



GIBSONS RESIDENTIAL GUEST ACCOMMODATION POLICY

SUMMARY OF REGULATIONS AND F.A.Q.

AUGUST 2022

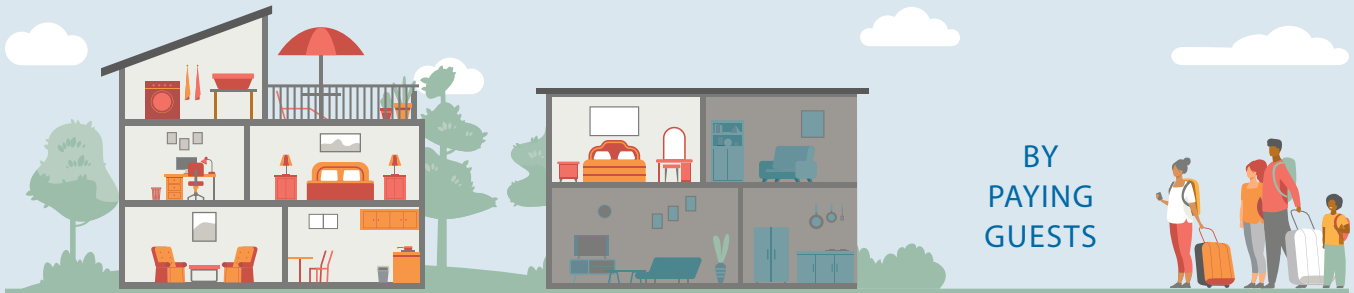


RESIDENTIAL GUEST ACCOMMODATION

In Gibsons, the term Residential Guest Accommodation (RGA) is used instead of Short-Term Rental.

IT IS THE RENTAL OF A RESIDENTIAL DWELLING UNIT

(either the entire dwelling unit, or a part of it)



BY
PAYING
GUESTS

IN ANY HOUSING TYPE

(e.g. houses, secondary suites, lock-off suites, garden suites, cabins, apartments and condos)



FOR A TEMPORARY PERIOD

(often less than a month, but sometimes longer)



Includes existing Bed & Breakfasts and Lodging Houses



OFTEN FACILITATED BY ONLINE PLATFORMS

(e.g. Airbnb, VRBO)

IT IS DIFFERENT THAN



COMMERCIAL GUEST ACCOMMODATION

Formerly called "Tourist Accommodation"

Includes hotels, motels, resorts, etc.



RESIDENTIAL TENANCIES

A.k.a. "Long-term rentals"

Includes all rentals covered by a BC tenancy agreement longer than 30 days (fixed-term or month-to-month)



THE ISSUE

- Over the years, an increasing number of Gibsons' homes have been turned into unpermitted guest accommodation (currently 80-100 listings depending on the season). Approximately 90% of these listings are for entire homes or suites and of these, approximately 2/3rd are for accessory suites¹ that might otherwise be used as long-term rentals (equal to more than 8% of Gibsons' total rental housing stock).²
- This growth has benefited operators, who can gain additional revenue, higher property values and flexibility over the use of their units. It has benefited visitors, who have had greater accommodation choice. And it has benefited businesses who service the guests.
- But these benefits have also come with costs, including decreased overall housing availability and affordability³ for local residents and workers, impacts to neighbourhood character, and a more difficult competitive environment for traditional accommodation providers (hotels etc.) who are held to a higher regulatory standard.

PROCESS

In response to these issues, Gibsons kicked off a process of community engagement (2019), and drafted some initial bylaw changes aimed at regulating short-term rentals/RGA (2020). In 2021, Council chose to reprioritize and clarify its goals for these regulations in light of new information including the Sunshine Coast Regional Housing Needs Assessment, fresh data on local short-term rentals, and further consideration of key trade-offs. In July 2022, Council adopted three RGA bylaws which reflect and support their goals, as described below.

