

From: Sonja Zupanec
Sent: Tuesday, March 26, 2024 12:21 PM
To: webposting
Cc: Ian Cox
Subject: FW: Today's LTC Meeting - vacation rental use

[For the HO OCP project page please.](#)

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From: Anthony Law [REDACTED]
Sent: Friday, March 22, 2024 7:29 PM
To: Grant Scott <gscott@islandstrust.bc.ca>
Cc: Alexander Allen [REDACTED]; Timothy Peterson <tpeterson@islandstrust.bc.ca>; Sonja Zupanec <szupanec@islandstrust.bc.ca>
Subject: Today's LTC Meeting - vacation rental use

Hi Grant:

In your email to me on March 20th you stated:

" Something you may not be aware of but CVRD has agreed to issue business licenses on Hornby for STVRs so that alters the discussion. "

My understanding is that this is a far from accurate statement.

I do hope you and Alex and Tim did not go into today's meeting believing it!

Before the regional district can "agree" to issue business licenses on Hornby for STVRs, the CVRD's Board would first have to vote on a bylaw to establish a business license service.

The steps involved in establishing such a bylaw would involve:

- 1. A service-establishing bylaw is drafted and the board gives it three readings.*
- 2. The electoral area director provides consent.*
- 3. Provincial review and statutory approval is undertaken by the Inspector of Municipalities (6-8 weeks)*
- 4.Approval of the electors is required either through a referendum or alternative approval process (8-11 weeks)*
- 5. Adoption of the bylaw by the board*

6. *Period during which bylaw can be challenged by applying to Supreme Court (1 month)*

7. *Adopted bylaw submitted to the Ministry of Municipal Affairs for their records*

8. *The regional district would then need to adopt a regulatory bylaw.*

A business regulation service establishment bylaw must identify

- the purpose of the service,
- how it will be delivered,
- what the maximum cost will be, and
- how the costs will be recovered.

Thus, before the 8-step process can begin, the regional district would need to undertake a feasibility study (which would first have to be costed and funded) to address these issues.

With respect to a feasibility study: Comox Valley Regional District staff have stated:

"Added complexity is noted by the separation of regulatory and land use policy jurisdiction."

"The policy and regulatory framework (i.e. land use authority of Islands Trust) and related public engagement regarding the land use is a key consideration that is needed to inform feasibility study work."

I certainly hope that you and Alex and Tim did not go into today's meeting basing your decisions on the assumption that the CVRD has "agreed to issue business licenses", as you stated to me.

It has only agreed to consider the possibility, with the outcome based on:

- the results of a feasibility study,
- elector approval, and
- a majority vote of the whole board.

I was not at today's LTC meeting, but have been informed that the LTC voted to implement the APC's recommendations and voted to not utilize TUPs for vacation rentals.

Tell me if I have got this wrong, but if I haven't, this is not going to work!!

In its report dated March 29, 2022, the APC recommended:

1. Short Term Rentals as a permitted use is revoked in all zones.

2. At the same time all STR operators apply for TUP effective [date of bylaw change]

a.) provide water and septic certification and maintenance plan (part of TUP)

b.) TUP for STR be batch processed and the fee adjusted to \$250 and to \$0 if the permit is to provide a community benefit, ie community housing

c.) Current occupancy limits be confirmed as part of TUP process

3. Rental period defined as three months, for example June 15 to September 15

Thus, if the LTC *is* to implement the APC's recommendation #1 that "Short Term Rentals as a permitted use is revoked in all zones" but *not* implement the recommendation #2 that "at the same time all STR operators apply for TUP", then there will be no way to legally operate short term rentals on Hornby Island.

(Which may please some, but will make others very angry!!!).

It seems that maybe the LTC and others are prematurely relying on business licenses being THE way to address vacation rentals.

But,....

As noted above, whether and when the CVRD gets into a position to issue business licenses for Hornby Island is by no means certain at this point.

The CVRD may or may not decide to adopt a business licensing regime that the community considers reasonable and affordable.

Costs will have to be recovered through fees and/or taxes.

(In Tofino, a business license for a vacation rental involves an annual fee of \$504.59 for one sleeping unit and a \$116.46 fee for each additional unit plus a \$73.44 application fee. The Hornby Island APC is recommending a reduced TUP of \$250 for a three-year permit with administrative costs being reduced through batching applications.)

So what to do?

I suggest the following:

1) Short term (immediately)

Implement the APC's recommendations by amending the OCP* and LUB to:

- delete vacation rentals as a permitted use in zoning regulations;**
- permit vacation rental use through TUPs.**

2) Medium term (coming months or more)

Work with the CVRD as it explores the feasibility of a business licensing service that would include business licences for vacation rentals on Hornby Island.

3) Long Term (year ++?)

If and when the CVRD adopts a business licensing service, zoning regulations can be amended to permit vacation rentals conditional upon a business license being issued.*

** A policy can be included in the OCP supporting a subsequent amendment to land use regulations to allow vacation rentals as a permitted use if and when the CVRD is able to issue business licences with respect to that use.*

I hope this is helpful.

Take good care.

Tony Law