From: Henry Touwslager

**Sent:** Tuesday, May 13, 2025 3:05 PM

To: Alex Allen; Grant Scott; Timothy Peterson
Cc: Sonja Zupanec; northinfo; Executive Admin

**Subject:** Re: Proposed Changes to Short-Term Vacation Rentals on Hornby Island **Attachments:** Touwslager Letter to Island Trust Committee May13-25 Rev01 Pg Brk

Fixed.pdf

(revised letter attached, only to fix page breaks)

### Dear Trustees:

Please find attached my letter regarding the proposed cut to short-term vacation rentals. I'm sorry it is coming late relative to the meeting date, but I've spent a big chunk of time writing it and much longer thinking about the topic and preparing.

I think you will find my attached letter to be balanced and helpful so I strongly urge you to read it all before the meeting on Friday. It may help provide a template for your future actions.

I also offer my services if it will help you with your decision-making, as this is obviously a difficult and time-consuming process.

I will likely attend the meeting on Friday, but it does require significant changes and the rearrangement of about 10 days of my life so I have not made a final decision. I hereby request more than two minutes if I can make it.

Thank-you.

On Tue, May 13, 2025 at 2:53 PM Henry Touwslager < wrote:

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May 13, 2025

Henry Touwslager
Hornby Island, BC

To: Hornby Island Local Trust Committee c/o Trustees Alex Allen, Grant Scott, and Timothy Peterson Islands Trust

### Subject: Proposed Changes to Short-Term Vacation Rentals on Hornby Island

Dear Members of the Local Trust Committee:

### Introduction

I recently watched the Island's Trust meeting from March 21, 2025. I actually watched certain parts several times in order to confirm what was said and to contemplate. There is a proposal to reduce the number of short-term vacation rentals on Hornby Island to 67 homes. This proposal seems to stem from an unverified estimate of around 135 current vacation rentals and a hasty decision at the meeting to cut it in half.

The Chairperson, Trustee Peterson, suggested they did not need to decide on a cap value at this meeting and said, "This is not picking a number today".

Trustee Allen disagreed and provided some comparison locations and then suggested half the vacation rentals be permitted but without any discussion on how he decided that was fair and how it was going to resolve any problems. There was little discussion about any related problems on Hornby Island although he said our commercial options cannot accommodate visitors (which I don't understand since they seem to thrive in the summer). There were no reports discussed, no expert or consultant opinions, and no indication about how this cap was going to make anything better. It is not even clear why this is being done.

Trustee Scott did not speak about the issues or formulation process. He just stated the cap number, "I think we can set a cap...If we said 65 or 70... we have something to take to community ...People can beat on it".

I am going to beat on it.

## **Executive Summary**

The proposed reduction of short-term vacation rentals (STRs) to a cap of 67 units on Hornby Island, as drafted and advanced by Trustees Scott and Allen, presents a policy shift with the potential for serious negative consequences. This proposal was made without any apparent formal research, professional consulting, reporting, or formal community engagement.

### This proposal:

- 1. Imposes a disproportionate burden on law-abiding short term vacation rental homeowners.
- Does not adequately identify and address broader issues such as potentially illegal and/or oversubscribed properties, dwellings, campgrounds, resorts, and glamping areas, nor does it significantly attempt to address existing community complaints like noise bylaw infractions, speeding, or other impacting factors, despite existing bylaws covering these issues.
- 3. Poses a substantial risk of economic harm to Hornby Island businesses.
- 4. Limits access for responsible visitors who have long contributed to and enriched our community.
- Raises concerns about the Islands Trust's approach to its mandate to balance the interests of all stakeholders, including part-time residents and the broader, tax paying public of British Columbia.
- 6. Does not provide the source for the initial estimate of approximately 135 vacation rental units (so the most basic information is not even verified).
- 7. Uses comparisons to other jurisdictions and the relative land area without rationale. Those locations differ significantly from Hornby Island in zoning structures, accommodation options, and policy history. Also, my research indicates significant inaccuracies and omissions in the reported number of permitted rentals in these other jurisdictions. (See Appendix 2.)
- 8. Fails to incorporate grandfathering even though all the jurisdictions in Trustee Allen's list appeared to incorporate this provision. At least one jurisdiction has a cap above the existing number of rentals.

