

City of Powell River Short-term Rentals Study

'What We Heard' and Recommendations Summary

June/2018

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Project Scope & How We Got Input

The City of Powell River like many communities across Canada, is experiencing some community questions with respect to the accommodation ‘sharing economy’ and website services such as Airbnb and VRBO. Given these questions the City of Powell River is looking to create zoning regulations pertaining to short-term vacation rentals (rentals of less than 28 days). The City sought support from the Whistler Centre for Sustainability with research on successful practices in other similar communities, community engagement, and recommendations for short-term rental accommodations. This report summarizes research and consultation findings, followed by recommendations for the City to consider.

BACKGROUND RESEARCH

The purpose of background research was to understand short-term rental approaches from other communities and understand how to maintain or adjust policy to reflect current community goals.

The Whistler Centre examined general municipal responses to short-term accommodation in residential areas as well as general short-term rental benefits and challenges experienced by communities. Short case studies on the City of Nelson, District of Tofino, and Cumberland were developed. A background brief was also prepared to explain the current situation in the City of Powell River, including the general issues faced in the community and stakeholders. Please refer to Appendix A for both backgrounders.

PUBLIC ENGAGEMENT PROCESS

During this engagement the City wished to build a common understanding of the issues and gather community feedback.

The Centre developed and facilitated a public engagement process consisting of key stakeholder interviews, two public information sessions and an online survey. The engagement activities for the project was aligned with a ‘consult’ engagement approach to obtain feedback on analysis and alternative approaches. The promise to participants in this approach is essentially to inform, listen and acknowledge concerns and also to provide feedback on how their input influenced the decision.

The engagement kicked off at a Chamber of Commerce lunch event on November 30, 2017 with an overview of the issues and communication of the engagement process. Background research was shared in advance of an information night at the Powell River Public Library on January 17, 2018. Engagement continued with an online survey from January 19 to February 9, 2018.

Summary of Findings

RESEARCH FINDINGS

The Whistler Centre researched short-term rental approaches in other communities to map the landscape of how local governments regulate these practices. In addition, The Whistler Centre conducted in-depth case studies on Nelson, Cumberland, and Tofino to understand the unique issues each community faces, the level of regulation each community uses, any unique policy approaches, and key lessons learned.

A summary of this research is included as "Brief #2" in Appendix A. This section adds to the research brief by summarizing policy and enforcement tools available to local governments in more depth.

RECOMMENDATIONS FOR EFFECTIVE PRACTICES

MANAGING COMMERCIAL ACTIVITY IN RESIDENTIAL AREAS

The concerns about short-term rentals in Powell River's neighbourhoods include: noise, traffic, parking, fire safety, nuisance, and safety. Although the concerns are not widespread today, an increase of these commercial uses in residential neighbourhoods could expand the concerns. Based on our research, the following are recommendations for effective practices to manage commercial uses in residential areas:

- **Avoid competing with long-term rental market:** Ensure that only 'primary' residences are rented out on a short-term basis. This is common practice in communities taking efforts to protect long-term rentals, and this approach is supported in the engagement findings.
- **Avoid nuisance issues from vacant landlords:** If whole home rentals are allowed, collection of a minor 'bylaw infraction deposit' of \$500 is recommended to promote better on-site management of guests and timely cost recovery for infractions. Requiring a 24/7 owner contact number to neighbours in case of any concerns would also help.
- **Manage parking:** Require one onsite parking space for each room rented to help manage parking issues.
- **Support health and safety:** Require and periodically check fire safety and basic building code standards.
- **Avoid over-crowding neighbourhoods:**
 - Limit two people per room in a shared or a whole house rental and/or cap the total amount of people renting to eight.
 - Restrict short-term rentals to single family detached homes and non-strata style properties. This approach is supported by our research and the engagement findings. Expanding the use to duplexes/townhouse might also work, but short-term rentals in smaller strata dwellings like residential condominiums and apartments could lead to increased conflicts.

- **Provide a level playing field for bed and breakfast operators and legal suite homeowners:**
 - Charge business license fees to match current or new B&B license fees. Nelson, BC has annual business license fees ranging from \$160 (for one room) to \$800 (for a full house) depending on the intensity of use and potential impacts on bylaw budgets etc. Whistler charges \$165 annually for the first dwelling unit and \$10 for additional units to generally encourage business license applications. Tofino charges \$450 for one sleeping unit and \$150 for each additional unit which matches current B&B fees. In the case of Powell River, short-term rentals could be treated as B&Bs and charged a Tier 2 or \$180 annual fee.
 - With respect to taxation, the City of Powell River can work through the Union of BC Municipalities to ensure 'fair' taxation for all commercial accommodation operations, including short-term rentals. Progress has already been made in this area with the Province announcing an agreement with Airbnb to collect some taxes.

REGISTRATION, EDUCATION AND ENFORCEMENT

One of the biggest challenges facing all municipalities with short-term rentals is how to enforce regulations. The process to ticket or fine a homeowner in contravention of any Zoning Bylaw can be cumbersome and costly. So, making this enforcement process more effective and efficient is important. The following list includes a few ideas that may make enforcement and compliance easier:

- Continue to implement affordable and low-income housing strategies or actions to reduce the 'housing crisis' expressed by so many during this engagement.
- Require a business license to operate a short-term rental. They are an effective mechanism for tracking permitted properties, and the business regulation bylaw is one tool in addition to zoning bylaws that can help outline what is permitted on a property. Business license charges may also help to cover the administration costs for inspections or enforcement requirements.
- Add a clear definition of short-term rentals/ short-term tourist accommodation to the Zoning Bylaw so that this activity can be referred to when needed.
- More clearly articulate the permitted uses in each zone in the Zoning Bylaw to ensure use cannot be misconstrued with allowing short-term rentals.
- Continue to use a third-party software such as Host-Compliance to provide the City with a monthly report and an up-to-date list of active short-term rentals in the community. Pricing ranges from \$380/year for monitoring to \$2,250/year for monitoring plus address identification, outreach case history, etc.



- Add short-term rental offences to the municipal ticketing system to increase the ability to charge those not in compliance and more easily manage disputes that may arise through the ticket system.
- Add new offences relating to the marketing of short-term rentals and not just the ‘use’ (activity) of short-term rentals. This advertising activity is easier to prove than whether a property was used in contravention of the Zoning Bylaw.
- Initiate an education or social marketing campaign once any new rules are in place to help make sure all property owners are aware of what is allowed and what isn’t. For example, the Town of Canmore, AB is currently running a ‘Myth or Fact’ campaign to educate its residents. Fernie has a simple brochure outlining the regulations.
- Work with Strata Corporations to help them find effective and efficient methods if desired to promote or deter short-term rentals.

Consulting a municipal lawyer on the above topics will help to ensure lawful, effective and efficient implementation.

ENGAGEMENT FINDINGS

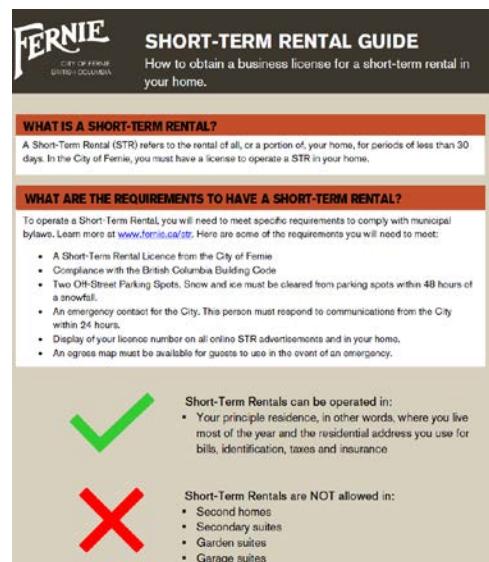
Approximately 300 instances of engagement through face-to-face conversations or online surveys helped us connect with the City of Powell River community and stakeholders on the topic of short-term nightly rentals. Approximately 60 people were engaged through outreach events and about 240 participated in the online survey. Local stakeholder groups participated through one-on-one interviews and representatives from Airbnb communicated via email.

While local perspectives on short-term rentals vary, it is clear from the comments and interactions that the City of Powell River community members and stakeholders share a desire to help the City tourism economy and its community members thrive.

The engagement results (Appendix B) highlighted much common ground and understanding of the issues among survey respondents and stakeholders.

- **Engagement results indicated that participants support regulating short-term rentals, expanding short-term rental opportunities, and managing short-term rental with additional policies.**

- **Regulation:** A slight majority (56%) of survey respondents support the notion of regulating short-term rentals in some manner. Most stakeholders feel that some level of regulation around short-term rentals is needed, though opinions differ on the number of rentals that should exist.



FERNIE
CITY OF FERNIE
BRITISH COLUMBIA

SHORT-TERM RENTAL GUIDE
How to obtain a business license for a short-term rental in your home.

WHAT IS A SHORT-TERM RENTAL?
A Short-Term Rental (STR) refers to the rental of all, or a portion of, your home, for periods of less than 30 days. In the City of Fernie, you must have a license to operate a STR in your home.

WHAT ARE THE REQUIREMENTS TO HAVE A SHORT-TERM RENTAL?
To operate a Short-Term Rental, you will need to meet specific requirements to comply with municipal bylaws. Learn more at www.fernie.ca/byl. Here are some of the requirements you will need to meet:

- A Short-Term Rental Licence from the City of Fernie
- Compliance with the British Columbia Building Code
- Two Off-Street Parking Spots. Snow and ice must be cleared from parking spots within 48 hours of a snowfall.
- An emergency contact for the City. This person must respond to communications from the City within 24 hours.
- Display of your licence number on all online STR advertisements and in your home.
- An egress map must be available for guests to use in the event of an emergency.

