



STAFF REPORT

DATE: September 17, 2024 **FILE:** 0550-04 Board

TO: Chair and Directors,
Regional Board

FROM: Dave Leitch
Chief Administrative Officer

RE: **BYLAW NO. 578 – ELECTORAL AREA A MENZIES BAY AREA SHORT-TERM RENTAL AMENDMENTS**

PURPOSE/PROBLEM

To consider Bylaw No. 578 which proposes zoning bylaw amendments to regulate Short-Term Rentals in Electoral Area A (Menzies Bay) in response to Bill 35, the *Short-Term Rental Accommodations Act, 2023*.

EXECUTIVE SUMMARY

The attached report was considered at the September 4, 2024 meeting of the Electoral Areas Services Committee at which time the following resolutions were passed:

Mawhinney/Rice: EASC 303/24

THAT the Committee recommend that Bylaw No. 578 being Menzies Bay Zoning Bylaw 1996, Amendment No. 14 be forwarded to the Board for first and second reading.

Mawhinney/Rice: EASC 304/24

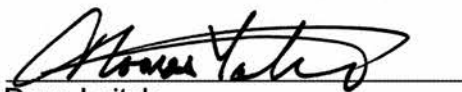
THAT the Committee recommend that the Board authorize that the public hearing for Bylaw No. 578 be waived in accordance with s.464 of the Local Government Act.

The actions outlined below are offered in support of the Committee's recommendations.

RECOMMENDATIONS

1. THAT the report from the Chief Administrative Officer be received.
2. THAT Bylaw No. 578, being a bylaw to amend the zoning regulations applicable to Menzies Bay, be now introduced and read a first time.
3. THAT Bylaw No. 578 be given second reading.
4. THAT the public hearing for Bylaw No. 578 be waived in accordance with s.464 of the *Local Government Act*.

Respectfully:



Dave Leitch
Chief Administrative Officer

for

Prepared by: *E. Watson, Manager, Corporate Operations*

Attachments: Bylaw No. 578
Copy of September 4, 2024 report to EASC



BYLAW NO. 578

A BYLAW TO AMEND THE ZONING REGULATIONS APPLICABLE TO MENZIES BAY

WHEREAS the former Comox-Strathcona Regional District has, by Bylaw No. 1794, adopted zoning regulations for Menzies Bay and vicinity pursuant to Part 14 of the *Local Government Act*;

AND WHEREAS a bylaw of the former Comox-Strathcona Regional District that regulates the use or development of land within the area comprising the Strathcona Regional District remains in force until amended or repealed;

AND WHEREAS the Regional Board wishes to amend the aforesaid Bylaw No. 1794 having due regard to the requirements of the *Local Government Act*;

NOW THEREFORE the Board of Directors of the Strathcona Regional District, in open meeting assembled, enacts as follows:

Amendments

1. Bylaw No. 1794, being Menzies Bay Area Zoning Bylaw 1996, is hereby amended as set out in Schedule 'A', attached to and forming part of this bylaw.

Citation

2. This bylaw may be cited for all purposes as Bylaw No. 578 being Menzies Bay Area Zoning Bylaw 1996, Amendment No. 14.

READ A FIRST TIME ON THE ____ DAY OF _____, 2024

READ A SECOND TIME ON THE ____ DAY OF _____, 2024

READ A THIRD TIME ON THE ____ DAY OF _____, 2024

RECONSIDERED, FINALLY PASSED AND ADOPTED ON THE ____ DAY OF _____, 2024

Chair

Corporate Officer

SCHEDULE 'A'

SECTION ONE TEXT AMENDMENTS

- 1) Part 200 'INTERPRETATION', is amended by replacing the existing definition for BED AND BREAKFAST with the following:

'BED AND BREAKFAST' means the use of a room or rooms without cooking facilities in an owner occupied dwelling for the temporary sleeping accommodation of the travelling public, with breakfast meals being prepared and served to guests.

- 2) Part 200 'INTERPRETATION' is amended by removing the existing definition for HOTEL.

- 3) Part 200 'INTERPRETATION', is amended by inserting a new definition for the following:

'SHORT-TERM RENTAL' means the rental of a dwelling unit or portion thereof to the travelling public for a period of less than ninety (90) consecutive days and includes Bed and Breakfasts.

- 4) Part 200 'INTERPRETATION', is amended by replacing the existing term and definition for TOURIST COMMERCIAL ACCOMODATION with the following:

'TOURIST ACCOMODATION' means the provision of temporary accommodation for the travelling public which may include a hostel, hotel, lodge, cabins, motel, inn, or resort, and associated accessory uses such as meeting rooms, restaurants, gift shops and recreational facilities, but shall not a include campsite or campground, and excludes the use or the occupancy of units for permanent residential use or, bed and breakfast, or short-term rental.

