

Minutes Development Services Public Meeting December 6, 2016 - 7:00 PM Council Chamber Meeting No. 10

All Members of Council

Development Services

Chair: Regional Councillor Jim Jones Vice-Chair: Councillor Don Hamilton

Attendance

Mayor Frank Scarpitti (7:25) Deputy Mayor Jack Heath Regional Councillor Jim Jones (left 8:17) Regional Councillor Joe Li Regional Councillor Nirmala Armstrong Councillor Valerie Burke Councillor Alan Ho Councillor Don Hamilton Councillor Karen Rea Councillor Colin Campbell Councillor Amanda Collucci (7:15) Councillor Logan Kanapathi Councillor Alex Chiu Jim Baird, Commissioner of Development Services Chris Alexander, Acting Manager of By-law **Enforcement and Regulatory Services** Chris Bird, Director of Building Standards Jamie Bosomworth, Manager, Strategy and Innovation Catherine Conrad, City Solicitor and Acting Director of Human Resources Stephanie Di Perna, Manager of Plans Review Adam Grant, Deputy Fire Chief Anna Henriques, Senior Planner, Zoning and Special Projects Biju Karumanchery, Director of Planning and Urban Design Joel Lustig, Treasurer Bradley Roberts, Supervisor of Zoning Andrea Tang, Senior Manager, Financial Planning Tom Villella, Manager, Zoning and Special Projects Kitty Bavington, Council/Committee Coordinator

The Development Services Public Meeting convened at 7:02 p.m. in the Council Chamber with Regional Councillor Jim Jones in the Chair. Councillor Don Hamilton assumed the Chair at 8:17 p.m.

DISCLOSURE OF PECUNIARY INTEREST - None declared

1. DEVELOPMENT FEE AND BUILDING FEE BY-LAWS UPDATE (2017) (10.0) Report Attachment A Attachment B Attachment B - Revised Table 1

The Public Meeting this date was to consider amendments to the Tariff of Fees for Processing Planning Applications (Development Fee By-law) and the By-law respecting Construction, Demolition and Change of Use Permits and Inspections (Building By-law).

The Committee Clerk advised that notice was published in the Markham Economist and Sun, Markham Page and the Thornhill Liberal on November 10, 2016. Notice was also mailed to all members of the Developers Group and to BILD.

Jamie Bosomworth, Manager, Strategy and Innovation, and Andrea Tang, Senior Manager, Financial Planning, gave an overview presentation of the proposed Fee By-law updates.

The Committee discussed volume of development and multi-year reserve balances. Staff explained the rationale for the 2017 adjustments and noted changes to the Building By-law for eplan implementation. To ensure e-plan success, an increase in fees of up to 2% may be required to recover credit card administration costs, as well as an increase of the credit card limit to \$60,000. Staff will report back in early 2017 after completion of the consultant review of individual application costs within the Development Fee Bylaw.

Minor Variance fees do not cover the full cost of processing, but it is important to make it a reasonable cost for residents; however, a second tier cost for large-scale infill projects could be considered. Adjustments for market trends and supply and demand were also discussed.

Staff will make any necessary changes prior to presentation to Council at the earliest opportunity, for adoption. There were no comments from the audience on this matter.

Moved by: Mayor Frank Scarpitti Seconded by: Deputy Mayor Jack Heath

- 1) That the Record of the Public Meeting held on December 6, 2016, with respect to the proposed amendments to the Development and Building Fee By-laws be received; and,
- 2) That the amendment to the "Tariff of Fees for Processing Planning Applications," By-law 211-83, substantially in the form attached as Attachment "A", be enacted; and,
- 3) That By-law 2015-166 be repealed and the attached "By-law respecting Construction, Demolition and Change of Use Permits and Inspections," attached as Attachment "B", be enacted; and,
- 4) That the By-laws come into force and take effect on January 1, 2017; and,
- 5) That staff, prior to full implementation of e-plan by Building Standards, be authorized to increase all fees in the By-law respecting Construction, Demolition and Change of Use Permits and Inspections by up to 2% for administrative costs and to increase the credit card limit for building applications to \$60,000; and,
- 6) That Staff be authorized to update the Payment Acceptance Policy accordingly; and further,
- 7) That Staff be authorized and directed to do all thing necessary to give effect to this resolution.

2. NEW COMPREHENSIVE ZONING BY-LAW PROJECT PHASE 3A - SECONDARY SUITES, ROOMING HOUSES AND SHORT TERM ACCOMMODATIONS IN MARKHAM PR 13 128340 (10.5) <u>Report</u>

The Public Meeting this date was to consider Zoning By-law amendments for rooming houses, secondary suites and short-term accommodations.

The Committee Clerk advised that 137 notices were mailed on November 16, 2016, and notice was published in the Markham Economist and Sun, Markham Page and the Thornhill Liberal on November 17, 2016. Notice was also sent to the Ministry of Municipal Affairs and local MPPs. Fourteen written submissions were received regarding this proposal, including three submissions received at the Public Meeting.

