

# COLUMBIA SHUSWAP REGIONAL DISTRICT Committee of the Whole Meeting AGENDA

Date: Wednesday, October 16, 2024

Time: 9:30 AM

Location: CSRD Boardroom

555 Harbourfront Drive NE, Salmon Arm

### Zoom Registration Link

**Pages** 

### 1. Land Acknowledgement

We acknowledge that we are meeting in service to the Columbia Shuswap Regional District which is on the traditional and unceded territories of the Secwepemc, Syilx Okanagan, Sinixt and Ktunaxa Nation. We are privileged and grateful to be able to live, work and play in this beautiful area.

Declaration on the Rights of Indigenous Peoples Act Article 17:

- 1. Indigenous individuals and peoples have the right to enjoy fully all rights established under applicable international and domestic labour law.
- 2. States shall in consultation and cooperation with indigenous peoples take specific measures to protect indigenous children from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development, taking into account their special vulnerability and the importance of education for their empowerment.
- 3. Indigenous individuals have the right not to be subjected to any discriminatory conditions of labour and, inter alia, employment or salary.

### 2. Call to Order

### 3. Adoption of Agenda

### Motion

THAT: the Committee of the Whole meeting agenda be adopted.

### 4. Meeting Minutes

### 4.1 Adoption of Minutes

1

### Motion

THAT: the minutes attached to the Committee of the Whole meeting agenda be adopted.

### 4.2 Business Arising from Minutes

None.

### 5. Business General

### 5.1 Policy Review

Report attached to Late Agenda.

# 5.2 Electoral Areas B, C, D, E, F, G: Short-Term Rental (STR) Temporary Use Permit Policy (P-28)

7

Report from Jan Thingsted, Planner III, dated October 3, 2024. Presentation of draft Short-Term Rental (STR) Temporary Use Permit (TUP) Policy, and update on CSRD STR communication.

Powerpoint presentation attached to Late Agenda.

### Motion

THAT: the Committee of the Whole support in principle the draft Short-Term Rental (STR) Temporary Use Permit (TUP) Policy P-28 for consideration and endorsement at the November 21, 2024 Board Meeting.

# 5.3 Water Utility Financial Health Update and User Fee Recommendations for 2025-29

Staff report attached to Late Agenda.

Guest Speaker - John Weninger, JW Infrastructure Planning.

### 5.4 2025-2029 Pre-Budget Discussion

Presentation attached to Late Agenda.

### 5.5 Laserfiche Cloud Migration and Introduction of Process Automations

Report attached to Late Agenda.

### 6. Closed (In Camera)

### Motion

THAT: pursuant to Section 90(1) of the Community Charter, the subject matter being considered relates to one or more of the following:

(i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose;

AND THAT: the Committee close this portion of the meeting to the public and move to into the Closed Session of the meeting.

### 7. Rise and Report

### **Motion**

THAT: the Committee of the Whole meeting Rise and Report.



### COMMITTEE OF THE WHOLE MEETING MINUTES

Note: The following minutes are subject to correction when endorsed by the Committee at the next Committee of the Whole meeting.

Date: August 14, 2024

Time: 9:30 AM

Location: Prestige Harbourfront Resort

251 Harbourfront Drive NE Salmon Arm, BC V1E 2W7

Directors Present K. Cathcart Electoral Area A Director

D. Brooks-Hill^ Electoral Area B Director
M. Gibbons Electoral Area C Director
D. Trumbley^ Electoral Area D Director
R. Martin Electoral Area E Director
J. Simpson Electoral Area F Director
N. Melnychuk (Vice Chair) Electoral Area G Director
R. Oszust Town of Golden Director
G. Sulz^ City of Revelstoke Director

D. Cannon^\* City of Salmon Arm Alternate Director

T. Lavery<sup>^</sup> City of Salmon Arm Director 2

Directors Absent C. Anderson District of Sicamous Director

K. Flynn (Chair) City of Salmon Arm Director

Staff In Attendance J. MacLean Chief Administrative Officer

J. Sham General Manager, Corporate Services

(Corporate Officer)

C. Robichaud Deputy Corporate Officer

J. Pierce\* General Manager, Financial Services

(Chief Financial Officer)

B. Van Nostrand\* General Manager, Environmental and

**Utility Services** 

D. Sutherland\* General Manager, Community and

**Protective Services** 

\*attended a portion of the meeting only

^electronic participation

### 1. Land Acknowledgement

We acknowledge that we are meeting in service to the Columbia Shuswap Regional District which is on the traditional and unceded territories of the Secwepemc, Syilx Okanagan, Sinixt and Ktunaxa Nation. We are privileged and grateful to be able to live, work and play in this beautiful area.

Declaration on the Rights of Indigenous Peoples Act

Article 10: Indigenous peoples shall not be forcibly removed from their lands or territories. No relocation shall take place without the free, prior and informed consent of the indigenous peoples concerned and after agreement on just and fair compensation and, where possible, with the option of return.

### 2. Call to Order

The Chair called the meeting to order at 9:32 AM.

### 3. Adoption of Agenda

Director Martin asked to explain her request for a special meeting. Discussion included under item 5.6.

Moved By Director Oszust Seconded By Director Cathcart

THAT: the Committee of the Whole meeting agenda be adopted as amended.

**CARRIED** 

### 4. Meeting Minutes

### 4.1 Adoption of Minutes

Moved By Director Brooks-Hill Seconded By Director Lavery

THAT: the minutes attached to the Committee of the Whole meeting agenda be adopted.

**CARRIED** 

### 4.2 Business Arising from Minutes

None.

Alternate Director Cannon entered the meeting at 9:36 AM.

### 5. Business General

### 5.1 Short Term Rental Update and Discussion

Post Agenda - updated presentation added.

Moved By Director Cathcart Seconded By Director Martin

THAT: the Committee receive the report for information.

### **Discussion**:

The Committee acknowledged that many questions remain unanswered as staff were still waiting for information/confirmation from the province. The Committee was seeking additional information about financial costs, compliance and additional short term rental rules for accommodators and potential licencing options.

