



City of Richmond


Report to Committee

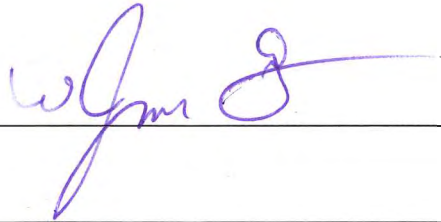

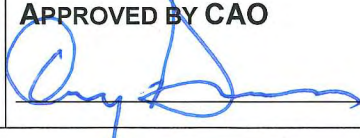
To: General Purposes Committee **Date:** November 29, 2016
From: Doug Long, City Solicitor **File:** 08-4430-03-12
 Carli Edwards, Chief Licence Inspector
Re: Regulation of Short-Term Rental Units

Staff Recommendation

1. That the regulation of short-term rental units as set-out in the staff report from the City Solicitor and Chief Licence Inspector titled "Regulation of Short-Term Rental Units", dated November 29, 2016, be endorsed in principle for the purpose of public consultation;
2. That the public consultation process set-out in the staff report be approved; and
3. That staff be directed to engage with the Province of British Columbia to discuss regulatory changes to the Provincial Sales Tax and Municipal and Regional District Tax in regards to accommodation providers and report back to Council as part of the one-year review of the City's proposed short-term rental regulation.


 Doug Long
 City Solicitor
 (604-276-4339)


 Carli Edwards
 Chief Licence Inspector
 (604-276-4136)

REPORT CONCURRENCE		
ROUTED TO: Economic Development Affordable Housing Community Bylaws Fire Rescue Building Approvals Development Applications Policy Planning Transportation	CONCURRENCE <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	CONCURRENCE OF GENERAL MANAGER (ACTING) <div style="text-align: center; margin-top: 20px;">  <hr/> </div>
REVIEWED BY THE SENIOR MANAGEMENT TEAM	INITIALS: <div style="text-align: center; margin-top: 10px;">  </div>	APPROVED BY CAO <div style="text-align: center; margin-top: 10px;">  <hr/> </div>

Staff Report

Origin

This report responds to the following referral from the closed General Purposes meeting held on November 7, 2016:

That staff explore options on regulation and enforcement in respect to daily property rentals in Richmond.

This report supports Council's 2014-2018 Term Goal #3 - A Well Planned Community:

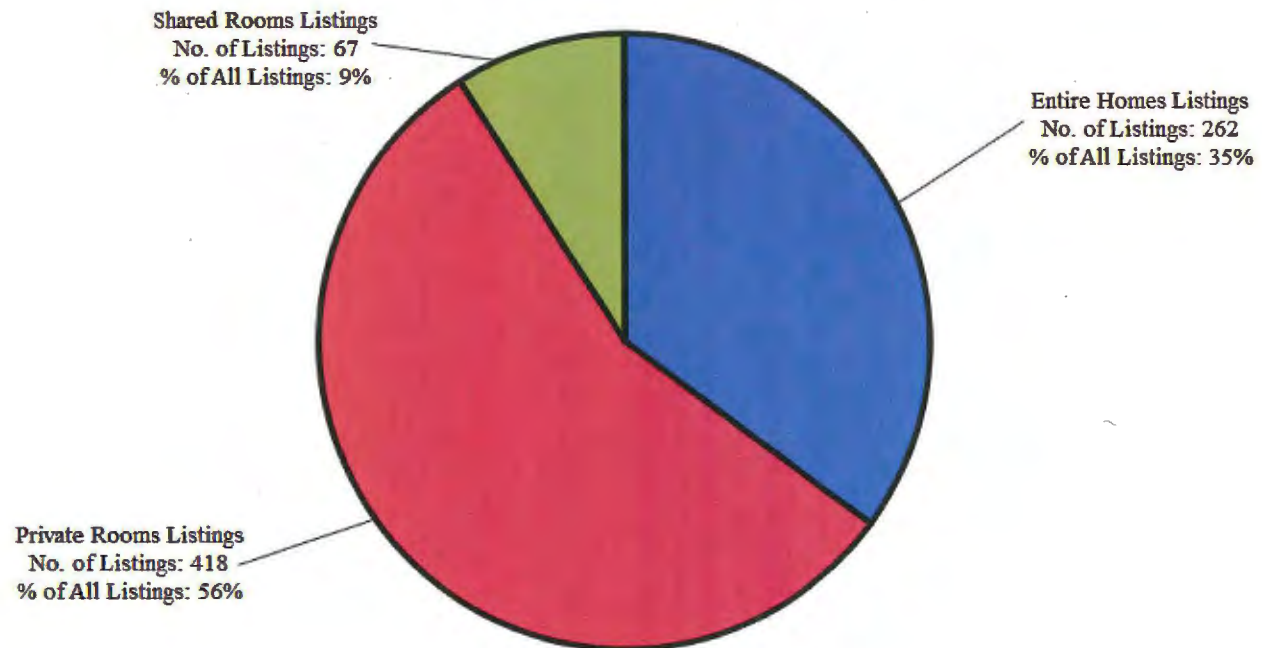
Adhere to effective planning and growth management practices to maintain and enhance the livability, sustainability and desirability of our City and its neighbourhoods, and to ensure the results match the intentions of our policies and bylaws.

Findings of Fact

Short-Term Rental Listings

Short-term rental units in Richmond are listed online on numerous websites which include Airbnb, Vacation Rentals By Owners (VRBO), HomeAway, VacationRentals.com, Travelmob, Homelidays, Abritel, Ownersdirect, Flipkey, Craigslist and Booking.com. On November 16, 2016, there were approximately 1,586 short-term rental listings in Richmond on the above-noted websites. There were approximately 747 short-term rental listings on Airbnb, which accounted for approximately 47% of the total Richmond listings, while approximately 40% of the short-term listings were on VRBO.

Further breakdown of the Airbnb short-term listings show that 35% of the listings were for entire houses/strata units/apartments, 56% were for private room rentals and 9% for shared room rentals. Airbnb defines a private room rental as having a bedroom to yourself but sharing living space with others (operator or other guests), and defines a shared room rental as sharing a bedroom with other people (operator or other guests).

Figure 1: Airbnb Listings for City of Richmond - November 16, 2016 (Total Listings = 747)

Current City Bylaws

There are a number of current City bylaws that are applicable to short-term rental units. For example, subject to the regulations in the *Richmond Zoning - Bylaw 8500* (the Richmond Zoning Bylaw) and the City's *Business Regulation - Bylaw 7538* (the Business Regulation Bylaw), the City permits bed and breakfast accommodation (B&B) in residential zones. The Zoning Bylaw also permits and regulates boarding and lodging¹ in residential zones.

The Zoning Bylaw limits, with exceptions, the permitted use in RS-1 zones to single detached housing², which essentially means housing for a single family/household. As a result, houses that provide multiple accommodations, that are not B&Bs or boarding and lodging, in essence become hotels and are not permitted in the RS-1 zones.

Pursuant to the Business Regulation Bylaw, a person is not permitted to carry on a business in the City without a business licence. Further, the Building Regulation Bylaw may require a building permit for construction or renovation of a house to accommodate short-term rentals.

