

Report to Council



Date: March 31, 2025
To: Council
From: City Manager
Subject: 381 Viewcrest Ct Business Licence Cancellation Reconsideration
Department: Business Licensing

Recommendation:

THAT Council upholds the decision of the Licence Inspector to cancel the Short-Term Rental Business Licence for a 'Short-Term Rental Accommodation' business on the subject property located at 381 Viewcrest Ct, Kelowna BC on March 1, 2025.

Purpose:

To hear a request for reconsideration of business licence no. 4089807 for a Short-Term Rental Accommodation business on the subject property.

Background:

Section 60(5) of the Community Charter requires that where a municipal officer or employee exercises a delegated authority to grant, refuse, suspend or cancel a business licence, the applicant or licence holder who is subject to the decision is entitled to have Council reconsider the matter.

The City of Kelowna Short-Term Rental Accommodation Business Licence and Regulation Bylaw No. 11720, delegates the authority to grant, refuse, suspend and cancel a short-term rental accommodation business licence to the Licence Inspector, sets out procedures for this type of hearing:

5.2 When a Licence Inspector suspends, cancels or refuses to issue or renew a licence, the Licence Inspector will provide the applicant for the licence or the operator with a formal letter outlining the reason(s) for the refusal.

5.3 An applicant for a licence or an operator may request that Council reconsider a decision of the Licence Inspector under subsection 5.1 by delivering a request in writing to the City Clerk within 30 days of the Licence Inspector's decision being sent.

5.4 No person shall offer, or continue through marketing to advertise or provide any short-term rental accommodation pursuant to their licence during a period of suspension of that licence.

The applicant requested Council reconsideration on February 7, 2025.

Short-Term Rental Accommodation Regulations and Policies:

The regulatory framework for Short-Term Rental Accommodations is established under Zoning Bylaw No. 12375, Business Licence and Regulation Bylaw No. 12585 and Short-Term Rental Accommodation

Business Licence and Regulation Bylaw No. 11720. Below are some of the criteria that must be met, which would be unchanged by pending amendments to short-term rental regulations:

1. Short-term rentals must operate from the operator's principal residence, defined as the location where the individual resides at least 240 days per year.
2. Operators must rent a maximum of three bedrooms, to a maximum of 6 adults.
3. Operators must comply with City Bylaws, including the Zoning Bylaw No. 12375, the Short-Term Rental Accommodation Business Licence and Regulation Bylaw No. 11720, Business Licence and Regulation Bylaw No. 12585, the Good Neighbour Bylaw No. 11500, and the Traffic Bylaw No. 8210.

Operators must sign a Short-Term Rental Accommodation Good Neighbour Agreement at the time of application which advises operators of their civic responsibility to address the conduct of their patrons, and that non-compliance may result in licence suspension or revocation.

The STR Licence Suspension Policy Relating to Business Licence Compliance outlines the program guidelines should the suspension or cancellation of a Short-Term Rental Accommodation business licence be required and requires a minimum of three documented nuisance or operational complaints relating to an associated City Bylaw or requirements and/or conditions within the STR Licensing and Regulation Bylaw.

History:

July 14, 2021 – 381 Viewcrest was purchased by the current owners.

March 21, 2022 – Business Licence 4089807 was Approved and has been renewed annually.

Since August 2021, over 50 complaints have been received regarding the operation of the short-term rental at the subject property.

Complaint History:

Year	Number of Files	Number of Complainants	Nature of Complaints
2021	25	8	Short-term rental operating without a licence, noise, parties.
2022	7	2	Parking, noise, operating contrary to business licence conditions
2023	15	3	Noise, parties, Operating contrary to business licence conditions
2024	13	4	Parking, noise, parties

Tickets Issued by Bylaws:

Date	Offence	Ticket status
Sept 20, 2021	Carrying on business without a licence	Paid
Sept 24, 2021	Marketing without a business licence	Paid
Sept 24, 2021	Carrying on a business without a licence	Reduced to Warning
Sept 24, 2021	Carrying on a business without a licence	Reduced to Warning