GOALS

In order of highest priority to lowest priority, Gibsons' goals for this policy are:

PRIMARY GOALS:

1. Retaining long-term rental supply in Gibsons
2. Keeping the scale of business appropriate to residential neighbourhoods

SECONDARY GOALS:

3. Responding to the needs of homeowners who wish to have added revenue
4. Providing tourists with accommodation options for staying in and visiting Gibsons



This prioritized list of goals reflects the seriousness of housing challenges in Gibsons and a strong desire to protect the character of residential neighbourhoods, while still creating opportunities for residents to earn a bit of extra revenue and create accommodation options for visitors.

¹ Data from AirDNA, captured April 11th, 2021 (only includes listings from the top two platforms: Airbnb and VRBO).

² Data from AirDNA, captured September 6th, 2021.

³ While allowing RGA can make homeownership more affordable for some operators, non-principal residence RGA is generally associated with worsening affordability community-wide. For more information see "[Regulating Short-Term Rentals: a Toolkit for Canadian Local Governments.](#)"



WHAT IS ALLOWED

Two streams of Residential Guest Accommodation (RGA) are allowed in Gibsons.

STREAM 1 PRINCIPAL RESIDENCE RGA	STREAM 2 NON-PRINCIPAL RESIDENCE RGA <i>(stream will be closed in 2-5 years)</i>
<p>ENTIRE-UNIT RGA RENTALS</p> <ul style="list-style-type: none">You may rent your entire principal residence for a maximum of 3 consecutive calendar months in a calendar year.One-time application fee of \$400* + annual business licence fee of \$200. <p>PARTIAL-UNIT RGA RENTALS</p> <ul style="list-style-type: none">You may rent up to two bedrooms in your principal residence year-round (you must be present during guest stays).One-time application fee of \$400* + annual business licence fee of \$200. <p><i>* A single \$400 application fee will be charged if you apply for both Partial Unit and Entire Unit licences at the same time (for the same unit).</i></p>	<p>ENTIRE-UNIT RGA RENTALS</p> <ul style="list-style-type: none">A limited number of Temporary Use Permits (TUP) will be made available to operate non-principal residence RGA year-round.Permits will be valid for 2 years and may be renewed once for a final period of 1-3 years (based on Council review).One-time TUP application fee of \$1,500 + annual business licence fee of \$2,000. Renewal TUP fee of \$1,000 (after the initial 2-year permit period, if applicable).Preference will be given to units in or near the Harbour Area and Lower Gibsons.



WHO CAN OPERATE RGA:

- Only individuals (not companies) are allowed to operate RGA. Companies can still help with things like maintenance and managing complaints, but it is individual operators who must hold the RGA business licence, whose name and contact information must appear in RGA advertisements and listings, and who are ultimately responsible for ensuring RGA use complies with Gibsons' regulations.
- Both owners and renters can operate RGA (with Strata and Landlord approvals, as applicable).



NON-DWELLING UNITS:

- For safety and administrative reasons, Residential Guest Accommodation are not permitted in boats, RVs, tents, yurts or anything that isn't a dwelling unit.



