



STAFF REPORT

TO: Committee of the Whole

MEETING DATE: May 8, 2018

FROM: Lesley-Ann Staats
Director of Planning

FILE NO: 6440-19

SUBJECT: Short-Term Rentals

RECOMMENDATIONS

THAT the report titled Short-Term Rentals be received;

AND THAT Council authorizes staff to prepare bylaw amendments to regulate short-term rentals.

BACKGROUND / PURPOSE

Short-term rentals (< 30 days per stay) are currently not defined in the Town's bylaws, beyond bed and breakfasts and tourist accommodation use. However, 49 short-term rental ("STR") adverts are posted on the AirBnB platform alone. This puts the Town in a position of balancing the challenges of this industry while supporting the sharing economy and establishing policies to ensure STR "hosts" operate responsibly.

On the Sunshine Coast, the District of Sechelt has been regulating STR's since 2005 through its Zoning Bylaw and Business Licenses and receive few complaints, whereas the Sunshine Coast Regional District has recently completed a community consultation process and intend to explore regulation options for STR's through Zoning Bylaw amendments and the use of Temporary Use Permits. Municipalities and Regional Districts have different regulatory authorities.

Some municipalities have legalized short-term rentals by implementing regulations, while other municipalities have outright banned them.

In November 2016, Council adopted the following Resolution pertaining to STRs:

R2016-331

THAT staff draft a report on the topic of short-term rentals providing a review of current staff practices and short-term rental statistics in the Town, as well as a summary of similar policies in other local municipalities.

A staff report was provided to Council in March 2017 with an update on the SCRD's initiatives and provided information on STR's in the Town at that time. Council then adopted the following Resolution (in part):

R2017-069

THAT staff explore public input option in conjunction with the upcoming Sunshine Coast Regional District (SCRD) consultation regarding short term rentals.

Staff approached the SCRD to explore collaborating on its public input process, however, the timing did not work out.

In February 2018, the Town hired Agora Planning to prepare a report on short-term rentals with the objectives of determining what's working well and what needs improvement at the Town, a summary of regulatory approaches from other comparable municipalities, and regulatory approaches the Town may consider. Agora Planning's report is enclosed as Attachment A.

The purpose of this report is to provide Council with options for consideration of regulating short-term rentals in the Town of Gibsons.

SUMMARY

This report provides an overview of short-term rentals in the Town of Gibsons, a summary of benefits and drawbacks, examples of regulatory approaches, and options for Council's consideration. The following three options are provided in this report:

1. Prepare bylaw amendments to regulate STR's
2. Maintain status quo – permit STR's as bed and breakfast use
3. Initiate a community consultation process

DISCUSSION

Across many jurisdictions impacted by short-term rentals, policy makers strive to balance the implications of commercial host activity in residential neighbourhoods, housing availability and affordability, economic development that supports the tourist industry, and the implications of administrative requirements with additional regulations.

Table 1 below summarizes the benefits and drawbacks from Agora Planning's report.

Table 1: Benefits and drawbacks of short-term rentals

Benefits	Drawbacks
extra income for the "host"	unfair tax advantage to residential home owners
diversity in accommodation options for travelers	potential reduction of long-term rental housing availability
variations in price	impacts to existing tourist accommodations
the experience of a STR	inflations in real-estate

Benefits	Drawbacks
tourist attraction – economic benefits	impacts to residential neighbourhood character
	increased complaints due to noise, parking, and rotating neighbours

The attached report provides a summary of regulatory and management options that are currently being applied to the short-term rental industry. Four case-study municipalities were reviewed: District of Sechelt, District of Tofino, City of Nelson, and the Resort Municipality of Whistler.

At the time this report was written, the Town has issued 34 home occupation Business Licenses for bed and breakfast use. One complaint has been received in the past year pertaining to parking and noise.

OPTIONS

Below three options are provided for Council’s consideration:

Option 1: Prepare bylaw amendments to regulate short-term rentals

This is staff’s recommended option.

This option would introduce amendments to the Zoning Bylaw and Business License Bylaw by defining short-term rentals and permitting the use with specific terms and conditions for the operation of a STR, similar to how the District of Sechelt regulates STR’s.

Definitions in the zoning bylaw must differ between STR’s, bed and breakfasts, boarding use and tourist accommodation. Terms and conditions may include an on-site operator, a local contact, limits on dwelling type (i.e., not in secondary suites), limits on number of guests or bedrooms, limits on zones, require on-site parking, etc.

Regulating STRs would intend to limit concerns related to noise and parking complaints and increase the rental housing stock, while supporting the “sharing economy” and economic development that supports the tourist industry.

Staff would carefully consider the implications of administrative requirements with additional regulations, specifically on the Bylaw Enforcement Officer.

Preparing for, drafting, and consulting on proposed bylaw amendments would take several months.

Option 2: Maintain status quo (no change)

This option is currently how STR’s are regulated and would continue to be used as an interim measure if Council selects another option.

