

STAs IN ORO-MEDONTE

NOVEMBER 2023 NEWSLETTER

ANOTHER STEP FORWARD FOR HOMEOWNERS! COUNTY APPROVES ORO-MEDONTE'S NEW OFFICIAL PLAN THAT PROTECTS NEIGHBOURHOODS FROM THE INTRUSION OF STAs

On Tuesday October 24, 2023, Simcoe County Council approved Oro-Medonte's new Official Plan. To maintain the principal residential character of our neighbourhoods, the new Official Plan states that STAs:

“shall be directed toward a commercial or other appropriate designation and **shall be prohibited** (emphasis added) within an existing registered residential plan of subdivision or other existing residential areas.”

The new Official Plan maintains and continues the pre-existing zoning regime in Oro-Medonte that does not permit STAs in residential zones. (STAs will continue to be permitted in designated areas of the Horseshoe Resort and Carriage Hills.) A copy of the new Official Plan's provisions related to Short-Term Accommodations can be found here: goodneighboursoromedonte.ca.

The new Official Plan was unanimously adopted by the previous Council in September 2022 after extensive public consultation and consideration of the submissions from the STA operators.

Kudos to our current Township Council and Simcoe County Council for staying the course in the face of relentless lobbying efforts by the STA industry, and for supporting and approving the new Official Plan that protects our residential neighbourhoods against incompatible STA activities.

In adopting the new Official Plan, Oro-Medonte continues to be a leader in protecting residential neighbourhoods, but we are not alone. The Town of The Blue Mountains and the City of Niagara Falls have also implemented similar planning policies that have been upheld by the Ontario Land Tribunal and by the Superior Court of Ontario.

What does this mean for homeowners? Any amendments to the zoning by-law provisions which prohibit STAs in residential zones must comply with the new Official Plan. This means that our neighbourhoods are now better protected from the intrusion of STAs. In the future, should a subsequent Township Council try to change the zoning by-law to permit STAs in residential zones, the Official Plan would have to be amended first, and only after extensive public input through public consultations and meetings. The new Official Plan represents another significant step towards the protection of the safety, integrity and vitality of our residential neighbourhoods for generations to come.

TOGETHER WE STAND WITH THE TOWNSHIP IN DEFENCE OF OUR NEIGHBOURHOODS!

In September, 13 residents' associations representing more than 2500 people came together with the Good Neighbours Alliance and declared their support "for the continuing efforts undertaken by the Township to provide safer, more liveable and ultimately more sustainable neighbourhoods for all including the generations that follow." Specifically, the joint letter declared support for three important undertakings. Here are some excerpts from the joint letter.

The Appeal

"We strongly support the Township's efforts to continue the Appeal to the Ontario Superior Court to have the OLT decision of March 2022 overturned. We have stood with the Township and incurred significant costs to assist the Township in defending the original appeal of the zoning by-law amendment, and now we are continuing our support to see that the Appeal of the OLT ruling is heard. We believe that the Appeal will be successful and will set the record straight. Regrettably, some lobbyists for the short-term rental accommodation industry have been making false and misleading statements about the effect of the OLT decision, leaving homeowners needlessly confused and uncertain. Once the Appeal has been finally resolved, we expect it will bring certainty and clarity. Therefore, we strongly believe that Township must continue with the Appeal."

The Official Plan

"We strongly support the new Official Plan which includes policy provisions on STRs and is now before the County of Simcoe for approval. The new Official Plan continues the existing zoning regime that does not permit STRs in most residential zones. It is critical that the new Official Plan be approved by the County in the form adopted by the Township. The protection of residential neighbourhoods from the intrusion of incompatible STR activities must be preserved by the provisions of the Township's Official Plan." (Ed note: the Official Plan was approved by the County of Simcoe as reported above.)