**CARRIED** 

The meeting recessed at 11:00 AM and resumed at 11:07 AM.

### 5.2 Road Rescue Feasibility Study

Recommendation from the May 7, 2024 EAD Committee Meeting deferred to the August Committee of the Whole meeting from the June Board meeting.

### Discussion:

Many Directors expressed a preference of combining options 2 and 4 together and felt the road rescue as a necessary essential service. Some felt the provincial government should be accountable for providing the road rescue and that the local government should not be assuming provincial responsibilities.

The Committee asked if the CSRD had sufficient support from the Volunteer Fire Departments to successfully operate a road rescue service and questioned the additional financial costs (i.e. equipment, personnel) of implementing a new service.

General Manager, Community and Protective Services commented that he had been in communications with volunteer fire fighters they are in favour and were willing to support and undertake a road rescue service.

Director Oszust was opposed to the motion and offered a word of caution for escalating costs year over year to operate a road rescue service.

Director Gibbons asked if Community Works funds could be used to purchase rescue equipment.

General Manager, Financial Services confirmed road rescue equipment was not eligible through Community Works Funds and the Local Government Act does not allow for reserved from another service be transferred to a new service establishment.

Director Martin proposed meeting with provincial staff and ICBC at the UBCM Convention to pressure the province to provide adequate funding for road rescue in BC.

Moved By Director Simpson Seconded By Director Gibbons

THAT: the Committee of the Whole recommends to the Board of Directors, Option 2 as outlined in the staff report dated April 29, 2024 regarding options for service delivery of road rescue.

**CARRIED** 

Opposed: Director Oszust

### 5.6 Emergency Preparedness and Social Service Agencies Discussion

Requested by Director Cathcart

### Discussion:

Director Cathcart said there was lots to learn from the Dogtooth wildfire in Electoral Area A. Good communication and protocol existed between the Town of Golden and Emergency Support Services but communication gaps exist. She felt that more information should have been shared with residents quicker and that geography likely played a key role. Director Cathcart noted the importance of building Neighbourhood Emergency Plans to help coordinate the community groups.

Director Cathcart touched on the need for free or reduced rates at landfills for residents FireSmarting their properties and asked for a discussion at the September Board meeting.

With the Hullcar wildfire, Director Trumbley spoke to the CAO and EOC to have a fire information center established in the Electoral Area to provide factual up to date information to residents.

Director Martin took this opportunity to clarify a request she submitted for a special meeting. Her intent was to ensure the Columbia areas (Electoral Areas A, B, Town of Golden and City of Revelstoke) of the CSRD received the same support as the Shuswap region. She recognized that there were three emergency programs operating in the CSRD and wanted to ensure that all three had equal support and information was shared between the three programs and communications by the CSRD.

Director Gibbons stated that the Shuswap Emergency Program should have a Terms of Reference outlining information surrounding roles and responsibilities for each of the emergency programs.

The Committee took a lunch break at 12:09 PM and the meeting resumed at 12:25 PM. Alternate Director Cannon left the meeting at 12:09 PM.

### 5.3 Septage and Sewer Waste Management

Report from Ben Van Nostrand, General Manager, Environmental and Utility Services, dated July 30, 2024. A summary of options for septage and sewer waste management in the CSRD.

### Discussion:

Director Cathcart and Brooks-Hill supported a combination of options 2 and 3.

Director Gibbons voiced concerns regarding provincial and federal environmental regulations and the potential risks and liabilities of operating septage and sewer waste facilities.

Municipal Directors Oszust, Sulz and Lavery were open to exploring option 3 and suggested that staff begin dialogue with municipal partners.

Moved By Director Martin
Seconded By Director Cathcart

THAT: the Committee of the Whole recommend to the Board of Directors to direct staff to further explore Option 3 as outlined in the Septage and Sewer Waste Management staff report dated July 30, 2024;

AND THAT: a Board report be presented at a future Board meeting.

**CARRIED** 

### 5.4 Canada Community Building Fund (Community Works Funds)

Report from Jodi Pierce, General Manager, Financial Services dated August 2, 2024.

Moved By Director Cathcart Seconded By Director Simpson THAT: the Committee receive the report for information.

### <u>Discussion on the motion</u>:

The Committee discussed the changes to eligible funding options and expressed disappointment the new constraints to third party agreements.

#### 5.5 **Permissive Tax Exemption Discussion**

Staff report attached to Late Agenda.

Report from Jennifer Sham, General Manager, Corporate Services, dated August 12, 2024.

### Discussion:

The Committee commented that because there had not been an eligible request in over fifteen years, it would not be the best use of staff time to prepare a policy and bylaw at this time.

**Moved By Director Martin Seconded By** Director Cathcart

THAT: the Committee of the Whole recommend Option 3 of the staff report dated August 12, 2024, to the Board of Directors regarding Permissive Tax Exemptions, this 14th day of August, 2024.

**CARRIED** 

#### 6. **Rise and Report**

Moved By Director Gibbons **Seconded By Director Cathcart** 

THAT: the Committee of the Whole meeting Rise and Report.

		CARRIED
1:23 PM		
CORPORATE OFFICER	CHAIR	



## COMMITTEE OF THE WHOLE REPORT

**TO:** Chair and Directors

**SUBJECT:** Electoral Areas B, C, D, E, F, G: Short-Term Rental (STR) Temporary

Use Permit Policy (P-28)

**DESCRIPTION:** Report from Jan Thingsted, Planner III, dated October 3, 2024.

Presentation of draft Short-Term Rental (STR) Temporary Use Permit

(TUP) Policy, and update on CSRD STR communication.

**RECOMMENDATION:** THAT: the Committee of the Whole support in principle the draft Short-

Term Rental (STR) Temporary Use Permit (TUP) Policy P-28 for consideration and endorsement at the November 21, 2024 Board

Meeting.