After significant personal investment including research, preparation, and writing this letter over several weeks, it is, in my opinion, reasonable to **consider** a policy outcome that involves **capping** the number of **all accommodation types** at the existing level. Such an approach would allow current homeowners, as well as lodges, campgrounds, and similar establishments, to maintain their operations and continue contributing to a harmonious island community. However, pursuing policies that disproportionately target STRs may prompt more calls for more comprehensive enforcement and regulation across a wider range of activities and property uses on the island, potentially leading to community discord.

That said, to ensure a truly evidence-based and responsible path forward when considering significant policy changes, it would be most beneficial for the Local Trust Committee to adopt a basic planning framework, structured to meticulously detail:

- 1. The precise issues to be addressed (objective),
- 2. Their evolution over time (background),
- 3. The specific studies required (methodology),
- 4. The groups and qualified experts best suited to conduct them (personnel),
- 5. A clear plan for structured community input and engagement (participation), and
- 6. A timeline for analysis and conclusions (schedule).

To complete this process fairly, the Islands Trust Committee should implement strategies to ensure balanced representation and minimize the undue influence of vocal minorities or special interest groups."

## My Background

I am writing not just as a property owner, but as a long-time, active member of the Hornby Island community. For many years, I have been deeply involved in various aspects of island life, volunteering my time and energy and enjoying the diverse and talented community and its beauty.

I have had a connection to Hornby Island since my first visit in about 1978. I was later a vacation home renter for over 20 years and then bought my own property near Whaling Station Bay about seven years ago. It required a massive renovation which took years, was well over budget, and was more difficult than building a new home. I now list it for rent in the summer which helps justify that pain and suffering. Rentals also allow other families to enjoy my space and Hornby Island. It only makes sense.

As you are likely aware, the time and cost to just maintain a property is significant and I also use short-term vacation rentals to justify the ongoing time commitment and to offset annual costs like insurance, maintenance, utilities, mortgage interest, and property taxes. It is my second home and I worked very hard and long hours for my entire life to be able to take the risk of owning and maintaining a second home. My income comes from an engineering career and saving money by doing a lot of renovations and maintenance personally. Home ownership was certainly earned in my case.

During my part-time residency on Hornby Island:

- I've served on the Recreation Committee, working to enhance the recreational opportunities for residents and visitors alike.
- I've been a member of the Emergency Preparedness Committee, dedicating myself to ensuring the safety and resilience of our community in times of need.
- I've collaborated with SPARKs in their efforts to revitalize the old fire hall, contributing to the preservation of a vital community asset.
- I've participated directly in the physical labor of maintaining our island's beauty, from invasive plant removal to the improvement of our beloved trails.
- I have volunteered to store equipment and supplies for the Hornby Island Arts Council for many years while the new art center is under construction.

• I have volunteered for other groups and made financial contributions to various groups and associations.

My professional background as a retired engineering consultant, specializing in failure investigations (especially leaky condos) has allowed me to formulate a disciplined approach to problem-solving. I consider where something may go wrong in the future and try to address it in the planning stage. I always want to be fair and minimize the negative impact. As such, to ensure fairness and effectiveness, I know that any desired outcome must be based on calculated, fair, and specific decisions and rules that are set in advance. There should also be a means to monitor the results for success.

## **Local Trust Committee's Approach**

The March 21, 2025, Local Trust Committee (LTC) meeting minutes reveal a concerning lack of thorough research and analysis preceding the proposal. Trustee Tim Peterson, the Chair of the Committee, acknowledged that there was no staff recommendation to set a cap on STRs. Despite this, Trustee Alex Allen introduced the idea of a 50% reduction in STRs, with the specific number of 67 units seemingly determined during the meeting itself, lacking a clear rationale or methodology.. This raises serious questions about the foundation of the proposal. Major policy changes with the potential for significant economic and social impacts should be grounded in data, studies, and professional analysis, not ad-hoc decisions made without discussion. The predictable result is a community that has been disrupted, vacation homeowners who are extremely stressed, and many people spending significant and unanticipated time preparing letters and meeting speeches. There are also businesses, long term residents, and workers who are very concerned about an impending upheaval.

Trustee Allen's decision and recommendation for a cap was based on "people say maybe we have 135", so not even the most basic value had been determined. Presumably, the province will provide quantities and perhaps other data is available. Regardless, there is no indication why "half" is relevant, regardless of where we started. Even one extra rental cut is a very significant event for that property owner.

The proposed cap of 67 Short Term Rental units appears to be arbitrary. Trustee Scott's statement that the number was something the community could "beat on" further emphasizes the absence of a well-defined justification. Again, it remains unclear how this specific number was chosen and what it is intended to achieve. There was no evidence presented to demonstrate that reducing the number of STRs to 67 would solve the perceived problems or lead to the desired outcomes.

