

### **Council Report**

For the Special Council Meeting of December 7, 2018

To:

Council

Date:

December 3, 2018

From:

Barrie Cockle, Bylaw Services Lead

Subject:

Ticket Bylaw Amendment for Short Term Rental Enforcement

#### **RECOMMENDATION**

That Council give three readings to the proposed Ticket Bylaw Amendment, attached as Appendix A.

#### **EXECUTIVE SUMMARY**

On March 8, 2018, Council approved the Short-Term Rental Regulation Bylaw which then came into effect April 2, 2018. The City began receiving and approving the new Short Term Rental Business Licence applications immediately. The City developed simple and clear messaging about short term rentals, what they are, and who is eligible for a licence. This information was shared on the City's website, with City staff, on presentation screens in City Hall foyer, throughout social media channels, in the City's eNews and printed Connect newsletter. A comprehensive FAQ was created on the City's website. The City's Business Hub, Bylaw Services and Public Service Centre provided information and assistance with the application process to property owners and occupants who were emailing in, calling in and walking in to City Hall. The efforts resulted in 70% conversion of the old Vacation Rental Licence to the new Short Term Rental Licence. Bylaw Services is now moving forward with proactive enforcement of those operating without a licence. As part of the overall enforcement regime, ticketing is a means to provide an immediate impact on unlicensed, or non-compliant operators. The fees proposed in the attached Bylaw are designed to be an effective deterrent to on-going violation.

#### **PURPOSE**

The purpose of this report is to bring forward a ticket schedule to support the enforcement of the Short-Term Rental Regulation Bylaw.

#### BACKGROUND

At the November 8, 2018, Council directed staff to initiate robust enforcement of the Short-Term Rental regulations no later than January 1, 2019. This Ticket Bylaw Amendment will support that enforcement.

#### **ISSUES & ANALYSIS**

The Short-Term Regulation Bylaw came into effect April 2, 2018. Since that time Bylaw Services has achieved voluntary compliance and processed 455 applications. All approved 2018 Vacation Rental Licences from the old program have now either been upgraded or closed. In 2018, Bylaw Services also responded to 58 concerns from public alleging non-compliant short term rentals of those 16 have been resolved while 42 are in various stages of investigation and enforcement.

A challenge faced by all cities with non-compliant online rental properties is in the identification of the specific property. To identify these properties, the City entered into a contract with Host Compliance — a third party monitoring company to access and interpret more data through their online platforms. There are close to 1,000 unlicensed operators in the City of Victoria which we will now begin to receive identification information for. We have just recently resolved issues of compliance with the Freedom of Information and Protection of Privacy Act and letters will start going out by early December to the non-compliant operators.

Some operators have declared they are no longer renting short term or that the dwelling is their principal residence. The third party monitoring company will be able to provide the city with data to either support or prove this to be false.

The next step will focus on education and compliance after which tickets will be issued as an intermediate step before commencing legal action. The fees have been selected purposefully to act as an incentive to comply and not an incentive to incite legal action.

#### **OPTIONS & IMPACTS**

2015 - 2018 Strategic Plan

This work is identified as a key priority in the Strategic Plan under Objective 6: Make Victoria more affordable.

Impacts to Financial Plan

This amendment to the Ticket Bylaw should not have an impact to the financial plan specifically. Funding for the additional resources and enforcement was a key factor in the license fees established for short term rentals to strive to achieve cost recovery for the resources required to support the new regulations.

#### **CONCLUSIONS**

The proposed Ticket Bylaw, Amendment Bylaw No. 18-125 supports the council direction for staff to initiate robust enforcement.

Respectfully submitted,

Nancy Johnston

Barrie Cockle

Manager, Bylaw and Licensing Services

Leader, Bylaw and Licensing Services

Report accepted and recommended by the City Manager:

Date:

Date

List of Attachments Appendix A: Ticket Bylaw, Amendment Bylaw

## Appendix A

#### NO. 18-125

#### TICKET BYLAW, AMENDMENT BYLAW

#### A BYLAW OF THE CITY OF VICTORIA

The purpose of this Bylaw is to amend the *Ticket Bylaw No. 10-071* to include the new offences created under the *Short-Term Rental Regulation Bylaw No. 18-036*.

Under its statutory powers, including sections 260 and 264 to 273 of the *Community Charter*, and the *Community Charter Bylaw Enforcement Ticket Regulation*, the Council of the Corporation of the City of Victoria, in an open meeting assembled, enacts the following provisions:

- 1 This Bylaw may be cited as the "TICKET BYLAW, AMENDMENT BYLAW (NO.10)".
- 2 Bylaw No. 10-071, the Ticket Bylaw, is amended by
  - (a) inserting in the Table of Contents, immediately below the line "Schedule DD Second Hand Dealers Bylaw Offences and Fines", a new line as follows:
    - "Schedule DD.1 Short-Term Rental Regulation Bylaw";
  - (b) replacing Schedule A with the new Schedule A attached to this Bylaw as Schedule 1; and
  - (c) inserting Schedule 2 to this Bylaw as the new Schedule DD.1 immediately after Schedule DD.