Short-Term Rentals can be operated in:

- Your principle residence, in other words, where you live most of the year and the residential address you use for bills, identification, taxes and insurance

Short-Term Rentals are NOT allowed in:

- Second homes
- Secondary suites
- Garden suites
- Garage suites

- **Expansion:** Survey respondents are more supportive than stakeholders of expanding short-term rental opportunities in the City of Powell River, and about two-thirds support limited or permissive expansion (please see Appendix A for a description of these expansion options). The few renters participating in the survey are more split on the issue than homeowners, citing concerns about the availability of long-term rentals.
 - **Management:** A slight majority of survey respondents with an opinion on expansion scenarios lean toward additional management rules that go beyond existing bylaws such as noise and parking. Of the various specific rules, only 'business license requirement' has support from the majority (over 50%) of the respondents. Most stakeholders are more open to additional rules, such as the ones that exist for a bed and breakfast operation. These rules currently include: principal use remains a family residence; not more than four bedrooms (max 8 people) are used for accommodation; additional parking for each bedroom; with or without breakfast; and business license requirement.
- **Survey respondents and stakeholders expressed concern about the effect of short-term rentals on long-term rentals and housing affordability.**
 - Impacts of short-term rental on long-term rental housing and housing affordability is a common concern for both the general public and most stakeholder organizations. The effects have not been measured in Powell River.
 - Some survey respondents explained that short-term rentals are different from long-term rentals, because the rented suite or room is not suitable for long-term rental (e.g. it lacks a kitchen or lacks privacy from the landlord). So, these suites would not have been rented out to long-term tenants.
 - A good number of participants (74%) highlight the importance of utilizing short-term rental income to make home ownership more affordable for new buyers, though some respondents who rent disagree with this assertion.
 - **Participants support short-term rentals across Powell River, operating in primary single-family residences, with either a suite or the whole home rented.**
 - If short-term rentals continue to be permitted (i.e., bed and breakfast operation with a host present) or expanded to include dwellings without a host present, most survey respondents feel that these operations should take place within a primary residence (92% support).
 - Fewer, though still a majority (60%) also support rentals in the homes of part-time residents (owners with a primary residence elsewhere who may use their Powell River property occasionally). Some respondents (23%) also recommended that renters be able to sub-let for short-term rentals.
 - Additionally, most feel these operations should occur on single-family properties (84%) or in secondary suites (86%) on-site. About equal support was

"I don't think our community is at the point of needing a lot of regulation with regard to short term rentals. What we need is more lower cost housing."

Survey Respondent

provided for renting out 'Spare Rooms' (66%) and 'One Entire Residential Unit' (63%).

- Most survey respondents (88%) feel that there should be little discrimination as to the neighbourhood or district where short-term rentals are allowed.
- **Short-term rentals provide more accommodation options for visitors, help introduce visitors to our community, and help homeowners offset housing costs.** There is some general agreement on the most important benefits of short-term rentals. 'More accommodation options for visitors & tourist dollars received' noted as an important (4 or 5 on a 5-point scale) benefit by 73% of the 185 respondents. 'Earning extra income or offsetting costs', is deemed important (4 or 5 on 5-point scale) by about 60% of the respondents to this question.
- **Some concerns about short-term rentals include parking, noise, safety, and traffic.** While some have concerns with the more common short-term rental management complaints (parking/ noise, loss of community etc.), in general, most survey respondents (over 70%) did not.

Topics and issues with mixed opinions included:

- **Benefits and Concerns with short-term rentals:** Respondents are split (37%-40% vs. 37%-40%) on the importance of short-term rentals for 'part-time resident's or investor's income' and are split on concerns about the impacts on 'long-term rental housing'. Respondents are slightly less concerned (45% vs. 41%) with respect to 'tax advantages compared to commercial operations. 'Unfair tax advantages' however are the primary concern of commercial accommodation stakeholders.
- **Caps on the number and location of short-term rentals:** Respondents' are unsupportive of capping short-term rentals and 57% lean toward 'No Cap'. The strategy to limit the number of short-term rentals with some cap type however is supported by the larger commercial accommodation stakeholders and 43% of survey respondents.

Recommendations

EXPANSION OPTIONS

Background 'Brief #2' in Appendix A and the survey questions outlined various approaches to regulating short-term rentals. The brief described common approaches to allowing short-term rentals which include: limited regulation, limited-plus and permissive approaches. The survey describes a full suite of approaches to regulating short-term rentals and includes rolling back short-term rental opportunities, sticking with the status quo, limited regulation and permissive regulation. These survey categories are described as follows:

Roll Back/Prohibit: Property owners in the City of Powell River should not be able to rent out their residential property in part or in whole on a short-term basis.

Status Quo: Property owners of most single-family homes in the City should be able to continue renting out rooms in their residence nightly with a B&B license. No whole home/suite rentals or rentals in townhouses/apartments will be allowed.

Limited Expansion: There should be some more opportunities for short-term rentals in the City. For example: More rooms or whole residence rentals; more types of dwellings allowed to rent; limit the total number in some manner.

Permissive: There should be many opportunities for short-term rentals in the City of Powell River. For example: More rooms and whole residence rentals; all types of dwellings allowed to rent; no limits on the total number of rentals.

In considering the background research, the input received and the current context of growing demand for short-term rentals we recommend that the City of Powell River move to permit some limited expansion of short-term rentals.

The background research into short-term rentals indicates that most municipalities, especially ones with ambitions for tourism are allowing some level of short-term renting to take place in residential areas. This finding is congruent with many of the survey respondents as well as most stakeholders who feel short-term rentals' role in improving the tourism experience and growing local income is important. In total, about two thirds of respondents (63%) want to expand the opportunity for short-term rentals somewhat, and about a third (29%) want the 'status quo' or a roll back of policy virtually prohibiting short-term rentals. Not all respondents are as supportive of expansion however, with renters leaning slightly toward a roll back or status quo approach (52%).

In order to represent the full range of opinions on the matter of expansion, we suggest three possible ways forward for the City to consider expanding short-term rentals.

1. **Restricted** – Through engagement with tourist providers, residents and business organizations, it became clear that there is a role for short-term rentals to support tourism and local incomes. Keeping the status quo with bed and breakfast operations could make the City unique in that the only 'sharing economy' accommodation options

would be for rooms located in primary residences. With creative marketing this could create an 'authentic' City of Powell River experience for visitors in hosted homes. That said, not allowing full-dwelling rentals in some capacity eliminates options for many of the visitors who are looking to rent entire homes/properties. Restricting short-term rentals also limits the important benefits of short-term rentals such as generating local incomes and doesn't respond to the 63% of survey respondents and some stakeholders who prefer to expand short-term rentals. This restrictive approach is currently being employed by communities like Harrison Hot Springs, BC, as well as Canmore and Banff, AB.

Outcomes: The added tourism and local income benefit of short-term rentals may not be fully realized. There will still likely be visitor demand for full-home short-term rentals as well as willing landlords, so the City may need to put more resources into enforcement in order to maintain the 'status quo'. That said, maintaining the 'status quo' by only permitting property owners to rent out rooms within their primary residence will reduce the need to adjust bylaws and create specific management rules for full-dwelling rentals.

2. **Moderate Expansion:** The engagement findings lead us to believe that there is certainly demand and a desire for short-term rentals to support tourism and local incomes. In fact, the survey findings are generally very supportive of expansion and limited controls on where or how many rentals should be allowed. Full-dwelling/home rentals are in slightly greater demand than room-only rentals, and most leading tourism destinations have this type of 'whole dwelling/home' available for visitors who desire something other than hotel or bed and breakfast style accommodation. To fulfill this demand, Powell River could consider expanding the current zoning and business uses to allow for full-dwelling/home rentals on primary residence properties only. Either the main home or perhaps a suite or carriage house could be rented out, but not both at the same time. This primary residence requirement would limit the impact on long-term rental options and would alleviate the concerns of renters who slightly favour no expansion of short-term rentals at all. This moderate expansion approach could start with a cap of 50 units total (to match current supply) spread across the community in order to learn more about impacts on the community and commercial accommodators. If needed, the cap could potentially be expanded in the summer or during special events to meet the higher demands for accommodation. A total number of short-term rentals cap is used by Nelson, BC and is being proposed in Pemberton, BC as well. A geographic cap is employed by Cumberland, BC and Whistler, BC by allowing short-term rentals zoning in specific areas only.

Outcomes: Allowing a certain amount of full-dwelling/home short-term rental accommodations will support tourism, provide local incomes, reduce the 'illegitimate' operations, and increase municipal revenue for enforcement and other additional related costs. Focusing the activity to primary residences will ensure that income from this activity goes to local residents and limits the impact on long-term rentals. Utilizing a 'cap' on the number of short-term rentals will allow time for further learning, maintain the residential nature of neighbourhoods, improve the visitor experience and will complement as opposed to compete unfairly with the existing commercial tax paying accommodation sector.

3. **Permissive Expansion:** There is a strong amount of support (67%) for short-term rentals in Powell River from the survey respondents who own homes. The City could consider a permissive approach expanding the current zoning and business uses to allow for full-dwelling/home rentals in all residences and suites or carriage houses. The

short-term rentals would not be limited by location or number in this situation. The number offered would fluctuate instead based on market supply and demand only.

