ADMINISTRATIVE REPORT

TO: Planning & Development Committee

FROM: B. Newell, Chief Administrative Officer

DATE: March 16, 2023

RE: Vacation Rental Survey Results

FOR INFORMATION



The purpose of this report is to provide the results of a Vacation Rental survey that was conducted by the Regional District in early 2023.

Background:

Since 2014, the Regional District has generally been regulating the operation of "vacation rental" uses in residential dwellings through the issuance of Temporary Use Permits (TUPs).

Commencing in 2021, various Motions as well as a recommendation from an Electoral Area Advisory Planning Commission (APC) have been brought forward in relation to undertaking a review of the Regional District's vacation rental policies:

- That vacation rental policies be reviewed (2021 APC recommendation);
- That the Board instruct Administration to produce a report at Committee on the implications of adding a review of the Temporary Use Permit for Vacation Rentals in the 2022 Business Plan (2022 Board Motion); and
- That a Vacation Rental Review be considered for inclusion in the 2023 Business Plan (2022 Board Motion).

Administration is also aware of the conflicting concerns that were being raised across the region in relation to the Regional District's regulation of vacation rentals over the past 3-4 years:

- the current regulations are too restrictive and don't support other forms of tourist accommodation in residential areas (e.g. boutique motels and campgrounds);
- the current regulations are too permissive and are allowing inappropriate forms and numbers of tourist accommodation in residential areas;
- vacation rentals are adversely impacting housing affordability and rental accommodation;
- vacation rentals allow individuals to off-set their mortgage costs and afford housing in the region that might have been otherwise unattainable;
- a vacation rental should only be permitted in an accessory dwelling (e.g. secondary suite) when the principal resident is residing in the main house;
- the property owner should not have to be on the property when renting their house as they may be living and/or working outside of the area until retirement;
- the Regional District should actively be enforcing against illegal vacation rentals;

- enforcement should be based only on nuisance vacation rentals where the property manager or owner is currently ineffective;
- vacation rental uses should not be subsidized by taxpayers nor should they adversely impact their neighbours (e.g. failed septic, noise, inadequate parking, etc.); and
- the Regional District is imposing too many costs and regulations on the operators of vacation rentals (e.g. TUP application fees, health and safety inspections and septic compliance requirements are a "money grab" and hurting small business operators).

In light of these competing perceptions, and given the previous direction by the Board to review its vacation rentals in 2023, a survey was developed to gather feedback from both the general public and from existing Temporary Use Permit (TUP) holders to help inform the scope of any Vacation Rental Review the Board may initiate in 2023.

Public Survey:

The Regional District's Vacation Rental Survey comprised two distinct streams with Survey No. 1 being open to the general public and Survey No. 2 being restricted to individuals who had previously been issued a vacation rental TUP by the Regional District Board.

The Survey was open from January 3, 2023 to February 15, 2023, and was advertised through social media, a Press release, the RDOS Regional Connections page, and Voyent Alert!

Paper surveys were made available for pick up and drop off at the Town of Keremeos office, Riverside Centre in Princeton, and the main RDOS office in Penticton.

There were 1,630 total responses for Survey No. 1 (General Public), from 1,576 contributors, meaning that there were 53 people (or 0.03%) who may have either:

- submitted the survey more than once; or
- different people using the same computer to submit responses.

There were 24 responses for Survey No. 2 (TUP holders) from 156 visitors.

Overall, there were 2,495 Unique Visitors to the site, meaning people who looked at the web page who may or may not also filled out the survey. There was also seven (7) paper surveys that were submitted to the Regional District office.

<u>NOTE</u>: this type of 'open call' survey and feedback gathering is not statistically valid. Instead it is a means to review input from those who chose to participate. It is presumed that those who did participate have a higher level of interest in the topic.

Analysis:

Due to the high volume responses to the survey, the following is a summary of the responses that were received by the Regional District in relation to each survey stream.

Survey No. 1 (General Public):

The following are some highlights from the General Public survey results.

• the majority of responses were received from Electoral Area "E,", 23%, with Electoral Area "A", 14%, "D",14%, and "I", at 5%, running a close second.