Trustee Allen briefly discussed complaints at the March 21 meeting. He stated that HISTRA stated there were no complaints. I believe that statement referred to 2024 and to formal complaints. Trustee Allen disagreed with the lack of complaints and stated that he "did a little walk around" and then was presumably quoting what some people told him spontaneously. It was frankly hard to follow although he said a lot were to do with noise and the character of the neighbourhood. The point is that informal

interviews by one trustee and of the people he chooses to contact should not be the basis for major decisions.

This approach of actively "looking for a problem" raises serious questions about the objectivity of the information being used to justify such a significant policy shift. It's also important to remember that existing noise bylaws are in place to address such issues when formally reported and should be the primary mechanism for dealing with them.

Trustee Allen attempted to justify the proposed cap by simply drawing comparisons to other jurisdictions, such as Palm Springs, Lincoln County, Sante Fe, Maui, Nelson, and Whistler. However, these comparisons are problematic for several reasons:

- 1. Selective Information: The comparisons often focus on specific regulations without considering the broader context of each location.
- 2. Lack of Relevance: The chosen comparison points, such as land area, may not be the most relevant factors for determining appropriate STR policies. Factors like population density, tourism patterns, economic reliance on tourism, and the history of the legalities of the rental properties may be more pertinent. (Many areas only started to get rentals when AirBNB became popular and they are not always long-standing rentals or even legal rentals.)
- Distinct Characteristics: Hornby Island has unique characteristics that set it apart from other jurisdictions. For example, it lacks any hotels and has a significant portion of its land base designated as parkland.

There was also no verification or discussion about the number of resort units, glamping units, campsites, campers, bed and breakfasts, and any other legal or illegal accommodations. If the goal is to reduce the summer population on the island, there are so many more ways to address it.

At the meeting and in the draft policy wording, I do not believe there were limits put on other accommodations. There was no discussion about future development at existing resorts or at provincial campgrounds.

I recently learned that there may be changes to agri-tourism coming. Will these businesses bring in the summer guests that STRs will lose? Can these be capped immediately at zero?

Has everything been considered? This is a massive decision.

### **Clarification of the Islands Trust Mandate**

I tried to determine the role of Islands Trust. What is their mandate? Who does the Local Trust Committee represent? Do the proposed STR policies align with the Trust's legal obligations? This is all presented in **Appendix 2** and summarized here.

The Islands Trust operates under the Islands Trust Act which states:

"The object of the trust is to preserve and protect the trust area and its unique amenities and environment for the benefit of the residents of the trust area and of British Columbia generally..."

This statement establishes two key responsibilities:

- 1. Preserving and Protecting the Trust Area: This emphasizes the Trust's role in safeguarding the environment and unique character of the islands.
- 2. Benefit of Residents and British Columbia Generally: This highlights that the Trust's concern extends beyond local residents to the broader public or, "the residents of British Columbia generally". In other words, visitors from B.C. (I can state that almost every rental guest I have is from B.C.)

To define "Residents", I did an AI search. The Islands Trust Act does not explicitly define the term "residents." However, "residents" typically includes:

- 1. Full-time residents: Individuals who live year-round on the islands.
- 2. Part-time residents: Those who own property and spend part of the year on the islands.
- 3. Non-resident property owners: Individuals who own property but may not reside there regularly.

The Residents of British Columbia are included, in part, because they are tax payers and the Gulf Islands have significant roads and parks that must be built and maintained. It certainly broadens the Trust's responsibility beyond the immediate community.

It is my opinion that the Islands Trust Committee needs to:

- 1. Ensure that regulations are directly linked to preserving the islands' ecology.
- 2. Equally weigh the interests of full-time residents, part-time residents, property owners, visitors, and the broader public of British Columbia.
- 3. Avoid Overreach: Refrain from using land-use regulations to address issues that could be better managed through other means, such as bylaw enforcement.

## **Economic and Community Impacts of STR Policies**

Many homeowners on Hornby Island rely on income from short-term rentals to offset the significant costs of property ownership. These costs include:

- 1. Property taxes
- 2. Mortgage payments
- 3. Utilities
- 4. Insurance
- 5. Maintenance

For some homeowners, this rental income is not a luxury but a necessity to maintain their presence on the island. The proposed restrictions could place a substantial financial burden on these homeowners, potentially forcing them to sell their properties. This is particularly concerning for those who have inherited family homes or invested a lifetime of savings to own property on Hornby Island.

