



STAFF REPORT

DATE: June 18, 2024 **FILE:** 0550-04 Board

TO: Chair and Directors,
Regional Board

FROM: Dave Leitch
Chief Administrative Officer

RE: **BYLAW NO. 565 – ELECTORAL AREA D SHORT TERM RENTAL AMENDMENTS**

PURPOSE/PROBLEM

To consider first 2 readings for Bylaw No. 565 which proposes zoning bylaw amendments to regulate Short-Term Rentals (STR's) in Electoral Area D in response to Bill 35, *Short-Term Accommodations Act, 2023*.

EXECUTIVE SUMMARY

The attached report was considered at the June 12, 2024 meeting of the Electoral Areas Services Committee at which time the following resolutions were passed:

Browne/Mawhinney: EASC 206/24

THAT the Committee recommend that Bylaw No. 565, being Campbell River Area Zoning Bylaw 1991, Amendment No. 75, be forwarded to the Board for first and second readings.

Browne/Mawhinney: EASC 207/24

THAT the Committee recommend that the Board authorize a public hearing to consider Bylaw No. 565, and

THAT the public hearing be held at a date and time to be determined.

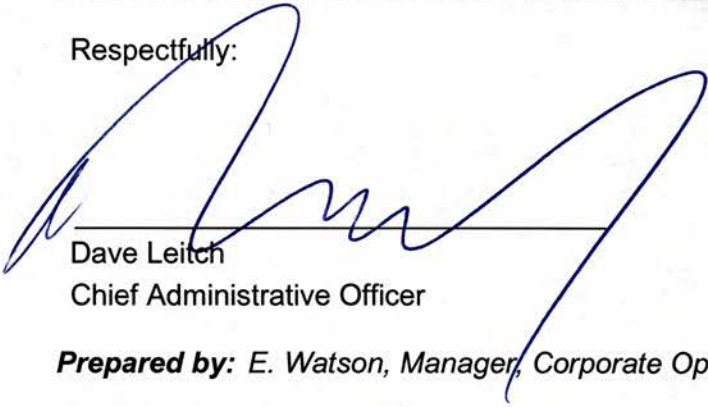
The actions below are offered in support of the Committee's recommendations.

RECOMMENDATIONS

1. THAT the report from the Chief Administrative Officer be received.
2. THAT Bylaw No. 565, being a bylaw to amend the zoning regulations applicable to Electoral Area D (Oyster Bay – Buttle Lake), be now be introduced and read a first time.
3. THAT Bylaw No. 565 be given second reading.
4. THAT an in-person public hearing to consider Bylaw No. 565 be scheduled for 6:00 p.m. on Wednesday, July 10, 2024 at the Oyster Bay Resorts located at 4357 S. Island Highway in Electoral Area D, and

THAT the holding of the public hearing be delegated to the Electoral Area D director.

Respectfully:

A large, stylized handwritten signature in blue ink, which appears to read 'Dave Leitch', is written over a horizontal line.

Dave Leitch
Chief Administrative Officer

Prepared by: *E. Watson, Manager, Corporate Operations*

Attachments: Bylaw No. 565
Copy of June 4, 2024 report to the Electoral Areas Services Committee



BYLAW NO. 565

A BYLAW TO AMEND THE ZONING REGULATIONS APPLICABLE TO ELECTORAL AREA D (OYSTER BAY – BUTTLE LAKE)

WHEREAS the former Comox-Strathcona Regional District has, by Bylaw No. 1404, adopted zoning regulations for Electoral Area D pursuant to Part 14 of the *Local Government Act*;

AND WHEREAS a bylaw of the former Comox-Strathcona Regional District that regulates the use or development of land within the area comprising the Strathcona Regional District remains in force until amended or repealed;

AND WHEREAS the Regional Board wishes to amend the aforesaid Bylaw No. 1404 having due regard to the requirements of the *Local Government Act*;

NOW THEREFORE the Board of Directors of the Strathcona Regional District, in open meeting assembled, enacts as follows:

Amendments

1. Bylaw No. 1404, being Campbell River Area Zoning Bylaw 1991, is hereby amended as set out in Schedule 'A', attached to and forming part of this bylaw.

Citation

2. This bylaw may be cited for all purposes as Bylaw No. 565, being Campbell River Area Zoning Bylaw 1991, Amendment No. 75.

