



# Memorandum

To: Council

From: Phil Armstrong, Director of Planning and Development

Date: 2024 05 29

File: 6410-20 Provincial Legislation

**RE: Provincial planning legislation, SSMUH and the R1 - Single Detached Residential zone (bylaw 1492)**

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## BACKGROUND

Last fall, Royal assent was provided to four provincial bills which impact municipal planning in BC (Bills [35](#), [44](#), [46](#), and [47](#)).

- ✓ Bill 35 addresses Short Term Rentals.
- ✓ Bill 44 deals with Housing Needs Reports and Small-Scale Multi-Unit Housing.
- ✓ Bill 46 changes the parameters for development financing which creates new tools for municipalities in BC.
- ✓ Bill 47 affects housing statutes for transit-oriented areas which does not impact the Town.

These legislative changes are intended to accelerate the provision of housing in the Province and make some fundamental alterations to how municipalities regulate land use and development in their boundaries. There have been many changes made, some of which will not apply to the Town until the population surpasses 5,000 (SSMUH) or 10,000 (STRs). This report is intended to provide a broad overview of the changes impacting the Town rather than an in-depth dive into each new provision.

In the future staff will review this spring's Bill [16](#) which will expand zoning powers (inclusionary and density bonus for affordable and special needs housing) that will be reviewed with a new OCP/zoning bylaw. The bill also provides local government additional powers around site servicing, transportation demand management, and tenant protection.

## DISCUSSION

### Short Term Rentals (STRs)

Please refer to the previous enclosed memo.

### Small Scale Multi-Unit Housing (SSMUH)

Due to the Town's population being under 5,000, Bill 44 requires the Town to allow secondary residential dwelling units in all residential zones. The Town already allows secondary residential dwelling in the R1-S, R1-D, R2, R2-A, R3 and R5 zones. Secondary Residential Dwelling is defined as: *"a self contained accessory Dwelling Unit either detached or within a Single Detached Dwelling, containing sleeping, living, Kitchen and sanitary facilities, accessible by a separate entrance, for use as a residence by a household."* This includes a Secondary Suite or a Detached Secondary Residential Dwelling (ex. carriage house or garden suite)

Please refer to the enclosed bylaw which proposes to rezone approximately 280 properties from *R1 – Single Detached Residential* to *R1S – Single Detached with Secondary Residential*. New dwelling units will come online slowly and incrementally over time. The Town typically see 3-10 secondary suites building permits a year.

The manufactured home zones (R6 and R7) appear to be exempted from this requirement. We are not required to allow suites in duplexes or townhouses, but this is supported by the affordable housing strategy

and to be analyzed in the future. In larger communities over 5,000 up to 3, 4 and 6 dwelling units per property are required.

The SSMUH changes to our Zoning Bylaw must be adopted prior to **June 30, 2024**.

Section 481.3(3) of the *Local Government Act* (LGA) requires that a local government must exercise its zoning powers to permit the use and density necessary to accommodate a secondary suite or DSRD (or both) within zones that are restricted to single-family dwellings. Staff is proposing the minimum a suite or a DSRD.

Section 464(4) of the LGA prohibits a local government from holding a public hearing on a zoning amendment bylaw that is necessary to comply with the requirements of section 481.3(3) and thereby, notice that no hearing is to be held regarding proposed bylaw 1492 has already occurred (to meet the deadline above).

Further, the bylaw can receive first three readings and adoption in one meeting per LGA section 480 and as there is no need for the Ministry of Transportation to endorse the bylaw due to Ministerial order 114 signed on May 8, 2024.

### **Interim Housing Needs Report**

On May 4, 2021, Council adopted in principle a [Housing Needs Report](#) for the Town of Golden and an [Affordable Housing Strategy](#). The Needs Report identifies the populations most in need of housing, housing gaps and other housing issues in the community; while the Housing Strategy identifies a series of actions and tools that can be implemented to address these needs and to influence change.

The Town of Golden received a Provincial grant (administered by UBCM) for \$15,000 to complete the Housing Needs Report and the Provincial Rural Dividend program provided monies to the Golden Community Coop (now Golden CED) to administer the project as well as to complete the affordable housing strategy.

The prior legislation and housing needs report considered the needs for housing to be built over a 5-year term and was planned for 2026 (ideally to align with the next census). Bill 44 requires that a new Interim Housing Needs Report to consider the needs for housing over a 20-year period and that the report be created, earlier than prior recent legislation i.e. the Report must be completed and accepted by Council by **January 1, 2025**.

The Province will be issuing guidance for the contents of these new Interim Housing Needs Reports but as of the writing of this memo the guidelines have not yet been published. As with the previous Housing Needs Report legislation, an updated report is required every 5 years so our next would need to be completed by 2029.

### **Official Community Plan (OCP) and Zoning Bylaw changes**

The Town will need to review its OCP and if necessary adopt changes to the OCP that include statements and map designations to provide for at least the 20-year total number and class of housing units required to meet anticipated housing needs. The Town's Zoning Bylaw must also be amended to permit the use and density necessary to accommodate at least the 20-year total number of housing units required to meet housing needs. This must be completed by **December 31, 2025**. Our OCP and Zoning Bylaw will now legislatively need to be reviewed every 5 years in the context of each subsequent Housing Needs Report update.

### **Public Hearings**

The Town is now prohibited from holding public hearings for a zoning bylaw or zoning bylaw amendments which in whole or in part permit residential development and are consistent with the OCP.