This option regulates a short-term rental as a bed and breakfast, which is permitted in specific zones (R-1, R-2, R-3, R-4, A-1, CDA-1 and RM-4), requires a Business License to operate, is not permitted in a secondary suite, requires the “host” to provide a morning meal, and must be operated by a resident in the dwelling.

Additionally, bed and breakfast use is not permitted in conjunction with a home occupation, boarding use or secondary suite.

To ensure all “hosts” operate with a Business License, the Bylaw Enforcement Officer reviews online platforms once a month to search listings on short term rental platforms such as AirBnB, VRBO, and Flipkey. If listings are identified without a Business License, the Bylaw Enforcement Officer contacts the property owner(s) and request an application for a Business License. A Business License for a Home Occupation is \$200.

Reasons to improve this option would be to further regulate the terms and conditions of STR’s as identified in Option 1 to reduce complaints and increase the rental housing stock.

Option 3: Initiate a consultation process to collect community input.

This option would initiate a community consultation process for the purpose of collecting feedback from Gibsons residents on short-term rentals. This could be completed with a questionnaire and an open house.

This option would take the longest time of the three options, as consultation may take up to six months to prepare, consult, and then analyze results and present findings. Should findings support regulating short-term rentals, then options would be presented to Council and bylaw amendments may be prepared at that time.

POLICY / PLAN IMPLICATIONS

Financial Plan Implications

The Town currently receives \$200 per Business License application for a Home Occupation. The options above will provide minimal changes to the Financial Plan.

Official Community Plan (OCP)

The Town’s OCP has a policy that supports the sharing economy (Policy 11.2.6):

Examine the potential of the emerging “sharing economy” and how to encourage this type of activity. (The “sharing economy” refers to the sharing of assets such as vehicles, tools, real estate etc. to reduce costs and environmental impact. Examples include Car Sharing and “Car 2 Go”, Air BnB, and tool sharing co-operatives.)

The three options above explore the potential to encourage the sharing economy in appropriate locations.

RECOMMENDATIONS / ALTERNATIVES

Staff's recommendations are listed on page 1 of this report. Alternatively, Council may choose another option, such as:

THAT staff continue to regulate short-term rentals as a bed and breakfast use;

OR

THAT Council authorizes staff to initiate a consultation process to collect community input on regulating short-term rentals.

Respectfully Submitted,



Lesley-Ann Staats, MCIP, RPP
Director of Planning

CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:

I have reviewed the report and support the recommendation(s).



Emanuel Machado
ACTING Chief Administrative Officer

Attachments

Attachment A – *Short Term Rentals (STRs): Review of Practice for the Town of Gibsons – Odete Pinho, Agora Planning, April 25, 2018.*

Short Term Rentals (STRs): Review of Practices for the Town of Gibsons

Prepared by: Odete Pinho, Agora Planning

Date: April 25, 2018

1. Background

In recent years, short term rentals have increased in popularity with website platforms like Airbnb, VRBO, HomeAway.com, Flipkey.com, and others. Short term rentals (STR's) are generally defined as the rental of a furnished dwelling (house, townhouse, condominium, apartment and secondary suites) for a short term stay, usually for periods less than 30 days at a time.¹

Town of Gibsons Council has expressed a commitment to attracting new businesses and retaining existing businesses in the Town. The *Official Community Plan* policy (11.2.6) is supportive of the sharing economy stating that the Town will “*examine the potential of the emerging ‘sharing economy’ and how to encourage this type of activity.*” The ‘sharing economy’ refers to the sharing of assets such as vehicles, tools, real estate etc. to reduce costs and environmental impact. Examples include car sharing and ‘car2go’, AirBnB and tool sharing cooperatives.

Council has requested a review of existing practices in the Town related to the management of STRs and a summary of approaches used by other communities. The Town is seeking to understand the range of options available to balance residents’ rights to reside in residential neighborhoods free of commercial operations, the desire to encourage tourism related economies and the need to maintain a stock of affordable long term rental for housing Gibsons residents.

The purpose of this report is to present the Town with a summary of regulatory and management options that are currently being applied to this emerging industry. The policy and management approaches currently applied by 4 case study municipalities (including Sechelt, Tofino, Nelson and Whistler) have been reviewed for their potential application to the Town of Gibsons context.

This report examines potential regulations, compliance strategies, enforcement approaches, and presents options that Town may consider taking to manage STR's.

¹ Jamasi, Zohra. June 2017. Centre for Policy Alternatives’ Ontario Office. “Regulating Airbnb and Short-Term Rental Market” page 2.

2. What are STR's benefits and drawbacks?

Many communities are trying to determine how to manage the increase in opportunities and challenges presented with the rapid growth of STR's.

The benefits of STR's include:

- Home owners/ hosts of STR accommodations can earn extra income;
- More accommodation options for visitors;
- Travelers can often find accommodations for less than the cost of a hotel;
- STR's often offer a different experience than a hotel;
- Rentals bring money into the community and to businesses that support tourism.