Some of these people also need to recover inheritance, probate, and property transfer taxes. Others have made very difficult financial decisions to buy on Hornby Island because they can subsidize their costs by legally renting their home sometimes, using the well-established and legal rental policy that they experienced while visiting the island.

Short-term rentals play a vital role in supporting the local economy by driving traffic to island businesses. Visitors staying in STRs contribute to revenue for:

- 1. Restaurants and cafes
- 2. The Coop, gas bar, and Ford's Cove store
- 3. Ringside stores
- 4. Vendors at the Community market
- 5. Produce and other artisan stands
- 6. Artisan shops and studios
- 7. Musicians, concert events, and other shows
- 8. The meadery, wineries, brewery, and distillery

A reduction in STRs will lead to a significant decrease in visitor spending, negatively impacting the viability of these businesses, especially during the peak season. Those that stay in homes likely spend significantly more than campers and most others.

This reduction will almost certainly result in reduced operating hours, job losses, and decreased income for local workers

# **Lost Revenue to Hornby Island Residents**

I prepared some numbers based on my experience and estimates. I am not an accountant but I do understand some accounting and I am good with numbers. There are many ways to review this issue so it is only one projection or order-of-magnitude calculation. That said, it does raise serious concerns.

Let's says that each vacation home owner spends \$5,000 annually on local services and maintenance related to the rental. Then their guests spend \$5,000 total at the Co-op and Farmers Market, \$3,000 on local art and goods, and \$3,000 at restaurants for the entire year. That's \$16,000 per year to the community, not counting any money the property owner may spend for his own purposes or maintenance. If we count 67 rental properties, the total is over \$1 million that would be lost.

I made some extremely simplistic assumptions:

- 1. A multiplier of 1.75 will be used as earned money is spent in the community and the recipient will, in turn, spend a portion and that repeats. (Known as a "multiplier effect" in economic terms.)
- 2. Many people on Hornby Island have more than one job or skill and therefore half the people work full time to earn the revenue described above and the other half supplement their income with part-time work.
- 3. All this money pays wages or goes to contractors.
- 4. The average pay is \$40 per hour with an average net income of \$25 per hour after taxes and expenses. Then an annual salary is \$60,000.

My calculations are as follows:

- 1. The estimated \$1 million puts \$1.75 million into the Hornby Island economy.
- 2. Half the money is for full timers at \$60,000 per year or 15 full time jobs which will be lost.
- 3. The other half is for part-timers. At \$40/hour, 22,000 work-hours are lost. Let's say people work 25% of their time or two hours a day on extra jobs or 520 hours a year. That means 42 people have lost  $(520 \times $25 =) $13,000$  per year. This is highly likely their discretionary income for the entire year. They may have the cash to pay for essentials but will not have extra money.

In summary, 15 people could lose full-time jobs and another 42 people will feel "broke".

I also visualize more competition for jobs and goods which could lower wages and hourly rates and further reduce spending in the community.

I am fine if people want to beat on all these numbers. Cut it in half if you want. Or double it. It is just to show there will be a significant effect on the local economy. (On further review, I found new information to adjust the input values but the outcome was almost the same.)

Some people may be looking for work if these rental cuts occur and certainly many people will not have any discretionary income.

## **Unintended Consequences or Predictable Outcomes?**

Short-term rentals also contribute to the social fabric of Hornby Island. Many visitors who stay in STRs are families and groups who have been coming to the island for years and individuals who develop a strong connection to the community. Many return annually and are capable of preserving the culture and diversity. Perhaps a little more education will make their presence even more benign but they are nonetheless, valuable guests. Most, if not all, residents were once guests and we should not close the door behind us without extremely good and verified research and evidence of the problem they cause.

I understand the goal of this process may be to increase the number of long term rentals that are available. I have heard that some hope the process will reduce the cost of properties to their affordable level. It is probably impossible to predict the exact outcome except that it will certainly cause extensive damage to a select group of homeowners and that seems very unfair and perhaps reckless.

Consider some unintended consequences. If the number of short-term rentals is significantly reduced, there will be fewer places for visitors to stay. This creates a shortage of visitor accommodation on the island, especially during peak season.