OTHER DETAILS

Principal Residence	Gibsons uses a narrow definition of principal residence in line with other communities prioritizing housing. Learn more here .
Business Licence	You need a Town business licence to operate RGA.
Site Visit	Staff will visit the proposed RGA unit to verify submitted information prior to business licence approval. Scope of inspection will not include verification of legal suites (e.g. building permit-related issues), though egregious circumstances may be noted.
Licence Limits	In addition to licences granted in association with Stream 2 (Temporary Use Permits), an individual can hold a maximum of two licences for Stream 1 RGA (one for each of Entire Unit and Partial Unit Principal Residence RGA), which must be for the same dwelling unit.
Parking	Operators must submit a Parking Plan for approval along with their business licence application, including off-street parking where available.
Neighbourhood Accountability	Every RGA must have a Designated Responsible Person who is available 24/7 during guest stays, must attend the RGA unit within 30 minutes of receiving a complaint, and must resolve all complaints within 24 hours of being notified by the Town.
Health and Safety	Operators must submit both a Guest Safety Attestation (confirming compliance with basic safety measures), and a Fire Safety Plan.
Advertising	You are not allowed to advertise RGA unless you hold a valid Town business licence, and your licence number must be included in all advertisements.
Operation and Maintenance	Operators must conspicuously display their business licence, Parking Plan, Fire Safety Plan, and contact information for themselves, the Designated Responsible Person, and emergency authorities in the unit during guest stays, and must maintain safety measures outlined in their Guest Safety Attestation.
Records	Operators must keep a record of the number of days their RGA is booked, along with maintenance records for smoke alarms, fire extinguishers and any carbon monoxide detectors.
Grace Period	From August 1, 2022 to December 31, 2022, staff will focus on education and helping people voluntarily comply with the new regulations.
Active Enforcement	After the grace period, staff will actively monitor RGA listings and take enforcement actions aimed at voluntary compliance. Bylaw staff will begin with friendly warning letters, but proceed to daily fines, revocation of licences, and legal action if necessary. These actions will be guided by a dedicated Enforcement Plan.
Applying for Stream 2	Initial applications for 2-year Temporary Use Permits for Stream 2 will be accepted until September 30, 2022 and processed and evaluated as a single batch. Some additional conditions will apply (refer to the full policy document for details).



WHAT IS A PRINCIPAL RESIDENCE?

The term “principal residence” can be confusing because its meaning and application change from one local government to the next. The provincial and federal governments have their own definitions (related to taxes, etc.), and people often have their own intuitive idea about what it means.



In Gibsons, **principal residence** means:

- A single dwelling unit where a person lives at least nine months in a calendar year and conducts their daily affairs (including receiving official mail). Similarly, it's the dwelling unit with the residential address used on official documentation and government ID.
 - » A dwelling unit means a self-contained room or set of rooms, with a private entrance, that is designed and intended to be occupied as a residence, and includes, at a minimum, separate and distinct sleeping, sanitary and cooking facilities.
- A person cannot have more than one principal residence, and a principal residence cannot include more than one dwelling unit (even if the second unit is a secondary suite, lock-off suite or garden suite on the same property... and even if your household uses one or more rooms in these extra suites as part of your everyday home).

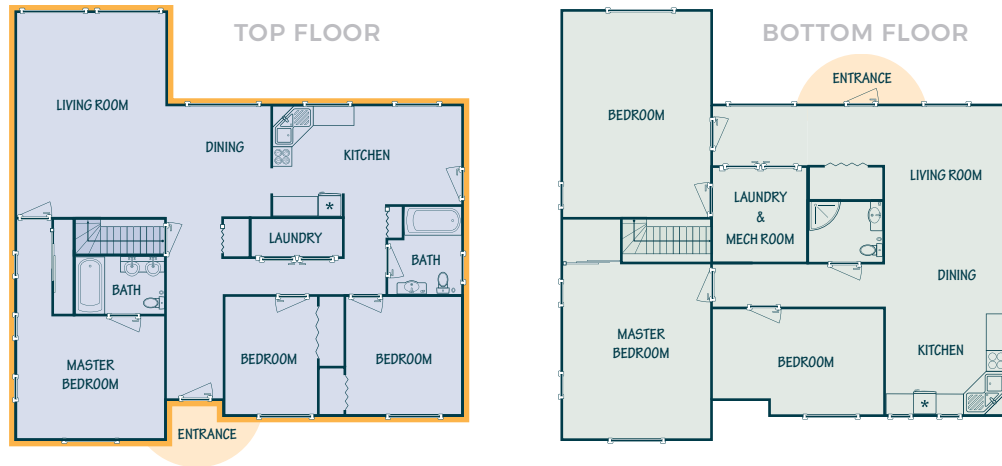
This meaning of **principal residence** is aimed at distinguishing between separate, potential homes and is in line with other communities prioritizing housing. See the following pages for some examples.