Jim Baird, Commissioner of Development Services, introduced this matter. Anna Henriques, Senior Planner, Zoning and Special Projects, gave a brief overview of the Comprehensive Zoning By-law project and introduced consultant John Gladki of Gladki Planning Associates.

Mr. Gladki gave a presentation to outline the process to date and to summarize the feedback received and the recommendations for consideration:

Second Suites: permit one dwelling unit in a detached house, semi-detached house, or townhouse in any zone (excluding Special Policy Areas and Markham Centre), with provisions and conditions, including updates to the Registration By-law, the Property Standards By-law, and a public communication/education program.

Rooming Houses: do not permit "as of right" in any zone, but use may be considered on a sitespecific basis through a zoning by-law amendment or variance; and, add relevant definitions to the zoning by-law.

Short Term Accommodation: do not permit "as of right" in any zone, but use may be considered on a site-specific basis through a zoning by-law amendment or variance; and, add a definition to the zoning by-law.

Tom Chan spoke of concerns regarding property maintenance, disruptions to neighbours, increased demands to City services, and increased traffic. Mr. Chan suggested that basement apartments are not safe or profitable, and that the government should provide public housing to address the shortage of housing.

Sam Oricco discussed safety issues and spoke of his experience with house fires.

Sta Kuzviwanza spoke on behalf of over 100 AirBnB hosts in Markham and explained that home-sharing is making a real difference to the owners, who typically rent one room in their homes for a total of 35 nights per year, earning approximately \$2500 per year. It was requested that the by-laws provide flexibility to allow AirBnB hosts the opportunity to be able to earn a modest income and contribute to the local economy. Hosts try to be responsible and considerate to their neighbours, and are willing to work with the community to resolve any issues that may arise. There is a 24/7 on-line tool on the AirBnB website to report any problems. The Committee requested a copy of Ms. Kuzviwanza's deputation.

The Committee questioned enforcement of problem situations that the residents in Markham have been experiencing. Ms. Kuzviwanza advised that their organization has stringent standards and complaints have been rare. Hosts receiving chronic complaints are removed from their register; however, there are other rental accommodation platforms within Markham that may be causing the problems. The Committee referred to correspondence from the Greater Toronto Hotel Association regarding competition issues, and questioned if the AirBnB hosts report their income. Ms. Kuzviwanza stated that the hosts are encouraged to report their income.

The Committee suggested the possibility of limiting Airbnbs to one room within the house and to require owner occupancy. Staff advised that owner occupancy cannot be regulated through a zoning by-law, but this can potentially be regulated through licensing.

Geoff Pyne, representing the Unionville Residents Association, spoke in support of the recommendation for secondary suites, with additional conditions such as: inspections by Fire and By-law Enforcement Departments; provision of at least one additional parking space; and, recognition of the additional burden on garbage, recycling, transit, and other City services. The Association supports the recommendation to better define rooming houses, but the requirement for zoning or variances which include public consultation, they have a concern with the processes which are arduous, time-consuming and arbitrary, and may result in illegal units. They recommend restricting the use to owner-occupied homes in existing or new intensification areas, licensing to a specific number of occupants with appropriate fees, compliance with Fire Department regulations, additional parking, recognition of the additional burden to City services, and implementing a fine for non-compliance. The Association also supports the recommendations to better define short term accommodations, but does not support the implementation process requiring zoning amendment or minor variance, as noted with rooming houses. Mr. Pyne concluded that the proposal would not address "party houses" and recommended an owner-occupied requirement, with appropriate fees or hotel tax. There is an overall concern with enforcement, and he suggested that any additional staff that may be required could be funded by license fees and hotel taxes.

Kim Tsao spoke on behalf of the residents of Hollyhock Street, and submitted a letter outlining their concerns for commercial operations where the entire house is rented out and the owner is absent, such as is the case at a house on her street. Ms. Tsao suggested that the owner of that particular house would not likely apply for a variance, so the proposed regulations would be ineffective. Heavy fines are more likely to prevent STAs. Ms. Tsao also suggested that the AirBnB platform has helped to remove the commercial operators, and she encouraged the City to work with them. It was noted that some renters move in with their own furniture, causing additional neighbourhood turmoil of frequent moving trucks.

The City Solicitor advised that no one can be prevented from applying for a zoning amendment or a variance, and the City cannot regulate the people who live there. Licensing regulations provide the best control but a planning regime of zoning and possibly Official Plan amendments can be a deterrent. Second suites are legislated by the Province to be permitted.

The Committee questioned if the commercial use of the dwelling would be taxed on a commercial or residential basis. Staff will report back on this.

Dan Periasamy spoke in opposition to businesses operating within a neighbourhood, and noted a house that advertised six rooms for rent on his street. He suggested that there are too many unknowns involved, and the use should only be permitted in commercial areas, paying commercial taxes. Mr. Periasamy stated that Markham is a community for young, hard-working families, not for home-sharing.

David McBeth referred to his letter of October 6, 2016 and spoke in support of owner-occupied uses for second suites and rooming houses. Staff advised that the City cannot people-zone but could potentially require owner occupancy through licensing regulations. Staff confirmed that a Police representative had been notified of tonight's meeting.