- 5) Part 500 'RESIDENTIAL ZONES, Subsection 501 "Residential One (R-1)" is amended by inserting item "2) d)" with the following:

d) Short-Term Rentals accessory to residential use.

- 6) Part 500 'RESIDENTIAL ZONES, Subsection 502 "Residential Two (R-2)" is amended by inserting item "2) d)" with the following:

d) Short-Term Rentals accessory to residential use.



STAFF REPORT

DATE: September 4, 2024

FILE: 0540-04 EASC

TO: Chair and Directors
Electoral Areas Services Committee

FROM: Dave Leitch
Chief Administrative Officer

RE: **ELECTORAL AREA A MENZIES BAY AREA SHORT-TERM RENTAL AMENDMENTS**

PURPOSE

To propose zoning bylaw amendments to regulate Short-Term Rentals (STRs) in Electoral Area A in response to Bill 35, the *Short-Term Rental Accommodations Act, 2023*.

POLICY ANALYSIS

Part 14 "Planning and Land Use Management" of the *Local Government Act (LGA)* addresses local governments' roles regarding official community plans and zoning bylaws, namely s.471 (Official Community Plans), s.479 (Zoning Bylaws) and ss.464 - 465 (Public Hearings on Bylaws).

EXECUTIVE SUMMARY

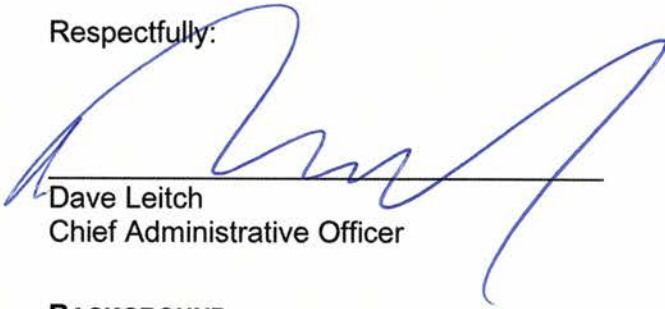
Bill 35, the *Short-Term Rental Accommodations Act (STRAA)*, amends the *Local Government Act* and *Community Charter* to strengthen the ability of local governments, including Regional Districts, to regulate STRs and enforce STR bylaws. As Bylaw No. 1794, being the *Menzies Bay Zoning Bylaw, 1996*, does not currently contemplate STRs and with the implementation of the new legislation it is necessary for the SRD to amend the bylaw to both define STRs and regulate their permissiveness. To inform the required amendments, the SRD conducted a community survey through a mailout to property owners of residential lots within the Menzies Bay Zoning Area to gather input from affected residents regarding the upcoming regulations regarding STRs. The survey received 18 responses from the 79 residential properties within the regulatory area. When asked if residents would like to see Short-Term Rentals being a permitted use, 67% responded "yes" and 33% responded "no."

Given the feedback provided through consultation efforts, an amendment to permit STRs in all residential zones is provided for the Committee's consideration.

RECOMMENDATIONS

1. THAT the report from the Chief Administrative Officer be received; and
2. THAT the Committee recommend that Bylaw No. 578 being Menzies Bay Zoning Bylaw 1996, Amendment No. 14 be forwarded to the Board for first and second reading.
3. THAT the Committee recommend that the Board authorize that the public hearing for Bylaw No. 578 be waived in accordance with s.464 of the *Local Government Act*.

Respectfully:



Dave Leitch
Chief Administrative Officer

BACKGROUND

Regulating STRs can bring several benefits to communities, addressing various social, economic, and environmental concerns. Firstly, regulating STRs preserves housing supply. By regulating STRs, local governments can prevent the conversion of long-term rental units and affordable housing into short-term accommodations, which helps maintain the availability of housing for residents. As discussed in the Ministry of Housing's "Priorities for Action on Short-Term Rentals" report (UBCM, 2021);

"existing data on vacancy in the primary rental market (purpose built rental) shows no consistent correlation with short-term rental listings or bookings activity, but the true impact of short-term rentals is in the secondary market (other housing forms), which is more fluid and difficult to measure. The lack of consistent definition of what constitutes a "permanent dwelling" and limited capacity of governments to monitor listings makes it nearly impossible to determine the actual scale of diversion from rental housing stock in a statistical sense, but observations by local governments across the province indicate there is a significant unmeasured threat to long-term housing. As 70% of B.C.'s renter households rely on secondary rental market housing, and in some communities up to 100% of rental housing is in the secondary market, there is a strong case for responding to the potential impacts of short-term rentals even in lieu of appropriate data sources."

