

ADMINISTRATIVE REPORT



TO: Planning & Development Committee

FROM: J. Zaffino, Chief Administrative Officer

DATE: July 3, 2025

RE: Short-Term Rental Accommodation Review – Electoral Areas “A”, “C”, “D”, “E”, “F” & “I” (X2024.017-ZONE)

Administrative Recommendation:

THAT the following bylaws be brought forward for consideration of first reading at a forthcoming Regional District 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. 3097.01.
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Purpose:

The purpose of this report is to summarize the outcome of public consultation undertaken in support of draft policies and regulations to be applied to short-term rental accommodation (STR) uses (i.e. “vacation rentals”).

Background:

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, 2025, 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. 3097.01

Public Process:

On June 11, 2025, a Public Information Meeting (PIM) was held online via Webex and was attended by approximately 39 members of the public.

Administration recommends that the written notification of affected property owners, the public meeting as well as formal referral to the agencies listed at Attachment No. 1, should be considered appropriate consultation for the purpose of Section 475 of the *Local Government Act*. As such, the consultation process undertaken is seen to be sufficiently early and does not need to be further ongoing.

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.

Analysis:

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

- permit up to two (2) short-term rental accommodation uses to occur on specified properties in Electoral Areas “A”, “C”, “D” & “I”;
- allow a second dwelling unit (e.g., secondary suite or accessory dwelling) to be used exclusively for the purposes of a short-term rental accommodation use;
- introduce a business licence requirement for “tourist accommodation uses in Electoral Area “E”;
- introduce a principal residence requirement in the Electoral Area “E” OCP; and
- provide adjacent property owners with operator contact information as a condition of business licence issuance.

Administration also notes that the following item raised at this workshop did not require changes to the amendment bylaws:

- require one (1) business licence for accessory dwelling units being used for STR purposes in addition to the principal dwelling.

Administration considers the public consultation process outlined in this report to be commensurate with the scope of the bylaw changes and to be sufficient to support the Board resolution at the May 8, 2025, P&D Committee meeting.

Alternative

Alternatively, Administration recognizes that the Board may wish to further augment the scope of the draft amendment bylaws in response to public feedback and encourages that any such changes be requested before proceeding to first reading.

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 proceed to first reading.

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 \$500 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.

For this reason, Administration is anticipating that a review of this fee will be required following the conclusion of the 2025 or 2026 licencing years to identify all direct and indirect costs incurred by the Regional District in administering with the program and bringing forward recommended fee changes in response.

Communication Strategy:

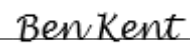
The proposed bylaw amendments have been notified in accordance with the requirements of the *Local Government Act*, the *Community Charter* and the Regional District's Development Procedures Bylaw No. 2500, 2011.

Alternatives:

1. THAT the bylaws be amended as follows:
 - TBD

Will a PowerPoint presentation be presented at the meeting? Yes

Respectfully submitted


Ben Kent
Planner II

Endorsed by:


C. Garrish
Senior Manager of Planning

Endorsed by:


A. Fillion
Managing Director, Dev. & Infrastructure

Attachments: No. 1 – Short-Term Rental Accommodation Workshop Summary (2025-04-03)
 No. 2 – Agency Referral List

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.

Attachment No. 2 – Agency Referral List

Referrals have been sent to the following agencies as highlighted with a ☒, regarding Amendment Bylaw No. 3099 and Amendment Bylaw No. 2800.50.