EXAMPLE #1 | 2-STORY HOME

The two floors of the house are separate dwelling units. The owner only uses the top floor as part of their everyday home.

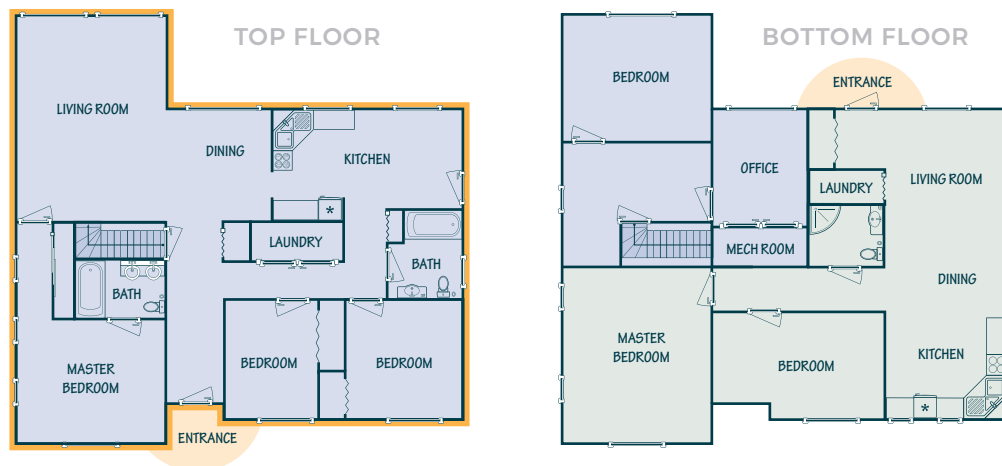
Only the top floor of the main building can count as the owner's principal residence. If a renter lived in the bottom unit, it could be claimed as the renter's principal residence.



EXAMPLE #2 | 2-STORY HOME

The house contains two separate dwelling units. The owner lives in the larger unit (blue), which is made up of the entire top floor plus a few rooms on the bottom floor that are accessed by an internal staircase and are physically separated from a second dwelling unit (green).

Only the blue unit can count as the owner's principal residence. If a renter lived in the green unit, the green unit could be claimed as the renter's principal residence.

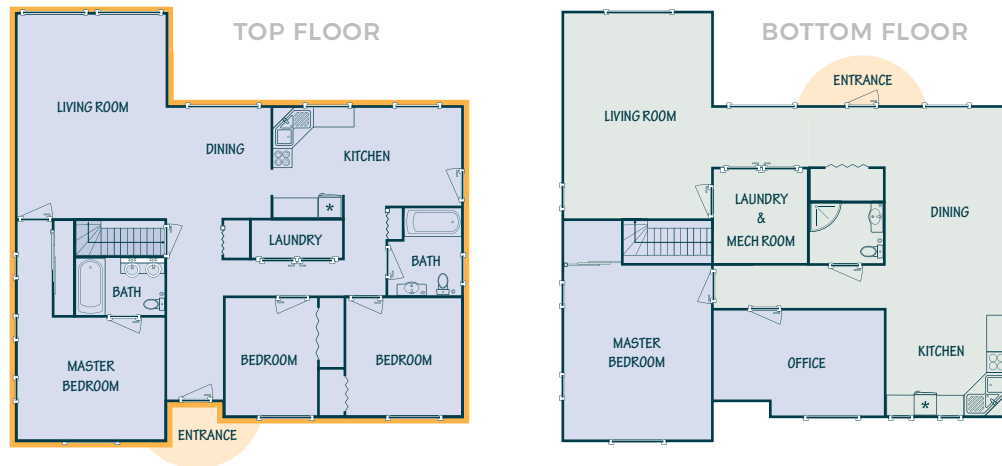


EXAMPLE #3 | 2-STORY HOME

The two floors of the house are separate dwelling units. The owner's household uses all of the rooms on the top floor, as well as an office and extra bedroom on the bottom-floor as part of their everyday home.

