Agenda – Council – November 23, 2023

Report – Executive Policy Committee – November 14, 2023

Item No. 15 Text Amendment – Winnipeg Zoning By-law No 200/2006 and Downtown Winnipeg Zoning By-law No. 100/2004
File DAZ 209/2023

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On November 14, 2023, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submitted the following to Council:

1. That the Winnipeg Zoning By-law No. 200/2006 and the Downtown Winnipeg Zoning By-law No. 100/2004 be amended by regulating Short-Term Rental Accommodations (STRAs) as a land use, in accordance with the proposed by-law attached as Appendix "A" to this report.

2. That upon instruction from the Director of Planning, Property and Development, the Director of Legal Services/City Solicitor be directed to return the By-law directly to Council for first, second and third readings.

3. That the Proper Officers of the City do all things necessary to implement the intent of the foregoing.

Agenda – Council – November 23, 2023

Report – Executive Policy Committee – November 14, 2023

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On November 14, 2023, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On November 2, 2023, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service, with the following amendment:

- Delete Recommendation 1 in its entirety and replace it with the following:

  "1. That the Winnipeg Zoning By-law No. 200/2006 and the Downtown Winnipeg Zoning By-law No. 100/2004 be amended by regulating Short-Term Rental Accommodations (STRAs) as a land use, in accordance with the proposed by-law attached as Appendix "A" to this report."

- Add the following new Recommendation 2 and renumber the remaining recommendation accordingly:

  "2. That upon instruction from the Director of Planning, Property and Development, the Director of Legal Services/City Solicitor be directed to return the By-law directly to Council for first, second and third readings."

and forwarded to the Executive Policy Committee.

On September 18, 2023, the Standing Policy Committee on Property and Development adjourned the public hearing to its meeting on November 2, 2023 at 9:30 a.m. in the Council Building at 510 Main Street.

On September 13, 2023, the Standing Policy Committee on Property and Development adjourned the public hearing to its meeting on September 18, 2023 at 9:30 a.m. in the Council Building at 510 Main Street.

PUBLIC HEARING SUMMARY

File: DAZ 209/2023

Before: Standing Policy Committee on Property and Development
Councillor Rollins, Chairperson
Councillor Allard
Councillor Dobson
Councillor Duncan

Public Hearing: November 2, 2023
Council Building, 510 Main Street

Applicant: Director of Planning, Property and Development

Subject:

APPLICANT: Director of the Planning, Property and Development Department
FILE: DAZ 209/2023
PROPOSAL: Proposed amendments to Winnipeg Zoning By-law No. 200/2006 and Downtown Winnipeg Zoning By-law No.100/2004
Key Amendments include:
- Adding "Short Term Rental Accommodation" as a new use definition;
- Adding "Short Term Rental Accommodation" to the list of uses exempt from requiring a development permit;
- Deleting the definition of "Bed and Breakfast" as well as the related use specific standards;
- Adding "Short Term Rental Accommodation" as a permitted use in the Use Tables in the R1, R2, RMF, RMU, CMU, C1, and C2 zones within Winnipeg Zoning By-law 200/2006;
- Replacing "Bed and Breakfast" with "Short Term Rental Accommodation" as a permitted use in the Use Tables in the Multiple-Use Sector, Character Sector, Downtown Living Sector, and Riverbank Sector of the Downtown Winnipeg Zoning By-law.

For information about the proposed amendments, please contact Simi Jerez at 204-986-7175 or sjerez@winnipeg.ca.

