

January 31, 2017

**District Municipality of Muskoka  
70 Pine Street  
Bracebridge ON  
P1L 1N3**

**Attn: Summer Valentine, Director of Planning**

Dear Ms Valentine:

**Re: District of Muskoka Official Plan Review**

The Muskoka Lakes Association (MLA) represents approximately 2300 households in the District of Muskoka. Our membership includes both seasonal and permanent residents with properties on the waterfront, in the rural areas and in the urban centres.

We appreciate our ongoing positive relationship with the District Council and Staff with respect to planning and economic development in the District of Muskoka (DOM).

The MLA has carefully read and considered the DOM Official Plan Review report Towards Establishing Planning Policy Directions dated October 21, 2016. We also attended the DOM Official Plan Review Open House held January 18, 2017.

We offer the following comments:

**THINGS WE LIKE**

**Policy Direction B** : Recognition that the environment and a strong economy are inextricably linked in the District.

The MLA applauds this goal and acknowledges the importance of the Vision Statement and guiding principles in the MOP. We were active participants in the DOM visioning exercise in 2012 which lead to this policy.

We also agree that this policy needs to be “built upon in a more concrete way” The DOM must continue to send a strong message of protection of the unique Muskoka environments which highlights the protection of water quality in Muskoka as well as its land base. In the desire for economic growth. lower tier municipalities are in danger of forgetting this delicate balance.

One of the principles of the Official Plan is: “The small-town, waterfront and rural character of the area will be maintained and Muskoka’s culture will be valued and preserved.” Guiding Principle D page 24

It is a challenge to define this, on an ongoing basis so as to assess so the scale and scope of new development being proposed, and new planning initiatives.

In addition, an OP's objectives is: "To strengthen the settlement structure of Muskoka as a composite of urban, rural and waterfront areas by focusing growth to Urban Centres and supporting appropriate development in Community, Rural and Waterfront designations, which maintains the character and integrity of each of these areas." Objective B.3 (page 24)

As with Principle D, how does one define 'appropriate development'? The scale and scope of some of the proposals being brought forward and approved in Muskoka seem to be in excess of what good planning would support and have proven to have economic challenges. The MLA believes the District should set the vision for this area and in doing so, attempt to wrestle some of these fundamental themes to the ground.

We look to the District Official Plan and District planning staff as the senior level of government policy in Muskoka. The entire population of the District is small compared to other municipalities in Ontario such as Barrie, Brampton, Sault Ste. Marie and has more limited resources in terms of staff and staff time. The population of the lower tier municipalities is even smaller and has less resources. This lack of population creates challenges in achieving a depth of analysis of planning issues especially for the lower tier municipalities, despite the excellence of the planning staff. Therefore, the upper tier, the District of Muskoka has an obligation to lead the way and provide a level of planning policy more suited to lower tier municipalities in more populated communities.

The MLA expects the District to lead the way with policies and directions.

### **Policy 1 and 4 Population, household and employment projections**

The MLA is in agreement that population projections need to be included in the DOM Official Plan (OP)

We appreciate the inclusion of the seasonal population in these projections. However, we stress the need for the DOM and the area municipalities to provide for greater and continued recognition of the seasonal population's contribution to the tax base and local economy. The townships have the largest seasonal population. The largest township, Township of Muskoka Lakes has largest seasonal population; with a 4:1 ratio of seasonal to permanent residents and it is the assessment derived from the seasonal population's properties which provides the largest portion of the DOM tax base.

The local economy too benefits from the seasonal population, not only in the retail sector providing food, fuel and marine equipment, but also the seasonal population increasingly supports providers of consumer durables; as shown by the continued success of the year-round boutique furnishing shops in Port Carling and Rosseau. In addition, the seasonal population is the major economic contributor to the construction and real-estate industries, these being the two highest private-sector employment sources in DOM (after administrative services).

In order to preserve these economic benefits and achieve greater growth, the DOM needs to have strong policies that preserve the environment and character of the area which will continue to attract more seasonal population to Muskoka. Only strong environmental policies which uphold the character and attraction of Muskoka, will continue to support the seasonal tourism industry and bring more seasonal residents to the district.

**Policy Directions #4 and #5: To monitor Permanent and Seasonal growth and provide for Infrastructure and Public Service Facilities**

We agree that the DOM OP should include policies that monitor growth and the capital costs of infrastructure (both existing and expanding).