READ A FIRST TIME ON THE ____ DAY OF _____, 2024

READ A SECOND TIME ON THE ____ DAY OF _____, 2024

READ A THIRD TIME ON THE ____ DAY OF _____, 2024

RECONSIDERED, FINALLY PASSED AND ADOPTED ON THE ____ DAY OF _____, 2024

Chair

Corporate Officer

SCHEDULE 'A'

SECTION ONE TEXT AMENDMENTS

1) Part 2 'INTERPRETATION' is amended by inserting the following:

'SHORT TERM RENTAL' means the rental of a dwelling unit or portion thereof to the travelling public for a period of less than ninety (90) days and includes bed and breakfasts.

2) Part 2 'INTERPRETATION' is amended by replacing the definition of BED AND BREAKFAST with the following:

'BED AND BREAKFAST' means the use of a room or rooms without cooking facilities in an owner-occupied dwelling for the temporary sleeping accommodation of the travelling public, with breakfast meals being prepared and served to guests.

3) PART 4 LAND USE REGULATIONS, is amended by inserting "Section 10.1 Short-Term Rentals" as follows:

10.1) Short-Term Rentals

- a) Short-Term Rentals are permitted in all zones where residential use is permitted, provided that the following requirements are met:
 - i. At least one automobile parking space shall be provided on the same lot for each STR, in addition to the parking requirements for the residence.



STAFF REPORT

DATE: June 4, 2024

FILE: 0540-04 EASC

TO: Chair and Directors
Electoral Areas Services Committee

FROM: Dave Leitch
Chief Administrative Officer

RE: **BYLAW NO. 565 - ELECTORAL AREA D SHORT-TERM RENTALS**

PURPOSE

To consider zoning bylaw amendments to regulate Short-Term Rentals (STRs) in Electoral Area D in response to Bill 35, the *Short-Term Rental Accommodations Act, 2023*.

POLICY ANALYSIS

Part 14 "Planning and Land Use Management" of the *Local Government Act (LGA)* addresses local governments' roles regarding official community plans and zoning bylaws, namely s.471 (Official Community Plans), s.479 (Zoning Bylaws) and ss.464 - 465 (Public Hearings on Bylaws).

EXECUTIVE SUMMARY

Bill 35, the *Short-Term Rental Accommodations Act (STRAA)*, amends the *Local Government Act* and *Community Charter* to strengthen the ability of local governments, including regional districts, to regulate STRs and enforce STR bylaws. An optional provision of the STRAA is the Principal Residence Requirement, which limits the operation of STRs to a host's principal residence, plus one secondary suite or accessory dwelling unit (ADU) located on the property. The decision to opt-in must be made annually. For 2024, Electoral Area D has not opted in to the principal residence requirement.

Since Bylaw No. 1404, being the *Campbell River Area Zoning Bylaw 1991*, does not contemplate STRs at this time and, with the implementation of the new legislation, it is necessary for the SRD to amend the bylaw to both define STRs and regulate their permissiveness. To inform these amendments the SRD conducted a series of community surveys from July 2023 to March 2024, to engage communities and gather input on potential STR regulation options and concerns. Given the feedback provided through consultation efforts, it is recommended that the SRD permit STRs in all zones where residential use is permitted. Findings from the three (3) surveys have been used to inform the proposed amendments to the zoning bylaws.

Based on the above considerations, Bylaw No. 565 has been prepared for the Committee's consideration.

RECOMMENDATIONS

1. THAT the report from the Chief Administrative Officer be received.
2. THAT the Committee recommend that Bylaw No. 565, being Campbell River Area Zoning Bylaw 1991, Amendment No. 75, be forwarded to the Board for first and second readings.
3. THAT the Committee recommend that the Board authorize a public hearing to consider Bylaw No. 565, and

THAT the public hearing be held at a date and time to be determined.

Respectfully:



Dave Leitch
Chief Administrative Officer

BACKGROUND

Regulating STRs can bring several benefits to communities, addressing various social, economic, and environmental concerns. Firstly, regulating STRs preserves housing supply. By regulating STRs, local governments can prevent the conversion of long-term rental units and affordable housing into short-term accommodations, which helps maintain the availability of housing for residents. As discussed in the Ministry of Housing's "Priorities for Action on Short-Term Rentals" report (UBCM, 2021);

"existing data on vacancy in the primary rental market (purpose built rental) shows no consistent correlation with short-term rental listings or bookings activity, but the true impact of short-term rentals is in the secondary market (other housing forms), which is more fluid and difficult to measure. The lack of consistent definition of what constitutes a "permanent dwelling" and limited capacity of governments to monitor listings makes it nearly impossible to determine the actual scale of diversion from rental housing stock in a statistical sense, but observations by local governments across the province indicate there is a significant unmeasured threat to long-term housing. As 70% of B.C.'s renter households rely on secondary rental market housing, and in some communities up to 100% of rental housing is in the secondary market, there is a strong case for responding to the potential impacts of short-term rentals even in lieu of appropriate data sources."

