others, these factors include;

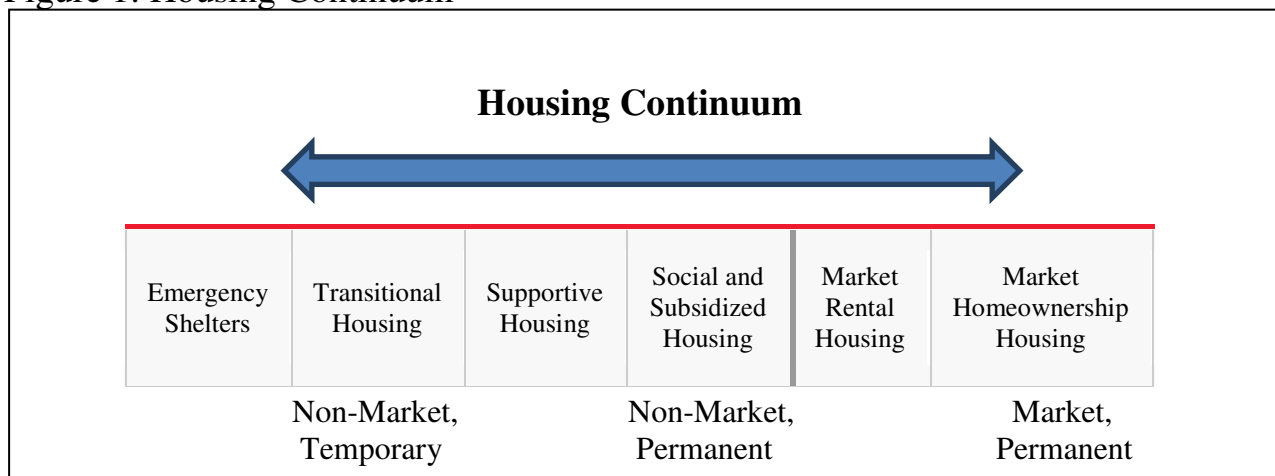
- a) the historic lack of variety in the housing stock (predominantly made up of single detached dwellings);
- b) lack of rental housing units;
- c) lack of affordable housing options for people with modest incomes.
- d) the low demand for tourist accommodation in the off-season; and
- e) a desire from business owners to supplement income generated during the peak tourist season.

The use of the motel, hotel, and cottage courts that were not constructed with the intention of being used for residential rental housing is a symptom of the contributing factors listed above. The housing continuum illustrates the range of housing options available to households of all income levels, extending from



emergency shelters (temporary) through to rental housing and homeownership (permanent).

Figure 1: Housing Continuum



Source: Canadian Mortgage and Housing Corporation

The use of tourist accommodations as long-term rental housing falls towards the left hand side of housing continuum, balanced between the temporary transitional housing (homelessness prevention) and the private sector market rental housing (Figure 1). However, there are questions as to whether the typical rental cost of these units actually meets the definition of ‘affordable’ for Wasaga Beach. Approximately 90% of the Wasaga Beach housing stock is on the far right of the spectrum, in the form of single detached dwellings in ownership. This does not position the Town well to meet the rental housing needs of all residents of the community.

The County’s Affordable Housing and Homelessness Prevention Strategy, completed in June 2013, determined that there is a need for 110 affordable dwelling units within Wasaga Beach over the next 10 years. The Strategy notes that the primary target area is persons earning between the Ontario Disability Support Program Rate and those working a 35 hour work-week at minimum wage. The income level that is most disadvantaged in Wasaga Beach is this mid-range band of affordability, and includes residents who have lower paying jobs and remain unable to find suitable, affordable and permanent accommodation in the community.

The Province of Ontario considers tenant households that are paying 30% or more of their income on rent to have an affordability problem. In 2005, 50% of the 620



tenants in Wasaga Beach were paying more than 30% of their income on housing. Affordable rental housing is the lower of: a) housing for which the rent does not exceed 30% of gross annual income for tenants with incomes at or below the 60th income percentile for tenants in the regional market area or, b) the average market rent of a unit in the regional market area.

The Town's Housing Strategy identifies that there is a significant gap between the affordable rental rates (based on 2011 incomes) in Wasaga Beach and the actual average rents, particularly for those below the 60th income percentile.

The bigger picture view shows that these conversions are filling a need in the community at this time. However, a case can be made that the demand for the permanent use of tourist accommodation may decrease based on some of the following factors:

1. Accessory dwelling units as rental accommodation - There has been significant interest in adapting existing dwellings for accessory dwelling units as a form of rental housing creation. The Town is currently implementing the necessary policy changes to permit accessory dwelling units through the Housing Strategy.
2. Broadening the Range of Housing Types - The Town will also be reviewing the Residential policies of the Official Plan with the goal of encouraging a broader range of housing and more affordable rental and ownership housing. The housing market in Wasaga Beach has been responding to the need to diversify housing types, and has seen a significant increase in the last five years in the numbers of multi-residential units, particularly townhouse dwellings.
3. Changing Resort/Tourism Market Demands - New resort product being constructed in Ontario is driven primarily off of a real estate component (condominiums). Generally, there is a decreasing demand from the tourism market for the type of tourism accommodation that are offered in Wasaga Beach. Wasaga Beach has seen a number of tourism properties redeveloped as residential style condominium townhouses, as an example of the changing market.
4. Attraction of new Hotel Accommodation - The Town has been investing in attracting a branded hotel for a number of years to improve the quality of accommodation in Wasaga Beach. Currently the Town has a variety of accommodation options available, including a limited number of resort style options offering amenities that would typically attract families. Other accommodation options include motel/cottage courts style accommodations



that historically have attracted a younger demographic that may not require the amenities that a family may desire. It should be noted that the Town is actively pursuing the attraction of a branded hotel – if successful, there is potential that the traditional motels and cottage could see a decrease in overnight stays.

Several general approaches have been identified in Appendix A, which provides a brief look at the advantages and disadvantages of taking a permissive, restrictive, or prohibitive approach to the issue in Wasaga Beach. This Appendix is intended to guide reader's to consider the breadth of the issue and the impacts of decisions on this matter.

Prior to deciding on a direction for the long-term use of tourism accommodation in Wasaga Beach, there are some fundamental questions that should be considered:

1. Should long-term residential (seasonal and/or permanent) uses be permitted in Tourist Establishments?
2. What is the intended role of the Municipality in regulating long term use of tourism accommodation?
3. By converting tourism accommodation uses to residential, is the Town surrendering tourism lands for short-term residential needs that should otherwise be kept in the Tourism designation?
4. Is it appropriate to change the full conversions from Commercial to Residential designation and zoning?
5. Is it in the Town's interests to maintain and enforce the 31-day stay limitation for tourist establishments in the Zoning By-law?

The Municipality's role in managing landlord/tenant relationships (or controlling the use of tourist establishments for 'affordable' rental housing) should be examined.

Legal Opinion and Summary of Residential Tenancies Act

A number of legal questions have arisen regarding the longer-term use of tourism accommodation properties. There was uncertainty about which Provincial legislation applied to provide guidance to property owners and tourist establishment guests/tenants. In some cases, business owners have generally taken the position that they are governed by the Innkeepers Act rather than the Residential Tenancies Act.



The Residential Tenancies Act (RTA) is the main provincial law which governs landlord and tenant relations in the Province. One of the key provisions of this Act is that tenants are granted ‘security of tenure’ meaning that tenants can remain in their accommodation as long as they pay their rent and don’t disturb their neighbours. The RTA provides that a tenant cannot be asked to give up their tenancy, and a tenancy is for an indeterminate period of time. Baulke Augaitis Stahr LLP was retained to provide a legal opinion on the larger issue of residential use of tourist establishments.

The Innkeeper’s Act is a very limited statute that deals almost exclusively with certain liens permitted to Innkeepers (such as the ability to auction a guests possessions if a room is unpaid for three months). Baulke Augaitis Stahr (BAS) does not believe that this Act is likely to have any real impact on the decisions of the Town.

On the other hand, the Residential Tenancies Act (RTA) is the main provincial law which governs landlord and tenant relations in the Province. Its purpose is to provide protection for residential tenants from unlawful rent increases and unlawful evictions, to establish a framework for the regulation of residential rents, to balance the rights and responsibilities of residential landlords and tenants and to provide for the adjudication of disputes and for other processes to informally resolve disputes.

The RTA applies to rental units in residential complexes, meaning any living accommodation used or intended for use as rented residential premises, unless the rental unit falls within the many exemptions to the Act (Section 5). For example, the RTA does not apply to living accommodation intended to be provided to the travelling or vacationing public or occupied for a seasonal or temporary period in a hotel, motel, cottage or cabin establishment, etc. Unless a Section 5 exemption applies, the RTA provides that a tenant cannot be asked to give up a tenancy. Any attempt by a landlord to predefine a tenancy for a set period of time is void. A tenancy (except as exempted by the RTA) is for an indeterminate period of time, which provides a tenant security of tenure. Few tenants and landlords are aware of this, which highlights a potential area for education in the community.

