

June 8, 2022

MUNICIPALITY OF HARRISON PARK

SHORT-TERM RENTAL REGULATION STRATEGY – SUMMARY REPORT

SCATLIFF + MILLER + MURRAY

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1.0 PREAMBLE

This report provides a summary of the work completed by Scatliff + Miller + Murray (SMM), on behalf of the Municipality of Harrison Park, in the advancement of a strategy to regulate Short-Term Rentals (STRs). STR operations in the Municipality – particularly in Onanole – emerged as a prominent and divisive community issue in 2021, following an upsurge in the number of STRs operating and subsequent escalation of nuisance-related complaints and concern around the lack of regulations and enforcement efforts to deal with the broader STR issue.

As per Council direction (see Council adopted Short-Term Rentals (STRs) Regulation Strategy in **Appendix A**), the goals of the Municipality's STR regulation strategy are as follows:

1. Protecting and promoting the availability and affordability of long-term housing and rental supply in the community;
2. Supporting the tourism industry and locally available accommodation options; and
3. Ensuring neighbourhood compatibility of uses.

2.0 PURPOSE

As directed by Council (see **Appendix A**), the purpose of the strategy is to:

- Develop a more complete understanding of the STRs operating within the Municipality;
- Identify and consider areas of community concern and of the interests of the STR owner/operators;
- Develop an administrative and regulatory strategy to address the interests of the community and STR owner/operators;
- Provide for best practices and develop an approach for the administration and enforcement of the Zoning By-law requirements;
- Develop a STR-specific licencing by-law; and
- Provide a clear regulatory framework going forward for existing and future owner/operators of STRs.

In addition to the above, SMM's scope of work also included an assessment of the current Zoning By-laws and the potential to regulate STRs under existing zoning regulations.

3.0 ENGAGEMENT PROCESS

Given the significant level of interest in the STR issue, community engagement was an important component of the strategy development. The intent of the engagement process was to build an understanding of community perspectives on the issue, gauge support for potential regulatory solutions, and inform the overall strategy and its roll-out. The process included conversations with local stakeholders, the formation of a Working Group, and a community-wide survey.

In general, while the engagement process confirmed disparate positions on how STRs should be regulated, it revealed broad support and alignment around the need for clear rules and regulations.

3.1 Initial Interviews

In February 2022, SMM held a series of phone/video interviews with community members identified by the Municipality as being central to the community dialogue on the STR issue at that stage. The intent of these initial discussions was twofold:

1. To inform an understanding of local perspectives on the issue of STR operations and their impact on the community; and

2. To identify prospective participants to sit on the STR Working Group.

The following is a list of individuals and/or groups that were interviewed:

- Representatives of the Harrison Park STR Association (Conner Ross, Robyn Sneath, Karen Hindle, Harold Minty, and AJ Lewis)
- Conner Ross
- Marlow Kirton
- Ralph Clark
- Bill Martin
- AJ Lewis

3.2 Working Group

As part of the Municipality's adopted Strategy (**Appendix A**), Council sought to establish a working group to *"provide input, insight, feedback, and consultation on the actions being undertaken by the Municipality as part of this strategy and for dealing with the regulation of STRs in the entire Municipality"*

In response to outreach by the Municipality and in consultation with Municipal Administration to find a balance of perspectives on the STR issue, the following individuals formed the STR Working Group:

- Chad Davies, CAO
- Conner Ross
- AJ Lewis
- Marlow Kirton
- Ralph Clark
- Bill Martin

Two rounds of meetings were held with the Working Group:

Meeting 1 – March 25, 2022 via Zoom

The purpose of Meeting 1 was to introduce the Working Group and Consultant Team members, as well as provide an overview of the project purpose and process, the role of the group, and the preliminary STR survey results. Finally, the intent was to also discuss the values and priorities of group members to explore potential commonalities in the perspectives of the Working Group members.

See presentation materials from STR Working Group Meeting 1 in **Appendix B**.

Meeting 2 – April 18, 2022 via MS Teams / April 19, 2022 in person at the Municipal Offices in Onanole

Based on observations from Meeting 1, SMM, in consultation with Municipal Administration, determined it would likely be more productive to hold separate meetings with the contingents of the Working Group representing opposing perspectives on the STR issue.

The focus of Meeting 2 was to discuss the use of the current Zoning By-law to regulate STRs and review potential scenarios and outcomes based on the application of different defined land uses established under the current Zoning By-law. Beyond zoning regulations, Meeting 2 also covered the potential scope and implementation of a Licencing By-law.

The first meeting was attended by Conner Ross and AJ Lewis on April 18, 2022 via MS Teams. The second meeting was held in person in Council Chambers on April 19, 2022. It was attended by Marlow Kirton, Ralph Clark, and Bill Martin.

The exact same presentation materials were shared with each meeting contingent (see Appendix C).

3.3 Community Survey

An online survey was open for nearly three weeks between March 6th and March 25th. Hard copies of the survey were also available at the Harrison Park Municipal Office. All hard copies submitted have been considered in the results (including those submitted after the online survey closed). The survey was promoted on the Municipality's Facebook page and website.

In total, 607 responses were received, demonstrating the very high level of interest in this matter.

The intent of the survey was generally threefold:

- 1. To develop a better understanding of short-term rentals within the local context, including the types of accommodations offered and methods of promotion used.
- 2. To generate a better understanding of how community members view the matter, including their level of concern and how they think it is impacting the Municipality.
- 3. To gather feedback from the community, including owners and non-owners of STRs alike, on their level of support regarding different approaches to regulating STRs.

In accordance with the intent of the survey, two streams were offered to participants. One for those who **do** own / operate an STR and another for those who **do not** own / operate an STR. The majority of survey responses were received from non-owner / operators (see Figure 1).

Figure 1: Participant Overview



NON-OWNERS / OPERATORS

As shown in Figure 2, the majority of responses from non-owners / operators of STRs came from the Onanole area (84%), followed Sandy Lake (7%), those who indicated “Other” (7%), and Newdale (2%). Notably, many of those who indicated “Other” listed Grey Owl Estates as their community, with other common answers including Dauphin, Brandon, and Wasagaming.

The responses from non-owners / operators of STRs established that there is a significant level of concern among community members on the matter. The greatest proportion of non-owners / operators indicated they are very concerned about STRs at 47%, with 23% being somewhat concerned, 11% being neutral, and 19% being not at all concerned (see Figure 3).

Figure 2: Community of Non-Owners / Operators

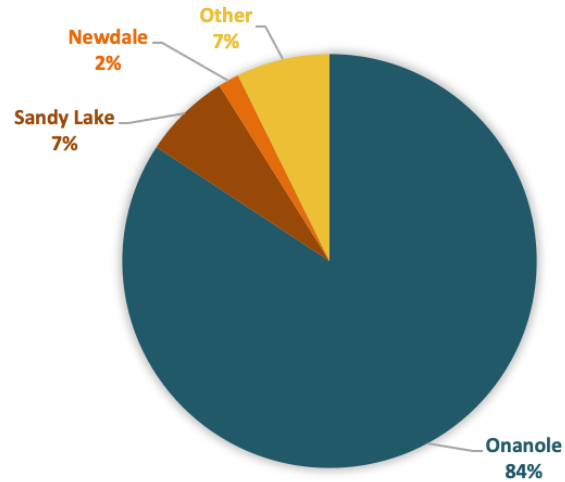
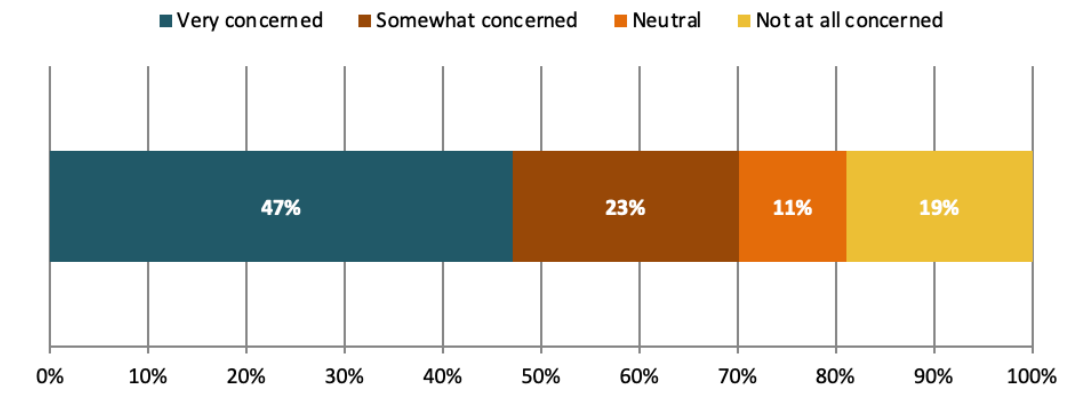
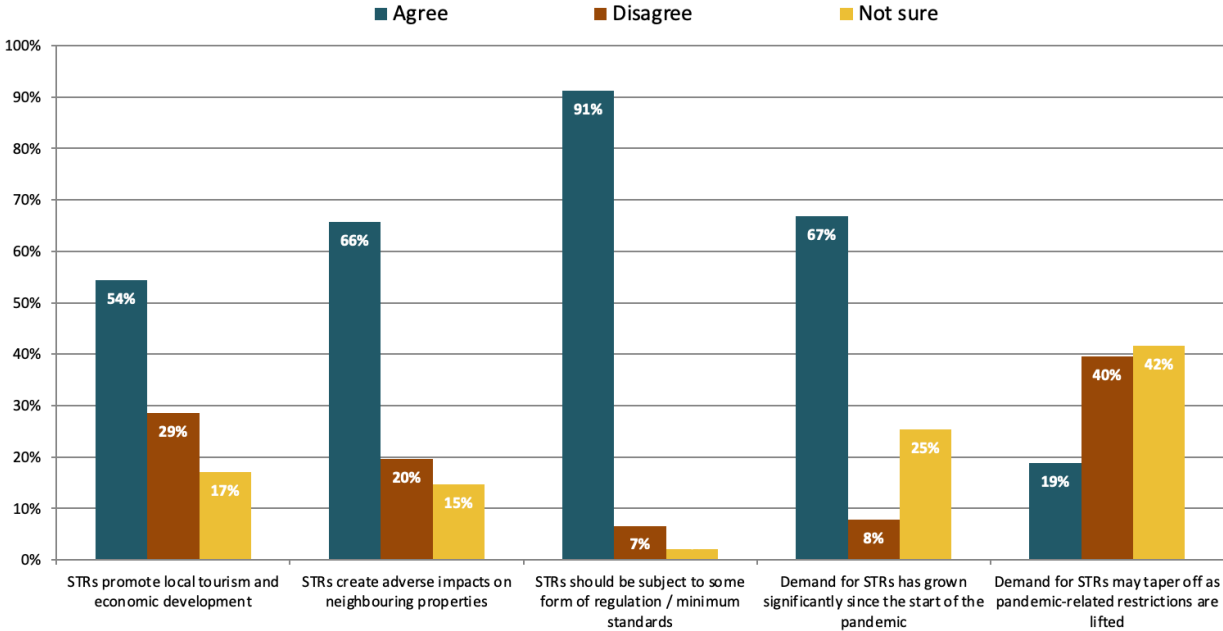


