



# TA19-0007 Short-Term Rental Accommodation

Zoning Bylaw Text Amendment



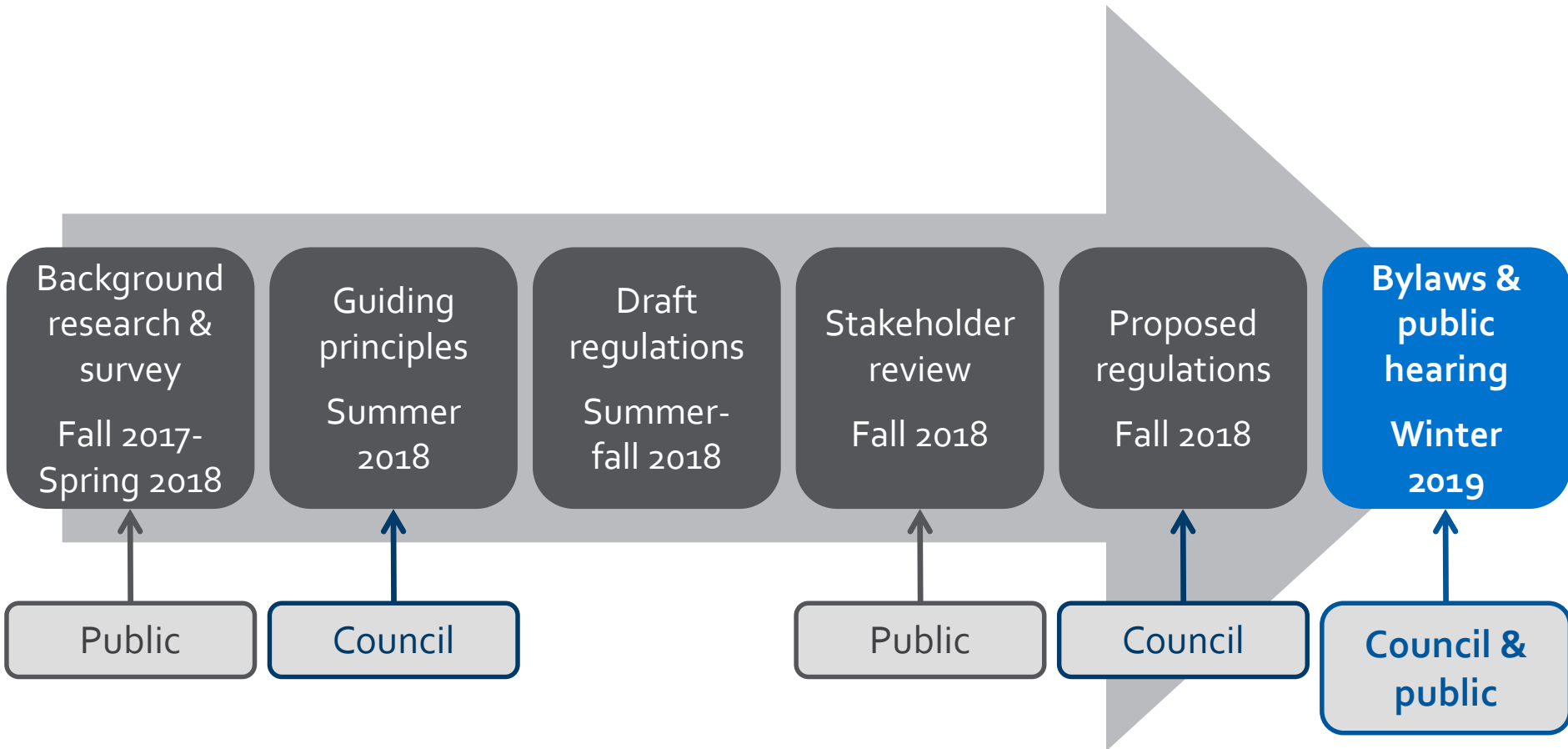
# Purpose

- ▶ Introduce the new short-term rental accommodation use
- ▶ Define associated regulations
- ▶ Add the use to most residential & mixed-use commercial zones
- ▶ Remove the existing apartment hotels use