The drawbacks of STR's include:

- Potential to reduce customers to tourist accommodations including hotels, motels, inns, bed and breakfast businesses;
- Unfair tax/ fee advantage to residential owners over commercial tourist accommodation providers;
- Potential for reducing housing stock available for long term rentals;
- Increased cost and decreased availability of housing - inflated real estate;
- Changes to residential neighborhood character and qualities with transient visitors;
- STR's may have issues with noise, parking and residential neighbour conflicts or concerns with rotating neighbours and commercial type uses.

3. What Regulatory Tools Available to Municipalities?

Municipalities have the ability to regulate short term rental use in residential dwellings through the use of their Zoning bylaws (land use), business licences, by creating nuisance rules (i.e. noise bylaw), and by establishing enforcement and ticketing bylaws. In contrast, regional districts do not have the authority use business licences as a tool, and are limited to using site specific zoning and temporary use permits, with conditions to regulate short term rentals.

The priorities of Council and the community will guide which regulations, management approaches and enforcement practices will best serve their desired objective. The priorities may include some or all of the following:

- Protecting long-term rental supply
- Encouraging neighbourhood fit
- Enabling supplemental income
- Supporting the tourism industry
- Ensuring health and safety
- Promoting tax and regulatory equity

4. Current Approach in Town of Gibsons

4.1 Zoning Bylaw Review

Currently the Town regulates short-term vacation rentals as though they are a Bed and Breakfast. The Town's Zoning Bylaw No.1065, 2007 has no definition for short term rental accommodations. The Zoning Bylaw only defines Bed and Breakfast use and boarding uses, and also regulates home occupations in specific zones (which also permit bed and breakfast and boarding uses).

A maximum of two sleeping units is permitted with Bed and Breakfast use in single family residential zones (R-1, R-2 and R-3). A Bed and Breakfast is defined as *'a boarding use intended for the short-term accommodation and provisions of a morning meal to tourists and the transient members of the public, conducted by a resident of, or members of a family resident in, the dwelling to which the bed and breakfast use is accessory'*. Although bed and breakfast is not permitted in the multi-family zones, home occupations are permitted in all residential zones, including multi-family.

The "home occupation" regulations in the Zoning Bylaw, Section 805(8), does permit *"boarding use in the form of a Bed and Breakfast use"* which are *"permitted accessory uses in a single-family dwelling in the R-1, R-2, R-3, R-4, A-1, CDA-1 an RM4 zones, but a boarding use, including a Bed and Breakfast, must not be permitted in two-family residential, townhouse residential, or apartment residential dwelling unit in any zone"*. Zoning Bylaw, Section 805(9) requires *"a Town Business License ...for the conduct of any Home Occupation"*.

The current regulations provide little guidance regarding potential conflicts that may arise when operating businesses in residential areas. Zoning Bylaw, Section 805(7) for home occupations, explains that *'home occupations must not involve frequent arrivals or departures by vehicles for deliveries or customer or client visits; such movements shall be limited to no more than several per day'*. This reference to limiting movements is currently vague.

The Zoning Bylaw, Section 807 limits the number of businesses operating as 'accessory uses', in one residence. *"The following uses are not permitted in conjunction with one another: home occupation, bed and breakfast, boarding use and secondary suite"*. The intent is presumably to reduce activities in a single residence, and thereby retaining the quality of a residentially zoned area.

"Tourist accommodation" is defined in the zoning bylaw as a *"use providing for the accommodation of the transient public in a building providing sleeping facilities, and may also include cooking and dining facilities"*. The tourist accommodation use is permitted exclusively in Upper Gibsons Commercial District (C-1); Tourist Commercial Zone 2 (C-2), Comprehensive Development 2 (CDA-2). Tourist accommodations are a permitted use for hotels, motels, and inns. In the spectrum of accommodation options, the Zoning Bylaw currently

does not recognize an accommodation use that falls between Bed and Breakfast and tourist accommodation (hotel, motel or inn) and lacks in providing clarity for the operation of short term rental accommodations.

4.2 Business Licence²

A Town's business licence is required for any business services or home occupation operating in the Town. The Town's Business Licence Bylaw 666, 1992 was last updated in 2008. The bylaw permits up to two boarders in a home and at Bed and Breakfasts. The Business Licence Bylaw No. 666 currently does not make mention of requirements for short term vacation rentals. Currently, Town staff has been applying the Bed and Breakfast conditions to short term rentals with two conditions listed in the licence application form.

The Town business licence application form was amended in 2017 to require that owners of short term rentals confirm that they: a) reside at the business location when guests are present and b) have a maximum of two bedrooms to rent. There is no further guidance for short term rental operators within the application form. There is no mention of short-term rentals on the Town's website or Business Licence bylaw. At this time, short term rentals of entire homes is not permitted in the Town of Gibsons.