Figure 3: Level of Concern of Non-Owners / Operators



Participants were also asked about the impact of STRs on various aspects of the community, as well as recent trends in local STR operations. The responses to several of these questions are outlined in Figure 4. For example, when asked if they thought STRs promote local tourism and economic development, 54% of non-owner / operators agreed, while 29% disagreed and 17% were not sure. In addition, when asked if they thought STRs create adverse impacts on neighbouring properties, 66% agreed, 20% disagreed, and 15% were not sure. Notably, 91% of participants thought STRs should be subject to some form of regulations / minimum standards.

Figure 4: Non-Owner / Operator Responses to Impacts and Trends of STRs



When asked how they felt about different options for regulating STRs in the community, non-owners / operators thought the following options would have a most positive impact:

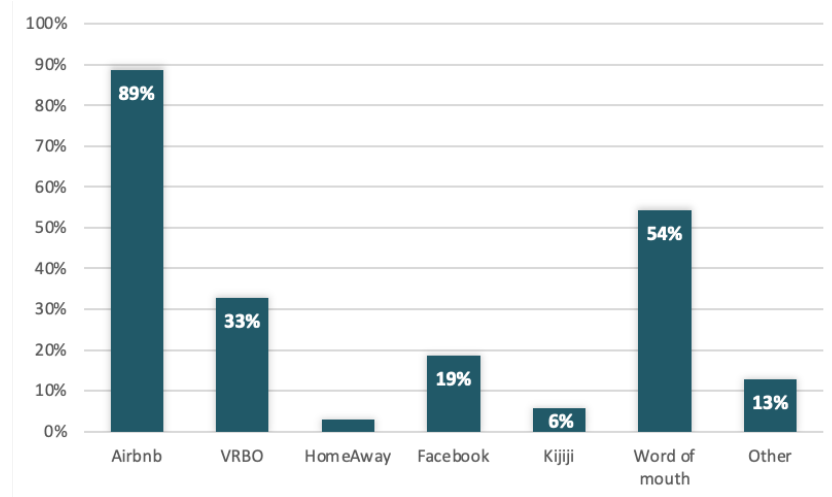
1. Requiring licensing / registration for STRs
2. Charging a tax or levy as per traditional tourist accommodations
3. Restricting the number of STRs that can be owned / operated by a single entity

Finally, in addition to responding to the questions, non-owner / operators provided many insightful comments on the matter. These are covered under the GENERAL FEEDBACK section.

OWNER / OPERATORS

As shown above in Figure 1, a total of 100 responses were received from owner / operators of STRs in Harrison Park. When asked how they promote their STR operation, the most common approach was to use Airbnb (90%), followed by word of mouth (56%) and VRBO (33%). These results are outlined below in Figure 5. Notably participants were able to select multiple options.

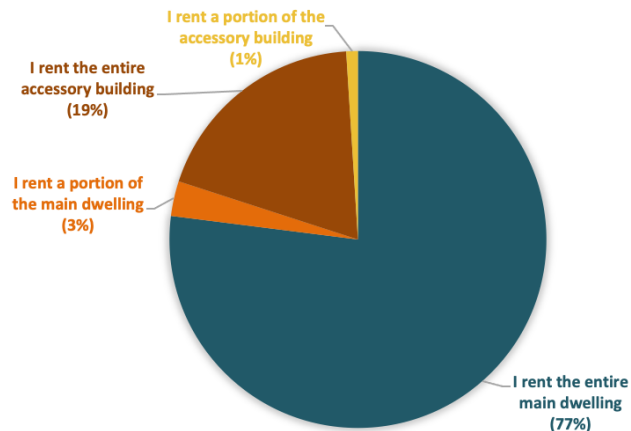
Figure 5: Approach to Promoting STRs



STR owner / operators were also asked about their approach to providing short-term accommodations. As shown in Figure 6, the most common approach was to rent the entire main dwelling (77%), followed by renting an entire accessory building (19%) and only a portion of the main dwelling (3%). This demonstrates the variety of STR operations within the community.

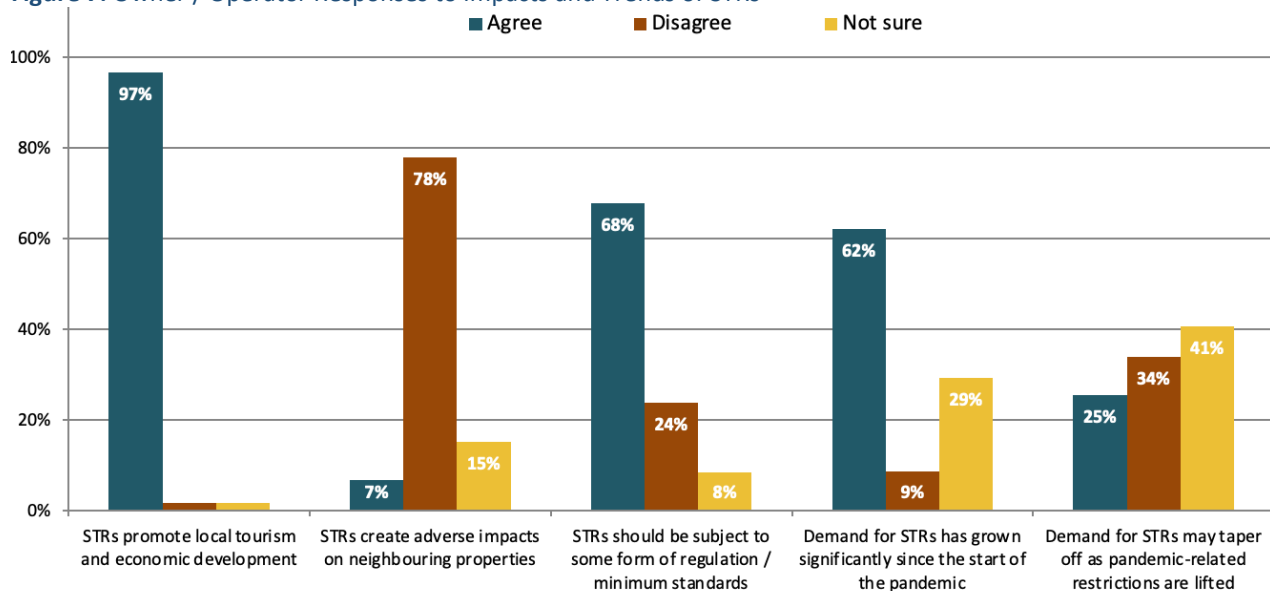
When asked how they classify the property they use for their STR operation(s), the most common classification was seasonal residences (52%), followed by income properties (29%) and primary residences (19%). The most common length of bookings reported by owner / operators was 3-6 days (75%), with the second most common booking period being one-week (15%).

Figure 6: Types of STR Accommodations



Owners / operators – consistent with non-owner / operators – were also asked about the impact of STRs on various aspects of the community, along with recent trends in local STR operations. The responses to several of these questions are outlined in Figure 7. For instance, when asked if they thought STRs promote local tourism and economic development, 97% of owner / operators agreed. Furthermore, when asked if they thought demand for STRs had increased during the pandemic, 62% agreed, 29% were not sure, and just 9% disagreed. Notably, 68% of owner / operators thought STRs should be subject to some form of regulations / minimum standards, demonstrating a significant amount of support for accountability.

Figure 7: Owner / Operator Responses to Impacts and Trends of STRs



When asked how they felt about different options for regulating STRs in the community, owners / operators indicated the following options would have the most positive impact:

1. Requiring licensing / registration for STRs
2. Restricting the number of STRs that can be owned / operated by a single entity
3. Establishing similar standards as per traditional tourist accommodations

Finally, STR owners / operators also provided many insightful comments in addition to their responses to the survey questions, which is covered below in the GENERAL FEEDBACK section.

GENERAL FEEDBACK

Survey participants also had the opportunity to provide additional comments, allowing them to expand on their responses, or offer feedback on anything the survey did not specifically cover. Although the feedback provided by participants varied greatly – from STR owners / operators and non-owners / operators alike, the following trends were observed in the responses:

- Many non-owners / operators stated they do not think STRs belong in residential areas.
- There were a variety of nuisances created by STR guests that were identified, such as driving recklessly, trespassing on private property, and creating excessive noise.
- Concerns raised over the cost and level of complication related to enforcing regulations.
- Need for STR owners / operators to be accountable to their neighbours and the community was emphasized by owner / operators and non-owners / operators alike.

- Property being purchased for STR use was identified as an issue for housing availability to accommodate long-term residents (including rental) and housing affordability.

3.4 Council Working Session

On May 4, 2022, Council held a working session with SMM and Municipal Administration to provide a progress update on the Development Plan Review and STR Strategy, give an overview of community survey results, and present and discuss potential regulatory options – including possible avenues to regulate STRs under the current Municipality’s current Zoning By-law(s), in addition to the development and implementation of a STR Licensing By-law.