- Visitors who can no longer find STRs may seek alternative accommodations, such as long-term rentals. This increased demand puts upward pressure on the prices of the remaining long-term rentals.
- 2. There may be attempts to overcrowd the remaining rentals.
- 3. Visitors with friends and family on Hornby Island will switch to trailers and tents on these others' properties.
- 4. Some visitors, particularly those who have been coming to Hornby for years, may decide to purchase property instead of renting if short-term options are limited. This added demand can further inflate property values on the island.
- Those that can no longer collect rental fees will hang on and still not provide vacation rentals.Most of the STR owners use the property throughout the year and cannot have somebody in the house full-time.
- The owners of STRs most lose their ability to rent but that may not free up homes for yearround rental to support local workers as most short-term rental owners live in their homes parttime and are unlikely to rent year-round at low rates.
- 7. Guests that could not obtain vacation homes will try to find other places, increasing the density at other types of accommodations.
- 8. Other types of accommodations will expand as they will certainly get more inquiries.

In essence, restricting STRs could have unintended ripple effects that worsen the overall conditions on the island.

Reducing STRs doesn't address the underlying factors that make Hornby Island unaffordable for many people. These economic forces are largely outside the island's control.

Regardless of what is decided, if there is a change, how will the result of the decision be monitored? Will the Local Trust Committee be able to compare the benefits to the unintended consequences? Will they consider the losses and damage it caused to so many homeowners and the many more regular visitors who have had their annual vacation cancelled?

## **Comparative Review of Short-Term Rental Regulations**

To support the proposed short-term rental (STR) cap, Trustee Allen presented comparisons to other jurisdictions, including Whistler, Palm Springs, Lincoln County, Santa Fe, and Lopez Island. However, a careful examination of this comparative approach reveals significant flaws and raises serious concerns about its suitability as a foundation for policy decisions on Hornby Island.

- 1. The selection of these specific jurisdictions was not accompanied by any explanation of why they were deemed relevant or comparable to Hornby Island. There was no discussion of shared characteristics or similar challenges that would justify drawing parallels.
- Trustee Allen's reliance on land area as the primary factor for comparison lacks any
  demonstrated logical or economic justification. Alternative metrics, such as population density
  (which was discussed slightly), visitor volume, economic dependence on tourism, or
  infrastructure capacity, were not considered, despite potentially offering more relevant insights.
- My research, DETAILED IN THE APPENDIX, has uncovered numerous inaccuracies and omissions
  in the information presented about the selected jurisdictions. For example, the data on
  allowable rental numbers, the presence of grandfathering clauses, and the scope of STR
  regulations was frequently misrepresented or incomplete.
- 4. The comparisons often ignored crucial differences between Hornby Island and the cited locations. Factors such as zoning structures, the availability of alternative accommodations (like hotels), economic drivers, and the historical evolution of tourism and vacation rentals were largely overlooked.
- 5. The overall pattern of the comparisons suggests a selective use of information to support a predetermined policy goal, rather than an objective analysis of best practices.
- 6. The significant example of Tofino's decision to reverse its vacation rental cuts due to concerns about economic harm was not addressed in the comparisons.
- 7. Omission of Grandfathering Policies: A crucial discrepancy is the absence of any mention of grandfathering clauses in the proposed policy. Nearly all the jurisdictions named by Trustee Allen incorporate such provisions to safeguard existing legal rental operations, a practice that the proposal disregards. We did not find a case where legal rentals had to be closed down. Instead, the number of actual licenses is slowly reduced by attrition until the cap is met. We

found at least one case (Nelson) where the cap was above the existing number so licenses are still available.

While comparisons to other locations could be considered as one tool, given these serious shortcomings, the comparative analysis presented by Trustee Allen is inadequate and should not be used to justify the proposed STR cap. Hornby Island and the Island Trust Committee need to do its own homework and not blindly copy some other jurisdictions, at least not until we have valid reasons to compare.

### **Alternative Solutions**

To find a better balance between welcoming visitors and protecting Hornby Island, we should consider some **alternatives** to simply restricting short-term rentals. Here are a few ideas:

- 1. Strict enforcement of noise bylaws, with clear guidelines and prompt responses to complaints.
- 2. Adequate resources and staffing should be allocated to bylaw enforcement to ensure its effectiveness.
- 3. Enforcement of occupancy limits in all types of accommodations and properties to prevent overcrowding and strain on infrastructure.
- 4. Active enforcement of parking restrictions to minimize parking on roadways, traffic congestion, and safety hazards.
- 5. Consideration to request visitors take their garbage and recycling home.
- 6. Water conservation education and recommendations for water storage in the winter.

