



The Corporation of the Town of Milton

Report To: Council

From: Jill Hogan, Commissioner, Development Services

Date: June 20, 2022

Report No: DS-053-22

Subject: Short-Term Rentals Zoning By-law Amendments Technical Report

Recommendation: **THAT Zoning Application Z- 04/22 - Short-Term Rental Zoning By-law Amendments to 016-2012 and 144-2003 BE APPROVED;**

AND THAT WHEREAS the Planning Act limits the ability to apply for a minor variance for a 2-year period following approval of this By-law, BE IT RESOLVED that a privately initiated application for a minor variance may be made.

EXECUTIVE SUMMARY

In accordance with the Planning Act, this Report presents Zoning By-law amendments updating Milton's Zoning By-law to define short-term rental in the Town's Zoning Bylaw, require a Certificate of Occupancy for short-term rental uses and adds minimum parking requirements. Additionally, the amendments add short-term rental as a permitted use wherever residential uses are permitted and updates other definitions as necessary, to provide clarity in the Zoning By-laws to support enforcement of applicable zoning provisions.

The proposed Short-Term Rental Zoning By-law amendments are intended to work with and support the Town's Short-Term Rental Licensing By-law. Together these documents implement Council's direction in DS-008-2022.

The Statutory Public Meeting under the Planning Act was held on May 30 2022. This report is now seeking approval of the proposed Zoning By-law amendments (appendices 1 and 2).



REPORT

Background

In 2020, Milton Council passed a resolution requesting that Staff explore options to regulate short-term rentals in a way that supports the community's goals and addresses concerns related to short-term rental units.

In June 2021, Staff presented, through Report DS-054-21, a summary of options available to manage how short-term rentals operate within the Town of Milton. Following this report, Staff held online engagement with the community, held meetings with Short-Term Rental operators and further evaluated what other municipalities are implementing to address short-term rentals.

In February 2022, Staff brought forward a recommended approach through DS-008-22, which outlined several recommendations through multiple departments. Council endorsed DS-008-22 and directed Staff to begin the implementation of the recommended approach outlined in the report. This approach includes a Short-Term Rental Licensing By-law and Zoning By-law amendments.

On May 30 2022, Staff held a Statutory Public Meeting under the Planning Act for the proposed Zoning By-law amendments, where four written delegations were received. Two of these delegations also gave verbal delegations.

This report recommends that Council approve the proposed Zoning By-law amendments that introduce short-term rentals and subsequent use requirements into the Town's Zoning By-law, supporting the implementation of a licensing By-law.

Discussion

The Amendment

The Zoning By-law amendments have one modification following the agency circulation and public meeting. The amendment to Section 5, of both the 144-2003 and 016-2014 By-laws, has been updated to provide more clarity that short-term rentals would be permitted in any dwelling unit that is permitted by the Zoning By-law.

The proposed Zoning By-law amendments (appendices 1 and 2) modify the Town's Zoning By-laws by adding the following definition for short-term rentals:



Discussion

SHORT TERM RENTAL

Means the rental of a *dwelling unit* or part thereof offering short term lodging for compensation for 28 days or less that does not provide meals or other commercial services. A short-term rental does not include a *bed and breakfast establishment*.

The proposed amendments additionally require that a short-term rental must provide one off street parking space in addition to the parking that is required for the main dwelling unit, and add the requirement that a certificate of occupancy be obtained for a short-term rental.

These proposed amendments are intended to recognize and define the short-term rentals as a permitted within any dwelling unit that is permitted by the Town's Zoning By-laws, which would support the implementation of the Town's upcoming Short-Term Rental Licensing By-law.

Agency Comments

Following the agency circulation, comments were received from Halton Region and the Niagara Escarpment Commission (NEC). Halton Region noted that they had no concerns with the proposed Zoning By-law amendments and also noted that they support the Town's overall short-term rental strategy. The NEC noted that the Zoning By-law amendments do not apply to the NEC Area. The Town's Short Term Rental Licensing By-law as well as all other regulations (noise, community standards, parking) will still apply and are enforceable within the NEC Area.

Statutory Public Meeting

At the statutory public meeting under the Planning Act, Town Staff received four written submissions, two of which also gave verbal delegations. Many of the concerns raised such as noise by-law violations, parking by-law violations and use of residential properties for commercial events are not covered within the proposed Zoning By-law amendments; however, will be addressed through the Town's Licensing By-law or are currently addressed through other Town By-laws. As noted, the proposed amendments are part of the Town's strategy to regulate short-term rentals in a way that appropriately integrate them in the Town.

There were also concerns noted that the Town should not be regulating short-term rentals or what is being proposed is too restrictive. Town Staff maintain that the strategy endorsed through DS-008-22 is appropriate as there have been many concerns noted by the community, as well as by-law complaints, relating to the impacts of the operation of short-term rentals in the Town.



Discussion

Licensing By-law

While the Licensing By-law is a separate document, it is intended to work with the proposed zoning -by law amendments to implement the Town's Short-Term Rental Strategy.

As highlighted in DS-008-22 implementing a Short-Term Rental Licensing By-law may include:

- A formal definition for a short-term rental - i.e. a rental in a residential property for 28 days or less.
- A license and fee.
- A requirement that short-term rentals only operate in principal residences.
- A maximum number of guests per unit.
- A limit of operation as short-term rental to maximum number of days per year.
- A valid certificate of occupancy (zoning certificate).
- Mandatory annual life safety inspections.

A Short-Term Rental Licensing By-law Report will address the specifics of the Licensing By-law.

Financial Impact

There are no financial implications arising from this report as this report is in regards to short-term rental Zoning By-law amendments only. However, it is intended that the proposed Zoning By-law amendments will support the Short-Term Rental Licensing By-law. The Short-Term Rental Licensing process will result in additional staff requirements to manage the license applications and By-law enforcement, which will be partially offset by new licensing fees and penalties associated with non-compliance. The financial impacts of the short-term rental licensing process are outlined as part of the Short-Term Rental Licensing By-law report on tonight's agenda.

Respectfully submitted,

Jill Hogan
Commissioner, Development Services



The Corporation of the Town of Milton

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For questions, please contact: Megan Lovell, Senior Planner - 905-878-7252 Ext. 2398
Policy

Attachments

Appendix 1 -Urban Zoning By-law Amendment
Appendix 2 -Rural Zoning By-law Amendment
Appendix 3 - Delegation Submissions

Approved by CAO
Andrew M. Siltala
Chief Administrative Officer

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.