ADMINISTRATIVE REPORT

TO: Board of Directors

FROM: J. Zaffino, Chief Administrative Officer

DATE: August 21, 2025

RE: Business Licencing Regulation Bylaw – Tourist Accommodation Uses (X2025.001-BLR)

Administrative Recommendation:

THAT Business Licence Regulation Amendment Bylaw No. 3100.01, 2025, and Fees and Charges Amendment Bylaw No. 3097.02, 2025, be read a first, second, and third time;

AND THAT the Board of Directors considers the process, as outlined in this report from the Chief Administrative Officer dated August 21, 2025, to be appropriate notification for Business Licence Regulation Amendment Bylaw No. 3100.01, 2025, for the purpose of Section 59(2) of the *Community Charter*.

Purpose:

The purpose of this report is to introduce business licence regulations in relation to "tourist accommodation" uses in Electoral Area "E".

Strategic Priorities:

5.1 Establish Regional Policy Framework

Background & Analysis:

Following the Board meeting of April 3, 2025, Electoral Area Directors participated in an informal "workshop" at the Regional District office to provide direction to Administration regarding short-term rental accommodations. A summary of this direction is provided at Attachment No. 1.

In accordance with this direction, the Planning and Development (P&D) Committee of the Regional District Board considered the following draft amendment bylaws at its meeting of May 8, and resolved that the bylaws be notified for public feedback and brought forward for consideration of first reading at a forthcoming Board meeting:

- Official Community Plan (OCP) Amendment Bylaw No. 3099;
- Okanagan Valley Zoning Bylaw No. 2800.50;
- Business Licence Regulation Amendment Bylaw No. 3100.01; and
- Fees and Charges Amendment Bylaw No. 3097.02

At its meeting on August 7, 2025, the P&D Committee re-considered the four amendment bylaws, along with a revised version of Business Licence Regulation Amendment Bylaw No. 3100.01, 2025

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reflecting the direction from July 3, 2025 P&D Committee meeting and resolved that the bylaws be brought forward for consideration of first reading at a forthcoming Regional District Board meeting.

Analysis:

In considering the content and scope of the draft amendment bylaws, Administration notes that changes have been implemented in accordance with the direction provided by Electoral Area Directors at the STR Workshop on April 3, 2025.

Business Licence Regulation Amendment Bylaw No. 3100.01, 2025 addresses the request from the April 3, 2025 workshop to extend business licencing to "tourist accommodation" uses in Electoral Area "E".

Similarly, the revisions to Business Licence Regulations Amendment Bylaw No. 3100.01, 2025 address concerns raised by the Electoral Area Directors in relation to exempting "conventional bed and breakfast operations" in Areas "A" and "D", as well as properties at Apex Mountain Resort from business licencing requirements.

<u>Alternative</u>

Alternatively, Administration recognizes that the Board may wish to further augment the scope of the draft amendment bylaws.

Summary

In summary, Administration considers that the scope of the draft bylaws and the public consultation undertaken to date support prior Board direction and is recommending that the bylaws be supported.

Financial Implications:

The financial implications of implementing a Business Licence Regulation Bylaw will primarily be in relation to the administration of the bylaw (e.g. receiving, reviewing and determining licence applications, responding to complaints, etc.).

Based upon a review of the fees being charged by other local governments in the Okanagan, Administration considers the proposed \$200 fee to be appropriate but is aware that a higher fee may be required in future if the intent is for the program to run on a full cost recovery basis.

Communication Strategy:

The proposed bylaw amendments have been notified in accordance with the requirements of the *Community Charter*.

Public Process:

In accordance with the requirements under Section 59 of the *Community Charter*, notification of Business Licence Regulation Amendment Bylaw No. 3100.01 has been provided as follows, with representations being accepted until June 20, 2025:

- posting information to the Regional District's website,
- distributing a notice to residents via VoyentAlert!;
- posting a notice to the Regional District's "Bulletin Board" at 101 Martin Street; and

• notifying the bylaw via two (2) consecutive advertisements in local print newspapers.

All comments received to date in relation to the amendment bylaws are included as a separate item on the Board Agenda.

Alternatives:

- 1. THAT Business Licence Regulation Amendment Bylaw No. 3100.01, 2025, and Fees and Charges Amendment Bylaw No. 3097.02, 2025, be read a first, second, and third time, and adopted.
- 2. THAT Business Licence Regulation Amendment Bylaw No. 3100.01, 2025, and Fees and Charges Amendment Bylaw No. 3097.02, 2025, be amended by:
 - i) TBD

Will a PowerPoint presentation be presented at the meeting? No

Respectfully submitted:

"Ben Kent"

B. Kent

C. Garrish

Planner II

Endorsed By:

A. Fillion

Managing Director, Dev. & Infrastructure

Attachments: No. 1 – Short-Term Rental Accommodation Workshop Summary (2025-04-03)

File No: X2025.011-BLR

Attachment No. 1 – Short-Term Rental Accommodation Workshop Summary (2025-04-03)

Electoral Area "A"

- Allow up to two (2) STRs per parcel;
- Allow one (1) business licence to authorize up to two (2) STR businesses per parcel.

Electoral Area "C"

- Allow up to two (2) STRs per parcel;
- Allow one (1) business licence to authorize up to two (2) STR businesses per parcel.

Electoral Area "D"

- Allow up to two (2) STRs per parcel;
- Allow one (1) business licence to authorize up to two (2) STR businesses per parcel;
- Allow 2nd dwelling unit to be used exclusively as an STR (e.g. up to 12-months a year).

Electoral Area "E"

- Allow one (1) STR per parcel;
- Introduce draft OCP policy regarding "Principal Residence Requirement" (e.g. similar language to "D", "F" & "I" OCP amendments);
- Introduce a business licence requirement for all other types of tourist accommodation uses (e.g. hotel, motel, agri-tourism, etc.);
- Explore prohibition against the creation of "de facto" dwelling units within a principal dwelling unit (e.g. closing internal doors to create a separate wing in a house for STR patrons).

Electoral Area "F"

Allow one (1) STR per parcel.

Electoral Area "I"

- Allow up to two (2) STRs per parcel;
- Allow one (1) business licence to authorize up to two (2) STR businesses per parcel;
- Explore inclusion of contact information for property managers as a business licence condition (e.g. to be provided to neighbours within a specified radius);
- Preclude the use of an RV on a property by friends or family of the owner if a business licence for an STR has been issued.

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