A copy of the presentation materials from the Council Working Session are included as **Appendix D**.

4.0 PRECEDENT RESEARCH

STRs and their regulation has become a major issue for many municipalities across Canada. The impact of STR operations on local housing markets and housing affordability, their compatibility and legality under local zoning and land use rules, and issues related to nuisance and impact on livability are dominant themes in the broader narrative on effective regulation of STRs.

While regulating STRs is not a new issue for local governments, there is anecdotal evidence to suggest that it has been exacerbated in some communities – like Harrison Park – by the strong demand for local and regional tourism options created by travel restrictions stemming from the COVID-19 pandemic.

This study looked at both established and emerging approaches, and best practices, to STR regulation being implemented by jurisdictions across Canada. These jurisdictions included, but were not limited to:

- Local Government District of Pinawa, MB
- City of Victoria, BC
- City of Kingston, ON
- City of Ottawa, ON
- City of Toronto, ON
- Town of Collingwood, ON
- City of St. Catharines, ON
- City of Halifax, NS
-

As part of the work, the study team also reviewed and referred to: *Regulating Short-Term Rentals a Toolkit for Canadian Local Governments*, published by Third Space Planning (June 2021).

5.0 ZONING ASSESSMENT

A key component of SMM’s scope of work involved a critical assessment of the Municipality’s current Zoning By-law(s) to determine the potential viability of employing existing, in-force, zoning regulations to regulate STRs.

The Municipality’s zoning regime is governed under two separate zoning by-laws which pre-date the amalgamation of the RM of Park and RM of Harrison. Given the pre-dominance of the STR issue in Onanole, the zoning review focused on the RM of Park Zoning By-law (By-law No. 1311).

SMM’s assessment determined the following:

1. The RM of Park Zoning By-law does not specifically define Short-Term Rentals as they are commonly known today. However, it does establish several land use definitions – both for principal and accessory uses – that have applicability to STR operations, depending on how the operation is characterized. SMM’s review of the defined uses focussed on the following:

Principal Uses

Single family dwelling: means a detached building designed, used or intended to be used exclusively for occupancy by one (1) family.

Bed and breakfast: means a single family dwelling unit in which overnight accommodation and breakfast is served for a fee, to a maximum of 10 people, other than family members at any one time, and wherein the accommodation is provided in bedrooms only and meals are served from the existing kitchen/dining room area of the dwelling unit, and the rooms used for accommodation of clients do not contain individual self contained cooking, and cooking of any form is prohibited in the rooms.

House, Boarding, Lodging or Rooming: means a building or portion thereof, other than a hotel or motel, where lodging, or lodging and meals, are provided for compensation, exclusive of the proprietor and his family.

Accessory Uses

Bunk house: means a portable detached non-commercial building excluding a mobile home which is accessory to a dwelling unit or a rural non-farm residence and is used for temporary sleeping accommodations only and not exceeding four hundred (400) square feet in floor area without cooking facilities or indoor plumbing facilities.

Guest house: means a fully furnished and equipped dwelling accessory to a permanent principal residence for rental or non-rental purposes to hunting parties, snowmobilers, family reunions, family vacations or just an overnight stay providing country living.

Secondary suites: means a self-contained accessory dwelling unit (cannot be a non-family rental unit) not exceeding five hundred (500) square feet in dwelling unit area located either within a permanent principal residence, or in an accessory detached accessory building positioned at grade and to the rear of an existing residence on a single zoning site. A secondary suite contains a single housekeeping unit and has its own separate access, cooking, sleeping and sanitary facilities which are separate from and not shared with those of the principal building.

Bed and breakfast: (see above)

Home-based business: means an accessory use, either permitted or conditional (depending on the zone) which is carried on principally by members of the family residing at the same dwelling unit, mobile or modular home or within its permitted accessory buildings and that is incidental to or secondary to the principal residential use.

Rental rooms: means a private dwelling unit in which a maximum of two (2) bedrooms, not exceeding 50% of the residence, may be rented out on a temporary basis as a home-based business. Cooking facilities shall not be allowed in the rented rooms.

2. As the community survey revealed, not all STRs are the same in terms of their configuration. For example, while most STR operations involve the rental of the entire principal dwelling, others are contained within accessory buildings. As well, some are operated as purely income properties, while others are operated by seasonal or permanent residents on an occasional basis.

3. Due to variability in the way different STRs operate, no singular land use definition in the existing Zoning By-law(s) is applicable to all STRs. Notwithstanding that, the Zoning By-law does include clear provisions to allow for various types of rental accommodations within residential zones. In some instances – and depending on the nature and intensity of the rental operation – the Zoning By-law also establishes more restrictive regulations and standards to encourage compatibility with surrounding land uses (e.g. by making the use conditional or establishing use specific standards). In turn, this allows additional scrutiny to be applied during the approvals process, as well as establishes a baseline operating standard that can be enforced by the approving authority moving forward.
4. As part of the zoning assessment, SMM examined a series of zoning scenarios – applying different land use definitions contained within the existing zoning – to consider possible administrative and regulatory actions and potential outcomes. Those scenarios are outlined in the presentation materials for the Working Group – Meeting 2 (**Appendix C**) and Council Working Session (**Appendix D**).
5. Overall, the **House, Boarding, Lodging or Rooming** definition is the most applicable or similar to current STR operations within principal dwellings, and the **Guest House** definition is best suited to those operating within accessory buildings (and that meet other criteria for ownership outlined in the definition). If Council and Administration were to apply the **House, Boarding, Lodging or Rooming** and **Guest House** definition to current STRs, it would mean that STRs operating within the Residential General (RG) Zone would be considered a Conditional Use, thereby requiring STR owners/operators to apply for Conditional Use approval and have that application considered through the procedures established under the *Planning Act*.

6.0 STR LICENCING BY-LAW

The establishment of a Licencing By-law for STRs has been implemented by a number of municipal jurisdictions as part of a suite of regulatory tools to both control the overall number of STRS and establish minimum operating standards.

Based on SMM’s review of best practices and understanding of the STR issue within the specific context of Harrison Park, suggested components of a Licencing By-law include:

- Require STR owner / operators to post registration number with advertisements
- Develop set of operational guidelines and require them to be posted with advertisements
- Cap total number of STR licenses in Harrison Park – initially and in fairness to existing operators, this could be done by limiting licences in the first year of implementation to only those STRs operating prior to the date of the By-law coming into effect or some earlier date as deemed appropriate by Council.
- Cap or limit total number of STR licences issued per person / company
- Require licenses to be renewed annually
- Require applicants to provide a person / management company that can respond to complaints within a limited timeframe
- Introduce penalties for repeat offenders (fines / suspensions)
- Increase cost of license for STRs as a principal use (i.e. income properties)

7.0 CONSIDERATIONS FOR IMPLEMENTATION

Incremental Compliance – Given the estimated number of operations and the corresponding scale of effort to regulate and enforce, introducing an incremental approach to compliance – with well communicated objectives – may be not only the most practical from the perspective of administrative capacity, but also the most effective and durable in the long-term.

As a starting point, the Municipality could consider issuing time-limited (eg. one-year) licenses immediately under a STR Licencing By-law prior to the owner / operator coming into compliance with zoning (i.e. obtaining Conditional Use approval), as an initial means to establish baseline regulations and develop a more reliable database of current STR operations.

If eligibility was limited to only those STRs operating prior to the date of the By-law coming into effect or some earlier date as deemed appropriate by Council, this approach would also serve to curb continued proliferation of new STRs from establishing.

Such an approach would likely be well received by current owners and operators. Although it would not guarantee future Conditional Use approval or other permission under a future Zoning By-law update, it would allow a reasonable window for owners / operators to seek compliance with zoning and/or transition out of STR operations if they did not want to proceed with the new requirements. This approach would also benefit the Municipality, as it would allow Conditional Use applications to be processed and reviewed in a more orderly manner, since the volume of applications is anticipated to be very high once enforcement commences.

Results Based Regulation – The measures for regulating STRs considered herein should be recognized as a first step in the process. The results of such measures, if implemented, should be monitored to determine the degree of success. If nuisances within residential areas continue and housing affordability / access issues persist, these measures should be adjusted accordingly to ensure the goals of the regulation strategy are achieved in the long-term.

Public Communication – Given the heightened degree of community interest, but also the potential implications for STR owners/operators, visitors, and residents at large, clear communication and easy to access information about the Municipality’s STR strategy will be critical, particularly as it implements new regulatory measures.

Zoning By-law Update – Regardless of the direction Council takes in the immediate term to regulate STRs, an update to the Zoning by-law(s) is recommended in order to establish clear definitions around STR operations and to potentially consider the introduction of new zones

STR Association – As regulatory measures are implemented, the Municipality may consider engaging the STR Association as a partner, to hold prospective Association members/STR licence holders to account, and support enforcement and compliance efforts. This partnership could also help mitigate costs incurred by the Municipality.

Inter-Jurisdictional Partnerships – The complexities and challenges associated with regulating STRs are not unique to Harrison Park in the Province of Manitoba. In fact, other municipalities in Manitoba, including the City of Winnipeg and RM of Lac du Bonnet are also currently looking to develop strategies to regulate STRs. This presents the opportunity to establish relationships with these municipalities to discuss and share strategies, outcomes, etc. As well, if these municipalities collectively demonstrate a broader need, additional support from senior levels of government can potentially be lobbied on the issue.

APPENDIX A



SHORT-TERM RENTALS (STRs)

REGULATION STRATEGY

*for the Residential General Zone
under Zoning By-law No. 1311
Adopted February 2, 2022*

REGULATION OF SHORT-TERM RENTAL ACCOMMODATION

This strategy document deals with the regulation of short-term rental accommodation within the Municipality and specifically within the RG Residential General zone in the Municipality's Zoning By-law No. 1311 ("Zoning By-law").

For the purposes of this strategy document, short-term rental accommodation (STR) includes all forms of short-term rentals and, specifically, accommodation where there is the rental of a residential dwelling unit (including an entire dwelling and rooms in a dwelling or a separate building such as a guest house) for a short period (such as less than 30 days) used primarily by visitors or tourists.