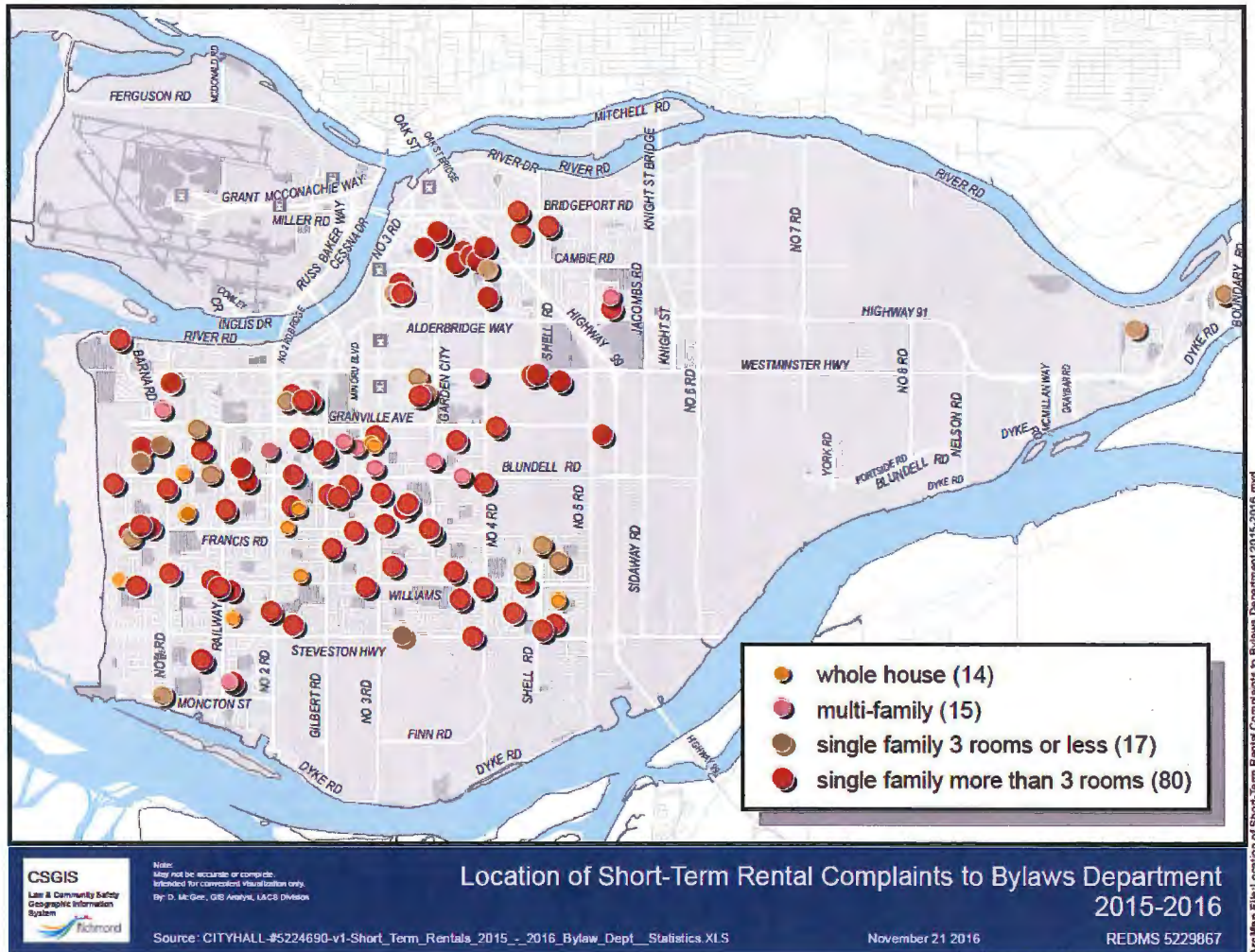
¹ Boarding and lodging means sleeping unit accommodation, without cooking facilities in the sleeping units, that is supplied for remuneration for not more than two (2) boarders, and which may or may not include meal service, but does not include senior citizen lodges, hotels, motels, congregate housing, bed and breakfasts, agri-tourist accommodation, minor or major community care facilities, secondary suite or coach house.

² Single Detached Housing means a detached building containing only one dwelling unit, designed exclusively for occupancy by one household, and may include one room that, due to its design, plumbing, equipment and furnishings, may be used as a secondary kitchen (e.g., a wok kitchen) provided that no more than two kitchens are located in one single detached housing dwelling unit, and includes modular homes that conform to the CSA A277 standards, but does not include a manufactured home designed to CSA Z240 standards or town housing.

While the City has a number of bylaws that are applicable to short-term rentals, current City bylaws do not provide for comprehensive and specific regulation of short-term rentals. As short-term rentals and the share economy are relatively new phenomena, current City bylaws are not tailored to address short-term rentals, with the exception of B&Bs.

In 2015, the City’s Community Bylaws department received 26 complaints relating to suspected short-term rental operations. As of December 2016, the number of 2016 complaints is approximately 100. The substance of the complaints, with respect to short-term rentals, includes illegal renovations, parking and noise/nuisance issues. Figure 2 below is a map of the location of complaints and the type of short-term rental generating such complaint.

Figure 2: Map of Location of Complaints and Types Short-Term Rentals



Current Provincial Consultation re Sharing Economy

Pursuant to a Staff Report dated June 13, 2016³, staff recommended that the following comments be sent to the B.C. Minister of Community, Sport and Cultural Development in respect to the Minister's consultation with stakeholders, including municipalities, to explore how the sharing economy may be better integrated and the role of local governments in this process:

1. Integrate public safety as top priority;
2. Enable greater choices to consumers;
3. Incorporate meaningful feedback from the public and relevant stakeholders, including local and regional regulators, sharing economy companies and sharing economy end users;
4. Develop fair and balanced regulations to encourage healthy competition among existing players and new entrants; and
5. Ensure no downloading of responsibilities to local governments through regulatory and enforcement processes.

Analysis

Impacts of Short-Term Rentals

Effect on Rental Housing Stock

Studies are beginning to suggest that short-term rentals adversely affects long-term rental stock. The concern is that rental housing stock is being converted from long-term rentals to short-term rentals. In many cities, this concern is exacerbated by already low rental housing vacancy rates. The current rental vacancy rate in Richmond is less than 1%⁴. The Canada Mortgage and Housing Corporation is of the opinion that a healthy vacancy rate is about 3%. City of Vancouver staff identified in a staff report, dated September 28, 2016, that there is a "strong financial incentive to rent in the short-term"⁵ and if short-term units "were rented long-term instead of short-term, it would have a positive impact on Vancouver's 0.6 rental vacancy rate"⁶.

Land Use Conflicts

Most short-term rentals are located in areas zoned for residential use and not for hotel-like accommodation. Short-term rentals may have a number of impacts or nuisances on a residential neighbourhood or residential strata complex which include parking, noise, poor guest behaviour and so forth. These problems are exacerbated as there is often no management on site to address such issues.

³ Staff Report dated June 13, 2016 from the Director, Administration and Compliance, titled "Forthcoming Provincial Consultation on new Models of Transportation, Accommodation Services and Other Sharing Economy Applications"

⁴ Metro Vancouver. "Metro Vancouver Housing Data Book". March 2016.

http://www.metrovancouver.org/services/regional-planning/PlanningPublications/MV_Housing_Data_Book.pdf

⁵ City of Vancouver. Administrative Report: "Regulating Short-Term Rentals in Vancouver". September 2016.

⁶ Ibid.

Level Playing Field

Hotels and B&Bs pay taxes and fees, which include Good and Services Tax, Provincial Sales Tax, Hotel Room Tax and Business Licence fees and are subject to provincial and municipal regulation and oversight. Short-term rentals are not subject to the same taxes and regulation. As a result, there is an inequity between hotels or B&B accommodations and other short-term rental accommodations.