As it relates to the issue of long-term residential use of tourist establishments, Baulke Augaitis Stahr concluded that there is no bright and defining line for when a ‘tourist establishment’ use might become a tenancy under the Residential



Tenancies Act (RTA). However, the Town's Zoning By-law identifies the maximum amount of consecutive days (31) that a tourist establishment may be occupied by the same guest. The reality is that a limited 31 day zoning permission likely fits within the exemption to the RTA. The exemption could also apply to occupancies on a seasonal or temporary basis for a period longer than 31 days. The Town's Zoning By-law could be amended to remove the 31 day maximum, and permit the use of a tourist establishment "for a seasonal or temporary period".

The Town, in sanctioning longer-term 'seasonal' uses through a Zoning By-law Amendment, may find itself unwittingly drawn into the very determinations which are not really the Town's to determine – specifically the question: What is a 'rental' unit, and who is a 'tenant' for the purposes of the RTA? In their legal research, Baulke Augaitis Stahr determined that there is much case law to prohibit short-term uses in a residential zone, but there does not appear to be judicial approval in law for a zone which would create a use that possibly contradicts the Residential Tenancies Act.

BAS found some case law that shed some light on the larger issue, generally finding that exclusion from the RTA under Section 5 will be narrowly applied. This means that the courts have typically ruled in favour of a 'tenancy' where the landowner claims it is not. The less the tourist accommodation looks like a hotel or lodge and the more it looks like any other residential accommodation, the more likely it will be that the RTA applies. The Town may allow for longer stays in tourism accommodation, but it may put zoning in conflict with the users, who see themselves not as 'resort-guests' but as tenants.

One of the cases noted that the Residential Tenancies Act is remedial legislation, which reiterated the purposes of the Act, and stated that "given the purposes of the Act, any claim that the Act does not apply has to be examined carefully to ensure that protections provided by the legislature to residential tenants are not easily avoided. A liberal interpretation of the exemptions from the Act would undermine the objectives of the Act." The case law examined by BAS tended to show that the Section 5 exemptions would be narrowly applied, meaning that if the occupancy appears to be a tenancy, then the RTA would apply. Each exemption would also be viewed on its own facts, because the RTA provides no legislative guidance as to what is considered seasonal or temporary.

Another legal consideration that has been decided through the courts, is that municipalities can only apply Zoning restrictions to regulate land use, not the type



of people or occupants that are using the lands. This is generally a human rights issue, which avoids discrimination. As a result of past legal case law, the Planning Act prohibits the use of zoning by-laws to regulate the occupation of buildings based on the relationship of occupants. A number of municipalities have run into issues with the Ontario Human Rights Commission, regarding zoning and licensing that targets certain groups of people (such as student housing and group homes). The Town's zoning and licensing initiatives regarding the long-term residential use of tourism accommodation properties rest in the use of the land, and will not run afoul of the Human rights legislation.

In summary, there is no 'bright and defining line' for when the longer-term rental of a tourist establishment use might become a tenancy under the Residential Tenancies Act. Therefore, in considering policy options on the approach to the overall issue, the Town should decide if it wishes to regulate the landlord and guest/tenant relationship through the Zoning By-law.

Spatial Analysis of TAC properties:

An initial spatial analysis of the Tourism Accommodation properties has been completed. The majority of the properties in the 'seasonal' use category are located within the Tourism designations in close proximity to the Main Beach Area. This pattern of use fits for the location of these businesses because these properties would have the highest demand for tourists in the summer season. Conversely, the outlying properties located outside the Tourism designations tend to be those that have fully converted to residential use, with some partial conversions. There is a small concentration of fully converted properties at the intersection of Mosley Street and 32nd Street.

The linear geography and nodal structure of commercial land uses in the Town results in the majority of the TAC properties being located within reasonable walking distance of key service commercial uses, particularly grocery and retail shopping and medical/health services (with Mosley Village properties and another outlier being the exceptions). Most properties are also located on or close to major arterial and collector roads, and Town transit routes. These factors are partially why these areas developed as tourist areas, and are designated for tourism accommodation uses in the first place.

With regard to the built form of the TAC properties, there are 15 properties that are comprised of cottages, 15 properties that are motels or hotels, and the remaining 6



properties contain a combination of both built forms. Of the total 485 tourism accommodation units, 374 (84%) units contained some form of kitchen or cooking facility.

It is important to recognize that the current long-term residential use of some tourism accommodation properties represent interim land uses, particularly the older tourism accommodation i.e. cottage courts with small cabins, and motels. In these cases, the current use may not be the highest and best use of the property, and there may be interest in future redevelopment.

If the Town decides to undertake a property-specific review of the TAC properties, it is recommended that certain criteria be considered in determining whether it is appropriate to recognize the full conversion to residential land uses. The suggested criteria on which to base those recommendations should include the following:

1. Location – relating to access to commercial and recreational services, transit, community amenities;
2. Relationship to surrounding uses – land use compatibility considerations;
3. Suitability for the type of buildings to be used as full-time residential uses:
 - a. Are there appropriate kitchen facilities?
 - b. Is the structure winterized and insulated?
 - c. Fire/building code compliance?
 - d. Other residential amenity considerations i.e. recreational play areas
 - e. Does the age and condition of the building make sense as a long-term residential conversion?
4. Suitability for long-term intended use as tourism accommodation. What is the highest and best use of the property? What might be the future use of the property looking beyond the lifespan of the current structures?
5. Are there any improvements that need to be made to the property or building prior to acceptance for residential purposes?
6. What are the taxation implications of redesignating and rezoning the property?



Potential Policy Options

The Town of Wasaga Beach Housing Strategy provides a number of recommendations on this issue:

1. The Tourism Accommodation Committee should continue its proactive and consensus building approach to resolving this complex issue.
2. The Town could consider amending the Official Plan to provide clear policy direction for conversion of tourist accommodations to permanent residential, including a policy framework for any related changes to existing by-laws and/or the enactment of new by-laws if needed. The challenge is whether to require owners to obtain site-specific amendments for each TAC property, or to permit a more flexible zoning provision which could recognize the reality of the rental use of seasonal accommodation but at the same time, have the housing be recognized as rental accommodation that must meet health and safety standards and other regulatory requirements.
3. An option the Town could explore would be working with one or two TAC owners on a pilot project basis regarding permitting conversions (and ensure the conversions meet proper health and safety/fire safety standards within an appropriately flexible zoning framework).
4. The Town should pursue the creation and greater availability of permanent affordable rental housing units to help offset the demands for using TAC units as rental housing, and to lessen the impact of such conversions on the availability of TAC units for tourist accommodation.

The first two recommendations are considered in the preparation of this Discussion Paper, while the second is specifically the focus of the options identified in this paper. The third recommendation has been explored by the owner of one of the TAC properties through the submission of a site-specific Zoning By-law Amendment application to increase the maximum amount of time that a guest/tenant may occupy a tourist establishment. The proposal is to amend the definition of Tourist Establishment on a site specific basis to allow for a maximum 8 month stay. This application hasn't been identified as a 'pilot project' by the Town, but it has proceeded through the planning process to a public meeting to



gather public opinion and comments from other stakeholders on the proposal. Surprisingly, no other tourism accommodation business owners, other than a neighbor, made any representation through the public process in support or opposition to the proposal. The fourth recommendation is one that the Town has and will continue to pursue.

There are several Tables attached as Appendix A and Appendix D that provide a basis for discussion. Appendix A, entitled General Approaches - Tourism Accommodation Conversions provides an assessment of advantages and disadvantages to three different approaches - permissive, restrictive, or prohibitive – to the issue. These approaches are meant to assist the reader in understanding the broader picture as it relates to the long-term use of tourism accommodation properties in Wasaga Beach.

Appendix D, entitled Potential Planning Options based on Form of Conversion, is a detailed examination of advantages and disadvantages to a number of potential policy options. Options are presented based on the type of conversion – permanent, partial or seasonal – and vary depending on how permissive the approach that the municipality wishes to take would be. The options generally range from the permissive approach, wherein the Town would do nothing, with no enforcement of the Zoning By-law non-compliance, to the prohibitive approach, wherein the Town would leave the Zoning By-law restriction as is and enforce the Zoning By-law to ensure compliance with the 31 day maximum stay limit. In between are a broad range of restrictive options which widely vary, but generally propose some level of Town control over the long-term use of tourism accommodation properties.

The Town’s legal advice was that there is no bright and defining line for when a ‘tourist establishment’ use might become a tenancy under the Residential Tenancies Act (RTA). The Town’s Zoning By-law identifies the maximum amount of consecutive days (31) that a tourist establishment may be occupied by the same guest. The reality is that a limited 31 day zoning permission likely fits within the exemption to the Residential Tenancies Act. The exemption could also apply to occupancies on a seasonal or temporary basis of a longer time frame than 31 days. The Town’s Zoning By-law could be amended to remove the 31 day maximum, and permit the use of a tourist establishment “for a seasonal or temporary period”. Most other municipalities that were surveyed had Zoning By-laws that had a relatively vague ‘seasonal or temporary basis’ use permission for tourist establishments.