Specifically, Local Government Act section 464(3)(d) states “*residential component of the development accounts for at least half of the gross floor area of all buildings and other structures proposed as part of the development.*”

In addition, the Town cannot hold a public hearing for a zoning bylaw amendment that enacts the Small Scale Multi-Unit Housing (SSMUH) as mentioned above.

Public notice is still required to be given even where public hearings are prohibited prior to first reading.

### **Development Cost Charges (DCCs) and Amenity Cost Charges (ACCs)**

Currently the Town has a development cost charge (DCC) bylaw that dates back to 2012 for water and sewer only. Proposed is to update the growth rate, the water and sewer rates as well as add a DCC for road, drainage, active transportation and perhaps parks acquisition/improvement and employee housing<sup>1</sup>. To ensure the community is having growth pay for growth by having developers contribute to required future infrastructure. There is \$94,500 budgeted for this project.

The new legislation allows DCCs to be collected for fire protection, police, solid waste and recycling facilities.

The new legislation also allows for the creation of an Amenity Cost Charge bylaw that the Town could use to fund capital costs for amenities that directly or indirectly benefit a development. ACCs can be viewed as similar to DCCs with similar requirements for enactment but rather than for infrastructure to serve growth these apply to amenities such as community centres, libraries, and recreation centres.

At this time, staff is likely not proposing to add these additional DCCs or ACCs. In the future this may be examined, but for now additional DCCs will be a significant bump to the Town’s current DCC rates and ACC are new so there will be learning from other larger municipalities.

### **Impacts on departmental workload**

The new Provincial requirements are mandatory and as such will need to be prioritized in the Planning and Development Department workplan for 2024 and 2025 and beyond. In the short-term this may have an impact on permitting timelines as the same staff that review permits would be working on these projects. With this in mind, we anticipate permitting delays in 2024 and in 2025.

It is considered good practice to complete a thorough review and update an OCP every 5 years but this does not often happen in smaller communities with limited capacity. As a case in point; the Town of Golden’s OCP which was adopted in 2008 has not had a thorough review and amendment since adoption. The zoning bylaw was adopted in 2012 five years following.

Provincial funding, through the Capacity Funding for Local Government Housing Initiatives program, of \$169,316 is a one-off grant and the administrative and cost burden will continue indefinitely with the required Housing Needs Report updates every 5 years and corresponding an updates of our OCP and Zoning Bylaw. The costs for subsequent updates will be borne by the Town. The one-time Provincial grant to contract out projects reduces but does not eliminate staff time required to complete the projects.

Based on the increased workload particularly the OCP and zoning work as well as overall expansion of workload budget will need to be evaluated for 2025.

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<sup>1</sup> Employee housing is only applicable to Resort Municipalities and to date only Whistler implemented it decades ago. Implementing this is complex and likely will not be pursued by other RM communities at this time as far as staff is aware but this will be further reviewed in due course.

## Next Steps and key dates

Staff are intending to prioritize work as follows:

1. Review, consider and adopt bylaw 1492. Due by **June 30, 2024**.
2. Await the Provincial guidelines for an Interim Housing Needs Report and prepare a Request for Proposals for an Interim Housing Needs Report or for efficiency single source to CitySpaces that completed the prior Housing Needs Report. Due by **Jan 1, 2025**.
3. Although not a legislative deadline, following the completed Transportation Plan, Active Transportation Plan, and Master Drainage Plan and in progress Water and Sewer Master Plans, Urban Systems will commence a new DCC bylaw. To be completed **2025/2026**.
4. For now legislation takes precedence, but in the future staff will prepare an amendment to the Development Procedure Bylaw to address changes in the public hearing process. **To be completed this winter.**
5. Develop a Request for Proposals for the necessary OCP and Zoning Bylaw amendments. **fall/winter.**
6. Council Adoption of necessary OCP and Zoning Bylaw Amendments. **Before December 30, 2025.**



Phil Armstrong MCIP, RPP  
Director of Planning and Development

### Enclosure

- ✓ Bylaw 1492
- ✓ STR memo 2023 10 24
- ✓ M114 Ministry of Transportation.



## **BYLAW RATIONALE STATEMENT**

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### ***Town of Golden Zoning Amendment Bylaw No. 1492, 2024 - R1 – R1S Transition***

The purpose of this bylaw is to amend the Zoning Bylaw to allow for  
The development of Secondary Residential Dwellings in all R1 – Single  
Detached Residential zones by amending the zoning to R1S – Single  
Detached with Secondary Residential.

**TOWN OF GOLDEN**  
**BYLAW NUMBER 1492, 2024**  
**ZONING BYLAW AMENDMENT**

A Bylaw to amend the “*Town of Golden Zoning Bylaw No. 1294, 2011*”

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The Council of the Town of Golden, in open meeting assembled, **HEREBY ENACTS AS FOLLOWS:**

**1. CITATION**

This Bylaw may be cited for all purposes as the “*Town of Golden Zoning Amendment Bylaw No. 1492, 2024 - R1- R1S Transition*”

**2. MAP AMENDMENT**

2.1 THAT **Schedule A - Zoning Map** of the *Town of Golden Zoning Bylaw No. 1294, 2011*, enclosed to and forming part of this bylaw be amended as follows:

By changing the zoning designation of all affected properties **from** R1 - Single Detached Residential **to** R1S - Single Detached With Secondary Residential;

**3. TEXT AMENDMENT**

3.1 That “Schedule B” Single Detached Residential – R1 be deleted in its entirety and that the titles of Schedule “C” to “Z” inclusive be amended as Schedule “B to “Y.”

**4. SEVERABILITY**

If any portion of this bylaw is found invalid by a court of competent jurisdiction, the invalid portion is severed without effect on the remaining portions of the bylaw.

