



## STAFF REPORT

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**DATE:** June 4, 2024

**FILE:** 0540-04 EASC

**TO:** Chair and Directors  
Electoral Areas Services Committee

**FROM:** Dave Leitch  
Chief Administrative Officer

**RE:** **BYLAW NO. 564 - ELECTORAL AREA C SHORT-TERM RENTALS**

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### PURPOSE

To consider zoning bylaw amendments to regulate Short-Term Rentals (STRs) in Electoral Area C in response to Bill 35, the *Short-Term Rental Accommodations Act, 2023*.

### POLICY ANALYSIS

Part 14 "Planning and Land Use Management" of the *Local Government Act (LGA)* addresses local governments' roles regarding zoning bylaws, namely, s.479.

### EXECUTIVE SUMMARY

Bill 35, the Short-Term Rental Accommodations Act (STRAA), amends the Local Government Act and Community Charter to strengthen the ability of local governments, including regional districts, to regulate STRs and enforce STR bylaws. An optional provision of the STRAA is the Principal Residence Requirement, which limits the operation of STRs to a host's principal residence, plus one secondary suite or accessory dwelling unit (ADU) located on the property. The decision to opt-in must be made annually. For 2024, Electoral Area C has opted in to the principal residence requirement.

Since Bylaw No. 1213, being the *Quadra Island Zoning Bylaw, 1990*, does not contemplate STRs at this time and with the implementation of the new legislation it is necessary for the SRD to amend the bylaw to both define STRs and regulate their permissiveness. To inform these amendments, the SRD conducted a series of community surveys to engage communities and gather input on potential STR regulation options and concerns. Given the feedback provided through consultation efforts, it is recommended that the SRD permit STRs in all zones as an accessory use to residential use. Findings from the three (3) surveys have been used to inform the proposed amendments to the zoning bylaws.

Based on the above considerations, Bylaw No. 564 has been prepared for the Committee's consideration.

### RECOMMENDATIONS

1. THAT the report from the Chief Administrative Officer be received.
2. THAT the Committee recommend that Bylaw No. 564 being Quadra Island Zoning Bylaw 1990, Amendment No. 149 be forwarded to the Board for first and second readings.
3. THAT the Committee recommend that the Board authorize a public hearing to consider Bylaw No. 564, and

THAT the public hearing be held at a date and time to be determined.

Respectfully:



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Dave Leitch  
Chief Administrative Officer

### **BACKGROUND**

Regulating STRs can bring several benefits to communities, addressing various social, economic, and environmental concerns. Firstly, regulating STRs preserves housing supply. By regulating STRs, local governments can prevent the conversion of long-term rental units and affordable housing into short-term accommodations, which helps maintain the availability of housing for residents. As discussed in the Ministry of Housing’s “Priorities for Action on Short-Term Rentals” report (UBCM, 2021);

*“existing data on vacancy in the primary rental market (purpose built rental) shows no consistent correlation with short-term rental listings or bookings activity, but the true impact of short-term rentals is in the secondary market (other housing forms), which is more fluid and difficult to measure. The lack of consistent definition of what constitutes a “permanent dwelling” and limited capacity of governments to monitor listings makes it nearly impossible to determine the actual scale of diversion from rental housing stock in a statistical sense, but observations by local governments across the province indicate there is a significant unmeasured threat to long-term housing. As 70% of B.C.’s renter households rely on secondary rental market housing, and in some communities up to 100% of rental housing is in the secondary market, there is a strong case for responding to the potential impacts of short-term rentals even in lieu of appropriate data sources.”*

Secondly, regulating STRs can help maintain neighbourhood stability. Excessive STR activity can disrupt the stability and character of residential neighborhoods, leading to a transient population and reducing community cohesion. Regulation helps mitigate issues such as noise, traffic, and parking problems, which can arise from high turnover and occupancy rates associated with STRs. Regulation also helps maintain fair competition which ensures a level playing field between STRs and traditional accommodation providers, like hotels and bed-and-breakfasts, who are subject to similar regulations and taxes. These regulations help create a balanced approach that allows the benefits of STRs to be enjoyed while mitigating potential negative impacts on local communities.