The key options to consider in future policy decisions are as follows:

1. Consider removing the 31 day time limit within a tourist establishment from the Zoning By-law and replace it with “seasonal and temporary use”. This could be made Town-wide, so that it applies to all lands in the tourism designation and zones. The advantages and disadvantages of this are identified in Appendix D. One primary disadvantage is that the permanent residential use of tourism accommodation units will still not comply with the Zoning By-law and the Town would have to both accept it and choose not to enforce the Zoning By-law, or create a mechanism for licensing them to ensure they meet a certain safety standards (Building Code and Fire Code). The Town may choose to avoid regulating tenancies and enforcing short or long-term stays, but it has already established itself in the role of ensuring that tourist accommodations and longer-term rentals are safe for human habitation.
2. Seek to recognize the full conversions to residential use through Official Plan Amendments and Zoning By-law Amendments for properties that can demonstrate that they meet certain criteria and are deemed to be appropriate conversions. One inspection could be completed to ensure that these units meet a certain residential standard prior to permanent conversion. Investigate prohibition of further conversion of these tourist establishments to condominium tenure to avoid losing the established rental housing stock.
3. Continue to license and inspect tourist establishments under Business Licensing By-law to confirm health and safety. Investigate options for a separate Business License and standards for properties that contain longer-term residential tenancies and/or are partially converted. Investigate costs to the municipality to undertake these licensing programs.

Seasonal Conversions:

Seasonal conversions are much like partial conversions because they operate both as tourist accommodation and longer-term residential accommodation (which doesn't comply with commercial zoning). If the Town removes the 31 day time limitation then the properties that seasonally convert are likely to comply with the Zoning By-law if they are used in a seasonal manner. However, the Residential Tenancies Act may govern how these properties are used in the ‘off-season’,



depending on the rental arrangement. Landlords may not have the right to evict tenants in order to rent to guests in the summer months if they have entered into landlord/tenant relationships. Business owners that evict longer-term tenants for the summer season to rent to tourists may be operating and/or behaving in contravention of the Residential Tenancies Act. This highlights an area of law where the Landlord and Tenant Board and the Courts would make decisions based on the facts on a site specific basis.

Educational efforts and programs for landlords and tenants may be beneficial in this regard. The South Georgian Bay Housing Resource Centre's mandate is to assist people in finding adequate housing that meets their needs in this region, and education is one of their functions. The Community Legal Clinic (formerly Legal Aid) of Simcoe, Haliburton and Kawartha Lakes serves this region and offers free legal advice to tenants who are before the Landlord and Tenant Board.

It should be noted that the rental of any of these units is unpredictable in nature, in that they could change at any time depending on the rental agreement between the business owner and the guest/tenant.

Permanent Conversions:

The suggested approach to permanent full conversions seem to be fairly straightforward, in that criteria can be established to determine if the use is appropriate to be redesignated and rezoned for the residential land use. The challenges arise where a tourist establishment may not qualify under these criteria, an example being a non-winterized, no cooking facilities, sub-standard cabin of insufficient size in a state of disrepair such that it does not meet building and fire codes. Nonetheless, this is a priority area for policy decision making, and it would set the standard for how the partial and seasonal conversions are handled as well. As part of this discussion, it should be recognized that the longer-term residential use of some of the tourism accommodation properties, particularly the older cottage courts, are interim land uses. In some cases, the current use may not be the highest and best use of the property, and there may be interest in future redevelopment.

If the Town decides to investigate redesignation of certain permanent conversions, the question will be whether the policy change initiative comes from the Town or whether site specific planning applications should be submitted by property owners.



Partial Conversions:

The biggest questions lie in how to proceed with the properties that have been partially converted to full-time residential use. These properties present the greatest challenge from a planning perspective, and raise the question “How could both land uses - commercial and residential – be permitted to occur on these properties at the same time?”. The options chart (Appendix D) sets out a range of possibilities wherein the Town could permit the dual use. These are identified for discussion purposes, and it should be noted that none of the options are without their disadvantages. The discussion may generate additional ideas or potential solutions not considered in this paper.

Conclusion

The issue of long-term (seasonal and permanent) use of tourism accommodation establishments was raised several years ago to protect the health and safety of Wasaga Beach residents. Inspections have been ongoing to ensure safe conditions. This paper provides the basis for a discussion on the existing policy framework and potential options if the Town wishes to change the framework.

The Town sought a legal opinion on the use of tourism accommodation properties as permanent residential housing, which concluded that there is no bright and defining line for when a ‘tourist establishment’ use might become a tenancy under the Residential Tenancies Act (RTA). A key point for further consideration is for the Town to broaden the use of Tourism Accommodation properties to allow for seasonal and temporary use in some form (extending beyond the current permission for a maximum of 31 days). The Town may choose to continue to inspect tourism accommodation properties to ensure basic health and safety standards are maintained. Further discussion would be required to determine the level of monitoring and/or enforcement required in this event. Finally, the Town may consider examining the properties that have been fully converted to determine if they meet a number of specific criteria that would deem them to be appropriate full time residential properties.

This paper is intended to be distributed to stakeholders for consultation and feedback, for the purpose of discussion on this complex issue.



Appendices

- Appendix A General Approaches to Tourism Accommodation Conversion Table
- Appendix B Tourism Accommodation Conversion Properties Map
- Appendix C Potential Planning Options Based on Form of Conversion Table
- Appendix D Municipal Research Summary Table



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Appendix A - GENERAL APPROACHES – Tourism Accommodation Conversions

Issue: Should long-term residential (seasonal and/or permanent) uses be permitted in Tourist Establishments?

What is the role of the municipality in regulating long-term residential use of Tourism Accommodation properties?

Approach	Advantages	Disadvantages
<p>Permissive Long term residential uses permitted in Tourism Commercial properties</p> <p>Minimal restrictions</p>	<ul style="list-style-type: none"> • Provides rental accommodation units. Meets immediate residential housing needs in the Town. • Business owners have more security with longer-term or permanent tenants/income • Limits Town’s costs and involvement in enforcement • Long-term tenants would not be displaced 	<ul style="list-style-type: none"> • Use of properties may not conform to Official Plan and Zoning By-law • Less control over quality or safety of housing • Buildings may not have been constructed for long-term residential use, and may need improvements – could be cost prohibitive. • Unforeseen enforcement challenges may arise i.e. pet ownership, noise complaints, ‘home’ businesses • Presents land use compatibility issues between residential and commercial uses • Fewer accommodation units available for tourists • Potential erosion of tourist accommodation capacity, impacts on tourism are difficult to foresee • Permitting unregulated conversions could lead to conversion of other tourism properties not currently renting long-term
<p>Restrictive (Conditional Permissions) Long term residential uses permitted in <u>select</u> Tourism Commercial properties, provided that certain tests can be met</p> <p>Broad spectrum of possible restrictions</p>	<ul style="list-style-type: none"> • Provides (relatively) affordable rental accommodation. Meets immediate residential housing needs in the Town. • Could recognize existing conversions as permanent rental housing • More control over quality and safety of housing • Longer-term uses can be regulated through zoning and/or licensing to ensure health and safety standards/requirements are achieved • Properties that are deficient will be improved • Converted TAC properties have already been inspected for safety and majority meet basic standards 	<ul style="list-style-type: none"> • Fewer accommodation units available for tourists • Conversions to residential uses may involve complex growth management planning considerations, including provincial planning justification • Buildings may not have been constructed for long-term residential use, and may need improvements – could be cost prohibitive • Increase in Town staffing costs if increased enforcement is required due to inspections/complaints • Potential land use compatibility issues and enforcement challenges if single properties are used for both permanent and seasonal rental uses • Zoning and licensing costs could be viewed as dis-incentives to long-term rental by business owners • More properties, in addition to those already doing so, may wish to convert units to full-time residential use
<p>Prohibitive Long term residential uses <u>not</u> permitted in Tourism Commercial properties</p> <p>Prohibition - Maximum restriction</p>	<ul style="list-style-type: none"> • Maintains tourism accommodation units for visitors • Maintains a clear distinction between commercial and residential uses • Encourage redevelopment opportunities for older accommodation properties and demolition of buildings in disrepair • Encourage rental housing market to provide other housing opportunities i.e. second units, intensification, and purpose-built rental housing • Properties that are deficient will be improved 	<ul style="list-style-type: none"> • Could displace long-term residents and create pressure on local social support systems • Create additional burden on rental housing market • Put pressure on use of single-detached dwellings for illegal short-term rentals in residential areas. • Does not provide businesses with flexibility in off-season – potential loss of revenue • Staffing costs to enforcing the by-law • Potential legal challenges

