

ADMINISTRATIVE REPORT



TO: Planning & Development Committee

FROM: J. Zaffino, Chief Administrative Officer

DATE: December 19, 2024

RE: Vacation Rental Review – Proposed Municipal Ticketing Information (MTI) Bylaw Amendments (X2024.015-ZONE)

Administrative Recommendation:

THAT the Regional District of Okanagan-Similkameen Municipal Ticketing Information Amendment Bylaw No. 2328.05 be initiated.

Purpose:

The purpose of this report is to outline proposed amendments to the Regional District’s Municipal Ticketing Information Bylaw No. 2328, 2009, in order to introduce fines related to unauthorized short-term rental accommodation uses.

Legislative Requirements:

Under Section 265 (Penalties in relation to ticket offences) of the *Community Charter*, a local government may establish penalties in relation to an offence of one of its bylaws as follows:

- a) *a fine not greater than the amount prescribed by regulation;*
- b) *in the case of a continuing offence, for each day that the offence continues, a fine not greater than the amount prescribed by regulation.*

In accordance with Section 2 (Maximum fine amount) of the *Bylaw Enforcement Ticket Regulation*, the maximum amount of a fine under section 265 of the *Community Charter* is \$3,000 (unless a “young person” is charged with an offence, in which case the maximum fine cannot exceed \$1,000).

Background:

The Regional District generally enforces its bylaws through its Bylaw Notice Enforcement (BNE) Bylaw No. 2507, 2010, and pursuant to the *Local Government Bylaw Notice Enforcement Act*.

The preference for this approach is due to the dispute resolution process associated with this bylaw, which allows a recipient of a fine — not exceeding \$500 — to dispute it through an adjudication system rather than provincial court.

As an alternative, the Regional District’s Municipal Ticket Information (MTI) Bylaw No. 2328, 2009, allows for the imposition of a higher fine — not exceeding \$3,000 per infraction per day — for a bylaw offence but requires that dispute resolution occur through provincial court, and establishes a higher burden of proof for the Regional District.

NOTE: implementation of the *Short-Term Rental Accommodation Act* in 2023 included an increase to the maximum fine under the *Bylaw Enforcement Ticket Regulation* rising from \$1,000 to \$3,000. Maximum fines under the *Local Government Bylaw Notice Enforcement Act* remain unchanged.

At present, and following amendments enacted in 2023, the Regional District’s MTI Bylaw only establishes fines of \$1,000 for offences related to development permit areas established in the Electoral Area Official Community Plan Bylaws as well as offences of the Electoral Area “F” Soil Removal and Deposition Bylaw.

Analysis:

In introducing the *Short-Term Rental Accommodation Act* in 2023, the provincial government made its intent clear; “turning short-term rentals into homes for people is at the core of newly introduced legislation to regulate the rapidly expanding short-term rental market.”

In support of this, the legislation focused on three key areas identified by the provincial government:

- *increasing fines and strengthening tools for local governments;*
- *returning more short-term rentals to long-term homes; and*
- *establishing provincial rules and enforcement.*

By increasing the fines that can be levied against operators breaking local rules, the province is attempting to support local governments in enforcing their bylaws.

In response, a number of options are seen to be available to the Board in how it may wish to respond to this new legislative authority;

- .1 initiate an amendment to its MTI Bylaw in order to introduce offences related to short-term rental accommodation (STR) uses with a maximum fine of \$3,000; or
- .2 initiate an amendment to its MTI Bylaw in order to introduce offences related to STR uses with a maximum fine of \$1,000 (or some other amount to be specified by the Board); or
- .3 status quo (e.g. the MTI Bylaw is not amended).

Of these options, Administration is recommending in favour of amendments that will introduce an STR Offence category in relation to the Electoral Area zoning bylaws and the proposed Business Licence Regulation Bylaw with a maximum fine of \$3,000.

Financial Implications:

Financial implications have been considered and none were found.

Communication Strategy:

The proposed bylaw amendment(s) do not require notification under the *Local Government Act*.

Alternatives:

1. THAT the Regional District of Okanagan-Similkameen Municipal Ticketing Information Amendment Bylaw No. 2328.05 not be initiated.

Respectfully submitted:



C. Garrish, Senior Manager of Planning