



# Oro-Medonte Good Neighbours Alliance Community Hall IV

## “What Every Homeowner Should Know”

Starting at 7:15 PM  
October 28, 2021

## Your Webinar Team



Welcome and thank you for joining us!

### Front Room

- Peter Lavoie – Moderator & Speaker
- Jay Feehely – Legal Counsel
- Gord Knox – Planning Advisor

### Back room

- Two volunteers working the Q&A desk
- David Johnston – Webinar Operations
- Kim Pressnail – Webinar Auditor

This Webinar has the full support of the Board of Directors of the Oro-Medonte Good Neighbours Alliance

This presentation has been developed through the input of people with legal, planning and municipal expertise as well as those residents who have suffered at the hands of STR operators.

## About “Good Neighbours”



- **We support:**
  - The Township’s amendment
  - The residents’ right to protect our neighbourhoods
- **We oppose:**
  - STR Operators selling our safety, security and quiet enjoyment.
- **Supported by 12 residents’ associations of Oro-Medonte**
- **Our Role:** Confronting misinformation with facts

We support the Township’s efforts to uphold and enforce the Zoning By-law that already prohibits short-term rentals.

We support the residents’ rights to have the by-laws enforced, and their personal safety, property values and neighbourhoods protected

We oppose the disruption of residential neighbourhoods that is created by STRs and the sale by STR operators of residential safety, security and quiet enjoyment of our properties.

We are supported by twelve residents’ associations of Oro-Medonte

Role: education providing facts in an age where the “truth” is often obscured by misinformation. **“Informing homeowners is the most powerful tool we have!”**

# Webinar Outline



- **Problems** created by short-term rentals Peter Lavoie
- **Legal Process** explained by lawyer Jay Feehely
- **Planning Point of View** by Gord Knox
- **Addressing Misinformation**, and
- **How Homeowners Can Help.**
- **Questions** from the audience.

First we will present a review of STR resident-reported ongoing events

Our Lawyer will present the current status of the Zoning By-Law Appeal and its process

Retired Planner and co-author of many of the Zoning By-Laws of Simcoe County will present his views whether STRs constitute “good planning”.

We will present several of the misinformation myths touted by pro-STR lobbyists and dispel them

We will be asking for your help

There will be a Q & A at the end of the presentation. If you do not want your ID shared post Questions anonymously.

## Cycle of Problems Reported by Neighbours 24/7



- **Shouting, profanity, loud music** at any time of day or night
- **Trespassing, theft and vandalism** of neighbours' property
- **Overflowing septic systems, garbage, public urination & defecation**
- **Raucous parties** including **prostitution in full public view** mid-day
- **Verbal abuse, intimidation and threats of neighbours** who try to quell the disruption or contact the police

***AUGUST 2020: Municipal Law staff advised Council that they are concerned for their safety when attending disruptive STRs after hours.***

**Neighbours live it 24/7. Imagine how they feel?**

These are examples of real events that have been reported by residents they can be read on our website.

In most cases these events have been reported to the Township. Where they have not, it has been out of fear.

Some who have reported these incidents wish to remain anonymous for fear of retaliation.

## Are These Cottages or Businesses?



Oro-Medonte Good Neighbours Alliance



6 bed · 5 bath · 15 guests  
**-SIMCOE LAKE HOUSE OASIS-**  
 \$141.2K Revenue    \$1,207 ADR    48 Reviews



6 bed · 3 bath · 10 guests  
**Luxurious All-season Simcoe Lakefront Cottage**  
 \$134.7K Revenue    \$1,642 ADR    32 Reviews



3 bed · 2 bath · 8 guests  
**\*Moon Point\* Simcoe Lakefront Cottage**  
 \$112.1K Revenue    \$942 ADR    67 Reviews



4 bed · 2.5 bath · 10 guests  
**Water front Cottage Lake Simcoe**  
 \$105.7K Revenue    \$881 ADR    85 Reviews



4 bed · 1 bath · 8 guests  
**Private Luxury Chalet Retreat At Forest's Edge**  
 \$84.7K Revenue    \$357 ADR    188 Reviews



Entire Home  
 4    2    7    ★ 4.9(11)  
**Hike, Bike or ATV Horseshoe Valley**  
 Residential home  
 Last 12 Months  
 180 Days Available    \$747 Avg. Daily Rate    39% Occupancy    \$53.1K Revenue



6 bed · 5 bath · 15 guests  
**WATERFRONT Luxury Cottage Lake Simcoe**  
 \$80.8K Revenue    \$1,224 ADR    47 Reviews



4 bed · 2.5 bath · 12 guests  
**All Season Cottage Water Front On Lake Simcoe**  
 \$79.8K Revenue    \$1,124 ADR    28 Reviews

We would like you to look carefully at these STR offerings on AirBnB and VRBO ...