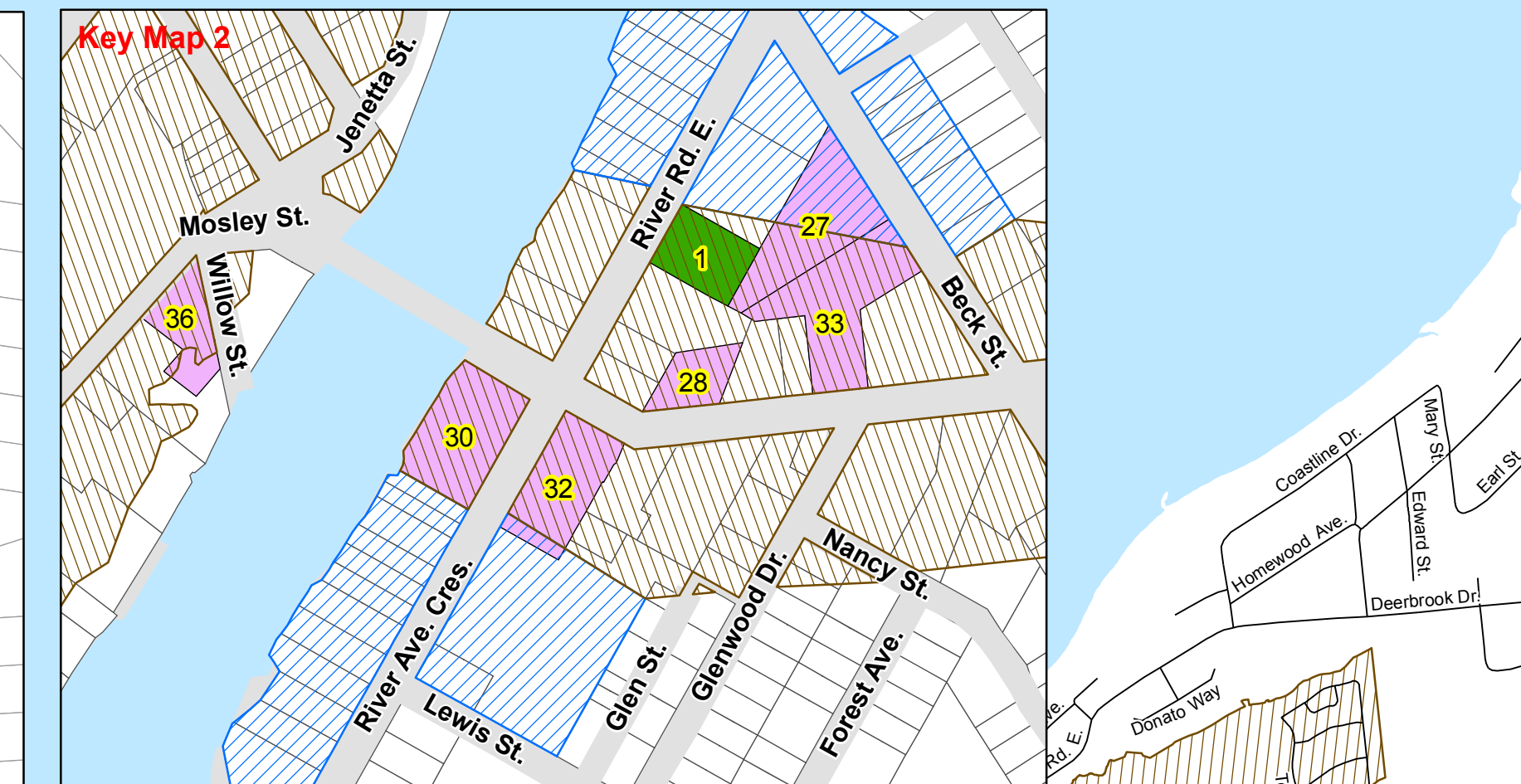
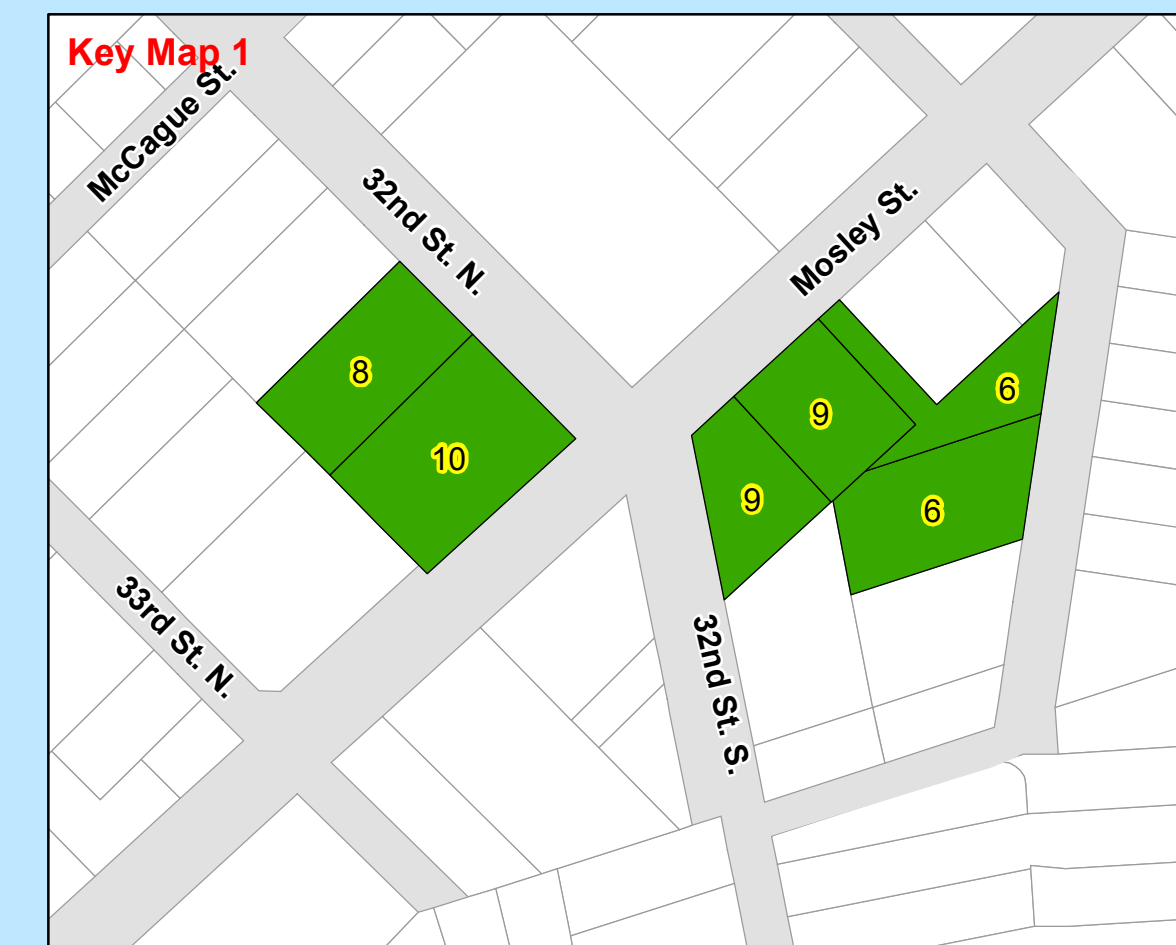
Tourism Accomodation Conversion (TAC) Properties Wasaga Beach