Demandeur : Directeur du Service de l'urbanisme, des biens et de l'aménagement
Dossier : DAZ 209/2023
Projet : Proposition de modifications à apporter au Zoning By-law No. 200/2006 (règlement municipal sur le zonage) de Winnipeg et au Downtown Winnipeg Zoning By-law No. 100/2004 (règlement municipal sur le zonage du centre-ville de Winnipeg)
Les modifications comprennent notamment ce qui suit :
- Ajouter « Hébergement de location à court terme » à titre de nouvelle définition en matière d'utilisation
- Ajouter « Hébergement de location à court terme » à la liste des utilisations qui n'exigent pas de permis d'aménagement
- Supprimer la définition de « Gîte touristique » ainsi que les normes d'utilisation spéciales qui y sont associées
- Ajouter « Hébergement de location à court terme » à titre d'utilisation autorisée dans le tableau des utilisations pour les zones R1, R2, RMF, RMU, CMU, C1 et C2 dans le Zoning By-law No. 200/2006 (règlement municipal sur le zonage) de Winnipeg
- Remplacer « Gîte touristique » par « Hébergement de location à court terme » à titre d'utilisation autorisée dans le tableau des utilisations pour le secteur polyvalent, le secteur de caractère, le secteur résidentiel du centre-ville et le secteur riverain du Downtown Winnipeg Zoning By-law (règlement municipal sur le zonage du centre-ville de Winnipeg)

Pour en savoir plus sur les modifications proposées, veuillez communiquer avec Simi Jerez au 204-986-7175 ou à sjerez@winnipeg.ca.

RE:	Text Amendment – Winnipeg Zoning By-law No 200/2006 and Downtown Winnipeg Zoning By-law No. 100/2004 File DAZ 209/2023
For submission to:	Executive Policy Committee
Prepared by:	K. McMillan, Manager of the Decision Making Process Standing Policy Committee on Property and Development
Report date:	November 2, 2023

Standing Committee Recommendation:

On November 2, 2023, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service, as amended, and recommended to Council:

~~***1. That Council give first reading to a by-law to amend the Winnipeg Zoning By-law No.200/2006 and the Downtown Winnipeg Zoning By-law No.100/2004 (draft amending by-law is attached as Appendix A to this report) to regulate Short-Term Rental Accommodations (STRAs) as a land use.***~~

1. That the Winnipeg Zoning By-law No. 200/2006 and the Downtown Winnipeg Zoning By-law No 100/2004 be amended by regulating Short-Term Rental Accommodations (STRAs) as a land use, in accordance with the proposed by-law attached as Appendix "A" to this report.

2. That upon instruction from the Director of Planning, Property and Development, the Director of Legal Services/City Solicitor be directed to return the By-law directly to Council for first, second and third readings.

~~***2***~~**3**. That the Proper Officers of the City do all things necessary to implement the intent of the foregoing.

Note: The wording in bold and italics denotes amendments made by the Standing Policy Committee.

The Standing Policy Committee on Property and Development provided the following supporting reasons for its recommendation:

1. The Winnipeg Zoning By-law and the Downtown Zoning By-law as amended here reflect the regulations of short term rental accommodations.

2. I concur with the Public Service recommendation.

Objections under the Charter:	Total number of **v**alid objections as per section 125(2) – 16 In accordance with section 236.1(1), the threshold for sufficient objections has not been met.
Exhibits Filed:	1. Application dated July 19, 2023 2. Advertising Notice 3. Report from the Urban Planning Division dated August 8, 2023 4. Council Minutes dated February 23, 2023 5. Communication dated September 8, 2023 from Marcel Hacault in opposition to the application 6. Communication dated September 8, 2023 from Brent Dixon in opposition to the application 7. Communication dated September 11, 2023 from Craig Penner in support of the application 8. Communication dated September 10, 2023 from Laurie Nealin in opposition to the application 9. Communication dated September 11, 2023 from Tanya Dawn McDougall in support of the application 10. Communication dated September 12, 2023 from Godfrey Gottfredsen in opposition to the application 11. Petition submitted by Melanie Mitchell in support of the application 12. Communication dated September 12, 2023 from Chris Thorne in opposition to the application 13. Communication dated September 13, 2023 from Curtis Gottfredsen in support of the application 14. Communication dated September 12, 2023 from Roopashree Gurumurthy in support of the application 15. Communication dated September 12, 2023 from Tegan McGinity in support of the application 16. Presentation dated September 13, 2023 with respect to the application submitted by the Councillor Janice Lukes, Waverley West Ward, at the public hearing 17. Communication dated September 13, 2023 from Dakotah Charron in support of the application 18. Recording of Representations of public hearing held on September 13, 2023 19. Notice of Adjournment dated September 13, 2023 20. Recording of Representations of public hearing held on September 18, 2023 21. Notice of Adjournment dated September 20, 2023 22. Communication dated September 19, 2023 from Laurie Nealin in opposition to the application 23. Communication dated October 27, 2023 from Linda Olson with respect to the application