Consider the annual revenue

Consider the ADR – the Average Daily Rate

Consider the number of Guests

These is just a sampling of those available on AirBnB and VRBO

These are not the cottages that lobbyists talk about being rented out decades ago, these are luxury homes.

Not mom and pop

Not just to generate tax and mortgage revenue

Cannot identify where these rentals are

Post interim control by-law

## How We Got Here?



- **May 2019:** After a Township review of the STR problem licensing was proposed. Homeowners objected by:
  - Voicing concerns before Town Council
  - Holding Community Hall Meetings
  - Submitting nearly 100 letters
- **Nov 2019** a petition of 1,500+ signatures, then letters written to oppose STRs supported by twelve residents' associations
- **Dec 2019** Planner's opinion presented to Council
- **June 2020** residents paid for a legal opinion showing that STRs are illegal and delivered it to Council

After a considered review by the Township of the STR situation, and considering licensing of STR operations, then

After deputations by citizens and a considerable number showing up at a Township Meeting to oppose licensing, and after nearly one hundred citizens sent in letters and spoke before Council in opposition of STRs

After a petition of 1,500+ signatures, and after letters written to oppose STRs supported by twelve residents' associations

After residents presented a Planner's Opinion to Council

After residents paid for a legal opinion and delivered it to Council, then

Which leads us to the response by Council

## Response - The Amending By-Law 2020-073



- Council obtains further advice from a law firm specializing in municipal law
- **In July 2020** Council concluded that STRs are prohibited in residential zones and unanimously takes steps to make the existing Zoning By-Law “iron-clad”

***“... By-law 97- 95 currently prohibits all types of commercial accommodations in dwelling units in the Township of Oro-Medonte;”***

- Once the Amendment is upheld at the Ontario Land Tribunal, residents can expect the Township will enforce the Zoning By-Law to stop the operation of STRs that are disrupting the community.

*Please note that the amending by-law indicates even without the clarification of commercial accommodation that STRs have always been a prohibited use in residential zones.*

*Once the Township passed the amending by-law the STR operators appealed it*

## ... In the Meantime



- Due the delay caused by the STR Operator Appeal
- STR Operators continue to earn \$100's of thousands while commercializing and disrupting our neighbourhoods as we wait for the Appeal to be held in March 2022 and for a decision some months later.
- Many neighbouring townships think they can control STRs through licensing, which you will see is hopeless.
- It is essential that we remain vigilant and not succumb to the myths thrown out by the STR lobbyists.

## **The Legal Process** by Jay Feehely



- My role representing The Good Neighbours Alliance at the Ontario Land Tribunal ( OLT)
- Supporting the Township’s position which chose to clarify the definition of “Commercial Accommodation” in the Zoning By-law.
- Work done to date
- Hearing is scheduled for March 2022.
- This may delay enforcement for at least another year.

## The Legal Process continued



- Critical role of widespread community support
- Providing evidence of disruption caused by short-term rentals
- Costs and time of the Tribunal hearing paid for by homeowners

## Planning Point of View by Gord Knox



- **Short Term Rentals are illegal in residential zones in Oro-Medonte**
- **The Planning Act ...** the council of a municipality ... in carrying out their responsibilities under this Act ... shall have regard to, *“the orderly development of safe and healthy communities”, and “the protection of public health and safety;”*
- **Three Ways of finding they are ILLEGAL in Oro-Medonte.**
  - 1) STRs are not listed as a permitted use.
  - 2) STRs do not fit within the definition of a dwelling unit.
  - 3) Council defined an STR use. It is only permitted in the V1 Zone.

- **STRs are not legal** in residential zones in Oro-Medonte and in most other municipalities in Ontario ... that is the starting point. This is because of the way that zoning by-laws are designed. Zoning by-laws separate uses of land into different classes and assign them to different zones to prevent incompatible uses from operating in the same zone.

Looking at the Oro-Medonte Zoning By-law, it is evident that STRs are not permitted in residential zones.

