



City of
Kelowna

Short-Term Rental Update

January, 20 2025

Purpose

- ▶ To review the available data regarding Short-term Rentals, and to direct Staff to align local regulations with provincial short-term rental legislation.

Background

City of Kelowna

- ▶ Jan 22, 2024: New restrictions eliminated new secondary use STRs in Kelowna
 - ▶ Existing secondary use STRs with a valid business license could continue to operate after May 1, 2024
 - ▶ New applications would not be accepted, so operators would continue to decline
 - ▶ STR enforcement challenges
 - ▶ Housing affordability and extremely low vacancy rates

STR Units

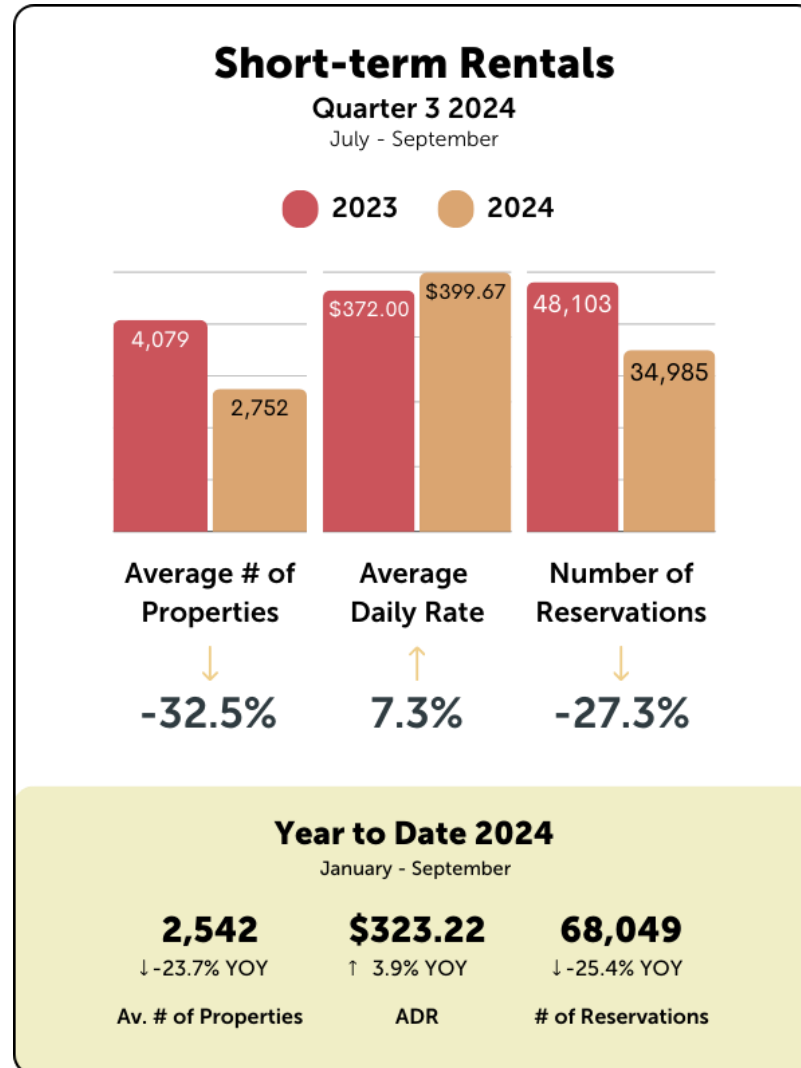
Year	Approved STR as a Principal Use	Approved STR as a Secondary Use	Total Approved STR
2020	378	252	630
2021	477	333	810
2022	666	466	1,132
2023	701	516	1,217
2024	0 - Eliminated by provincial STR Accommodation Act	427	427

Background

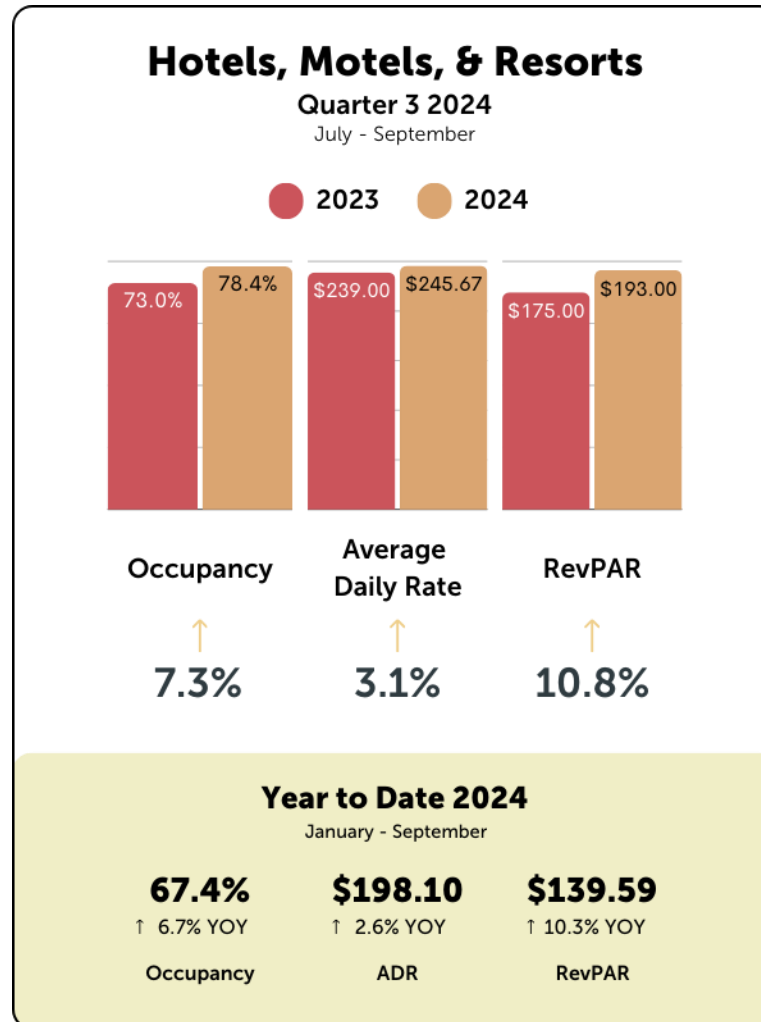
Province of B.C.

