

Short Term Vacation Rentals

What's the Deal?

Welcome to the conversation about short-term vacation rentals in the Village of Pemberton. The following is the second of two background briefs and outlines some experiences and solutions for short-term rentals in other communities. As you read through the document, think about what approaches or specific policies may or may not be useful to consider in Pemberton.

We Are Not Alone

Many communities across British Columbia and indeed the world are trying to determine how to manage the increase in opportunities and challenges presented by short-term rentals. While there are some common provincial and federal laws such as taxation that need to be followed by everyone in the business of nightly accommodation, the permission to allow short-term rental use in residential dwellings is primarily addressed by local governments through municipal bylaws.

Municipalities' ability to zone land, regulate business and create nuisance rules (e.g. noise bylaws) enables them to regulate and manage short-term rentals. A mix of leading practices and specific community goals and local circumstances, as informed by residents and other stakeholders, typically determines the specific direction taken by a municipality.

The following sections cover a list of leading practices and four case summaries.

Regulation Practices

Practices in regulating short-term rentals range from outright bans to a varying degree of allowance often with a set of regulations to optimize outcomes. The most common general response has been to permit the practice with conditions, rather than prohibit. In determining an individual approach, communities consider the applicable policy areas and adjust their regulations based on their circumstances.

The following table outlines some common policy practices in managing short-term nightly rentals. **The 'shaded' cells represent the more recent common practices in regulating short-term rentals**, but each community needs to choose what works best for them.

Policy Area	Limited	Limited +	Permissive
Zoning	Residential Single Family	Duplexes, townhouses	All zones
Total # days	30 days	30+ days, minimums	Unlimited - 365
Seasonality	One season	Up to three	Year round
Residence ownership	Primary residence	One secondary residence	Any type and number
Entire home or rooms	Limited to rooms	Limited to one dwelling unit	Entire dwelling and suite
Location	One limited area	A few areas	Entire community
Number Permitted	Capped	in between	Entire community
Registration	Yes, and business licence	One or the other	None required

Management and Enforcement Practices

Management and enforcement deal with the day-to-day and year-to-year facilitation and/or limitation of short-term rentals.

The following table outlines a range of management approaches for short-term rentals. **The 'shaded' cells represent the more recent common practices.**

Mgmt. Area	Limited	Limited +	Permissive
Registration	Yes and business license	One or the other	None required
Health/ Safety Check	Multiple times per year	Once a year	Every 2+ years
Infraction Deposit	\$1,000+	\$0<\$>\$1000	\$0
Number of people	1 per room	2 per room to a maximum of 6	6+
Onsite Management	Owner/Manager on site	Manager reachable 24/7	None
Parking	On site two stalls	On site one per room	On site/Off site one per room
Enforcement	Proactive	Mix	Complaint
Advertising Enforced	Allowed with a license; fines	N/A	Not enforced
Taxes	Commercial and Tourism tax/fee	One or the other	None

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Nelson, BC | New Age Approach

The City of Nelson just recently passed a new set of regulations and management approaches for short-term nightly rentals. Their engagement included multiple stakeholder interviews, micro website, community meetings and an online survey.



Unique issues: Need for student housing fall-spring and tourist accommodation in summer; many secondary residences, limited parking, homes are part of the Nelson image, limited commercial accommodation.

General Policy Approach: Limited +

Unique approaches: Capped the total number in the community to 110 annual licenses; capped per block to three, mostly primary residences; many dwelling types allowed, and allowances to increase at small increments for short periods of time (e.g. summer to 40 more and anytime of the year up to 31 days); \$500 enforcement deposit.

Key takeaways: Broad but contained approach, allowed in most dwellings, but capped by business regulations; defined the enforcement approach upfront; strong support and can be scaled up and down.

Whistler, BC | Traditional and Time Tested

Due to a number of short-term rental issues in Whistler neighbourhoods, Whistler enacted a zoning amendment to ensure that homes in most neighbourhoods were not rented out on a nightly basis.



