

Memorandum

Date: May 28, 2024

Submitted by: Community Development Department – Building, Bylaw, and Licensing Division

Subject: Short Term Rentals Update

BC Bill 35 2023 *Short-Term Rental Accommodations Act* was passed as a measure to address the housing crisis. Provincial analysis found that the short-term rental of entire homes is increasing and therefore taking away from much needed homes for British Columbians. The purpose of this Act is to:

- Return short-term rental units to the long-term housing market.
- Give local governments stronger tools to enforce short-term rental bylaws.
- Establish a new Provincial role in the regulation of short-term rentals.

The Act applies to short-term rentals being offered to the public including:

- Platforms where people reserve and pay for the accommodation, for example, Airbnb, VRBO, Expedia, and FlipKey.
- Offers on other web listing forums, for example, Facebook Marketplace, Kijiji, and Craigslist.
- Listings in classified ads in newspapers.

Effective May 1, 2024, the principal residences requirement came into effect as well as the need to have a local business license. In early May, the Province held a Bill 35 orientation meeting which overviewed the Provincial role. The Province is establishing a Compliance and Enforcement Branch that will facilitate public complaints, and a short-term rental portal for local governments to access for assistance with enforcement. The portal will be live at the end of June 2024. Staff are continuing to work with the Province, and neighbouring municipalities as more information regarding the legislation implementation becomes available. The Province anticipates the full program will be in place in early 2025.

As the Province are providing information and resources incrementally, staff recommend a similar approach for updating municipal requirements.

The City requires a business licence for all residential rentals. These licenses are organized into the following categories:

- **Boarding** – rental of a room(s) that may or may not include a private bathroom with shared living and kitchen space.
- **Bed & Breakfast** – rental of sleeping and bathing accommodations with or without meals being provided. Does not include lock off suites with full kitchens.
- **Secondary Suite** – the rental of a secondary suite as permitted under the City's zoning bylaw and constructed in compliance with the BC Building Code.
- **Laneway Homes** – the rental of a secondary unit on a property as permitted in the City's zoning bylaw.
- **Residential Rental Unit** – the rental of an entire dwelling unit including a house, apartment, townhouse.

As a first compliance step, Staff are in the process of making the following changes to the residential business licenses:

- Applying conditions to secondary suite, laneway homes and residential rental unit licence categories restricting short term rentals for these housing types.
- Permitting short term rentals in the Boarding and Bed & Breakfast licence categories. The City already requires the operator to live in the home.

Staff are contacting license holders to notify them of these new conditions on their licences, update them on the Bill 35 requirements, and affirming that these new requirements were in effect as of May 1, 2024.

Staff are reviewing both the Business Licensing Bylaw, and the Municipal Ticketing Information Authorization Bylaw as amendments to both are anticipated to ensure the City can permit and limit licenses as well as impose fines at the levels dictated by the Province. Staff will be reporting back with bylaw amendments and new fines for non-compliance as clarity is received from the Province.

THAT the memo dated May 28, 2024, from the Community Development Department – Building, Bylaw and Licensing Division regarding Short Term Rental be received for information.

Report Approval Details

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| Document Title: | Short Term Rentals.docx |
| Attachments: | |
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This report and all of its attachments were approved and signed as outlined below:

Kate Zanon, General Manager of Community Development - May 15, 2024

Stephanie Lam, City Clerk and Manager of Legislative Services - May 17, 2024

Lindsay Todd, Manager of Communications and Engagement - May 17, 2024

Paul Rockwood, General Manager of Finance and Technology - May 18, 2024

Anna Mathewson, City Manager - May 19, 2024