The goals of the Municipality in regulating STRs include:

- Protecting and promoting the availability and affordability of long-term housing and rental supply in the community.
- Supporting the tourism industry and locally available accommodation options.
- Ensuring neighbourhood compatibility of uses.

The purpose of this strategy document is to

- Develop a more complete understanding of the STRs operating within the Municipality,
- Identify and consider areas of community concern and of the interests of the STR owner/operators,
- Develop an administrative and regulatory strategy to address the interests of the community and STR owner/operators,
- Provide for best practices and develop an approach for the administration and enforcement of the Zoning By-law requirements,
- Develop a STR-specific licencing by-law, and to
- Provide a clear regulatory framework going forward for existing and future owner/operators of STRs.

The Municipality is also, concurrently, undertaking a review of its Development Plan that will lead to a new Plan that will replace the existing one. The Municipality and its planning consultant will consider STRs as part of this Plan review and develop an overall vision and development objectives that align with the Municipality's long-term planning and development directives. The review will include input from owners/operators of STRs and from the community as a whole.

While this strategy document deals with STRs in the RG Residential General Zone, the Municipality is also developing and will be coming forward with a similar approach for STRs in the remaining zones in the Municipality.

BY-LAW 1311 – RESIDENTIAL GENERAL ZONE

When the Zoning By-law was passed in June 2013, STR rentals and accommodation facilitated through platforms such as Airbnb and VBRO were relatively new and not as popular as they are today. There has been a significant expansion in the number of STR accommodations in Canada, including in the Municipality.

Generally, the Zoning By-law approaches the regulation of STRs by placing fewer restrictions on the long-term rental of property and short-term rental of property where it is a property owner's principal residence. The Zoning By-law places more restrictions on the short-term rental of property than on long-term rentals, including stricter restrictions on the short term rental of a non-principal residence versus the rental of a principal residence.

The long-term rental of a residential property is permitted under the Zoning By-law. The underlying use of the property as a single-family dwelling does not change, provided the use of the property as a single-family dwelling does not change as a result of the rental.

Depending on the circumstances and a number of factors specific to each property, the short-term rental of a residential property may be permitted, permitted after obtaining a conditional use approval, or prohibited.

WHAT IS CURRENTLY PERMITTED?

Under By-law No. 1311, the following uses are listed as either a permitted or conditional use:

- Single family dwelling: permitted use.
- Bed and breakfast: conditional use. Permitted as an accessory use if the requirements for a home-based business are met (see below).
- Boarding and rooming houses: conditional use.
- Accessory use:
 - Bunk house: permitted if accessory to a residence.
 - Guest house and secondary suites: conditional use if accessory to a permanent residence.

- Home-based business: for a bed and breakfast business meeting the performance standards set out in the Zoning By-law, permitted use. For rental rooms in a dwelling meeting the performance standards set out in the Zoning By-law, permitted use.

REGULATORY APPROACH

A three-pronged approach to regulating short-term rentals is being undertaken:

1 – ZONING BY-LAW

Existing STRs are subject to the Zoning By-law requirements.

Existing STRs are to complete the STR survey to be prepared by the Municipality and made available on the Municipality's website. The survey will provide information on the nature of the STR including the location of the property, what the rental involves (such as the entire property, rooms, or a guest house), whether the property is the owner/operator's principal residence, any services provided and rental frequency.

The surveys are to be completed and returned to the Municipality by a date to be fixed. The Municipality will review the surveys and information and contact each property owner following the review to discuss next steps or the action to be taken, if any, by the owner/operator to ensure compliance with the Zoning By-law requirements.

Where an STR accommodation use is determined to require a conditional use to ensure Zoning By-law compliance, the Municipality will provide information to the owner/operator on the conditional use application process under the Zoning By-law and the Planning Act. This process includes an application, public notice and Council holding a public hearing and then determining whether the application meets the test for conditional use approval under section 106 of the Planning Act which reads:

- 106(1) After holding the hearing, the board, council or planning commission must make an order
 - (a) rejecting the application; or
 - (b) approving the application if the conditional use proposed in the application
 - (i) will be compatible with the general nature of the surrounding area,

- (ii) will not be detrimental to the health or general welfare of people living or working in the surrounding area, or negatively affect other properties or potential development in the surrounding area, and
- (iii) is generally consistent with the applicable provisions of the development plan by-law, the zoning by-law and any secondary plan by-law.

2 – LICENCING BY-LAW

The Municipality will be developing a licencing by-law under the Municipal Act regulating STR accommodations. Those STRs that comply with the Zoning By-law will also be required to hold a licence under the licensing by-law. The licencing by-law will provide an opportunity for the Municipality and owner/operator to have a more customized permission regulating the use of a property for STR accommodation purposes.

The licencing by-law will provide for matters such as ensuring:

- the designation of a person responsible for a property with authority to address issues concerning the property,
- compliance with safety measures such as Building and Fire Code requirements,
- insurance protection,
- compliance with the Municipality’s by-laws,
- no nuisance is created by the people staying at or visiting the STR, and
- compliance with guest and on-site parking restrictions.

As part of the development of the STR licencing by-law, the Municipality will be developing and implementing an enforcement by-law under the Municipal By-law Enforcement Act (MBEA). The MBEA enforcement by-law will provide for the establishment of an administrative penalty scheme to be used by the Municipality’s by-law enforcement officers to ensure compliance with the Zoning By-law, licencing by-law and other municipal by-laws.

3 – WORKING GROUP

The Municipality is establishing a working group to provide input, insight, feedback, and consultation on the actions being undertaken by the Municipality as part of this strategy and for dealing with the regulation of STRs in the entire Municipality. The Municipality hopes stakeholders interested in STRs including owner/operators of STRs and community members will be involved in the working group.

NEXT STEPS/MOVING FORWARD

1. Establish working group.
2. Develop STR survey form.
3. Review and consider completed STR surveys.
4. Communicate and work with STR owner/operators who completed survey forms and address Zoning By-law requirements.
5. Prepare and implement STR licencing by-law.
6. Prepare and implement MBEA enforcement by-law.

Note that the Municipality will be determining Zoning By-law requirements for properties based on the completed survey forms supplied by the STR owner/operators as part of the process identified above. In the meantime, to be fair and consistent, the Municipality will not be providing opinions for properties on Zoning By-law requirements outside of this process.

DEFINITIONS AND MEANING OF TERMS

The terms used in this strategy document are found and defined in the Zoning By-law, see Appendix A.

Appendix

"Accessory building, structure or use", means a building, structure or use which: (a) Is subordinate to, incidental to, and serves the principal building, structure or use; (b) Is customarily subordinate in area, extent, or purpose to the principal building, structure or use served; (c) Contributes to the comfort, convenience or necessity of occupants of the principal building, structure or use served; and (d) Is located on the same zoning site as the principal building, structure or use served, with the single exception of such accessory off-street parking facilities as are permitted to locate elsewhere than on the same zoning site with the building, structure or use served.

"Bed and Breakfast Establishment", means a single family dwelling unit in which overnight accommodation and breakfast is served for a fee, to a maximum of 10 people, other than family members at any one time, and wherein the accommodation is provided in bedrooms only and meals are served from the existing kitchen/dining room area of the dwelling unit, and the rooms used for accommodation of clients do not contain individual self contained cooking, and cooking of any form is prohibited in the rooms.

"Bunk House", means a portable detached non-commercial building excluding a mobile home which is accessory to a dwelling unit or a rural non-farm residence and is used for temporary sleeping accommodations only and not exceeding four hundred (400) square feet in floor area without cooking facilities or indoor plumbing facilities.

"Dwelling", means a building or portion thereof designed for residential occupancy, whether cottage or cabin, whether used as a secondary or intermittent place of residence, whether for seasonal vacations occupancy, recreational purposes, or seasonal retirement homes, but not including hotels or motels.

"Dwelling unit", means one or more rooms used or intended to be used for residential purposes as a single housekeeping unit with cooking, sleeping and sanitary facilities, including units built completed on-site by conventional construction methods as well as ready-to-move (RTM) units built off-site and moved on-site. Such dwellings are built to a national building code standard on a permanent foundation and ready for residential occupancy.

"Dwelling, single-family", means a detached building designed, used or intended to be used exclusively for occupancy by one (1) family.

"Family", means one or more persons related by blood or marriage or common-law marriage occupying a dwelling unit, or a group of not more than four (4) unrelated persons, living together and maintaining a common household, which shall be deemed to exist if all members thereof have access to all parts of the dwelling.

"Guest House", means a fully furnished and equipped dwelling accessory to a permanent principal residence for rental or non-rental purposes to hunting parties, snowmobilers, family reunions, family vacations or just an overnight stay providing country living.

“Home-based business”, means an accessory use, either permitted or conditional (depending on the zone) which is carried on principally by members of the family residing at the same dwelling unit, mobile or modular home or within its permitted accessory buildings and that is incidental to or secondary to the principal residential use.

“House, boarding, lodging or rooming”, means a building or portion thereof, other than a hotel or motel, where lodging, or lodging and meals, are provided for compensation, exclusive of the proprietor and his family.

“Rental rooms”, means a private dwelling unit in which a maximum of two (2) bedrooms, not exceeding 50% of the residence, may be rented out on a temporary basis as a home-based business. Cooking facilities shall not be allowed in the rented rooms.

“Secondary Suite”, means a self-contained accessory dwelling unit (cannot be a non-family rental unit) not exceeding five hundred (500) square feet in dwelling unit area located either within a permanent principal residence, or in an accessory detached accessory building positioned at grade and to the rear of an existing residence on a single zoning site. A secondary suite contains a single housekeeping unit and has its own separate access, cooking, sleeping and sanitary facilities which are separate from and not shared with those of the principal building.

APPENDIX B

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HARRISON PARK

**SHORT-TERM RENTAL
REGULATION STRATEGY**

**WORKING GROUP MEETING 1
MARCH 25, 2022**

.....