The Town's website provides a list of the active holders of business licences. The Town has a total of 35 licences issued under the 'home occupation' category. There are currently 15 businesses registered as providing 'accommodation' as their business. The name of currently registered business listings, who's stated business is accommodation are listed below:

- Bayside Studios
- Captain J's Seaside Suite
- Compass Rose Guest Service
- Fincap Capital Inc
- Garden Cottage B&B
- Gibsons Garden Hotel
- Little House in the Harbour
- Lorna MacDonald/ Rob Toohey
- Lucky Dog B&B
- Marina House B&B
- Shoal Lookout
- Sweet Start B&B
- View with a Room B&B
- Vista Heights Apartments
- Warehouse Hideaway

² **Licence** is a noun, **license** is a verb. When starting a business in Gibsons, one requires a business **licence** (noun/ thing), but the Town must **license** a business (verb/ action).

4.3 Enforcement and Ticketing

The Town's bylaw enforcement officer has one active file concerning a waterfront property where the entire home is advertised for nightly rentals and can sleep up to 12 people. The short term rentals use of this entire home has generated both noise and parking concerns. The Town has not renewed the 2018 Business License for this property and the Town's enforcement officer continues to work with the owners to address this case.

The Town's bylaw enforcement officer actively checks home sharing web sites and sends out business licence applications, along with a letter setting out the Town's requirements as per Business Licence, Bylaw 666.

As of April 6, 2018 there are 49 Gibsons properties listed on Airbnb.com alone. Of the 49 rentals, 37 places are listed as the 'entire place' for rent. While the number of properties may include licensed operators within the Town, there many short term rentals that may not hold a business licence.

The Town's existing nuisance bylaw is the Anti-Noise Bylaw No. 364, 1980 (last updated in 2005). This bylaw permits the Town Bylaw Enforcement Officer or a member of the RCMP to investigate noise complaints and issue fines of \$200. The fines imposed must meet the ticketing requirements imposed by the Community Charter, Section 264.

The bylaw enforcement officer is bound by the regulations provided in Town bylaws and may follow up on complaints related to parking violations, noise disturbance and unsightly properties. As there are no guidelines in Town bylaws for short term rentals, enforcement actions are currently limited to those noted above.

5. Overview of Common Practices

Many communities have established regulations for short term rentals. The approaches that are being applied in Sechelt, Tofino, Nelson and Whistler are summarized in the table below, with further details provided in this report. Communities vary greatly in the combinations of regulations that they use and the extent to which the regulations are enforced. Regulatory and management tools in use include business licencing requirements, restricting rentals to within a principal residence only, or requiring a local contact person and information to be visibly posted on the property, in case issues arise.

The challenge facing all municipalities with short term rentals is how to enforce regulations put in place. The process of investigating complaints and fining a homeowner can be costly and cumbersome. Below is a summary of the policy, management and enforcement approaches that are currently in use.

Zoning Bylaw

- Clearly define STR's, and how they differ from Bed and Breakfast, hotel, motel, other tourist accommodations in the community.
- Clearly communicate the permitted uses in each zone, STR permitted locations/ zones and where they are and are not permitted
- Clearly define STR's in relationship to home occupation uses, as there may be overlap or conflicting in permissions
- Specifying parking requirements and limitations on street parking

Business Licence

- Clear licence requirements and conditions for the operations of STRs
- Specifying conditions that must be met, such as residence ownership, strata permission, local contact person or on site manager, limitations on number of rooms or seasonality, signage and notification to immediate neighbours within a specified area (ie. letter to neighbours within 100m)
- Outline conditions for safety and insurance requirements

Enforcement and Ticketing Systems

- Bylaw infraction deposit of \$500-\$1000 to promote better onsite management. These are refundable deposits held as security against costs resulting from investigations or enforcement actions
- Update schedule of fines to reflect the cost of the municipality taking compliance actions
- Use third party software such as Host-Compliance to provide monthly reports and up-to-date list of active STR's in the community. Price for this service ranges from \$380/year for monitoring to \$2250/ year for monitoring plus address identification, outreach case history.

Table 1: Summary of Regulatory Conditions Applied in 4 Case Study Communities

Summary of Regulatory Conditions	Sechelt	Tofino	Nelson	Whistler
Zoning Bylaw – Clear STR Definition	Yes	Yes	Yes	None for STR
Permitted locations in the Community	Residential, Medium Residential, Mixed Use	Residential and CD zones	Residential Mixed Use, CD	Permitted in Tourist accommodation zones only
Restrictions on Seasonality / Total days	None	None	Yes	None
Residence Ownership	Not required	Not required	Yes, except for summer licences	Yes
Entire Home or Rooms	Yes	Yes, with conditions	Yes	Tourist accommodation
Registration / Business Licence Requirement	Required	Required	Required	Required
Parking Requirement	On site	On site	On site + allowance for street	On site
Management & Enforcement	Sechelt	Tofino	Nelson	Whistler
Enforcement Approach	Complaints Based	Proactive Software	Complaints Based	Proactive Software
Safety Check/ Insurance	None	None	Yes	Yes
On-site Manager/ Resident	Local Contact	Resident on property	Two Local contacts	Yes/ Tourist accommodation
Notifications / Signage	Yes	Yes	No	N/A
Nuisance Provisions	Guest records	No	Guest records	N/A
Infraction Deposit	\$1000	None	\$500	N/A
Licence Fee	\$125 basic	\$450 for 1 unit	\$800/year	N/A STRs not permitted
Other Management / Enforcement Practices	Fines draw down from deposit	Fines \$1000/ offence	Fines \$500/ day	Fine \$1000 /day if advertising STRs