# Overview

- ▶ Process
- ▶ Context
- ▶ Guiding principles & consultation
- ▶ Land use regulations
- ▶ Licencing & compliance strategy
- ▶ Non-conforming uses
- ▶ Next steps

# Process

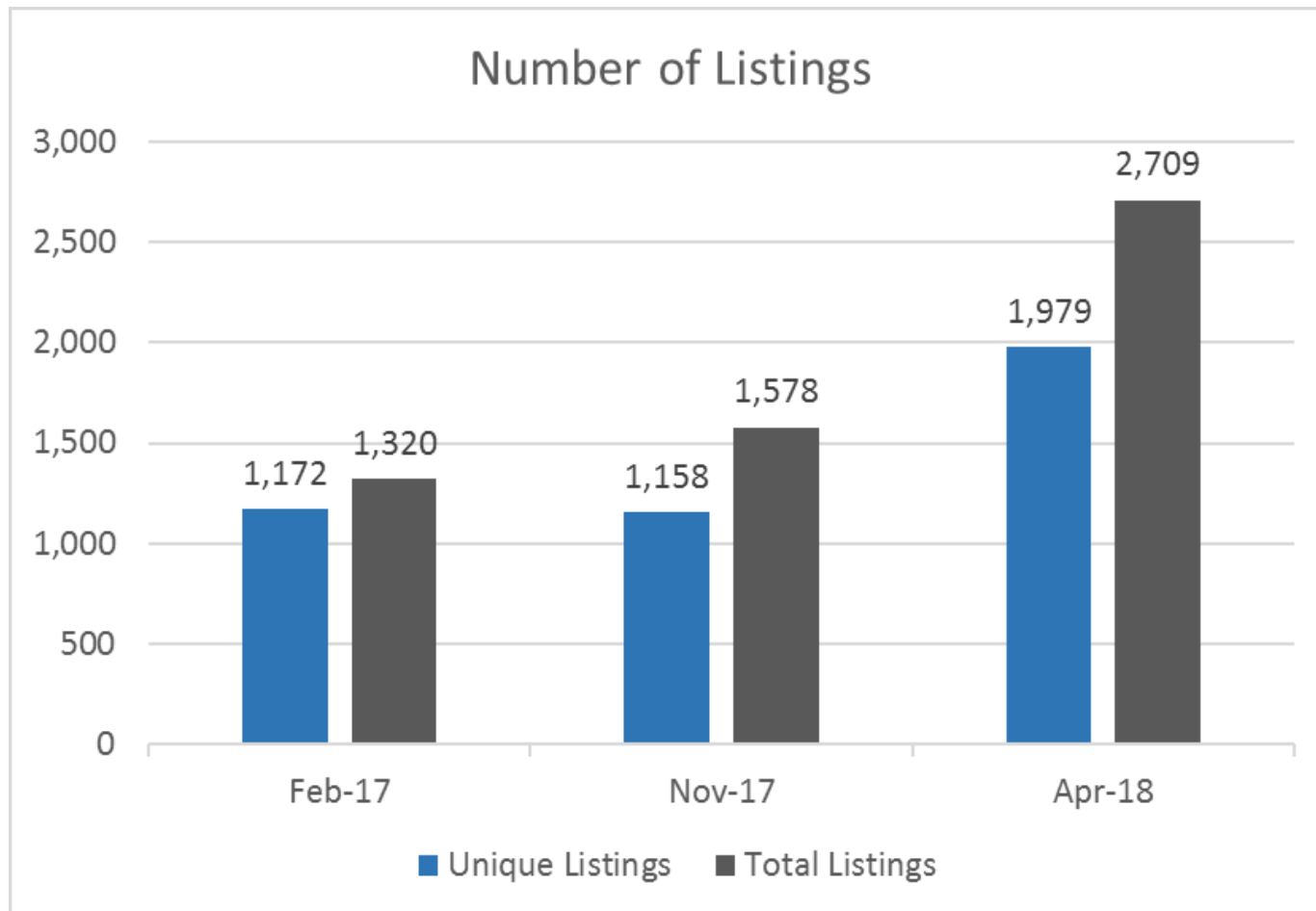


# Context

- ▶ Housing Needs Assessment
  - ▶ Security of tenure & short-term rentals
- ▶ Healthy Housing Strategy
  - ▶ Key direction: Promote & protect rental housing