The Growth Reports, as commissioned by DOM and subsequently adopted by DOM, become the basis of the DOM's capital budget. The accuracy of these reports is critically important as they are relied upon to determine the capital budgets for the construction, reconstruction and expansion of costly hard services, such as improved roads and bridges, and new and expanded water-treatment and sewage-treatment facilities.

We also agree with the PPS that "Before consideration is given to developing infrastructure and new service facilities, the use of existing infrastructure and public service facilities should be optimized". The MLA suggests that this policy be included in the new DOM OP.

**Policy direction 7 and Mapping of the boundaries of each permanent settlement area**

We agree that the identification of the boundaries of the urban areas and communities should be mapped on DOM OP schedules. This would include Bala Port Carling as well as Bracebridge and Huntsville . We expect it would also include the smaller settlement areas of Torrance, Rousseau Windermere, and Severn Bridge etc.

Is the Resort Community of Minett, considered a settlement area or an employment area? Its boundaries should be similarly mapped.

**Policy Directions #15 and #21: Small Scale Home Businesses and Additional Uses (including the Waterfront Area)**

We agree that technology has allowed businesses to operate in non-traditional settings beyond the dedicated workplace. We also support the expansion of enhanced communication networks, to support these businesses and aid municipalities in communicating with residents and other stakeholders. The role of the internet and web services should be considered in the notification procedures of the District and area municipalities.

However, with respect to the additional uses in rural areas, which include waterfront areas, we question whether these policies are intended to apply only to commercial zones or also to residential

zones? Direction and clarification needs to be given to the area municipalities as to how to implement District policy.

We agree with an expansion of uses as long as the same standards, scale and responsible stewardship are applied to the new uses on waterfront as those that currently apply to existing waterfront residences. The MLA opposes any new commercial development on the waterfront except in commercial waterfront zones. New waterfront businesses should be directed to the existing buildings in commercial areas with high vacancy rates, such as The Wharf in Gravenhurst.

There should be strong District policies to protect existing economic areas and businesses.

In addition, the MLA believes this is a significant policy change that needs to be further fleshed out in the DOM OP - as opposed to being downloaded regulations of the area municipalities. This policy will impact not only the waterfront and rural areas, but also the success of the District's long-term economic development.

#### **Policy Direction #16: Expanded Recreational Accommodation Facilities**

Recreational accommodation consists of a wide range of facilities, including luxury hotels, exclusive, perhaps adult-only resorts, family resorts, trailer parks with both temporary and permanent trailers, tent and trailer parks, and primitive back-site accommodation sites. They may also include houseboats moored at permanent marinas or boats moored overnight off a private waterfront property.

The MLA has had concerns with recreational accommodation that is not compatible with the character, density or scale of development of the adjacent lands.

We suggest that the DOM OP include additional policies that provide guidelines to the area municipalities as to the scale, scope and location criteria to be considered for the different types of recreational accommodation.

The MLA also suggests that the DOM OP contain a policy that trailers, of any sort, be permitted only seasonal occupancy. In particular, trailer parks should not be allowed to become a year-round accommodation solution for the provision of affordable housing.

#### **Policy Direction #22: Servicing of Resorts and Conversions of Resorts**

The MLA agrees with the directive for resorts requiring appropriate guarantees to ensure that the district does not become responsible for water and waste-water servicing at resorts with a residential component that are not on urban services.

In addition, the MLA considers it is the District's responsibility to ensure that proper and sufficient securities are in place to avoid any future issues of responsibility. Payment of securities must be obtained from the developer, and held by the District, before building permits are issued at the local

level. This requires co-ordination between the District and the local municipality to ensure each fulfills its obligations. The MLA has been pleased to see this level of coordination in the past.

New resorts should be compatible with the character, density and scale of existing neighbouring properties. An additional policy is needed to include consideration of the impact of the expanded a new or expanded resort on the waterfront environment, resulting from the increased level of activity and waterfront use generated by the resort and its boating activities.

We agree with the proposed policy to allow the conversion of employment lands to other uses.

However, former resorts, if converted, should be permitted only at residential densities and governed by the appropriate waterfront restrictions applicable to waterfront residential zones.