Only the rooms on top floor can count as the owner's principal residence for the purposes of operating RGA. This is because all of the rooms on the bottom floor are connected as part of a structurally-distinct dwelling unit.

For further rationale see the F.A.Q. section

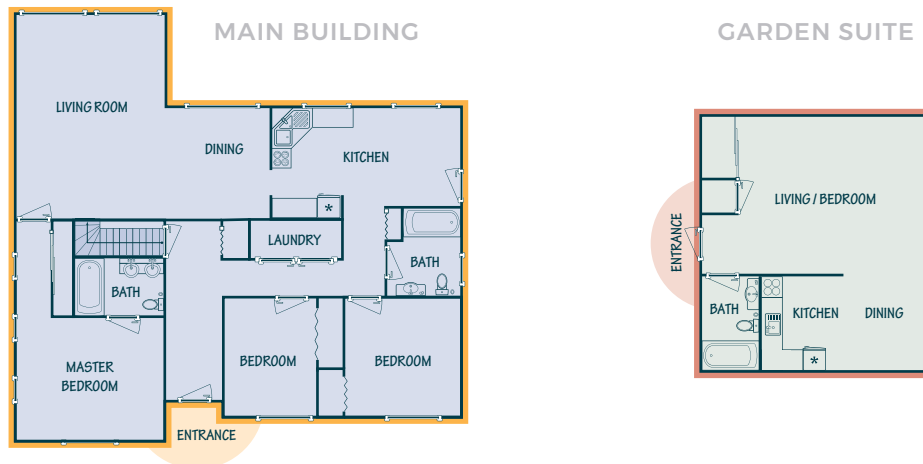


EXAMPLE #4 | MAIN BUILDING WITH GARDEN SUITE

A lot contains both a main building and a separate garden suite. The owner lives in the main building.

The owner can only claim the main building as their principal residence.

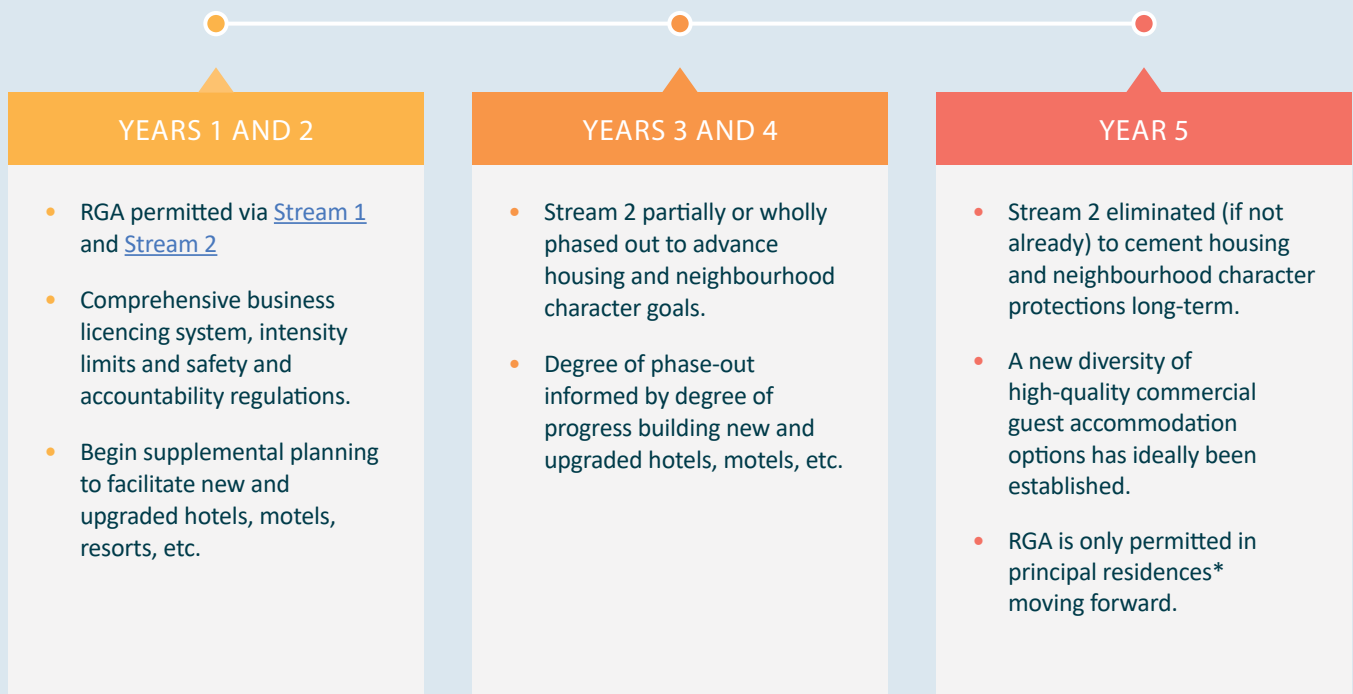
If a renter is living in the garden suite, the renter can claim it as their principal residence.



