

Council Member Motion

For the Committee of the Whole meeting of September 21, 2017

To: Committee of the Whole

Date: September 19, 2017

From: Councillor Geoff Young

Subject: Short Term Vacation Rentals

RECOMMENDATION

That Victoria Council request the Provincial government to make changes to legislation and regulations to ensure that:

- 1. property used substantially for short term vacation rental (stvr) purposes is classified as commercial property for purposes of municipal property taxes; and that
- 2. the right to legal non-conforming use of residentially zoned units in a strata building is determined on the basis of use of those individual strata lots, not (as at present) on the basis of existing use in other parts of the building.

BACKGROUND

The regulations under which the BC Assessment authority determines whether condominium units are assessed as residential or commercial are very complex and appear to have been written some time ago primarily for vacation units used for only short periods within a year, as with ski cabins or summer cottages. While it is reasonable that short term vacation rentals be permitted for short periods in properties used primarily for permanent residential use, current regulations appear to allow many units that are being held out of the residential market so they can be used as stvrs to be classified as residential property rather than commercial property. We believe that the regulations should have the clear purpose of classifying units used largely for transient accommodation as commercial property. If units are used for substantial periods for both transient and residential use we suggest that a proportional assessment be determined.

At present many residential units within the City allow transient accommodation and are being used legally as stvrs. Should the City rezone these buildings to residential use only, units now being used for transient accommodation will continue to be permitted to be for transient accommodation indefinitely, so long as that use is continuous. However, under existing provincial legislation, other units that are now being used for residential use which happen to be located within the same building will be permitted to switch from residential to transient use in the future.

We suggest it is reasonable that continuing legal non-conforming use rights should be restricted to the individual unit that has continuously been used for the previously permitted use, and that this right should not extend to other units that happen to be within the same building.

Respectfully Submitted,

Councillor Young