MapID	ARN	Name	Conversion	Type	Landuse	Landuse 2	Zone1	Zone2	Address	Total (Units)	Assessment Code	Assessment Code 2
1	436401000874000	Abbys Cottages	Full Conversion	Cottages	Tourism Commercial		CA		25 River Road East	10	RT	
2	436401000983300	Bay Breeze	Full Conversion	Hotel	Tourism Accomodation		CA		280 River Road East	27	CT	
3	436401000541900	Come by Chance Cottages	Full Conversion	Cottages	Tourism Accomodation		CA		195 Dunkerton Ave	5	RT	
4	436401001445400	Country Inn/Galaxy Motel	Full Conversion	Motel	Residential		CL	CA	330 45th Street South	16	CT	MT
5	436401000648800	Crystal Village Cottages	Full Conversion	Cottages	Residential		CA		415 Mosley Street	16	RT	
6	436401000403600	Golden Sands Motel	Full Conversion	Motel and Cottages	District Commercial	Residential	CD	CA	32-34 31st Street South & 18 31st Street South	20	MT	
6	436401000403700	Golden Sands Motel	Full Conversion	Motel	District Commercial	Residential	CD	CA	32-34 31st Street South & 18 31st Street South	20	RT	
7	436401001118300	Granada	Full Conversion	Motel and Cottages	Tourism Accomodation		CA		165 River Road East	14	CT	RT
8	436401000156500	Grand Oaks Cottages	Full Conversion	Motel	Residential	District Commercial	CA		130 32nd Street North	7	RT	
9	4364010004053100	Leisure Court	Full Conversion	Hotel	District Commercial		CD		1391 & 1393 Mosley Street	17	MT	
9	436401000403900	Leisure Court	Full Conversion	Hotel	District Commercial		CD		1391 & 1393 Mosley Street	17	MT	
10	436401000156600	Park Lane Court	Full Conversion	Motel	District Commercial		CA		136 32nd Street North	15	MT	
11	436401000545200	Park Plaza Motel	Full Conversion	Motel	Env Pro Flood Proofing	Residential	CA/FH	CA	931 Mosley Street	12	CT	
12	436401000601400	Riverside Cottages	Full Conversion	Cottages	Env Pro Flood Proofing	Tourism Commercial	CA	CA/FH	893 Mosley Street	4	RT	
13	436401000412000	Sandy Lane Family Cottage Court	Full Conversion	Cottages	Residential		CA		59 36th Street North	18	RT	
14	436401000110600	Un-Named Units	Full Conversion	Motel	Residential		CA		16 Puccini Drive	7	RT	
15	436401000881200	Waterfront Apartments	Full Conversion	Motel	Tourism Accomodation		CA		158 River Road East	17	MT	
16	436401000146000	Whispering Waves Cottages	Full Conversion	Cottages	Residential		CA		199 Linda Lane	5	RT	
17	436401001129300	Bon Air Kingsbridge Inn	Partial Conversion	Motel and Cottages	Tourism Commercial		CT		268 Main Street	34	CT	RT
18	436401000969400	Cooper's Cabins	Partial Conversion	Cottages	Tourism Commercial		CT		2729 Dunkerton Avenue	5	RT	
19	436401000615901	Cooper's Cabins	Partial Conversion	Cottages	Residential		CA		717 Mosley Street	4	RT	
20	436401000168500	Cocata Cottages	Partial Conversion	Cottages	Residential		CA		119 30th Street North	4	RT	
21	436401000529400	Donato House Hotel	Partial Conversion	Hotel	Tourism Commercial		CA		1080 Mosley Street	18	CT	RT
22	436401000652800	Dyconia Resort	Partial Conversion	Hotel	Env Pro Flood Proofing	Tourism Accomodation	CA	CA	373 & 381 Mosley Street	39	CX	
22	436401000652900	Dyconia Resort	Partial Conversion	Hotel	Env Pro Flood Proofing	Tourism Accomodation	CA	CA	373 & 381 Mosley Street	39	CT	RT
23	436401001130700	Maple Motel	Partial Conversion	Motel	Residential		CA		670 River Road West	17	CT	
24	436401001645100	Wasaga Motel Fun Getaway Spot	Partial Conversion	Motel	Local Commercial		CL-5		8743 Highway 26	17	CT	
25	436401001114600	Alcoba Cottages	Seasonal	Cottages	Tourism Commercial		CA		391 River Road East	4	RT	
26	436401000541100	Alton Lodges	Seasonal	Cottages	Residential		CA	RT	459 Mosley Street	12	RT	
27	436401000873700	Double D Chalets	Seasonal	Cottages	Tourism Accomodation		CA		44 Beck Street	5	RT	
28	436401000873100	Edgewater	Seasonal	Motel and Cottages	Tourism Commercial	Tourism Commercial	CT		99 Main Street	14	CT	RT
29	436401000661000	Edgewater by the Bay	Seasonal	Motel	Tourism Accomodation		CA		148 Mosley Street	12	CT	
30	436401000870300	Edgewater Inn	Seasonal	Cottages	Tourism Commercial		CA	CT	72 Main Street	12	CT	RT
31	436401000660400	Hollywod Cottages	Seasonal	Motel and Cottages	Tourism Accomodation	Env Pro Flood Proofing	CA	CA/FH	169 Mosley Street	14	RT	
32	436401000870420	Saga Resort	Seasonal	Motel and Cottages	Tourism Accomodation		CA	CT	88 Main Street	34	CT	
33	436401000873400	Sharonod Sands Motel	Seasonal	Motel	Tourism Accomodation		CA		119 Main Street	12	CT	
34	436401000882900	Silvercrest Cottages	Seasonal	Cottages	Tourism Accomodation		CA		256 River Road East	6	RT	
35	436401000548700	Summerland Cottages	Seasonal	Cottages	Tourism Commercial		CT		902 Mosley Street	6	CT	
36	436401000663900	Sunset Suites	Seasonal	Motel	Tourism Commercial	Env Pro Flood Proofing	CTFH	CT	25 Mosley Street	6	CT	

Full Conversion
 Partial Conversion
 Seasonal

Official Plan Landuse Designations

Tourism Accomodation
 Tourism Commercial



Nottawasaga Bay

Marl Lake

Jack's Lake

Appendix C – MUNICIPAL RESEARCH SUMMARY

Municipality	Related Issues?	Official Plan Policy and Zoning Provisions	Additional Notes & Relevant Information
<u>District of Muskoka</u>	Upper Tier government. Long-term use of tourism accommodation has not been an issue at upper tier level. Bigger issue with commercial rental of residential cottages.	Reviewing the District Official Plan policies through a Resort and Tourist Commercial Policy Review.	Retained a firm called PKF to undertake a review of their Resort and Tourism Official Plan policies. Resorts are changing from multi-storey apartment style formats to larger detached cottage style units. Their issue is primarily with the commercial vacation rental use of cottages in residential areas. The resorts feel that this is undermining their operations. Referred to local municipalities within the District for detailed land use policies and zoning information.
<u>Township of Muskoka Lakes (District of Muskoka)</u>	Experience pressure from resort owners to build single detached dwelling forms and then sell off later as residential units. These are high value properties on Lakes Rosseau, Muskoka, and Joseph.	<p>Official Plan Try to maintain existing resorts with strong downzoning policies to discourage residential uses on commercial properties. Designate resort lands as Employment Lands, which require a ‘comprehensive review’ prior to conversion to other uses, drawing on the policy direction of the Places to Grow Plan.</p> <p>Resorts include forms of tenure such as single ownership, timesharing, condominium ownership, leaseback, interval ownership, fractional ownership and right to use. Residential condos not permitted in waterfront designation.</p> <p>Where resort contains condos, they shall form part of integrated resort facility, use shall remain commercial, and be available for the travelling public through a centrally managed rental pool. On-site recreational facilities, docks, and shorelines have to be available to all users and not assigned to individual condo owners. A Condo Agreement shall ensure that units remain commercial and are used by the travelling public year-round. Fractional ownership is permitted but is considered commercial and all units may not be purchased by one entity.</p> <p>Zoning by-law No specific maximum use timeframe is identified in Tourist Resorts, Hotels and Motels. These uses are to be ‘used by the travelling or vacationing public’. Bylaw differentiates between a Housekeeping Unit (with kitchen) and an Accommodation Unit (no kitchen). Definition of Dwelling Unit does not include a Housekeeping Unit. In Resort Commercial zones, for the purpose of calculating development density, all Accommodation Units, Housekeeping Units, and Dwelling Units are included in the calculation of the number of units per acre allowed.</p>	<p>Very seasonal community, very slow in off-season so difficult for resorts to survive.</p> <p>Have been trying to maintain their resort lands, define tourism resorts as employment lands under the Provincial Policy Statement, so that the provincial conversion policies apply – can only convert a resort to residential through a comprehensive review where it is demonstrated that the land is not required for employment purposes over the long term and there is a need for the conversion.</p> <p>There are several older motels in Bala and Port Carling, which act as longer term or seasonal rentals to contractors. Most other resorts are located on lakes and were built in the era when people used to take the train up and be shuttled to resorts by boat. They used to have hundreds of resorts and have lost many of them – only approx. 30-50 resorts remain.</p> <p>Many people rent out their ‘residential’ cottages on a commercial basis, which is the opposite issue.</p>
<u>Town of Gravenhurst (District of Muskoka)</u>	Not an issue	<p>Official Plan New tourist commercial developments require an amendment to the OP and Zoning. Resort developments that combine accommodation and other commercial uses require an amendment to the Official Plan and Zoning By-law. These uses generally include on-site management, and may also include recreational amenities, dining facilities, retail uses, and have accommodation units available to lease or rent to the public. Site specific policies for resorts require visual impact analysis, phasing plans, land use compatibility with adjacent land uses.</p> <p>Conversion of existing tourist commercial uses to residential uses is discouraged. In order to permit redevelopment of lands for residential purposes, a report has to be accepted which demonstrates that the change in use has a positive long-term impact on the economy and the environment and does not negatively impact the availability of</p>	<p>Haven’t had full conversions of resorts to residential uses. No complaints have been received regarding long term use in old motels or other tourism accommodation. Tourist establishments are permitted in all commercial zoning.</p> <p>No restriction in zoning on timeframe, enforcement of these rules can be impractical based on the staffing complement.</p> <p>Typically require a visual barrier between a resort and residential use, screen at a minimum height of 1.5 metres, can be a wall or fence, continuous planting of trees and shrubs, earth berm or a combination of any of the above.</p> <p>Ontario Works people – subsidized – some in urban area some in rural. No complaints equals no issue.</p>