READ A FIRST TIME THIS                      DAY OF        JUNE                      , 2024.

READ A SECOND TIME THIS                      DAY OF        JUNE                      , 2024.

PUBLIC HEARING ON THIS                      DAY OF        JUNE                      , 2024.

READ A THIRD TIME THIS                      DAY OF        JUNE                      , 2024.

MOTI APPROVAL                                      *as per M114 signed May 8, 2024*

ADOPTED THIS                                      DAY OF        JUNE                      , 2024.

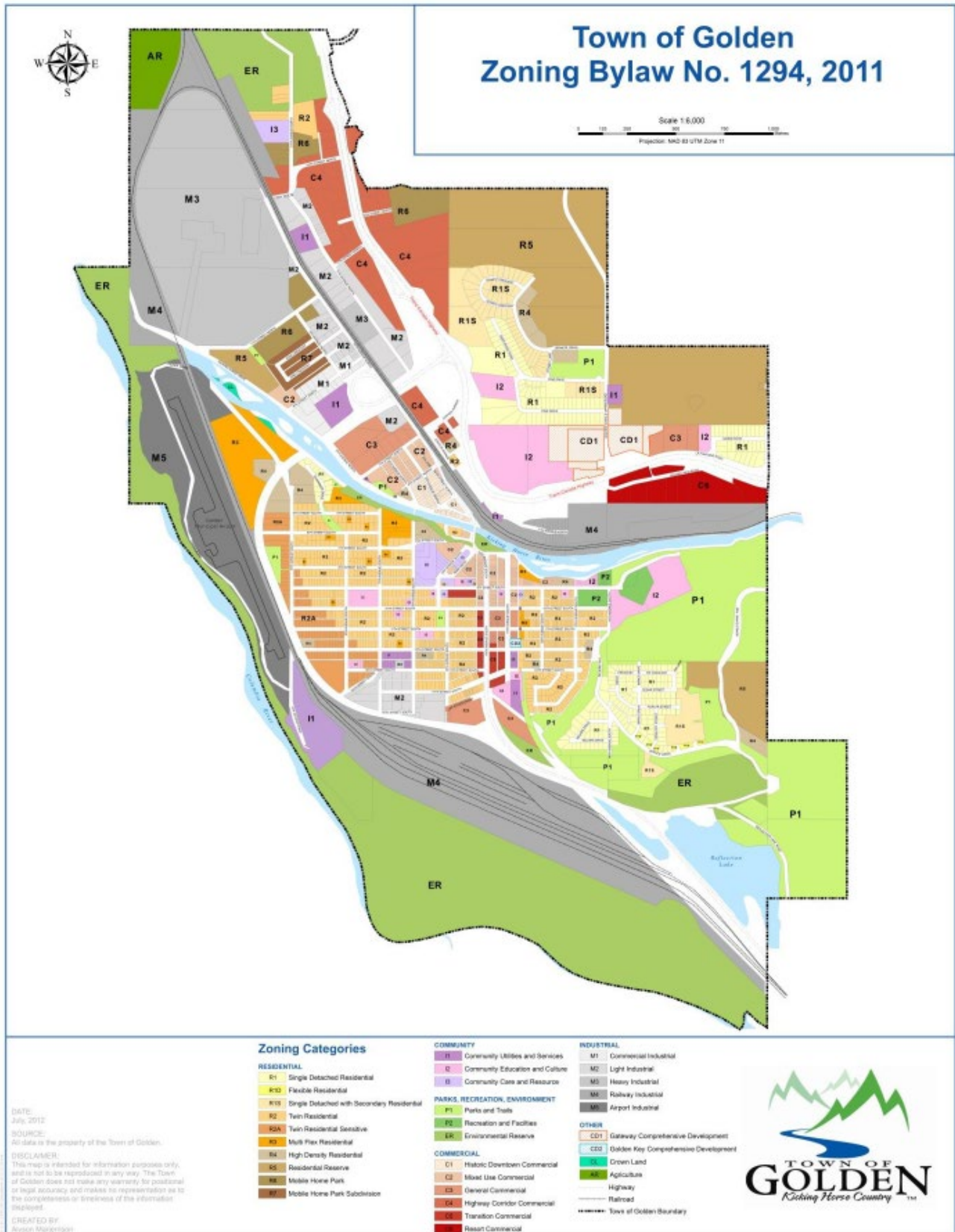
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MAYOR

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CORPORATE OFFICER

# Enclosure



*Note, a few properties within the R1 zone have already been rezoned to R1-S.*



**PROVINCE OF BRITISH COLUMBIA**  
**REGULATION OF THE MINISTER OF TRANSPORTATION**  
**AND INFRASTRUCTURE**


*Community Charter and Local Government Act*

Ministerial Order No. M114

I, Rob Fleming, Minister of Transportation and Infrastructure, order that the attached Approval Exemption (Controlled Access Highway) Regulation is made.

May 8, 2024

Date

  
Minister of Transportation and Infrastructure

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*(This part is for administrative purposes only and is not part of the Order.)*

**Authority under which Order is made:**

Act and section: *Community Charter*, S.B.C. 2003, c. 26, ss. 280 and 282 (1); *Local Government Act*, R.S.B.C. 2015, c. 1, ss. 249 and 783 (1)

Other:

R10783237

## **APPROVAL EXEMPTION (CONTROLLED ACCESS HIGHWAY) REGULATION**

### **Interpretation**

- 1** (1) In this regulation, “**zoning bylaw**” has the same meaning as in section 1 of the Schedule to the *Local Government Act*.
- (2) A reference in this regulation to the *Local Government Act* or a regulation made under that Act is a reference to that Act or regulation as the Act or regulation read on December 7, 2023.