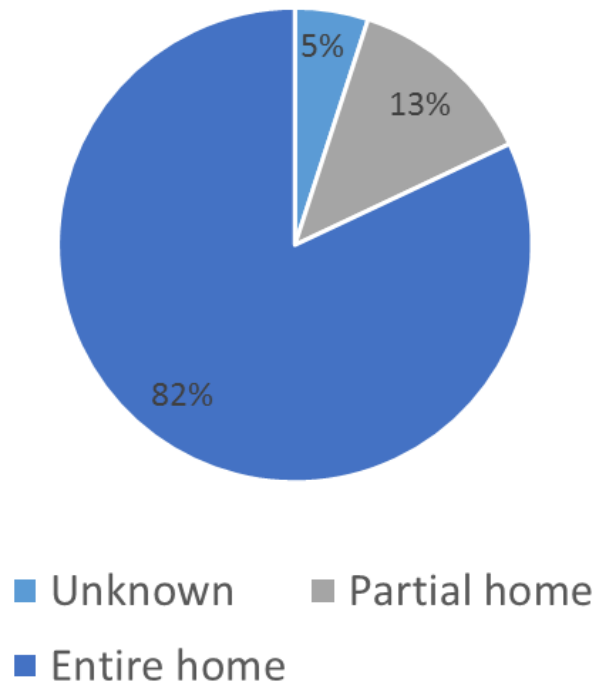
Action: Develop policy & regulations to protect the rental stock from the impacts of short-term rentals.

# Short-Term Rental Listings

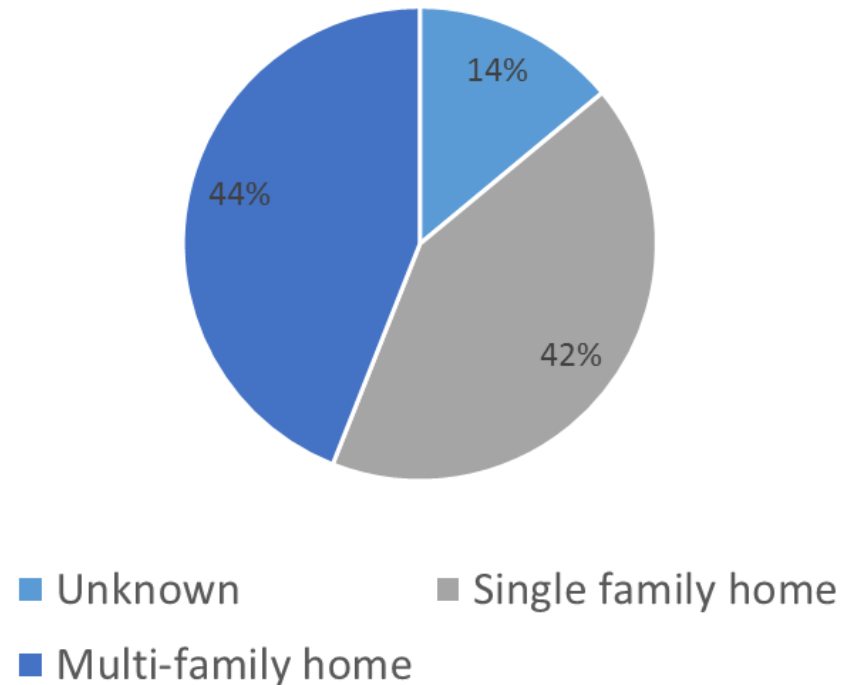


# Short-Term Rental Listings

Listing Types



Unit Types



Median nightly rate: \$220

# Long-Term Rentals

Vacancy Rate	Secondary Rental Market	New Households Renting	New Rental Units Needed
1.9%	70% suites, carriage houses & entire homes	73%	550 annually



# Guiding Principles

1. Ensure short-term rental accommodations **do not impact long-term rental housing supply** in negative way.
2. Ensure short-term rental accommodations are **good neighbours**.
3. Ensure **equity among** short-term accommodation providers.