Enforcement

"We believe that relief is long overdue for homeowners suffering from the intrusions and disruptions caused by unauthorized STRs operating in the Township. We strongly support the Township in its efforts to investigate and prosecute unauthorized STRs and to seek substantial fines and court orders to stop unauthorized STR operators who continue to disobey the zoning by-law. It is critical that it be made clear that unauthorized STRs will not be allowed to erode and impair the quality of our residential neighbourhoods. While we recognize that the costs of prosecuting STR operators may be large initially, we believe that in the long run, this is the least costly option for protecting the safety, security and integrity of our residential neighbourhoods."¹

¹ The Joint Residents' Associations, the Good Neighbours Alliance and the Township are not the only ones that believe that enforcement of the existing zoning by-law is the right approach. The Federal Government agrees. See: "Trudeau government to crack down on people who profit from short-term rentals like Airbnb: source" In the Toronto Star article it has been reported that "The fall economic statement will also include funds to help municipalities enforce existing rules." Ottawa to crack down on Airbnb, short-term rental profits (thestar.com)

The Joint Letter Closes With: We

“We strongly urge the Township and all members of Council to stay the course and not give into political pressure. Please continue to maintain and adhere to best planning practices to ensure that future generations can enjoy the safe and vibrant neighbourhoods that we have built and have come to know and cherish.” If you would like to read more, a copy of entire letter may be found at: goodneighboursoromedonte.ca

STAs ARE THE RESULT OF A BROKEN BUSINESS MODEL AND GOVERNMENTS ARE ACTING

“Airbnb is Fundamentally Broken” was a business headline in October 2023. Referring to the short-term rental marketplace’s shaky financial performance of late, Airbnb’s CEO Brian Chesky stated that their business model was never sustainable. According to Chesky, because of its explosive growth, Airbnb lost control of its hosts and customers, and this attracted the attention of governments. Chesky stated that some governments are currently implementing regulation and outright bans, but he believes Airbnb will get all these issues under control using Artificial Intelligence (AI).

But the problems with the Airbnb model are significant and numerous, and well beyond an “AI fix” or similar silver bullets. Short-term accommodation (STA) operators have thrived on the premise of running unregulated and unsupervised hotel-like businesses in residential neighbourhoods. STA operators avoid compliance with landlord and tenant regulation, as well as the building, safety and operating standards that apply to the commercial accommodation industry.

And underlying all of this is a more direct and fundamental problem. Renting anonymously to random visitors who book through internet platforms inevitably leads to serious conflicts in residential zones. Temporary visitors at an STA have no stake or vested interest in the community. The disruptions and conflicts routinely inflicted on the surrounding neighbourhood by visitors to unsupervised STAs cause significant and lasting damage to the community. The notion put forward by STA operators that visitors are “vetted” in advance is completely inconsistent with the booking policies of most online platforms. Whether conflicts occur depends on those who show up and are not a result of who owns the house, or whether the house is, at times, personally used by the STA operator.

An STA operator who is absent from the site is incapable of managing the conflicts created when unsupervised temporary accommodation uses intrude into residential neighborhoods. Given the structure of the business the outcomes are eventually the same - communities suffer while the STA operators enjoy enormous profits. Making neighbours de facto by-law enforcement officers who are forced to confront disruptive visitors is not a solution. The damage is done when disruptions occur, and that’s before any calls for help are made. Furthermore, calling for help can never address the dread and feeling unsafe in one’s home when cycles of strangers repeatedly arrive. Even the act of calling for help leaves some neighbours fearing retribution from the operator or the unruly visitors. No amount of Artificial Intelligence can “fix” disruptive visitors nor address the paramount issue of safety. While many agree with the CEO of Airbnb that the business model is broken, there is no responsible business model for STRs carrying on business in residential neighbourhoods.

Chesky is correct though, governments are responding. Homeowners and governments are becoming better informed. Vancouver and Victoria BC legalized STRs in residential zones and discovered, like Toronto, that once legalized, STAs are very difficult and costly to control. Recently, the BC Provincial government stepped in to try and limit the damage being done by limiting STRs to principal residences in larger centres. This move may address the problem of STRs contributing to a critical shortage of housing. It will not however prevent the conflicts with neighbours that arise when entire residential homes are rented to anonymous strangers with no on-site supervision by the STR owner.