### **Exemption from approval requirement**

- 2** (1) The requirement in section 52 (3) (a) [*development near controlled access highway*] of the *Transportation Act* for the approval of the minister or the minister’s designate does not apply to a zoning bylaw if
- (a) the bylaw is made only for the purpose of complying with section 481.3 [*zoning bylaws and small-scale multi-family housing*] of the *Local Government Act*,
  - (b) the bylaw permits the use and minimum density of use set out in section 481.3 of the *Local Government Act* or a regulation made under that section, and
  - (c) the bylaw does not permit a density of use that is greater than the minimum density of use set out in section 481.3 of the *Local Government Act* or a regulation made under that section.
- (2) For certainty, the requirement in section 52 (3) (a) of the *Transportation Act* continues to apply to a zoning bylaw to the extent that the zoning bylaw permits either or both of the following:
- (a) a use other than a use set out in section 481.3 of the *Local Government Act* or a regulation made under that section;
  - (b) a density of use that is greater than the minimum density of use set out in section 481.3 of the *Local Government Act* or a regulation made under that section.



# Memorandum

To: Council

From: Phil Armstrong, Director of Planning and Development

Date: 2023 10 24

File: 3900-20 Bylaw 1437 2020

**RE: Short Term Rental Accommodations Act**

On October 16, 2023, the Province of British Columbia introduced the Bill 35 *Short Term Rental Accommodations Act* and at the time of drafting this memo the legislation has received first reading.

It is important to note that this legislation must still go through the legislative process and associated regulations will need to be released and approved by the Cabinet. Key details will be in these upcoming regulations.

The intent of this briefing is to give an overview of the proposed changes, timing of implementation, and how this may impact the Town of Golden. The table below has been drafted from a review of provincial and UBCM news releases and Bill 35.

## 1. Increasing fines and better tools for local governments:

Province	Golden	Next Steps
<b>1.a. Increasing allowable fines</b> (upon Bill 35's royal assent):  To further support local enforcement, municipal ticket information fines (also referred to as MTI or municipal ticketing) which can be imposed per infraction, per day, will increase from \$1,000 to \$3,000.	Golden has focused on implementing and using the Bylaw Notice and Adjudication System because the burden of proof is lower than the MTI system and the bylaw notice tickets do not need to go through a court process; however, the maximum fine is \$500 per infraction, per day.	Relying on the bylaw notice tickets should be sufficient in the short and medium term. In the next few years, the Town <i>may</i> seek to update its MTI bylaw.
<b>1.b. Platform accountability</b> (May 1, 2024):  Short-term rental platforms will be required to include business license numbers on listings and to remove listings without license numbers within a few days, at the request of the local government, to ensure that local rules are being followed.	This requirement is already within the Town's STR regulations and this Provincial legislation will assist in implementing and ultimately enforcing Town of Golden regulations.  It will be important to complete the application component of the Town's regulations adopted nearly 3 years ago (December 1, 2020) in order to process applications so that legal operators will have a business license to include on their listing.	Staff to complete application process and implement the STR regulations. This has been delayed due to competing priorities and significant development interest.
<b>2.c. Data sharing</b> (summer of 2024):  Online short-term rental platforms will be required to share their data with the Province, so the Province can provide that information to local governments for enforcement and support of provincial and federal tax auditing.	This will likely assist enforcement efforts and <i>may</i> save the Town of Golden monies allocated to a 3 <sup>rd</sup> party company to monitor and assist in enforcing regulations. The enforcement assistance services, from the Town's 3 <sup>rd</sup> party company, will not be replaced by this data sharing or Provincial registry and the Provincial enforcement unit described in section 3 below.	To be evaluated in late 2025.

## 2. Returning more short-term rentals into long-term homes for people:

Province	Golden	Next Steps
<p><b>2.a. Principal residence requirement</b> (May 1, 2024):</p> <p>Short-term rentals will only be permitted in the principal residences of a host <u>and</u> one secondary suite or laneway home/garden suite.</p> <p>Forthcoming regulations will specify areas exempt from the principal residence requirement, including 14 resort regions (including Golden), mountain resort areas, municipalities under 10,000 population (includes Golden but does not include municipalities within 15 kilometres of larger municipalities), and regional district electoral areas.</p> <p>Local governments meeting prescribed criteria may request by resolution inclusions to the principal residence requirement or in other words to “opt in” to the principal residence requirement.</p> <p>Local governments will also still be able to use existing bylaws and introduce additional bylaws that are more <i>restrictive</i> for short-term rentals.</p>	<p>The Town of Golden’s residential short term rental (STR) regulations are more restrictive than the Province’s regulations and were drafted with a home based business philosophy.</p> <p>Examples:</p> <ul style="list-style-type: none"> <li>i. The Town only allows one bed and breakfast (B&amp;B) or STR per low density residential property, whereas it appears the Province will allow two.</li> <li>ii. Further to this, the Town does not allow properties with Detached Secondary Residential Dwellings (DSRDs i.e. carriage house/garden suite) to have a B&amp;Bs or an STR whether in the DSRD or the principal building. A key aspect of the intent of the DSRDs use (introduced in 2012) was, and is, to create units for long term rental purposes and this is balanced with shading and privacy impacts to surrounding neighbours.</li> <li>iii. Additionally, the Town does not allow B&amp;Bs or STRs in manufactured homes or medium or high-density residential zones. This was to protect the most accessible long term rental stock and smaller more attainable ownership housing stock from the STR market.</li> </ul> <p>All the above stated, the Province is allowing municipalities to continue to be more restrictive than the proposed Act and subsequent regulations with or without opting in.</p> <p>That said, more information on the specific implications of opting into the principal residence requirement is required to appropriately and fully brief Council. Based on the information provided by the Provincial tech briefing staff attended, it does not appear this could be done partially. In other words, the proposed legislation and opting in, in theory, would enable the Town to remove the ability for commercial STRs (without a permanent resident) to continue to operate. This would impact commercial STR units recently built (OSO) or under construction (Riverstone) in commercial zones as potentially <i>only</i> permissible as long-term residential units.</p>	<p>To be evaluated when more information and the regulations are made public.</p>

