



TOWN OF SIDNEY

Report to Council

TO: Mayor and Council
FROM: Corey Newcomb, Acting Manager of Planning
DATE: August 7, 2018 **FILE NO.:** 3900-02
SUBJECT: Proposed Bylaw Amendments for Short Term Vacation Rentals in Sidney

PURPOSE:

The purpose of this report is to provide Council with an overview of the proposed Zoning Bylaw amendment related to Short Term Vacation Rentals, as well as a proposed public outreach process to inform the public of the proposed changes.

BACKGROUND:

At the March 5, 2018 Committee of the Whole meeting, staff presented some possible options for regulating Short Term Vacation Rentals in Sidney – hereinafter “Short Term Rentals” (STR). Following discussion by the Committee and a recommendation to Council, the following resolution was adopted at the March 12, 2018 regular Council meeting:

1. *That Council see merit in an approach for regulating Short Term Vacation Rentals (STVR) in Sidney, that permit STVR in residential zones considering a principal occupant reside on the property and that staff be directed to bring forward the necessary bylaw amendments for consideration, and*
2. *That the public outreach process be undertaken to inform the public that Council intends to take action on this issue.*

MOTION CARRIED UNANIMOUSLY

Following the Council meeting, further changes at the provincial level related to STR have also been proposed, including an increased fine amount (\$1,000/day) that residential strata councils can use against STRs which fail to comply with strata bylaws. Staff note that the STR industry appears to be continually evolving, particularly with respect to the regulatory and tax environment. Based on the current situation, staff consider the proposed Zoning Bylaw amendment to have an “interim” quality and expect that the proposed regulations will require further adjustment as the STR industry develops further.

DISCUSSION:

Proposed Bylaw Amendments

As per Council’s direction, staff have drafted a bylaw amendment that allows “Short Term Rental” as a permitted use in all residential zones in the Zoning Bylaw (including residential/commercial uses in the Downtown Commercial zone) distinct from both Bed and Breakfast and Boarding. Significantly, the regulation includes a requirement for a principal occupant in residence on the property, either in the dwelling unit where the Short Term Rental is taking place (i.e. renting out an extra room in your own residence) or, as per Council’s direction in a Secondary Suite on a property where a principal occupant is in residence at the same time. As a result, properties with a Short Term Rental use could be listed on websites like Airbnb, provided they meet the “principal occupant” requirement.

Under the proposed bylaw, Short Term Rentals would not require a business licence nor any explicit municipal permission in order to operate (similar to how Secondary Suites are currently regulated). Note that a STR would not be permitted in a single-family dwelling where there is already an occupied secondary suite, detached secondary dwelling, boarding or a bed and breakfast on the same lot. (However, a principal occupant in a single-family dwelling would be able to rent their secondary suite or detached secondary dwelling units as a STRs under the proposed bylaw.)

In the case of a Short Term Rental operated in a dwelling unit that is part of a strata building, the Short Term Rental may be subject to additional strata bylaws. This may include additional restrictions on the use, or an outright prohibition of Short Term Rentals, with enforcement being undertaken by the strata itself. As noted above, the Provincial Government has proposed increasing the amount a strata may fine a non-compliant strata owner for an illegal Short Term Rental operation, which will come into effect in November 2018.

At this time, no additional parking requirements are being proposed for a STR. However, for a property with an existing legal Secondary Suite, Detached Secondary Dwelling or bed and breakfast use, at least one extra parking space would already exist (as at least one space is required for these uses as per the Off-Street Parking and Loading Bylaw).

Proposed Public Outreach Process

If Council chooses to proceed with the proposed bylaw amendments, staff would immediately undertake the following:

- Create a webpage on the Town’s website providing the public with information regarding the proposed approach to STR. The webpage would include an overview of the issue, information on who could operate a Short Term Rental in Sidney if the proposed bylaw is adopted, and also contact information for comments or questions regarding the proposed changes.
- Share the link to this information page via the front page on the Town’s website and in social media posts.
- Following first and second readings of the bylaw, prepare a public hearing notice which would provide both information on the purpose, time and date of the public hearing, as well as direct the public to the Town’s webpage on the topic for additional information on the proposed changes. This notice would run in two consecutive editions of the Peninsula News Review.

STAFF RECOMMENDATION:

That staff proceed with the public outreach process as per the report.

Respectfully submitted,

I concur,

I concur,

Corey Newcomb, MCIP RPP
Acting Manager of Planning

Tim Tanton, MPA, P.Eng.
Director of Development Services,
Engineering, Parks & Works

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