Health, Fire and Safety

Similarly, hotels must comply with certain building and fire code standards and are subject to health and safety inspections. For example, pursuant to the *Fire Services Act*, a municipality “must provide for a regular system of inspection of hotels”. Short-term rentals are usually located in houses or strata lots and, therefore, not subject to the same requirements.

Economic Benefits

Against concerns, short-term rentals can provide economic benefits to residents and the local economy. Short-term rentals are beginning to open up neighbourhoods and provide visitors with the opportunity to experience cities as locals, not tourists. Studies have also documented that users of short-term rentals stay longer and spend more compared to traditional visitors who opt for hotels. Short-term rentals also provide local residents with a means to generate additional income by renting out rooms in their homes⁷.

A study released on November 1, 2016 suggests that the overall annual impact of Airbnb alone on the Vancouver economy is \$402 million in direct and indirect revenue⁸. The study also found that 267,000 guests stayed almost 1.2 million nights and their hosts earned an average of \$60 per night for a total income of \$71 million in 2016. According to Airbnb data, there are an estimated 8,000 Airbnb listings in Vancouver and 4,600 hosts. Earlier Airbnb research on the Vancouver market suggests that the average incremental income each host earns is \$6,600 per year.

This information, and the necessary research and data, is not available for Richmond. The data necessary to conduct a similar economic impact report is owned by Airbnb, who commissioned the research.

Enforcement

Enforcing bylaws that prohibit or regulate short-term rental operations is very challenging. Among other things, the barrier for entry into the short-term rental operator market is low and therefore often results in little, if any, modification of a short-term rental unit such as a house or

⁷ Smith, Brock, Dr., Airbnb 2015-2016 Vancouver Economic Impact Report, Cordova Bay Consulting (November, 2016)

Coles, Peter and Lauf Vanessa, Airbnb and the Vancouver Housing Market, Airbnb (September, 2016).

⁸ Smith, Brock, Dr., Airbnb 2015-2016 Vancouver Economic Impact Report, Cordova Bay Consulting (November, 2016)

Coles, Peter and Lauf Vanessa, Airbnb and the Vancouver Housing Market, Airbnb (September, 2016).

a strata unit. If the threat of bylaw enforcement is perceived the operator may simply choose to stop renting and resume again when the threat has lessened. Further, building and prosecuting a case requires the application of significant staff time and resources. For example, when the Province of Quebec implemented comprehensive laws regulating short-term rentals it increased the number of inspectors from two to 18.

San Francisco's actions in respect to short-term rentals provide a good example of the challenges. San Francisco enacted a comprehensive short-term rental ordinance in 2015 and when doing so created the "Office of Short-Term Rentals" with a staff of six. The San Francisco ordinance included:

- restricting short-term rentals to single family dwellings in which the owner resides for not less than 275 days per year and limiting to 90 days as being the maximum period that an owner could not be present;
- restricting the rentals to primary residences;
- ensuring insurance requirements are met; and
- collecting payment for permit fees and taxes.

After significant difficulties with compliance, almost 80% non-compliance⁹, San Francisco Council passed another ordinance in 2016 which purported to fine the internet booking service \$1000 per day if its operators failed to register under the 2015 ordinance. In July 2016, Airbnb commenced action against the City of San Francisco arguing that the 2016 ordinance breaches its freedom of speech rights under the First Amendment of the United States' Constitution.

To date, local governments in Canada have attempted to regulate internet booking services, like Airbnb and Uber, with little success. The City of Toronto, for example, sought an injunction against Uber on the basis that Uber was operating a taxi business without a business licence. However, the Court found that "Uber's peer-to-peer process operates, in a sense, as a super-charged directory service" that plays no role in taxis bookings and therefore Uber's service was not subject to the City's bylaw. The City of Edmonton experienced a similar unsuccessful outcome against Uber.

Strata Corporations

As strata corporations can prohibit short-term rentals under their bylaws and impose fines for breaches, they can play an important role in regulation. To do so, however, a strata corporation's bylaws need to be specifically drafted to address short-term rentals. If a bylaw is not currently drafted to prohibit short-term rentals, an amendment to the bylaw is required to include this prohibition. The amendment can only be passed if 75% of the owners agree and vote at an annual or special general meeting. Not only might it be difficult to obtain a 75% owner vote, it is also likely that many owners would not agree to such a prohibition as some units may have been purchased to use as short-term rentals or short-term rentals may assist some owners to pay their living expenses.

⁹ City and County of San Francisco. Policy Analyst Report: "Short-Term Rentals 2016 Update". April 7, 2016. Further, in this respect, in 2014 Portland changed its zoning code to regulate short-term rentals. Portland's September 2016 "Accessory and Short-term Rentals Monitoring Report, found that only 22% of short-term listings had been issued short-term rental permits.

Options and Recommendations

Staff identify three options for Council, they are:

Option 1 – *status quo*. Make no changes to the existing City regulatory regime

Option 2 – prohibit all short-term rentals

Option 3 – develop regulations specifically tailored to short-term rentals (**Recommended**)

Option 1 (*status quo*) (Not Recommended) – this option has the advantage that a new and comprehensive regulatory regime would not be implemented and therefore, the very significant difficulties that staff anticipate in implementing, obtaining compliance, monitoring and enforcing a new regime would be avoided. Short-term rentals, however, continue to increase. Also, it is clear, that not only in Canada but globally, there is a trend of more comprehensive regulatory regimes specifically targeting short-term rentals. Like many cities grappling with this relatively new issue, other than for B&Bs, current City bylaws are not tailored to address short-term rentals. Given the same, Option 1 is not recommended.

Option 2 (*prohibit all short-term rentals*) (Not Recommended) – like Option 1 this option would avoid implementing a new and comprehensive regulatory regime and the pitfalls associated with the same. However, staff anticipate that if this option was selected, non-compliance would be significant and, therefore, enforcement would be difficult. Additionally, as identified in this report, there are some economic and social benefits to permitting short-term rentals. For these reasons, staff do not recommend Option 2. If Council wished to implement Option 2, implementation would require an amendment to the Richmond Zoning Bylaw prohibiting rentals for less than 30 days, with the exceptions of hotels, motels, B&Bs, boarding and lodging, agri-tourism accommodation and community care facilities. A draft of the bylaw that would effect this prohibition is Attachment 1 of this report.

Option 3 (*regulatory regime*) (**Recommended**) – having kept in mind the comments provided by the City to the Minister of Community, Sport and Cultural Development in respect to the Minister's consultation regarding the sharing economy, the currently available data and information on the effects of short-term rentals in Richmond, and the experience of a number of jurisdictions including Vancouver, Toronto, Quebec, San Francisco, Portland and others, staff recommend that Council consider Option 3. The regulation anticipated by Option 3 would require amendments to many City bylaws including the Business License Bylaw, Business Regulation Bylaw, Richmond Zoning Bylaw, Municipal Ticket Information Bylaw, and the Consolidated Fees Bylaw. Drafts of the proposed bylaw amendments are Attachments 2, 3, 4, 5 and 6 to this report. If Option 3 is approved by Council, then the amendment bylaws would be introduced to Council by subsequent report(s).