### **BACKGROUND:**

This report provides follow-up information to the presentation on Short-Term Rentals (STRs) that was given at the <u>August 14, 2024 Committee of the Whole (CoW) meeting</u>. An initial report regarding STRs was provided at the March 21, 2024 Board meeting.

The <u>minutes of the August CoW meeting</u> note that the Committee was seeking additional information about STR rules and potential licencing options. Staff discussed the option of developing a draft policy to address Temporary Use Permits (TUPs) considered for STRs in the CSRD Electoral Areas. A draft policy has been prepared by staff and is attached to this report. The intent of the policy is to provide guidance to the public and Columbia Shuswap Regional District (CSRD) when considering TUP applications for STRs on specific properties.

This report also provides an update regarding the latest provincial STR information available from the Province about Bill 35 and new STR resources prepared by staff, including updates to the CSRD website and an application checklist.

### EXISTING POLICY AND REGULATION:

The CSRD currently has a range of policy and regulation pertaining to vacation rentals (STRs). Electoral Area B OCP Bylaw No. 850, Electoral Area F OCP Bylaw No. 830, and Electoral Area E OCP Bylaw No. 840 all contain references to vacation rentals.

See attached "BL830\_BL840\_BL850\_Excerpts.pdf" for relevant policy excerpts.

In addition to the OCP policies noted above, Electoral Area E Zoning Bylaw No. 841, Electoral Area B Bylaw No. 851 and Scotch Creek /Lee Creek Zoning Bylaw No. 825 provide additional regulations pertaining to vacation rental use, e.g. temporary use, parking, noise, and residential character. There are no other policies or regulations contained within other OCP, zoning or land use bylaws which pertain directly to the use of residential dwellings for vacation rental use. However, the regulations in Magna Bay Zoning Bylaw No. 800 that pertain to home occupation and home industry expressly exclude accommodation to the public.

The intent of Policy P-28 is to provide a consistent approach for reviewing and considering the approval and issuance of STR TUPs where CSRD zoning applies, and a TUP is an option.

The endorsement of Policy P-28 is recommended because it can be implemented at one CSRD Board meeting. In comparison, amending the five OCPs and one rural land use bylaw (Salmon Valley) would take several months to complete.

### **KEY ISSUES/CONCEPTS**

### Draft STR TUP Policy (Policy P-28)

Currently when considering TUP applications for STRs, staff utilize a process and set of requirements that have been created over the last 10 years using applicable Official Community Plan (OCP) policies and the criteria outlined in the "Vacation Rental Guiding Principles Sheet" (endorsed by the Board on July 21, 2016).

See attached "CSRD\_Vacation\_Rental\_Guiding\_Principles\_Sheet\_July\_2016.pdf."

Although the existing process and requirements provide staff with a decent basis for evaluating STR TUP applications, a dedicated CSRD STR TUP policy is recommended as it will provide clear and consistent guidance to both the public and CSRD when considering TUP applications for STRs. The scope of this proposed policy is focused on the appropriateness of proposed STR to be permitted to operate on the subject property. The proposed policy does not provide guidance about how many STRs may be permitted in a neighbourhood or community.

It is recognized by the CSRD that STRs provide residents and property owners a way to participate in the tourism economy of the region. However, without appropriate consideration being given to the regulation of such commercial activity in residential, rural, and agricultural areas, STRs can when not managed appropriately by an owner/operator disrupt neighbourhoods, cause safety concerns, and negatively impact the environment. The goal of a STR TUP policy is to ultimately ensure that STRs operate with a valid TUP in a safe and responsible manner that do not cause disruption in the neighbourhood.

As designated under the Local Government Act, TUPs may be issued to properties within Electoral Areas of the CSRD that are subject to zoning or land use bylaws and subject to either Official Community Plan (OCP) or land use bylaw policy permitting the issuance of TUPs. TUPs may be approved for issuance by the Board by resolution.

The draft STR TUP Policy (Policy P-28) addresses mandatory criteria pertaining to the subject property in which the TUP is being considered. Consideration of the cumulative impacts that STRs can have on a neighbourhood, or community have not been included in the draft policy. Staff recommend further Board discussion and public engagement before including a policy section that addresses the cumulative impacts of STRs.

The table below lists the STR requirements included in the draft policy (section 4.3.1) that must be fulfilled by the owner/operator before a TUP can be considered for issuance. The list below highlights the mandatory criteria and provides rationale for why they are included. The right-hand column indicates requirements that are currently required, which have been revised, and which are proposed to be a new requirement:

	Mandatory Criteria	Rationale	Requirement Status
a.	TUPs for STRs may only be considered for properties in which the primary use of the property is residential, rural or agricultural.	STRs are not supported in commercial, industrial, institutional and other non-residential areas.	New requirement – provides more clarity regarding where STRs are acceptable.
b.	The STR should keep with the	STRs should not disrupt	Currently required.

	residential, rural or agricultural character of the neighbourhood and not cause a nuisance or disturbance.	residential, rural or agricultural neighbourhoods.	
C.	A STR must be located within a dwelling unit permitted by the zone that applies to the property.	STRs cannot be located in illegal dwelling units. STR is not permitted in RVs, yurts, park models which are not dwellings as per the BC Building Code.	Currently required. Covered by zoning, but not explicitly stated in OCP policy.
d.	The STR should be limited to one dwelling unit per parcel.	Limiting the STR to one dwelling unit reduces the scale of the operation and potential for neighbourhood disturbance.	New requirement – intended to prevent multiple STRs on one property.
e.	The STR shall not be permitted on a parcel in which a Bed and Breakfast is located.	Permitting both a B&B and STR on the same property could result in servicing concerns, additional noise complaints and disruption in the neighbourhood.	Currently required.
f.	The STR shall be serviced by a sewerage system that has been confirmed appropriate for the use intended by an Authorized Person.	The CSRD will require documentation from an Authorized Person (AP) confirming that the sewerage system is appropriate for the use intended. The intent is to avoid systems failing because they are not sized or performing as needed.	Sewerage system confirmation is currently required in a variety of ways – requiring this directly from an AP will provide consistency to how this information is obtained. Staff have prepared information to explain the required documentation.
g.	The STR owner/operator shall provide potable water to guests.	STR operators are legally obligated to provide guests potable drinking water. Owner is responsible to provide guest potable water (owner to sign a declaration of potable water).	Confirmation of potable water is currently required in a variety of ways – proposed policy requires the owner to sign a declaration form confirming they will provide potable water to guests. This approach will provide consistency to