TRANSITION PLAN

To best advance Gibsons' primary goals for these regulations, a **generally restrictive approach** has been chosen.

However, key restrictions will be phased in over a period of 2-5 years in order to give hotels, motels, resorts etc. time to build enough new and upgraded units to meet demand, and short-term rental/RGA operators enough time to adjust their property and financial planning.



**Gibsons uses a narrow definition of principal residence. See pg. 5 for more info.*



FAQ

+ These regulations seem more restrictive than in other coastal communities (especially once Stream 2 is phased out). Why does it go so far?

These regulations are more permissive than the status quo in Gibsons (where STR/RGA is not currently allowed), and are in line with many other local governments that are prioritizing housing goals (e.g. Squamish, Vancouver). But it's true that over the long-term, the system will be more restrictive than that proposed or in effect in other nearby communities (e.g. Sechelt, Bowen Island, or the SCRCD), where separate suites on a resident's lot can be used for RGA as part of the permanent regulations. A key motivator is the intensity of current housing challenges in Gibsons, and the clear prioritisation of housing as Gibsons' #1 goal for these regulations (with homeowner revenue and residential tourist accommodation clearly identified as secondary goals). Another key difference is this policy's long-term focus on facilitating enough new and upgraded commercial guest accommodation units to meet tourism demand, an approach that enables a housing-centric approach over the long-term while still promoting a vibrant tourism sector.

+ Doesn't granting Temporary Use Permits for "non-principal residences" contradict Gibsons' #1 goal of protecting rental housing?

A limited number of Temporary Use Permits ("TUPs") will be granted to avoid or minimize any shock to Gibsons' tourism sector while efforts are made to attract enough new or upgraded hotel, motel etc. units to meet demand (current commercial accommodation options are limited, with none in the Harbour Area). The intention is to completely phase out these TUPs after 2-5 years, eliminating the loss of housing to RGA and cementing Gibsons' housing-centric focus over the medium to long-term. However, it's true that Gibsons' housing goals will be compromised over the short-term in proportion to the number of TUPs granted, and their duration.

+ This is my property, don't I have a right to use it as a short-term rental?

While property ownership inherently grants certain privileges, other privileges are granted or denied in accordance with decisions made by governments. This includes local governments, for whom a primary responsibility is deciding how land within its boundaries can or can't be used in order to best serve the public interest (this area of responsibility is called "land use"). When it comes to any given land use, it is Council's role to continually weigh different aspects of the public interest, informed by public feedback and technical analysis, to decide on goals and priorities, and then direct staff to create policies and programs that advance those priorities. Gibsons' residential guest accommodation regulations have been designed to best advance the four prioritized goals set by Council for this program.



+ If Gibsons' goal is more rental housing, can't we just build lots of new purpose-built rental homes, and leave short-term rental restrictions out of it?