READ A FIRST TIME the	day of	2018
READ A SECOND TIME the	day of	2018
READ A THIRD TIME the	day of	2018
ADOPTED on the	day of	2018

CITY CLERK

**MAYOR** 

## Schedule 1

## Schedule A

## Bylaws & Enforcement Officers

Item	Column 1 - Bylaws	Column 2 - Bylaw Enforcement	
Number		Officers	
1	Abandoned Properties Bylaw	Bylaw Officer; Police Constable	
2	Animal Control Bylaw	Animal Control Officer; Bylaw	
	-sections 17, 36, 37, 38, 39, 48 and 49	Officer; Police Constable	
3	Animal Control Bylaw	Animal Control Officer; Manager of	
	-all provisions except those listed in Item 2	Bylaw and Licensing Services;	
		Police Constable	
4	Bicycle Courier Bylaw	Bylaw Officer; Police Constable	
5	Blasting (Construction) Operations Bylaw	Building Inspector; Bylaw Officer	
6	Boulevard Tree Lighting Bylaw	Bylaw Officer; Electrical Inspector	
7	Building Bylaw	Building Inspector; Bylaw Officer	
8	Business Licence Bylaw	Bylaw Officer	
9	Commercial Vehicle Licensing Bylaw	Bylaw Officer; Police Constable	
10	Dance (All-Night Event) Bylaw	Bylaw Officer; Police Constable	
11	Dance (Club) Bylaw	Bylaw Officer; Police Constable	
12	Electrical Safety Regulation Bylaw	Bylaw Officer; Electrical Inspector	
13	Escort and Dating Service Bylaw	Bylaw Officer	
14	Fence Bylaw	Bylaw Officer	
15	Fire Prevention and Regulation Bylaw	Bylaw Officer; Fire Prevention	
		Officer; Police Constable	
16	Fireworks Bylaw	Bylaw Officer; Fire Prevention	
		Officer; Police Constable	
17	Idling Control Bylaw	Bylaw Officer; Police Constable	
18	Litter Prohibition Bylaw, 1977	Bylaw Officer	
19	Cannabis-Related Business Regulation Bylaw	Bylaw Officer, Police Constable	
20	Noise Bylaw	Bylaw Officer; Police Constable	
21	Nuisance (Business Regulation) Bylaw	Bylaw Officer	
22	Outdoor Market Bylaw	Bylaw Officer	
23	Parking Lot Bylaw	Bylaw Officer	
24	Parks Regulation Bylaw	Animal Control Officer; Bylaw	
,	-sections 6(j), 6(k), 12(3), 12(4) and 17	Officer; Police Constable	
25	Parks Regulation Bylaw	Bylaw Officer; Police Constable	
	- all provisions except those listed in Item	,	
	23	1	
26	Pesticide Use Reduction Bylaw	Bylaw Officer	
27	Plumbing Bylaw	Bylaw Officer; Plumbing Inspector	
28	Property Maintenance Bylaw	Bylaw Officer; Police Constable	
29	Residential Properties Parking Bylaw	Bylaw Officer; Police Constable	

30	Ross Bay Cemetery Bylaw	Bylaw Officer; Police Constable	
31	Sanitary Sewer and Stormwater Utilities	Bylaw Officer	
	Bylaw		
32	Second Hand Dealers Bylaw	Bylaw Officer; Police Constable	
33	Short-Term Rental Regulation Bylaw	Bylaw Officer	
34	Sidewalk Cafes Regulation Bylaw	Bylaw Officer	
35	Sign Bylaw	Bylaw Officer	
36	Solid Waste Bylaw	Bylaw Officer	
37	Street Collections Bylaw	Bylaw Officer; Police Constable	
38	Street Vendors Bylaw	Bylaw Officer; Police Constable	
39	Streets and Traffic Bylaw	Manager of Bylaw and Licensing	
	- sections 20 to 44 inclusive	Services; Police Constable	
40	Streets and Traffic Bylaw	Bylaw Officer; Police Constable	
	- all provisions except those listed in Item		
	36		
41	Towing and Immobilizing Companies	Bylaw Officer; Police Constable	
	Bylaw		
42	Tree Preservation Bylaw	Bylaw Officer	
43 .	Vehicles For Hire Bylaw	Bylaw Officer; Police Constable	
44	Zoning Regulation Bylaw	Bylaw Officer	

## Schedule 2

# Schedule DD.1 Short-Term Rental Regulation Bylaw Offences and Fines

Column 1 –Offence	Column 2 – Section	Column 3- Set Fine	Column 4 – Fine if paid within 30 days
Operate without a valid licence	3(1)	\$500	\$500
Failure to include business licence number in advertising	5 .	\$250	\$250
Failure to designate a responsible person	6(1)	\$350	\$350
Failure to display contact for responsible person	6(2)	\$350	\$350
Failure to have responsible person available to attend	6(4)	\$350	\$350
Failure to designate responsible person when operator away	6(5)	\$350	\$350