6. Case Study Community – District of Sechelt

In January of 2005, the District introduced regulation and licensing for short term rental operations. The regulations were developed to set conditions for renting of cottages and vacation properties and also to help protect the quality of life in residential neighbourhoods. Operators of short term rentals require a business licence, with licence fee and refundable security deposit of \$1000 to off-set costs associated with enforcement. A two-page schedule of conditions is part of the business licence application form that provides clear requirements for STR operators (see Appendix A). There must be a local contact person who's information is given to neighbours within 100m radius of a host property and who's contact is also posted on a sign at the entrance of the property.

Table 2: Summary of Regulatory Conditions Applied in District of Sechelt

Summary of Regulatory Conditions	District of Sechelt
Zoning Bylaw - Definition	Short Term Residential Rental “means the rental of a dwelling unit on a daily, weekly or other short term basis for less than four (4) consecutive weeks”
Permitted locations	Residential R1, R2, R3, Medium density residential, Mixed Use Seaside Village zone
Seasonality / Total days	No seasonal or maximum days
Residence Ownership	Not required to be property owner. Local contact, including any immediate family member, may not be a local contact for more than 2 separate properties, unless the local contact is registered owner of the properties
Entire home or Rooms	Permitting entire homes or rooms
Registration / Business Licence Requirement	STR must have a valid District of Sechelt Business Licence. Must follow terms and conditions for STR's, a 2 page schedule on licence application
Parking Requirement	On site parking required, or where permitted in bylaw, that portion of road immediately adjacent to the property. No vehicles with capacity of 16 passengers or more are permitted.
Management & Enforcement	
Enforcement Approach	On complaints received basis
Safety Check/ Insurance	No inspection or submission of insurance required
On-site Manager/ Resident	Every STR must provide name, address, telephone number of a “local contact” person who resides in District on a permanent basis. Must respond to and deal with complaints in a timely manner. Update Sechelt and neighbours, if contact changes.

Notifications / Signage	Owners of properties within 100m of STR are provided with local contact details within 30 days of granting or renewal of a licence. Signage must be posted in prominent location on the premises at entrance, with local contact information. Unlit sign, not exceeding 1.5 x 2 inches in size.
Nuisance Provisions	Holder of license must keep a written record of the names of all short term residential rental tenants. Local contact must meet rental tenants on the property at commencement of all rentals.
Infraction Deposit	\$1000 refundable deposit, held by Sechelt as security against costs incurred as a result of investigations, hearings, appeals or other enforcement actions undertaken. Deductions made must be replenished to the original amount. Deposit will be returned if license cancelled, terminated, or not renewed.
Licence Fee	\$125 for a business basic category
Other Management Practices	Local contact must not be a local contact for more than 2 separate properties, unless the local contact is registered owner of the properties.

7. Case Study Community – District of Tofino

Tofino has a resident population of 2000 that grows to 30,000 during the summer months. There is significant demand for accommodations in the summer, and there is a challenge with balancing housing needs (critical shortages) for employees and residents. Tofino regulates STR's through their zoning bylaw and Tourist Accommodation Regulation Bylaw No. 2142 that was enacted in 2017. All STR's are required to have business license.

Table 3: Summary of Regulatory Conditions Applied in District of Tofino

Summary of Regulatory Conditions	District of Tofino
Zoning Bylaw - Definition	Short Term Rental means 'temporary accommodation use located in a secondary suite, caretaker cottage, or principal residence'.
Permitted locations	Short term rentals are allowed in the R1, R4, RA1, RA2, RA3, A1, A2, A3 and CD(EL) zones as well as Fred Tibbs Condos. 82% of properties permit short term rentals. Not permitted in multi family residential,

	commercial, industrial or institutional zoned lands.
Seasonality / Total days	No seasonal or maximum days specified
Residence Ownership	Not required to be property owner.
Entire Home or Rooms	Only 1 STR per lot. Maximum 6 guests permitted per STR. No more than 3 STR units permitted within a building. Not more than 1 secondary suite can be used within a single family dwelling for an STR. Not permitted in homes that also operate a Bed and Breakfast.
Registration / Business Licence Requirement	Requires valid business licence
Parking Requirement	One parking space for each sleeping unit, plus one parking space for the permanent resident.
Management & Enforcement	
Enforcement Approach	Proactive approach to unlawful vacation rentals. Active inspections and investigations using "Host Compliance" software.
Safety Check/ Insurance	No cooking facilities permitted within any sleeping unit.
On-site Manager/ Resident	Requires primary resident on property. STR not permitted on any lot that is not occupied by a permanent resident whether it be the owner or a long term renter.
Notifications / Signage	The operator of a bed and breakfast, short term rental or commercial guest house shall display their valid District of Tofino business licence number on any marketing, advertisements or promotions for a business.
Nuisance Provisions	Not specified.
Infraction Deposit	None.
Licence Fee	\$450 for 1 sleeping unit, \$150 for each additional unit
Other Management / Enforcement Practices	Infractions for non-compliance are \$1000 per offence. Updated ticketing charges in 2017 to pay for proactive enforcement approach.