## **WHAT SHOULD BE CHANGED**

### **Policy Directions #22- #30: Resorts**

NOTE: Since reviewing the District's preliminary directions report and attending the District open house, we are pleased to receive an invitation from the District to attend a stake holders meeting on resorts. We are aware that preliminary policies on resorts has been contentious. An open discussion may result in greater agreement.

With all due respect to Muskoka's proud history of resorts, the MLA is of the opinion that there is far too much emphasis in the District OP on resorts.

Our understanding is that few, if any, of Muskoka resorts have been economically viable since 2012 – a finding your own consultants have verified. We are aware of a number of resorts, both large and small, that have gone out of business; large resorts like Bangor Lodge and smaller resorts such as Lakeside Lodge. Further there seems to be only a handful of resorts that are actively attempting to make a go of it. For example: Villas of Muskoka (a new condominium resort under construction near Milford Bay), Touchstone (under new ownership), and a resort conversion in the south end of Gravenhurst. There may be a rebuild of Cleveland House and new ideas for the Little Lake Joe Club, Sherwood Inn, Rocky Crest and Grandview, as suggested by developers at the District's recent Open House meeting. Taboo Resort in Gravenhurst appears to be proposing full conversion to residential units.

The MLA's position on resorts, as stated in our 2013 response to the PKF Hospitality and Tourism Business Advisors Report dated February 20<sup>th</sup>, 2013, remains unchanged. We also support the position put forward by LOBA at that same time.

However, we will reiterate some of our key points and note that the District's thinking regarding resorts has softened.

Regarding residential uses in resorts: The District has stated that resorts today seem only viable if they have a residential component to them. The developers in attendance at the Open House on Jan 18<sup>th</sup>, 2017 seemed to agree that resorts will only be successful if they contain residential units. The developers also commented that, to be successful, resorts need the flexibility to determine the size of their residential component, and that residential units may range from a low of 25% to a high of 100% of the total units in the development.

It is the MLA's position that resorts with a residential component cannot be allowed to develop on private services in line with existing district and provincial policies. In spite of securities and guarantees, the fragile fiscal viability of Muskoka resorts leaves us fearful that, at some point, a resort with residential units, will go bankrupt and the District (meaning we, the taxpayers), will become responsible for taking over the provision of services. Alternatively, resorts on private services may be unable financially to maintain an adequate standard of septic and water treatment services resulting in degradation of the water quality in the vicinity of the resort.

If resorts such as Taboo and Grandview, which are on full municipal services, wish to convert to wholly residential uses, that is another issue. That may cause the loss of both commercial assessment and visitor accommodation, but it is an economic loss as opposed to the more serious issue of health and welfare.

The proposed policies on resorts (#23 – #28) provide broad flexibility for resorts. We do not agree with all of them but suggest if a new resort wishes to develop on full municipal services, our concern is limited to the impact that development has on its immediate surroundings; i.e. its compatibility as regards to scope, character and density. We are also concerned about its impact on the environment and the waterfront, as we would be with any major development. In addition, definitions of resorts, on-site management, virtual reservations, etc. need to be fleshed out.

With respect to a threat to the economic viability of resorts, the MLA is aware of the many issues raised by the growth of Airbnb and other residential accommodation-sharing services. These issues include increased noise, overuse of septic systems, insufficient parking, and increased boat traffic, as well as the proliferation of cottage rentals. While we support property owners' rights to manage their properties, we acknowledge that the growth of such rentals creates lifestyle issues, as well as increased competition to Muskoka's resorts and hotels. The District needs to consider the development of policies to manage the problems emanating from this issue.

### **Policy Direction #11: Secondary Dwellings on the Waterfront**

On December 3, 2012, the MLA wrote to the District of Muskoka stating that we do not support the construction of secondary dwelling units on the waterfront. We gave a number of reasons for our opinion, including the key objective of preserving naturalized waterfronts. We also observed such policies seem to be driven by the Ontario government's determination to increase the supply

of affordable housing – an outcome unlikely to be achieved by permitting second dwelling units on Muskoka’s most expensive and highest-valued properties.

We note that the recently completed Gravenhurst Official Plan permits secondary dwelling units on the waterfront, but only if they are located on urban services within the Town. In addition, their OP does not permit the provision of bunkies on urban waterfront lots.

The MLA intends to monitor the success of this policy in achieving additional affordable dwelling units in town. Perhaps the District should similarly monitor Gravenhurst’s success before providing permission for secondary affordable residential dwelling units on all waterfront properties.