Appendix C – MUNICIPAL RESEARCH SUMMARY

		<p>tourist accommodation.</p> <p>Zoning No specific maximum use timeframe is identified in Tourist Establishments. These uses are “designed for the travelling or vacationing public”. Accommodation Units and Commercial Accommodation Units are defined terms which are located within a Tourist Establishment. The Commercial Unit shall be in the form of normal daily rental, or interval ownership which shall include forms of rental such as time-sharing or interval ownership. The definition of Dwelling excludes commercial accommodation in a tourist establishment.</p>	
<u>Town of Bracebridge (District of Muskoka)</u>	Long-term use of resort properties has not been an issue.	<p>Zoning By-law No specific maximum use timeframe is identified for Tourist Establishments. Definition requires them to be used for the travelling or vacationing public.</p>	Not as big a resort town as some of their neighbours. Cottage rentals on a commercial basis is very challenging to monitor. The only way to know if it is occurring is by receiving complaints. Older motels on old Highway 11, after its realignment, are now used for short-term accommodation through social services, but there have been no issues with this.
<u>Town of Huntsville (District of Muskoka)</u>	Experience pressure from resort owners to include condominium forms of resort accommodation that tend to be used as residential units.	<p>Zoning No specific maximum use timeframe is identified in Tourist Establishments/Resorts. These uses are commercial accommodation units that are offered for rent on a short term or transient basis to the public who is travelling, vacationing, engaged in leisure or recreation, or participating in conventions or meetings. Does not include a dwelling unit except for an accessory dwelling unit for the owner or operator or accessory staff quarters.</p> <p>A Commercial Accommodation Unit is a rental unit within a Tourist Establishment to cater to the needs of the travelling public by furnishing sleeping accommodation. It shall be in the form of a normal daily rental, or interval ownership which includes time-sharing or interval ownership, Fee Simple, and which shall have a turnover frequency exceeding 12 times per year.</p>	A lot of ‘residential’ cottages are seasonal and rented longer term in the off-season. Deerhurst and other resorts have timeshare owned condos with full kitchens that are just like dwelling units. Condo corporations are supposed to be used commercially through a seasonal rental pool, but are designed as full apartment units. Not aware of any motels/hotels that are being used year-round. Any issues would be complaint-driven.
<u>Township of Lake of Bays (District of Muskoka)</u>	Long-term use of resort properties has not been an issue. Bigger issue is the short-term rental of cottages.	<p>Zoning No specific maximum use timeframe is identified in Tourist Establishments. Tourist Establishment defined as “commercial roofed accommodation where accommodation or housekeeping units are offered for rent on a short term or transient basis to the public who is travelling, vacationing, engaged in leisure or recreation, or participating in conventions or meetings, and does not include a dwelling unit”.</p> <p>Bylaw differentiates between a Housekeeping Unit (with kitchen) and an Accommodation Unit (no kitchen) and are not Dwelling Units. A Dwelling does not include a tourist establishment. Define Kitchen as “used for the storage, preparation or cooking of food or is intended for the installation of cooking equipment or appliances”.</p>	<p>By-law does not distinguish between short term and long term use. By-law is silent on a specific timeframe – does not define ‘seasonal use’. Resorts are to offer short term accommodation but it is vague, do not define or distinguish timeframe. They have part-time by-law enforcement staff, to enforcing a timeframe would be difficult for staffing and because it would be complaint driven. If a municipality creates by-laws/licensing regimes then it should be prepared to enforce them.</p> <p>Resort owners are trying to curtail the commercial use of cottages i.e. internet advertising, because they feel it is eating into their business.</p>
<u>County of Haliburton</u>	Upper Tier government. Long-term use of tourism accommodation has not been an issue at upper tier level. Bigger issue with commercial rental of residential cottages.	Not applicable	Upper tier government provided some perspective from that level. Discussed the issue of commercial use of residential cottages. No municipalities zone for ‘seasonal residential’ (cottages) anymore because of a court case from the 1980’s between a cottage owner and the Haliburton Board of Education wherein the school board would not educate the children whose primary residence was elsewhere. Decision was that government cannot dictate which season you may use your home, and therefore ‘seasonal residential’ zones no longer exists in zoning by-laws.

Appendix C – MUNICIPAL RESEARCH SUMMARY

<p><u>Township of Minden Hills</u> (County of Haliburton)</p>	<p>Long-term use of tourism accommodation has not been an issue.</p>		<p>Experienced one example where trailers in a campground within a floodplain were being used year-round . Safety issues as lands were floodprone. Received complaints from surrounding landowners, and enforced the By-law to remove occupants because Zoning By-law only permitted seasonal use of campgrounds between April 1 and November 30. Camping establishments, camper trailers not considered a dwelling unit under the building code. Controversial issue, had to enforce through the courts.</p>
<p><u>Municipality of Dysart et. al.</u> (County of Haliburton)</p>	<p>Have some issues with resorts changing their business models to incorporate residential uses.</p>	<p>Zoning By-law identifies a maximum habitation in a Resort per family of 70 days per years (2.5 months).</p> <p>Tourist Establishment defined as “providing temporary accommodation for the travelling or vacationing public and is owned as a single holding and managed as a single operation”. Resort defined as a Tourist Establishment which contains more than four guest cabins, guest suites and/or guest rooms. These may be rented through various forms of tenure such as timesharing, interval ownership, and fractional ownership, provided that all bookings and allocation are undertaken as part of the continued management of the resort as a single operation. Max habitation per family shall not exceed 70 days per year.</p>	<p>Longer term use is permitted in Tourist Resorts, which are zoned site-specifically. This distinguishes resorts from other tourist establishments, but it helps to ensure that Resorts are retained as commercial properties.</p> <p>Other uses called hotel, lodge – straight rental are in Commercial Zone, each property goes through site specific process to ensure buffering and neighbourhood compatibility can be examined.</p>
<p><u>City of Peterborough</u></p>	<p>This has not been an issue in Peterborough</p>		<p>Municipalities can regulate land use, but not the occupants. Rooming houses have been more of an issue to deal with.</p>
<p><u>Town of Parry Sound</u></p>	<p>Long-term use of tourism accommodation does occur but has not been an issue.</p>	<p>Official Plan and Zoning By-law do not allow the longer term use, but it has not been an issue.</p>	<p>Don’t have a lot of cottage-court style establishments. Some Mom & Pop type hotel/motel operations with kitchenettes in the units. Some of these establishments will rent rooms in the off-season on a longer-term basis to construction crews and others, but not typically for the whole year. Have never received any complaints about it. The economy has been tough for these businesses so the Town does not prevent this from happening, as it assists the business owners in making a living.</p>
<p><u>Municipality of Lambton Shores</u> (Grand Bend)</p>	<p>No examples that they are aware of.</p>	<p>Zoning By-law No specific maximum use timeframe is identified for Tourist Establishments. Definition requires them to be used for the travelling or vacationing public.</p>	<p>They have experienced issues with students renting properties in the summer months, wherein permanent residents complain about disturbances.</p>
<p><u>North Bay</u></p>	<p>Have experienced older hotels and motels converting to residential uses.</p>	<p>Zoning By-law No specific maximum use timeframe is identified for Tourist Establishments.</p>	<p>Older tourist establishments built between 1950-1970 have been converted along a stretch of former Highway 11 called Lakeshore Drive. The area once performed a Highway Commercial function, but is now in transition. This former highway route is now bypassed by other transportation routes, and does not experience the same traffic it once did. The City of North Bay redesignated the area from Highway Commercial to Residential, including many of the older motels. Canadian Association of Mental Health purchased a property to use as transitional housing.</p>
<p><u>Midland</u></p>	<p>No examples that they are aware of.</p>	<p>Zoning By-law Hotel and Motel are to cater to the needs of the travelling public. In a Motel only, no guest room within the establishment shall be occupied by the same guest for a period of time exceeding thirty-one (31) consecutive days.</p>	<p>Not aware of any issues with longer-term use of tourism accommodation. Any issues would arise though complaints.</p>

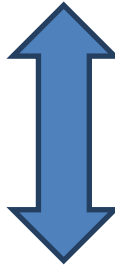
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<p><u>County of Bruce (Sauble Beach, Southampton, Kincardine)</u></p>	<p>Experience some longer-term use of tourist accommodations, and short-term vacation rentals of cottages as well.</p>	<p>In South Bruce Peninsula (Sauble Beach) Zoning By-law, hotel, motel definitions say cater to the needs of the travelling public. No specific maximum use timeframe is identified for these uses.</p>	<p>Biggest issue has been with private cottage rentals on a commercial basis. Tourism operators concerned that this is taking away from their business. Used to have areas zoned for ‘seasonal use’, but it was never enforced and now this zoning regulation is not allowed.</p> <p>Longer-term use of tourism accommodations happens but not such a big concern. Operators look for tenants from September until June. Enforcement is a real challenge – what defines the ‘travelling public’?</p> <p>People that are ‘under-housed’ are using substandard housing in some areas of Bruce County. Interesting situation in Kincardine and Southampton – Bruce Nuclear is on a 3 year rebuild, so contractors are staying in tourism accommodation year-round. Some have purchased older hotels/motels for worker housing, reducing amount of tourist accommodation. However, two new branded hotels have been built, one in each community presumably to compensate. These hotels also try to cater to conference crowds.</p>
<p><u>City of Owen Sound</u></p>	<p>No examples that they are aware of.</p>	<p>Zoning By-law – Tourist Establishments have to be used for the vacationing or travelling public.</p>	<p>There is enough affordable housing that people don’t need to use motels for residential units.</p>
<p><u>City of Guelph</u></p>	<p>Investigating a potential licensing program for rental housing.</p>		<p>City is working undertaking public process currently to determine is, in addition to increased enforcement of existing tools and community education, a rental housing licensing program would help address rental housing issues including: health, safety, and well-being; neighbourhood destabilization and deterioration; disruptive behavior; lack of information about rental housing stock and inequality among rental housing providers; enforcement challenges; funding implications to various stakeholders, including the City tax base, landlords of rental properties and tenants.</p>
<p><u>The Blue Mountains (Grey County)</u></p>	<p>Experience land use conflicts and major community opposition to commercial rentals in residential areas.</p>	<p>Official Plan Broad permissions for <u>Commercial Resort Accommodations</u> due to substantial attraction for tourists. Also permits condominium development with independent housekeeping units as part of a rental management program to make all units available for transient accommodation purposes. In order to maintain commercial nature, unit owner or other residential occupancy shall be restricted to a maximum of 180 days in a calendar year, with the remainder used for transient accommodation purposes only.</p> <p><u>Short Term Accommodations</u> (STAs) are defined as a temporary residence by way of rental/lease for any period less than thirty (30) days. They are commercial uses only to be permitted where Zoning By-law allows – not considered conventional residential uses. They can be appropriate in Residential areas, provided they are adequately regulated to avoid land use conflicts. New STAs may be permitted in areas that permit a range of housing types, but not in exclusively single-detached residential dwelling areas. Council may pass a by-law to require a business license and Zoning By-law may establish appropriate provisions to the scale of the use, occupant load, parking, separation distances, setbacks and buffering. Policies “grandfathered” some existing STAs in certain areas.</p> <p>Zoning By-law Does not permit STAs in lower density zones, but does permit in zones that permit higher density uses and a wider range of housing types, such as horizontally attached dwelling units, multi-attached dwellings, rowhouses, and apartment houses. Only permits 8 or less occupants in an STA, requires a separation distance of 120 metres to another STA or B&B use, requires buffer strips and connections to full municipal services.</p>	<p>The Blue Mountains has experienced significant resistance in their community to short-term commercial rentals within residential areas, and a strong lobby from Short Term Accommodation operators to support the tourism industry. They passed an interim control by-law restricting short-term accommodation uses in 2008 in order to conduct a policy review and better understand the impacts of short-term accommodation. Proposed Official Plan policies and Zoning By-law provisions were approved by the Ontario Municipal Board in 2011. The Town is currently engaged in community discussions on licensing these type of uses.</p> <p>Recently, Town establishing Committee to discuss Short Term Accommodation issues and potential licensing or other regulation solutions. Suggestions are a licensing program that would set a two-person per bedroom limit, or operators assume the cost and responsibility to hire 24/7 staff to handle noise, and nuisance complaints that are now handled by the OPP.</p> <p>Lessons to be learned about the land-use conflicts and challenges relating to the flip-side issue (which Wasaga Beach also experiences). Long and costly OMB hearing, and now contentious community discussions about how to implement the OP and Zoning By-law.</p>