Exhibits Filed:
(continued):

24. Communication dated October 27, 2023 from Linda Olson with respect to the application
25. Communication dated October 27, 2023 from Laurel Sarginson in support of the application
26. Communication dated October 28, 2023 from Kim Corrigal in support of the application
27. Communication dated October 30, 2023 from Joel Smith in support of the application
28. Communication dated October 30, 2023 from Jennifer Shepherd in support of the application
29. Communication dated October 30, 2023 from Andrija Pavlic in support of the application
30. Communication dated October 31, 2023 from Annalee Greenberg in opposition to the application
31. Communication dated October 31, 2023 from Chibuzor Alumba in support of the application
32. Communication dated October 31, 2023 from Jude Sanson in opposition to the application
33. Communication dated October 31, 2023 from Ellen Oberlander in opposition to the application
34. Communication dated October 31, 2023 from Mary Ray in opposition to the application
35. Communication dated October 31, 2023 from Debra Dyck in support of the application
36. Communication dated October 31, 2023 from Carole Ross in opposition to the application
37. Communication dated October 31, 2023 from Godfrey Gottfredsen in support of the application
38. Communication dated October 31, 2023 from Meghan McAughey in opposition to the application
39. Communication dated October 31, 2023 from Godfrey Gottfredsen in support of the application
40. Communication dated October 31, 2023 from David Jenkins with respect to the application
41. Communicated dated November 2, 2023 from Kevin Barske in support of the application
42. Communicated dated November 1, 2023 from Jeridon Fowke with respect to the application
43. Communication dated November 1, 2023 from David Fitelovitch in opposition to the application
44. Communication dated November 1, 2023 from Renee Lucille Demare in support of the application
45. Communication dated November 1, 2023 from Shea Ritchie in opposition to the application
46. Communication dated November 1, 2023 from Lorraine Meyer in support of the application

Exhibits Filed:
(continued):

47. Communication dated November 1, 2023 from Melanie Mitchell in opposition to the application
48. Communication dated November 1, 2023 from Bonnie Bruce in opposition to the application
49. Communication dated October 31, 2023 from Haley Cardinal in support of the application
50. Communication dated November 1, 2023 from Melanie Mitchell for Manitoba Association of Short-Term Rental Owners with respect to the application
51. Presentation in support of the application submitted by Michael Tyas at the public hearing
52. Recording of Representations of public hearing held on November 2, 2023

REPRESENTATIONS:

In Support:

Melanie Mitchell
David Kravitz
Dakotah Charron
Kevin Barske
Chris Thorne
Melanie Cardinal
Laurel Sarginson
Michael Tyas
Chibuzor Alumba
Curtis Gottfredsen
Mario Lopes
Councillor Janice Lukes
Alberto Martinatto
Mario Lopes
Stanislav Boluchevski
Kim Corrigal
Joel Smith
Jennifer Shepherd
Andrija Pavlic
Debra Dyck
Godfrey Gottfredsen
Renee Lucille Demare
Lorraine Meyer
Haley Cardinal
Craig Penner
Tanya Dawn McDougall
Roopashree Gurumurthy
Tegan McGinity

In Opposition:

Avi Kokin
Carla Paul
David Vrel
Aman Bawa
Laurie Nealin
Annalee Greenberg
Jude Sanson
Ellen Oberlander
Mary Ray
Carole Ross
Meghan McAughey
David Fitelovitch
Shea Ritchie
Bonnie Bruce
Marcel Hacault
Brent Dixon