- ▶ May 1, 2024: Bill 35 – Short-Term Rental Accommodations Act came into effect
 - ▶ Licensing & Registration requirements
 - ▶ Principal Residence requirement plus secondary or accessory unit on the same property, not to exceed two STRs per property

Quarter 3: STRs



Quarter 3: Hotels



Tourism

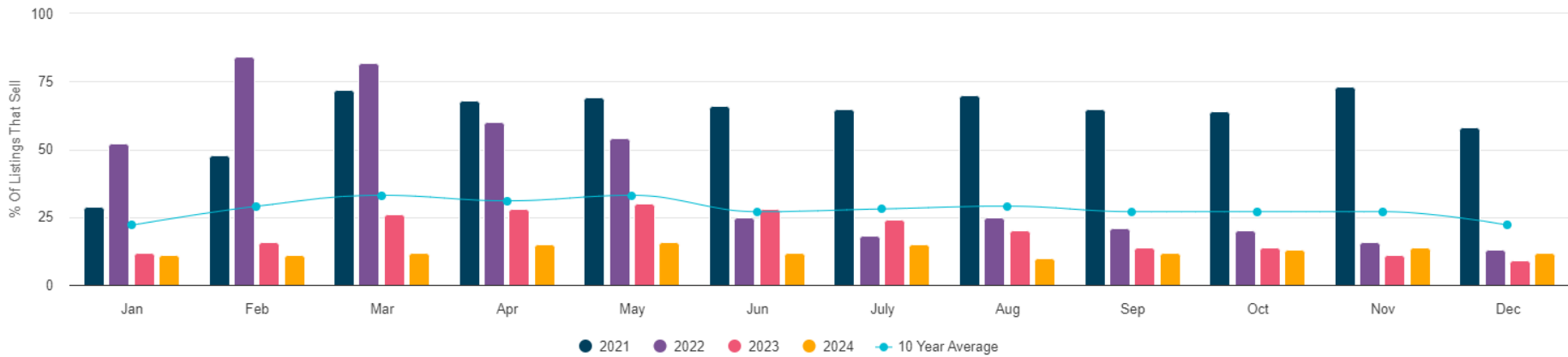
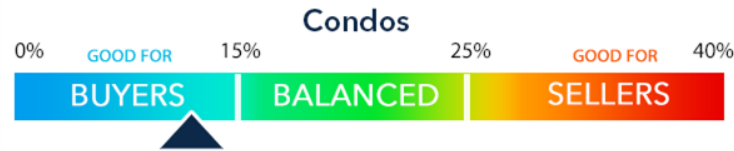
- Local wildfire risk / evacuations
- Regional wildfire smoke and impact on vineyards
- Extreme summer heat events in B.C.
- Extreme cold snap
- Interest rates & cost of travel
- Availability of accommodation
- Confusion about new restrictions
- Airline strikes and 400+ flight cancellations in June 2024 carried into July

Housing Supply and Demand

List to Sell %

condos

% of listings that sold



The Krieg Family - RE/MAX Kelowna

Appendix C: Short-term rental and potential long-term dwelling data, census metropolitan areas, 2021

Census metropolitan area	Short-term rentals	PLTDs	Housing units	PLTD ratio	Population
	Number of units	Number of units	Numbers of units	%	Number of persons
Oshawa	706	92	149,142	0.06	415,311
Victoria	4,987	1,597	178,367	0.90	397,237
Saskatoon	932	216	125,316	0.17	317,480
Regina	702	215	100,430	0.21	249,217
Sherbrooke	1,123	257	104,907	0.24	227,398
Kelowna	4,596	1,376	95,711	1.44	222,162
Barrie	1,029	258	78,798	0.33	212,856
St. John's	1,182	377	90,377	0.42	212,579
Abbotsford–Mission	429	97	67,712	0.14	195,726

Opportunities

- ▶ BC Compliance and Enforcement Unit
- ▶ Federal grant for creation of new enforcement team
- ▶ Rental vacancy trending up from 3.8%
- ▶ Housing costs trending down
- ▶ Reduce regional confusion over STRs
- ▶ Support positive narrative for tourism in Kelowna

Staff Recommendation

- ▶ Council direct Staff to bring forward draft bylaws to align local regulations with provincial standards
 - ▶ New supports and funding for enforcement
 - ▶ Increase in purpose-built rental housing
 - ▶ Low conversion of STRs to long-term rentals
 - ▶ Support local economy