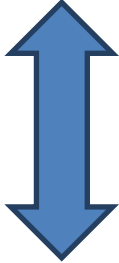
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<p><u>City of Toronto</u></p>	<p>Major urban area with many examples of dual use zones.</p>		<p>Experience situations where apartment buildings are used as hotels (daily rentals) but try to separate uses by floor for land use compatibility.</p> <p>Advice is to keep it simple in the zoning – regulate land use, not people. Toronto had a live-work zone, but they removed it because it was being abused – loophole allowed residential condominiums in industrial areas.</p> <p>Motels on Kingston Road in Scarborough are used for long-periods of residential use. Area is zoned for Mixed Use.</p> <p>Older hotels throughout City used as Single-Room Occupancies - multiple-tenant buildings that house one person in an individual room, with typically shared bathrooms and/or kitchen facilities.</p>
<p>City of Vancouver</p>	<p>Major urban area with many examples of dual use zones.</p>		<p>Older hotels throughout City used as Single-Room Occupancies - multiple-tenant buildings that house one person in an individual room, with typically shared bathrooms and/or kitchen facilities. Vancouver has identified preserving the existing SRO stock as an important priority in addressing homelessness. Province and City have purchased many of the hotels to maintain as housing as part of Provincial Homelessness Initiative (BC Housing). Need permission to demolish or convert Single Room Accommodations, with a potential demolition/conversion fee of \$15,000 per room to replace low cost single-housing.</p>

Appendix D - POTENTIAL PLANNING OPTIONS BASED ON FORM OF CONVERSION

	Approach	Options	Advantages	Disadvantages
<p>Permanent Full Conversion (Full-time, year-round conversion - 16 of 36 properties)</p> 	<p>Permissive: Long-term residential uses permitted in Tourism Commercial properties with minimal restrictions</p>	<p>1</p> <ul style="list-style-type: none"> Do Nothing, Leave Official Plan and Zoning as is, no enforcement 	<ul style="list-style-type: none"> Provides housing, no displacement of tenants 	<ul style="list-style-type: none"> Properties don't comply with Zoning By-law and possibly Official Plan No control over quality/safety of residential housing units
		<p>2</p> <ul style="list-style-type: none"> Change Zoning By-law to allow long-term use of tourism accommodation properties with no restrictions, remove 31 day limit 	<ul style="list-style-type: none"> No displacement of tenants, status quo. 	<ul style="list-style-type: none"> Need to amend Official Plan to allow permanent residential uses in Tourism designations Approval for all properties may significantly increase numbers of units that are converted
	<p>Restrictive: Long-term residential uses permitted in <u>select</u> Tourism Commercial properties with moderate restrictions</p>	<p>3</p> <ul style="list-style-type: none"> Town-initiated OPA and Zoning Amendment to redesignate those that are appropriate for residential use. Properties that are not deemed 'appropriate for conversion' must be used per Zoning By-law. Town to determine the minimum standard for conversion (i.e. kitchen, safety concerns addressed). If units cannot meet those minimum standards, then full conversion should not be permitted, and use should remain as tourism accommodation. Continue fire/electrical safety and property standards inspections through Licensing. Investigate each TAC property (full conversion) on a site-specific basis to determine if appropriate for Official Plan redesignation to Residential. 	<ul style="list-style-type: none"> Recognize rental housing alternatives that are in existence now as permanent residential housing. Business owner save the cost of planning applications. Properties can be brought up to a standard for health and safety as determined by the Town through licensing inspection process. 	<ul style="list-style-type: none"> Lose 'Tourism accommodation' capacity for the community. Town has to defend OPA if neighbourhoods object. Redesignation and Rezoning may involve complex issues, such as provincial planning justification and Growth Plan requirements. Could increase Town's costs for staffing allocation and enforcement. Businesses may cease operations due to capital cost of bringing properties up to date with current standards. Original construction was intended for a commercial use, so structures may not be suitable for the long-term residential use – properties may need costly improvements. Other financial impacts of redesignation and rezoning – potential taxation assessment increase and water billing rate increase.
	<p>Long-term residential not permitted in Tourism Commercial properties (no partial conversions permitted).</p>	<p>4</p> <ul style="list-style-type: none"> Require owner-initiated site specific OPA and Zoning Amendment for each property. Town to determine the minimum standard for conversion (i.e. kitchen, safety concerns addressed). If units cannot meet those minimum standards, then full conversion should not be permitted, and use should remain as tourism accommodation. Continue fire/electrical safety and property standards inspections through Licensing. Investigate each TAC property (full conversion) on a site-specific basis to determine if appropriate for OP redesignation to Residential. 	<ul style="list-style-type: none"> Town can review sites on case by case basis for compatibility issues, buffering, and any other appropriate land use considerations. Properties can be brought up to a standard for health and safety as determined by the Town through licensing inspection process. 	<ul style="list-style-type: none"> Lose 'Tourism accommodation' capacity for the community. Redesignation and Rezoning may involve complex issues, such as provincial planning justification and Growth Plan requirements. Costly for business owners – costs are not an incentive to redesignate. What will encourage businesses to apply? Businesses may cease operations due to capital cost of bringing properties up to date with current standards. Individual applications would require greater staff resources. Original construction was intended for a commercial use, so structures may not be suitable for the long-term residential use – properties may need costly improvements. Other financial impacts of redesignation and rezoning – potential taxation increase and water payment rate increase.
	<p>Prohibitive: Long-term residential uses not (or minimally) permitted in Tourism Commercial properties Maximum restrictions</p>	<p>5</p> <ul style="list-style-type: none"> Leave Zoning as is, enforce Zoning By-law to permit a max 31 day stay limit 	<ul style="list-style-type: none"> Maintains tourism accommodation units for visitors year-round Clear distinction between commercial and residential uses Encourage redevelopment opportunities for older accommodation properties and demolition of buildings in disrepair Encourage rental housing market to provide other housing opportunities i.e. second units, intensification, and purpose-built rental housing Properties that are deficient will be improved 	<ul style="list-style-type: none"> Displace long-term residents and create pressure on local social network systems. Businesses may cease operations due to capital cost of bringing properties up to date with current standards. Not a high demand for the Tourism units during off-season.

