

THE CORPORATION OF THE DISTRICT OF SUMMERLAND REQUEST FOR DECISION

FILE: 3360-Z21-015

DATE:	February 28, 2022
TO:	Graham Statt, Chief Administrative Officer
FROM:	JoAnn Peachey, Planner II
SUBJECT:	Short Term Rentals – Regulatory Framework (Z21-015)

STAFF RECOMMENDATION:

That Council pass the following resolutions:

- 1. THAT Zoning Bylaw Amendment Bylaw No. 2021-048 be adopted;
- 2. THAT Business Licence Amendment Bylaw No. 2021-049 be adopted.
- 3. THAT Fees and Charges Amendment Bylaw No. 2021-050 be adopted.
- 4. THAT Bylaw Notice Enforcement Amendment Bylaw No. 2021-051 be adopted.
- 5. THAT Ticket Information Utilization Amendment Bylaw No. 2021-052 be adopted.

STRATEGIC PRIORITY:

Good Governance – A regulatory framework for short-term rentals supports the continuation of providing high-quality services to residents of the District. The implementation of a short term rental regulatory framework has also been a strategic priority project of Council's since 2018.

CULTURAL IMPACT STATEMENT

Strategic Direction No. 1: "Reflect Summerland's cultural value in municipal decisions and projects" – incorporate culture in local tourism promotion strategies; review municipal bylaws to ensure they do not impede cultural development or community beautification.

<u>PURPOSE:</u>

To consider final adoption of the proposed amendment bylaws for a regulatory framework for short term rentals, following approval from the Ministry of Transportation and Infrastructure for Zoning Amendment Bylaw No. 2021-048. This short term rental regulatory framework consists of five associated bylaw amendments to allow the use within the District's zoning bylaw, as well as to licence and enforce.

BACKGROUND:

Following first and second readings on December 13, 2021, Council scheduled an in-person Public Hearing for Monday, January 24, 2022, for the public to comment on Zoning Bylaw Amendment Bylaw No. 2021-048. Due to public heath concerns related to COVID-19, Council postponed the Public Hearing and rescheduled an electronic Public Hearing for Monday, February 14, 2022.

An electronic Public Hearing was held on February 14, 2022. At the February 14, 2022, Regular Council Meeting, Council gave third reading to the five subject amendment bylaws.

On February 16, 2022, Zoning Amendment Bylaw No. 2021-048 received approval from the Ministry of Transportation and Infrastructure, pursuant to section 52(3)(a) of the *Transportation Act.*

In accordance with *Community Charter* s. 59(2), a notice of intention to amend the Business Licencing Bylaw will be provided in the February 23, 2022, edition of the Summerland Review. All written correspondence received before noon on February 28, 2022, will be provided in the February 28 Council agenda.

DISCUSSION:

After adoption of the proposed bylaws, the implementation phase of the short term rental will immediately begin with the launch of a short term rental licencing program, followed by active bylaw enforcement.

The short term rental licencing program establishes minimum standards for safety, licencing and reduction of nuisance impacts for short term rentals for eligible dwellings. There are several important components to obtain a short term rental licence, including safety considerations (Health and Safety Inspection, Emergency Fire Safety Plan and proof of authorized residential use), zoning considerations (Parking plan, Floor Plan, Residency declaration), and nuisance considerations (Good Neighbour Agreement, mandated operator availability (24/7 with 2 hour response time) and advertising rules).

It is acknowledged that clear, easy to access, support materials will help those wishing to get licenced by creating a clear path forward for staff and the public. To this end, staff have begun preparation of a comprehensive application form and guide and will maintain a separate short term rentals webpage.

As Council is aware, many property owners wishing to rent out their home for short term rental purposes will not be able to obtain a business licence, as not all dwellings are eligible (due to zoning, residency, dwelling type or other conditions not being met). Staff intends to actively monitor the advertising of short term rentals by utilizing a third-party monitoring service that easily identify and notify non-licenced short term rental listings on online booking platforms. The proposed bylaws also enable the issuance of fines and tickets to assist bylaw enforcement's efforts to gain compliance with the proposed regulations.

It is expected that there will be lessons learned throughout the implementation phase and staff proposes reporting back to Council with statistics, fines issued and any recommendations for potential changes (if any) in an 18-month timeframe on the short term rental program.

LEGISLATION and POLICY:

- Official Community Plan
- Zoning Bylaw 2000-450
- Business Licencing Bylaw 95-004
- Bylaw Notice Enforcement Bylaw 2000-375
- Fees and Charges Bylaw 98-001
- Good Neighbour Bylaw 2021-023
- Ticketing Information Utilization Bylaw 95-030

FINANCIAL IMPLICATIONS:

The proposed bylaw amendments will have financial impacts from both revenue and operational costs, and additional staffing needs. At a licence fee of \$500, the projected licence fee revenue in the 2022 budget is for a total of 75 licences issued and \$37,500 in revenue.



The 2022 budget includes a new staff position that will, in part, support the administrative responsibilities of a short term licencing program and additional bylaw enforcement administrative duties related to the bylaw enforcement demand expected from implementation of the short term rental program.

An expense of \$20,000, for short term rental monitoring, is included in the 2022 budget for contracted monitoring services to support bylaw enforcement through address identification of properties advertised as short term rentals online, mailing of initial warning letters to non-compliant locations and 24/7 hotline for reporting incidents.

SUPPORTING DOCUMENTS:

- 1. Zoning Amendment Bylaw No. 2021-048
- 2. Business Licence Amendment Bylaw No. 2021-049
- 3. Fees and Charges Amendment Bylaw No. 2021-050
- 4. Bylaw Notice Enforcement Amendment Bylaw No. 2021-051
- 5. Ticket Information Utilization Amendment Bylaw No. 2021-052
- 6. Written Correspondence (Business Licence Amendment Bylaw)

CONCLUSION:

Staff is recommending Council adopt the five proposed bylaw amendments to license and regulate short term rentals. After adoption, staff will implement a new short term rental licencing program and active bylaw enforcement of non-licenced short term rentals.

OPTIONS:

- 1. Move the motion as recommended by staff.
- 2. Refer to staff for other options.

Respectfully submitted,

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JoAnn Peachey Planner II

Reviewed by, 1 A

Brad Dollevoet Director of Development Services

Endorsed by,

Graham Statt Chief Administrative Officer

Presentation: Yes \Box No \boxtimes