We understand that the province may be considering the imposition of this as a provincial policy direction. In discussions with the province, we suggest district staff remind the province of the language in the PPS that “Ontario’s rural areas have diverse population levels, natural resources, geographies and physical characteristics and economies. Across rural Ontario local circumstances vary by region.”

Nowhere else in Ontario, except in cottage country, are bunkies permitted as a second quasi-dwelling unit on residential properties. Not only would a change in the policy, to permit secondary dwelling units on the waterfront, impact Muskoka’s fragile waterfront by potentially doubling the density, it would also run the risk of encouraging legalizing kitchens and enhanced sanitary facilities in bunkies and boathouses without providing any additional affordable accommodation.

The MLA notes that the thrust of the Muskoka waterfront zoning over the years has been to tighten restrictions on waterfront development and preserve the naturalized waterfront settings as much as possible. Moving towards additional dwelling units on the waterfront would fly in the face of more than half a century of hard work and environmental stewardship.

## **WHAT IS MISSING?**

The MLA assumes that this report is to complement the other policies in the DOM OP that may not require change. Nowhere in the document did it address the missing areas of policy discussion (e.g. all of the environmental policies).

### **Revival of the Boat Construction Industry**

The report notes the emergence of the arts industry in Muskoka but ignores the re-emergence of the boat construction industry. Together with the protection and support for marinas, boat maintenance, repair and construction, are thriving industries in Muskoka that need to be acknowledged and supported.

### **Issues that Cross Municipal Boundaries – population age profile Schools, Hospitals and physical distribution of Emergency Facilities**

Issues that cross municipal boundaries with policies usually found in District Official Plans include the importance of providing for public health in planning documents. The plan should also include policies as to appropriate locational criteria for hospitals and medical services and the distribution of emergency facilities, such as ambulance services, fire halls and police stations.

There should also be a discussion about the changing needs of Muskoka's population. Similar to monitoring population growth the district should be monitoring changes in the age profile of residents in Muskoka. It is understood that the percentage of older residents in Muskoka is increasing. Does the District have any age demographics showing this change, providing policies that recognize the needs of older adults in everything from active transportation to health care and housing accommodation. At the other end of the age profile, the plan should address how the reduction in the number of children aged 10 and under impacts the provision of school accommodation.

### **Water Quality, Flood Plains and Natural Wetlands**

We recognize that District's new water quality policies, when approved, will form part of the revised Official Plan. However, the proposed policies need to be reviewed to ensure a comprehensive policy document with respect to the natural water environment including protection and conservation of wetlands and the potential for constructed wetlands to improve water quality..

### **Preservation of Land, Natural and Built Cultural Heritage Features, including Heritage Landscapes**

We suggest that local Heritage Committees, along with Muskoka Conservancy, be encouraged to provide comments on policies that protect Muskoka's natural and built heritage features, including views, in accordance with the province's newer heritage policy documents.

### **Transportation Policies**

New transportation policies seem to be missing, including policies encouraging active transportation.

The proliferation of signage, especially billboards along major roadways, also needs to be addressed. The over-abundance of signage has a negative impact on the preservation of the natural environment and may cause distracted drivers.

The District's roads and rights-of-way widths should be mapped on a schedule similar to the schedule mapping municipal boundaries, in order to validate road widening policies.

The District should ensure that there are policies that direct the treatment of runoff from District roads to protect water quality.



### **Species at Risk**

Although not referenced in the preliminary document, we assume the province's new policies with respect to species at risk will be included.

### **Implementation**

Similarly lacking is a section on implementation, including the roles and responsibilities of municipalities and agencies. We assume the province will comment on this issue.

### **Public Input and Notification**

There should be a section on how the District intends to implement the province's directions on public input.

### **CONCLUSIONS:**

The MLA appreciates the opportunity to comment on the report, District of Muskoka Official Plan Review Towards Establishing Policy Directions, dated October 21, 2016.

As always, the MLA requests to be notified of any further meetings concerning this initiative and the District's Official Plan Review. We also request formal notice of the Statutory Public Meeting and any Decisions of Council and Council's Minutes in this regard.

Yours truly,



Robert Ensor  
President



Anne McCauley, MCIP, RPP  
Political & Land Use Committee Chair

cc: District Council