Implementation and Enforcement Challenges with Option 3

Staff acknowledge that it is unusual to make a recommendation but then immediately identify concerns with the recommendation; however, the experience to date from other cities is that there has been significant difficulties with implementing and enforcing the regime. For example, as identified above, in San Francisco and Portland, both of which implemented comprehensive short-term rental regimes in the past two years, even adding staff their experience is that only

about 20% of short-term rental operators have brought themselves within the regime and obtained the requisite permits. Further, the experience of San Francisco, Portland, and others is that the implementation and enforcement of comprehensive regimes has proved very difficult.

While the trend across the globe is to regulate short-term rentals, staff expect that the short-term regulatory regime proposed in this report will face many of the same implementation and enforcement challenges experienced by other cities. Given the same, in order to hopefully mitigate, staff recommend:

- full public consultation be conducted prior to introduction of any bylaw amendment(s). Staff would report back to Council on the consultation results together with any revisions to the attached draft bylaws resulting from such consultation; and
- once adopted, staff will monitor the short-term regulatory regime, with an emphasis on compliance, enforcement issues with compliance, and complaint issues. Staff would report back to Council on the first anniversary of adoption, and on the second anniversary of adoption, on compliance and enforcement together with any recommended changes.

Staff strongly believe that an essential mechanism in assisting implementation and enforcement is to work collaboratively with the principal booking platforms, such as Airbnb. Possible outcomes may include the booking platforms referring prospective users to Richmond's short-term rules and/or requiring a local permit as a condition of use of the booking platform. If Council endorses a regulatory approach set-out in this report, then staff will begin to engage the principal booking platforms.

Business Licence

Staff recommend that short-term rental operators require a short-term rental business licence. For the purposes of the regime, a short-term rental is a rental for less than 30 days. The requirement for a business license has the following benefits:

- it identifies the short-term operator;
- it informs patrons that the operation is regulated;
- it allows for a particular type of license for each type of permitted short-term rental;
- it allows a business licence fee to be charged which will assist in the costs of administering regulation and enforcement; and
- it permits the City a mechanism through initial business licence issuance and subsequent annual renew to set terms and conditions upon which the City may issue and renew the business licence.

The initial principal elements of the proposed regime for a short-term rental are set-out below.

Regulations Applying to All Short-Term Rentals

The following regulations apply to all short-term rentals:

- all short-term rental operators must have a business licence;
- rentals of less than 30 days are not permitted in any dwelling in the City, unless such dwelling is a permitted short-term rental, forms part of a hotel or a motel, or is used for boarding and lodging, agri-tourist accommodation, community care facility, or dormitory in compliance with all applicable bylaws;

- short-term rentals are not permitted if the dwelling unit contains a secondary suite, agri-tourists accommodation, minor care facility, or child home care business, or the lot has a granny flat or a coach house;
- the short-term rental unit must be the short-term operator's primary residence. Annual confirmation required;
- compliance with zoning, building, fire and other applicable City bylaws is required; and
- if the applicant is not the owner, the owner must sign the licence application and renewal.

Regulations Applying to Specific Categories of Short-Term Rentals

Staff propose the following three initial categories:

- Type A – Entire Single-Detached Home
- Type B – Portion of Single Detached Home (essentially current B&B regulations)
- Type C – Strata Units

Type A – Entire Single-Detached Home

- single-detached dwelling only (no duplexes, row houses, etc.);
- no more than six patrons at any one time, and as one booking;
- building and fire inspections are a condition of obtaining and maintaining a business licence; and
- notice of operations, including operator contract information, provided to neighbours.

Type B - Portion of Single-Detached Home

- single-detached dwelling units only;
- no more than six patrons at any one time;
- no more than three guest rooms with two guests each;
- one parking stall per guest room;
- permitted signage prescribed; and
- building and fire inspections, and health inspections (if serving breakfast) are a condition of obtaining and maintaining a business licence.

In addition to the current B&B rules above, staff also recommend the following addition to the existing regulations:

- notice of operations, including operator contract information, provided to neighbours

Type C – Strata Unit

- regulations apply to strata corporations comprised of five or more strata units – no short-term rentals in strata corporations having four or less strata units;
- no more than six patrons at any one time;
- bylaws of the strata corporation must permit short-term rentals; and
- strata council must sign the licence application and renewal.

Some Key Rationales and Further Explanations

Principal Residence Only

There are two underlying rationales for this requirement. First, as the principal residence of the short-term rental operator, use for short-term rentals is less likely to impact long-term rental stock. Second, as the short-term operator's residence, it is more likely that the operator will be present thereby resulting in more oversight.

Single-Detached Dwelling Units Only (Type A and B)

The principal rationale is to reduce impacts on long-term rental stock. By limiting to single-detached dwellings only, the following types of units are excluded from short-term rental:

- affordable housing units; and
- market rental duplexes, row houses, townhouses and apartments.

A secondary rationale is mitigating nuisances and parking issues that may arise as a result of short-term rentals.

Little Regulation on Short-Term Rental of Strata Units (Type C)

Regulation is more limited for strata units as a strata corporation has, pursuant to the *Strata Property Act*, the tools to prohibit, regulate and enforce a short-term rental regime crafted by the particular strata corporation.

The rationale for requiring the strata corporation to have at least five strata units is to prevent duplexes, triplexes and row houses, in which short-term rentals would otherwise not be permitted, from being permitted under Type C simply as a result of being stratified. Further, strata corporations of more than five strata units are more likely to have a functional strata council.

Parking

The rationale for:

- not requiring additional parking for Type A (Entire Single-Detached Home) short-term rentals, is that this type of short-term rental would occur when the owners were not present, therefore, there should be limited or no increased parking;
- one parking stall per guest room for Type B (Portion of Single-Detached Home) short-term rentals, is to preserve existing B&B rules; and
- not requiring additional parking for Type C (Strata Unit) short-term rentals, is that parking for owners and guests of most strata lot units will be regulated by the strata corporation.

Notice Provisions

The rationale for requiring notice to neighbours is to better inform neighbours of the type of short-term operation and, in particular, as the notice includes the name, telephone number and

email address of the operator, this will permit neighbours to contact the operator in the event of complaints.

Enforcement

The challenges with respect to the enforcement of short-term rental regulations have been set out above. Before setting out staff's recommendations, below is an over-view of the formal bylaw enforcement mechanisms.

Provincial Court Prosecutions

Provincial Court prosecutions by way of long-form information under the *Offence Act* have the benefit of potentially large fines (up to \$10,000 per day) and injunctive relief which could prohibit operators from continuing illegal short-term rental operations. On the other hand, obtaining the evidence necessary to be successful in a prosecution, expenses (including staff and legal costs), and obtaining Court time (which can take many months) are the down-side of a Provincial Court prosecution. As to collection of awarded fines and penalties, a court order may be collected in the same way as a judgment; however, the outstanding fines and penalties cannot be added to the tax roll.

Municipal Tickets

Bylaw officers may issue tickets for bylaw infractions pursuant to the municipal ticket or "MTI" provisions of the *Community Charter*. The maximum amount of a ticket is \$1,000 per offence, and if the offence is a continuing offence a maximum of \$1,000 per day. If the person disputes the ticket, then the matter must be referred to the Provincial Court for a hearing. Unpaid tickets can be collected in the same way as a judgment.

Local Government Bylaw Notice Enforcement Act

Pursuant to the *Local Government Bylaw Notice Enforcement Act*, the City has adopted the Notice of Bylaw Violation Dispute Adjudication bylaw. This bylaw creates a more informal adjudication system. An adjudicator, appointed by the Province, hears disputes and determines if the contested bylaw contravention occurred, so as to confirm or cancel the bylaw notice, or if compliance agreements have been breached. The ordinary rules of evidence are not applicable and the burden of proof is lesser. With some exceptions, decisions are final. The maximum penalty is \$500 per contravention of the bylaw. Continuing violations require separate bylaw notices for each violation.

