



## **CITY OF WEST KELOWNA**

### **MINUTES OF THE ECONOMIC DEVELOPMENT COMMITTEE MEETING**

Wednesday, January 13, 2021  
COUNCIL CHAMBERS  
2760 CAMERON ROAD, WEST KELOWNA, BC

MEMBERS PRESENT: Chris Kotscha, Chair  
Laurie Evans, Vice Chair (left at 9:08 a.m.)  
Calvin Barr  
Tyler Neels  
Michael Porter  
Lorrie Whiteway  
Nick Wizinsky

MEMBER ABSENT: Krista Mallory

Staff Present: John Perrott, Economic Development & Tourism Manager  
Chris Oliver, Planner III  
Hailey Rilkoff, Planner II  
Natasha Patricelli, Recording Secretary

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#### **1. CALL THE ECONOMIC DEVELOPMENT COMMITTEE MEETING TO ORDER**

The meeting was called to order at 8:07 a.m.

In response to the COVID-19 pandemic, the orders of the Provincial Health Officer and the Province of BC Ministerial Order NO. M192, the Economic Development Committee meeting space was not open to the public. The meeting was available to the public via a live webcast and is archived on the City's website.

#### **2. INTRODUCTION OF LATE ITEMS**

#### **3. ADOPTION OF AGENDA**

It was moved and seconded

**THAT** the agenda be adopted as presented.

CARRIED UNANIMOUSLY

**4. ADOPTION OF MINUTES**

**4.1 Minutes of the Economic Development Committee meeting held December 9, 2020 in the City of West Kelowna Council Chambers**

It was moved and seconded

**THAT** the minutes of the Economic Development Committee meeting held December 9, 2020 in the City of West Kelowna Council Chambers be adopted.

CARRIED UNANIMOUSLY

**5. PRESENTATIONS**

**6. DELEGATIONS**

**7. UNFINISHED BUSINESS**

**8. REFERRALS**

**8.1 Short Term Rental Regulations**

Highlights of the presentation include:

Guiding Principles

- Short Term Rental regulations by regional goals, current context in West Kelowna and previous discussions with Council;
- Guiding Principals:
  1. Mitigate Negative Neighbourhood Impacts;
  2. Protect Long Term Rentals;
  3. Recognize Importance of Short Term Rentals for Tourism;
  4. Comprehensive Licensing, Compliance and Enforcement;

Proposed Short Term Rental Regulations

- Permitted within a Single Detached Dwelling;
- Not Permitted on properties with Secondary Suite or Carriage House;
- Occupancy up to 3 guest rooms (no more than 6 guests);
- Operator must be the occupant of the Single Detached Dwelling;
- Only 1 group booking at one time;
- Required on-site parking;

- Key Differences:
  - Bed and Breakfast is hosted by the operator; whereas a short term rental the operator may rent out the entire dwelling while the occupant is away;
  - Bed and Breakfast can have multiple bookings and with short term rentals it is only one group;
  - Bed and Breakfast maximum occupancy is 8 guests (4 rooms);

#### Business Licencing Program

- Business Licence Required;
- Proof of Principal Residence;
- Initial Licencing Inspection by the Fire Department;
- Local Contact Required;
- Proposed Good Neighbour Agreement;
- Short Term Rental Operators Must:
  - Operate only within a licenced dwelling;
  - Display their license number;
  - Display the Fire Safety Plan;
  - Only have one booking at a time;

#### Next Steps

- Over 700 responses from the community questionnaire and public engagement;
- Refinements before Bylaw Amendments to go forward to Council;
- Results of questionnaire will be presented to Council January 26th.

#### Questions on the presentation:

- Definition for single detached dwelling - does the definition need to expand to include Strata's? Single detached dwelling strata units
- (not strata apartments) would need to check their Strata bylaw to see if Short Term Rentals are permitted.
- Proposal permits short term rentals within single detached dwellings. City has a separate use for Resort Townhouse or Resort Apartments. These proposed regulations are not to affect the already permitted use in the tourist commercial zoned properties.

- Projecting 20% compliance, what is that based on? Projected potential licensing numbers are based on City of Kelowna's experience on licensing pre and post regulations. Comparable to here as their draft regulations are very similar to what Kelowna currently in place. It could be expected to see similar reduced numbers.
- Do you have numbers from other municipalities? Only received pre and post regulation numbers from the City of Kelowna.
- Once regulations come into place there are some places that might not come into compliance (if they have secondary suites or carriage homes).
- This is a good decision, it's not going away so it should be regulated through Bylaws.
- Economic and tourism benefit remains to be seen. Airbnb's are more affordable way to travel for families. Allow for greater experience of local economy.
- Any conversations with Airbnb? We did reach out to the online accommodation platforms prior to drafting the regulations. Haven't had a response to date from Airbnb. VRBO was able to send out draft regulations and questionnaire to their operators within the area.
- Secondary Suites or Carriage house - noticed RVs or an outer buildings. Are these optional for rentals? Short Term Rentals only permitted within the principal residence. Not permitted within outer buildings, and not permitted in RVs. Key piece of community feedback was within Secondary Suites and Carriage homes.
- Is there an exemption process? Process in place to do something that is not currently permitted in Zoning Bylaw ex. TUP for up to 3 years for a use not currently permitted such as a Short Term Rental in a Secondary Suite. Approved on a case by case basis by Council. Applicants can renew for another 3 years. Most appropriate tool for an operator where their situation doesn't fit within the regulations.
- Proposed restriction - no more than 6 guests - will there be variance on that? Rationale for 6 guests, was based on regional practices and regulations and the first guiding principal to mitigate noise in neighbourhoods. Seen discussion within the community on this topic.
- With larger housing, multiple different families coming and going.
- Good neighbour agreement - enforcement or just good intent? Not enforceable document but expected code of conduct and bylaws that the operator needs to be aware of. Formal agreement as part of application for business licence.