- 61% of respondents agree that Vacation Rentals are an important part of the regional economy;
- 59% of respondents agree that long term rental housing should be a priority over Vacation Rentals;
- The majority of respondents indicated that noise, large crowds/parties, taking away from possible long term rentals, and commercialization of residential neighbourhoods from Vacation Rentals was a concern;
- 54%, of respondents indicated that they were not bothered regularly by a nearby Vacation Rental;
 - ➤ However, of the 12% of respondents who indicated they were bothered regularly registered very strong negative comments to this question.
- 66% of respondents indicated that they have stayed in a vacation rental while travelling.

Regulatory Preferences:

- 76% of respondents indicated that the RDOS needs to provide some form of permitting for Vacation Rentals.
- 83% of respondents preferred to either lower the maximum number of people permitted in a Vacation Rental or to maintain the current 10 person maximum.
- 73% of respondents support requiring Vacation Rental operators to register on the RDOS website with current contact information for the Vacation Rental. Only 16% were opposed to this option.
- Strong support for requiring a health and safety inspection, 73%, a septic inspection, 70%, a posting of a development sign,58%, and for notification letters to be sent by the RDOS to residents within a 100 m radius, 66%.
- 51% of respondents see a benefit in requiring vacation rental application be subject to a public information meeting and 50% for an APC meeting requirement.
- 60% of respondents opposed allowing un-serviced buildings (such as garages, un-serviced cabins, RVs) to be used for a Vacation Rental.
- 64% of respondents support the RDOS charging an additional water use fee for a Vacation Rental.
- 43% of respondents support a permanent resident or caretaker residing on the same site as a Vacation Rental use.
- 40% of respondents support the need to post the contact information for a property manager who is available 24 hour/7 days a week.

Survey No. 2 (TUP Holders):

The following are some highlights from the <u>TUP Holders</u> survey results:

- Residents from Electoral Areas "C", "D", "E" and "I" responded, with the majority from Electoral Area "E" (50%).
- 67% of respondents indicated that the dwelling they operate as Vacation Rental is not their principal home.

- Respondent indicated that they became aware of the Regional District's requirement for a Vacation Rental TUP as follows:
 - > 29% by speaking with RDOS staff;
 - > 26% by finding information on the RDOS website;
 - > 29% found out by other means such as by being told by a property manager, a vacation rental specialist, or by RDOS enforcement.
- 50% of respondents indicated that the overall process of obtaining a TUP was difficult, with 33% indicating that they found the process reasonable.
 - > 29% of respondents indicated that they found the health and safety check was 'not at all' useful;
 - > 50% of respondents indicated that signage to inform the public was 'not at all' useful;
 - > 50% of respondents indicated that a public information meeting was 'not at all' useful;
 - 54% of respondents indicated that an Advisory Planning Commission meeting was 'not at all' useful;
 - > 29% of respondents indicated that letters sent by the RDOS to adjacent owners was 'not at all' useful
- 70% of respondents did not purchase their property specifically to rent out as a Vacation Rental.
- 52% of respondents identified the reason they choose short term instead of long term rentals was because they prefer not to rent out year round since they want access for part of the year.

Regulatory Preferences:

- 79% of respondents indicated that the RDOS does need to provide some form of permitting.
- 71% of respondents indicated they are supportive of the RDOS being more proactive.
- 58% of respondents indicated that they were not supportive of restricting the timeframe for operating a Vacation Rental.
- 67% of respondents indicated that Vacation Rentals should be allowed in both the primary house and in a secondary or accessory dwelling unit.
- 83% of respondents indicated a preference to either keep the maximum of 10 persons or to lower the maximum.
- To reduce neighbourhood impacts:
 - 17% of respondents favoured establishing a maximum number of Vacation Rentals to be permitted within an Electoral Area;
 - > 17% of respondents favoured establishing a maximum number allowed within a specific radius; and
 - > 87% of respondents were opposed or strongly opposed to requiring a sign with contact information for the vacation Rental operator that can be seen by neighbours.

- 54% of respondents opposed allowing un-serviced buildings be used as Vacation Rentals.
- 62% of respondents opposed the RDOS charging an additional water service fee.
- 54% of respondents favoured requiring the posting of contact information for a property manager available 24 hours/7days a week and to not have a permanent resident on site.

Respectfully submitted: Endorsed By:

Evelyn Riechert

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Attachments: No. 1 – Vacation Rental Survey Summary of Results