Generally, in addition to an enhanced regulatory regime, staff recommend intensified enforced action and an increase in prosecutions as a deterrent. More specifically, staff recommend:

- short-term rental operators are the focus of regulatory enforcement, not the booking service;
- continuing use of Municipal Tickets with fines for fundamental breaches of the proposed regulation being set at the maximum, \$1000 per occurrence. For example, the fine for a non-resident operator under the current B&B regime is \$250. Staff recommend that a

similar breach under the proposed short-term rental regime would be \$1000. A full set-of proposed fines is set-out in Attachment 5; and

- use of formal “long-form” prosecution, including injunctive relief, in egregious cases of bylaw violation.

Coupled with the three recommendations above, staff identify three other enforcement matters. First, enforcement will likely require further resources, and as such this issue is identified below. Second, the viability of making use of *Local Government Bylaw Notice Enforcement Act* regime for short-term rentals be studied. Third, and perhaps fundamental, the City may wish to collaborate and coordinate with the on-line booking services to provide, and regulate, the short-term rental market. As discussed earlier, staff recommend engaging the on-line booking services in the “Public Consultation” section, set out below.

Next Steps and Public Consultation and Monitoring

As to public consultation, before amendments to the Business Licence and Business Regulation bylaws are adopted by Council, the *Community Charter* requires that public notice of the amendments must be given and “persons who consider they are affected by the bylaw” must be given the opportunity “to make representation to council.” In respect to the amendments to the Richmond Zoning bylaw, a public hearing must take place prior to adoption.

Given the nature and complexity of regulating short-term rentals, staff recommend that Council conduct full public consultation beyond the statutory requirements and prior to introduction of the bylaws to Council. Consultation would include the public, housing advocates, short-term rental operators, users and booking companies. Further, consultation would include the Let’s Talk Richmond website and a dedicated email address for receiving comments. Consultation may include a public open house. Staff will incorporate feedback from the community and stakeholder consultation into a subsequent report and may include such feedback into the proposed bylaws. Consultation will take place in Spring 2017 and staff will report back to Council in Spring 2017.

Outstanding Matters

Outstanding Matters fall into two categories. The first category is a general list of outstanding matters. The second category identifies some regulations that, while not included in the regulation above, could be considered as additions or modifications to the regulatory regime recommended in this report.

General Outstanding Matters

Given the complexity of this matter, staff continues to address several matters in respect to short-term rentals. These matters include the following:

1. **Full Richmond Analysis** – the requirement of a business licence that staff recommend to Council is similar to what Vancouver staff recommended to their Council. However, based on differing regulation and anecdotal evidence, it may be the case that the

Richmond short-term rental operations will differ from Vancouver's and this difference may be important in regulation.

For example, it may be the case that in Richmond there are more owners dealing directly with end users and, therefore, do not rely on booking platforms to find guests. If this is the case, then tracking short-term rentals in Richmond may be more difficult than in Vancouver. Also, the majority of Richmond's enforcement efforts to date that are associated with short-term rentals have been based on nuisance complaints, such as noise and parking violations. In contrast, according to a recent Vancouver survey, noise and property damage effects of short-term rentals were of least concern to respondents while quality, affordable, long-term housing was of most concern.¹⁰

Furthermore, there are many types of short-term rental scenarios beyond what is immediately visible through online listing sites. Some scenarios include:

- a. multiple owners within a multi-family building where a management company that operates within the same building or across multiple buildings rents out to end users;
- b. single owners of multiple properties across multiple multi-family buildings renting directly to end users;
- c. single owners of multiple properties across multiple multi-family buildings where a management company rents out to end users;
- d. single owners renting out single units in a multi-family building renting directly to end users; and
- e. single owners in large single-family dwellings with multiple rooms renting out to single or multiple end users.

To assess the effectiveness of regulation, additional research is required to quantify the short-term rental scenarios above and the impacts of regulation in each scenario. Such additional research would require data owned by the management companies and the online booking providers. Therefore, engaging with stakeholders is necessary to conduct a full Richmond analysis, including assessment of the economic benefits of short-term rentals. The results from the full Richmond analysis can be integrated into the 1-year regulation review and follow-up regulatory amendments.

Assessing economic benefits would also be part of this study.

2. **Taxes** – a concern identified above is in respect to short-term rental providers not paying the same 8% Provincial Sales Tax (PST) and 3% Municipal and Regional District Tax (MRDT) paid by hotels and motels. Generally, there is an exemption from PST and MRDT if an operator offers less than four units, the units may be in more than one location, for accommodation in British Columbia.

The Provincial government has commenced collecting PST and MRDT on certain short-term operators in Richmond. There are approximately 20 residential units in Richmond that are currently remitting and payees change in conjunction with ongoing government

¹⁰ According to a recent Vancouver staff report, the Talk Vancouver online survey took place in July and August 2016 and received 6,475 responses.

enforcement efforts. Key criteria used to determine the payees includes properties offered as units of accommodation by third parties on behalf of owners, with four or more units offered by the third party. The Province then looks at whether the provider simply lists the units and/or processes payments on behalf of the owners, or whether they have more control with setting prices, managing maintenance, check-in, and the like. Airbnb type services for instance, do not meet the definition of accommodation and are not required to register. Those types of businesses are offering marketing type services only and the units they list are not subject to PST or MRDT.

On November 23, 2016, the City received a letter from the Richmond Hotel Association (RHA) advocating that Richmond Council request that the Province remove the 8% PST and 3% MRDT exemption on accommodation of four rooms or less (Attachment 7), suggesting that such action will facilitate enforcement of local short-term rental regulations. Removing the four-room maximum exemption would level the tax regime across all types of accommodation providers and has the potential to facilitate local enforcement through information sharing between jurisdictions. However, it would also increase the regulatory burden for traditional bed and breakfasts, which are currently exempt from the 8% PST and 3% MRDT.

The Province's approach to taxing short-term rentals, described above, indicates that it is not immediately considering changes to the provincial regulation to lift the four-room exemption. However, considering the position of the Richmond Hotel Association and the broader hotel community, further discussion with the Province is required in respect to taxation of short-term rentals and accommodation providers.

3. **Financial Enforcement Costs** – staff are reviewing the potential revenues derived from a short-term rental licencing regime (both licence fees and fines) and costs of enforcement of the regulation. Once a financial analysis is complete, a resource increase request may be made.
4. **Notice of Bylaw Violation Dispute Adjudication Bylaw** – this bylaw is not currently used in respect to zoning or business license infractions. Staff will study its effectiveness for enforcing short-term rental regulation.
5. **Development of a Code of Conduct for Short-Term Rentals** – staff recommend that similar to the City's code of conduct for B&Bs, a short-term rental code of conduct be developed.
6. **Provincial Consultation** – the Province of British Columbia is currently undertaking consultation with stakeholders, including municipalities, to explore how the sharing economy may be better integrated and what the role of local governments will be in this process. This process may result in the Province developing tools that could assist local governments for managing the sharing economy. Staff will be monitoring the Provincial government's progress in its sharing economy consultation process.

