



Corporation of the
Village of Cumberland

Advisory Planning
Commission

Minutes

The meeting of the Advisory Planning Commission was held on Thursday August 8, 2019 in the Council Chambers located at 2675 Dunsmuir Avenue, commencing at 4:08 pm.

PRESENT:	Dan Griffin, Chair Eric Krejci	Janet Bonaguro Roger Kishi
STAFF	Karin Albert, Senior Planner	
ABSENT:	Neil Borecky Nick Ward	Jaye Mathieu

1. CALL TO ORDER:

2. APPROVAL OF AGENDA

Bonaguro / Krejci: THAT the agenda be approved as presented.

CARRIED

3. APPROVAL OF MINUTES

Krejci / Kishi: THAT the minutes of the meeting held June 27 be approved.

CARRIED

4. REFERRALS FROM COUNCIL

a) **Vacation Rental Regulations**

Bonaguro / Kishi: THAT the Advisory Planning Commission receive the report "Vacation Rental Regulations" dated August 1, 2019 for comment.

CARRIED

DISCUSSION

Staff provided an overview of the report and the history of the topic in the community and the research conducted to date by staff, key points included:

- i) Concern over removing long-term rental stock from the marketplace for vacation rentals.

- ii) Potential nuisance factor of loud guests raised as a concern. There is already a defined process for the municipality to receive complaints about nuisance properties so no additional/new processes would need to be created; however there is limited bylaw enforcement capacity so unless a complaint is received vacation rentals are not regularly monitored by bylaw officers.
- iii) Current local hoteling capacity is low / limited (campground, hostel, few hotel rooms).
- iv) Vacation rental snapshot provided in staff report was done at a point in time and therefore may be quite different than what is actually being offered in summer peak months. There are about 200 secondary suites and accessory dwelling units which are all potential rental units aside from apartment buildings and single-family dwelling units that are rented out by their owners.
- v) Currently there have been 9 business licenses (at \$110 each) granted to vacation rental units under the business licence bylaw, this is much less than the number of suites being advertised as described in the staff report. Owners may not be aware of the licensing requirement.
- vi) Per the 2016 census, of the 1,565 households approximately 13% of the total number of dwellings have the potential for operating a secondary suite (i.e. as a long-term rental or vacation rental). Further of the 1,565 households 26.5% of households rent (i.e. either the primary residence or the secondary suite).
- vii) The two key tools available to help manage vacation rentals are the business license bylaw (which licenses vacation rental businesses) and the zoning bylaw (which allows vacation rentals in certain zones only).
- viii) There is currently no hotel tax in Cumberland.
- vix) The APC provides the following comments to Council:
 - 1) Community and Economic Development
 - aa) Vacation rentals have a purpose in the Village.
 - ab) Cumberland has a culture of hosting others and welcoming others into our homes. Vacation rentals are one method of expanding this practice and we would like to see this continue.
 - ac) The kinds of things Cumberland has to offer are “touristy type things” which support a vacation rental marketplace.
 - ad) Many vacation renters are not eating in the suites, they are spending time and money in the community.
 - ae) Would like to see vacation rentals tied to an economic development strategy – leverage the property owners to get involved in creating this market.
 - 2) Affordable Housing
 - aa) Vacation rentals may be a key factor in enabling home purchase to be affordable (whether or not the suite income qualifies for mortgage affordability calculations).

- ab) Vacation rentals help to make housing more affordable for current, and prospective new, residents that may have difficulty affording home ownership without the various rental income options.
- ac) Vacation rentals may provide flexibility to owners that are drawn away from the community from time to time or on a regular basis and wish to retain the residence for an anticipated future return date but avoid the restrictions that come with long-term rentals and the Residential Tenancy Agreement.

