



# Short-Term Rental Accommodation & Business Licence Bylaw

Bylaw No. 11720

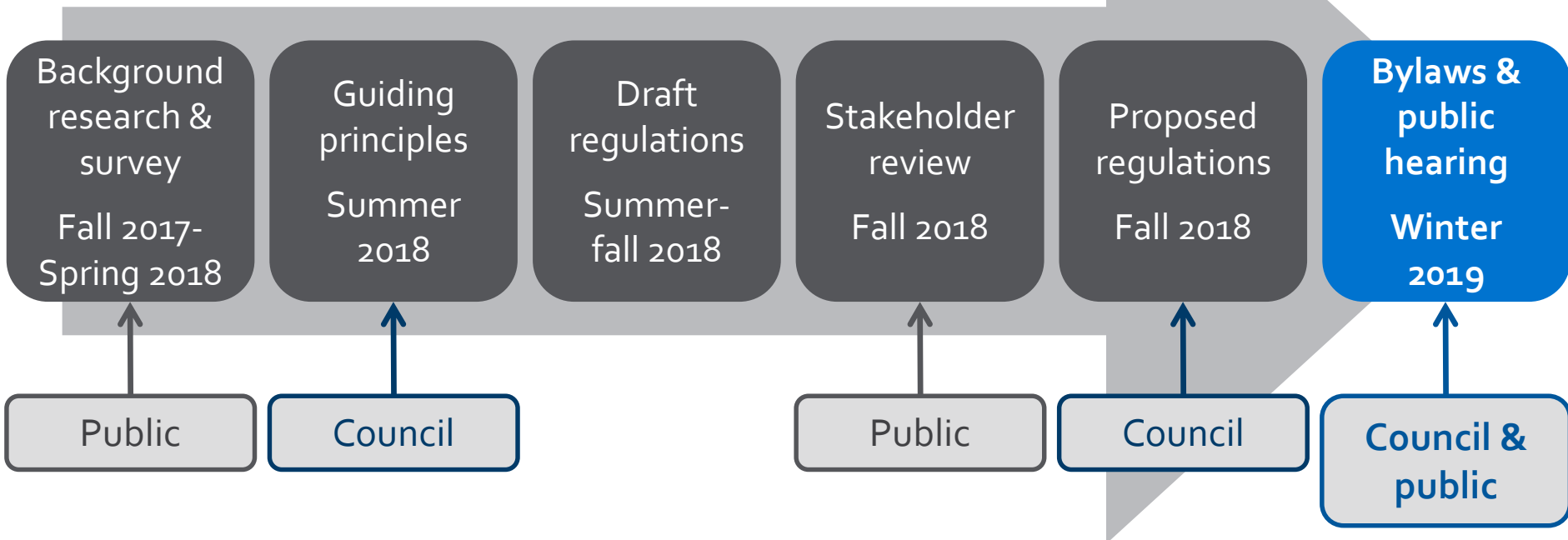
March 4, 2019



# 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

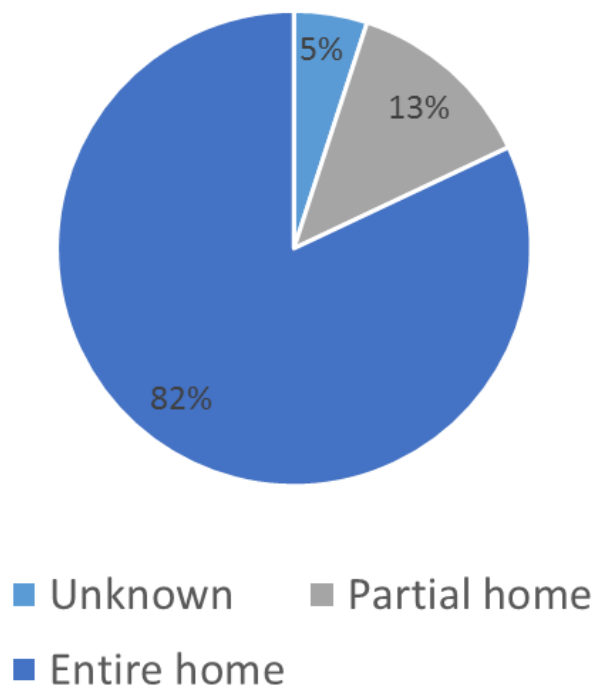
Action: Develop policy & regulations to protect the rental stock from the impacts of short-term rentals.

# 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
<b>Kelowna</b>	\$345.00	\$750.00
Category desc	Principal Residence	Non-Principal Residence
<b>Victoria</b>	\$150.00	\$1500.0
Category desc	Principle Residence	Non-Principal Residence
<b>Vancouver</b>	\$51.00	\$109.00
Category desc	One fee only	Includes app fee
<b>Tofino</b>	\$450.00	\$750.00
Category desc	Short Term Rental 1 Rm	Short Term Rental 3 Rm
<b>Nelson</b>	\$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?*