October 16, 2024

			how this information is obtained and is similar to what is required for a building permit.
h.	The STR owner/operator shall identify a local contact person who will be available to address issues that may arise any time that STR accommodation is occupied. The name and contact information of the local contact must be provided in the application and must be posted along with the STR TUP in a visible place within the STR and provided to owners and tenants of adjacent properties (confirmed annually).	The local contact should be available to address issues that may arise any time STR. This approach will hopefully resolve most neighbour concerns and may result in less bylaw enforcement involvement.	Local contact person information is currently required; however, this has been revised to require the contact information to be posted in a visible place within the STR and provided to owners and tenants of adjacent properties.
i.	The maximum allowable occupancy of the STR should not exceed 10 guests.	A maximum of 10 guests is a reasonable scale for a residential home and consistent with existing OCP policy. Occupancy beyond 10 guests would be considered a small-scale hotel or lodge and more appropriate in a suitably zoned area.	STR TUPs currently specify the maximum number of permitted guests. The new requirement specifies that the maximum number of guests should not exceed 10.
j.	One (1) sign advertising the STR may be placed on the subject property. The maximum sign area is 1 m <sup>2</sup> (0.5 m <sup>2</sup> for each side).	Signage needs to keep with the residential, agricultural or rural character of the neighbourhood	One STR sign currently required – proposed policy specifies the maximum sign area.
k.	A minimum number of off-street parking spaces shall be provided for a STR (this is in addition to the minimum number of off-street parking spaces required for the zone in which the STR is located): 2 (1-4 guests, 3 (5-8 guests) and 4 (9 or 10 guests).	On-site parking requirement eliminates concerns that could arise from guest parking on the street.	Currently required - proposed policy specifies the number of spaces required per number of guests.
I.	STR TUP issuance is subject to proof of adequate vacation rental and liability insurance (minimum of \$3 million in coverage).	The requirement of \$3 million liability insurance for vacation rental TUPs is considered sufficient and is consistent within the insurance industry	Currently required.

		standards. A STR TUP is similar to issuing a licence to operate a short-term rental, versus general zoning. In the context of issuing TUPs to allow STR use of older homes that were not subject to CSRD building regulation and inspection, it is sensible to require sufficient liability insurance.	
m.	STR TUP issuance is subject to registration of a s. 219 covenant on title releasing and indemnifying the CSRD for any damages arising from or relating to the issuance of the TUP.	The CSRD does not have the capacity to inspect STRs and ensure that they operate with 100% compliances. S. 219 covenant protects the CSRD interests is any damages arise from the issuance of a STR TUP.	Currently required.
n.	The STR should comply within all applicable regulations of the Agricultural Land Commission when located within the Agricultural Land Reserve.	ALC regulates the use of residential structures in the ALR for STRs	Currently required.

Section 4.3.2 of the draft policy lists conditional criteria that would be considered by staff when reviewing a STR TUP application. An example of a conditional criteria would be to consider site conditions (e.g., parcel width) and require additional conditions prior to TUP issuance (e.g., owner/operator to install fence screening to maintain privacy of a neighbouring property). Conditional criteria could also be offered by the applicant to address neighbour concerns with a STR TUP application.

TUPs issued for STRs will list a set of conditions that must be followed by the owner/operator. Should the owner/operator of the STR fail to adhere to the conditions of a TUP, the land use regulations or an enactment, the CSRD may undertake enforcement action outlined in the CSRD Bylaw Enforcement Policy and may include fines, or cancellation of the STR TUP.

The required conditions are established in section 4.4 of the draft policy and include:

- a. The specified season of use (e.g., April 1 October 31).
- b. Quiet time (e.g., 10 PM 6 AM daily).
- c. The maximum number of guests (e.g., maximum of 8)
- d. The identification of a local contact person who will be available to address issues that may arise any time STR accommodation shall be provided to adjacent landowners and tenants (confirmed annually).
- e. A complaint response plan detailing how concerns and complaints will be immediately

addressed.

- f. The STR shall be limited to one dwelling unit on the subject property.
- g. The STR shall be serviced by a sewerage system that has been confirmed appropriate for the use intended by an Authorized Person.
- h. The owner/operator shall provide potable water to guests.
- i. The clear posting of the following information in the STR at a site accessible and visible to guests:
  - I. the owner or local contact information, with availability or accessibility by phone 24 hours a day and 7 days a week;
  - II. clear noise rules and quiet times;
  - III. emergency call number (9-1-1); and
  - IV. instructions regarding proper disposal of all garbage, recycling, and yard waste created by the operation of the STR.
- j. All parking must be accommodated on site; no parking shall occur on a public roadway.
- k. The owner/operator is wholly responsible for the proper disposal of all garbage, recycling, and yard waste created by the operation of the STR.
- I. Vacation rental signage shall be limited to one sign (maximum sign area is 1 m<sup>2</sup>).

Section 4.5 of the draft policy specifies TUP optional conditions. The CSRD could specify optional conditions for a unique application (e.g., limiting guest access to a specified portion of the property). Furthermore, the applicant could offer optional conditions, staff could recommend optional conditions to the applicant, or staff could recommend optional conditions to the Board if the applicant is not agreeable.

### **Bylaw Enforcement**

Short term rentals are currently classified as Class II concerns by CSRD Board approved Bylaw Enforcement Policy A-69 - and as per policy; complaints meeting the standard set out in the policy will be triaged and processed for investigation by; the agency/higher level of government responsible taking the lead, budget, staff resources, higher Class I priorities taking precedent. Associated STR complaints for concerns such as septic, Policy A-69 will additionally manage noise or parking; septic - referral to IHA, parking - referral to MoTI and noise - direct referral to the RCMP for consideration for their enforcement response.