### **PLANNING ANALYSIS**

In March 2024 the Strathcona Regional District ran a community survey on the possibility of regulating Short-Term Rentals (STRs) on Quadra Island in response to the Provincial government’s enactment of Bill 35, the *Short-Term Rentals Accommodations Act* in order for residents to have their input on whether or not Area C would like to opt in to the principal residence requirement. The survey received 406 responses, 82% of which were from permanent residents on Quadra Island. When asked if they would like to see Area C opt into the principal residence requirement, 58% of respondents said “yes” and 42% said “no.” When asked where Short-Term Rentals should be permitted, the most popular vote (41%) indicated “all zones (everywhere). A high-level overview of the survey responses is summarized in Attachment 1.

Regardless of whether STRs are subject to the Provincial principal residence requirement or not, in order to operate a STR on your property, it must be permitted within the zoning of the property. When asked how they could see STRs benefitting the community, 70% of survey responders said they felt that STRs support the tourism industry and provide additional income to property owners. However, 50% of responders said that a potential concern of STRs is that they remove long term rental units from the housing supply. This result is likely reflected in the majority which preferred to limit STRs to properties with permanent residents.

This amendment is supported by the Quadra Island Official Community Plan section 2.2h (vii) which states, “encourage tourism opportunities which are appropriate to the ambiance of Quadra Island and which recognize the finite limitations of the land base, the environment, and the local infrastructure” and section 3.5 (f) which states, “tourist commercial uses shall be limited to scall scale resorts, inns, or guesthouses.”

**FINANCIAL IMPLICATIONS**

Fees for the OCP and rezoning application process have been applied in accordance with the Regional District’s Planning Procedures and Fee Bylaw (Bylaw No. 5).

**LEGAL IMPLICATIONS**

This report and the recommendations contained herein follow the *Local Government Act* (LGA) and Regional District bylaws. This includes the zoning of land, which includes the surface of the water, set out in s.479 of the LGA.

**CITIZEN/PUBLIC RELATIONS IMPLICATIONS**

Should a recommendation be made in support of these proposed amendments, a public hearing shall be held at a date and time to be determined at the discretion of the Board.

**INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS**

The planning department will be responsible for all aspects of the bylaw amendment process. Additionally, corporate services staff resources will be required with respect to adoption of the bylaws.

Submitted by:



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Aniko Nelson  
Senior Manager, Community Services

**Prepared by:** *M. Starkey, Manager Planning and Parks, and A. Girdler, Planner II*

Attachments:

Attachment 1 – Survey Summary

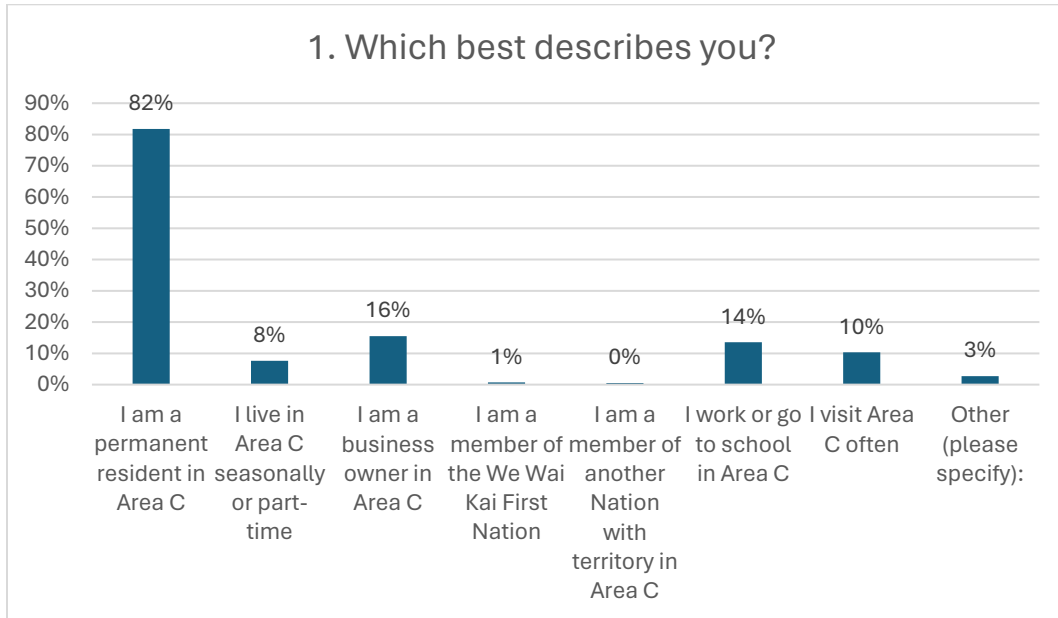
Bylaw No. 564

## Area C: Quadra –Zoning Bylaw Amendment

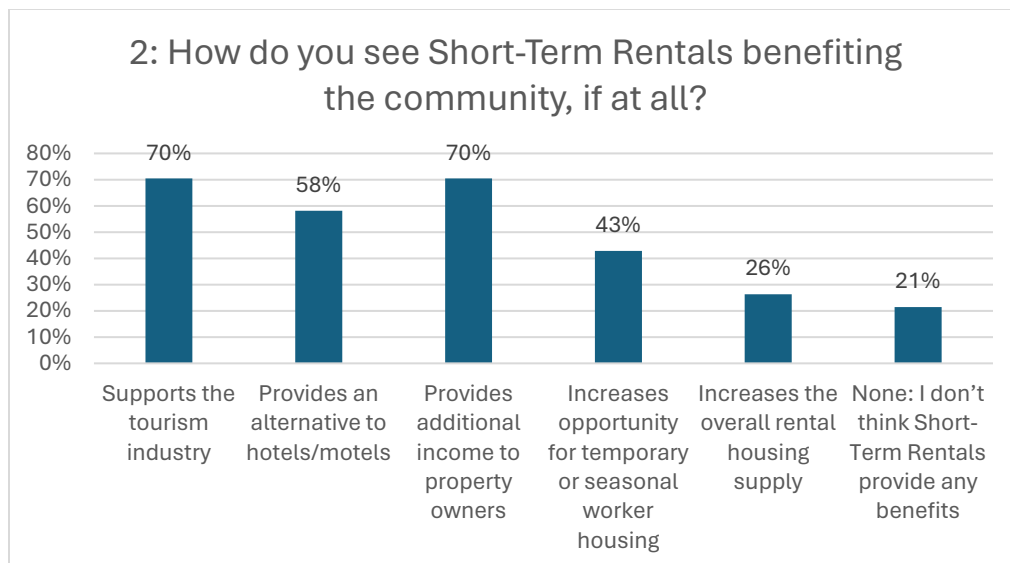
### Short-Term Rentals Community Survey Results Summary

The Strathcona Regional District would like to extend a huge thank you to the people of Area C for your interest and responses on the topic of Short Term Rentals.

The survey received **406** responses. **82%** of responses were from permanent residents.