8. Case Study Community – City of Nelson

The City of Nelson passed regulations in 2017 for management of short term nightly rentals. Nelson caps the total number of annual licences issued to 110 licences and the maximum number of summer STR licences is 40. To protect neighbourhood character, there is also a cap of no more than 3 STR's per city block. There is no cap on the number of 31 day short term rental licences, however there is only one 31 day licence permitted on a single property per year. There is a requirement for an enforcement deposit of \$500.

Table 4: Summary of Regulatory Conditions Applied in City of Nelson

Summary of Regulatory Conditions	City of Nelson
Zoning Bylaw - Definition	Short term rental means “a guest home, guest suite, guest rooms or part thereof in a residential zone wherein accommodation is offered for rent, or rented to the travelling public on a temporary basis (31 days or less) and is subject to Section 1.1.10 Schedule A of the Zoning Bylaw, 3199, 2013.
Permitted locations	Permitted in Residential zones R1, R2, R3, R4, R6, MU2, MU3, MU4, CD1, CD6.
Seasonality / Total days	Only principal residence permitted to rent year round. Summer only licences (from May 1 to August 31) permit short term rentals in secondary residences.
Residence Ownership	Requires submitting proof of property ownership, including copy of land title or proof of current mortgage. If strata, requires proof of Strata Council authorization.
Entire Home or Rooms	Yes. Permits use of guest room (that does not contain cooking facility); guest suite (detached unit or secondary suite) or guest home (dwelling detached, duplex or multi unit residence).
Registration / Business Licence Requirement	STR required to have a valid business licence and must be renewed annually.
Parking Requirement	Must provide on site parking for units. 1 space per unit. Up to 1 parking space may be located within 100m of the subject property, with approval of Manager of Development Services.

Management & Enforcement	
Enforcement Approach	Business Licence states “complaints and/or violations could result in your license being revoked and impact your ability to renew your license in future. The City has the right to deny an application for renewal, which may be based on but not limited to complaints and non compliance. If your license has been revoked, you will be barred from holding a short term rental license for a minimum of two years.”
Safety Check/ Insurance	Safety inspection of the premises is required. Must meet basic requirements under the Building Bylaw 3328, 2016. Insurance with adequate damage and liability is strongly encouraged.
On-site Manager/ Resident	Must provide two local contacts that are able to respond to phone calls within 15 minutes, 24 hours a day during any guest stay. Must live within 30 km of the property and must not be local contact for more than 2 STRs. Must maintain a daily guest registry with names, contact information and license plate numbers.
Notifications / Signage	No onsite signage or neighbor notification requirement.
Nuisance Provisions	STR business licence terms require owner signature, which states. “I shall be committed to proactively cooperating with neighbours and the City in ensuring minimal impact on the neighbourhood as a result of Short-Term Rental operations”
Infraction Deposit	\$500 deposit
Licence Fee	License varies for guest room, guest suite or guest home as well as time (annual, summer or 31 day). Annual Guest home or guest suite is \$800 per year
Other Management / Enforcement Practices	Advertising STR without a business licence is subject to \$500 / day zoning contravention fine. Any accommodation providing 4 or more units is required to collect a 2% municipal and regional district tax (MRDT) on all accommodation charges (same as tax imposed on hotels). This money is paid to the Nelson Kootenay Lake Tourism agencies and used exclusively for the marketing the region.

9. Case Study Community – Municipality of Whistler

The Resort Municipality of Whistler has significant tourism pressures that challenge balancing housing for residents, visitors and neighbourhood character. Whistler has enacted zoning where most residential neighbourhoods are not permitted to rent out on a nightly basis. Short term rentals are limited to specific new neighbourhoods or subdivisions.

Table 5: Summary of Regulatory Conditions Applied in Municipality of Whistler

Summary of Regulatory Conditions	Municipality of Whistler
Zoning Bylaw - Definition	Residential “means a fixed place of living, excluding any temporary accommodation, to which a person intends to return when absent”. The definition specifically excludes any temporary accommodations. There are definitions for bed and breakfast, tourist accommodation, but not for short term rentals.
Permitted locations	STR’s are prohibited in residentially zoned neighbourhoods. Only properties zoned for temporary lodging or temporary accommodation are permitted to rent out rooms/ homes.
Seasonality / Total days	Not specified.
Residence Ownership	Follow Hotel Phase 2 Rental Pool Accommodations and management system.
Entire Home or Rooms	Not permitted
Registration / Business Licence Requirement	Tourist Accommodations Business Licence is required.
Parking Requirement	1 parking stall per unit.
Management & Enforcement	
Enforcement Approach	Proactive enforcement with checks for compliance using third party software.
Safety Check/ Insurance	As per management of hotels and tourist accommodations
On-site Manager/ Resident	Bed and breakfasts are permitted in residential areas. Require an onsite manager or operator.
Notifications / Signage	n/a
Infraction Deposit	n/a
Licence Fee	n/a
Other Management / Enforcement Practices	Advertise or renting of STR’s to tourists is \$1000 fine per day.