# Public & Stakeholder Consultation

- ▶ Public survey (fall 2017)
  - ▶ Over 2,600 responses
  - ▶ Initial input into developing regulations
- ▶ Stakeholder consultation (fall 2018)
  - ▶ Tourism & accommodation industry, business & neighbourhood associations, development industry, short-term rental platforms, Healthy Housing Advisory Committee, interested residents
  - ▶ Feedback on proposed regulations
- ▶ Responses reflect diverse community needs & interests

# Short-Term Rental Accommodation

Short-term rental accommodation means the use of a dwelling unit or one or more sleeping units within a dwelling unit for **temporary overnight accommodation for a period of 29 days or less**. This use does not include bed and breakfast homes, hotels or motels.

# Zones & Uses

Zone Category	Current		Proposed	
	Principal Use	Secondary Use	Principal Use	Secondary Use
Rural & single / two unit residential				✓ <sup>1</sup>
Multi-unit residential		✓ (RM6)		✓
Mixed-use commercial	✓ (C <sub>4</sub> , C <sub>7</sub> )	✓ (C <sub>6</sub> , C <sub>8</sub> )		✓
Tourist commercial <sup>2</sup> & health district	✓	✓ (HD <sub>2</sub> )	✓	

<sup>1</sup> Not allowed in secondary suites or carriage houses

<sup>2</sup> Tourist commercial: C<sub>9</sub>, parts of CD<sub>18</sub> (McKinley Beach – Hilltown only) & CD<sub>24</sub> (Hiawatha – Area A only)

# Specific Use Regulations

Regulation	Rural & single / two unit residential	Multi-unit residential & commercial	Principal use (C9, HD2, parts of CD18 & CD24)
Maximum # of adults per bedroom	2	2	2
Maximum # of bedrooms	3	2	3
Maximum # of bookings at a time	1	1	1
Minimum # of parking spaces	1 per 2 bedrooms	1 per 2 bedrooms <sup>1</sup>	Same as apartment housing
Operator's principal residence	Yes	Yes <sup>2</sup>	No
Business license required	Yes	Yes	Yes

<sup>1</sup> Not in addition to principal dwelling unit if unit has two parking spaces

<sup>2</sup> RM6 properties along Sunset Dr are not restricted to the operator's principal residence

# Refinements

- ▶ Principal residency: min. 8 months of year
- ▶ Multiple dwelling housing parking requirements
- ▶ RM6 properties on Sunset Drive listed & identified on a map
- ▶ Principal use in HD2 (health district)
- ▶ No longer a use in CD14 (Landmark)



# Meeting the Principles

Requirement	Protect Long-Term Rentals	Good Neighbour	Short-Term Accommodation Equity
Operator's principal residence	X	X	
No suites or carriage houses	X		
Max. number of people, bedrooms & bookings		X	
Business license	X	X	X
Online accommodation platform taxes			X

