



## PUBLIC HEARING REPORT

To: Paul Gipps, CAO

Date: June 8, 2021

From: Hailey Rilkoff, Planner II

File No: P 20-16

Subject: **P 20-16; Zoning Amendment Bylaw No. 0154.99 (PH); Short Term Accommodations**

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### BACKGROUND

Bylaw No. 0154.99 (File P20-16) was given 1<sup>st</sup> and 2<sup>nd</sup> reading at the February 23, 2021 regular Council meeting. A Public Hearing was held on March 16, 2021. Following further direction from Council, substantial changes were made to the bylaw, which received 2<sup>nd</sup> reading, as amended, on May 11<sup>th</sup>, 2021 (*Attachment 1*).

Zoning Amendment Bylaw No. 0154.99 would permit Short Term Accommodations within principal single family residences. Short Term Accommodations would be permitted within residential Zones that also permit Bed and Breakfasts (Agricultural, Rural and some Residential Zones). Short Term Accommodations would have to be hosted and require operators to identify a local contact (alternate host) when they may be away or unavailable for a short period of time.

The Council Report from the May 11<sup>th</sup> Meeting (*Attachment 3*), provides an overview of the changes made to the proposed bylaw since it was last brought forward at the March 16<sup>th</sup> Public Hearing. The most significant change to the proposed regulations is to permit Short Term Accommodations within secondary suites or carriage houses, and reverting proposed changes to the Bed and Breakfast regulations, however only one dwelling unit per property may be used for a short term rental.

Summary of changes since March 16<sup>th</sup> Public Hearing

- **Principal Residence Requirement:** Clarification of principal residence requirement by including a new definition for Principal Residence
- **Hosted Short Term Accommodations:** Amended definition for Short Term Accommodation to include the requirement for the operator to host guests
- **Secondary Suites & Carriage Houses:** Changes to permit Short Term Accommodations within Secondary Suites and Carriage Houses
- **Bed and Breakfasts:** No changes will be made to the existing B&B Regulations in the Zoning Bylaw.
- **Terminology and Definitions:** Replacing Minor and Major Short Term Rental definitions with one definition for Short Term Accommodations.

## ADDITIONAL INFORMATION FOR PUBLIC HEARING

Additional information and clarification is provided to address some of the discussion and questions that stemmed from Council's consideration of the Zoning Amendment Bylaw No. 0154.99 for 2<sup>nd</sup> Reading, on May 11<sup>th</sup>, 2021.

### *Principal Residency Requirement*

The operator of a Short Term Accommodation must be the principal resident of the property on which the Short Term Accommodation will be occurring. The operator may be the owner of the property or a renter/resident (provided they have the owner's permission to operate a business from the property), so long as the operator maintains the property as their principal residence as defined below:

**PRINCIPAL RESIDENCE** means the usual place where an individual makes their home and conducts daily affairs, like paying bills and receiving mail, for the majority of the year.

This is consistent with the requirements for the operator of a Bed and Breakfast who must be the occupant of the single detached dwelling.

Zoning Bylaws can only regulate the use of land, not the users of land, therefore the requirement is that an operator of a Short Term Accommodation be a principal resident of the property, regardless of their long-term tenure of the property (ownership or tenancy).

Examples of scenarios of who would be permitted to operate a Short Term Accommodation are provided below:

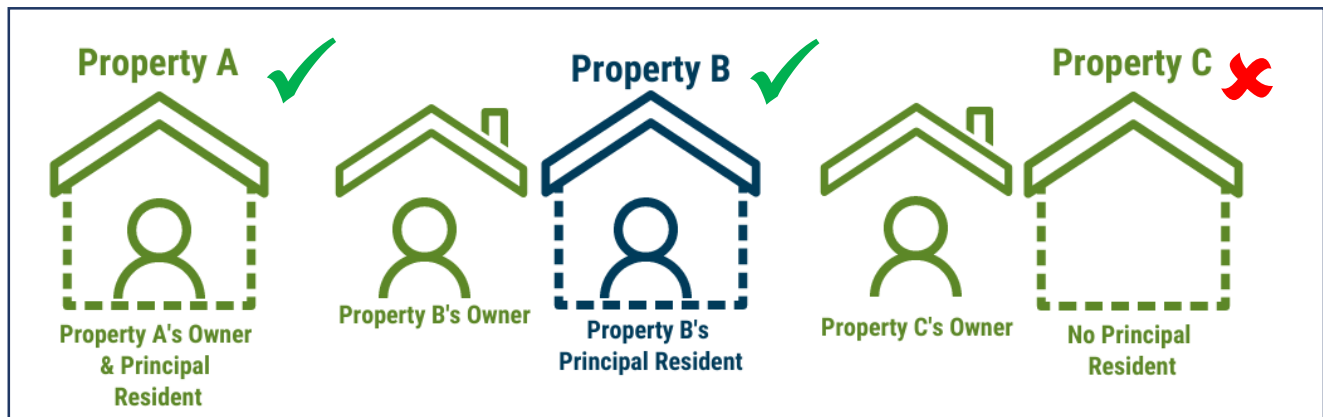


Figure 1 - Principal Residency Requirement for Operation of STA

- **Property A:** Owner resides on Property A for the majority of the year and is the principal resident. The owner operates a Short Term Accommodation from their property.
- **Property B:** Property B is owned by a resident of Penticton, and their daughter lives on the property in West Kelowna. The daughter is not the owner, but is the

principal resident. The daughter, with the parents (owners) permission, operates a Short Term Accommodation from the property.

- **Property C:** Property C is owned by a resident of Kamloops and is vacant the majority of the year. There is no principal resident. The owner cannot operate a Short Term Accommodation from the property.