As of summer 2024, approximately 700 unique STR listings in CSRD Electoral Areas B-G were documented. As of fall 2024, approximately 700 unique STR listings in Electoral Area A were documented. Almost all STRs are not compliant with zoning where zoning applies. Should the Board wish to entertain elevating their current status and prioritize STR complaints within the enforcement policy, staff can provide a future report outlining the comparison for this request against potential increased budget and staffing resources.

The maximum fine that regional districts can set for prosecutions of bylaw offences under the Offence Act has increased from \$2,000 to \$50,000. This is consistent with the maximum fines for municipalities under the Community Charter.

The maximum municipal ticketing fine that a Regional Districts may set under the Community Charter Bylaw Enforcement Ticket Regulation has increased from \$1,000 to \$3,000 per infraction, per day.

### **Financial Considerations**

The CSRD currently charges \$1,150.00 (includes \$150 registration fee) for TUP applications. Given the considerable staff time required to process TUPs and the cost of publishing the required newspaper

notifications, the Board may wish to review Development Services Application Fees Bylaw No. 4000, as amended, and consider increasing the TUP application fee to better reflect the true cost processing cost. It should be noted that other Regional Districts charge \$2,000 for TUP applications considered by a Board.

### Principle residence requirement – option to opt-in

Effective May 1, 2024, the Province has implemented a principal residence requirement in some areas of the province which limits STRs to the host's principal residence, plus one secondary dwelling unit. Regional districts are exempt from this requirement but can submit a request by resolution to the Minister of Housing to "opt-in" to the principal residence requirement. A local government's resolution must be submitted to the Province by March 31 of each year for the change to take effect November 1 of the same year.

STRs located in the host's principal residence (primary or secondary dwelling unit) are considered "home sharing" operations in which the principal resident of a dwelling unit rents out a part or all of that dwelling unit on a temporary basis. Examples of this include a family renting a basement suite on Airbnb, or a homeowner who travels frequently for business renting out their entire unit while away.

A commercial operation, by contrast, is a STR which is not located in the host's principal residence and is operated in a typically year-round. Commercial STR operators often have multiple listings and result in long-term housing off the market.

Staff believe that the principal residence requirement may be worth considering in the future as it can help address some of the issues that arise from commercial STR operations. These issues include the elimination of housing from the long-term rental market and disruption of residential neighborhoods by dwelling units being used on a full-time commercial basis.

The proposed draft STR TUP policy does not include a principal residence requirement. However, if an owner/operator lives in another permitted dwelling unit on the subject property they may offer this condition in their STR TUP application as method to reduce or eliminate neighbours concerns with their application.

### **Update on Provincial STR Information**

By early 2025, the Province expects to establish a STR registry. All short-term rental hosts and platforms will be required to register. Further details about the STR Registry, including whether hosts will be required to prove compliance with local land use, are expected to be announced later this year.

The Province launched a "Notice and Takedown Process" on May 1, 2024. Platforms must remove listings that do not comply with a local government business licence requirements at the request of a local government.

A STR Data Portal was launched on June 30, 2024. Access to the portal is currently only available to local governments that regulate STRs through business licencing. The Province will explore options for providing access to local governments that regulate STRs in other ways (such as through zoning or temporary use permits) in the future.

Local governments can annually request by resolution submitted to the Minister of Housing to opt-in to the Province's principal residence requirement. A local government's resolution must be submitted to the Province by March 31 of each year for the change to take effect November 1 of the same year

### Update on CSRD STR Communication

The CSRD's STR information webpage has been updated with the latest Provincial STR information and

contact information. The webpage notes that the CSRD does not currently have a business licensing service for its Electoral Areas and therefore will not be issuing business licences for STRs.

A dedicated webpage explaining <u>Temporary Use Permits for Short-Term Rentals</u> has been added which includes a clear guide and checklist that needs to be followed when submitting a STR TUP application. Future website updates will be made as new Provincial information is obtained and as CSRD procedures for STR TUPs are fine-tuned.

### Rationale for Recommendation

Staff recommend that the Committee of the Whole provide support in principle the draft Short-Term Rental (STR) Temporary Use Permit (TUP) Policy P-28 for consideration and endorsement at the November 21, 2024 Board Meeting for the following reasons:

- As a result of Provincial Bill 35 (Short-Term Rental Accommodation Act) the CSRD is currently receiving an influx of STR TUP applications which are challenging to review given the wide range of OCP policy and Zoning Bylaw regulation pertaining to STRs.
- The proposed policy confirms the expectations for the CSRD and the public for when STR TUP applications are considered by the CSRD.
- Expedient Board consideration and endorsement of Policy P-28 will provide a consistent and more efficient approach for reviewing and considering the approval and issuance of STR TUPs where CSRD zoning applies, and a TUP is an option.
- Policy P-28 can be endorsed by the Board and become applicable at one CSRD Board meeting.
   In comparison, amending the five OCPs and one rural land use bylaw (Salmon Valley Bylaw No, 2500) would take many months to complete.

### **IMPLEMENTATION**

Following the October 16 CoW meeting, staff recommend the following steps:

- 1. Staff will review feedback received at the meeting regarding Policy P-28 and review/revise the policy as required.
- 2. Staff will recommend to the Board at the November 2024 Board Meeting that Policy P-28 be endorsed.

Staff have identified three different options for the Board to receive public feedback when considering Policy P-28:

- 1. Consider Policy P-28 without public engagement.
  - This approach will enable the policy to be considered by the Board soon, but without any public engagement.
- 2. Conduct public engagement after endorsing Policy P-28. Make any necessary revisions to Policy P-28 following public engagement.
  - This approach will enable the policy to be considered by the Board soon and the endorsed
    policy will provide guidance to the CSRD and the public about STR TUP applications, with
    any necessary policy changes being made once public engagement is completed.
- 3. Conduct public engagement and make necessary policy revisions prior to Board consideration of Policy P-28.
  - Board consideration the policy would be delayed until public consultation is completed.
     It is estimated that public consultation could take between two to three months to complete.