# Licensing & Compliance

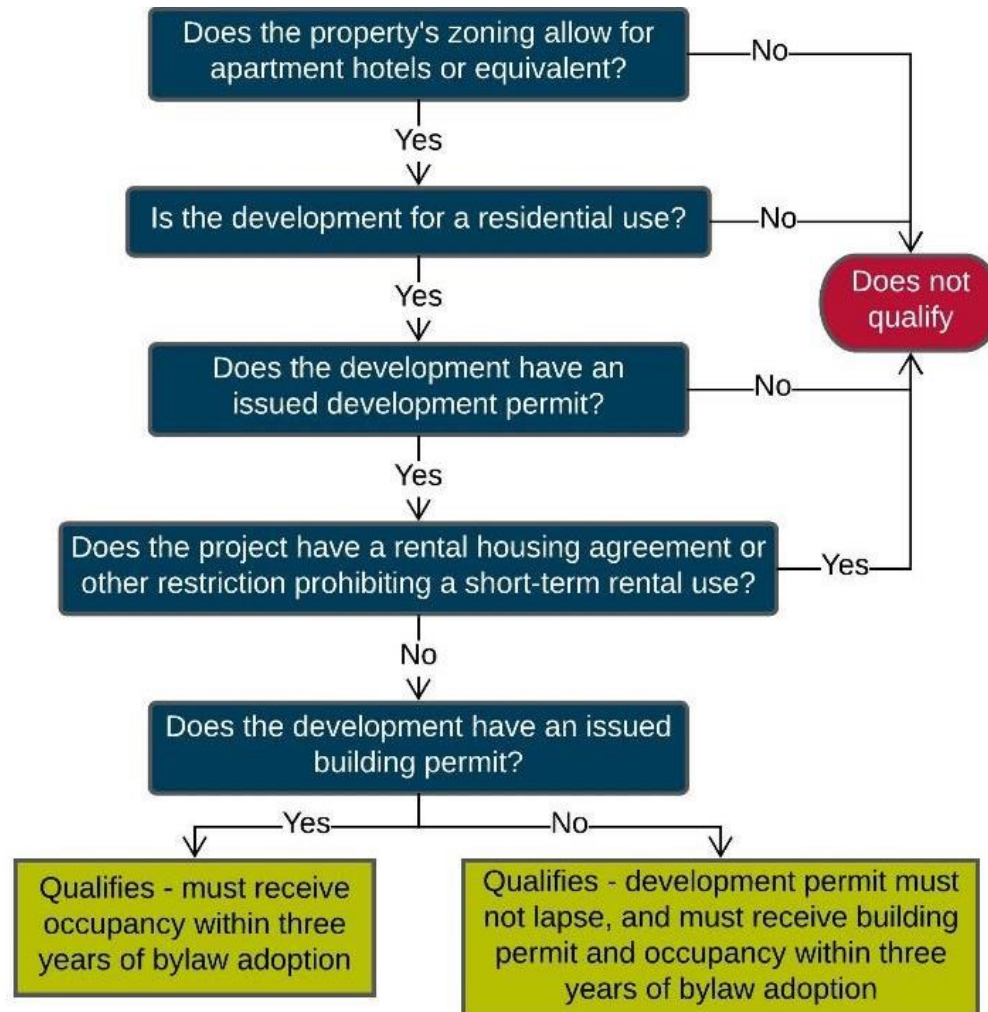
- ▶ Business licence will be required
  - ▶ Fees to support cost recovery
  - ▶ Documentation requirements
  - ▶ License conditions
- ▶ Third party monitoring & compliance
  - ▶ Proactive approach to enforcement
  - ▶ Provide additional tools
  - ▶ Limit impact on staff resources



# Non-Conforming Uses

- ▶ *Local Government Act* provisions to protect property owners' rights when bylaws change
- ▶ Existing buildings with apartment hotel use
  - ▶ Operated lawfully in last year
  - ▶ Continue use under current regulations
  - ▶ Applies to all residential units in a building

# Criteria for In-Stream Projects



# In-Stream Projects

- ▶ Nearly 25 projects identified
- ▶ 7 do not qualify for non-conforming use provisions
  - ▶ Zone does not allow use
    - ▶ 1232 Ellis St (Ellis Parc)
  - ▶ DP application submitted, not yet approved
    - ▶ 105-115 Hwy 33 W, 165-179 Rutland Rd N, 430 Harvey Ave
  - ▶ Rental housing agreement
    - ▶ 1740 Richter St (Central Green Building B), 225 Rutland Rd S, 3477-3499 Lakeshore Rd (The Shore)
- ▶ Further due diligence

# Next Steps

- ▶ Business License Bylaw
- ▶ Public Hearing
- ▶ Adoption & implementation
  - ▶ Education & application materials
  - ▶ Business license applications
  - ▶ Third party compliance company
- ▶ Ongoing monitoring & review