SCATLIFF + MILLER + MURRAY

MEETING AGENDA

- 1 Introductions
- 2 Strategy Purpose + Process
- 3 Role of the Working Group
- 4 Overview of Survey Results
- 5 Values + Priorities
- 6 Next Steps

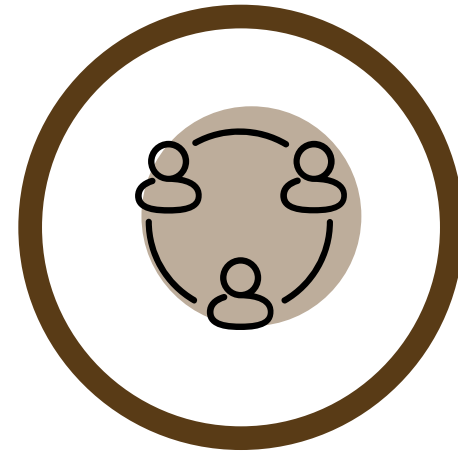
INTRODUCTIONS

CONSULTANTS

- Tom Janzen
- Evan Sinclair

WORKING GROUP MEMBERS

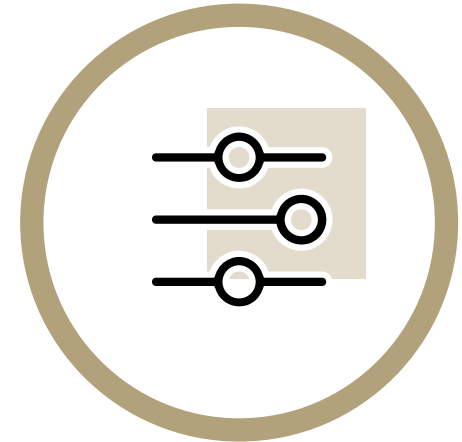
- Chad Davies
- Marlow Kirton
- Connor Ross
- Ralph Clark
- AJ Lewis
- Bill Martin



STRATEGY PURPOSE + PROCESS

PURPOSE

- Develop a more complete understanding of the STR issue;
- Identify and consider areas of concern and interest;
- Develop an administrative and regulatory strategy to address the interests of the community and STR owner/operators;
- Develop a STR specific licencing by-law; and
- Provide a clear regulatory framework going forward for existing and future owner/operators of STRs.



PROCESS



ROLE OF THE WORKING GROUP

1 Meet with consultant team at major project milestones (approx. 3 total)

2 Play an advisory role to evaluate options and shape ideas

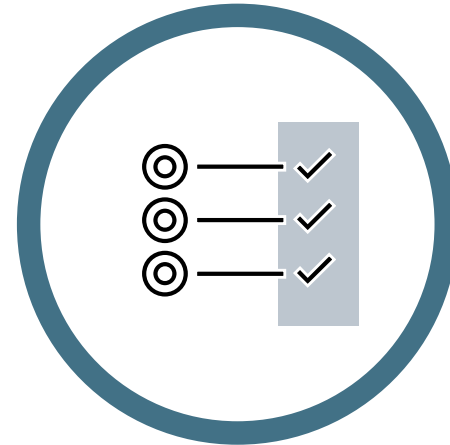
3 Represent various community interests and perspectives



OVERVIEW OF SURVEY RESULTS

592
responses

494 (83%)
residents

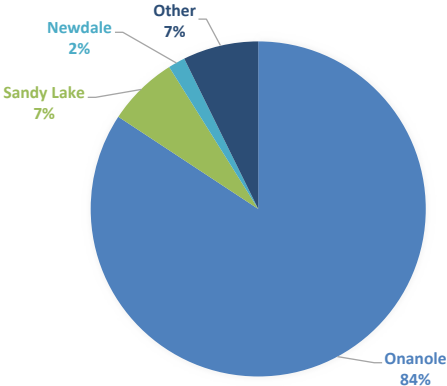


98 (17%)
STR owners / operators

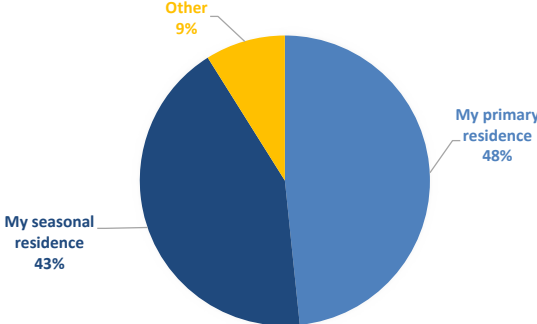
OVERVIEW OF SURVEY RESULTS

RESIDENTS

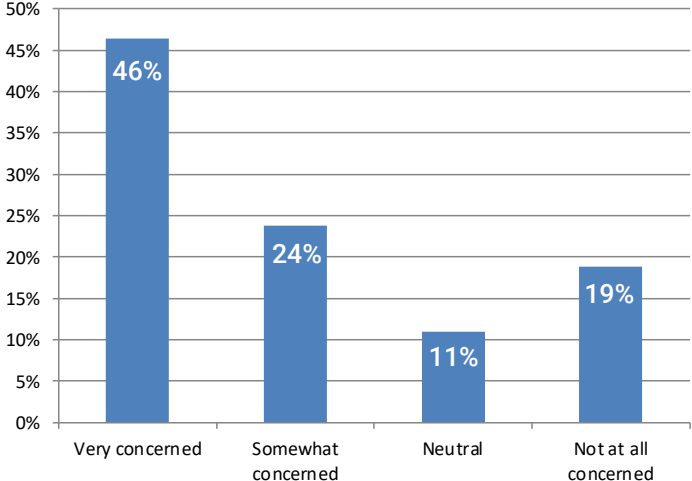
Which community do you live in / nearest to?



How would you classify your property in Harrison Park?



How would you rate your level of concern regarding STRs?

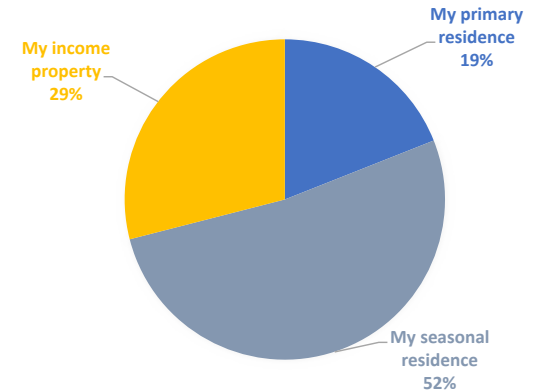
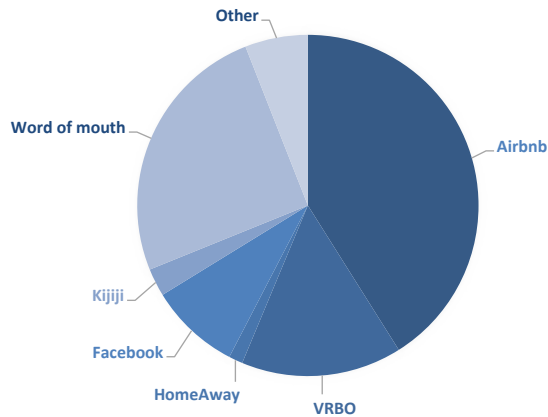


OVERVIEW OF SURVEY RESULTS

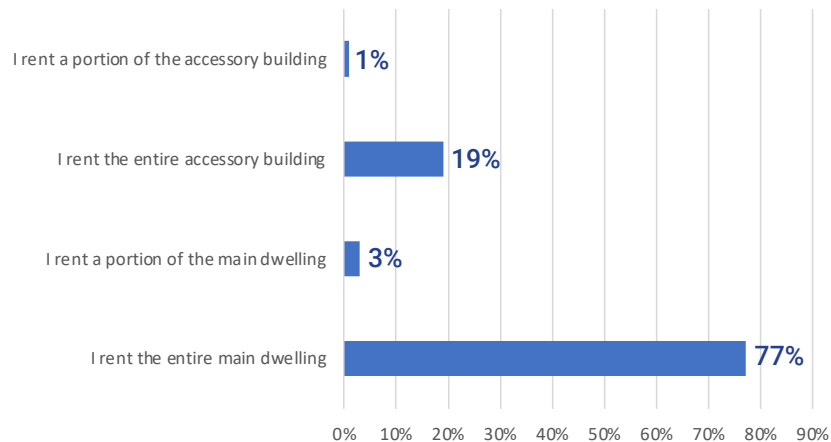
STR OWNERS / OPERATORS

How would you classify your STR(s)?

How do you promote / book your STR(s)?



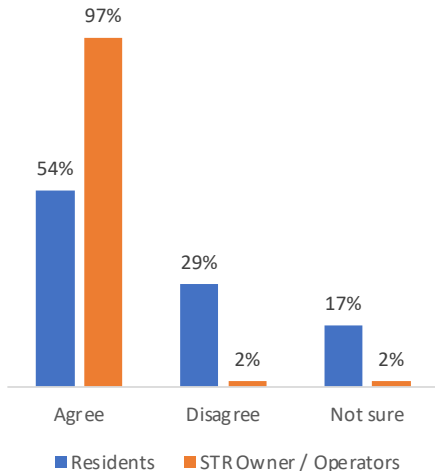
Which option best describes your STR(s)?