While option one proposes policy endorsement without public engagement, options two and three both include an opportunity for the public to provide input. Staff recommend that the Board choose option

October 16, 2024

two since it allows quick implementation of the policy, but also assures that public engagement would still be conducted. Staff suggest engaging with the public by employing a survey on the "CSRD Connect" page.

### **COMMUNICATION**

This report, including draft STR TUP Policy P-28, will be added to the CSRD's STR webpage.

October 16, 2024

### **Report Approval Details**

Document Title:	2024-10-16_CoW_DS_STR_TUP_Policy.docx
Attachments:	- P-28_STR_Policy_draft_Oct_2024.pdf - BL830_BL840_BL850_Excerpts.pdf - CSRD_Vacation_Rental_Guiding_Principles_Sheet_July_2016.pdf
Final Approval Date:	Oct 8, 2024

This report and all of its attachments were approved and signed as outlined below:

Corey Paiement

No Signature - Task assigned to Gerald Christie was completed by assistant Jennifer Sham

**Gerald Christie** 

Jennifer Sham

John MacLean

### **POLICY**

### SHORT-TERM RENTAL TEMPORARY USE PERMIT POLICY

### 1. PREAMBLE

The intent of this policy is to provide guidance to the public and Columbia Shuswap Regional District (CSRD) when considering temporary use permit (TUP) applications for short-term rentals (STRs).

As a destination region, the CSRD welcomes tourists year-round, sparking a continued interest in commercial accommodation options. Many residents and property owners in the CSRD have identified STRs as a way to participate in the tourism economy.

It is recognized that the majority of STRs operating in the CSRD are doing so without the necessary zoning or permitting. While many STR owner/operators are responsible and provide safe accommodation that does not cause nuisance to neighbours, the CSRD has the authority to regulate accordingly should concerns arise.

### 2. PURPOSE

The intent of this policy is to provide guidance to the public and CSRD when considering TUP applications for STRs.

TUPs allow a use to occur on a temporary basis that would otherwise not be permitted in a zoning or land use bylaw. The CSRD's preference for managing STRs, where it is appropriate, is with TUPs as they provide a three-year trial period before a STR property may be considered for a renewal or rezoning.

When considering a TUP for a STR, the CSRD recognizes that the primary use of the property may be either residential, rural or agricultural.

### 3. DEFINITIONS

**Dwelling Unit** means one (1) or more rooms in a detached building with self-contained eating, living, sleeping and sanitary facilities and not more than one kitchen, used or intended to be used as a residence for no more than one (1) household. Dwelling unit does not include camping unit, park model, or a commercial lodging sleeping unit;

**Secondary Dwelling Unit** means an additional, self-contained, dwelling unit that is accessory to the single detached dwelling unit on a parcel. For clarity, attached dwelling, duplexes and multiple-dwellings, boarding rooms and rooming houses are excluded from the definition of secondary dwelling unit;

**Short-Term Rental (STR)** means the use of a dwelling unit for the temporary commercial accommodation of paying guests for a period of less than 28 consecutive days. This use does not include bed and breakfast. In some CSRD bylaws, STRs are referred to as vacation rental operations.

**Single Detached Dwelling Unit** means a detached building containing only one (1) principle dwelling unit and, where permitted, one (1) secondary dwelling unit. A manufactured home is considered a single detached dwelling.

### 4. POLICY

This policy will remain in effect until it is repealed or replaced.

This policy is in effect for the following geographic areas: all of the lands within the CSRD that lie outside of municipal boundaries, Indian Reserves and National Parks.

### 4.1 Regulation

As designated under the Local Government Act, TUPs may be issued to properties within Electoral Areas of the CSRD that are subject to zoning or land use bylaws and subject to either Official Community Plan (OCP) or land use bylaw policy permitting the issuance of TUPs. TUPs may be approved for issuance by the Board by resolution. If the TUP is approved for issuance, the applicant will be required to fulfill any outstanding conditions prior to final TUP issuance.

### 4.2 Term, Renewal and Cancelation

If the CSRD issues a STR TUP, a term limit shall apply of not greater than three years, with an opportunity to apply to renew the STR TUP once.

Should the owner/operator of the STR fail to adhere to the conditions of a TUP, the land use regulations or an enactment, the CSRD may undertake enforcement action outlined in the CSRD Bylaw Enforcement Policy and may include fines, or cancellation of the STR TUP.

### 4.3 Application Approval Criteria

The following criteria are considered by the CSRD when reviewing STR TUP applications.

### 4.3.1 Mandatory Criteria:

- a. TUPs for STRs may only be considered for properties in which the primary use of the property is residential, rural or agricultural.
- b. The STR should keep with the residential, rural or agricultural character of the neighbourhood and not cause a nuisance or disturbance.
- c. A STR must be located within a dwelling unit permitted by the zone that applies to the property.

- d. The STR should be limited to one dwelling unit per parcel.
- e. The STR shall not be permitted on a parcel in which a Bed and Breakfast already exists.
- f. The STR shall be serviced by a sewerage system that has been confirmed appropriate for the use intended by an Authorized Person.
- g. The STR owner/operator shall provide potable water to guests.
- h. The STR owner/operator shall identify a local contact person who will be available to address issues that may arise any time that STR accommodation is provided. The name and contact information of the local contact must be provided in the application and must be posted along with the STR TUP in a visible place within the STR and provided to owners and tenants of adjacent properties (confirmed annually by the owner/operator).
- i. The maximum allowable occupancy of the STR should not exceed 10 guests.
- j. One (1) sign advertising the STR may be placed on the subject property. The maximum sign area is  $1 \text{ m}^2$  (0.5 m² for each side).
- k. The following minimum number of off-street parking spaces shall be provided for a STR (this is in addition to the minimum number of off-street parking spaces required for the zone in which the STR is located):

STR Permitted Guests	Minimum Number of Off-Street Parking Spaces
1-4	2
5-8	3
9-10	4

- I. STR TUP issuance is subject to proof of adequate STR and liability insurance (minimum of \$3 million in coverage).
- m. STR TUP issuance is subject to registration of a s. 219 covenant on title releasing and indemnifying the CSRD for any damages arising from or relating to the issuance of the TUP.
- n. The STR should comply within all applicable regulations of the Agricultural Land Commission when located within the Agricultural Land Reserve.