Appendix D - POTENTIAL PLANNING OPTIONS BASED ON FORM OF CONVERSION

	Approach	Options	Advantages	Disadvantages
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Partial Conversion (Mixed conversion - some units used full time, some used less than 31 days – 8 of 36 properties)</p> 	<p>Permissive: Long-term residential uses permitted in Tourism Commercial properties Minimal restrictions</p>	<p>1</p> <ul style="list-style-type: none"> Do Nothing, Leave Official Plan and Zoning as is, no enforcement 	<ul style="list-style-type: none"> Provides housing, no displacement of tenants 	<ul style="list-style-type: none"> Properties don't comply with Zoning By-law and possibly Official Plan. No control over quality/safety of residential housing units.
		<p>2</p> <ul style="list-style-type: none"> Do nothing, continue with safety inspections. No new licensing requirements. 	<ul style="list-style-type: none"> No displacement of tenants, status quo. 	<ul style="list-style-type: none"> May need to amend Official Plan to allow permanent residential uses in Tourism designations.
	<p>Restrictive: Long-term residential uses permitted in <u>select</u> Tourism Commercial properties with moderate restrictions.</p>	<p>3</p> <ul style="list-style-type: none"> Town amend ZBL to permit conversions in all TAC properties (but not additional 70 Tourism properties). Create a new 'residential' use or zone to allow for conversion in Zoning By-law. Keep 31 day limit for tourist units. Regulate the conditions of converted TAC units through the Business Licensing By-law. 	<ul style="list-style-type: none"> Distinguish between short-term and long-term use. Business Licensing establishes standards for fire/building/property standards for the units. 	<ul style="list-style-type: none"> Complicated. Town takes on costs and responsibility of distinguishing between the two uses. Is zoning the best tool for this job? Can create confusion as to whether business owners and tenants/guests have established a landlord/tenant relationship under the Residential Tenancies Act. Could experience land use conflicts between tenants and guests. Regulating properties that contain both commercial use and residential use could create enforcement issues.
		<p>4</p> <ul style="list-style-type: none"> Town requires site specific zoning amendments from owners. Create a new 'residential' use or zone to allow for conversion in Zoning By-law. Keep 31 day limit for tourist units. Regulate the conditions of converted TAC units through the Business Licensing By-law. 	<ul style="list-style-type: none"> Business Licensing establishes standards for fire/building/property standards for the units. Ensures a site specific review of each property allowing neighbours to provide any concerns. 	<ul style="list-style-type: none"> Complicated. Town takes on costs and responsibility of distinguishing between the two uses. Is zoning the best tool for this job? Zoning process takes time and adds cost for the business owners. Costs are not an incentive to rezone. What will encourage businesses to apply? Licensing and inspections could create enforcement challenges and could increase costs and staffing requirement Could experience land use conflicts between tenants and guests.
	<p>Long-term residential not permitted in Tourism Commercial properties (no partial conversions permitted).</p>	<p>5</p> <ul style="list-style-type: none"> Amend Tourist Establishment definition to remove 31 day limit and add 'to be occupied for a seasonal or temporary period'. Continue to license/inspect Tourist Establishments through the Business Licensing By-law to ensure health and safety. 	<ul style="list-style-type: none"> Zoning By-law leaves the landlord/tenant relationship determination to the parties involved. Business owners have more flexibility to rent to guests on a longer term 'seasonal' basis. Landlords would rely on appropriate legislation to govern behaviour (Residential Tenancies Act) if a tenancy is established. Allows flexibility to business owners to rent for longer period of time than by-law currently permits (but not full conversion to residential use). However, in order to comply with the Zoning By-law, business owners would still be obligated to remove their seasonal guests after the 3-4 month 'seasonal' period. Business Licensing establishes standards for fire/building/property standards for the units. 	<ul style="list-style-type: none"> Removes distinction between short-term and long-term use – becomes less clear. Does not set out specific rules for long-term use of TAC properties. Properties that rent longer than 'seasonally' would still be in non-compliance with Zoning By-law - enforcement issue. Ability to prosecute for non-compliance would be diminished because evidence of non-compliance may be hard to obtain. Could create situations which run afoul of the Residential Tenancies Act in the 'off-season' (other months of the year where a tenancy governed by the RTA may be created). Landlords/tenants may use the 'seasonal' zoning permissions to support their positions in disputes before the Landlord/Tenant Board Could experience land use conflicts between tenants and guests
		<p>6</p> <ul style="list-style-type: none"> Amend Tourist Establishment definition to remove 31 day limit and add 'to be occupied for a seasonal or temporary period OR subject to the Town's Business Licensing By-law'. Units could be used seasonally OR for long-term residential provided that they met the Business Licensing Standards Continue to license/inspect Tourist Est. 	<ul style="list-style-type: none"> This option could permit permanent residential uses and seasonal short-term commercial uses on one property at the same time through the Zoning By-law, provided that the businesses and/or units are licensed. Licensed businesses would have greatest flexibility with seasonal and permanent rentals Safety of longer-term rental units would be confirmed. 	<ul style="list-style-type: none"> Could significantly increase Licensing workload and costs Can create confusion as to whether business owners and tenants/guests have established a landlord/tenant relationship under the Residential Tenancies Act. Could experience land use conflicts between tenants and guests.
	<p>Prohibitive: Long-term residential uses not permitted in Tourism Commercial properties Maximum restrictions</p>	<p>7</p> <ul style="list-style-type: none"> Leave Zoning as is. Enforce By-law to permit max 31 day stay. 	<ul style="list-style-type: none"> Maintains tourism accommodation units for visitors year-round Clear distinction between commercial and residential uses Encourage redevelopment opportunities for older accommodation properties and demolition of buildings in disrepair Encourage rental housing market to provide other housing opportunities i.e. second units, intensification, and purpose-built rental housing 	<ul style="list-style-type: none"> Displace long-term residents from their 'tenancies' and create pressure on local social network systems. Businesses may cease operations due to capital cost of bringing properties up to date with current standards. Would not provide income for business owners in off-season, where the demand for the tourism establishment units from tourists is low.

Appendix D - POTENTIAL PLANNING OPTIONS BASED ON FORM OF CONVERSION

	Approach	Options	Advantages	Disadvantages	
Seasonal Conversion (Full time use in 'off-season' months, used for less than 31 days in 'peak' summer season – 12 of 36 properties)	Permissive: Long-term residential uses permitted in Tourism Commercial properties Minimal restrictions	1 <ul style="list-style-type: none"> Do Nothing, Leave Official Plan and Zoning as is, no enforcement 	<ul style="list-style-type: none"> Provides housing, no displacement of tenants 	<ul style="list-style-type: none"> Properties don't comply with Zoning By-law and possibly Official Plan. No control over quality/safety of residential housing units. 	
		2 <ul style="list-style-type: none"> Do nothing, continue with safety inspections. No new licensing requirements. 	<ul style="list-style-type: none"> No disturbance to tenants, status quo. 	<ul style="list-style-type: none"> May need to amend Official Plan to allow permanent residential uses in Tourism designations. 	
		No permanent conversions have been made (but could easily be depending on rental arrangement). If the 31 day maximum is removed from the Zoning By-law then these properties will likely be operating in compliance as 'seasonal or temporary uses'.			
	Restrictive: Long-term residential uses permitted in <u>select</u> Tourism Commercial properties Moderate restrictions	3 <ul style="list-style-type: none"> Amend Tourist Establishment definition to remove 31 day limit and add 'to be occupied for a seasonal or temporary period'. Continue to license/inspect Tourist Establishments through the Business Licensing By-law to ensure health and safety. 	<ul style="list-style-type: none"> Zoning By-law leaves the landlord/tenant relationship determination to the parties involved. Business owners have more flexibility to rent to guests on a longer term 'seasonal' basis. Landlords would rely on appropriate legislation to govern behaviour (Residential Tenancies Act) if a tenancy is established. Allows flexibility to business owners to rent for longer period of time than by-law currently permits (but not full conversion to residential use). However, in order to comply with the Zoning By-law, business owners would still be obligated to remove their seasonal guests after the 3-4 month 'seasonal' period. Business Licensing establishes standards for fire/building/property standards for the units. 	<ul style="list-style-type: none"> Removes distinction between short-term and long-term use – becomes less clear. Does not set out specific rules for long-term use of TAC properties – stays vague. Properties that rent longer than 'seasonally' would still be in non-compliance with the Zoning By-law and could become an enforcement issue. Ability to prosecute for non-compliance would be diminished because evidence of non-compliance may be hard to obtain. Town could be creating situations which run afoul of the Residential Tenancies Act in the 'off-season' (representing the other months of the year where a tenancy governed by the Residential Tenancies Act may be established). Landlords/tenants may use the 'seasonal' zoning permissions to support their positions in disputes and/or before the Landlord/Tenant Board. Could create land use conflicts between tenants and guests. 	
		4 <ul style="list-style-type: none"> Amend Tourist Establishment definition to remove 31 day limit and add 'to be occupied for a seasonal or temporary period OR subject to the Town's Business Licensing By-law'. Units could be used seasonally OR for long-term residential provided that they met the Business Licensing Standards 	<ul style="list-style-type: none"> This option could permit permanent residential uses and seasonal short-term commercial uses on one property at the same time through the Zoning By-law. Licensed businesses would have greatest flexibility for rentals. Safety of longer-term rental units would be confirmed. 	<ul style="list-style-type: none"> Could significantly increase Licensing workload and costs Would allow permanent conversions in all of the tourism accommodation properties, which could increase the number of units used on a permanent basis Can create confusion as to whether business owners and tenants/guests have established a landlord/tenant relationship under the Residential Tenancies Act. Could experience land use conflicts between tenants and guests. 	
Prohibitive: Long-term residential uses not (or minimally) permitted in Tourism Commercial properties Maximum restrictions	5 <ul style="list-style-type: none"> Leave Zoning as is. Enforce By-law to permit max 31 day stay. 	<ul style="list-style-type: none"> Keep tourism accommodation units available for tourists at all times of year. 	<ul style="list-style-type: none"> Not a high demand for the Tourism units during off-season. 		