Secondly, regulating STRs can help maintain neighbourhood stability. Excessive STR activity can disrupt the stability and character of residential neighborhoods, leading to a transient population and reducing community cohesion. Regulation helps mitigate issues such as noise, traffic, and parking problems, which can arise from high turnover and occupancy rates associated with STRs. Regulation also helps maintain fair competition which ensures a level playing field between STRs and traditional accommodation providers, like hotels and bed-and-breakfasts, who are subject to similar regulations and taxes. These regulations help create a balanced approach that allows the benefits of STRs to be enjoyed while mitigating potential negative impacts on local communities.

PLANNING ANALYSIS

In August 2024 the Strathcona Regional District ran a community survey on the possibility of regulating Short-Term Rentals (STRs) within Area A Menzies Bay in response to the Provincial government's enactment of Bill 35, the *Short-Term Rentals Accommodations Act*. The survey received 18 responses from property owners of the 79 residential properties. When asked if residents would like to see Short-Term Rentals being a permitted use, 67% responded "yes" and 33% responded "no." When asked how STRs benefit the community, 67% of survey responders said they provide additional income to property owners. When asked if there were any concerns with permitting STRs, 56% of respondents indicated that they had no concerns. A high-level overview of the survey responses is summarized in Attachment 1.

This amendment is supported by the Electoral Area A Menzies Bay Official Community Plan in the following sections:

- Section 5 Home Based Business, Objective (a) which states "To support home based businesses that do not interfere with residential privacy, use, and enjoyment and to recognize that home-based businesses are an important element of rural economies."

- Section 5 Home Based Business, Policies (b) (i) which states, “To ensure the home based business maintains the residential atmosphere of a neighbourhood, remains secondary to the residential use of the property, and does not negatively impact businesses and environment on surrounding lands.”

FINANCIAL IMPLICATIONS

Fees for the OCP and rezoning application process have been applied in accordance with the Regional District’s Planning Procedures and Fee Bylaw (Bylaw No. 5).

LEGAL IMPLICATIONS

This report and the recommendations contained herein follow the *Local Government Act* (LGA) and Regional District bylaws. This includes the zoning of land, which includes the surface of the water, set out in s.479 of the LGA.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS

Should a recommendation be made in support of these proposed amendments, residents will be afforded the opportunity to provide comment prior to adoption of the amendment bylaw.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS

The planning department is responsible for all aspects of the bylaw amendment process and includes the support of corporate services in the adoption of the bylaw.

Submitted by:



Aniko Nelson
Senior Manager, Community Services

Prepared by: A. Girdler, Planner II

Attachments: Bylaw No. 578
Survey Summary



BYLAW NO. 578

A BYLAW TO AMEND THE ZONING REGULATIONS APPLICABLE TO MENZIES BAY

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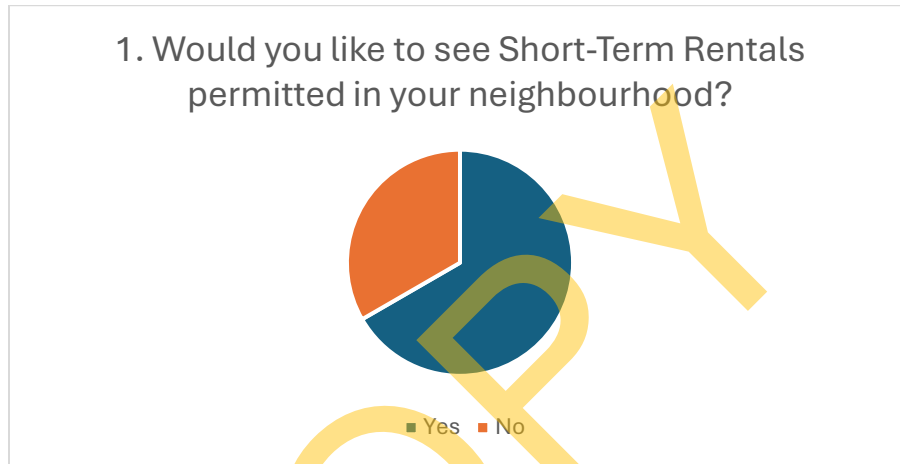
Area A: Menzies Bay Zoning Bylaw Amendment