Warning letters sent by Business Licensing:

Date	Offence	Status
Aug 11, 2021	Advertising a Short-Term Rental without a licence – First Warning	Compliance met
Sept 1, 2023	Operating contrary to business licence conditions (number of bedrooms and guests permitted)	Compliance met

June 6, 2024	Operating contrary to business licence conditions (fire safety plans not posted on site as required)	Compliance met
Sept 11, 2024	Operating contrary to business licence conditions (number of bedrooms and guest permitted, business licence number posted on advertising)	Compliance met

Compliance and Enforcement:

City staff has committed significant resources to monitoring and addressing concerns at the subject property and on working with the business operators and complainants since the short-term rental accommodation began operating in the summer of 2021. The City has taken a proactive approach, including on-site visits and providing resources like Noise Logs to assist residents in properly documenting any disturbances.

Business licensing staff have had multiple communications with the short-term rental operators, conducted inspections, and issued compliance warning letters related to short-term rental non-compliance, such as bedroom count and guest count.

Bylaw services staff have attended the property numerous times in response to complaints and provided verbal warnings to guests to achieve voluntary compliance where required, and where staff were unable to attend in person, conducted post-complaint investigations. In addition to Business licensing and Bylaws complaints, RCMP has also been called to the property.

Reasons for the cancellation:

A review of the property was conducted in January 2025 due to the significant volume of complaints received over multiple years. Staff reviewed the complaint history and found over 50 nuisance and operational complaints dating back to 2021 when the short-term rental began operating. The complaints are varied and include noise, parties, parking and operational complaints but are consistent in that they have been received year after year and are linked to the subject property. Based on this review, staff found that the volume of nuisance and operational complaints met the threshold to warrant a cancellation of the licence, and due to the persistent nature of these complaints and despite attempts to come to a resolution, it was determined that the subject property was not meeting the standards of conduct required to operate as a short-term rental accommodation and that the short-term rental accommodation was disturbing the peace, comfort and enjoyment of the neighboring properties. Business licence 4089807 was found to be operating contrary to the Good Neighbour Agreement and Good Neighbour Bylaw No. 11500 and was cancelled in accordance with the STR Licence Suspension Policy.

The Short-Term Rental Accommodation Good Neighbour Agreement states:

"...short-term rental accommodation operators have a civic responsibility to address the conduct of their patrons; and that the Good Neighbor Bylaw No. 11500, Traffic Bylaw No. 8120 and other City Bylaws require that certain standards of conduct and maintenance apply to their properties used for short-term rental accommodations..."

The City of Kelowna Business Good Neighbour Bylaw No. 11500, Section 7.2 states:

"No owner or occupier of real property shall allow or permit such real property to be used so that noise or sound which emanates therefrom is liable to disturb the quiet, peace, rest, enjoyment, comfort, or convenience of individuals or the public."

The City of Kelowna STR Licence Suspension Policy states:

"A minimum of three documented nuisance complaints occurring on separate dates, but directly relating to the operation of the Short-Term Rental can constitute justification for a Licence suspension."

Conclusion:

Given the consistent volume of nuisance and operational complaints received over multiple years, and despite the commitment of staff resources and efforts to achieve compliance, staff recommend that Council uphold the decision of the Licence Inspector to cancel the Short-Term Rental Business Licence for a 'Short-Term Rental' business on the subject property located at 381 Viewcrest, Kelowna BC.

Alternate Recommendation:

THAT Council authorize the issuance of Business Licence 4089807 for a Short-Term Rental accommodation located at 381 Viewcrest Crt, Kelowna, BC.

Internal Circulation:

Business Licensing
Bylaw Services
Office of the City Clerk

Submitted by:

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

Approved for inclusion:

S. Krakower, Acting Business Licensing Supervisor

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

Attachments:

Attachment A – Business Licence Cancellation Letter

Attachment B - Good Neighbour Agreement

Attachment C - Short-Term Rental Suspension Policy