Outcomes: Allowing full-dwelling/home short-term rental accommodations in primary residences, suites and laneway houses will support tourism, provide local incomes, reduce the 'illegitimate' operations, and increase municipal revenue for enforcement and other additional related costs. This permissive approach however runs the risk of absorbing non-owner occupied dwellings/properties into the commercial accommodation pool instead of long term rentals. By not using a 'cap' mechanism the new short-term rental sector could compete unfairly on a significant scale with the existing commercial tax paying accommodation sector during off-season months when property occupancy is already indicated as a challenge. This competition may further limit the commercial accommodation sector's ability to reinvest in upgrades and maintain conference meeting space. At least one operator says the current economic fragility of Powell River is already too significant for major investments. Finally, a permissive expansion approach will be difficult to cap or remove in the future if unforeseen concerns do materialize in neighbourhoods. Communities employing a generally permissive approach to short-term rentals include; Tofino, BC and the City of Vancouver, BC.

RECOMMENDED APPROACH

Based on background research and case studies, the input received, and the growing demand for short-term rentals we recommend that the City of Powell River move to support the 'moderate expansion' approach, as described above and summarized in the table below. The 'sharing economy' trend and visitor desire for full-home style rentals is not going away in the near future. The cost of living and need for generating an income in Powell River has created the local demand, and for some the necessity, to offer rooms or homes for rent to the travelling public. The City of Powell River's tourism offerings and goal to attract longer term residents creates a legitimate demand for these types of short-term rental accommodation that allow visitors to 'live like a local'. Creating zoning bylaws to reflect this demand is warranted. That said, without some way of managing the total amount of short-term rental offerings the community may forgo the ability to learn in a controlled manner and to respond to current and future concerns. The most pressing concerns include an unfair playing field with commercial accommodators, an uncertain investment environment limiting re-investment in commercial accommodation, and the limited availability of long-term rentals. Addressing these concerns with alternative strategies while at the same time learning how to ensure a beneficial short-term rental policy will likely help the City optimize beneficial outcomes over the longer term.

Moderate Expansion with Leading Management Practices

Policy Area	Recommended Approach
Zones	Non-strata, single-family residential
Total number of days	30+ days and minimums
Seasonality	Year round
Host type	Owner in primary residence

Policy Area	Recommended Approach
Entire home or rooms	Limited to one dwelling unit
Location	Across entire community
Number	Cap at 50 licenses, with potential to increase over time or for special events
Management Area	Recommended Approach
Registration	Business license: Tier 2 \$180 annual fee (equivalent to B&B license)
Health/Safety Check	Once a year
Infraction Deposit	Bylaw infraction deposit of \$500 for whole home rentals
Number of people	Two per room to a maximum of eight
Onsite Management	Local manager reachable 24/7 by tenants and neighbours
Parking	On site, one space per room rented
Enforcement	Mix of small and large fines, depending on the issue: <ul style="list-style-type: none"> • Tickets for noise, parking violations • Fines for unlicensed marketing listings or listings outside of requirements • Fines for health and safety violations
Advertising	Only allowed with a valid business license
Taxes	To be determined at the provincial level; Airbnb agreed with the province to collect hotel tax revenue for the Municipal Regional District Tax (MRDT) to market the region

Appendices:

A: BACKGROUNDER

Powell River Short-Term Rentals

What's the deal? Brief #1

Welcome to the conversation about short-term vacation rentals in the City of Powell River. The following is the first of two background briefs and outlines some of the local context and background information to help think about short-term rentals here in Powell River.

Typically, the term “Short-Term Rental” or “Vacation Rental” is the practice of renting out a full suite, home, apartment, cabin, condominium and sometimes a room for periods **less than 28-days** at a time.

SHORT-TERM RENTALS IN 2017/18

Short-term vacation rentals and online booking platforms (Airbnb, HomeAway, VRBO, etc.) are getting lot of attention these days in the news and on social media. Hosting short-term visitors in a room or home however is not a new activity and was not invented by these online platforms. Before these popular platforms were available, travellers who wanted a different experience or price than a hotel often opted for a more personal rental in a room or a home. Popular tourist destinations have always been a magnet for these types of short-term rentals.

What is new is the rise in the number of short-term vacation rental properties in both tourism regions and popular cities. Short-term rentals are the poster child of the growing ‘sharing economy’, and part of a broader trend of property owners trying to leverage underutilized assets (homes, cars, tools, etc.) for income or something else of value. Online platforms have played a critical role in this growth.



SHORT-TERM RENTALS. FRIEND OR FOE?

Whether short-term rentals are a perceived as friend or foe, depends on your perspective. The practice has proven contentious due to the presence of both benefits and challenges.

COMMONLY IDENTIFIED BENEFITS INCLUDE:

- **More accommodation options** for visitors – improving their experience and increasing local spending
- **Additional disposable income** for property owners renting out rooms or homes
- **Efficient use of space**, requiring less development
- **Hardship prevention** for some residents who use the income to make ends meet
- **Cultural exchange** for both visitors and residents

COMMONLY IDENTIFIED CHALLENGES INCLUDE:

- **Noise and security concerns** from transient visitors and commercial type uses
- **Increased cost and decreased availability of housing** from inflated real estate and lack of long term rentals
- **Loss of community feel** due to empty neighbourhood properties and transient visitors
- **Unfair tax/fee advantage** to residential owners over legitimate commercial accommodation properties
- **Reduced “hotel tax” revenues to the community**
- **Safety and fire hazards** due to overcrowding
- **Parking issues**, traffic and snow clearing challenges

ACCOMMODATION PROVISIONS IN POWELL RIVER

City land use and zoning policy has typically promoted and permitted a variety of ‘traveller’ accommodation options. Current land use and zoning policy aims to accommodate traveller accommodation in the following zones: Service Commercial C2, Tourist Commercial C4, Campground Commercial C5, Mixed Use MX, Milltown Centre MC, and Waterfront Commercial W1.

In addition to these zones, general zoning regulations allow for bed and breakfast (B&B) operations in the A1, A2, R, RM, MX RS-1. There are a number of provisions guiding B&B use including: principle use remains a family residence; someone in the dwelling is engaged in operating the B&B; not more than four bedrooms (max 8 people) are used for accommodation; additional parking for each bedroom; and with or without breakfast. The portion of the premises intended for the bed and breakfast use must not have cooking facilities or food storage, therefore practically restricting the use to a bedroom space only. Operators must also have a business license. *Continued on next page.*

Zoning and land use provisions in Powell River are also supported by a host of other relevant regulations for accommodation properties including parking regulations; business licensing regulations; health and safety regulations; noise bylaws; and the BC Building Code etc.

While traveller accommodation and bed and breakfast use are outlined in the Zoning Bylaw, the regulation contains no reference to full home short-term rentals.

POWELL RIVER ACCOMMODATION TODAY

Recognizing the importance of regional tourism to the community economy and the amazing outdoor and cultural experiences in Powell River and region, local tourism operators and Sunshine Coast Tourism actively promote the local area to visitors. The Powell River area now hosts a broad supply of fixed roof accommodation options though some home-style rentals may not conforming to the uses allowed currently by zoning.



Hotels/Motels/Lodges include: Beach Gardens Resort and Marina, Beyond Bliss Suites, Cranberry Motor Inn, Island View Lodge, Kent's Beach Resort Cabins, Marine Inn, Marland Motel, Oceanside Resort and Wellness Centre, Old Courthouse Inn, Powell River Town Centre Hotel, Rodmay Heritage Hotel, Seabreeze Resort, Seaside Villa Motel, Westview Centre Motel, Higgin's Inn.

B&B Style: Suncatcher B&B, Stillwater Beach House B&B, Ocean Point B&B, Family Farm B&B,

Guest House Style: Westcoast Cottage, Seaside Escape Retreat, Powell River Harbour Guesthouse, Periwinkle Guesthouse, Boxwood Cottages

Residential Short-term Rentals: As of Fall 2017, there are about 121 short-term rental listings in the Powell River area and about 34 within City limits on Airbnb (the most popular booking site). While the number of properties on booking websites may include some legitimate properties within the City boundaries, the majority are short-term vacation rentals that have not been considered by City zoning or hold a business license.

STEPS TO DATE

The addition of short-term residential units to the accommodation marketplace in Powell River has lead to a number of local challenges such as the removal of some long-term rental accommodation and an influx of transient visitors in and out of neighbourhoods at odd hours and taking up parking spaces. Hotels and motels have suggested these short-term rentals are cutting into the business of legitimate traveler accommodation and are not paying their fair share in taxes/fees.

In response to these issues City Staff and City Council have only been able to tell people that short-term rentals are currently not enforceable as there are no bylaws allowing them or prohibiting them.

OTHER STAKEHOLDER PERSPECTIVES

There are a number of other stakeholders with a bearing on rules and regulations for short-term residential accommodation operators.

Province: The incoming NDP Provincial government and provincial tourism associations such as Tourism Industry Association of BC (TIABC) and the BC Hotel Association all express a desire to tax all short-term accommodation equally in order to contribute to tourism marketing programs (Municipal Regional District Tax). The three organizations also have a strong focus on affordable housing for BC residents and/or tourism employees.

Canada Revenue Agency: Rental revenue whether from short-term or long-term renters is typically considered income and should be included in income on annual tax reporting.

Local Stratas: Strata Corporations in BC have the ability to remove the ability of members to rent their properties on a short-term or long-term basis.