Possible Short-Term Rental Elements

Possible short-term rental elements not included in the regime proposed above include:

1. **Cap on Number of Short-Term Rental Nights** – some cities limit the number of rental nights (San Francisco and Portland for example). This would support the principal residence rule and better prevent the dwelling from becoming a dedicated short-term dwelling. Staff have not included this element in the report, as monitoring is extremely difficult. Vancouver decided not to include such a cap in their proposed regimes for this reason;
2. **Prescribed Number of Days Required for Principal Residence** – while a short-term rental business licence will require identification confirming that the short-term rental unit is the operator's principal residence, this regime can be manipulated. A prescribed number of days required to qualify as an operator's principal residence would add some certainty, but again monitoring and confirmation is difficult;
3. **Linking the Short-Term Operator to Ownership of Short-Term Rental Unit** – ownership would act to limit the number of short-term rentals and, as there is often a link between ownership and principal residence, an ownership requirement could reinforce the principal residence requirement. Ownership could be as restrictive as the registered owner, or expanded to include relatives of the registered owner or even long-term lessees;
4. **Increasing the Number of Guests Permitted in Type B (B&B, Portion of Single Detached Homes)** – it may be the case that, in some cases or neighbourhoods, operations could allow for more rooms/person without adversely impacting the neighbourhood. So as to keep the existing B&B rules, staff have not recommended an increase in permitted guest/rooms. However, consistent with the current B&B regime in Agriculture zones AG1, AG3 and AG4 a B&B may have up to four guest rooms, and in Single detached heritage zone ZS11 – London Landing (Steveston) a B&B may have up to five guest rooms;
5. **Creating a New Type of Permitted Short-Term Rental Unit**– it may be that to accommodate the market, a new type of short-term rental with less units/persons and lesser regulation than Type B could be created. For example, a regime with only two permitted rooms but, provided that impacts are addressed, with lesser regulation may be an option. As another example, unlike Type B rentals, which are only permitted in detached single family houses, short-term rental might be permitted in duplexes or row houses. Staff, have not recommended the creation of this additional short-term rental type but, by preserving (and not requiring a business license) the current boarding and lodging regime (no more than two boarders and lodgers) this market may already be partially accommodated; and
6. **Operator in Type B (B&B, Portion of Single Detached Homes) Must Be Present in Dwelling Concurrently with Short-Term Rental Use** – this may increase monitoring. Currently the dwelling must be where the operator resides (i.e. primary residence), but not that the operator must be residing there while the business is being run.

Staff will continue to investigate both the possible short-term rental elements and the general outstanding matters identified above and any other further matters and, together with the results of public and stakeholder consultation, will report back to Council in Spring 2017.

Financial Impact

Staff will continue to monitor the investigation and enforcement costs relating to short-term rentals, and if the need for staff increases is determined, staff will report back to Council in Spring 2017.

Conclusion

Short-term rentals pose a challenge to local governments in developing and enforcing a regulatory regime. Staff have recommended that Council consider Option 3 set-out above which is a business license regime. As developing practical regulation and effective enforcement is challenging, full public consultation prior to bylaw introduction is recommended. Thereafter, once the bylaws are adopted, staff will report back to Council after a 12 month trial period.



Doug Long
City Solicitor
(604-276-4339)



Carli Edwards
Chief Licence Inspector
(604-276-4136)

- Att. 1: Richmond Zoning Bylaw No. 8500, Amendment Bylaw No. 9647
- 2: Richmond Zoning Bylaw No. 8500, Amendment Bylaw No. 9648
- 3: Business Regulation Bylaw No. 7538, Amendment Bylaw No. 9649
- 4: Business Licence Bylaw No. 7360, Amendment Bylaw No. 9650
- 5: Municipal Ticket Information Authorization Bylaw No. 7321, Amendment Bylaw No. 9651
- 6: Consolidated Fees Bylaw No. 8636, Amendment Bylaw No. 9652
- 7: Letter from the Richmond Hotel Association to the City dated November 23, 2016



Richmond Zoning Bylaw No. 8500
Amendment Bylaw No. 9647

The Council of the City of Richmond, in open meeting assembled, enacts as follows:

- 1. Richmond Zoning Bylaw No. 8500, as amended, is further amended by adding the following after Section 5.19 as new Section 5.20:

5.20 Dwelling Units

5.20.1 No person shall use or permit to be used any dwelling unit, or portion thereof, for accommodation for a period of less than thirty (30) days unless such dwelling unit forms part of a hotel or a motel, or is used for agri-tourist accommodation, boarding and lodging, community care facility, dormitory, or bed and breakfast use in compliance with all applicable bylaws.

- 2. This Bylaw is cited as "Richmond Zoning Bylaw No. 8500, Amendment Bylaw No. 9647".

FIRST READING

PUBLIC HEARING

SECOND READING

THIRD READING

OTHER CONDITIONS SATISFIED

ADOPTED

Approval signature lines for Council, Director/Solicitor, Mayor, and Corporate Officer.

CITY OF RICHMOND APPROVED by APPROVED by Director or Solicitor

MAYOR

CORPORATE OFFICER



Richmond Zoning Bylaw No. 8500
Amendment Bylaw No. 9648

The Council of the City of Richmond, in open meeting assembled, enacts as follows:

- 1. Richmond Zoning Bylaw No. 8500, as amended, is further amended at Section 3.4:
 - a. by deleting and replacing the definition of **Agri-tourist accommodation** with the following:

“Agri-tourist accommodation means accommodation for an **agri-tourist operation** on a farm, limited to 10 sleeping units in total of seasonal campsites, seasonal cabins or the short-term use of **bedrooms.**”
 - b. by deleting the definition of **bed and breakfast**;
 - c. by deleting the words **“bed and breakfasts”** from the definition of **Boarding and lodging** and replacing them with the words **“short-term rentals”**;
 - d. by adding the following definitions after the definition of **“education, university”**:

“Eligible short term rental house means a **single detached housing dwelling**.

Eligible short term rental unit means an **eligible short term rental house** or an **eligible strata lot dwelling**.

Eligible strata lot dwelling means an **apartment housing dwelling** or **town housing dwelling**, which is a **strata lot** and forms part of multiple-family residential **building** with 5 or more residential **strata lots**, but is not an **affordable housing unit** or a **rental unit.**”;
 - e. by deleting the words **“bed and breakfast”** from the definition of **Guest** and replacing them with the words **“short-term rental”**;
 - f. by adding the following definition after the definition of **“open space”**:

“Operator means the person who operates the **short-term rental.**”;

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- g. by adding the following definition after the definition of “**premises**”:
- “Principal residence** means a **dwelling** in which an **operator** ordinarily resides. A person can only have one **principal residence**.”;
- h. by adding the following definition after the definition of “**religious assembly**”:
- “Rental unit** means an **apartment housing dwelling** or a **town housing dwelling** in a **building** used by the **owner** as market rental accommodation on a landlord and tenant basis, whether or not such **dwelling** is a **strata lot**.”;
- i. by adding the following definition after the definition of “**residential vertical lot width envelope**”:
- “Residential zone** means the residential or mixed-use zones identified in Section 8, 9, 15, 16, 17, 18, 19, 20 of this bylaw.”;
- j. by adding the following definition after the definition of “**setback**”:
- “Short-term rental** means the accommodation of **guests**, for remuneration, for periods of less than 30 days in an **eligible short term rental unit**, and may or may not include breakfast service.”; and
- k. by adding the following definition after the definition of “**truck or rail terminal**”:
- “Type A short-term rental** means an **eligible short term rental house** where the whole **eligible short term rental house** is used for **short-term rental** pursuant to one booking.
- Type B short-term rental** means an **eligible short term rental house**, where a portion of, or bedrooms within, the **eligible short term rental house** is used for **short-term rental**, with or without breakfast service.
- Type C short-term rental** means an **eligible strata lot dwelling**, where the whole, or a portion, of the **eligible strata lot dwelling** is used for **short-term rental**.”
2. Richmond Zoning Bylaw 8500, as amended, is further amended by deleting subsection 5.4.1(h) and marking it “Repealed.”;
3. Richmond Zoning Bylaw No. 8500, as amended, is further amended by deleting Section 5.5 and replacing it with the following:

“5.5. Short-Term Rental

- 5.5.1. No person shall use or permit to be used any **dwelling**, or portion thereof, for the accommodation of **guests**, tenants, or renters for a period of less than 30 days unless such **dwelling** forms part of a **hotel** or a **motel**, or is used for **short-term rental, agri-tourist accommodation, boarding and lodging, community care facility, or dormitory** in compliance with all applicable bylaws.
- 5.5.2. Unless in accordance with this bylaw, including this section 5.5, the **City’s** Business Licence Bylaw No. 7360, and the **City’s** Business Regulation Bylaw No. 7538, all as may be amended or replaced from time to time, a **short-term rental use** of any **dwelling** is not permitted in any **residential zone** nor in any of the zones set out in Section 14.1 of this bylaw.
- 5.5.3. A **short-term rental use** is permitted only in an **eligible short term rental unit** that is the **principal residence** of the **operator**.
- 5.5.4. A **short-term rental use** is not permitted in an **eligible short term rental unit** or on a **lot** that contains a **secondary suite, coach house, granny flat, agri-tourist accommodation, minor community care facility or child care home business use**.
- 5.5.5. **Type A Short-Term Rental** (*whole single family house*)
- a) **Short-term rental use** of a **type A short-term rental** is limited to accommodation of a maximum of **6 guests** at one time.
- 5.5.6. **Type B Short-Term Rental** (*bed & breakfast, portion of single family house*)
- a) **Short-term rental use** of a **type B short-term rental** is limited to accommodation of a maximum of **6 guests** at one time.
- b) **Short-term rental use** of a **type B short-term rental** is limited to a maximum of **3 guest rooms**, which shall not be equipped, furnished or used to provide accommodation for more than two **guests** each, unless otherwise provided in this bylaw.
- c) No facilities or equipment used for the preparation of food shall be installed or provided in a room used for **guest** accommodation.
- d) A **bedroom** used for **short-term rental guest** accommodation shall have a **floor area** of not less than **9.75 m²**.
- e) One **facia sign** with maximum dimensions of **0.3 m by 0.6 m** is permitted on each **type B short-term rental**, unless otherwise provided in this bylaw.

- f) A **vehicle parking space** provided in respect of a **guest** room may be provided in a **tandem arrangement** with another such **parking space** or a space required in respect of the residential **use** of the **building**.
- 5.5.7. **Type C Short-Term Rental** (*whole or portion of strata condo or townhouse*)
- a) A **short-term rental use** is not permitted in a **strata lot dwelling** if such use is prohibited by the bylaws of the applicable strata corporation.
 - b) **Short-term rental use** of a **type C short-term rental** is limited to accommodation of a maximum of 6 **guests** at one time.”.
4. Richmond Zoning Bylaw No. 8500, as amended, is further amended at Table 7.7.2.1 Residential Use Parking Requirements by deleting the words “**Bed and breakfast**” and replacing them with the words “**Type B short-term rental**”.
5. Richmond Zoning Bylaw No. 8500, as amended, is further amended:
- a. at section 8.1.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
 - b. at section 8.2.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
 - c. at section 8.3.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
 - d. at section 8.4.3 by adding “**short-term rental**” in alphabetical order;
 - e. at section 8.5.3 by adding “**short-term rental**” in alphabetical order;
 - f. at section 8.6.3 by adding “**short-term rental**” in alphabetical order;
 - g. at section 8.7.3 by adding “**short-term rental**” in alphabetical order;
 - h. at section 8.8.3 by adding “**short-term rental**” in alphabetical order;
 - i. at section 8.9.3 by adding “**short-term rental**” in alphabetical order;
 - j. at section 8.10.3 by adding “**short-term rental**” in alphabetical order;
 - k. at section 8.11.3 by adding “**short-term rental**” in alphabetical order;
 - l. at section 8.12.3 by adding “**short-term rental**” in alphabetical order; and
 - m. at section 8.14.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order.

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6. Richmond Zoning Bylaw No. 8500, as amended, is further amended:
 - a. at section 9.1.3 by adding “**short-term rental**” in alphabetical order;
 - b. at section 9.2.3 by adding “**short-term rental**” in alphabetical order;
 - c. at section 9.3.3 by adding “**short-term rental**” in alphabetical order; and
 - d. at section 9.4.3 by adding “**short-term rental**” in alphabetical order.

7. Richmond Zoning Bylaw No. 8500, as amended, is further amended:
 - a. at section 14.1.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
 - b. at section 14.1.11.4 by deleting the words “**bed and breakfast**” and replacing them with “**type B short-term rental**”;
 - c. at section 15.1.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
 - d. at section 15.2.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
 - e. at section 15.3.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
 - f. at section 15.4.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
 - g. at section 15.5.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
 - h. at section 15.6.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
 - i. at section 15.7.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
 - j. at section 15.8.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
 - k. at section 15.9.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
 - l. at section 15.10.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;

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- m. at section 15.11.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
- n. at section 15.11.11.1 by deleting the words “**bed and breakfast**” and replacing them with “**type B short-term rental**”;
- o. at section 15.12.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
- p. at section 15.13.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
- q. at section 15.14.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
- r. at section 15.15.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
- s. at section 15.16.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
- t. at section 15.17.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
- u. at section 15.18.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
- v. at section 15.19.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
- w. at section 15.20.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
- x. at section 15.21.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
- y. at section 15.22.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
- z. at section 15.23.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
- aa. at section 15.24.3 by adding “**short-term rental**” in alphabetical order;
- bb. at section 15.25.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;
- cc. at section 15.26.3 by deleting “**bed and breakfast**” and adding “**short-term rental**” in alphabetical order;

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- dd. at section 16.1.3 by adding “**short-term rental**” in alphabetical order;
 - ee. at section 16.2.3 by adding “**short-term rental**” in alphabetical order; and
 - ff. at section 16.4.3 by adding “**short-term rental**” in alphabetical order.
8. Richmond Zoning Bylaw No. 8500, as amended, is further amended:
- a. at section 17.1.3 by adding “**short-term rental**” in alphabetical order;
 - b. at section 17.2.3 by adding “**short-term rental**” in alphabetical order;
 - c. at section 17.3.3 by adding “**short-term rental**” in alphabetical order;
 - d. at section 17.4.3 by adding “**short-term rental**” in alphabetical order;
 - e. at section 17.5.3 by adding “**short-term rental**” in alphabetical order;
 - f. at section 17.6.3 by adding “**short-term rental**” in alphabetical order;
 - g. at section 17.7.3 by adding “**short-term rental**” in alphabetical order;
 - h. at section 17.8.3 by adding “**short-term rental**” in alphabetical order;
 - i. at section 17.9.3 by adding “**short-term rental**” in alphabetical order;
 - j. at section 17.10.3 by adding “**short-term rental**” in alphabetical order;
 - k. at section 17.11.3 by adding “**short-term rental**” in alphabetical order;
 - l. at section 17.12.3 by adding “**short-term rental**” in alphabetical order;
 - m. at section 17.13.3 by adding “**short-term rental**” in alphabetical order;
 - n. at section 17.14.3 by adding “**short-term rental**” in alphabetical order;
 - o. at section 17.15.3 by adding “**short-term rental**” in alphabetical order;
 - p. at section 17.16.3 by adding “**short-term rental**” in alphabetical order;
 - q. at section 17.17.3 by adding “**short-term rental**” in alphabetical order;
 - r. at section 17.18.3 by adding “**short-term rental**” in alphabetical order;
 - s. at section 17.19.3 by adding “**short-term rental**” in alphabetical order;
 - t. at section 17.20.3 by adding “**short-term rental**” in alphabetical order;
 - u. at section 17.21.3 by adding “**short-term rental**” in alphabetical order;