10. Conclusion & Recommendation

The Town of Gibsons currently provides little guidance for the operators of short term rentals. From a business licensing and enforcement perspective, short term rentals in Gibsons are currently treated as a bed and breakfast, even though they do not meet the breakfast requirement. With the current lack of clarity, the Town is operating under a permissive approach to STRs. The status quo is certainly an option for the Town to consider.

The review of four case study communities highlighted a range of regulatory tools, management and enforcement options further available for the Town to consider. The tools used by municipalities ranged from a managed approach applied by the District of Sechelt, to more restrictive/ proactive enforcement approach applied by Nelson and Tofino. Finally, Whistler presented the most controlled regulatory approach, which strictly confines STR's to commercial tourism locations.

Based on this review of case study communities, the tools utilized by the District of Sechelt appear to be a practical, clear and measured approach to permit the operation of STRs in residential neighbourhoods, while applying tools aimed at reducing residential neighbour conflicts. The District of Sechelt Zoning Bylaw No 25 provides a clear definition of STR and also differentiates what qualifies as a bed and breakfast and home occupation. The Business Bylaw No 520 and business licence application form provides a clear 2 page summary of STR terms and conditions for their operations (Appendix A). Sechelt's regulations provide a clear guidance for STR applicants and bylaw enforcement staff. Should the Town of Gibsons wish to apply regulations, management and enforcement practices that are similar to a nearby jurisdiction, there is the added practical benefit of simplifying implementation and enforcement in areas of geographic proximity.

Ultimately, Council and the community's priorities will guide which regulations, management approaches and enforcement practices will best serve their desired objectives. Balancing the benefits and drawbacks of short term rentals will require direction on what will work best for Gibsons and how to best balance priorities for:

- Protecting long-term rental supply
- Encouraging neighbourhood fit
- Enabling supplemental income
- Supporting the tourism industry
- Ensuring health and safety
- Promoting tax and regulatory equity



Short Term Residential Licence Application

Persuant to Business Licence Bylaw No. 520, 2012

Please complete application and submit to the above address. Application must be submitted with a \$1,000.00 refundable deposit and Business Licence Application Fees of \$125.00 for a business in the basic category or \$175.00 for a business in two or more categories.

<u>Name of Business</u>	_____
<u>Civic Address of Property</u>	_____
<u>Owner Information:</u>	
Name of Owner(s) of Residence	_____
Address	_____
City/Town and Province	_____
Postal Code	_____
Telephone/Fax	_____ / _____
E-mail	_____

<u>Contact Information:</u>	
Name of Contact	_____
Address	_____
City/Town	_____
Postal Code	_____
Telephone/Fax	_____ / _____
E-mail	_____
I have read and understand the requirements of Business Licence Bylaw No. 520, 2012 and agree to the terms and conditions therein.	
Applicant Signature	Date

For Office Use Only	Paid Stamp
Bylaw Officer Approval _____	
Date Approved _____	
Customer Number _____	
Receipt Number _____	

Schedule B

SHORT TERM RESIDENTIAL RENTAL LICENCE TERMS AND CONDITIONS

In order to lessen the impact of the short term rental of residential dwelling units in the community in general and residential neighbourhoods in particular the following terms and conditions must be met to obtain, continue to hold and renew a business licence to operate a short term residential rental business. These terms and conditions are in addition to any other terms and conditions which may be imposed by the Licence Inspector.

1. Every applicant for and holder of a short term residential rental business licence must provide the District of Sechelt with the name, address and telephone number of a person residing in the District on a permanent basis (“Local Contact”). The Local Contact must be available, and if not, the owner must be available, to respond to and deal with in a timely and appropriate manner any complaints or problems from short term residential rental tenants or neighbouring residents in respect of the property that is the subject of the business licence. It shall be the obligation of the licence holder to notify the District of Sechelt immediately if the name, address or telephone number of the Local Contact changes.

The owners of properties within 100 metres of the short term residential rental property shall be notified in writing of the name, address and telephone number of the Local Contact (or owner where local contact not applicable) within thirty days of the granting or renewal of a short term residential rental business licence or within thirty days of notification of a change in the name, address or telephone number of the Local Contact.