CONSULTATION PROCESS

In understanding how to address short-term rentals, there are three fundamental questions to consider:

1) How might short-term nightly rentals support or impact community goals/aspirations? 2) How much is appropriate? 3) Where is it best located?; and 4) How do we manage and enforce?

GET INVOLVED!

In order to address these questions we want you to join the City at upcoming community engagement sessions and we want you to take part in an online community survey.

- | | |
|--|---|
| January 17th | Council Workshop |
| January 17th | 7 pm-8:30 pm Public Info Session,
Powell River Public Library |
| January | Online Survey Active |
| 19th – 31st | https://www.surveymonkey.com/r/powellriverstr |
| March 2018 | Feedback summary report and presentation |
| Spring 2018 | Zoning Bylaw Review Session, TBD |

FOR MORE INFORMATION

If you have any further questions please contact: Thomas Knight, Director of Planning – 604-485-6291, tknight@cdpr.bc.ca

Powell River Short-Term Rentals

What's the deal? Brief #2

Welcome to the conversation about short-term vacation rentals in the City of Powell River. The following is the second of two background briefs and outlines some experiences and solutions for short-term rentals in other communities. As you read through the document, think about what approaches or specific policies may or may not be useful to consider in Powell River.

WE ARE NOT ALONE

Many communities across British Columbia and indeed the world are trying to determine how to manage the increase in opportunities and challenges presented by short-term rentals. While there are some common provincial and federal laws such as taxation that need to be followed by everyone in the business of nightly accommodation, the permission to allow short-term rental use in residential dwellings is primarily addressed by local governments through municipal bylaws.

Municipalities' ability to zone land, regulate business and create nuisance rules (e.g. noise bylaws) enables them to regulate and manage short-term rentals. A mix of leading practices and specific community goals and local circumstances, as informed by residents and other stakeholders, typically determines the specific direction taken by a municipality.

The following sections cover a list of leading practices and three case summaries.

REGULATION PRACTICES

Practices in regulating short-term rentals range from outright bans (Harrison Hot Springs) to a varying degree of allowance often with a set of regulations to optimize outcomes. The most common general response has been to permit the practice with conditions, rather than prohibit. In determining an individual approach, communities consider the applicable policy areas and adjust their regulations based on their circumstances.

The following table outlines some common policy practices in managing short-term nightly rentals. **The 'shaded' cells represent the more recent common practices in regulating short-term rentals**, but each community needs to choose what works best for them.

Policy Area	Limited	Limited Plus	Permissive
Zones	Residential Single Family	Duplexes, townhouses	All zones
Total number of days	30 days	30+ days and minimums	Unlimited - 365
Seasonality	One season	Up to three	Year round
Residence ownership	Primary residence	One secondary residence	Any type and number
Entire home or rooms	Limited to rooms	Limited to one dwelling unit	Entire dwelling and suite
Location	One limited area	Some other areas	Across entire community
Number	Capped	In between	No Cap

MANAGEMENT AND ENFORCEMENT PRACTICES

Management and enforcement deal with the day-to-day and year-to-year facilitation and/or limitation of short-term rentals.

The following table outlines a range of management approaches for short-term rentals. **The 'shaded' cells represent the more common practices in regulating short-term rentals.**

Mgmt. Area	Limited	Limited Plus	Permissive
Registration	Yes and business license	One or the other	None required
Health/Safety Check	Multiple times per year	Once a year	Every 2+ years
Infraction Deposit	\$1,000+	\$0<\$>\$1000	\$0
Number of people	1 per room	2 per room to a maximum of 6	6+
Onsite Management	Owner/Manager on site	Manager reachable 24/7	None
Parking	On site two stalls	On site one per room	On site/Off site one per room
Enforcement	Proactive with large fines	Mix	Complaint small fines
Advertising Enforced	Only allowed with a license; fines	N/A	Not enforced
Taxes	Commercial class and Tourism tax/fee	One or the other	None



NELSON, BC – NEW AGE APPROACH

The City of Nelson just recently passed a new set of regulations and management approaches for short-term nightly rentals. Their engagement included multiple stakeholder interviews, micro website, community meetings and an online survey.

Unique issues: Need for student housing fall-spring and tourist accommodation in summer; many secondary residences, limited parking, homes are part of the Nelson image, limited commercial accommodation.

General Approach: Limited Plus

Unique approaches: Capped the total number in the community to 110 annual licenses; capped per block to three, mostly primary residences; many dwelling types allowed, and allowances to increase at small increments for short periods of time (e.g. summer to 40 more and anytime of the year up to 31 days); \$500 enforcement deposit.

Key takeaways: Broad but contained approach, allowed in most dwellings, but capped by using business regulations; defined the enforcement approach upfront; strong support and can be scaled up and down.

City of NELSON BRITISH COLUMBIA Short-Term Rentals

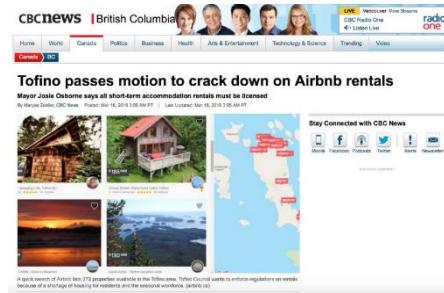


Key takeaways: Geographically contained using zoning but permissive approach; uses zoning for regulation; provides needed traveller accommodation close to the commercial core.

TOFINO, BC – PUTTING THE GENIE BACK IN

Tofino has a year-round population of approximately 2,000 that swells to 30,000 people on some days during the summer months of July and August. Tofino has become an

increasingly popular tourist destination, particularly during the spring, summer and fall months. As of 2004, it was estimated that between 130 and 350 short-term vacation rentals operated in Tofino. In response to the concerns the local government tasked the OCP Monitoring Committee (made up of a spectrum of the community) to address the issue in 2011.



Unique issues: Significant tourist accommodation demand in summer; critical staff housing shortages; accommodation rates are quite high so there is a strong incentive to rent nightly; 50% of dwellings are secondary residences.

General Approach: Limited Plus to Permissive

Unique approaches: Larger lots - Required a caretaker on site, only allowed one dwelling to be rented (suite or home) to maintain long-term rentals; Smaller lots – only allowed in suites; use of business licenses; and relatively permissive.

Key takeaways: 82% of properties permit short-term rentals; little enforcement initially; recent complaints shifted from nuisance to "I lost my rental housing"; proactive enforcement and education as of 2016 is starting to work.

WHAT DO YOU THINK?

In order to address these questions we want you to join the City at upcoming community engagement sessions and we want you to take part in an online community survey.

January 17th Council Workshop

January 17th 7 pm-8:30 pm Public Info Session, Powell River Public Library

January Online Survey Active

19th – 31st <https://www.surveymonkey.com/r/powellriverstr>

March 2018 Feedback summary report and presentation

Spring 2018 Zoning Bylaw Review Session, TBD

FOR MORE INFORMATION

If you have any further questions please contact: Thomas Knight, Director of Planning – 604-485-6291, tknight@cdpr.bc.ca

B: WHAT WE HEARD

This appendix summarizes the results of stakeholder engagement, public information sessions, and the online survey.

STAKEHOLDER ENGAGEMENT

The Centre worked with the City staff to identify and connect with a variety of stakeholders to better understand different perspectives on short-term rentals.

Stakeholders included: Accommodation Providers, Planning Staff from the Powell River Regional District, and a short-term rental operator.

Most of the semi structured interviews with stakeholders took place in early 2018. Email correspondence was also received from Airbnb.

PERSPECTIVES

Stakeholder	Summary of Comments
Powell River Regional District	<ul style="list-style-type: none">• Generally supportive of short-term rentals in the area, encourages home based business• Limited impacts on infrastructure from additional commercial use• It is an opportunity for residents to make an income• Lack of quality accommodation in the region and short-term rentals can fill this gap• No concerns delivered to the PRRD
Commercial Accommodation Provider #1	<ul style="list-style-type: none">• Long-term rentals are in short supply• It took a long time to get the Municipal Regional District Tax (MRDT) for marketing the region and short-term rentals benefit, but they don't pay into it• Commercial accommodation occupancy levels are lower than desired and need to be higher• A level playing field with taxes and fees is required for short-term rentals and affordable long-term rental housing is needed• Rules should include: similar taxes/fees to commercial accommodation, neighbours need to be able to provide input and should be limited to only primary residences

Commercial Accommodation Provider #2	<ul style="list-style-type: none"> • Currently losing some market share to short-term rentals and a fair playing field is required. Commercial properties need to adapt or differentiate. • Occupancy rates are generally low, but recent growth experienced in line with introduction of the MRDT • Prime occupancy is the summer months and its quite low during the remainder of the year at tourist focused properties • Commercial properties play an important role for events and conferences and need to be solvent • Short-term rentals should be regulated and paying fair share of taxes and marketing fees • Short-term rentals play a role when other commercial accommodation is full (about 30 days a year) • Would appreciate a limit on short-term rentals for learning purposes and perhaps seasonally (only allowed in the summer) • Need to continue to market and grow visitation as there is real risk to Powell River and commercial accommodators if the Mill slows down • It is a difficult investment environment for commercial accommodation, and recognize that some property reinvestment is needed
Commercial Accommodation Provider #3	<ul style="list-style-type: none"> • We need a level playing field as my property pays taxes and MRDT • Short-term rentals impact some long-term rentals, maybe should be limited based on vacancy rates? • There is certainly a market for non-commercial style accommodation and the community is lacking quality accommodation • Benefits certain tourism markets (families) and provides better quality accommodation • Basic inspections, business licensing, parking/occupancy rules would be needed
Airbnb Provider	<ul style="list-style-type: none"> • Rental helped to offset travel and principle home ownership costs while providing a community tourism experience or visitors • Not sure that the demand is high enough for an investment property rented as a short-term rental • Challenges with long-term renters (e.g. new laws favouring tenants) incent other uses for suites etc. • Long-term rental issues certainly need addressing

	<ul style="list-style-type: none"> • Minimal short-term rental demand/supply means some concerns may not be as apparent here as resort areas • Open to a business license scheme but in general feels regulations should be permissive and management requirements shouldn't be too onerous
Airbnb	<ul style="list-style-type: none"> • Data indicates that the typical host in the Powell River area makes \$5,700/year • Slightly less private room rentals, than whole home rentals (in Powell River proper) • Would like smart, streamlined policies for the use, to allow for rentals • Agreed with the Province of BC to collect hotel tax revenue for the MRDT

INFORMATION SESSION

The City of Powell River hosted a public information session on the evening of January 17, 2018 at the Library. The purpose of the information session was to present the background research and to collect more input from community members.