Secondly, regulating STRs can help maintain neighbourhood stability. Excessive STR activity can disrupt the stability and character of residential neighborhoods, leading to a transient population and reducing community cohesion. Regulation helps mitigate issues such as noise, traffic, and parking problems, which can arise from high turnover and occupancy rates associated with STRs. Regulation also helps maintain fair competition which ensures a level playing field between STRs and traditional accommodation providers, like hotels and bed-and-breakfasts, who are subject to similar regulations and taxes. These regulations help create a balanced approach that allows the benefits of STRs to be enjoyed while mitigating potential negative impacts on local communities.

PLANNING ANALYSIS

In March 2024 the Strathcona Regional District ran a community survey on the possibility of regulating Short-Term Rentals (STRs) within Area D in response to the Provincial government's enactment of Bill 35, the *Short-Term Rentals Accommodations Act*. The survey received 141 responses, 84% of which were from permanent residents. When asked where Short-Term Rentals should be permitted, the most popular vote (50%) indicated "all zones" (everywhere). A high-level overview of the survey responses is summarized in Attachment 1. Regardless of whether STRs are subject to the Provincial principal residence requirement or not, in order to operate an STR on a given property, it must be permitted within the zoning of the property. When asked how they could see STRs benefitting the community, 70% of survey responders said they felt that STRs support the tourism industry and 74% said they provide additional income to property owners. When asked if there were any concerns with permitting STRs in Area D, 60% of respondents indicated that they had no concerns.

This amendment is supported by the Electoral Area D Official Community Plan in the following sections:

- Section 13 Agriculture, Objective 13 which states “Recognize and support agri-tourism on ALR lands throughout the plan area”
- Section 10 Economic Development, Objective 6 which states “Support eco-tourism, agri-tourism, culinary tourism and cultural tourism initiatives”

FINANCIAL IMPLICATIONS

Fees for the OCP and rezoning application process have been applied in accordance with the Regional District’s Planning Procedures and Fee Bylaw (Bylaw No. 5).

LEGAL IMPLICATIONS

This report and the recommendations contained herein follow the *Local Government Act* (LGA) and Regional District bylaws. This includes the zoning of land, which includes the surface of the water, set out in s.479 of the LGA.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS

Should a recommendation be made in support of these proposed amendments, a public hearing shall be held at a date and time to be determined at the discretion of the Board.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS

The planning department will be responsible for all aspects of the bylaw amendment process. Additionally, corporate services staff resources will be required with respect to adoption of the bylaws.

Submitted by:



Aniko Nelson
Senior Manager, Community Services

Prepared by: M. Starkey, Manager Planning and Parks, and A. Girdler, Planner II

Attachments:

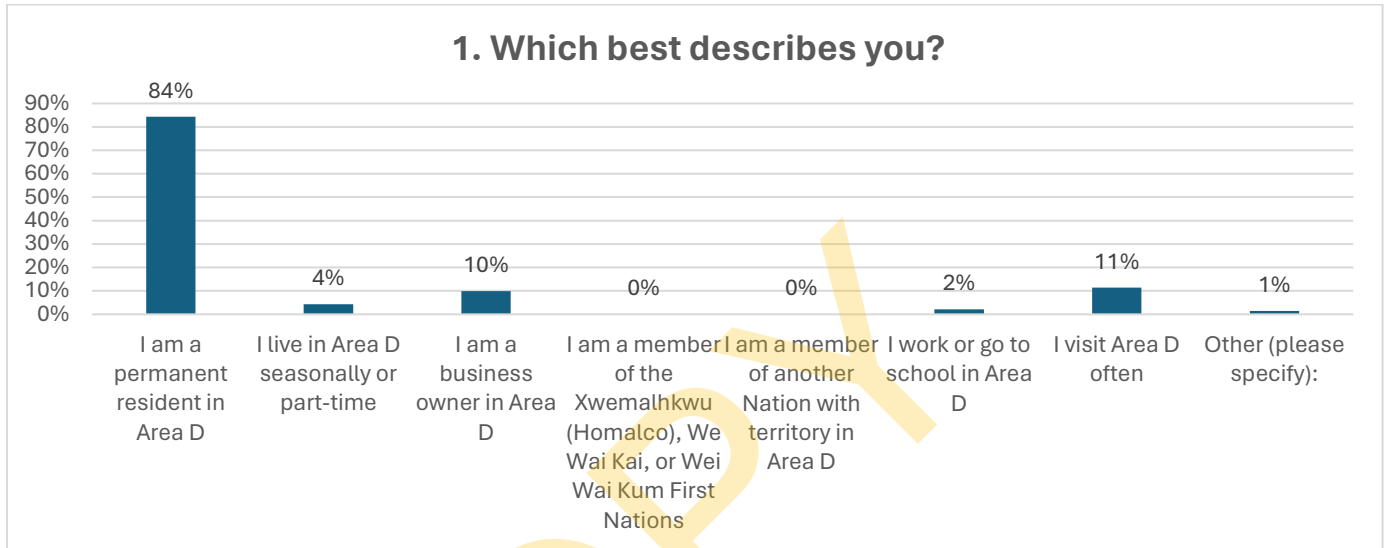
Attachment 1 – Survey Summary
Bylaw No. 565