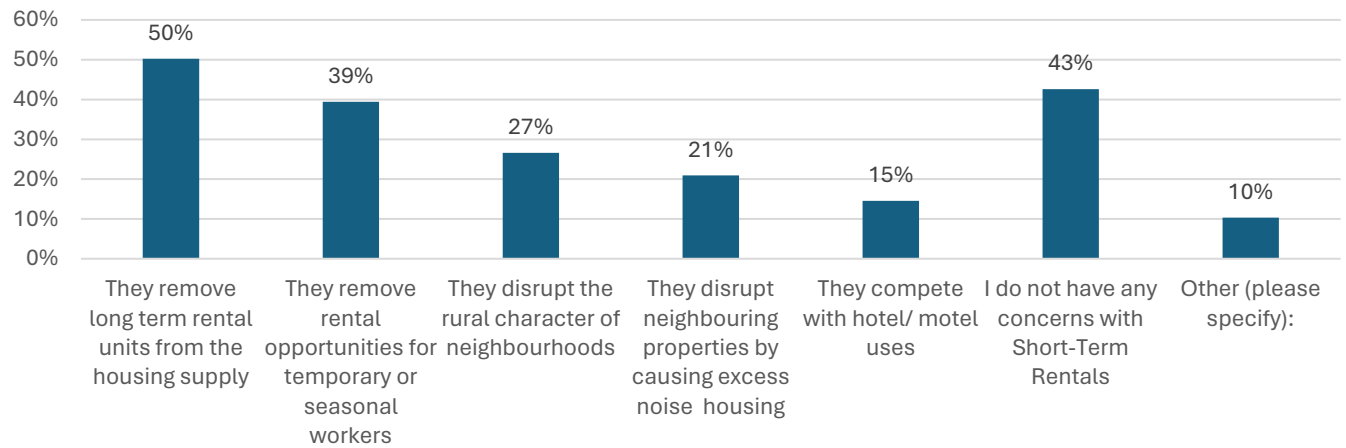


When asked how they see STRs potentially benefitting the community, **70%** of respondents indicated that they thought supporting the tourism industry and providing additional income to property owners were benefits of STRs.



When asked if they had any concerns about STRs, **50%** indicated that they saw removing long term rental units from the housing supply as a concern.

### 3: What, if any, concerns do you have with Short-Term Rentals?

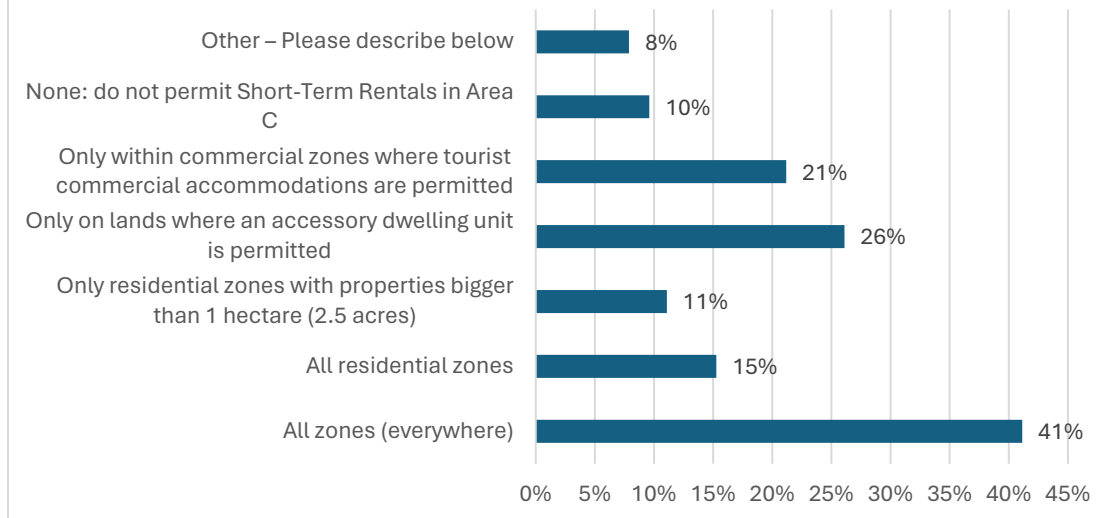


Of the “other” responses, the main concerns provided were:

- Increasing the price of housing,
- Absentee owners,
- Environmental concerns,
- Pressure on infrastructure including:
  - Traffic
  - Ferries
  - Limited water
  - Emergency responder capacity

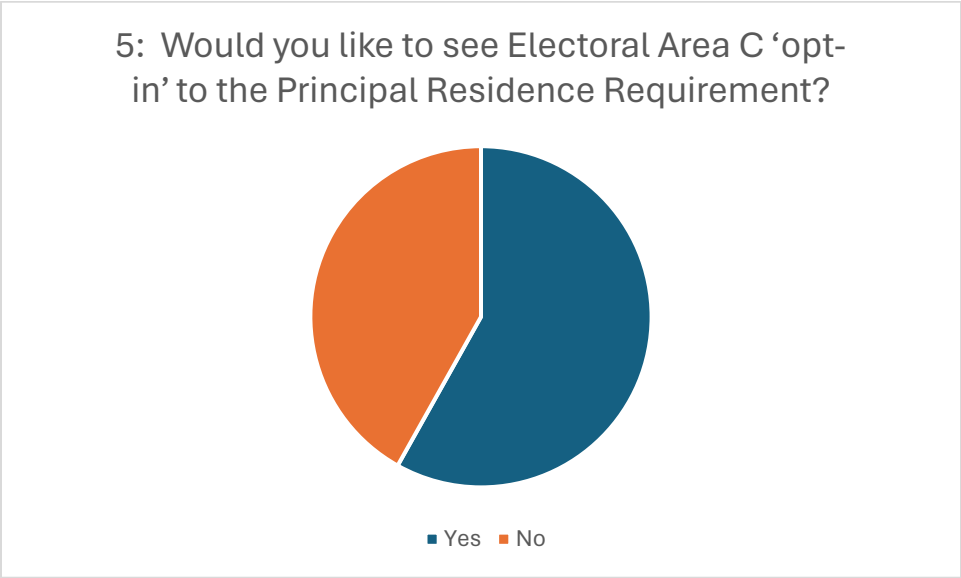
When asked, “where should STRs be permitted?” the most popular response was “all zones” with **41%**.