A well-designed Short Term Rental **licensing** system can provide a framework for responsible operation and community benefit. I understand the Province is keeping track with the new registration system and perhaps the CVRD will create a system. This process could include:

- 1. Define requirements for parking and neighborly conduct.
- 2. Maintain the existing standard of having a sign at the street with a contact name and phone number for the rental.
- 3. Establishing a clear and transparent process for addressing complaints from neighbors and resolving disputes.
- 4. Providing for the revocation of licenses for repeated or serious violations.

Investing in **visitor education** can promote responsible behavior and minimize negative impacts on the island. Some ideas include:

- 1. Send visitors clear instructions about island customs, how to use water wisely, fire prevention, protecting wildlife, and managing pets.
- 2. Place new, uniquely formatted signs in important spots to remind visitors to behave well (like keeping noise down and respecting local ways).
- 3. Work with online booking websites to give guests information about being a good visitor.
- 4. Have local volunteers greet visitors or work on the ferries and explain how to be considerate of the island.
- 5. Place education signage at the ferry terminals at Buckley Bay and Gravelly Bay (where visitors are a captive audience anyhow).
- 6. Create an oath of perhaps ten items that can be sent to every visitor. The person making the booking agrees in the oath to distribute to all others in their party and discuss it with minors. (The wording should be such that they feel welcome and part of the community.)

Engaging STR owners in a collaborative dialogue can foster a sense of shared responsibility and promote best practices. This could involve:

- Developing a voluntary code of conduct for STR operators, outlining expectations for responsible management. (The Hornby Island Short Term Rental Association already does this type of work.)
- 2. Establishing a mediation process to resolve disputes between STR owners, neighbors, and other stakeholders.
- 3. Creating a professional and respectful platform for sharing information and resources related to responsible STR management.

The difficulty in finding year-round housing may not result from a simple lack of available homes, but rather affordability or renter reliability. Full-time workers on Hornby Island should be able to afford reasonable rent if working consistently. With steady employment opportunities available, including reliable year-round and significant availability of extra seasonal work, addressing employment consistency and renter reliability might be more effective than reducing vacation rentals.

The proposed policies may lead these STR homeowners to feel unfairly targeted and used as a scapegoat for broader Hornby Island issues. This perception could diminish their willingness to volunteer time and resources for community initiatives and reduce their financial contributions to local charities and organizations.

By implementing a combination of these alternative solutions, the Islands Trust can create a more balanced and sustainable approach to visitor accommodation on Hornby Island. This addresses community concerns while minimizing negative impacts on homeowners and the local economy.

## **Fairness and Community Cohesion**

The proposed short-term rental policy change has clearly raised concerns in the community, perhaps intentionally, to solicit input and is already disrupting the community. We are finding out who is taking what side and how passionate some people are about the topic. It is extremely import that the Island Trust Committee pull in the reins and prioritize fairness and equity in its decision-making. All stakeholder groups are to be treated with respect and consideration so we do not have a harmful division within the community.

By focusing mainly on short-term rentals to solve the island's problems, we are creating an 'us versus them' situation such as:

- 1. Full-time residents vs. part-time homeowners
- 2. Locals vs. visitors
- 3. People who want STR rules vs. people who don't

To ensure fairness, any burdens must be applied consistently across all types of businesses and properties. This includes:

- 1. Campgrounds
- 2. Lodges
- 3. Glamping sites
- 4. Short-term rentals
- 5. Bed and Breakfasts
- 6. Any other form of visitor accommodation
- 7. Private properties with camping and/or large groups
- 8. Homeowners with additional dwellings on their property
- 9. Event providers
- 10. Agri-tourism operations

Regulations should not disproportionately burden any particular group that is operating legally under the current laws.

The most effective and sustainable solutions to community challenges are often those developed collaboratively with input from all stakeholders and with a willingness to compromise and find common ground.

### Conclusion

Hornby Island has a long established history of legal vacation rentals. Many people have used the Official Community Plan and Land Use Bylaws to make significant life decisions and financial plans, sometimes over generations. Vacation home rental is a legitimate aid for many people and creating a

cap must be taken very seriously. Disrupting (or ruining) the lives of these owners to presumably benefit others is not a reasonable approach. Those with STRs are law abiding and desired Hornby Island residents, both full and part-time, and it is imperative to treat them fairly.