Area D: Oyster Bay -Buttle Lake

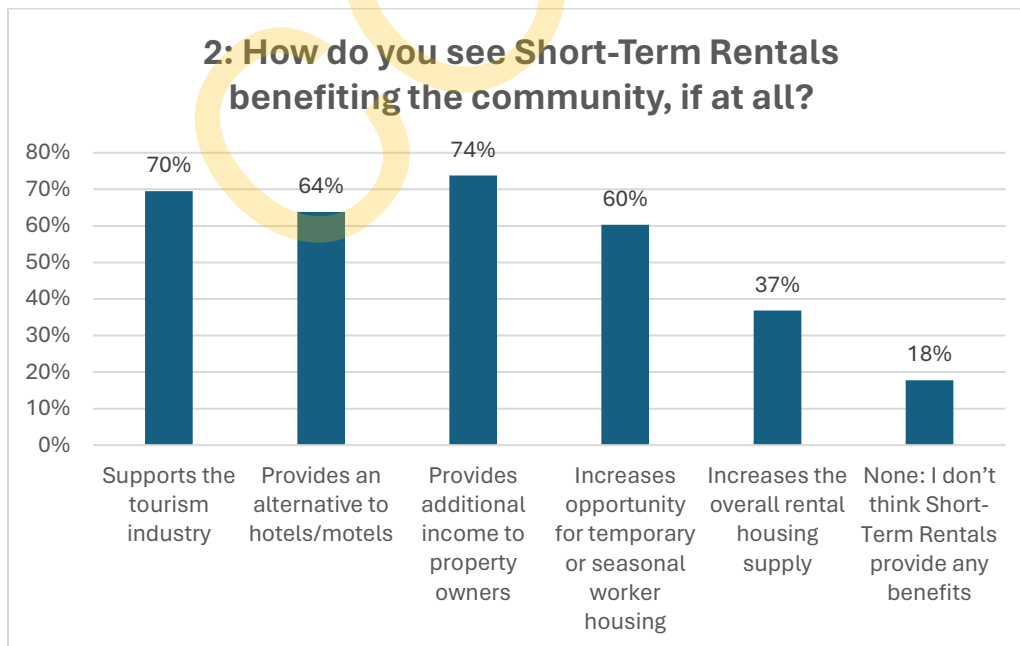
Short-Term Rentals Community Survey Results Summary

The Strathcona Regional District would like to extend a huge thank you to the people of Area D for your interest and responses on the topic of Short-Term Rentals.