<p><b>n 2.b. Removing legal non-conforming use protections</b> (May 1, 2024):</p> <p>Legal non-conforming use (i.e. “grandfathered in”) protections in the <i>Local Government Act</i> will be updated so that they do not apply to short-term rentals, should a local government change historic short term rental rules.</p>	<p>The Town’s STR regulations were developed after collecting feedback from over 500 people, 4 focus groups, two online surveys, one open house, a public hearing and targeted stakeholder meetings. It was a thoroughly considered decision to formally introduce the STR use to commercial zones in order to create more downtown accommodation (and dwelling units) in the C1, C2, C3 zones, to support the vitality/businesses in the downtown, and to also attempt to alleviate any potential nuisance issues away from residential areas (noise, parking, etc.). This was in alignment with the existing hotel permitted use in these zones. The commercial zones with the STR principal use were expanded to also include the C4 and C6 zones (Hwy. 1). Opting in and the legal non-conforming use update could impact these commercial STRs ability to continue to operate.</p>	<p>To be evaluated when more information and the regulations are made public.</p>
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### 3. Establishment of a Provincial regulatory framework

Province	Golden	Next Steps
<p><b>3.a. Provincial host and platform registry</b> (implementation by late 2024):</p> <p>Once the provincial registry is established, all hosts and platforms will be required to register with the Province, and listings will need to include a valid provincial registry number. Platforms will have 3 months to register their companies, and hosts will have 6 months to register their units once the registry is active.</p>	<p>It appears that this will be of assistance to Golden in education and enforcement.</p>	<p>To be evaluated when more information and the regulations are made public.</p>
<p><b>3.b. Provincial short-term rental compliance and enforcement unit</b> (implementation by late 2024):</p> <p>The new enforcement unit will track compliance, issue orders, and administer penalties for violations.</p>	<p>It appears that this will be of assistance to Golden in education and enforcement.</p>	<p>To be evaluated when more information and the regulations are made public.</p>

As next steps, staff will prioritize completing implementation and return to Council with further meaningful information with regards to potentially opting in to the principal resident requirement when available.



Phil Armstrong MCIP, RPP  
Director of Planning and Development

Enclosed

✓ 2023 10 19 Provincial STR Tech Brief

# Short-Term Rental Accommodations Act

Technical Briefing

Oct 16, 2023

# What we will cover today

- The short-term rental situation – why action is needed.
- How other jurisdictions are taking action towards a growing global housing concern.
- Upcoming changes to short-term rentals:
  - Three key elements of the changes
  - Where elements will apply
  - Timelines



# Building from a strong foundation

- Government has taken strong action since 2017 to deliver more homes for people, including:
  - Tackling vacant homes by introducing the Speculation and Vacancy Tax
  - Taking historic action to deliver new homes
- In the spring, the Government introduced the **Homes for People Action Plan** designed to double-down on historic investments in housing and introduce new ways of creating more homes for people, faster.
- B.C. has made real progress. To date, nearly **77,000 homes are open or on the way**, and **tens of thousands more to come**.
- Progress includes:
  - Continuing to take substantial action to increase supply and deliver homes that people can afford to rent or buy. (Nearly 77,000 homes open or underway).
  - Working with municipalities to introduce housing targets to deliver more homes in communities with the greatest housing need.
  - Introducing and expanding the Speculation and Vacancy Tax to deliver more homes for people.
  - Freezing rent increases during the pandemic and capping increases over the last two years at well below the rate of inflation.
  - Banning illegal renovictions and strengthening the financial penalties for landlords who evict tenants in bad faith.
  - Adding more resources and staff at the Residential Tenancy Branch to provide faster resolutions to renter/landlord disputes.
  - Giving extra support to renters with low and moderate incomes through the new \$400 income-tested Renter's Tax Credit.



# The Challenge

- We have made real progress over the past years to deliver housing for people in B.C., but the pandemic, inflation, rising interest rates, growing population and a global labour shortage have added new challenges.
  - These housing challenges have been highlighted by low vacancy rates and a lack of long-term rentals in B.C.
  - Many communities throughout B.C. are facing rental vacancy rates well below 1.5%. (*Provincial Vacancy Rate is 1.3%*). The CHMC defines a healthy vacancy rate between 3-5%.
  - As a result of low long-term rental stock, the cost of rent has climbed in most B.C. communities causing financial stress for many working families.
  - This rental crisis is impacting local economies, contributing to more worker shortages in an already tight labour market and impacting the delivery of key services that people count on (health care, education, early childhood education).
  - We're in a housing crisis – we must look at new ways to turn housing units in B.C. into long-term homes for people.
- 4 • And that's why **we're taking action.**