WHO PARTICIPATED?

The public information session had an attendance of about 30-40 people in addition to City staff.

PERSPECTIVES

The public information session included a presentation on the background briefs and provided an opportunity to participants to ask questions and provide input on how the City should address short-term rentals

Many participants were quite active in the question and answer sessions and several provided input on the poster boards.

The results of the poster board questions are below:

Poster Board #1 Living next to short-term rentals: What's it been like?

There were only a few comments and those who lived next to a short-term rental reported positive experiences. Only one comment indicated not having lived next to a short-term rental.

Poster Board #2 Ever used one? Why? What was it like?

Four participants indicated that they used a short-term rental before. Their motivations for using one included; less expensive than a hotel x 2, more personal experience and interaction x 3, more space and amenities like home x 4, and ability to get a feel for the community.

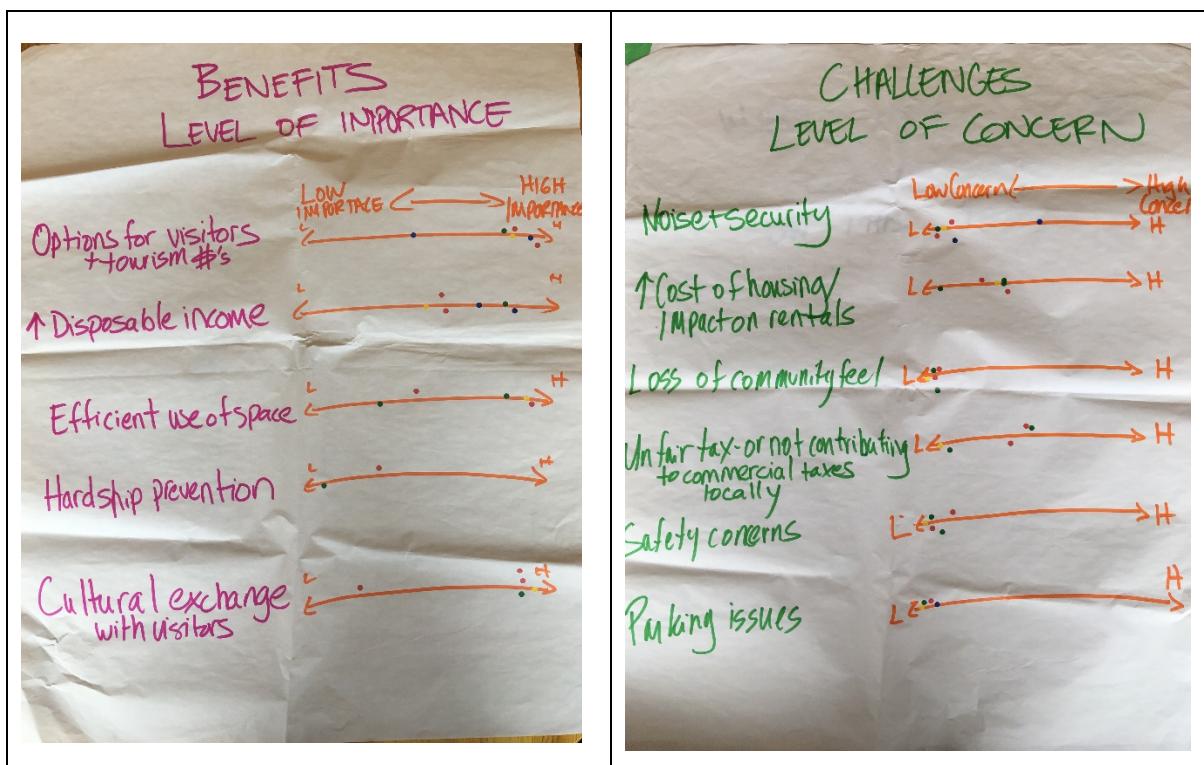
All four participants reported a very positive experience using short-term rentals.

Poster Board #3 and #4 Challenges and Benefits – level of importance

Session participants were asked to rate the importance of specific short-term rental benefits and challenges. The dotting exercise found that the most important benefits included '*options for visitors*' and '*providing additional disposable income for homeowners*'.

In general there was little concern with the challenges, though '*unfair tax treatment and not contributing to the commercial tax base*' as well as '*cost of housing on rentals*' reflected slightly higher levels of concerns than other topics.

The specific results of the dotting exercises are as follows:



Poster board #5 Short-term rentals - what needs to be considered?

Session participants provided thirteen comments on what needs to be considered through the regulation process. The verbatim comments covered a range of topics.

- All homeowners use maintenance services so they add jobs to the area
- Short-term rentals bringing financially to Powell River- lots of tourist dollars
- Bad experiences from long term renters in town

- *Individual needs*
- *Resident attraction campaign is promoting visitors and amenity migrants, we want to attract people to visit and move here. Let them experience what it's like living here.*
- *Great way for empty nesters and seniors to use space within their home to earn a bit of income*
- *Sharing economy is here to stay. Why do we want to fight it?*
- *Market demand exists for this type of accommodation*
- *Competes with the same category of businesses like a motel or inn*
- *Affects the tax income to BC and the City of Powell River (lowers it)*
- *If small motel close down then less employment in the city*
- *Tourists or visitors prefer the personal interactions of Airbnb*
- *Why are there no concerns over student rentals and regulations guiding them*

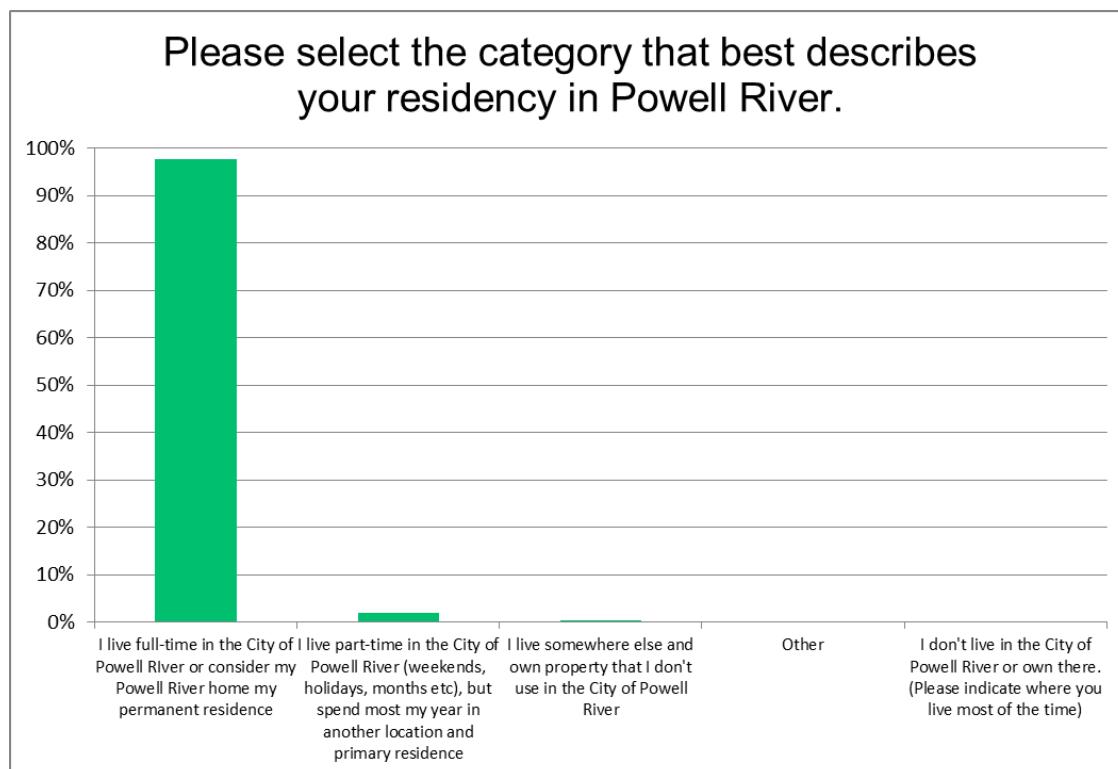
PUBLIC SURVEY

Immediately following the information session community members were invited to respond to an online survey to provide their input about concerns and benefits, and to provide general direction around short-term rental regulation approaches. The survey ran from January 19th to February 9th 2018 and was promoted via the City website, the City Facebook page, the local newspaper and local radio. Coverage of the issue (workshops and input options) was provided by local media as well.