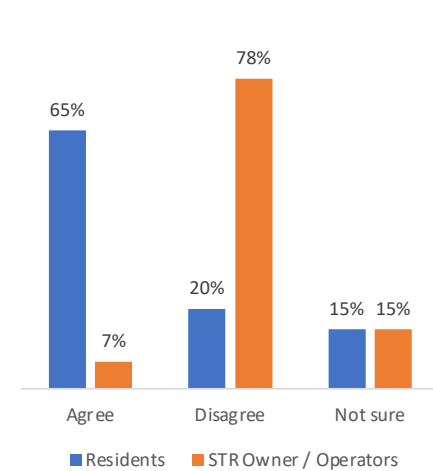
OVERVIEW OF SURVEY RESULTS

STR OWNERS / OPERATORS + RESIDENTS

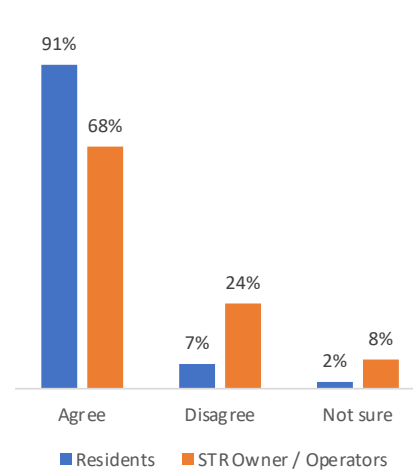
STRs promote local tourism and economic development



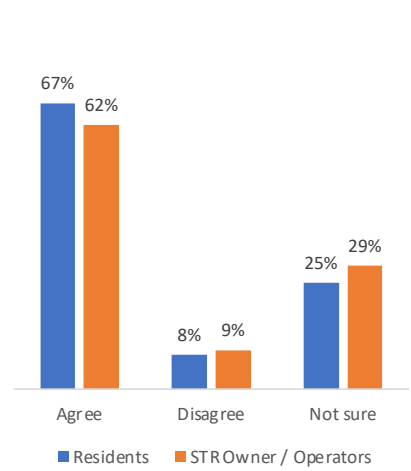
STRs create adverse impacts on neighbouring properties



STRs should be subject to some form of regulation and / or minimum standards



Demand for STRs has grown significantly since the start of the pandemic



OVERVIEW OF SURVEY RESULTS

STR OWNERS / OPERATORS

Top preferences for regulatory options:

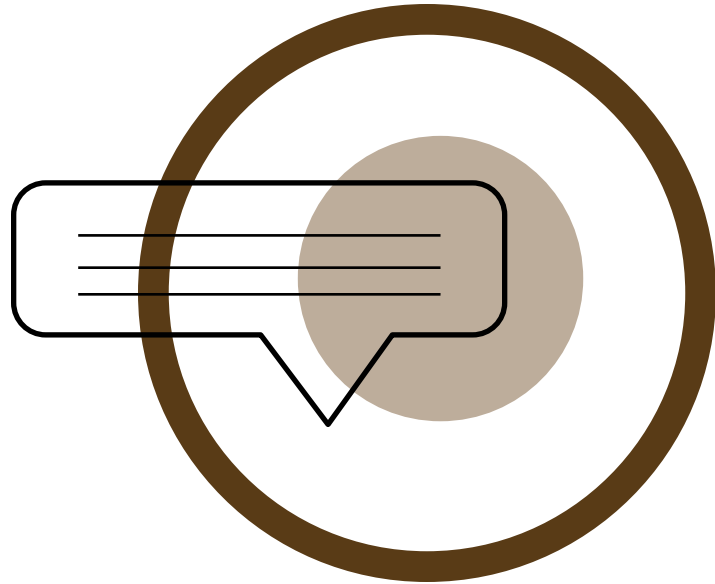
- 1 Requiring licensing / registration for STRs
- 2 Restricting the number of STRs that can be owned/operated by an individual, investor groups, or companies
- 3 Establishing similar standards as per traditional tourist accommodations

RESIDENTS

Top preferences for regulatory options:

- 1 Requiring licensing / registration for STRs
- 2 Charging a tax or levy as per traditional tourist accommodations
- 3 Restricting the number of STRs that can be owned/operated by an individual, investor groups, or companies

VALUES + PRIORITIES



NEXT STEPS

1

Develop Regulatory /
Administrative Strategy
and Licensing By-law

2

Implementation

APPENDIX C

.....

HARRISON PARK

**SHORT-TERM RENTAL
REGULATION STRATEGY**

WORKING GROUP MEETING 2
April 18, 2022

.....



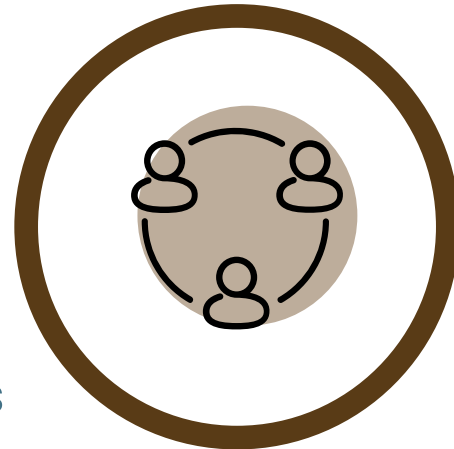
SCATLIFF + MILLER + MURRAY

MEETING AGENDA

- 1** Overview of Working Group Meeting 1
- 2** STR Strategy Workshop
 - 2.1** Zoning By-law
 - 2.2** Licensing / Registration By-law

OVERVIEW OF MEETING ONE

- Outlined role of the working group
- Provided overview of survey results
- Identified a number of common values
- Determined splitting group for meeting two would be most productive for the strategy



ZONING BY-LAW DEFINITIONS

PRINCIPAL USES

- P** **Single Family Dwelling:** means a detached building designed, used or intended to be used exclusively for occupancy by one (1) family.
- C** **House, Boarding, Lodging or Rooming:** means a building or portion thereof, other than a hotel or motel, where lodging, or lodging and meals, are provided for compensation, exclusive of the proprietor and his family.
- NP** **Hotel:** means a building or part thereof wherein accommodation is provided for transient lodgers, in any individual room or suite, with or without cooking facilities, and may include accessory uses such as restaurants, beverage rooms, banquet halls, and meeting rooms.

ACCESSORY USES

- C** **Guest House:** means a fully furnished and equipped dwelling accessory to a permanent principal residence for rental or non-rental purposes to hunting parties, snowmobilers, family reunions, family vacations or just an overnight stay providing country living.
- P** **Rental Rooms:** means a private dwelling unit in which a maximum of two (2) bedrooms, not exceeding 50% of the residence, may be rented out on a temporary basis as a home-based business. Cooking facilities shall not be allowed in the rented rooms.

REGULATORY SCENARIOS

Note: distinguishing between principal / accessory uses necessary for each scenario

1 STRs as principal uses considered as Hotels – Non-Permitted Use

Possible Actions / Remedies	Potential Actions / Outcomes
<p>Enforcement – The Planning Act outlines procedures for prosecution</p> <p>Update ZBL – to clarify definitions and permissions (including new provisions for STRs in Residential Zones and/or expanded Commercial Zones)</p> <p>STR License – for STRs operating where permitted either under current or updated ZBL.</p>	<ul style="list-style-type: none"> • Challenging to rationalize based on intent of definition • Enforcement capacity – significant resources required to identify, inspect, and prosecute violations • Lengthy (and costly) process to prosecute contraventions • Potential to drive STRs operators underground • Heightened level of animosity among STR owner / operators • Curtail new and existing STR operations • Economic – potentially compromised community image / reduced tourism • Consistency – difficult to apply such a measure to all types of STRs (e.g. those operating as part of primary residence)

REGULATORY SCENARIOS

.....
Note: distinguishing between principal / accessory uses necessary for each scenario

2 STRs as principal uses considered as Lodging Houses – Conditional Use

Possible Actions / Remedies	Potential Actions / Outcomes
<p>Option 1 Incremental compliance – introduce Licensing By-law for existing STRs only and require CU within defined period of time (CUs, at least initially, only available to existing STRs, new STRs would be subject to updated Zoning regulations)</p>	<ul style="list-style-type: none"> • Limited administrative capacity to issue licenses and process Conditional Use (CU) applications • Enforcement capacity – significant resources required to identify, inspect, and prosecute violations • Potential to drive some STRs operators underground if not approved or they do not want to apply for a CU • May curtail new and existing STR operations • Economic – community image and tourism • Introduce ability to enforce operational standards on STR operations that commonly create issues • Potential to reduce level of community animosity through effective enforcement • Establish predictability for STR owner / operators
<p>Option 2 Immediate compliance – require STRs to secure CU immediately w/ Licensing By-law in place for any STR operations that are approved through the process</p>	

REGULATORY SCENARIOS



Note: distinguishing between principal / accessory uses necessary for each scenario

3 STRs as principal uses considered as Single Family Dwellings – Permitted Use

Possible Actions / Remedies	Potential Actions / Outcomes
<p>Option 1 Do nothing – no new regulations and continue to address STR related nuisance complaints through existing means</p>	<ul style="list-style-type: none"> • Heighten level of community animosity • Dissatisfaction with approach to regulation among community members may lead to continued lobbying and, in turn, less predictability for STR owners • Continued proliferation of STRs in the community • Housing market – lack of housing available to full time tenants as homes prices are driven up by STR owners • Introduce ability to enforce operational standards on STR operations that commonly create issues through the new Licensing By-law • Economic – would continue to support tourism but ongoing negativity in community may lead to bad press
<p>Option 2 Introduce new STR Licensing By-law and grandfather in existing STRs / update Zoning By-law to clarify definitions and permissions (including new provisions for STRs in Residential Zones and/or expanded Commercial Zones)</p>	

LICENSING BY-LAW APPROACH

- Require STR owner / operators to post registration number with ad
- Develop set of guidelines and require them to be posted with ad
- Cap total number of STR licenses in Harrison Park (existing number)
- Cap total number of STRs per person / company
- Require licenses to be renewed annually
- Require applicants to provide a person / management company that can respond to complaints within 1-2 hours
- Introduce penalties for repeat offenders (fines / suspensions)
- Increase cost of license for STRs as a principal use

NEXT STEPS

1

Refine Regulatory /
Administrative Strategy
and Licensing By-law

2

Present to Council

3

Meet with entire
Working Group to
discuss outcomes

APPENDIX D



DEVELOPMENT PLAN REVIEW + STR REGULATION STRATEGY

COUNCIL MEETING
MAY 4, 2022



SCATLIFF + MILLER + MURRAY

MEETING AGENDA

- 1 Development Plan Update / Visioning
- 2 STR Regulation Strategy Update / Discussion