The long-standing regulations have served as the standard upon which homeowners have made financial decisions. Should it be determined through a proper process and after enforcing existing bylaws to address perceived issues, that changes in the number of summer guests needs to be capped or even reduced, then a more equitable approach would involve considering a cap or proportional reduction in the number of all types of visitor accommodations, including campgrounds, lodges, glamping sites, short-term rentals, agri-tourism, and bed and breakfasts, rather than disproportionately targeting one specific group operating legally under current regulations.

I hope that my letter is beneficial to all interested parties. I am an owner of a vacation rental but I tried to create a letter with ample background information to help everybody understand the situation and better manage the process going forward. I offer my assistance to the trustees if they think I can be of value but otherwise, please just give this the effort and time it deserves. And **be fair to all the different types of residents of Hornby Island and to the residents of British Columbia generally**.

Yours truly,

Henry Touwslager

Hornby Island, BC

**APPENDIX 1 – Vacation Rental Caps in Other Jurisdictions** 

I reviewed the short term vacation rental cap data provided by Trustee Allen at the meeting of March

21, 2025, and provide my comments below. My research gives a different set of facts and/or

perspective for most locations. In general,

1. The caps are sometimes higher than stated by Trustee Allen and in some cases the

difference is very large.

2. In some places, the caps only apply to certain neighbourhoods and unlimited rentals are

permitted in the other areas.

3. Some places still have openings for new applicants as there are fewer rentals than the cap

allows.

4. I did not find a location where the existing rentals were not grandfathered in. (No new

permits are issued until the number of vacation rental permits is reduced to the cap value.)

**Palm Springs** 

Trustee Allen: "20% cap in each neighbourhood."

Research:

No more than 20% of the homes in any given residential neighborhood can be used as short-term

rentals. This cap applies to all STR permits received by the city after October 17, with the caveat that

existing permits issued prior to this date are grandfathered in.

There also appears to be "Junior permits" (6 rentals/year) not included in cap.

https://www.palmspringsca.gov/government/departments/special-program-compliance/vacation-

rentals-1098

**Lincoln County, Oregon** 

Trustee Allen: "Cap of 181."

Research:

There are seven districts on both sides of a highway. To date, there is a moratorium on new permits and

still approximately 469 licensed vacation rentals. That number is supposed to drop via attrition to 181

licenses under the new density requirements.

https://lincolnchronicle.org/56621-2/

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Sante Fe

Trustee Allen: "Doing caps"

Research:

Santa Fe appears to have many condos in the mix. The information suggests that Santa Fe's 2020 ordinance included clarifications on "grandfather" clauses. The new density requirement of a 50-foot radius for new permits from existing ones effectively grandfathered in existing operators in denser areas. Santa Fe County also supported grandfathering in all currently permitted STRs with a non-transferable clause in their 2024 update.

https://santafe.primegov.com/meeting/attachment/8922.pdf?name=Short-Term%20Rental%20Changes%20(Planning%20Commission%20Public%20Comments

Maui

Trustee Allen: "Doing caps"

Research:

Maui is complicated as they permit short term vacation rentals in tourist and commercial areas but have limits in predominantly residential zones.

https://www.mauicounty.gov/1874/Short-Term-Rental-Home-STRH-Application

Nelson, BC

Trustee Allen: "Nelson has a cap of 110."

Research:

Since 2017, the City has capped the number of year-round (annual) licences at 110. This cap was reached in 2024. It is therefore not possible to apply for an annual, year-round licence at this time. (If your property is commercially zoned and you would be applying for a commercial tourist accommodation licence, there is no cap in place and you are free to apply. This cap concerns properties in residential and some mixed-use zones.)

There are still spots available for a four-month licences before the cap of 40 is reached.

There are no caps in place for 31-day licences (each eligible property/applicant may apply for up to two 31-day licences per year.)

https://www.nelson.ca/615/Short-Term-Vacation-Rentals

Tofino, BC

Trustee Allen: Did not comment on Tofino at the last meeting.

Research:

The District of Tofino Council voted to make changes to vacation rentals in March 2024. Tofino Council reconsidered its position and, in March 2025, reversed the decision.

There does not appear to be a limit on the number of vacation rentals.

Lopez Island, WA

Trustee Allen: "They have a cap of 135."

Research:

A significant aspect of the regulations on Lopez Island is the establishment of a cap on the number of vacation rental permits, set at 135. If the number of active permits reaches this limit, no new permits will be issued until the number falls below the cap through abandonment, revocation, or other voluntary attrition.

https://www.sanjuancountywa.gov/1579/Vacation-Rentals-Information-and-Applica

Orcas Island, WA

Trustee Allen: Not discussed.

