

Schedule 1 to the Minutes of the Planning Committee meeting of Richmond City Council held on Tuesday, July 7, 2015.

'Hotel' mega home one of many to get city's attention

Illegal rentals may be symptom of city's market rental crunch: BC Non-Profit Housing Association

<u>Graeme Wood</u> / Richmond News July 2, 2015 01:00 AM

Vancouver Airport Luxury House ★★★★ 8260 Gilbert Road, Richmond, BC V7C3W7 Canada 1-866-500-4938



This house in a residential zone in Richmond is one of many advertised as a hotel online. June, 2015.

It's the Richmond mega home that's so big it's a hotel — a luxury one, to boot.

Listed on several online hotel agency websites, such as Expedia.com, HotelPlanner.com, and Hotels.com, the house at 8260 Gilbert Road is one of more than 100 properties openly offering guest accommodations on a nightly basis on online sites such as AirBnB.com.

The City of Richmond does allow for boarding and lodging as a secondary use for compensation, however, the property must be a permanent residence to someone, and bylaws limit temporary rentals to just two guests.

"It appears the owner is advertising (the home on Gilbert) as an eight room hotel, which is contrary to zoning. Now that we are aware of this, we will be investigating," said city spokesperson Ted Townsend, adding the city is presently investigating seven other "illegal hotel" complaints.

"We've had issues with people running their houses as a hotel," said Townsend.

The Gilbert house is available for about \$400 - \$600 per night.

The house is described as a four-star guesthouse within close proximity of Kwan Yin International Buddhist Temple and Aberdeen Centre.

"Treat yourself to a stay in one of eight individually decorated guest rooms, featuring fireplaces and flat-screen televisions. Your select Comfort bed comes with Egyptian cotton sheets," a listing reads.

There's even "free" parking.

The property in question was listed for sale last year by New Coast Realty realtor Rex Chan for \$2.7 million.

Chan said the owner could not sell the home and decided to keep it. When asked, he said he was aware the property was listed as a hotel on Expedia.com, but he wasn't sure if the owner had a business licence (which would only apply to a bed and breakfast situation, at any rate).

Two hours after Chan took the Richmond News' phone call the listing was taken down.

The house is next-door to the Richmond Community Church, just south of Blundell Road.

A YouTube video by Barn Owl Photography describes it as a "custom built, 4,377 square-foot luxury family home in Richmond Broadmoor, situated on a 10,000 square-foot lot."

There are no business licences shown for the aforementioned property on the City of Richmond's website for either 2014 or 2015.

Townsend said a motel or hotel type of business is not allowed in residential-zoned neighbourhoods.

"It's not a permitted use. They can have a bed and breakfast, but there's very specific regulations around that," he said.

He said bed and breakfasts can accommodate guests for up to 30 days. They also require a permanent resident to occupy the property. There are also fire and health code inspections required to rent a room for non-residential purposes. Bed and breakfasts also need to register under the Hotel Guest Registration Act.

Townsend noted there are only about a half dozen legal 'B and B' businesses in Richmond.

The Hotel Association of B.C. did not respond to questions from the News.

The News also asked the Minister of Jobs, Tourism and Skills Training to clarify the legalities of home rentals.

Greg Steves, executive director of the Residential Tenancy Branch, said people may rent their homes on a nightly basis if it's permitted by a municipality. He noted it is incumbent upon local governments to enforce zoning regulations.

When asked for a comment about illegal rentals, Tourism Richmond stated it could not comment on the matter until it researched the issue.

Tourism Richmond receives a two per cent tax on sanctioned hotel charges in Richmond.

Tony Roy, executive director of the BC Non-Profit Housing Association, said more research is needed on the impact of hort-term rentals but he indicated some concern.

"We don't yet know what the impacts of Airbnb are locally but early indications from research suggest units are being taken away from the rental market," he said.

"Research done in San Francisco and New York, two other cities with expensive and dynamic housing markets, have come to the same conclusion. More research into this area needs to be done."

Roy added: "Our Rental Housing Index indicates that we need a stronger and more robust rental market with options along the continuum. There are too many people over spending on rent in communities across BC. A stronger supply of purpose build rentals would help counteract some of the effects."

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