DEVELOPMENT PLAN UPDATE

WORK COMPLETED TO-DATE

- Kick-off meeting & tour
- Online community survey
- Comprehensive background planning review
- Municipal servicing assessment
- Draft Background Planning Report
- Reeve and Council Visioning Questionnaire

DEVELOPMENT PLAN UPDATE

BACKGROUND PLANNING REPORT SNAPSHOTS

Policy

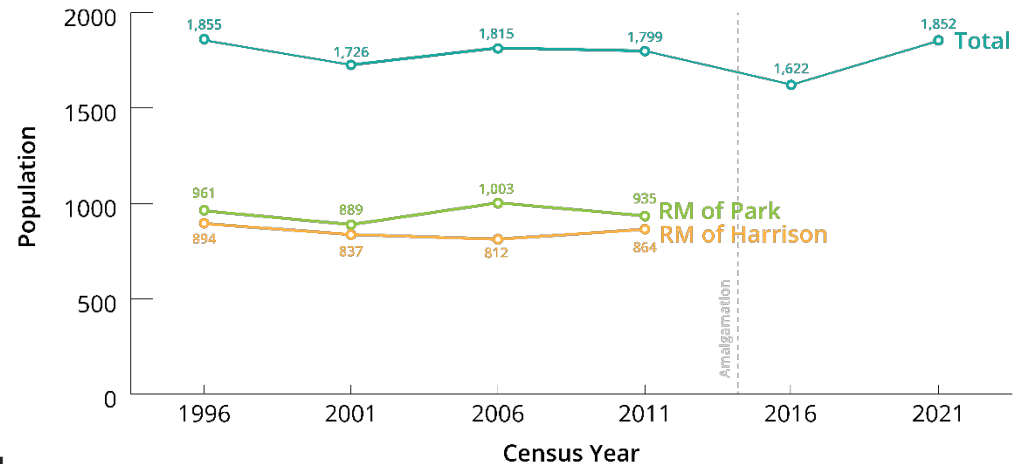
- Two existing Development Plans (2010 & 2013)

Demographics

- Decreasing population until recently
- High seasonal population increases

Housing & Development

- Many vacant subdivided lots
- 92% of homes are single detached
- Building permit applications increasing



DEVELOPMENT PLAN UPDATE

COMMUNITY SURVEY FEEDBACK SUMMARY

Overview & Methodology

- Primarily available online
(physical copies available at Municipal office)
- Asked about their vision / priorities for the future
- 263 responses in total

65%
permanent residents

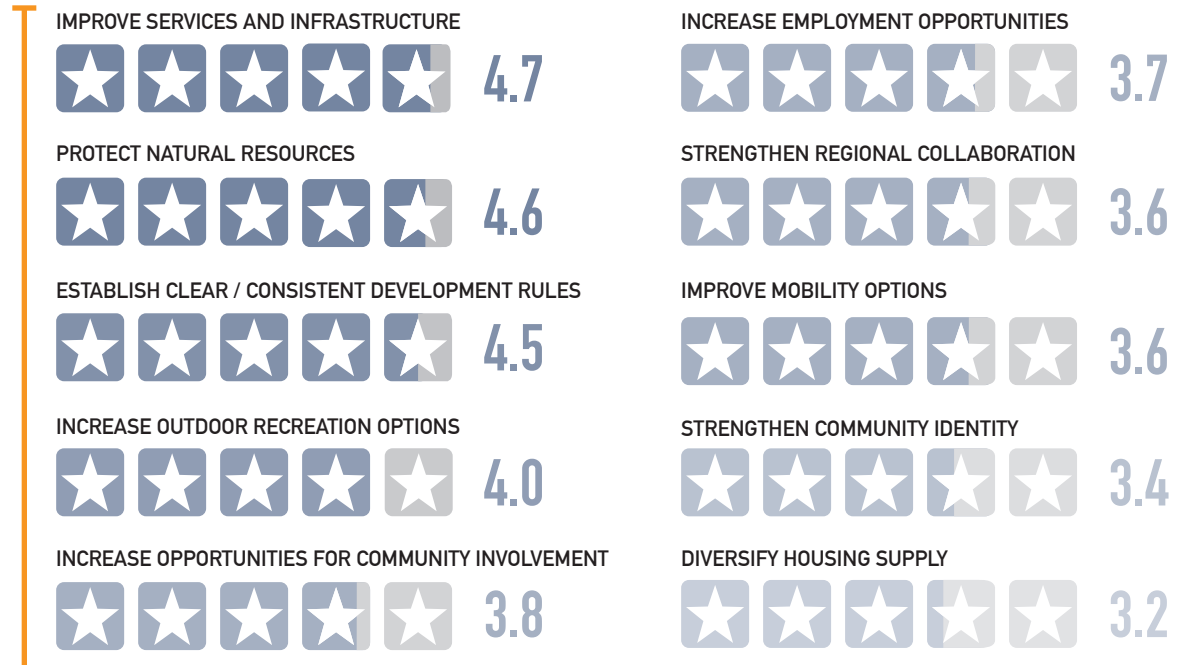
35%
seasonal residents

DEVELOPMENT PLAN UPDATE

COMMUNITY SURVEY FEEDBACK SUMMARY

Question:
Rate your priorities

TOP 5



DEVELOPMENT PLAN VISIONING

WHAT WE HEARD FROM YOU

Question:

List your priorities

TOP 5

- Improve Infrastructure (water, sewer, roads)
- Attract Commercial / Industrial Development
- Protect Natural Resources / Provide Green Space
- Grow / Retain the Population
- Protect Affordability of Housing

DEVELOPMENT PLAN UPDATE

NEXT STEPS (SPRING / SUMMER 2022)

- Finalize Background Planning Report
- Prepare draft Development Plan
- Circulate Development Plan to Province
- Refine and finalize Development Plan
- Public Hearing & adoption procedures

STR REGULATION STRATEGY UPDATE

PURPOSE

- Develop a more complete understanding of the STR issue;
- Identify and consider areas of concern and interest;
- Develop an administrative and regulatory strategy to address the interests of the community and STR owner/operators;
- Develop a STR specific licencing by-law; and
- Provide a clear regulatory framework going forward for existing and future owner/operators of STRs.

WORKING GROUP MEMBERS

- Chad Davies
- Marlow Kirton
- Connor Ross
- Ralph Clark
- AJ Lewis
- Bill Martin

PROCESS



STR REGULATION STRATEGY UPDATE

STR SURVEY FEEDBACK SUMMARY

Overview & Methodology

- Primarily available online
(physical copies available at Municipal office)
- Asked about existing operations, local concerns, and potential regulation strategies
- 605 responses in total

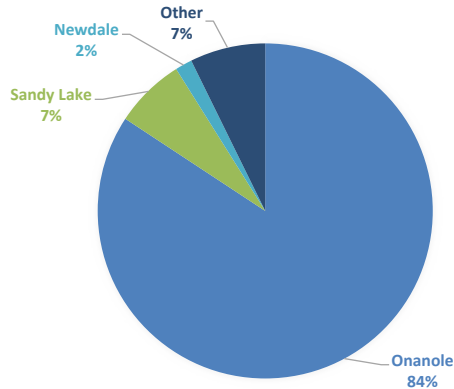
507 (85%)
residents

98 (15%)
STR owners / operators

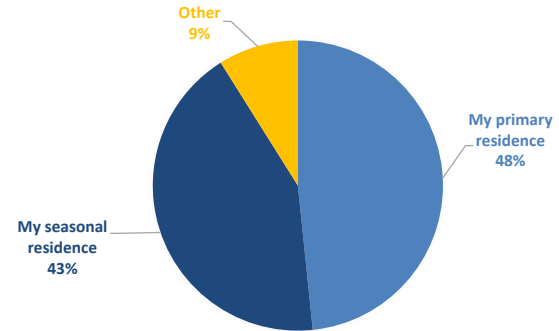
STR REGULATION STRATEGY UPDATE

RESIDENT RESPONSES

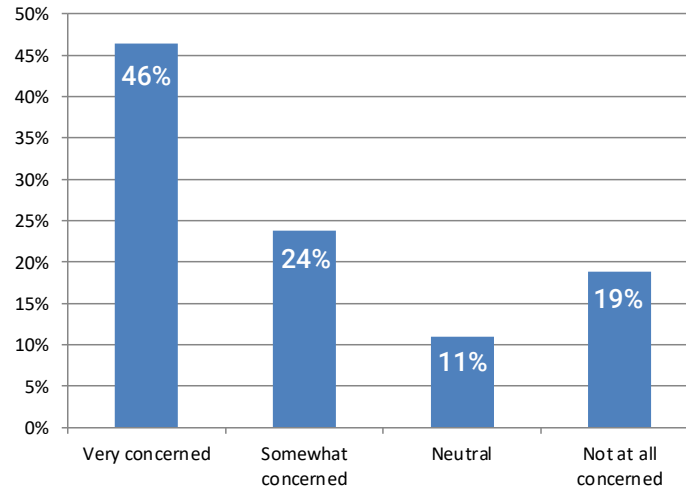
Which community do you live in / nearest to?



How would you classify your property in Harrison Park?



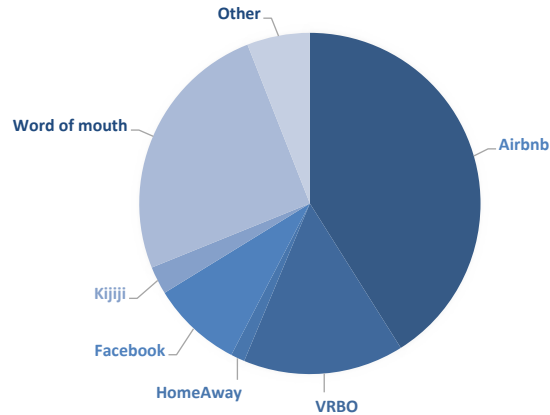
How would you rate your level of concern regarding STRs?