Research:

Orcas Island has a cap of 211 vacation rental permits. As with Lopez, no new permits are issued if the cap is met until the number decreases through attrition. (Grandfather clause.)

https://www.sanjuancountywa.gov/1579/Vacation-Rentals-Information-and-Applica

Whistler, BC

Trustee Allen: "Whistler doesn't allow STVRs in residential neighbourhoods."

Research:

Tourist rentals are not allowed in areas defined as "residential neighbourhoods", however, privately owned dwelling units located in areas zoned for "tourist accommodation" or "temporary

accommodation" are eligible for short-term rental and there are hundreds or thousands. These rental homes are typically condominiums and townhouses. The tourist zone is very large.

In addition, there are limitations for owner usage, not rental restrictions. Phase 2 covenants are the most common in Whistler and limit owner usage to a total of 56 days per year, split between 28 days in summer and 28 days in winter14. The rest of the time, the property must be made available for short-term visitor rentals.

https://www.whistler.ca/business-development/business-licenses/tourist-accommodation-requirements/

https://www.bnbcalc.com/blog/short-term-rental-regulation/Whistler-Canada-guide

### **North and South Pender**

Trustee Allen: "10 vacation rental cap".

Research:

First, these are two separate Local Trust Areas so should not be combined. My initial research indicates that both North and South Pender Islands primarily manage short-term rentals through a system of Temporary Use Permits, requiring detailed applications and adherence to specific conditions. I did not find any evidence of a cap of 10 rentals on either island.

#### APPENDIX 2 – The Mandate of the Islands Trust

(Assisted by AI and this section is to be verified.)

### **Purpose**

The foundational purpose of the Islands Trust is explicitly stated in the Islands Trust Act:

"The object of the trust is to preserve and protect the trust area and its unique amenities and environment for the benefit of the residents of the trust area and of British Columbia generally, in cooperation with municipalities, regional districts, improvement districts, First Nations, other persons and organizations and the government of British Columbia."

- Islands Trust Act, Section 3

This mandate emphasizes a balance between environmental stewardship and the well-being of both local residents and the broader provincial community.

### **Responsibilities of Trustees**

Upon election, each trustee assumes specific responsibilities as outlined in the Trustee/Staff Responsibility Guidelines:

- 1. "Provide leadership"
- 2. "Set political direction"
- 3. "Make decisions choose between alternatives"
- 4. "Establish policy"
- 5. "Review Management Performance"
- 6. "Keep informed on Trust affairs"
- 7. "Reconcile political/constituent conflict"
- 8. "Establish cooperative protocols with other agencies at a political level"
- 9. "Communicate with constituents"
- 10. "Provide/solicit public feedback on services"
- Trustee/Staff Responsibility Guidelines, Section 1.1

These responsibilities underscore the importance of informed decision-making, community engagement, and inter-agency collaboration.

#### **Standards of Conduct**

Trustees are also bound by a code of conduct to ensure integrity and public trust:

"A trustee elect, by their declaration, is obliged to execute the duties of their office."

Standards of Conduct, Section 1.0

This commitment requires trustees to act ethically, transparently, and in the best interests of the Trust Area.

### **Decision-Making Authority**

Local Trust Committees (LTCs), comprising elected trustees, are empowered to:

"Regulate the development and use of land in their local trust area by exercising powers conferred by this Act, including powers that would otherwise belong to the regional district for each area."

- Islands Trust Act, Section 4(4)

This authority enables LTCs to make land-use decisions tailored to their specific communities, within the overarching framework of the Trust's mandate.

### **Application to Island Decision-Making**

In the context of decisions affecting the island, such as those related to short-term vacation rentals (STRs), trustees are obligated to:

- 1. Base Decisions on Comprehensive Data: Utilize accurate and complete information to assess the impacts of STRs on the community and environment.
- 2. Ensure Fairness and Equity: Consider the implications for all stakeholders, including homeowners, renters, businesses, and visitors.
- 3. Maintain Transparency: Clearly communicate the rationale behind decisions and how they align with the Trust's mandate.
- 4. Engage in Meaningful Consultation: Involve the community and other affected parties in the decision-making process.

By fulfilling these obligations, trustees uphold the integrity of the Islands Trust and ensure that their decisions contribute positively to the preservation and protection of the Trust Area.