George Kallianteris spoke in opposition to legalizing the uses. He referred to statistics regarding opportunities for criminal activities, and questioned if background checks can be required for renters. Mr. Kallianteris suggested that short term rentals negatively impact legitimate long term rental businesses and affordable housing initiatives. He also suggested that the illegal businesses avoid paying their share of taxes and leave the burden of extra City services and By-law Enforcement to the taxpayers.

The Committee questioned if the uses can be restricted near schools and daycares. Staff advised that the proposed process of only allowing the use through a zoning by-law amendment or minor variance would ensure that applications were properly vetted with the community, and ensure that it is in a suitable location.

Alena Gotz, representing the Aileen Willowbrook Ratepayers Association, displayed a news article about criminal activity in a Toronto AirBnB. Ms. Gotz advised that while she and her family recently used AirBnBs in Europe for economic vacation accommodations, she could not see that there would be a need for such tourist accommodations in Markham. Ms. Gotz suggested that the establishments be required to fund neighbourhood beautification projects and to ensure their properties are maintained. Ms. Gotz requested clarification on the term "close proximity to transit".

Priti Sehgal spoke of the changes in demographics in Markham, and the visual effect created by having bicycles chained to trees and posts. Ms. Sehgal advised that there are lots of rooming houses in her neighbourhood with many rooms being rented, and spoke of the unfairness of no additional taxes being paid by owners who are making money from these establishments while creating a bigger burden on City services. In one instance, 18 people were evicted from a house, but the rental operation has since started again. By-law Enforcement and the Fire Department have not been able to provide assistance when late night disturbances are reported, and with respect to safety issues. Ms. Sehgal requested that the City and community work together, and that staff keep the residents informed.

Adam Grant, Deputy Fire Chief, and Chris Alexander, Acting Manager of By-law Enforcement and Regulatory Services, responded to questions regarding the process for enforcement.

Billy V. Gardanis discussed affordable housing issues and stated his support for second suites. He did not support AirBnBs as they are a commercial business, and he suggested that the City work with the hotel industry to restrict this use. Mr. Gardanis suggested that neighbours would not want to live near a rooming house, as they would have to be completed retrofitted and would need additional parking – in his area, one house was housing 22 people. Mr. Gardanis suggested that the City of Oshawa has successfully defended restricting the land use in their zoning by-law, and he also suggested that York University take responsibility for housing their students.

Evelin Ellison advised that the specific rooming house issue referred to by Ms. Sehgal has been ongoing since 2008, and suggested that more by-law enforcement resources are required. Ms. Ellison noted that second suites are being built into new, large homes and should be identified by Building Department staff when plans are submitted. Another concern is the number of vacant houses that are readily available for rent for party purposes.

Mayrose Gregorios noted that most people take care of their properties. She suggested that this is a band-aid solution for the housing shortage and that a strategic approach is needed for projects such as the Unionville Society housing proposal as well as the university students.

The Committee discussed interior property standards and enforcement issues. It was suggested that certain areas be restricted from these uses. Staff advised that the use cannot be banned in the zoning by-law, and that the strategy is to identify regulations and review processes for by-law enforcement purposes.

The Committee requested that this matter be reported back to Development Services Committee for discussion during a regular day meeting, and that a special DSC evening meeting be held for public consultation, prior to passing. The Committee thanked the residents for their comments.

Moved by: Deputy Mayor Jack Heath Seconded by: Councillor Logan Kanapathi

- That the written submissions from Jim and Diane Wilson, Suzane Grattan, Sue Irving, Anne Carrier, Dr. Albert Bissember, June Sing, Lorrie Sands, Malcolm Lennox, Tanya Lee, Bernice Royce, Terry Mundell and Tony Ellis of the Greater Toronto Hotel Association, Anderson and Tracy Coward, Kim Tsao, and Geoff Pyne, regarding Phase 3A of Markham's New Comprehensive Zoning By-law Project, be received; and,
- 2) That the deputations by Tom Chan, Sam Oricco, Sta Kuzviwanza on behalf of AirBnB, Geoff Pyne, representing the Unionville Residents Association, Kim Tsao on behalf of the residents of Hollyhock Street, Dan Periasamy, David McBeth, George Kallianteris, Alena Gotz, representing the Aileen Willowbrook Ratepayers Association, Priti Sehgal, Billy V. Gardanis, Evelin Ellison, and Mayrose Gregorios, regarding Phase 3A of Markham's New Comprehensive Zoning By-law Project, be received; and,
- 3) That the Information Memo dated November 21, 2016 entitled "INFORMATION MEMORANDUM, Update on Phase 3A of Markham's New Comprehensive Zoning Bylaw Project & Next Steps, File No. PR 13 128340" be received; and,
- 4) That the record of the Public Meeting held on December 6, 2016 with respect to Phase 3A of Markham's New Comprehensive Zoning By-law Project, File No. PR 13 128340, be received; and,
- 5) That the matter be referred back to Staff for a report and recommendation; and further,
- 6) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

CARRIED

ADJOURNMENT

The Development Services Public Meeting adjourned at 10:50 PM.

Alternate formats for this document are available upon request.