MEMBER MUNICIPALITIES			
<input type="checkbox"/>	City of Penticton	<input type="checkbox"/>	Town of Oliver
<input type="checkbox"/>	District of Summerland	<input checked="" type="checkbox"/>	Town of Osoyoos
<input type="checkbox"/>	Town of Princeton	<input type="checkbox"/>	Village of Keremeos
FIRST NATIONS			
<input checked="" type="checkbox"/>	Okanagan Nation Alliance (ONA)	<input type="checkbox"/>	Lower Similkameen Indian Band (LSIB)
<input checked="" type="checkbox"/>	Osoyoos Indian Band (OIB)	<input type="checkbox"/>	Upper Similkameen Indian Band (USIB)
<input checked="" type="checkbox"/>	Penticton Indian Band (PIB)		
SCHOOL DISTRICTS			
<input checked="" type="checkbox"/>	School District No. 53 (Areas A, C & D)	<input checked="" type="checkbox"/>	School District No. 67 (Areas D, E, F, I)
<input type="checkbox"/>	School District No. 58 (Area H)		
REGIONAL DISTRICTS			
<input type="checkbox"/>	Central Okanagan Regional District	<input type="checkbox"/>	Kootenay Boundary Regional District
<input type="checkbox"/>	Fraser Valley Regional District	<input type="checkbox"/>	Thompson Nicola Regional District
IRRIGATION & IMPROVEMENT DISTRICTS			
<input type="checkbox"/>	Allison Lake Improvement District	<input type="checkbox"/>	Lakeshore Water Works
<input type="checkbox"/>	Apex Mountain Resort (utilities)	<input type="checkbox"/>	Lower Nipit Improvement District
<input type="checkbox"/>	Boundary Line Irrigation District	<input type="checkbox"/>	Meadow Valley Irrigation District
<input type="checkbox"/>	Cawston Irrigation District	<input type="checkbox"/>	Osoyoos Irrigation District
<input type="checkbox"/>	Farleigh Lake Water Users Community	<input type="checkbox"/>	Red Wing Resorts (Water System)
<input type="checkbox"/>	Fairview Heights Irrigation District	<input type="checkbox"/>	Rolling Hills Waterworks District
<input type="checkbox"/>	Hedley Improvement District	<input type="checkbox"/>	Similkameen Improvement District
<input checked="" type="checkbox"/>	Kaleden Irrigation District	<input type="checkbox"/>	Skaha Estates Improvement District
<input type="checkbox"/>	Keremeos Irrigation District	<input type="checkbox"/>	Vaseux Lake Improvement District
FIRE DEPARTMENTS			
<input checked="" type="checkbox"/>	Anarchist Mountain Volunteer Fire Department	<input type="checkbox"/>	Oliver Fire Department
<input type="checkbox"/>	Apex Volunteer Fire Department	<input type="checkbox"/>	Osoyoos Fire Department
<input checked="" type="checkbox"/>	Kaleden Volunteer Fire Department	<input type="checkbox"/>	Penticton Fire Department
<input checked="" type="checkbox"/>	Naramata Volunteer Fire Department	<input type="checkbox"/>	Summerland Fire Department
<input checked="" type="checkbox"/>	OK Falls Volunteer Fire Department	<input checked="" type="checkbox"/>	Willowbrook Volunteer Fire Department
PROVINCIAL MINISTRIES & AGENCIES			
<input checked="" type="checkbox"/>	Agricultural Land Commission (ALC)	<input checked="" type="checkbox"/>	Ministry of Agriculture & Food
<input type="checkbox"/>	Archaeology Branch	<input type="checkbox"/>	Ministry of Energy & Climate Solutions
<input type="checkbox"/>	BC Parks	<input type="checkbox"/>	Ministry of Housing & Municipal Affairs
<input type="checkbox"/>	Integrated Land Management Bureau	<input type="checkbox"/>	Ministry of Infrastructure
<input type="checkbox"/>	Interior Health Authority (IHA)	<input type="checkbox"/>	Ministry of Mining & Critical Minerals
<input type="checkbox"/>	Mountain Resort Branch	<input checked="" type="checkbox"/>	Ministry of Transportation and Transit
		<input type="checkbox"/>	Ministry of Water, Land, and Resource Stewardship
FEDERAL MINISTRIES & AGENCIES			
<input type="checkbox"/>	Canadian Wildlife Services	<input type="checkbox"/>	Fisheries and Oceans Canada
<input type="checkbox"/>	Dominion Radio Astrophysical Observatory (DRAO)	<input type="checkbox"/>	Parks Canada
<input type="checkbox"/>	Environment Canada		
OTHER			
<input type="checkbox"/>	Fortis		