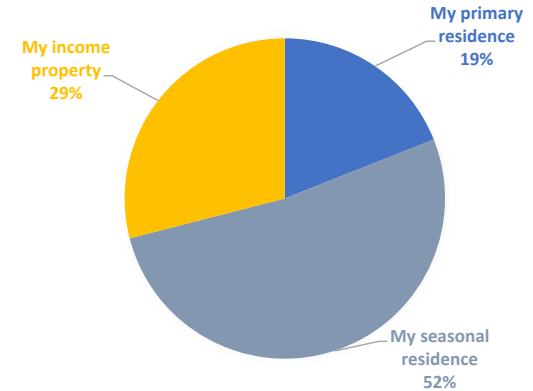
STR REGULATION STRATEGY UPDATE

STR OWNER RESPONSES

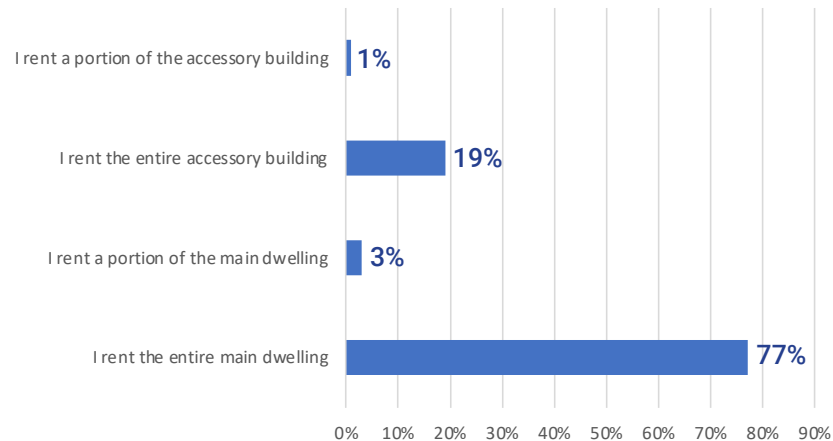
How do you promote / book your STR(s)?



How would you classify your STR(s)?



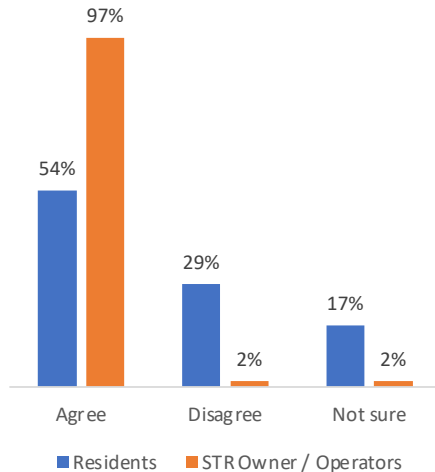
Which option best describes your STR(s)?



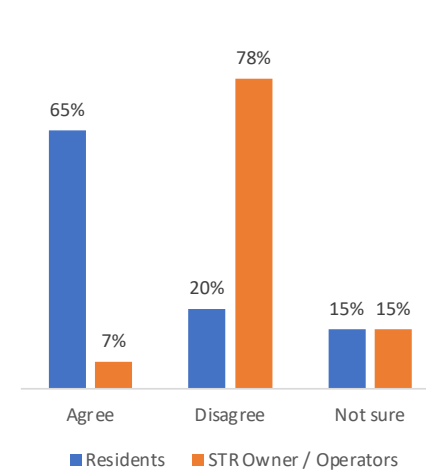
STR REGULATION STRATEGY UPDATE

RESPONSES FROM STR OWNERS + RESIDENTS

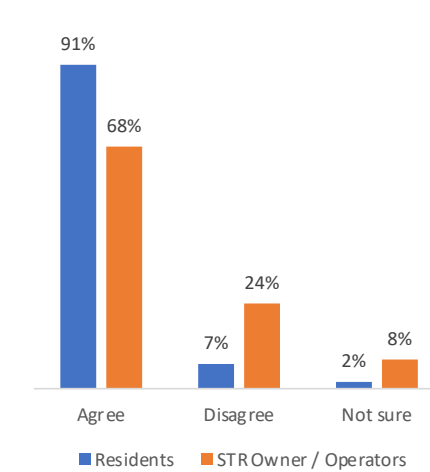
STRs promote local tourism and economic development



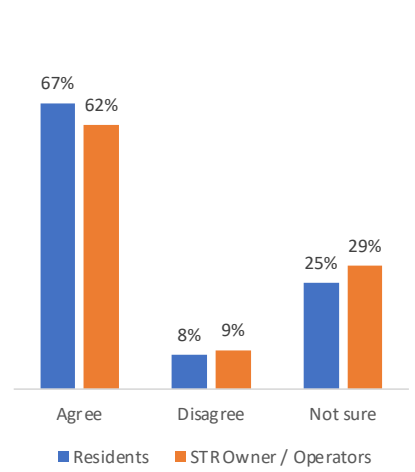
STRs create adverse impacts on neighbouring properties



STRs should be subject to some form of regulation and / or minimum standards



Demand for STRs has grown significantly since the start of the pandemic



STR REGULATION STRATEGY UPDATE

STR OWNERS

Top preferences for regulatory options:

- 1 Requiring licensing / registration for STRs
- 2 Restricting the number of STRs that can be owned/operated by an individual, investor groups, or companies
- 3 Establishing similar standards as per traditional tourist accommodations

RESIDENTS

Top preferences for regulatory options:

- 1 Requiring licensing / registration for STRs
- 2 Charging a tax or levy as per traditional tourist accommodations
- 3 Restricting the number of STRs that can be owned/operated by an individual, investor groups, or companies

STR STRATEGY DISCUSSION

PRINCIPAL USES

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- C** **House, Boarding, Lodging or Rooming:** means a building or portion thereof, other than a hotel or motel, where lodging, or lodging and meals, are provided for compensation, exclusive of the proprietor and his family.
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ACCESSORY USES

- C** **Guest House:** means a fully furnished and equipped dwelling accessory to a permanent principal residence for rental or non-rental purposes to hunting parties, snowmobilers, family reunions, family vacations or just an overnight stay providing country living.
- P** **Rental Rooms:** means a private dwelling unit in which a maximum of two (2) bedrooms, not exceeding 50% of the residence, may be rented out on a temporary basis as a home-based business. Cooking facilities shall not be allowed in the rented rooms.

STR STRATEGY DISCUSSION

SCENARIOS UNDER EXISTING ZONING BY-LAW

1 STRs as principal uses considered as Hotels – Non-Permitted Use

Note: distinguishing between principal / accessory uses necessary for each scenario

Possible Actions / Remedies	Potential Outcomes
<p>Enforcement – The Planning Act outlines procedures for prosecution</p> <p>Update ZBL – to clarify definitions and permissions (including new provisions for STRs in Residential Zones and/or expanded Commercial Zones)</p> <p>STR License – for STRs operating where permitted either under current or updated ZBL.</p>	<ul style="list-style-type: none">• Challenging to rationalize based on intent of definition• Enforcement capacity – significant resources required to identify, inspect, and prosecute violations• Lengthy (and costly) process to prosecute contraventions• Potential to drive STRs operators underground• Heightened level of animosity among STR owner / operators• Curtail new and existing STR operations• Economic – potentially compromised community image / reduced tourism• Consistency – difficult to apply such a measure to all types of STRs (e.g. those operating as part of primary residence)

STR STRATEGY DISCUSSION

SCENARIOS UNDER EXISTING ZONING BY-LAW

2 STRs as principal uses considered as Lodging Houses – Conditional Use

Note: distinguishing between principal / accessory uses necessary for each scenario

Possible Actions / Remedies	Potential Outcomes
<p>Option 1 Incremental compliance – introduce Licensing By-law for existing STRs only and require CU within defined period of time (CUs, at least initially, only available to existing STRs, new STRs would be subject to updated Zoning regulations)</p>	<ul style="list-style-type: none"> • Limited administrative capacity to issue licenses and process Conditional Use (CU) applications • Enforcement capacity – significant resources required to identify, inspect, and prosecute violations • Potential to drive some STRs operators underground if not approved or they do not want to apply for a CU
<p>Option 2 Immediate compliance – require STRs to secure CU immediately w/ Licensing By-law in place for any STR operations that are approved through the process</p>	<ul style="list-style-type: none"> • May curtail new and existing STR operations • Economic – community image and tourism • Introduce ability to enforce operational standards on STR operations that commonly create issues • Potential to reduce level of community animosity through effective enforcement • Establish predictability for STR owner / operators

STR STRATEGY DISCUSSION

.....

SCENARIOS UNDER EXISTING ZONING BY-LAW

3 STRs as principal uses considered as Single Family Dwellings – Permitted Use

Note: distinguishing between principal / accessory uses necessary for each scenario

Possible Actions / Remedies	Potential Outcomes
Introduce new STR Licensing By-law and grandfather in existing STRs / update Zoning By-law to clarify definitions and permissions (including new provisions for STRs in Residential Zones and/or expanded Commercial Zones)	<ul style="list-style-type: none">• Heighten level of community animosity• Dissatisfaction with approach to regulation among community members may lead to continued lobbying and, in turn, less predictability for STR owners• Housing market – will help to limit new STR operations and protect housing from speculative purchases.• Introduce ability to enforce operational standards on STR operations that commonly create issues through the new Licensing By-law• Economic – would continue to support tourism but ongoing negativity in community may lead to bad press

STR STRATEGY DISCUSSION

LICENSING / REGISTRATION BY-LAW APPROACH

- Require STR owner / operators to post registration number with ad
- Develop set of guidelines and require them to be posted with ad
- Cap total number of STR licenses in Harrison Park (existing number)
- Cap total number of STRs per person / company
- Require licenses to be renewed annually
- Require applicants to provide a person / management company that can respond to complaints within 1-2 hours
- Introduce penalties for repeat offenders (fines / suspensions)
- Increase cost of license for STRs as a principal use

STR REGULATION STRATEGY UPDATE

NEXT STEPS (IMMEDIATE)

- Refine Regulatory and Licensing By-law Strategy
- Meet with Working Group to Discuss Outcomes / Implementation
- Approvals / Public Hearing for Licensing By-law
- Implementation (e.g. issue licenses, deal with zoning compliance, etc.)
- Amend Zoning By-law (optional)