# Staff Recommendation

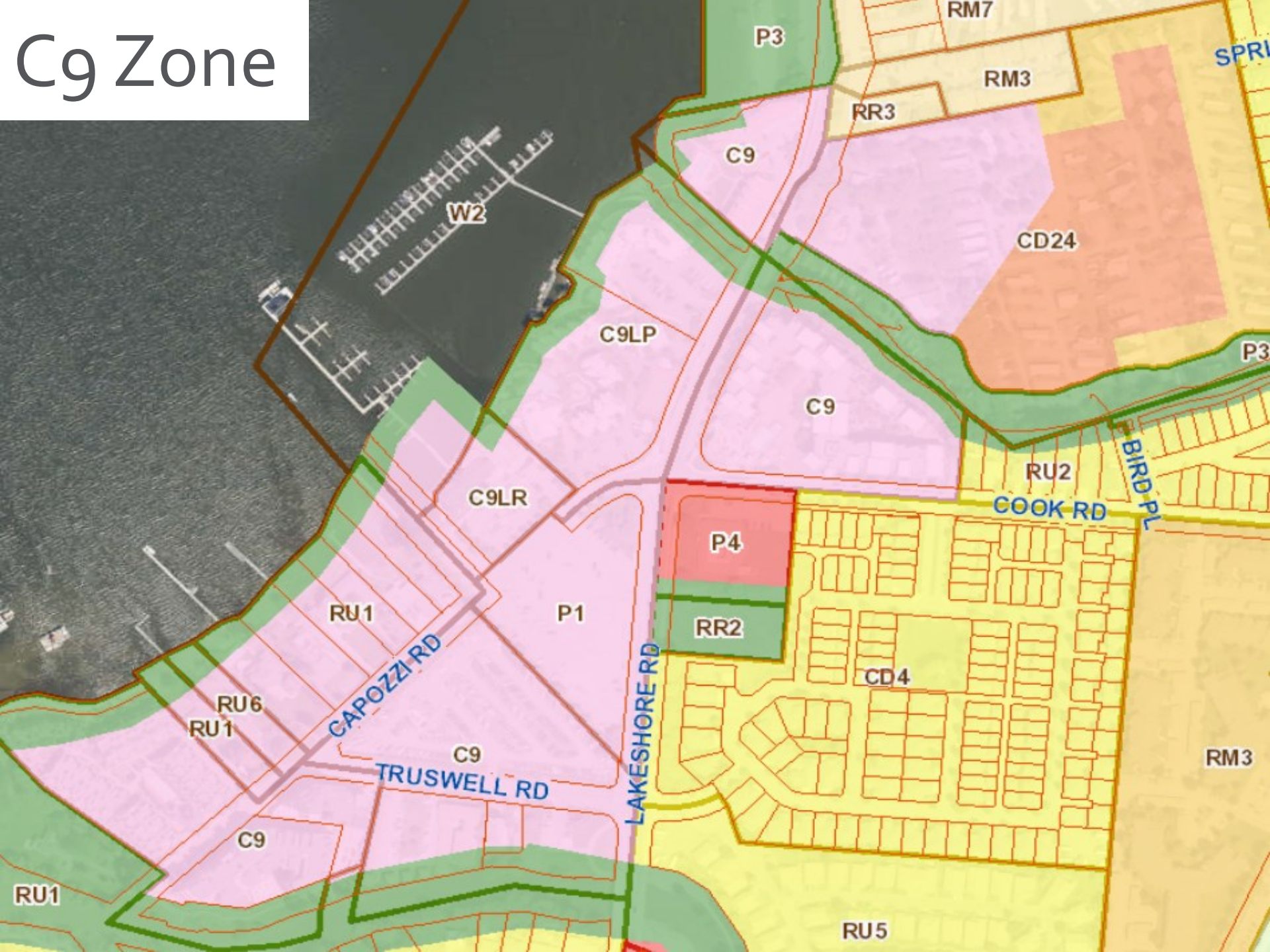
- ▶ Recommend **support** for the Zoning Bylaw text amendment for short-term rental accommodation
  - ▶ Allows residents to operate short-term rentals
  - ▶ Aligns with previously endorsed guiding principles
  - ▶ Establishes clear regulations so the public understands the rules that apply to them
- ▶ Forward the text amendment bylaw to public hearing