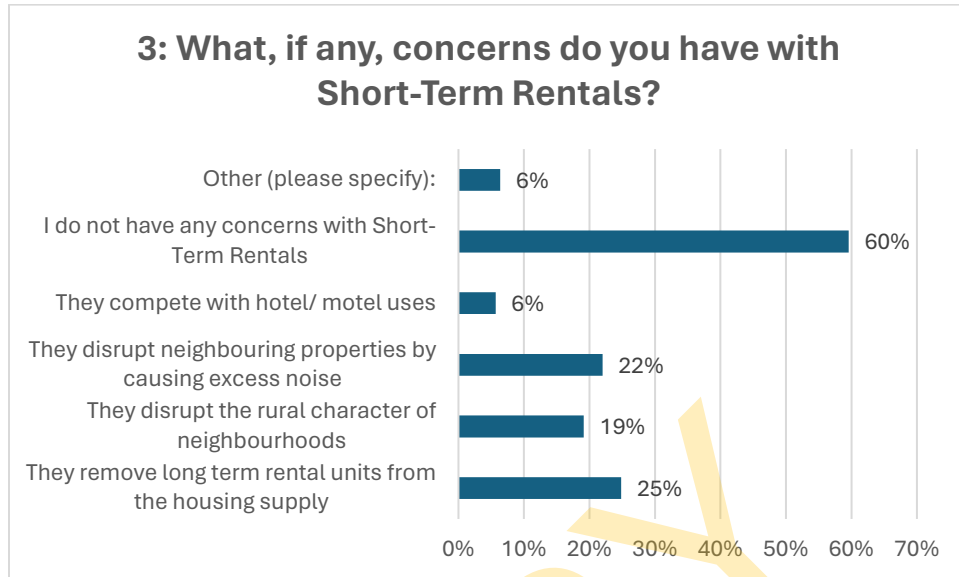
The survey received **141** responses. **84%** were from permanent residents.



When asked if they see STRs benefiting their community, **74%** of respondents indicated that providing additional income to property owners was a benefit.

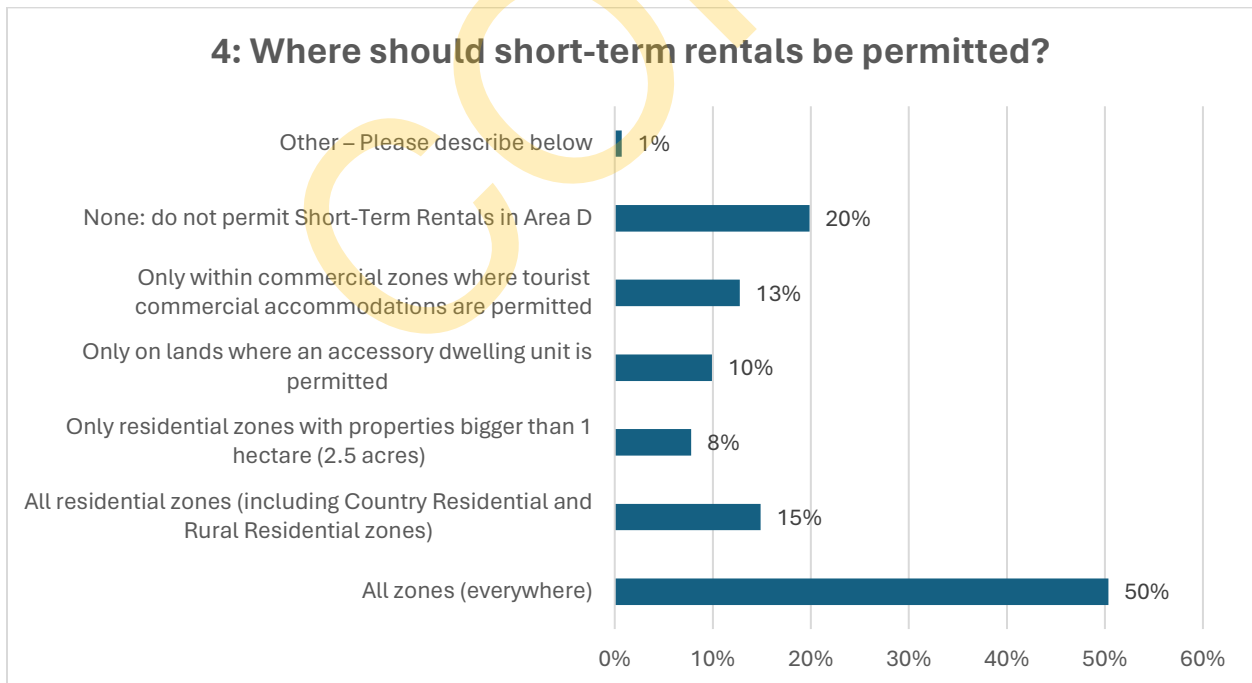


When asked if there were any concerns with STRs, **60%** of respondents indicated that they did not have any concerns.



Of those that responded with “other,” some concerns listed included increased traffic, worsening housing affordability, and increased pressure on infrastructure.

When asked where STRs should be permitted in Area D, **50%** of respondents said “everywhere.”



Finally, **48** long form written responses were received, **19%** were generally in favour of permitting STRs, while **7%** were generally against.



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