

ADMINISTRATIVE REPORT



TO: Board of Directors

FROM: B. Newell, Chief Administrative Officer

DATE: July 7, 2022

RE: Request to Waive a Land Use Application Fee – Temporary Use Permit (vacation rental)

Administrative Recommendation:

THAT the request to waive the \$2500.00 application fee for a temporary use permit application for a vacation rental use at 3136 Vaseux Lake Crescent be denied.

Statutory Regulations:

Under Section 273 (General prohibition against assistance to a business) of Division 4 (Providing Assistance) of the *Local Government Act*, “as a limitation on section 263(1)(c) [assistance for community benefit], a board must not [emphasis added] provide assistance to an industrial, commercial or business undertaking.”

Background:

At its meeting of May 5, 2022, the Regional District denied a TUP application for a vacation rental use at 3136 Vaseux Lake Crescent.

At its meeting June 16, 2022, an application to waive the 12-month moratorium for a permit application that has been denied was received and approved; thereby allowing the property owner of 3136 Vaseux Lake Crescent to re-submit a TUP application prior to May 5, 2023.

On June 23, 2022, the property owner of 3136 Vaseux Lake Crescent formally requested of the Regional District that it waive the \$2,500.00 TUP application fee on the basis that:

being forced to pay \$5000 (\$2500 originally and \$2500 resubmission) for application fees + \$400 septic report + \$25 title search + \$200 safety report + \$150 sign for a total of \$5750 for an application fee seems a bit excessive. Especially given the fact that this does not guarantee a permit [and] ... Most of the other costs do not need to be repeated as the septic, safety, sign and title search have already been completed.

Analysis:

The Board does not have the authority under the *Local Government Act* to waive an application fee in relation to a business undertaking. For this reason, it is recommended that the request from the property owner of 3136 Vaseux Lake Crescent be denied as a vacation rental use is deemed to be a commercial business.

As the Board will recall from the discussion regarding land use application fees that occurred at the September 23, 2021, meeting of the Planning and Development (P&D) Committee, the “average” cost to the Regional District to process a temporary use permit (TUP) is \$2500.00.

This is based on a Full Cost Recovery approach and an expressed desire by the Board not to subsidize commercial vacation rental businesses given their perceived impact on neighbourhood character and housing affordability in the various Electoral Area communities.

At that time, Administration advised that the \$2,500.00 fee is reflective of the typical amount of staff time required to process an application from beginning to end (e.g. 32 hours). This includes the involvement of approximately 6-8 different staff (e.g. assigned Planner, administrative staff, Planning Manager and other staff such as building, bylaw enforcement, legislative services and engineering) depending on the task being performed.

Other costs include advertising in local newspapers, which was estimated in September of 2021 to be approximately \$320.00 for the statutory notification of the Board considering a TUP application, plus between \$200.00 and \$500.00 to notify residents of a new application through the Regional District's "bi-weekly" newspaper advertisement (NOTE: this latter fee fluctuates based on the number of other notices included in the "bi-weekly" ad).

Finally, other costs are incurred in relation to the booking of venues for public information meetings, advisory planning commission meetings and the mailing of notification letters.

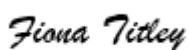
The costs that the proponent has listed — "septic, safety, sign and title search" — are not costs that are borne by the Regional District and, therefore, not reflected in the application fee. Rather, they are the sole responsibility of the applicant.

If the Board determines that there were abnormalities with the hearing of the original application; and, if they determine that waiving the fee is not assistance to a business, but a reduction of a Board-imposed fee; they may determine that a reduced fee covering 3rd party costs would be acceptable.

Alternatives:

1. THAT the request to waive the \$2500.00 application fee for a temporary use permit application for a vacation rental use at 3136 Vaseux Lake Crescent be granted.

Respectfully submitted:



Fiona Titley, Planner II

Endorsed By:



C. Garrish, Planning Manager

Attachments:

- No. 1 – Context Maps
- No. 2 – Aerial Photo

Attachment No. 1 – Context Maps