WHO PARTICIPATED?

A total of 240 people participated in the City of Powell River Short-term Rental Survey with most of them (94%) indicating that they had read the background research briefs.

Of the participants, 89% (or 213/240) identified as living in the City full-time, 2% indicated they live part-time in the City, only one participant indicated they own property in Powell River and don't use their property, and 11% indicated not living or owning in the City. Of this 11%, most indicated they lived in Powell River Regional District or on Vancouver Island. Just three visitors responded, but this was not the main audience. The subsequent charts and analysis is based on the responses from those living full-time, part-time or own property in Powell River.



- Most respondents own the residence they stay at (81%) with about a 17% renting their dwelling.
- Several (12%) indicated that they owned one or multiple properties that they don't live in.

- A large majority of the respondents (87%) stated that their property they live in or own is a detached single-family dwelling. The next most popular dwelling type is a condo/apartment at about 6%.
- Most respondents (65%) have stayed in a short-term nightly rental at some point and those who did indicated a fairly high level of satisfaction with that experience.

LIVING BESIDE OR RENTING OUT A DWELLING

Of survey participants, 81 provided comments on living next to or renting out their property as a short-term rental. Those renting their units or having experience with them had mostly positive remarks with some indicating that they hadn't noticed any issues. The comments of those living next to or nearby short-term rentals was split between expressing some annoyances and very little concern.

Responses and topics are summarized below:

- Positive experience: good interactions, respectful x 46
- Negative experience: traffic, parking, noise, strangers x 14
- Long-term tenants are more trouble x 12 (from landlords and neighbours)
- Supports STRs (no experience) x 10
- Good for the economy & the tourism industry x 10
- Financial incentive / income x 9
- Enjoy meeting people from other places / vibrancy x 8
- Don't notice one way or the other x 8
- Has STR that is not suitable for long-term x 4
- Good for visiting friends and family x3
- Depends on people x 3

USING A SHORT-TERM RENTAL SERVICE

Of survey participants, 124 or about 65%, indicated they had stayed at a short-term rental property at some point and those who did indicated an average satisfaction level of 90% out of 100%. A large majority of the comments were positive and the most common comment about the experience was it was '*better than a hotel*', followed by 'affordable' and 'friendly hosts'.

Responses are summarized below:

- Better than hotels x 40
- Affordable x 40
- Friendly hosts x 19
- Home away from home x 16
- More personal x 15
- Easy to book, like the reviews x 14
- Good location x 11
- Better amenities, kitchen facilities x 11
- Live like a local, more authentic x 10
- Good for families and groups x 8
- Clean x 8

- Negative x 12 (bad hosts, not clean, not private, noise pollution, false advertising)

OPERATING OR THINKING OF OPERATING A SHORT-TERM RENTAL

Only some survey participants are interested in operating a short-term rental with 33% or 63 indicating that they either operate or are considering operating a short-term rental property. Their primary motivation by far was '*extra income*'.

Reasons for short-term renting or considering a short-term renting are summarized below:

- Extra income x 46
- Enjoy the social / cultural benefits x 16
- Offset mortgage, property taxes or renovations x 15
- Enjoy sharing Powell River, creating a space for visitors, adding to tourism x 14
- Like to have the option, considering it x 11
- Utilize unused space x 11
- Space not suitable for long-term renters x 10
- To avoid issues with long-term tenants x 6

Benefits

A total of 184 survey participants provided input on the importance of some of the benefits from short-term rentals. The most important benefit was providing "*More accommodation options for visitors – improving experiences and bringing in tourist dollars*". This category was closely followed by '*Offsetting the costs of housing for full-time resident home owners*'. Beyond providing accommodation and income generation/cost management, respondents valued the '*extra disposable income*' and the '*cultural exchange with visitors*'.

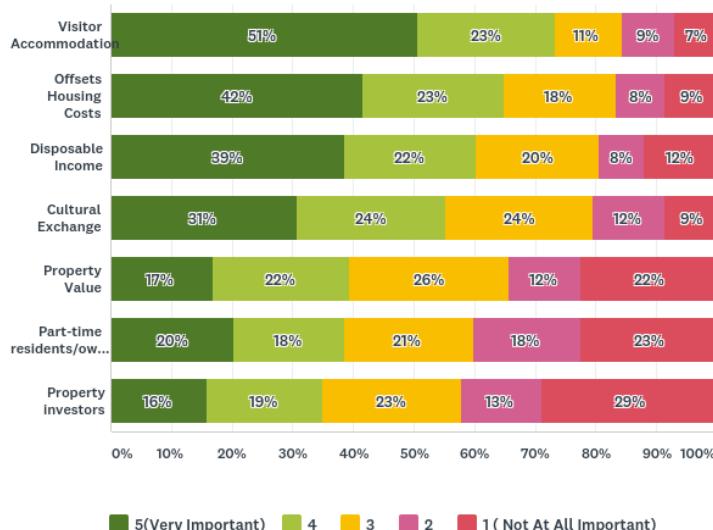
In general, the small number of renters who took the survey tended to rate the benefits as less important than homeowners. Business owners who responded to the survey tended to favour '*more accommodation options for visitors*' over the other benefits and in general perceived slightly more benefits compared to the rest of the respondents.

The overall results are below.

"Powell River is a boom/bust for tourists. There's nothing in the winter and the summer is booming. Plus, we have huge events like PRISMA, BC Bike Race & Kathaumixw that bring an influx of tourists in a very short period of time. I don't think it's economically feasible to have that many hotel rooms that would be empty 95% of the year. We need the flexibility of private s/t rentals to help tourism grow."

Survey Respondent

Q19 Below is a list of commonly reported benefits with short term rentals. Please prioritize the importance (to Powell River) of each benefit from 5 (very important) to 1 (not at all important)



Other benefits cited included:

- Better options for visitors (groups, families, family visits) x 5
- Quality accommodation x 2
- Provides flexibility of use x 2
- Other x 2 (attracts new residents, less risk for landlords)

Comments on benefits are summarized below:

- STRs are good for tourism (offering alternatives) x 28
- STRs are good for the economy x 10
- Flexibility for homeowners who have unused space but don't want to rent all year x 8
- Need long-term and low cost housing x 7
- Extra income to help with mortgage and property taxes x 6
- Avoid long-term tenant issues x 6
- Good for friends and family who are visiting x 5

Challenges

A total of 181 survey participants shared their perspectives on concerns with short-term rentals. In general, the level of concerns were not as strong as the overall benefits. The highest level of concern is the impact of short-term rentals on the '*availability of longer-term rentals*', with that concern expressed strongly by about 47% of respondents. The next greatest concerns were '*inflated real-estate*' and '*unfair tax advantage*', with those categories only indicated as concerns by about 40% of respondents. Business owner respondents mirrored the top three concerns shared by the general survey.

The limited number of renters participating in the survey tended to be more concerned with the challenges overall compared to homeowners.

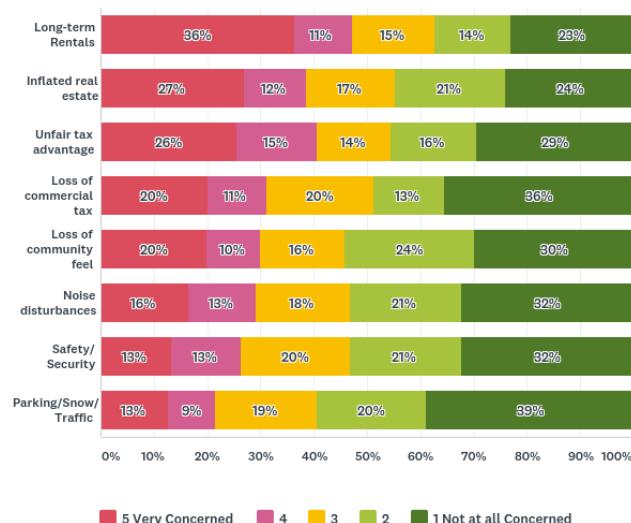
The overall results are below.

"I can see the benefits as it provides income for someone who owns a home, it makes it more appealing for people). It draws tourism and creates income in the community. My concern is that it is difficult to find housing here for low income families. What could be a full time rental could possibly turn into a short term rental, leaving little choice for low income families..."

...without low income house, people who work for minimum wage will end up having to leave the community to search for cheaper accommodations creating a shortage of workers who are needed to keep the tourism , restaurants and other businesses open. Please consider this before making a decision."

Survey Respondent

Q21 Below is a list of commonly reported challenges with short term vacation rentals. Please rate your level of concern with the impact of these challenges on the community of Powell River.



'Other challenges' comments were few and included concerns with investor speculation, impact on homeless, unfair playing field for hotels/homes and legal suites, and safety concerns for visitors in uninspected dwellings.