- Do operators need to provide proof insurance for Short Term Rental suite? Any business licence application does not require insurance materials.
- Fee structure drafted for licence fees? Business licence fee for Short Term Rental operators - that fee has not been determined yet. Other municipal fees range from \$125 to \$900 annually for Short Term Rentals. Bed and Breakfasts currently pay \$135 annually. Highest business licencing fee is currently \$360.
- Is there a compliance and enforcement hotline to call for offenders? Most operators will come into compliance within regulations. Not expecting a high percentage on current listings to require enforcement. Most are brought into compliance at the business licencing stage. Proposed to be a complaint basis for bylaw compliance.
- Similar to legal suites vs illegal suites - complaint based enforcement.
- Clarification that intent with carriage houses? The second guiding principal is to protect long term rentals. Having Short Term Rentals within Single Detached Dwellings, lessens the potential for negative neighbourhood impacts.
- What are the regulations for parking? Draft regulations provide on-site parking (2 parking spaces for 3-4 bedrooms) in addition to 2 parking spaces for the residence.

#### Highlights of the discussion:

- Points for recommendations:
  - clarification of detached dwelling (strata clarifications);
  - review of the fee structure;
  - clarification on the number of occupants - possible tied to the size of the dwelling;
  - verification of on-site parking or on-street parking;
  - good neighbour agreement wording - more informational than an enforceable agreement;
  - Temporary Use Process clarification;
  - potential uses of outbuildings that do not contain kitchen facilities - spaces with only bedrooms and bathrooms;
- Data is not there to specifically say that tourism would be affected;
- People like the options available to them through Short Term Rentals;

- Hotel tax to review on an annual basis? MRDT is collected when there is 3 or more rooms (including on Bed and Breakfasts). Provincial government has an agreement with Airbnb. City of West Kelowna does not currently have a hotel tax within our municipality. If we did, we could collect the MRDT from Short Term Rentals only from Airbnb who has an agreement with the Province of BC. Other platforms do not;
- Tourism is slightly affected by having Short Term Rentals within the Community;
- Short Term Rentals are here we are finding a way to manage them;
- Hotels are busy in June, July and August and then through the winter Short Term Rentals is a bit higher. Hotels can still have a positive impact through their onsite restaurant or liquor store;
- The appeal of Short Term Rentals is feeling the comforts of home, full kitchen, having a pool, etc.;
- Short Term Rental are affordable which impacts how long a group will stay in the area.

It was moved and seconded

**THAT** the Economic Development Committee supports the adoption of the Short Term Rental regulations with consideration for:

1. Evaluate:
  - a. Number of occupants permitted in a Short Term Rental
  - b. Use of accessory buildings for Short Term Rentals
2. Suggest clarification in materials regarding:
  - a. Single detached dwellings (strata properties)
  - b. On-site parking
3. Additional consultation with Economic Development Committee regarding proposed fee structure.

CARRIED UNANIMOUSLY

## **9. CORRESPONDENCE AND INFORMATION ITEMS**

### **9.1 Economic Development & Tourism Update**

Highlights of the presentation include:

Development Activity

- 3rd busiest year with building permits;
- Last 18 months new business licences 24-27 business licences per month;
- Chart shown for Business Licence Composition 2010 vs 2020 by sector;
- Graph shown for Community Job Listings by Month comparison of 2019 to 2020;
  - from May onwards it was up in comparison to 2019;
- Graph shown for Kelowna CMA unemployment Rate;
- Graph shown for Kelowna CMA Population & Labour Force;
- Graph shown for Kelowna CMA Employment Index;

#### January Activities

- Website, Business Directory, and email database;
- Council's Economic Development workshop prep;
- Glencoe & Elliott Road Improvements:
  - 2 barrel stacks underway;
  - Banners to go up on Glencoe and Elliott with driveway signs to wineries;
- Tourism Activities:
  - Visitor Centre Operations - partnership with Museum;
  - DBC Grant: Community Research, Birding and Advertising;
  - Marketing and promotional campaign planning and collateral updates;
  - Stakeholders support; marketing to the immediate area;

#### Upcoming (Virtual) Events:

- January 27th: GWBOT Wise Words - Human Resources;
- January 28th: UDI Luncheon - Real Estate outlook featuring Andrew Ramlo of the Rennie Group;
- February 24th: GWBOT Wise Words - Entrepreneurship.

## 9.2 Development Services Update

Highlights of the presentation include:

Q4 Year End Stats - Building

- Building Permit statistics - construction value a little lower but building permits increased;
- Top Building Permit Types - Single Family Dwellings, Residential Demo/Add/Alt, Sewer Connections;

#### Q4 Year End Stats - Bylaw

- Bylaw activities increased;
- Impacts of COVID - good number of Public Health Orders that Bylaw responded to;

#### Q4 and Year End Stats - Development Engineering

- Subdivision Applications - busy year for subdivisions and new lots created;

#### Q4 and Year End Stats - Planning

- Planning Applications increased from 2019;

#### 2416 Saddleback Way - Congregate Housing

- 107 senior's congregate housing units;
- Challenging site (Hillside, Hydro, Access);
- Height variances;
- Structured parking.

### **10. OTHER BUSINESS**

Recognized that this was Calvin Barr's last meeting on the Economic Development Committee as a representative from GWBOT.

### **11. ADJOURNMENT OF THE MEETING**

The meeting adjourned at 9:31 a.m.

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CHAIR

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RECORDING SECRETARY