Short-Term Rentals Community Survey Results Summary

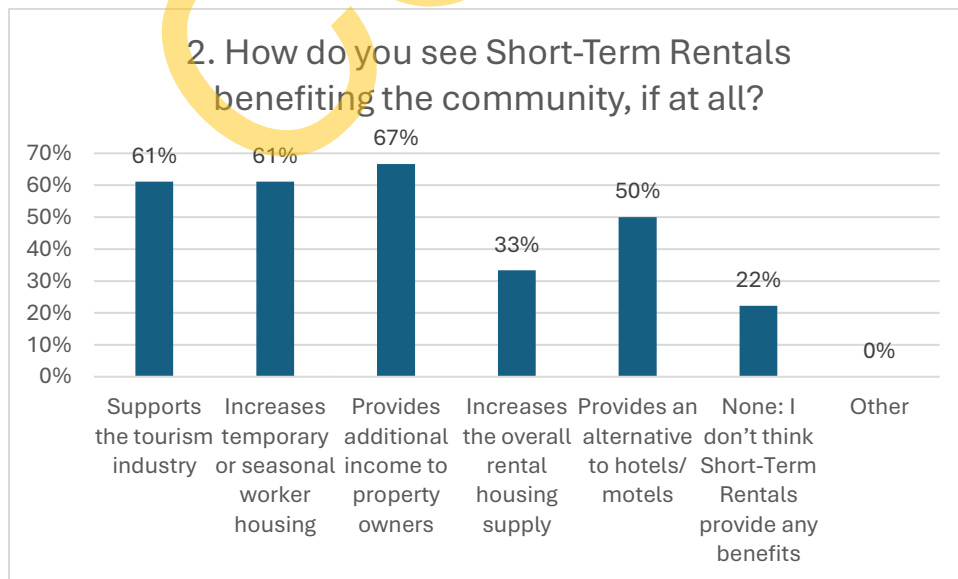
The Strathcona Regional District would like to extend a huge thank you to the people of Menzies Bay in for your interest and responses on the topic of Short-Term Rentals.

The survey was directly mailed to 79 property owners of Residential properties in the Menzies Bay area Zoning Bylaw and received **18** responses.

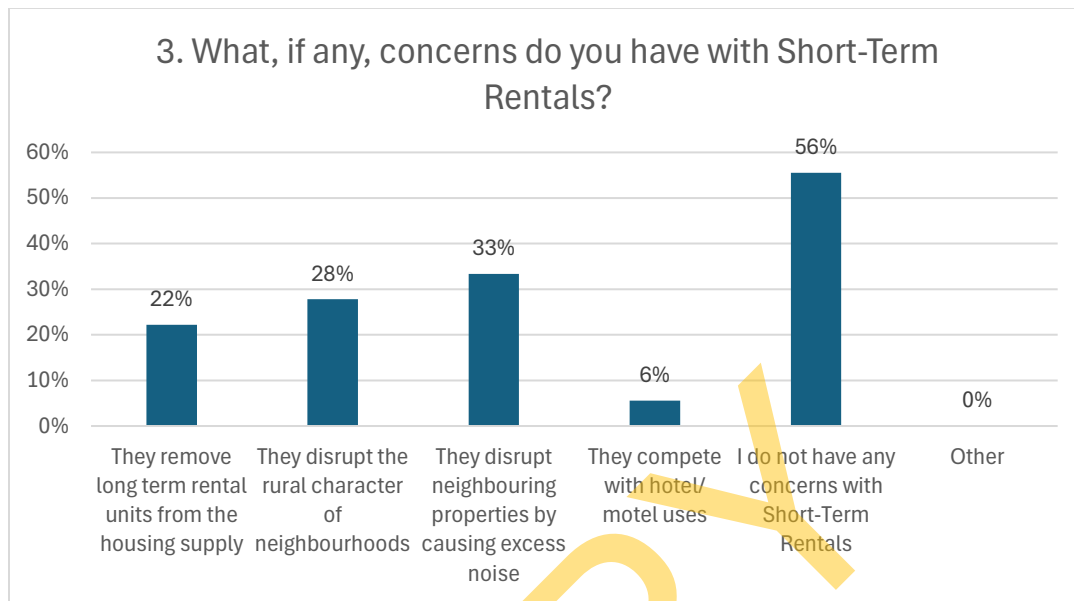
When asked if they would like to see Short Term Rentals being a permitted use within the area, **67%** responded **“Yes”** and **33%** responded **“No.”**



When asked how Short-Term Rentals could benefit the community, **67%** of respondents identified that they provide additional income to property owners and **61%** identified that they support the tourism industry and increase temporary or seasonal worker housing.



When asked if they had any concerns about Short-Term Rentals, **56%** indicated that they had no concerns, while **33%** expressed that they had concerns that Short-Term Rentals can disrupt neighbours by causing excess noise.



Other comments received:

- Not an ideal area for rentals as it is far from the City centre and there is no transit
- Some lots may have a covenant which prohibits commercial uses
- Not currently any noticeable Short-Term Rentals
- Lack of services makes it hard to add housing supply
- Bed and Breakfasts are more permissive