3) Needs Assessment

- aa) Suggest that more work be done on the Housing Needs Assessment to better define the objectives that vacation rentals will play a role in achieving (e.g. what increase in overnight stays is Cumberland seeking, and in what kinds of accommodations, in what locations in the village). From there it will be easier to understand which policy tools (incentives and consequences) are most effective at reaching those objectives.
- ab) For several reasons it may be quite difficult to quantify any negative impact of vacation rentals to the long-term rental housing market, understanding the obstacles to finding long-term rental housing will help to inform this picture and determine if the vacation rental market does actually cannibalize the long-term rental market or if the markets are in fact quite separate.
- ac) The risk of all the possible 200 rental units in the Village tuning into vacation rentals is unlikely as the regular turnover in vacation rentals requires significant effort to clean and maintain that would otherwise be a long-term tenant's responsibility. Not all owners would decide to take on the opportunity of establishing and managing a vacation rental business, and not all owners want full time secondary residents so may not choose to offer their suites for long term rental anyway.

4) Regulation & Enforcement

- aa) Continue with mandatory business license requirement and advertising license number on publicly available marketing material (e.g. website listings, brochure).
- ab) A communication campaign may be valuable to communicate licensing requirements, given the numbering operating without a license.
- ac) If the objective of licensing is primarily to understand the volume of vacation rentals then keeping the licensing fees lower would create more voluntary compliance than having much higher licensing fees. While higher fees may create a larger revenue stream for the Village, it may incent non-compliance with licensing requirements.

- ad) Consider some serious enforcement tools if non-compliance or nuisance properties becomes a recurring problem, to make the bylaw enforcement activities cost recoverable.
 - ae) The nuisance cases will likely be a very small percentage of the entire group and focusing on this small group of people rather than enabling the other much larger majority to contribute to economic development within the Village could debilitate this sector of Cumberland's local economy.
 - af) The AirBnB concept, specifically, is founded on the principles of a "shared economy", where the relationship between the owner and guest and the two-way rating system forms both a contractual and personal relationship between host and guest which helps to manage the nuisance factor well, perhaps better than other vacation rental platforms (e.g. VRBO, Expedia).
 - ag) A cap on the total number of vacation rental business licenses at this time seems premature given the low occupancy of available suites currently. Perhaps something to consider in the future. However, there may be value in restricting the number of vacation rentals (units) per property to further reinforce the desire to not have multiple groups of guests in the same area which may create the potential for greater nuisance (noise, parking challenges etc.).
- 5) Owner/Resident Occupancy
- aa) The APC is in favour of exploring an occupied model (i.e. owner-occupied, long-term tenant occupied, or designated local caretaker/agent/host managed). This level of oversight may create further incentive for guests to take care of the property and not be a nuisance.
 - ab) One key intention of this approach is to reduce the number of absentee owners and rather support the people who live in the community full time. This model could be combined with the licensing approach where the license would require the registration of owner/resident/host information.
- 6) Location of Vacation Rental Zoning
- aa) Restricting vacation rentals to the downtown core assumes that all guests are interested in accommodation in that area, this limits the guests' choice of location within the community of where they would like to stay. Consider expanding the zoning to enable vacation rentals in additional areas of the community. Vacation rentals are not hotels and therefore may not have the same desire to be on the main corridors/thoroughfares (which is what hotels actually want – visibility). Limits the affordability question for the newer homes outside of the downtown core.

7) Infrastructure

- aa) The civic infrastructure is likely in place to service the current number of legal suites or vacation rental properties.
- ab) New construction (e.g. Coal Valley Estates area) was designed with suites in mind and therefore the infrastructure installed was designed to support this anticipated occupancy. The current zoning for vacation rentals limiting them to the commercial core does not take advantage of the new infrastructure and purpose-built legal suites in newer areas of the Village (e.g. Coal Valley Estates).
- ac) Any new accessory dwelling units being built throughout the Village will need to meet the current infrastructure requirements.

5. OLD BUSINESS

- a) APC Learning & Development
 - i) The Planning Institute of BC is hosting a learning and development event titled “Healthy Built Environment Forum”
 - ii) Topics include: planning considerations around developing healthy communities, housing, infrastructure and zoning.
 - iii) Location: Filberg Centre, Comox
 - iv) Date: October 3
 - v) Roger to email out link to register once available

6. NEXT REGULAR MEETING

Thursday, September 12 at 4:00pm.

7. TERMINATION:

Griffin: “THAT the meeting terminate.”

Time: 5:25pm

Certified Correct: <hr/>	Confirmed: <hr/>
Chair	Deputy Corporate Officer