Comments on challenges are summarized below:

- No challenges - STRs are good for tourism and the economy x 27
- Long-term housing shortage, build housing for locals x 16
- Regulate STRs (business license, inspections, standards) x 10
- Regulate STRs - no absentee landlords x 5
- Illegal STRs are not fair to legal STRs and hotels x 5
- Long-term rental shortage is due to tenancy act not STRs x 5
- Hotel(s) not good quality, visitors want more choice x 4

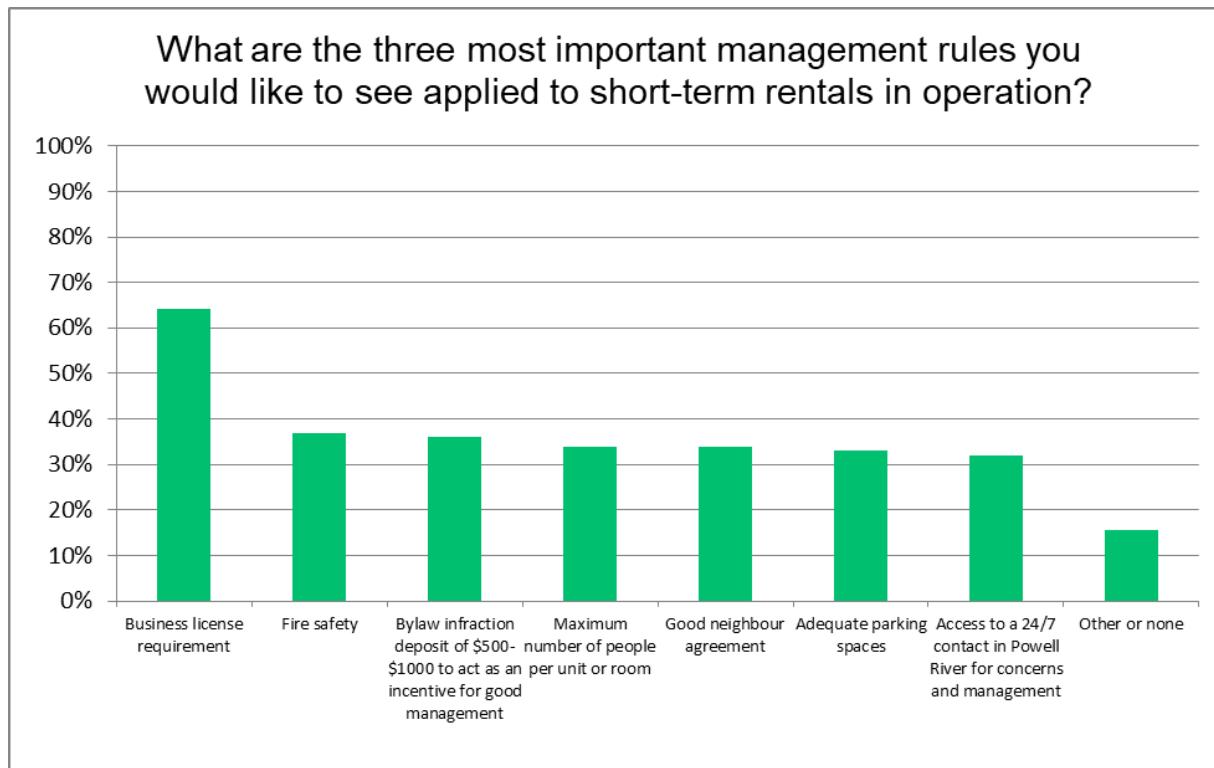
PERSPECTIVES ON REGULATING SHORT-TERM RENTALS

There is some support for regulating short-term rentals. A total of 182 survey participants answered the question related to regulating short-term and 56% of those agreed that the City of Powell River should regulate short-term rentals in some manner. Keeping in mind there are currently no regulations that speak to short-term rentals, this mixed result is somewhat surprising and may reflect a desire for minimal limitations or rules around rentals.

While about half (46%) feel that some additional management rules such as number of inhabitants, sharing contact information with neighbours, bylaw infraction deposits may be required, an almost equal amount (44%) feel current bylaws are enough. About 9% indicated they weren't sure.

The 103 respondents of 213 in support of additional rules for short-term rentals suggest; business license requirements (64%); fire safety rules (37%) and bylaw infraction deposits (36%). 'Other' rules noted include a cap on the number of rentals; inspections; a registry; protection for long term rentals; and not allowing them at all.

The full results are below.



Other management rule suggestions and comments included:

- Protect long-term rentals x 4
- Cap on the number (total or per owner) x 3
- Full ban of STRs x 2
- Inspections x 2
- Registry x 2
- Pay taxes

APPROACH TO SHORT-TERM RENTAL POLICY

Following the introductory questions about short-term rental experiences, management rules etc. survey participants were asked their opinion on how the City should respond to the short-term rental issue. The question was prefaced with the assumption that effective management was in place to help deal with the neighbourhood issues such as noise and parking etc.

The specific options to choose from were as follows:

Roll Back/Prohibit: Property owners in the City of Powell River should not be able to rent out their residential property in part or in whole on a short-term basis.

Status Quo: Property owners of most single-family homes in the City should be able to continue renting out rooms in their residence nightly with a B&B license. No whole home/suite rentals or rentals in townhouses/apartments will be allowed.

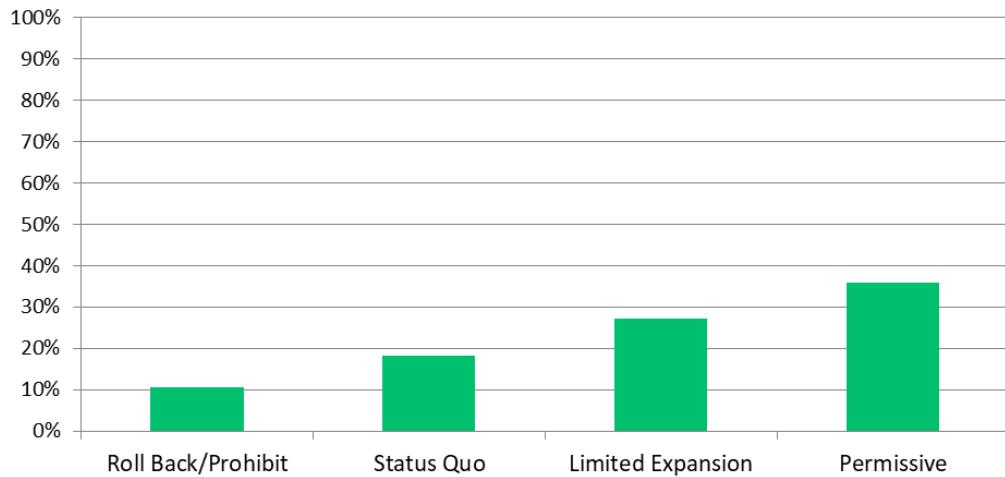
Limited Expansion: There should be some more opportunities for short-term rentals in the City. For example: More rooms or whole residence rentals; more types of dwellings allowed to rent; limit the total number in some manner.

Permissive: There should be many opportunities for short-term rentals in the City of Powell River. For example: More rooms and whole residence rentals; all types of dwellings allowed to rent; no limits on the total number of rentals.

and

Other?

Assuming effective enforcement and bylaws are in place to manage possible short-term rental operational concerns (parking, garbage, noise), please select the regulation approach that best matches your thinking at this time.

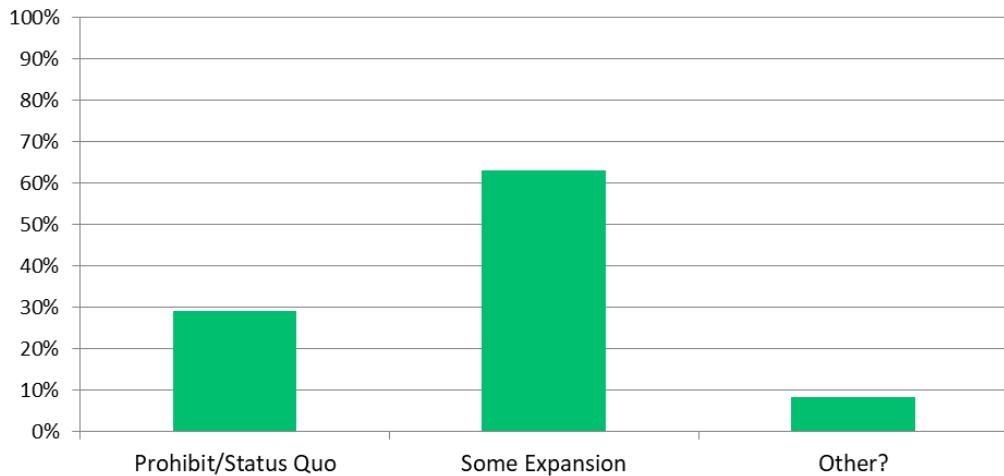


In total, about two thirds (63%) wanted to expand the opportunity for short-term rentals somewhat, and about a third (29%) wanted the 'status quo' or a roll back of policy virtually prohibiting short-term rentals. The 'other' category was split with half supporting the status quo and half comfortable with expanding opportunity.

"I hesitate to have too much enforcement and regulation but also don't want neighbourhoods with too many vacation rentals. I think of it a bit like having a community with only holiday homes where the houses sit empty much of the time. A community loses its sense of community. As a property owner, I also want the freedom to do with my house what I want."

Survey Respondent

Assuming effective enforcement and bylaws are in place to manage possible short-term rental operational concerns (parking, garbage, noise), please select the regulation approach that best matches your thinking at this time.



When the survey population is broken out by renters and home owners however, a clear distinction arises with homeowners leaning toward more limited expansion/permissive approaches (67%) and renters leaning slightly toward a roll back or status quo (52%).

When asked "Why?" Many respondents both for and against a more permissive approach highlighted a need for affordable housing. Those supporting rolling back or status quo approaches (essentially B&B), did so as they feel the existing accommodation with B&B regulations is enough for tourism needs. Those supporting a permissive approach highlighted benefits of more income and options for visitors, while also articulating little need for

regulation given current demand (low) levels, too much regulation in general and their property rights.