# The Short-Term Rental Situation

- Finding an affordable place to live is already a big challenge, and short-term rentals (STRs) are making the problem even worse.
- Short-term rental (STR) listings on online platforms (which may include, for example, Airbnb, VRBO, Expedia, FlipKey) have expanded rapidly over recent years, and data tells us it continues to surge since the pandemic.
- There are currently approximately 28,000 STR listings in B.C (an increase of 20% from a year ago).
- Research from [McGill University](#) specifically on the B.C. market indicates that more than **16,000 “entire homes”** have been pulled out of the housing market and are being used as short-term rentals. Entire homes are units listed for the majority of the year, booked for more than 90 nights during a calendar year.
- Various studies and research show:
  - The STR market in BC is dominated by a small segment of profit-driven operators (mini-hotel operators).
  - The top 10% of hosts earned 48.8% of all revenue, and nearly half of all operators have multiple listings.
  - Website [Inside Air bnb Vancouver](#) also looks at STR data in Vancouver and shows 12 operators in Vancouver have 30 listings or more, with one operator hosting 123 separate listings.
  - Based on sample data from 15 municipalities with local bylaws in place, the Province estimates the percentage of non-compliant short-term rental listings in 2023 is about 40-50%.



In summary, research studies and ministry data show that STRs are diverting thousands of long-term rental homes onto the short-term market, taking away homes people need, and in many communities, adding to the challenge of finding an affordable place to rent.

# Growing global problem

- Globally, studies show there are more than 6 million homes rented on Airbnb alone, in 100,000 cities.
- Short-term rentals are increasingly seen as contributing to global housing challenges.
- In response, jurisdictions around the world are increasingly trying to regulate, restrict or ban short-term rental of units that could otherwise be used for long-term housing.
  - **Quebec**
    - Requires hosts to register with the Province and display a registration number issued by the Province on their listing.
    - Fines of up to \$100,000 per illegal listing.
    - STR platforms may only permit listings with a registration number to be posted online.
  - **New York City**
    - Hosts must demonstrate that they will be physically present during their guests' stay, and that no more than two paying guests will stay at one time.
  - **San Francisco**
    - STRs are limited to principal residences with a maximum of 90 days rented out when a host is not living at the home.
  - **Spain**
    - Has had regulations on STRs for many years. Each autonomous community has its own regulations, but most require business licenses and limit STRs.
  - **European Union**
    - Requires host registration and countries have tools to ensure safe and compliant data-sharing.



# What is currently being done in B.C.?

- To manage the growing need for regulation of STRs, municipal bylaws or license fees are currently in place in approximately 30 municipalities across B.C.
- These bylaws range in levels of restrictions and rules towards hosting STRs and demonstrate the need for a whole of province approach.
  - **Vancouver**
    - Principal residence requirement
    - Individuals can only have one license – licensed only to the person that resides in the property
    - Operators must have a business license and include their license number in all online listings
  - **Victoria**
    - Principal residence requirement
    - Must have a business license
  - **Tofino**
    - Principal residence requirement plus one secondary suite on property
    - Must have a business license
    - Maximum of six guests and 3 bedrooms per listing
  - **Cumberland**
    - Principal residence requirement
    - One listing on a property
    - Maximum of six guests and 3 bedrooms per listing
  - **Revelstoke**
    - Principal residence requirement and rules around secondary suites in certain zones of community
    - Must have a business license
    - Maximum of six guests and 3 bedrooms per listing



# Short-term rental impact in B.C.

- Some local bylaws in B.C have been effective in creating more long-term rentals for people. In Vancouver, city data says 800 STRs have been converted to long-term rentals as a result.
- **But municipalities are facing challenges in the face of a STR market that is growing quickly and taking homes off the long-term rental market.**
- **In Vancouver**, city data shows more than 30% of hosts are operating illegally.
- **In Victoria**, approx. 1,600 hosts are operating under the legal non-conforming clause, which prohibits city bylaws from applying to certain buildings and homes. City records also show that 42% of STR licenses are held by operators who live out-of-town.
- **In the District of Squamish**, [city reports](#) show STR units have increased 38% from 2021 to 2022 and less than half of listings are compliant with regulations.
- Municipalities, [including UBCM recommendations](#), are asking the Province for support in addressing short-term rentals through more oversight and stronger tools to address this growing issue (including a central database and more data sharing).



## Action on Short-Term Rentals

Turning more short-term rentals back into homes for people through 3 key responses:



### Increasing fines and strengthening tools for local governments

- Increasing fines for operators breaking local rules
- Requiring short-term rental platforms to share data to improve local enforcement
- Increasing platform accountability to make sure local rules are followed
- Providing regional districts with more tools



### Returning more short-term rentals into long-term homes for people

- Limiting short-term rentals in B.C. to principal residences only - plus one additional unit on that property - for B.C. municipalities with more than 10k people
- Removing legal non-confirming rules being taken advantage of by investors



### Establishing provincial rules and enforcement

- Requiring all STR hosts to join a provincial registry
- Launching a provincial Short-Term Rental Compliance and Enforcement Unit to make sure rules are being followed



## Increased fines and strengthening tools for local governments

- **Increasing fines for operators breaking local rules**

- Through regulations, fines will increase for hosts breaking local municipal by-law rules from **\$1000 to \$3000** per infraction, per day.
- The proposed rules allows regional districts to set the same maximum penalty of \$50,000 for severe contraventions (like municipalities).

- **Requiring short-term rental platforms to share data with municipalities to improve local enforcement**

- A key request from municipalities, this will help bylaw officers and city staff crack down on hosts breaking local rules.
- The proposed rules would make it mandatory for STR platforms to share information with the Province, including information about STR hosts. The Province can then share that information with local governments to support a more integrated approach to regulation and enforcing provincial rules.
- No private information about hosts will be released publicly.