1. STRs are not listed as a permitted use. The courts and tribunals have found that STRs are a distinct and distinguishable use since they provide temporary accommodations, similar to hotels and motels. If STRs are not listed as permitted in a zone, then they are prohibited..
2. Dwelling Units are permitted in residential zones . Residential zones are designated as the areas in which people reside. However STRs do not fit within the definition of a dwelling unit. STRs are not being used as a residence when rented for a short period of time. Dwelling units specifically exclude “ commercial accommodation”. Instead

of relying on normal dictionary meanings of that term the Township chose to “clarify” the meaning of “commercial accommodation”.

3. In 2014 Council added a definition of an STR to the Zoning By-law (Village Commercial Resort Unit). It was assigned to the V1 ( Village 1) zone which is located in Horseshoe Valley. The V1 zone is a mixed use commercial/ residential zone. People buying in the condominium built in that zone knew and expected that STRs were permitted.

## Planning Point of View (cont'd)



- **STRs are already prohibited** - the clarification that is being appealed just strengthens the existing prohibition.
- **The lobbyists want** the Township to legalize STRs in single detached dwellings. Should this happen - **Appeal!**
- **Allowing STRs** in single detached dwellings is **NOT** good planning.
- **Zoning changes are effectively forever.**

- **So STRs are already prohibited** - even in the unlikely event that the clarification is not upheld, STRs are still illegal and they still can be prosecuted
- After a successful defence of the appeal by the STR lobbyists and the Township Zoning By-law is upheld, homeowners can reasonably expect that zoning enforcement can begin ... relief is in sight.
- People should not be fearful in their own homes. The Township has a duty to protect you from incompatible uses operating in your neighbourhood and that is what people expect. This is a fundamental principle of the Planning Act.
- Instead, the STR lobbyists want the Township to legalize STRs in single detached dwellings. Should this ever happen - Appeal! The courts and the tribunals have already recognized the conflicts that can occur and that STRs are not compatible. Zoning changes are effectively forever, they cannot be undone!
- In the Blue Mountains case, the Ontario Municipal Board confirmed and agreed that

STRs were not compatible in single detached dwelling neighbourhoods and would not be permitted – they called it ‘good planning’.

## STR Lobbyists and Their Claims



- STRs are not permitted in residential zones, yet operators continue to disrupt and threaten our neighbourhoods.
- The STR lobbyists have challenged the Township Zoning By-law and are attempting to have it overturned.
- STR lobbyists want STRs to be legalized in residential neighbourhoods in the Township.
- The Lobbyists 'myths' need to be addressed.

## Myth #1 - Extra Money Claims



**People need to earn a little extra money to help them pay their taxes.**

- Many STR operators generate revenue of more than \$100,000 per property per year.
- Revenue is often earned at the expense of neighbours who lose their quiet enjoyment, safety and security.

Many operators of STRs are generating revenues in excess of \$100,000 per property per year. A little extra money? These are distinctly commercial operations set up as investments to generate business income for the operators.

Revenue is earned often at the expense of neighbours who lose their quiet enjoyment, safety and security.

STRs are a distinguishable use – they are not a residential use.

Residential zones are intended to be places where people live and reside, STRs are similar to a hotel or motel. Or at the very least an unregulated Bed and Breakfast.

## Myth #2 – Good for Tourism



**STRs support local tourism.**

- No public benefit to legalizing STRs in Oro-Medonte has ever been demonstrated.
- The only ones who benefit from operating an STR are the operators and the big internet platforms.
- Tourists leave money, transient visitors do not.
- In November 27, 2019 the Mayor confirmed this telling Council that STR transient visitors are not tourists .

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## Myth#3 – STRs should be Licensed



The way to control STRs is to license them.

**BUSTED!**

- STRs are illegal.
- Legalizing and licensing STRs is ineffective and a waste of money that drains the public purse.
- The Town of The Blue Mountains has spent millions of tax dollars administering an ineffective licensing scheme. Since 2015 the disruptions and complaints continue and yet no licences have been revoked.

Only recently was one license renewal was recently refused. It took 57 people who signed the petition to stop the renewal

In Ramara Township where a draft licensing by-law went into effect only about 40% of the STRs have obtained licenses

The best way to control them is on a complaints-made basis like Goderich, Seguin, Carling and Clearview Townships

## Myth #4 - Good for Property Values



**STRs increase property values by increasing demand for investment properties.**

**BUSTED!**

- No one wants to live next to a hotel-like business, whether it is disruptive now or not.
- The market place and real estate appraisers agree.
- If you live next to a legalized STR, your property value will decline by 10% or more.

