

# Report to Council



**Date:** March 17, 2025  
**To:** Council  
**From:** City Manager  
**Subject:** Business Licence Updates for Short-Term Rental Regulations  
**Department:** Business Licensing

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## **Recommendation:**

THAT Council receives, for information, the report from Business Licensing, dated March 17, 2025, with respect to business licence updates for short-term rental regulations;

AND THAT Bylaw No. 12767, being Amendment No. 2 to Short-Term Rental Accommodation and Business Licence and Regulation Bylaw No. 11720 be forwarded for reading consideration;

AND THAT Bylaw No. 12768, being Amendment No.40 to Bylaw Notice Enforcement Bylaw No. 10475 be forwarded for reading consideration;

AND FURTHER THAT Council direct staff to notify all short-term rental operators within the City with pending or approved business licences, as well as place a newspaper advertisement, allowing for comments to be submitted to the Business Licensing Supervisor no later than 4 p.m. on March 31, 2025.

## **Purpose:**

To amend the Short-Term Rental Accommodation Business Licence and Regulation Bylaw No. 11720 and Bylaw Notice Enforcement Bylaw No. 10475 to align with new short-term regulations.

## **Background:**

On January 22, 2024, Council approved regulations prohibiting new secondary use short-term rental accommodation in Kelowna. Only existing secondary use short-term rentals with a valid business licence could continue to operate after May 1, 2024.

On May 1, 2024, new Provincial legislation under *Bill 35 – Short-Term Rental Accommodations Act* came into effect. Under the Act, new requirements for short-term rentals included mandatory licensing, registration, and a principal residency requirement.

At the January 20, 2025, Council meeting, staff presented data regarding local short-term rentals, tourism, and housing. Council directed staff to bring forward bylaw amendments to align local regulations with provincial standards.

At the March 3, 2025 Council meeting, [staff presented recommendations](#) to amend the Zoning Bylaw to align short-term rental regulations with the Provincial short-term rental legislation.

*Previous Council Resolution*

Resolution	Date
<p>THAT Council receives the report from the Development Planning Department, dated January 20, 2025, regarding Short-Term Rental accommodation;</p> <p>AND THAT Council directs staff to bring forward draft bylaws to align local regulations with provincial standards.</p>	January 20, 2025
<p>THAT Zoning Bylaw Text Amendment Application No. TA25-0001 to amend the City of Kelowna Zoning Bylaw No. 12375 as outlined in Schedule "A" attached to the Report from the Development Planning Department dated March 3, 2025 be considered by Council;</p> <p>AND THAT final adoption of the Zoning Bylaw Text Amending Bylaw be considered subsequent to the approval of the Ministry of Transportation and Transit.</p>	March 3, 2025

**Discussion:**

In response to Council direction, staff recommend amending Short-Term Rental Accommodation and Business Licence Regulation Bylaw No. 11720 and Bylaw Notice Enforcement Bylaw No. 10475 to align with Zoning Bylaw No. 12375 and to better support the administration of the short-term rental program. Updates to the regulation include:

- Adding the definition of a dwelling unit and realigning the regulations to accommodate the licensing of more than one dwelling unit on a property.
- Updating the definition of a short-term rental property from 29 days or less to less than 90 consecutive days.
- Removing regulations specific to separate licence types for principal resident and non-principal resident use. This includes replacing the two fee types with a single fee based on the existing fee of \$345 per year for short-term rental accommodation which is offered in the operator's principal residence.
- Modifications to application and marketing requirements including:
  - Requiring that strata consent be provided on the form provided; and
  - Requirements for applicants to advise whether parking will be provided for guests and to include this information in all online marketing, with updates to the Bylaw Notice Enforcement Bylaw to support the marketing requirements.

As required by legislation, the affected parties will be given an opportunity to provide input on the proposed bylaw changes. A letter will be sent to all short-term rental operators with a pending or approved business licence within the City, and an advertisement will be placed in the newspaper and public comments can be submitted until 4 p.m. on March 31, 2025.

**Conclusion:**

Council's approval of the amendments will bring the Short-Term Rental Accommodation and Business Licence Regulation Bylaw and the Bylaw Notice Enforcement Bylaw in alignment with the Zoning Bylaw and Provincial regulations as well as support the administration of the short-term rental licensing program.

If Council supports the proposed bylaw amendments, the new regulations are anticipated to take effect in April 2025 in conjunction with the proposed amendments to the Zoning Bylaw. This timeline would allow short-term rental accommodation operators to register with the Provincial registry and obtain a business licence prior to the peak tourist season.

**Internal Circulation:**

Development Services  
Development Planning  
Office of the City Clerk

***Legal/Statutory Authority:***

Community Charter Sections 15, 16, 59 and 60.

***Legal/Statutory Procedural Requirements:***

Community Charter Section 59 (2) 3

***Consultation and Engagement:***

Daily Courier newspaper  
Licensed Short-Term Rental operators  
With comments from the public to be submitted to the Business Licensing Supervisor no later than 4pm on March 31, 2025.

Submitted by:

S. Krakower, Acting Business Licensing Supervisor

**Approved for inclusion:**

R. Smith, Divisional Director, Planning, Climate Action & Development Service