### 4.3.2 Conditional Criteria

- a. Consideration of measures taken to minimize conflict with neighbouring properties.
- b. Consideration of proposed accessory uses and/or amenities; site layout and other site characteristics.
- c. Consideration of other CSRD bylaws and policies.

### 4.4 TUP Required Conditions

When issuing a STR TUP, the CSRD will specify <u>required</u> conditions including, but not limited to:

a. The specified season of use (e.g., year-round or April 1 – October 31).

- b. Quiet time (e.g., 10 PM 6 AM daily).
- c. The maximum number of guests (e.g., maximum of 8).
- d. The STR owner/operator shall identify a local contact person who will be available to address issues that may arise any time that STR accommodation is provided. The name and contact information of the local contact must be provided in the application and must be posted along with the STR TUP in a visible place within the STR and provided to owners and tenants of adjacent properties (confirmed annually).
- e. A complaint response plan detailing how concerns and complaints will be immediately addressed.
- f. The STR shall be limited to one dwelling unit on the subject property.
- g. The STR shall be serviced by a sewerage system that has been confirmed appropriate for the use intended by an Authorized Person.
- h. The owner/operator shall provide potable water to guests.
- i. The clear posting of the following information in the STR at a site accessible and visible to guests:
  - I. the owner or local contact information, with availability or accessibility by phone 24 hours a day and 7 days a week;
  - II. clear noise rules and quiet times;
  - III. emergency call number (9-1-1); and
  - IV. instructions regarding proper disposal of all garbage, recycling, and yard waste created by the operation of the STR.
- j. All STR parking must be accommodated on site; no parking shall occur on a public roadway. The number of required STR parking spaces shall be specified.
- k. The owner/operator is wholly responsible for the proper disposal of all garbage, recycling, and yard waste created by the operation of the STR.
- I. Vacation rental signage shall be limited to one sign (maximum sign area is 1  $m^2$  0.5  $m^2$  for each side).

### 4.5 TUP Optional Conditions

When issuing a STR TUP, the CSRD may specify optional conditions including, but not limited to:

- a. The area of use if limited to a portion of the subject property to minimize potential disturbance of neighbours (e.g., location of outdoor firepit or hot tub);
- b. Screening or fencing to address potential impacts of the STR or to address privacy concerns;
- c. Where appropriate, the owner/operator may be required to reside on the property.

### **Relevant Excerpts from**

Electoral Area B Official Community Plan Bylaw No. 850
Electoral Area F Official Community Plan Bylaw No. 830
Electoral Area E Official Community Plan Bylaw No. 840

The CSRD currently has a range of policies pertaining to vacation rentals (STRs). Electoral Area B Official Community Plan (OCP) Bylaw No. 850, Electoral Area F OCP Bylaw No. 830, and Electoral Area E OCP Bylaw No. 840 all contain references to vacation rentals.

### **Electoral Area B Official Community Plan Bylaw No. 850**

Section 4.3.34 of Bylaw No. 850 states:

- 4.3.34 Vacation Rentals allow the use of temporary accommodation in residential areas on a commercial basis and are regulated either by a temporary use permit or through the zoning bylaw. Vacations Rentals shall:
  - a. first be considered on a three-year trial basis by the use of a temporary use permit (refer to Section 14);
  - b. not create an unacceptable level of negative impact on surrounding residential uses;
  - c. comply with all applicable regulations of the Provincial Agricultural Land Commission when located within the Agricultural Land Reserve; and
  - d. be subject to local health authority requirements.
  - e. be subject to all Ministry of Transportation and Infrastructure Access Permit requirements.

### **Electoral Area F Official Community Plan Bylaw No. 830**

Section 14 of Bylaw No. 830 states:

- 1. For all temporary use permits:
  - a) Applicants must demonstrate how the proposed use will not markedly impact adjacent residents, local services and the environment. Where impacts are expected, applicants must provide details of those impacts and mitigative measures.
- 2. For vacation rentals and similar short-term property rentals, applicants may be required to:
  - a) Demonstrate that the proposed use will not alter the general character of the neighbourhood;

- b) Screen, fence or provide vegetative buffers between the proposed use and adjacent properties for greater privacy and noise reduction;
- c) Obtain approval from the ALC, if the proposed use is on ALR land;
- d) Show proof of adequate servicing (water & sewer) for the proposed use at maximum capacity for the entire duration of the permit. This may include a required inspection by a registered professional.
- e) Supply an occupancy permit or provide written proof from a qualified professional that the dwelling meets the fire code and is appropriate for the proposed use;
- f) Designate a local caretaker to be available at times if the property owner is not available or does not reside in the area. The property owner or local caretaker's contact information should be made available to the CSRD and adjacent property owners along with a copy of the temporary use permit;
- g) Demonstrate adequate parking. Generally, one parking space should be provided per let bedroom;
- h) Limit the number of guests per bedroom. Generally, the limit should be 2 guests per bedroom;
- i) Limit the number of pets on site at anytime;
- j) Restrict signage;
- k) Restrict number of vehicles and watercraft on site, including RVs, motorized personal watercraft & ATVs;
- *l) Restrict rentals of items and crafts, including motorized personal watercraft, ATVs;*
- m) Supply additional information or meet additional requirements deemed necessary for the safe and unobtrusive use of the site. Additional steps to ensure adequate notification of the proposed use to adjacent property owners may also be required.