For Information:

Christiana Ezewele
Sergio Novelli
Linda Olson
David Jenkins
Jeridon Fowke

For the City:

S. Jerez, Planner, Planning, Property and Development
M. Grady, Planner, Planning, Property and Development

Exhibit "3" referred to in File DAZ 209/2023

ADMINISTRATIVE REPORT

Title: City of Winnipeg Zoning By-law No.200/2006 and the Downtown Winnipeg Zoning By-law No.100/2004 Amendments to Regulate Short-Term Rental Accommodations

Critical Path: Standing Policy Committee on Property and Development – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
J. Veitch (Acting)	H. Borys	N/A	M. Jack

EXECUTIVE SUMMARY

On February 23, 2023, Council directed the Winnipeg Public Service to report back to the Standing Policy Committee on Property and Development with proposed amendments to the *Winnipeg Zoning By-law No.200/2006* and the *Downtown Winnipeg Zoning By-law No.100/2004* to establish a land use framework for regulating Short-Term Rental Accommodations (STRAs).

The by-law amendments proposed by this report are intended to establish STRAs as a land use under certain zoning districts and are part of a three-pronged regulatory program for STRAs that also includes licensing and enforcement (through the *Community Safety Business Licensing By-law No. 91/2008)* and taxation (through the *Accommodation Tax By-law No. 70/2008).*

A report detailing the proposed amendments to the *Community Safety Business Licensing By-law* and the *Accommodation Tax By-law* will be presented at a future meeting of the Executive Policy Committee. All by-law amendments will require approval by Council to be enacted. The zoning, licensing and enforcement, and taxation by-law amendments have been drafted to come into force on a harmonized timeline, thus ensuring that the entire regulatory approach can be considered and implemented concurrently.

This report is being submitted for the public hearing related to the proposed zoning by-law amendments. The public hearing was advertised in the Winnipeg Free Press and Winnipeg Sun per the requirements of the City of Winnipeg Charter.

This report recommends that Council enact the proposed amendments to the *Winnipeg Zoning By-law No. 200/2006* and *Downtown Winnipeg Zoning By-law No. 100/2004* (a draft amending by-law is attached as Appendix A to this report).

RECOMMENDATIONS

1. That Council give first reading to a by-law to amend the *Winnipeg Zoning By-law No.200/2006* and the *Downtown Winnipeg Zoning By-law No.100/2004* (draft amending by-law is attached as Appendix A to this report) to regulate Short-Term Rental Accommodations (STRAs) as a land use.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

On February 23, 2023, Council directed the Public Service to initiate amendments to zoning by-laws, as follows:

> 4. That the Winnipeg Public Service be directed to report back to the Standing Policy Committee on Property and Development within 180 days with amendments to the Winnipeg Zoning By-law No. 200/2006 and Downtown Winnipeg Zoning By-law no. 100/2004, as well as a schedule for implementation and all associated resource implications.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no direct financial implications associated with this report.

Should the recommendations be approved, the attached text amendments will be incorporated into the City of Winnipeg Zoning By-law No.200/2006 and the Downtown Winnipeg Zoning By-law No.100/2004.

A schedule for implementation and associated resource implications for the regulatory program as a whole will be contained within the report accompanying proposed amendments to the Community Safety Business Licensing By-law and Accommodation Tax By-law.

HISTORY/DISCUSSION

HISTORY

With the increasing popularity of short-term rental accommodations (STRAs) within dwellings, the Public Service was directed to report back to Council with recommendations for regulating STRAs. A report considered by Council on February 23, 2023, provided a summary of public and stakeholder engagement and proposed a three-pronged regulatory program that included licensing and enforcement, zoning and land use, and taxation.

