



Short-Term Rental Accommodation & Business Licence Bylaw

Bylaw No. 11720

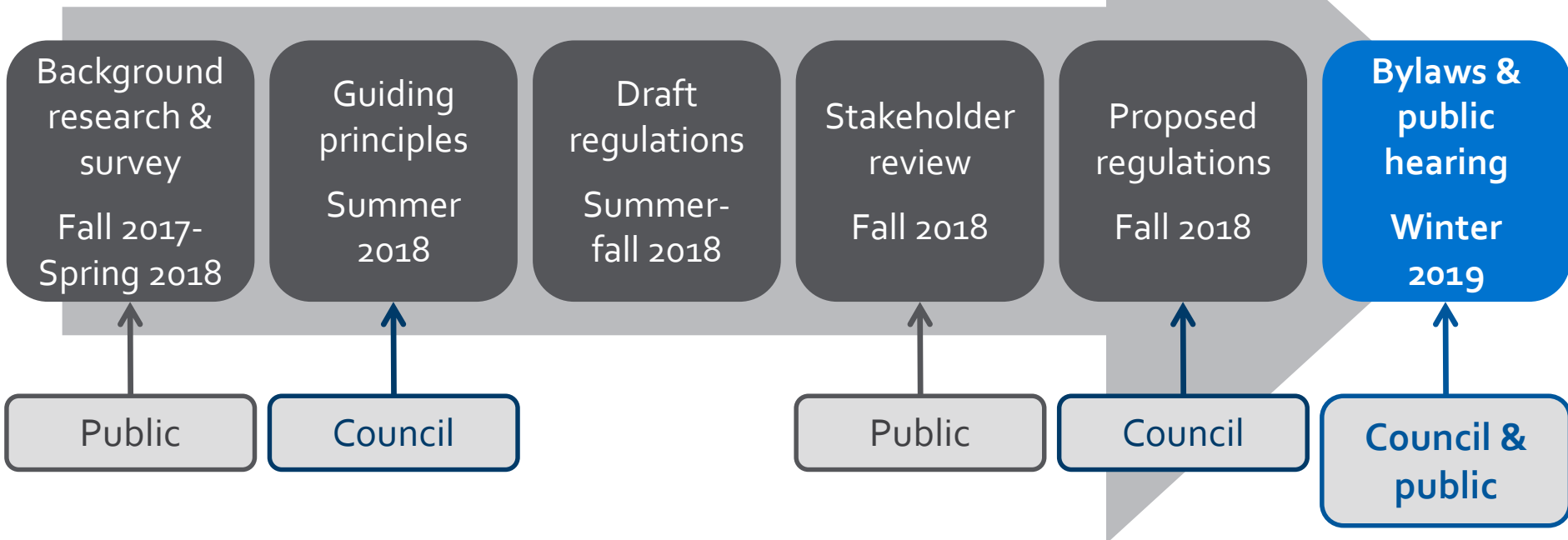
March 4, 2019



Overview

- ▶ Regulation process
- ▶ Context
- ▶ Guiding principles
- ▶ Licence requirements & fees
- ▶ Licence application process
- ▶ Next steps

Regulation Process to date



Context

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

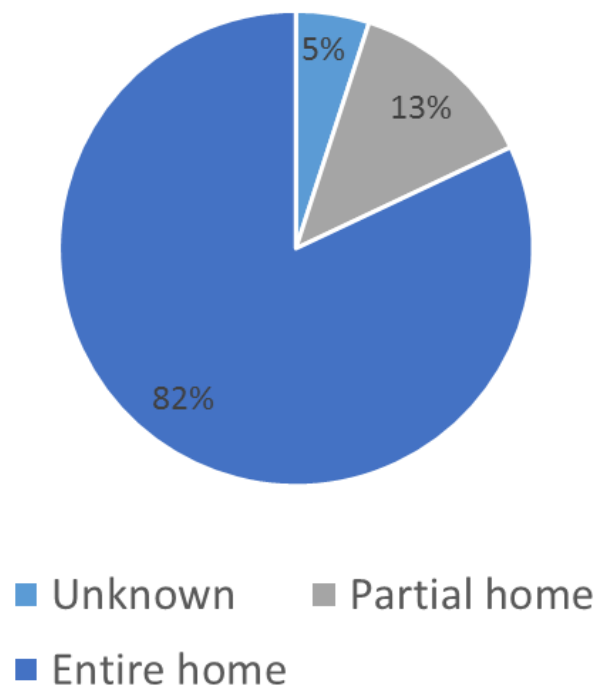
Action: Develop policy & regulations to protect the rental stock from the impacts of short-term rentals.

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.

Short-Term Rental Listings

Listing Types



Current listings in Kelowna

- Majority are whole home
- Median no. of rental days - 30
- Median nightly rate \$220
- Median annual income \$6600

Median nightly rate: \$220

Licensing fee

- ▶ Business licence will be required to operate
 - ▶ Fees will support cost recovery and mitigate taxation
- Proposed fees :
 - ▶ \$345 (principal residence) \$750 (non-principal)
- ▶ Supports
 - ▶ Third party monitoring & compliance
 - ▶ Payment based off total listings found, not licenced
 - ▶ Staff
 - ▶ Compliance focused staff structure

Fee Comparison

| Municipality | Licence Category #1 | Licence Category #2 |
|------------------|------------------------|----------------------------|
| Kelowna | \$345.00 | \$750.00 |
| Category desc | Principal Residence | Non-Principal Residence |
| | | |
| Victoria | \$150.00 | \$1500.0 |
| Category desc | Principle Residence | Non-Principal Residence |
| | | |
| Vancouver | \$51.00 | \$109.00 |
| Category desc | One fee only | Includes app fee |
| | | |
| Tofino | \$450.00 | \$750.00 |
| Category desc | Short Term Rental 1 Rm | Short Term Rental 3 Rm |
| | | |
| Nelson | \$200.00 | \$450.00 |
| Category desc | 1 unit | 3 units |

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

Application

- ▶ Proof of principal residence status
 - ▶ If applicable
- ▶ Identify responsible person
- ▶ Good neighbour agreement
- ▶ Safety audit attestation form
 - ▶ Confirming fire & safety standards are met

Application Process

- ▶ Simplified process
- ▶ Communications
 - ▶ Clear and easy
 - ▶ One package of information
- ▶ Submit form online PDF
 - ▶ Move to online with new system

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 |

Next Steps

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



Questions?