### Electoral Area E Official Community Plan Bylaw No. 840

Section 4.1.2.13 of Bylaw No. 840 states:

- 13. Vacation Rentals involve the use of dwelling units for temporary accommodation in residential areas on a commercial basis and are regulated either by a temporary use permit or through the Zoning Bylaw. Vacation Rentals may be considered in the following designations: Rural Resource (RSC), Medium Holdings (MH) Agriculture (AG), and Residential (RR, MD, and VC). In areas not zoned for vacation rentals, it is recommended that they first be considered on a three-year trial basis by the use of a Temporary Use Permit prior to applying to rezone. Vacation Rentals shall:
  - a. Not create an unacceptable level of negative impact on surrounding residential uses;
  - b. Comply with all applicable regulations of the Agricultural Land Commission (ALC) when located within the ALR;

- c. Be subject to provincial servicing requirements; and,d. Be subject to all Ministry of Transportation and Infrastructure permit requirements.

### **CSRD Vacation Rental Guiding Principles Sheet**

### **PURPOSE**

The purpose of this Vacation Rental Guiding Principles Sheet is to aid CSRD staff and the Board in making land use and economic development recommendations and decisions as they pertain to the temporary/short term lodging of guests in residential dwelling units on a commercial basis. It is recognized by the Board that vacation rentals can contribute positively to the tourism economy of the region; however, it is also recognized that without appropriate consideration being given to the regulation of such commercial activity in residential areas, vacation rentals can negatively impact on the quality of life of existing nearby residents, while also creating an uneven playing field for existing and heavily regulated commercial property owners in the accommodation industry.

The intent therefore of these guiding principles are:

- To inform land use planning and economic development decisions of CSRD staff and the Board:
- To briefly describe the issues pertaining to vacation rentals and the purpose of the associated guiding principle;
- To provide consistency in decision-making when considering vacation rental issues;
- To provide information and direction to residents who may be considering establishing a vacation rental use on their property; and,
- To advise provincial ministries and agencies of the challenges facing local government in regard to vacation rentals.

### **GUIDING PRINCIPLES**

- Inappropriately sized, maintained, or installed sewer servicing of the dwelling(s) used for a vacation rental can lead to individual health issues and have significant environmental impacts on the neighborhood or downstream residents. Property owners are expected to meet all applicable Interior Health requirements for sewerage treatment and to have obtained a 'Letter of Certification' from Interior Health for the vacation rental use.
- 2. For the health and safety of renters, proof of the provision of potable water is required and landowners are expected to meet all appropriate provincial or Interior Health requirements in the provision of such water, e.g. wells, community water system.
- Safety of guests staying in vacation rentals is of paramount concern to the CSRD. For this reason, confirmation from a Qualified Professional who is able to confirm that the dwelling unit proposed for vacation rental use meets with BC Building Code, and BC Fire Code, regulations is required.
- 4. A vacation rental should be restricted to a maximum occupancy of four (4) bedrooms per dwelling unit, and eight (8) guests, to minimize neighborhood impacts and to mitigate issues with the BC Building Code, e.g. fire separation for sleeping rooms, and BC Fire Code; there are difficulties in dealing with rescue and fire fighting operations in managing an incident at a residential structure where egress design has not been appropriately considered for large numbers of people compared to that of a commercial structure. At a minimum, a fire safety plan, portable fire extinguishers and carbon monoxide detectors are required for each level of the vacation rental, and integrated smoke detectors located in each bedroom, as required for BC Building Code compliance per location and number.

- 5. In keeping with a residential neighborhood character, one off-street parking space must be provided for each room used for vacation rental purposes.
- 6. As most vacation rental units are located within homes in residential areas, the vacation rental users must not cause a nuisance to other residents through excessive noise, lighting or traffic so as to allow existing residents to have quiet enjoyment of their property. This includes a quiet time between 10pm and 7am.
- 7. Recreational vehicles, tents or park models are not permitted to be used for habitation purposes as part of the vacation rental.
- 8. Vacation rentals shall not operate as a bed and breakfast, hotel, motel, lodge or inn, nor include ancillary uses typical of such operations, e.g. meeting rooms, restaurants, concierge or retail sales.
- 9. From a risk management perspective, and since the CSRD is the approval authority for a TUP or rezoning for a vacation rental, the landowner must also provide a \$5 million Commercial General Liability insurance policy naming the CSRD as the additional insured prior to issuance of the TUP.
- 10. The CSRD supports vacation rental operators paying into the Municipal and Regional District Tax, where applicable, and also encourages the Ministry of Job, Tourism, and Skills Training and Destination BC to provide for legislation and policy in this regard.
- 11. The increase in use of residential dwellings for vacation rentals has caused a significant decrease in housing affordability and long term and season rental for workers in the tourism industry, and others. The CSRD supports provincial initiatives aimed at housing affordability and maintaining a sustainable rental market for long term tenants of all housing types, demographics and income levels.
- 12. As the use of the property changes from primarily residential to part-time or full-time vacation rental, the CSRD will forward a copy of any verified vacation rental, approved permit or bylaw amendment to BC Assessment so that they are aware of the change in use; at this time there is no legislative framework for BC Assessment to change the tax classification system for vacation rentals, however the CSRD supports such changes being made.
- 13. Since the property owner is most often not located on-site of a vacation rental, an easily accessible representative and emergency contact must be provided for all vacation rental guests.
- 14. Temporary Use Permit or rezoning is required for any property not currently zoned for vacation rental use. If zoned for vacation rental use the property owner must meet all other zoning regulations as applicable and as amended from time to time. In situations where a landowner expects that they may not be able to comply with specific zoning regulations, e.g. special event, a landowner may always apply to vary specific zoning regulations, or apply for a TUP.
- 15. It is expected that the vacation rental home and property will be in keeping with the residential character of the neighborhood.
- 16. For the health and safety of residents and visitors, the CSRD will continue to work with the Union of BC Municipalities (UBCM) in lobbying the Province of BC to enact appropriate regulation, taxation and oversight of the vacation rental industry. The CSRD will also continue to work towards the implementation of a building regulation service as a method of oversight for structures built specifically for vacation rental purposes.