

# Short-Term Rental Review

2024-MAR-11

## SHORT-TERM RENTAL

### PROGRAM OVERVIEW



Business  
Licence



Primary Dwelling  
Secondary Suite  
Detached Suite



Principal  
Residency



< 30 Consecutive  
Stays, Max Guests, &  
Rooms



Residential  
Commercial  
Mixed Use



1 Off-Street Parking  
Stall

## SHORT-TERM RENTAL

### HOUSING NEEDS REPORT 2023



Between 2016 – 2023:

- 40% renters housed in purpose-built rental
- 60% renters housed in secondary rental
- 2023 | 2.6% vacancy rate

## SHORT-TERM RENTAL

### LICENSED SHORT-TERM RENTALS



**291**

Business Licences as of 2024-MAR-01



**60%** within a Primary Residence (single dwelling unit & multi-residential dwelling)



**35%** within a Secondary Suite



**5%** within a Detached Suite

## SHORT-TERM RENTAL

### UNLICENSED SHORT-TERM RENTALS



**980**

Active STRs as of  
2024-MAR-01 on  
AirDNA

- AirDNA data pulled from AirBnB & VRBO
- ~30% compliance rate

## SHORT-TERM RENTAL

### COMPLAINTS, VIOLATIONS, & ENFORCEMENT

**62**

Short-Term Rental  
Complaints



67% Unlicensed STRs



2% Too Many  
Rooms & Guests



>1% Parking & Noise

## SHORT-TERM RENTAL

### HOTEL & MOTEL OCCUPANCY RATES

**<70%** occupancy since 2020



- 2023 | 68.5%
- 2022 | 65.8%
- Change of 2.7%

## SHORT-TERM RENTAL LEGISLATION

### BILL 35

#### PROVINCIAL RATIONALE

Turn more short-term rentals back into homes for people through three key responses



## SHORT-TERM RENTAL LEGISLATION



Strengthening local  
government tools  
to enforce STR  
bylaws



Returning short-  
term rental units  
to the long-term  
rental market



Establishing  
provincial  
oversight of short-  
term rentals

## SHORT-TERM RENTAL LEGISLATION

### PHASED PROVINCIAL STR ROLE-OUT

1

Effective  
2023-OCT-26

2

Effective  
2024-MAY-01

3

Effective  
Spring 2024

4

Effective  
Summer  
2024

5

Effective Late  
2024/Early  
2025

## SHORT-TERM RENTAL LEGISLATION

EFFECTIVE 2023-OCT-26

1

### Increased fines and tickets

Municipal ticketing  
 fine maximum  
 increased to \$3,000  
 (from \$1,000) per  
 infraction, per day.

- No increase in fines to *Local Government Bylaw Notice Enforcement Act* at this time.
- Nanaimo's maximum fine set at \$250 per infraction, per day.

## SHORT-TERM RENTAL LEGISLATION

2 EFFECTIVE 2024-MAY-01

STR DEFINITION	PRINCIPAL RESIDENCY	BUSINESS LICENCE DISPLAY	LEGAL NON-CONFORMING USE
STR stays must be < 90 consecutive days	STR must be within host's principal residence & <u>either</u> a SS or detached suite	Host must display valid City of Nanaimo business licence on their listing	End of legal non-conforming use for STRs

## **SHORT-TERM RENTAL LEGISLATION**

### **3 EFFECTIVE SPRING 2024**

#### **PROVINCIAL COMPLIANCE & ENFORCEMENT**

New provincial compliance & enforcement unit that will track compliance, issue orders, & administer penalties for violations.

### **4 EFFECTIVE SUMMER 2024**

#### **DATA SHARING**

New provincial data sharing system, requiring platforms to submit STR data to the province. Data will be sharing with local governments.

## **SHORT-TERM RENTAL LEGISLATION**

### **EFFECTIVE LATE 2024/EARLY 2025**

### **5**

#### **PROVINCIAL REGISTRY**

Hosts and platforms must register with the province & host must display provincial registry # on listing & platform validate # against registry.

#### **PLATFORM ACCOUNTABILITY**

Hosting platforms will be accountable for removing listings that are not compliant with provincial & municipal regulations.

## SHORT-TERM RENTAL

### JURISDICTIONAL REVIEW

### REGULATORY APPROACH TO HOUSING TYPES

Single Residential Dwelling	Primary Residence*	<del>Primary Residence*</del>
Secondary Suite	<del>Secondary Suite</del>	<del>Secondary Suite</del>
Detached Suite	<del>Detached Suite</del>	<del>Detached Suite</del>
<del>Multi-Residential Dwelling*</del>	Multi-Residential Dwelling*	Multi-Residential Dwelling*
Tofino	Burnaby Victoria	Kelowna

## SHORT-TERM RENTAL

### JURISDICTIONAL REVIEW

### SHORT-TERM RENTAL FINES



- Nanaimo's maximum fine set at \$250 per infraction, per day.
- Other jurisdictions set maximum fines at \$500.



## **SHORT-TERM RENTAL**

---

### **PROPOSED REGULATORY AMENDMENT**

1. Minor bylaw amendments to Business Licence Bylaw, Bylaw Notice Enforcement Bylaw, and Zoning Bylaw to:
  - increase short-term rental fines to \$500
  - improve compliance and enforcement
2. Monitor impacts of new provincial regulatory rollout

## **SHORT-TERM RENTAL**

---

### **FUTURE CONSIDERATIONS**

- 1) Seeking compliance of STRs currently operating without a business license.
- 2) Further restricting the types of housing units STRs are permitted.

*Implications: Need for additional staffing resources, accurate data and tools.*

## SHORT-TERM RENTAL

### COMMUNICATION STRATEGY

#### PRINT TOOLS



Handout



Update to Operator's Guide

#### DIGITAL TOOLS



City website update



E-Notifications



Press Releases



Social Media

## PROPOSED REGULATORY AMENDMENT

That the Governance and Priorities Committee recommend that Council direct Staff to **review** the “Business Licence Bylaw 2021 No. 7318”, the “Bylaw Notice Enforcement Bylaw 2012 No. 7159”, and the “Zoning Bylaw 2022 No. 4500” and **present amendments** to these bylaws to **improve short-term rental compliance and enforcement tools, including increasing the fines from \$250 to \$500 per infraction, per day.**

# Short-Term Rental Review

Thank you!