

Council Member Motion For the Committee of the Whole Meeting December 7, 2023

To: Committee of the Whole **Date:** December 1, 2023

From: Councillors Hammond & Gardiner

Subject: Fee Change to Short Term Rental Bylaws

BACKGROUND

On July 27, 2023, City Council approved numerous recommendations by City staff for changes to our Short-Term Rental Bylaw and Zoning Bylaws "to improve the ability to effectively regulate the Short-Term Rental industry in the City of Victoria."

In the July 21, 2023 information document to Council by the Director Bylaw and Licencing Services, Shannon Perkins wrote:

Since 2018, the City has regulated short-term rentals in Victoria. First, under its zoning bylaws, short-term rentals are generally prohibited, except for limited (up to two bedrooms) operation as Home Occupation in the operator's principal residence and entire unit while temporarily away, on occasion. Secondly, to address short-term rentals continuing to operate as lawful non-conforming uses (i.e., uses that existed prior to zoning changes) and to regulate short-term rentals operating as home businesses, the City enacted the Short-term Rental Regulation Bylaw, which requires operators to obtain an annual business licence and abide by certain rules regarding operation of short-term rentals.

On October 26, 2023, the Province's Short-Term Rental Accommodation Act was given Royal Assent, placing several restrictions on Short-Term Rental Accommodations throughout the province, including Victoria.

In the new provincial law, starting May 1, 2024, the "lawful non-conforming" rental units will no longer be able to operate as Short-Term Rentals and as such must rent for not less than 90 days. Being that this will be a substantial hardship on many people who own these properties, Council can make provisions to reduce reasonable costs that are within the responsibility of the City.

While on July 27, 2023, Council recommended the non-principal resident operator fee be increased from \$1,500 to \$2,500, that the original \$1,500 fee is still in place and will continue to be in place while these operators pay their annual fee starting in January, 2024.

RECOMMENDATION

That Council set the non-principal resident operator fee to be \$500 to reflect the four out of twelve months period from January 1 to April 30, 2023. Starting May 1, 2023, these licenses will no longer be permitted by provincial law.

Respectfully submitted,

Councillor Stephen Hammond

Councillor Marg Gardiner