- **Increasing STR platform accountability to make sure local rules are followed**

- Requiring short-term rental platforms to include businesses license and registration numbers on listings where they are required by a local government, and to remove listings without them quickly.

- **Providing regional districts with more tools**

- Currently, regional districts do not have business regulation and licensing powers. Proposed action will grant all regional districts broad business regulation and licensing powers. Regional districts will then be able to require businesses, including short-term rental businesses, to obtain and maintain a business license to operate.
- This will help regional districts gain a better understanding of the number and type of short-term rentals operating in their communities.
- The business regulation and licensing powers provided to regional districts will parallel those of municipalities.

**Note: Short term rental accommodation service refers to a period of less than 90 days.**



# Providing more homes for people in communities with greatest housing needs



- **Principal residence requirement (+1 secondary suite)**

- Principal residence is defined as a place in which an individual lives for a longer period in a calendar year than any other place.
- Short-term rentals in non-principal residences across the province are taking away homes for people in B.C. Entire homes are being used as short-term rentals when they could be put on the long-term rental market or sold. Other jurisdictions have brought in principal residence requirements – including several communities in B.C.

- B.C.'s principal residence requirement will:

- **Require short-term rentals to be only in the principal residence\* of a host in municipalities with a population of 10,000 people or more (\*principal residence plus one secondary suite or laneway home/garden suite on property allowed).**

- Through forthcoming regulations, it is intended that 14 [resort municipalities](#), mountain resort areas, electoral areas (incl. Gulf Islands), and most municipalities with a population under 10,000 people (except those adjacent to larger municipalities, e.g. Highlands, Belcarra) will initially be **exempt from the principal residence requirement** but can opt in if the local government decides to.
- Communities adjacent to larger municipalities are defined as smaller communities less than 15 KM away from a larger community with the Principal Residence requirement. They are listed on the following slide.

**Note: PR requirement applies to homeowners and renters**



# List of Communities

- The B.C. municipalities with a population over 10,000 people are listed below by population size descending from highest to lowest.
- For reference, an \* has been added on communities that currently have a vacancy rate above 3 percent (2023 CMHC Data).
- When regulations are released, it is intended that communities over a 3 percent vacancy rate (using the most current data available) may request an exemption from the principal residence requirement.
- The provincial principal residence requirement will function as province-wide floor for communities with populations over 10,000 people **but local governments will still be able to use existing bylaws and introduce additional bylaws that are more restrictive for STRs.**

- |              |                   |                  |                    |                  |
|--------------|-------------------|------------------|--------------------|------------------|
| • Vancouver  | • Kamloops        | • Vernon         | • Fort. St. John*  | • Parksville     |
| • Surrey     | • Chilliwack      | • West Vancouver | • Cranbrook        | • Dawson Creek*  |
| • Burnaby    | • Victoria        | • Mission*       | • Salmon Arm       | • Sidney         |
| • Richmond   | • Maple Ridge     | • Penticton      | • Pitt Meadows     | • Prince Rupert* |
| • Abbotsford | • North Vancouver | • West Kelowna*  | • Colwood          | • North Saanich  |
| • Coquitlam  | (district)        | • Campbell River | • Port Alberni     | • Summerland     |
| • Kelowna    | • New Westminster | • Port Moody     | • Oak Bay          | • Terrace        |
| • Langley    | • Prince George*  | • North Cowichan | • Esquimalt        | • View Royal     |
| (township)   | • Port Coquitlam  | • Langley (city) | • Central Saanich* | • Coldstream     |
| • Saanich    | • North Vancouver | • Courtenay      | • Lake Country     | • Nelson         |
| • Delta      | (city)            | • Squamish       | • Sooke            | • Williams Lake* |
| • Nanaimo    | • Langford        | • White Rock     | • Comox            | • Sechelt        |
|              |                   |                  | • Powell River     |                  |

## Adjacent Communities

- Qualicum Beach
- Metchosin
- Duncan
- Cumberland
- Highlands
- Anmore
- Pouce Coupe\*
- Belcarra


## Providing more homes for people in communities with greatest housing needs

- **Removing legacy rules being taken advantage of by investors**
  - Currently, 'legal non-conforming use principle' allows hosts to operate despite local bylaws in place (under a land use bylaw). This is because short-term rentals were allowed in a building or structure prior to the bylaw being put in place.
  - These legacy authorities are in place in Victoria, Kelowna and several other communities.
  - For example, in Victoria, according to the City, there are approx. 1,600 units the City cannot regulate due to this "legacy" law whereby short-term rentals were zoned as an allowable prior to their STR bylaw being put in place.
  - **We will remove STRs from legal non-confirming use so that all operators will need to follow local government rules.**
  - The provision would apply to only the use of land for STR accommodation services, or similar services, and not to any other uses permitted by a local government land use bylaw.





## More details on actions to rein in STRs

- The principal residence requirement is designed to make sure that many accommodation buildings and operations that have operated in communities for a long period of time can continue to provide stays for visitors – including in tourism driven communities.
  - This will **not apply to hotels and motels**, as these types of buildings were never intended as long-term housing.
  - Future regulations will enable the Province to exempt additional types of properties, for example: strata hotels, timeshares and fishing lodges, which are not intended to be included.
  - Communities on First Nations reserve land will be exempt. Modern treaty nations will also be exempt but will be able to opt in, if desired.
- 
- Requirements to share data with the Province to improve enforcement efforts and the requirement to remove listings not following local and provincial rules will only apply to online platforms that book and receive payments for a short-term stay.
  - To ensure STR hosts are following rules, the requirement to register listings and the principal residence requirement will apply to all advertised short-term rental listings.