### *Long Term Rentals and Short Term Accommodations*

The City's Zoning Bylaw does not regulate long term rentals; properties (or dwelling units) may be rented to long term tenants (over 30 days) within any zone and in any dwelling form<sup>1</sup>.

If there is a boarder occupying the same dwelling unit as the principal resident of a property, they would also be permitted to operate a short term accommodation from the same property (Figure 2). Examples of a boarder could be a roommate of the principal resident or a homestay student living with a family, and both scenarios would constitute only one household.

There may also be cases where a principal resident of a property has the opportunity for a long-term rental for a part of the year and a short term accommodation for another part of the year (Figure 3). An example could be if a university student were renting a secondary suite, and at the end of the school year vacated the dwelling unit. The secondary suite could then be used for a short term accommodation throughout the summer until such time as the principal resident wished to utilize the secondary suite for their own personal use or to provide it as a long term rental again<sup>2</sup>.

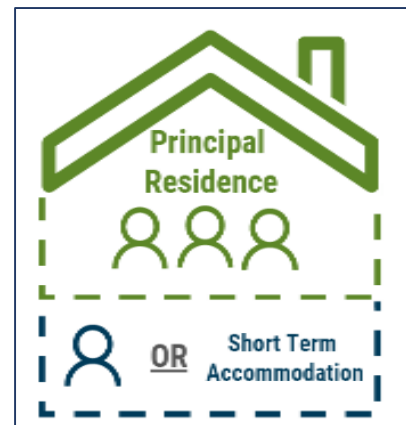
For clarification, the Zoning Bylaw does not permit both a secondary suite and carriage house on one property. A property may only be developed with one secondary suite or one carriage house.

### *Guidance for Potential Short Term Accommodation Operators*

As part of the Short Term Accommodation program development, an operator guidebook will be developed to easily outline the requirements for operating a short term accommodation as well as expectations on how to be a good neighbour. As part of this guidebook, a flowchart to help potential operators understand if their proposed use of a property is compliant with Zoning Regulations will be included. Draft examples of what these materials may look like are included as *Attachment 4*. *Attachment 5* outlines the various scenarios of rentals on



**Figure 2 - Principal Residence with Boarder and Short Term Accommodation**



**Figure 3 - Principal Residence with Long Term Rental or Short Term Accommodation**

<sup>1</sup> Unless rentals are prohibited by bylaws in Strata buildings or developments.

<sup>2</sup> The operator would be required to make changes to their Business Licence for the business use within the secondary suite (ie. from a long-term rental to a short term accommodation, or vice-versa).

residential property, both short and long term, to determine if the proposed use would be permitted.

### COUNCIL REPORT / RESOLUTION HISTORY

Date	Report Topic / Resolution	Resolution No.
May 11, 2021	<b>THAT</b> Council rescind second reading of Zoning Amendment Bylaw No. 0154.99, 2021; and <b>THAT</b> Council give second reading as amended, to Zoning Amendment Bylaw No. 0154.99, 2021; and <b>THAT</b> Council direct staff to schedule the bylaw for a public hearing.	<b>C172/21</b>
April 6, 2021	<b>THAT</b> Council direct staff to require all short term rentals to be principal residences.	<b>C132/21</b>
	<b>THAT</b> Council direct staff to revise the regulations to require all short term rentals to be hosted.	<b>C133/21</b>
	<b>THAT</b> Council direct staff to revise the regulations in order to permit short term rentals on properties with secondary suites and carriage houses.	<b>C134/21</b>
	<b>THAT</b> Council direct staff to keep the existing regulations for Bed and Breakfasts within the Zoning Bylaw.	<b>C135/21</b>
	<b>THAT</b> Council direct staff to revise the minor and major terminology proposed for short term rentals.	<b>C136/21</b>
	<b>THAT</b> Council direct staff to revise the layout for parking requirements to show .5 parking spaces per bedroom in a table format.	<b>C137/21</b>
	<b>THAT</b> Council direct staff to bring the concept of a license cap back for Council consideration after the initial intake period is over.	<b>C138/21</b>
March 16, 2021	Public Hearing	
February 23, 2021	<b>THAT</b> Council give first and second reading to the “City of West Kelowna Zoning Amendment Bylaw No. 0154.99, 2021”; and	<b>C092/21</b>

	<b>THAT</b> Council direct staff to schedule a public hearing.	
January 26, 2021	Information Update for Council on Short Term Rental Engagement Results	
November 24, 2020	<b>THAT</b> Council direct staff to further engage the community and stakeholders on the proposed Short Term Rental program as outlined in this report.	<b>C300/20</b>
September 29, 2020	Council provided direction to staff that short term rentals be regulated, and that the creation of regulations for short term rentals be done through the review of regional practices and consultation with both stakeholders and the public. Council's direction followed the decision points presented to Council.	
September 17, 2019	<b>THAT</b> Council direct staff to investigate and report back to Council regarding Air BnB and short term rentals in West Kelowna within the next 6 months.	<b>C327/19</b>

## REVIEWED BY

Brent Magnan, Planning Manager

Mark Koch, Director of Development Services

Shelley Schnitzler, Legislative Services Manager/Corporate Officer

## APPROVED FOR THE AGENDA BY

Paul Gipps, CAO

This report is not intended to talk about compliance measures on future approved or not approved short term rentals. A separate report with amended bylaws for licencing and bylaw compliance will be brought forward after the consideration of the zoning bylaw.

### Attachments:

1. Zoning Amendment Bylaw No. 0154.99, 2021
2. Redlined Zoning Bylaw Changes
3. Staff Report May 11<sup>th</sup>, 2021
4. Draft Infographics for Operators
5. Rental Matrix
6. Public Hearing Submissions (3)