### 4: Where should short-term rentals be permitted?



Of the **8%** “other” responses, all indicated having a permanent resident on site would be the best option.

Finally, when asked “would you like to see Electoral Area C opt in to the Principal Residence requirement?” **58%** said “yes” and **42%** said “no.”





## BYLAW NO. 564

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### A BYLAW TO AMEND THE ZONING REGULATIONS APPLICABLE TO QUADRA ISLAND

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**WHEREAS** the former Comox-Strathcona Regional District has, by Bylaw No. 1213, adopted zoning regulations for Quadra Island and vicinity pursuant to Part 14 of the *Local Government Act*;

**AND WHEREAS** a bylaw of the former Comox-Strathcona Regional District that regulates the use or development of land within the area comprising the Strathcona Regional District remains in force until amended or repealed;

**AND WHEREAS** the Regional Board wishes to amend the aforesaid Bylaw No. 1213 having due regard to the requirements of the *Local Government Act*;

**NOW THEREFORE** the Board of Directors of the Strathcona Regional District, in open meeting assembled, enacts as follows:

#### Amendments

1. Bylaw No. 1213, being Quadra Island Zoning Bylaw 1990, is hereby amended as set out in Schedule 'A', attached to and forming part of this bylaw.

#### Citation

2. This bylaw may be cited for all purposes as Bylaw No. 564, being Quadra Island Zoning Bylaw 1990, Amendment No. 149.

READ A FIRST TIME ON THE \_\_\_\_ DAY OF \_\_\_\_\_, 2024

READ A SECOND TIME ON THE \_\_\_\_ DAY OF \_\_\_\_\_, 2024

READ A THIRD TIME ON THE \_\_\_\_ DAY OF \_\_\_\_\_, 2024

RECONSIDERED, FINALLY PASSED AND ADOPTED ON THE \_\_\_\_ DAY OF \_\_\_\_\_, 2024

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Corporate Officer

**SCHEDULE 'A'**

**SECTION ONE TEXT AMENDMENTS**

1) Part 4 'DEFINITIONS', Section 4.1 is amended by inserting the following:

**'SHORT TERM RENTAL'** means the rental of a dwelling unit or portion thereof to the travelling public for a period of less than ninety (90) days and includes bed and breakfasts.

**'TOURIST ACCOMODATION'** means a commercially operated facility providing temporary accommodation for transient guests where the primary attraction is generally recreational feature(s) or activities and accommodation is in a lodge, separate units or a combination of both. Resort use can include associated accessory uses such as meeting rooms, restaurants, gift shops and recreational facilities, but shall not include campsites or campgrounds and excludes the use or the occupancy of units for permanent residential use or short-term rentals and/or bed and breakfasts.

2) Part 4 'DEFINITIONS', Section 4.1 is amended by inserting the definition of BED AND BREAKFAST with the following:

**'BED AND BREAKFAST'** means the use of a room or rooms without cooking facilities in an owner-occupied dwelling for the temporary sleeping accommodation of the travelling public, with breakfast meals being prepared and served to guests.

3) Part 4 'DEFINITIONS', Section 4.1 is amended by replacing the definition of RESORT with the following:

**'RESORT'** See also "TOURIST ACCOMMODATION".

4) Part 11 'ZONES', Section 11.1.3 Uses Permitted In All Upland Zones is amended by inserting subsection i) item (g) as follows:

g) ***Short-term rentals accessory*** to residential use.