From about 1995 to 2007, Whistler zoned the majority of new neighbourhood developments as RTA (Residential Tourist Accommodation). In 1998, the municipality opened up the possibility of spot zoning, but overwhelmed with applications and concerns they instead decided to maintain current zoning and initiated and won legal action against those not abiding by the zoning. In 2010, homeowners were allowed to temporarily rent units out on a short-term basis to Olympic Games staff. The regulations are currently proactively enforced and enhanced management tools are being proposed to ensure business licences are held by active short-term rentals and that only those with a license are advertising.

Unique issues: Significant demand for accommodation in Whistler; accommodation rates are quite high so there is a strong incentive to rent nightly; critical need for long-term rentals; 75% of dwellings are secondary residences; high demand in 2010.

General Policy Approach: Limited

Unique approaches: Short-term rentals are limited to specific new neighbourhoods or subdivisions; short-term rentals can be in primary or secondary residences; use of third party software to identify those properties not in compliance; temporarily allow more when needed.

Key takeaways: Geographically contained to specific neighbourhoods, but permissive there; uses zoning for regulation; little recent engagement; protects core accommodation yet limits residents' ability to generate additional income.

Tofino, BC | Putting the Genie in the Bottle

Tofino has a year-round population of approximately 2,000 that swells to 30,000 on some days during the



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summer months of July and August. Tofino has become an increasingly popular tourist destination, particularly during the spring, summer and fall months. As of 2004 it was estimated that between 130 and 350 short-term vacation rentals operated in Tofino. In response to community concerns the local government tasked the OCP Monitoring Committee (made up of a spectrum of the community) to address the issue in 2011.

Unique issues: Significant tourist accommodation demand in summer; critical staff housing shortages; accommodation rates are quite high so there is a strong incentive to rent nightly; 50% of dwellings are secondary residences.

General Policy Approach: Limited + to Permissive

Unique approaches: Larger lots - Required a caretaker on site, only allowed one dwelling to be rented (suite or home) to maintain long-term rentals for employees; Smaller lots – only allowed in suites; use of business licenses; and relatively permissive.

Key takeaways: 82% of properties permit short-term rentals; little enforcement initially; recent complaints shifted from nuisance to “*I lost my rental housing*”; proactive enforcement and education as of 2016 is starting to improve management but housing issues persist.

Sun Peaks | Pre-Airbnb Approach

The Sun Peaks Mountain Resort Municipality was officially established on June 28, 2010, though the issue of short-term rentals at Sun Peaks came into early focus in 2001 due to concerns with the use in existing neighbourhoods. It was unclear whether the existing residential zoning allowed short-term rental accommodation but it was understood that the Sun Peaks Resort Corporation, as the property developer, intended to permit some short term rentals in residential zones. Extensive public consultation took place and most residents, property owners and

accommodators were in favour of some short-term rentals around the community given appropriate noise, parking, and safety management. The community now has 30 short-term rental zoned homes.

Unique issues: Identified visitor demand for home rental experience; more recent staff housing shortages; 85% of dwellings are secondary residences so there is lots of capacity to rent out; inherited ambiguous zoning language (not tested in courts).

General Policy Approach: Limited

Unique approaches: Chose a take it slow approach; single family lots only; spot zoning/public hearings; window of reduced fees for re-zonings to promote early compliance and legitimacy; New in 2017- can rent suite or home – not both; a \$500 infraction deposit; 24/7 complaint telephone contact shared with neighbours; and a posted notice on the unit indicating short term rental use parameters.

Key takeaways: Uptake for re-zoning was slow initially but demand increased as incentive deadline approached; public hearing allowed for neighbours to speak about properties that were ‘irresponsible’ in their nightly rental conduct to date; business license required and spot zoning is somewhat resource intensive (\$1,500 fee).

What Do You Think?

We want you to join the Village at upcoming community engagement sessions and we want you to take part in an online community survey to tell us what approach Pemberton should take. For more information on engagement opportunities go to www.pemberton.ca.