Survey participants provided the following rationale and comments:

- Don't regulate anymore x 50
- Need more long-term (affordable) housing x 32
- Competition is good for tourism and the economy x 26
- Regulate (business license, no absentee, legal only, balance) x 24
- Not fair on hotels and B&Bs x 5
- Limited expansion x 5
- Self-regulates quality through ratings x 5

EXPANSION OPTIONS

At this stage of the survey participants were provided the opportunity to comment on some expansion approaches. Of the 181 responding to the previous question, 151 took the opportunity and a majority of these were supporters of some expansion of short-term rentals.

Capping the number of short-term rentals

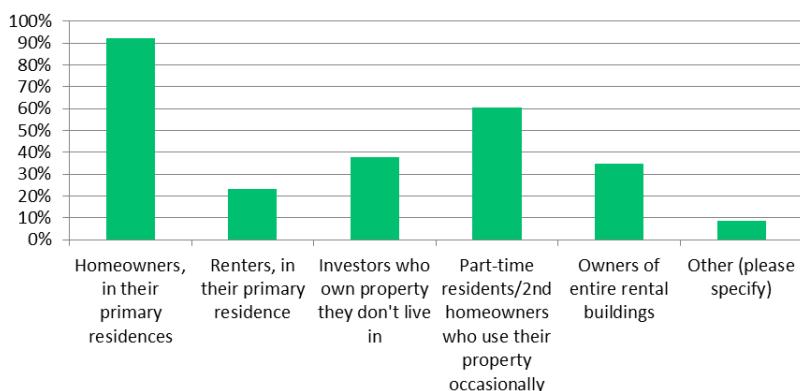
Respondents' feelings on capping short-term rentals leaned toward no caps. When the 'other' unique responses were allocated to the related cap approach 'No Cap' garnered 57% of the support, followed by 'Some Cap Level' (combined 'cap' types) at 43%.

On who should be able to rent short-term

In general, there was more support for property owners to be able to rent units on a short-term basis than for renters to rent their unit on a short-term basis.

Homeowners living in their primary residence received the most support at 92%, with renters receiving much less support at

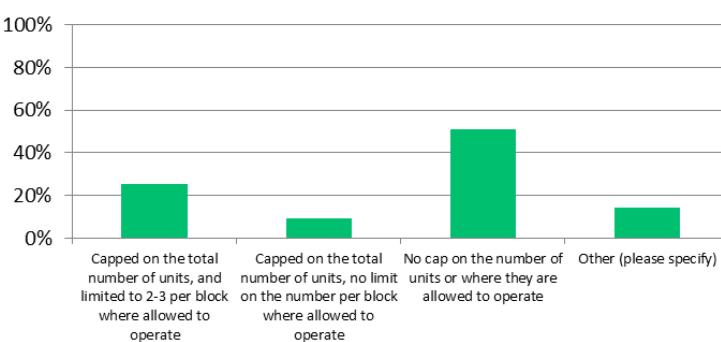
Who should be able to operate short-term rentals? (select multiple if desired)



"I don't think our community is at the point of needing a lot of regulation with regard to short term rentals. What we need is more lower cost housing."

Survey Respondent

Select the approach to capping short term rentals you most agree with.



23%. Some suggested that renters should be able to do so with permission from the landlord. Other ownership groups fell somewhere between these two results.

On what portion of the unit should be able to be rented

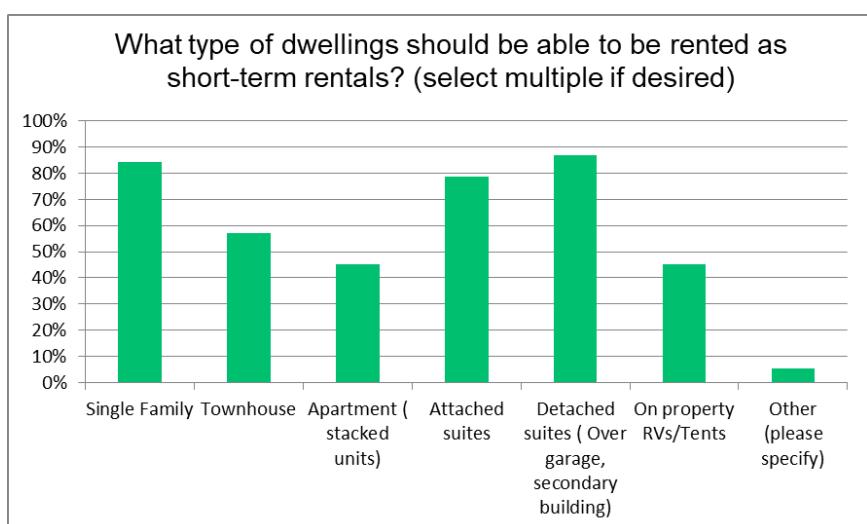
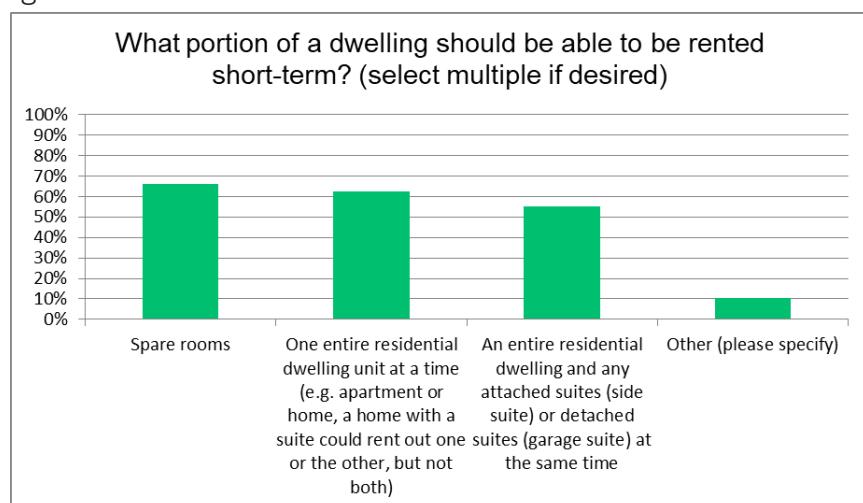
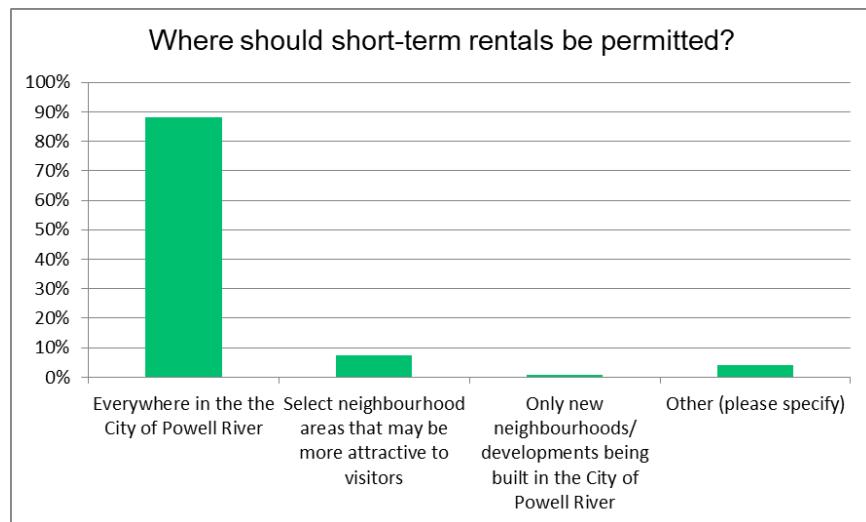
About equal support was provided for renting out 'Spare Rooms' (66%) and 'One Entire Residential Unit' (63%), and respondents expressed somewhat less support for renting out an 'Entire Residential Unit and Attached or Detached Suites' (52%). The 'other' category representing 11% of the respondents primarily leaned toward fewer limitations.

On the type of dwelling

In general there was more support for rentals in single family dwellings and larger housing types such as townhouses, than apartments and detached mobile/tent dwellings. Single family homes and detached suites received the most support with 84% and 86% respectively. Attached suites were supported by 79%. 'other' responses (5%) were supportive of most types or placed the decision on strata rules.

On the location in Powell River

It was pretty clear that most respondents (88%) feel short-



term rentals should be allowed 'everywhere in the City of Powell River'. The six 'other' comments included variations of the survey answer options.

FINAL COMMENTS

Survey participants were provided the opportunity to provide some final comments and 85 took up this opportunity. The very thoughtful comments reiterated and summarized points made earlier in the survey.

The following categories summarize the final comments:

- Add housing supply and options for long-term rentals x 25
- Allow STR and regulate x 22 (level the playing field, business licenses, enforce bylaws)
- Supports tourism x 10
- No regulations, self-manage x 8
- Not supportive of short-term rentals x 8
- Benefits - Income x 2

"Would like to see more affordable rentals available for permanent residents. Not opposed to B&B if in areas where there is ample space between homes so as not to impose on neighbours. Must be licensed and inspected, regulated." Survey Respondent

"We all are aware that short-term rentals are an excellent way to stimulate the economy and bring new money into the city but we are already short on low income rentals, my children all own their own homes but there are many that don't. The cost of housing, new mortgage laws and the inability to save money because they are working in low wage businesses, will never give them the dream of owning their own home. This begins to separate the gap of the rich to the poor. Short term rentals will work but let's get on to figure out how to set up low income housing also." Survey Respondent