## Myth #5 – STRs Are Tax Revenue



The municipality can generate revenue from the (2%) municipal accommodation tax

- The 2% 'hotel tax' would only amount to \$10 to \$20 per night – it wouldn't begin to cover the costs of administration and enforcement.
- The safety and security of residential neighbourhoods should never be sold, for any price.

A mere pittance of what would be needed to cover the costs associated with calls for service including ... Calls to FIRE, OPP, and Municipal Law Enforcement. Plus you might be subject to intimidation after the service leaves.

The safety and security of residential neighbourhoods should never be sold, for any price.

## Myth# 6 – The Right to Rent



**People have a right to rent out property they own.**

- People can rent their homes to tenants who reside there.
- Residential zones are places where people reside. STRs are temporary accommodations similar to a hotel or motel.
- STRs fundamentally change the nature and the character of neighbourhoods.
- The Ontario Municipal Board upheld the Town of The Blue Mountains' right to prohibit STRs from all detached and semi-detached homes.

Trial level decision in the Menzes case is that a STRs are not a residential use.

Renting your home to tenants who live there as an independent household is legal.

An STR that carries on a hotel-like business in a residential neighbourhood is a use that is distinctly different than a residential use.

The Board called prohibiting STRS from low density homes "Good Planning." The courts agreed.

In Oro-Medonte, we already have good planning in place.

## Myth #7 - Don't Listen to Special Interest Groups



**Opposition to STRs is a “special interest group”.**

- STRs are already prohibited.
- More than 2,500 people represented by more than 12 resident associations are not a special interest group.
- 1,500+ people who signed a petition are not a special interest group.
- The only special interest group at work here is the STR lobbyists

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## Myth #8 – STRs are just like old-time cottage rentals



**Lobbyists want you to believe that an exception is needed to allow for 'casual' or 'occasional' rentals.**

- This is a false comparison – our neighbourhoods are now increasingly full-time residential communities and are not seasonal.
- Creating an exception means the Zoning By-law will no longer be “iron-clad” and will be impossible to enforce effectively.
- All STRs, including those that disrupt, will claim to be a “casual rental” and the Township will not be able to prove otherwise.
- Enforcement is only needed where there are disruptions – if there are no complaints there is no need for enforcement.

It is essential that there be a strong and effective enforcement tool available to the Township in order to stop the disruptive STRs

They can occur at any STR – including those that are ‘casual’

Traditional cottage rentals were not done through the big anonymous internet platforms.

These platforms are attempting to ‘industrialize’ our residential neighbourhoods and create as many STRs as possible in residential zones

This had led to a proliferation of STRs with high turnovers of large groups of transient renters who are unknown and anonymous due to structure of the internet platform

This bears no resemblance to the traditional cottage rental

## Myth #9 – Just Shut Down the Party Houses



**You just need to make the party houses illegal.**

- On any given day, any STR could become a 'party-house' site.
- Drawing the party-house distinction is not plausible nor feasible. It would make the zoning by-law more difficult to enforce and not "iron-clad".
- All STRs fundamentally change the character of neighbourhoods and are illegal.

All STRs fundamentally change the character of neighbourhoods and are illegal. On any given day, any STR could become a 'party-house' site. Drawing the party-house distinction is not plausible or feasible. It would make the zoning by-law more difficult to enforce and not "iron-clad".

## In Closing



- We support Council's initiative to implement an iron-clad zoning By-Law.
- We expect after successful defence of the Appeal that zoning enforcement will begin in order to protect and preserve our neighbourhoods.
- No one wants to live near a disruptive short-term rental - no one, and according to our Mayor, not even members of Council.

***“You are only one real estate deal away from a living nightmare”***

## How You Can Help?



- Use our website at <https://www.goodneighboursoromedonte.ca/> to inform yourself and your neighbours
- Report incidents
- Sign-up for our newsletter
- Show your support for your neighbourhood – put up a lawn sign
- Keep Good Neighbours informed of developments in your neighbourhood [goodneighboursalliance@gmail.com](mailto:goodneighboursalliance@gmail.com)

Please contribute to Good Neighbours and help support your community!

<https://www.goodneighboursoromedonte.ca/donate/>



# Question and Answer Session



# Thanks!!

Don't forget to participate in Hometown Hockey coming to Horseshoe Valley in Oro-Medonte November 6<sup>th</sup> through 8<sup>th</sup>.