*Questions?*

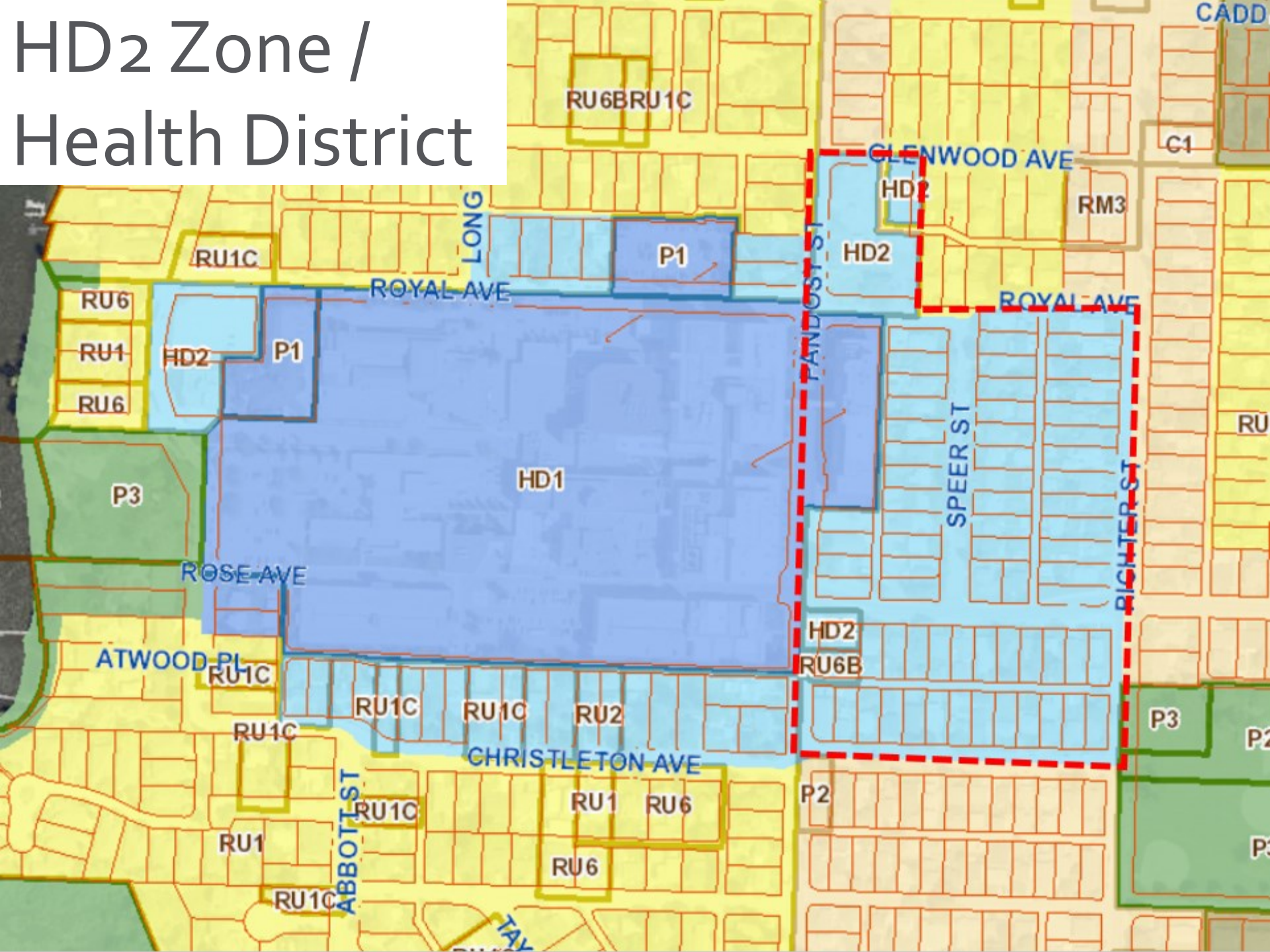


# C9 Zone



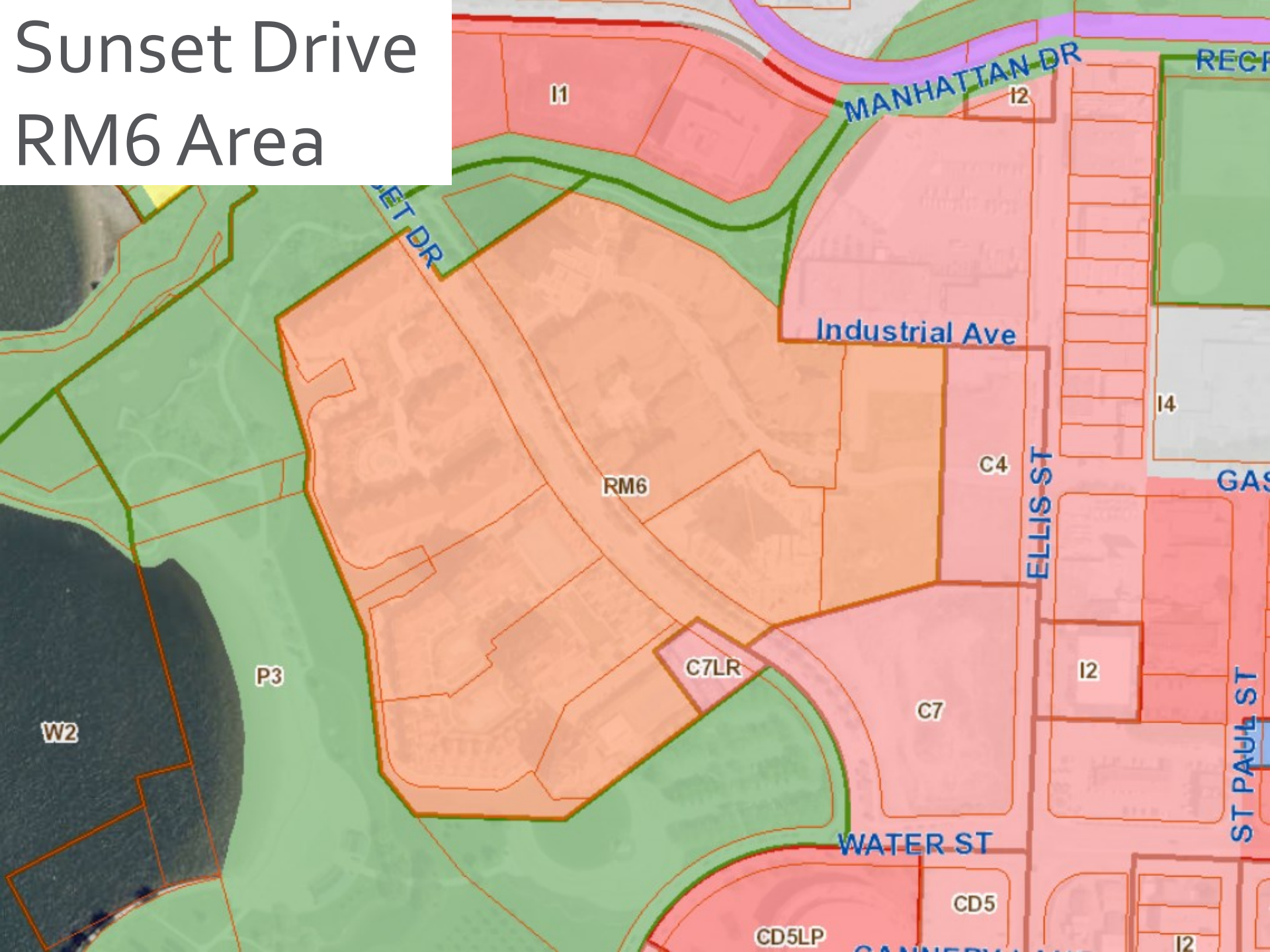


# HD2 Zone / Health District





# Sunset Drive RM6 Area



# Case Studies

Municipality	Location of Short-Term Rentals	Licensing & Enforcement
Nelson	Most zones Operator's principal residence (some exceptions)	Municipal bylaw enforcement
Tofino	Limited locations Operator's principal residence (some exceptions)	Third party compliance
Vancouver	Most zones & locations Operator's principal residence only	Business license must be included in listing Agreement with Airbnb
Victoria	Most residential areas Operator's principal residence only	Business license must be included in listing Third party compliance

# Short-Term Rental Listings