APPROACH TO REGULATION

The Public Service recommended approaching the regulation of STRAs in a manner that scales this type of land use according to the intensity of the surrounding uses. The framework adopted

by Council includes two types of STRAs: one in a primary residence and one in a non-primary residence. Council adoption of a regulatory framework included:

2D. Individuals (but not corporations) would be allowed to rent their primary residence anywhere in the city, including in an area zoned R1 or R2;

2E. In addition, individuals with a permanent residence in Winnipeg, or corporations or partnerships wholly owned by Winnipeg residents with a short-term rental accommodations license, would be allowed to rent three (3) non-primary residential properties owned by them or the wholly-owned Winnipeg partnership or corporation as a short-term rental accommodation, conditional on their owning the properties on February 23, 2023, with a combination of the following:

   i) In areas zoned multi-family, commercial, or under the Downtown Zoning By-Law;

   ii) In areas zoned R1 and R2.

For STRAs that existed prior to February 23, 2023, and which were owned by individuals permanently residing in Winnipeg rather than by corporations, up to four STRAs per individual would be permitted, one in a primary residence and up to three in a non-primary residence. Properties acquired after February 23, 2023, cannot be used as non-primary STRAs.

This approach does not require zoning review or a development application as the use would be established within the City's zoning by-laws and regulated through licensing.

A summary of the proposed amendments to the *Winnipeg Zoning By-law No. 200/2006* and the *Downtown Winnipeg Zoning By-law No. 100/2004* is provided below and the draft amending By-law is attached as Appendix A to this report.

Winnipeg Zoning By-law No.200/2006 and the Downtown Winnipeg Zoning By-law No.100/2004

Both the *Winnipeg Zoning By-law No.200/2006* and the *Downtown Winnipeg Zoning By-law No.100/2004* will incorporate STRAs as a distinct use of land.

The proposed amendments to the *Winnipeg Zoning By-law No.200/2006* and the *Downtown Winnipeg Zoning By-law No.100/2004* will establish STRAs as a land use in zoning districts that permit residential uses.

STRAs that existed prior to the enactment of the zoning by-law amendments proposed by this by-law will have legally-established non-conforming use rights pursuant to the City of Winnipeg Charter. However, they will still be subject to the City's licensing requirements.

At this time, the Public Service does not recommend additional Use Specific Standards be added to the zoning by-laws in association with the STRA use, since the zoning framework is intended to be part of an overall regulatory program. The licensing and enforcement framework will regulate the operation of STRAs under the Community Safety Business Licensing By-law and will address requirements that could otherwise be included in Use Specific Standards, such as the maximum number of days of stay and the maximum number of STRAs owned by one entity. It should be noted that with this proposed approach, additional requirements/standards may be considered by Council in the future.

Bed and breakfasts are currently an accessory use in the Winnipeg Zoning By-law but also meet the new proposed definition of a STRA. It is proposed that 'bed and breakfasts' be eliminated as a distinct use and instead be regulated as an STRA.

The proposed amendments to the *Winnipeg Zoning By-law No. 200/2006* and the *Downtown Winnipeg Zoning By-law No. 100/2004* are as follows:

1. Add "Short Term Rental Accommodation" or "STRA" as a new land use to the definitions section of the *Winnipeg Zoning By-law* and *Downtown Winnipeg Zoning By-law*.

2. Add "Short Term Rental Accommodation" to the list of uses exempt from requiring a development permit.

3. Delete the definition of "Bed and Breakfast" as well as the related use specific standards.

4. Add "Short Term Rental Accommodation" as a permitted use in the Use Tables in the following zoning districts of the *Winnipeg Zoning By-law*:

    - "R1" Residential Single-family
    - "R2" Residential Two-family
    - "RMF" Residential Multi-family
    - "RMU" Residential Mixed Use
    - CMU" Commercial Mixed-use
    - "C1" Commercial Neighbourhood
    - "C2" Commercial Community

5. Replace "Bed and Breakfast" with "Short Term Rental Accommodation" as a permitted use in the Use Tables in the following zoning districts of the *Downtown Winnipeg Zoning By-law*:

    - Multiple-Use Sector
    - Character Sector
    - Downtown Living Sector
    - Riverbank Sector

A report detailing the proposed amendments to the Community Safety Business Licensing By-law and the Accommodation Tax By-law will be presented at a future meeting of the Executive Policy Committee. All by-law amendments will require approval by Council to be enacted and have been drafted to come into force on a harmonized timeline, thus ensuring that the entire regulatory approach can be considered and implemented concurrently.