2. Vehicle parking for short term residential rental tenants or guests of short term residential rental tenants shall be restricted to the property and, where permitted by law, that portion of the road immediately adjacent to the property.
3. Prior to the granting of a short term residential rental business licence the applicant shall be required to deposit with the District of Sechelt, in addition to the business licence fee, the amount of \$1000 (the “Deposit”). The Deposit shall be held by the District of Sechelt as security against any costs incurred by the District of Sechelt as a result of investigations, hearings, appeals or other enforcement actions undertaken by the Licence Inspector or the District of Sechelt, whether initiated by the Licence Inspector or the municipality or resulting from third party complaints, in respect of the operation of the short term residential rental business. If any deductions are made to the Deposit the holder of the business licence will forthwith replenish the Deposit to the original amount. The Deposit or any portion remaining after deduction will be returned to the person who paid it within sixty days of the cancellation or termination or failure to renew the business licence.
4. The holder of a short term residential rental business licence must display a copy of the business licence and the name, address and telephone number of the Local

Contact in a prominent location on the premises. Signage advertising the short term residential rental business is not permitted on the property except as follows:

- (i) one unlit sign not exceeding 1½' x 2' in size containing only the address of the property, the name, address and telephone number of the Local Contact and, where applicable the name of the property, business or owner.
5. Transportation of short term residential rental tenants or guests of short term residential rental tenants to the short term residential rental property by vehicles with a capacity of sixteen passengers or more is prohibited.
6. The holder of a short term residential rental business licence must keep a written record of the names of all short term residential rental tenants.
7. The Local Contact shall attend at the property at the commencement of all short term residential rentals and meet the short term residential rental tenants.
8. A Local Contact, including any member of their immediate family, may not be a Local Contact for more than two separate properties unless the Local Contact is the registered owner of such properties.

SHORT TERM RESIDENTIAL RENTAL

- (1) The registered owner of a dwelling unit that is used for Short Term Residential Rental must have a valid District of Sechelt Business License with respect to that use.
- (2) No property shall be used for Short Term Residential Rental except in accordance with the terms and conditions of a valid District of Sechelt Business License issued for that purpose.”

307. **HOME OCCUPATION**

General

1. A home occupation must be located on or within a residential premises and must be clearly accessory to the primary residential use and may include group day care facilities in a single family dwelling and bed and breakfast accommodations; BUT excludes a body shop, metal fabricating, and repair and maintenance of vehicles, boats, and other equipment, AND is subject to all other provisions of this and other bylaws of the District of Sechelt.

External Indications

2. No external indication shall exist that a building is used for a purpose other than that normally associated with a residential building, EXCEPT for a single non-internally illuminated sign not to exceed 0.3 m². Signs are not permitted for home occupations carried out in multiple family buildings.

Outdoor Use Limited

3. All uses shall be conducted entirely within a completely enclosed building permitted under this Bylaw, EXCEPT in the case of a group day care where outdoor recreation uses are required under the Community Care Facilities Act; and there shall be no outdoor storage of materials, equipment, containers, or finished products.

Employees

4. The home occupation shall be conducted by residents in the dwelling unit, plus one other person. A home occupation in a secondary suite shall be conducted only by residents of the secondary suite. (Where the employees of a home occupation do not frequent or conduct their occupation on the subject property, there shall be no restriction to the number of employees).

Product

5. No product which is highly combustible, toxic, or potentially harmful shall be made or sold on the premises
6. No product shall be sold on the premises except that which is made or produced on the premises.

Vehicles

7. Not more than one vehicle shall be used in connection with the home occupation and no such vehicle shall be in excess of 5,000 kg. GVW.

Customers

8. A home occupation shall not generate pedestrian/vehicular traffic or parking so as to cause a nuisance to the neighbourhood or to a person in the vicinity in which it is located. No customers are permitted to home occupations located in multiple family buildings. Home occupations that attract customers or clients not permitted on a lot that contains a secondary suite.

Regulations

9. A home occupation must have a District of Sechelt business licence. If the applicant is not the land owner, written permission from the owner must also be provided.
10. A Group Day Care facility (maximum eight children) requires approval from the Ministry of Health in accordance with the requirements of the Community Care Facilities Act and Child Care Regulation.
11. A home occupation must conform to all Federal and Provincial statutes and regulations including, but limited to, the Agricultural Land Commission Act.

Bed and Breakfast

12. Despite any other provisions of this Bylaw:
 - (a) Accessory buildings situated on lots with a lot area of less than two thousand (2000) square metres may not be used for Bed and Breakfast operations;
 - (b) Bed and breakfast operations must be conducted within a single dwelling unit;
 - (c) Not more than three (3) sleeping rooms in the dwelling unit may be used for Bed and Breakfast operations;
 - (d) Not more than six (6) guests may use the bed and breakfast facility at any one time;

- (e) For the purposes of this Section 307 (12), "guests" shall mean an individual who uses and directly or indirectly pays for the use of bed and breakfast facilities.
- (f)
 - (i) Each Bed and Breakfast operation shall provide 1 guest parking space for each guest room in addition to the parking provided for residential purposes.
 - (ii) Any guest parking or guest outdoor amenity space shall be landscaped to buffer that area from abutting residential premises.
 - (iii) Guest bedrooms in Bed and Breakfast operations shall not exceed 40% of the gross floor area of the residence.
 - (iv) No Bed and Breakfast operation shall be permitted in a residence containing a secondary suite.

Number of Home Occupations

- 13. Up to two home occupations are permitted on a lot.

Safety

- 14. Each home occupation must be equipped with an installed smoke alarm and a minimum 5lb ABC extinguisher on site and mounted.