The Globe and Mail has reported that new legislation has already led to investors selling their STR properties and freeing up badly needed housing. The BC government has also established an enforcement branch that will assist municipalities in enforcing the new rules.

Just 6 months ago in Quebec, 70% of the short-term rental operators failed to register their STR accommodation businesses as required by law. They chose to flout the law while evading government scrutiny and taxes. Sadly, an unregistered STA in Montreal that wholly failed to meet fire code provisions cost 7 people their lives this year. In response, the Quebec government took action. As of September 1, 2023, Internet platforms will have to ensure that advertisers of short-term rental properties in Quebec are properly registered and in compliance or face fines up to \$100,000.

Although governments and homeowners are becoming better informed, it is often too late. Once legalized, zoning changes are effectively forever and cannot be undone. Here in Ontario, a number of municipalities, including the City of Toronto, have licensing regimes in place and yet fewer than 50% of the STA operators have obtained licenses. Unless the irresponsible STA operators are denied access to the STA online listing platforms, they will continue to mask their operations, temporarily ceasing operation until the threat of by-law enforcement subsides. This results in an endless game of wack-a-mole that is exhausting for residents and for municipal coffers. This situation is particularly acute for smaller municipalities. An Ontario MPP Jessica Bell was quoted in the Toronto Star recently:

“... there are many who've implemented short-term rental laws, but they don't have the human power, the staff power, the resources to get short-term rental hosts to comply.”

Fortunately, when it comes to protecting residential neighbourhoods, Oro-Medonte has a robust short-term rental by-law that does not involve licensing. Under the existing Zoning By-law, STAs are not permitted in residential zones. For many years now the zoning in Oro-Medonte has separated conflicting STA land uses by permitting STAs in the V1 Zone and in Carriage Hills at Horseshoe Valley and excluding them from residential neighbourhoods.

Excluding STAs from residential zones is prudent. It avoids conflicts with the surrounding residential neighbourhood from the outset, and that is the root of good planning. Avoiding conflicts makes sense from a community and social perspective, and it is sensible in terms of economic and resource efficiencies as well. Conflicts that result in calls for service to the OPP, Fire and Emergency Services, and Municipal Law Enforcement are costly for taxpayers. Worse, our increasingly strained ambulance, fire and police emergency services may be delayed because resources are otherwise encumbered attending an absentee STA operator's hotel-like business.

Thankfully, our Council in Oro-Medonte has listened to homeowners and has not legalized STAs in residential zones. Rather, our enlightened Council has resolved to see that the existing Zoning By-law is enforced. This means that illegal STA operators will face fines up to \$25,000 and may even face court orders ensuring that they cease and desist operating their prohibited STRs. That's great news for homeowners and prospective home buyers who want to live without having to worry whether someone will start up an illegal STAbusiness next to them.

Although getting to this point has been a long road, homeowners in Oro-Medonte are in a far better position today than they were even 2 years ago. We have reached this point because the public and members of Council are better informed. Faced with increasing disruptions from illegal STRs back in 2017, Oro-Medonte citizens did not throw up their hands and let an irresponsible industry that is based on a broken business model compromise their safety and investment in their local communities. Instead, residents came together and with the collaboration of thirteen Residents' Associations, successfully rejected any suggestion of change in the zoning regime to legalize STRs in residential neighbourhoods. Continued support for effective enforcement action by the Township to shut down illegal STRs will ensure a strong legacy of protecting and preserving the integrity of our residential neighbourhoods for the benefit of all residents, now and in the future.

AND FINALLY: UPCOMING TOWN HALL

The Ward 5 Residents' Associations have organized a "Town Hall" event that is open to all constituents. The Town Hall will be a moderated discussion to answer residents' questions and to update them on Township initiatives.

The Distinguished Panel:

Mayor Randy Greenlaw
Deputy Mayor Peter Lavoie
Ward 5 Councillor Richard Schell

Issues for Discussion:

Cannabis
Short-term rental accommodations
Orillia and Barrie Boundary expansion

If you have questions or other issues that you would like to have discussed send your questions and issues via email to: Ward5TownHall@gmail.com.