Resource Implications and Schedule for Implementation

Once Council approves proposed amendments to the Winnipeg Zoning By-law No. 200/2006 and the Downtown Winnipeg Zoning By-law No.100/2004, together with the approval of forthcoming amendments to the Community Safety Business Licensing By-law No. 91/2008 and the Accommodation Tax By-law No. 70/2008 to enable a new framework to regulate the operation of STRAs, a period of time would be required before the program would take effect.

There are no direct financial implications associated with this report. The proposed Zoning by-law amendments do not have associated costs. However, the proposed amendments to include Bed and Breakfasts (currently categorized as a Home-Based Business) has an impact on revenue. Because Bed and Breakfast operations, previously a home-based business, would fall under the proposed Short Term Rental Accommodations use, a license fee in lieu of business tax proposed for STRAs would be applied. A schedule for implementation and associated resource implications for the regulatory program as a whole will be contained within the report accompanying proposed amendments to the Community Safety Business Licensing By-law and Accommodation Tax By-law.

FINANCIAL IMPACT

Financial Impact Statement

Date: July 31, 2023

Project Name:

City of Winnipeg Zoning By-law No.200/2006 and the Downtown Zoning By-law No.100/2004 Amendments to Regulate Short-Term Rental Accommodations

COMMENTS:

There are no direct financial implications associated with this report.

C. Turman, July 31, 2023, for
Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

- Legal Services

OURWINNIPEG 2045 POLICY ALIGNMENT

Leadership and Good Governance

Objective 1.: Establish and implement priority actions through evidence-informed decision-making processes

> *Policy 1.4 Integrated Knowledge and Resources:* Coordinate inter-departmental systems, projects and resources, making the best use of internal and external expertise to better understand service needs, find the most appropriate solutions, optimize resources, and maximize community outcomes.

City Building

Objective 3.: Facilitate development opportunities that complete established communities, and plan new communities as complete and connected from the outset.

> *Policy 6.2 Complete Communities Characteristics:* The characteristics of complete communities must be identified and defined in Complete Communities, and will include, at minimum, equitable access to: safety and security, affordable housing for all incomes, local employment opportunities, health-supportive amenities, access to nature, social interaction opportunities, sustainable transportation options, and digital communication technology infrastructure to align with this Plan's goals.

Alignment with *Complete Communities Direction Strategy 2.0*

Vision: The City of Winnipeg is planned and designed based on a logical Urban Structure that focuses growth and change to enhance existing assets, to create complete communities and complete existing communities, and to ensure a socially, environmentally, and economically sustainable future through the integration of transportation planning, land uses, built forms, and urban design.

> *Principle 1:* Creating complete communities and completing existing communities - enhancing their existing infrastructure and assets in ways that make most amenities for daily living universally accessible - will be key to making our city attractive and competitive.
>
> *Principle 7:* The implementation of Complete Communities recognizes the complexity of cities and the people within them and aims for an approach that promotes resilience and adaptability.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to any of the Strategic Opportunities and Key Directions in the Climate Action Plan and it was determined that the Plan is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to any of the specific Goals and Objectives in the Poverty Reduction Strategy, as well as the corresponding 2021-2023 Implementation Plan, and it was determined that the Strategy is not applicable to this specific report.

SUBMITTED BY

Department: Planning, Property and Development
Division: Urban Planning and Design
Prepared by: Simi Jerez and Martin Grady
Date: August 8, 2023

Attachments: Appendix A – Draft Amending By-law