## Establishing provincial rules and enforcement

- **Require all STR hosts to register with a provincial registry**
  - The Province will establish a **short-term rental registry** that will require all hosts and platforms to register with the Province.
  - Hosts will be required to include a valid provincial registration number on their listing, in addition to a business license number, where required.
  - Platforms will be required to only advertise listings that are compliant as indicated by a provincial host registration number. Platforms will be required to validate host's registration numbers with the Province.
  - Once the registry is active (late 2024), platforms will have 3 months to register their companies and hosts will have 6 months to register their units.
- **Launch Provincial Short-Term Rental Compliance and Enforcement Unit to make sure rules are being followed**
  - We expect that hosts, platforms and other will do their best to comply and the need for the enforcement will be relatively rare.
  - In those rare cases, the Provincial Unit will:
    - Track compliance
    - Issue orders
    - Administer penalties for violations



# What does this mean for:

## STR Hosts

- ❖ Can still rent out home when they are away, or a secondary/ laneway suite if permitted by local bylaws
- ❖ Can still rent out vacation property if in areas exempt from principal residence requirement
- ❖ Can turn STR into long-term rental home
- ❖ Must register with provincial registry (when active)

## STR Platforms

- ❖ Must share data with Province to help enforce rules
- ❖ Must remove listings not playing by the rules and validate registration numbers
- ❖ Must register with provincial registry (when active)

## People living in B.C.

- ❖ More rental options in communities with low vacancy rates and high housing needs
- ❖ Can still use STR listings for B.C. vacations/ trips

# Timelines

Changes to be brought in through a phased-in approach:

## Immediately on Royal Assent

- Increase fines for municipal bylaw infractions
- Regional district business licencing

## May 1, 2024

- Principal Residence Requirement
- Removing legal non-conforming use clause
- Require business licenses to be displayed on platforms

## Summer 2024

- Data sharing from STR platforms

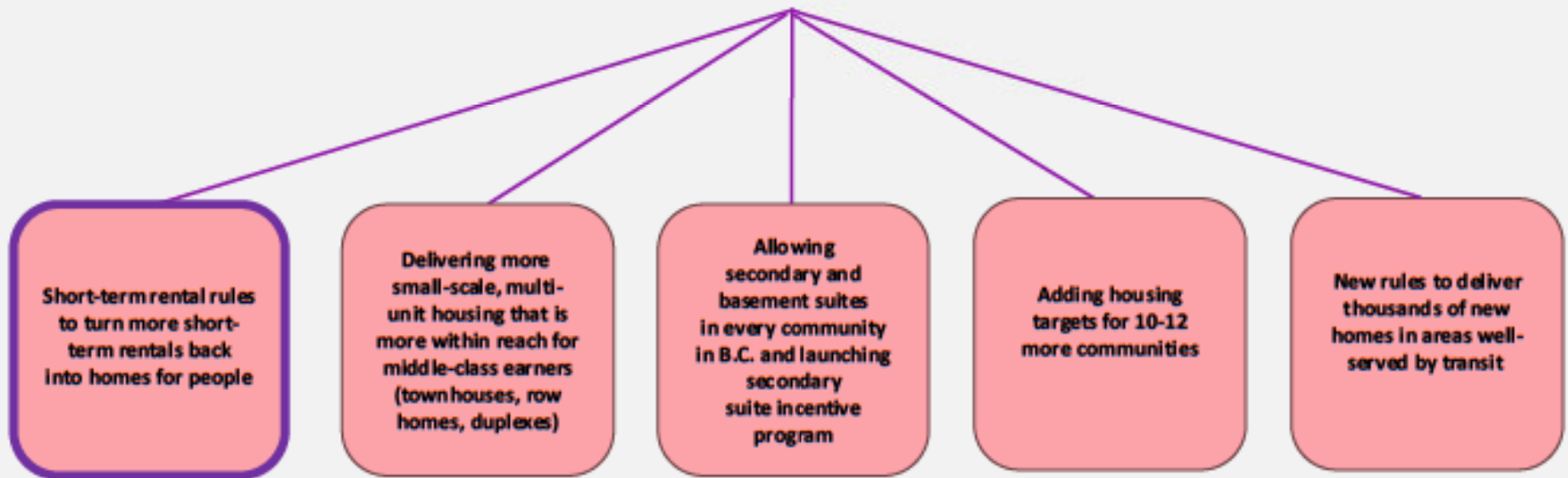
## Late 2024

- Provincial registry

# Further housing actions this fall

Several more housing bills and actions will to be introduced in the fall as part of the Province's Homes for People Action Plan.

This includes:



These strong actions are necessary in the face of high interest rates, inflation and a growing global housing affordability crisis.

# In Summary

- People are calling on all levels of government to work together to address the housing crisis and deliver more homes that are within reach.
- That's why we are taking strong action to rein in a fast-expanding short-term rental market, where operators with multiple listing are taking homes off the long-term market to make big profits – while people pay the price.
- People using STR platforms to book vacation rentals will not be subject to fines under new rules – it's up to hosts and platforms to ensure they are following the rules.
- Provincial principal residence requirement will function as province-wide floor for communities with population over 10,000 people - local governments will still be able to restrict STRs further through their own bylaws.
- The approach is comprehensive and designed to target areas with high-housing needs, while making sure smaller communities and communities that are dependent on short-term rentals for tourism have more tools to regulate STRs at a local level, or opt-in to the principal residence requirement if they choose.
- It's strong action and a thoughtful, phased in approach to tackle the short-term rental challenge and deliver more homes for people.