Housing affordability has deteriorated to such an extent that action on all fronts is warranted (including both supply-side measures and demand-side measures like short-term rental/RGA restrictions). If concerted efforts at building new rental homes achieve persistently high rental vacancy rates, rental diversity, and affordability, this would be a reason to consider relaxing short-term rental restrictions in the future. It is important to keep in mind that most housing loss to short-term rentals/RGA involves secondary market rentals (secondary suites, garden suites, etc.), which tend to be more affordable per square foot than newly-constructed market rental units, bolstering the case for more restrictive RGA regulations in the current housing environment.

+ Why do you need to live in a unit for 9 months for it to count as your "principal residence" under these regulations?

The 9-month threshold was set because Council was concerned about (a) the impacts of too much entire-unit RGA on neighbourhood character, and (b) the potential for a lower threshold to lead to a loss of sequential fixed-term rentals (e.g. places where the owner lives for the summer, but then rents it out for the remainder of the year), which are seen as an important – though precarious – component of Gibsons' long-term rental housing stock.

+ My family uses our basement suite as part of our everyday home. Why doesn't the suite count as part of our "principal residence" for the purposes of RGA?

If owners were allowed to combine more than one structurally-defined dwelling unit into a single "principal residence" for the purposes of the RGA regulations – for example by claiming that their household uses all or part of a basement suite as part of their everyday home – this would open a large loophole in the regulatory framework. While most owners' claims of usage may be truthful, other owners could circumvent the intent of the regulations by claiming regular daily usage of an accessory suite/unit even when that isn't the case. This loophole would have the effect of:

- Increasing the potential for rental housing loss via RGA – contrary to the #1 goal of the regulations;
- Increasing enforcement complexity and cost – because Gibsons personnel would be required to somehow assess and monitor RGA operators' claims of accessory dwelling unit usage in order to uphold the integrity of the regulatory framework.

This approach does limit the flexibility of homeowners somewhat, but keep in mind that owners/residents can still choose to:

- Rent one or more rooms in the second dwelling unit as a long-term rental, earning the associated revenue and creating a form of long-term housing; and/or
- Use their main floor/dwelling unit as RGA, either vacating the property or staying in the second dwelling unit for the duration of the guest stay.



+ What will happen to existing licenced Bed and Breakfasts and Lodging Houses?

Existing Bed and Breakfasts and Lodging Houses will be unified under the new system for residential guest accommodation. Existing operations will need to apply for an RGA business licence and comply with the new RGA regulations in the business licence bylaw. If an existing B&B or Lodging House operation does not comply with the new RGA zoning bylaw regulations, they will be able to continue operating as per usual under the non-conforming provisions of the Local Government Act. As described by the Act, this “grandfathering” effect ceases to apply if the B&B or Lodging House ceases operation for more than 6 consecutive months.

+ Why will business licence fees for Stream 2 (temporarily permitted non-principal residence RGA) be so expensive?

A key operational goal of the program is 100% cost-recovery. Gibsons has already spent considerable time and resources developing RGA regulations, and while all efforts have been made to design a lean implementation and enforcement plan, initial program costs will still be significant. The higher fees for Stream 2/non-principal residence RGA (totalling \$5,500 over two years) can be justified by the higher historical and future revenue potential of these units, the higher intensity of use, and the fact that many of them have been illegally operating – without paying any Town fees whatsoever – for a number of years. For comparison, the total two-year cost charged to operators of non-principal residence RGA/STR in the District of Squamish is ~\$7,000, and ~\$3,000 in the City of Victoria. As such, the proposed fees for the Town of Gibsons are within the range of similar fees charged by other jurisdictions.

+ What about noise, garbage and parking? How will this program deal with that?

All RGA operators will be required to submit a Parking Plan as part of their business licence application, and maintain off-street parking spaces as identified in their approved plan. When it comes to noise and other complaints, all operators will be required to designate a responsible person who must be available 24/7 to respond to all complaints, must attend to the unit within 45 minutes of receiving a complaint, and must totally resolve any complaint within 24 hours of being contacted by the Town.

For more information please refer to the [full policy document](#).



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