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- v. at section 17.22.3 by adding “**short-term rental**” in alphabetical order;
- w. at section 17.23.3 by adding “**short-term rental**” in alphabetical order;
- x. at section 17.24.3 by adding “**short-term rental**” in alphabetical order;
- y. at section 17.25.3 by adding “**short-term rental**” in alphabetical order;
- z. at section 17.26.3 by adding “**short-term rental**” in alphabetical order;
- aa. at section 17.27.3 by adding “**short-term rental**” in alphabetical order;
- bb. at section 17.28.3 by adding “**short-term rental**” in alphabetical order;
- cc. at section 17.29.3 by adding “**short-term rental**” in alphabetical order;
- dd. at section 17.30.3 by adding “**short-term rental**” in alphabetical order;
- ee. at section 17.31.3 by adding “**short-term rental**” in alphabetical order;
- ff. at section 17.32.3 by adding “**short-term rental**” in alphabetical order;
- gg. at section 17.33.3 by adding “**short-term rental**” in alphabetical order;
- hh. at section 17.34.3 by adding “**short-term rental**” in alphabetical order;
- ii. at section 17.35.3 by adding “**short-term rental**” in alphabetical order;
- jj. at section 17.36.3 by adding “**short-term rental**” in alphabetical order;
- kk. at section 17.37.3 by adding “**short-term rental**” in alphabetical order;
- ll. at section 17.38.3 by adding “**short-term rental**” in alphabetical order;
- mm. at section 17.39.3 by adding “**short-term rental**” in alphabetical order;
- nn. at section 17.40.3 by adding “**short-term rental**” in alphabetical order;
- oo. at section 17.41.3 by adding “**short-term rental**” in alphabetical order;
- pp. at section 17.42.3 by adding “**short-term rental**” in alphabetical order;
- qq. at section 17.43.3 by adding “**short-term rental**” in alphabetical order;
- rr. at section 17.44.3 by adding “**short-term rental**” in alphabetical order;
- ss. at section 17.45.3 by adding “**short-term rental**” in alphabetical order;
- tt. at section 17.46.3 by adding “**short-term rental**” in alphabetical order;

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- uu. at section 17.47.3 by adding “**short-term rental**” in alphabetical order;
- vv. at section 17.48.3 by adding “**short-term rental**” in alphabetical order;
- ww. at section 17.49.3 by adding “**short-term rental**” in alphabetical order;
- xx. at section 17.50.3 by adding “**short-term rental**” in alphabetical order;
- yy. at section 17.51.3 by adding “**short-term rental**” in alphabetical order;
- zz. at section 17.52.3 by adding “**short-term rental**” in alphabetical order;
- aaa. at section 17.53.3 by adding “**short-term rental**” in alphabetical order;
- bbb. at section 17.54.3 by adding “**short-term rental**” in alphabetical order;
- ccc. at section 17.55.3 by adding “**short-term rental**” in alphabetical order;
- ddd. at section 17.56.3 by adding “**short-term rental**” in alphabetical order;
- eee. at section 17.57.3 by adding “**short-term rental**” in alphabetical order;
- fff. at section 17.58.3 by adding “**short-term rental**” in alphabetical order;
- ggg. at section 17.59.3 by adding “**short-term rental**” in alphabetical order;
- hhh. at section 17.60.3 by adding “**short-term rental**” in alphabetical order;
- iii. at section 17.61.3 by adding “**short-term rental**” in alphabetical order;
- jjj. at section 17.62.3 by adding “**short-term rental**” in alphabetical order;
- kkk. at section 17.63.3 by adding “**short-term rental**” in alphabetical order;
- lll. at section 17.64.3 by adding “**short-term rental**” in alphabetical order;
- mmm. at section 17.65.3 by adding “**short-term rental**” in alphabetical order;
- nnn. at section 17.66.3 by adding “**short-term rental**” in alphabetical order;
- ooo. at section 17.67.3 by adding “**short-term rental**” in alphabetical order;
- ppp. at section 17.68.3 by adding “**short-term rental**” in alphabetical order;
- qqq. at section 17.69.3 by adding “**short-term rental**” in alphabetical order;
- rrr. at section 17.70.3 by adding “**short-term rental**” in alphabetical order;
- sss. at section 17.71.3 by adding “**short-term rental**” in alphabetical order;

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- ttt. at section 17.72.3 by adding “**short-term rental**” in alphabetical order;
- uuu. at section 17.73.3 by adding “**short-term rental**” in alphabetical order;
- vvv. at section 17.74.3 by adding “**short-term rental**” in alphabetical order;
- www. at section 17.75.3 by adding “**short-term rental**” in alphabetical order;
- xxx. at section 17.76.3 by adding “**short-term rental**” in alphabetical order;
- yyy. at section 17.77.3 by adding “**short-term rental**” in alphabetical order; and
- zzz. at section 17.78.3 by adding “**short-term rental**” in alphabetical order.

9. Richmond Zoning Bylaw No. 8500, as amended, is further amended:

- a. at section 18.1.3 by adding “**short-term rental**” in alphabetical order;
- b. at section 18.2.3 by adding “**short-term rental**” in alphabetical order;
- c. at section 18.3.3 by adding “**short-term rental**” in alphabetical order;
- d. at section 18.4.3 by adding “**short-term rental**” in alphabetical order;
- e. at section 18.5.3 by adding “**short-term rental**” in alphabetical order;
- f. at section 18.6.3 by adding “**short-term rental**” in alphabetical order;
- g. at section 18.7.3 by adding “**short-term rental**” in alphabetical order;
- h. at section 18.8.3 by adding “**short-term rental**” in alphabetical order;
- i. at section 18.9.3 by adding “**short-term rental**” in alphabetical order;
- j. at section 18.10.3 by adding “**short-term rental**” in alphabetical order;
- k. at section 18.11.3 by adding “**short-term rental**” in alphabetical order;
- l. at section 18.12.3 by adding “**short-term rental**” in alphabetical order;
- m. at section 18.13.3 by adding “**short-term rental**” in alphabetical order;
- n. at section 18.14.3 by adding “**short-term rental**” in alphabetical order;
- o. at section 18.15.3 by adding “**short-term rental**” in alphabetical order;
- p. at section 18.16.3 by adding “**short-term rental**” in alphabetical order;
- q. at section 18.17.3 by adding “**short-term rental**” in alphabetical order;

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- r. at section 18.18.3 by adding “**short-term rental**” in alphabetical order;
 - s. at section 18.19.3 by adding “**short-term rental**” in alphabetical order;
 - t. at section 18.20.3 by adding “**short-term rental**” in alphabetical order;
 - u. at section 18.21.3 by adding “**short-term rental**” in alphabetical order;
 - v. at section 18.22.3 by adding “**short-term rental**” in alphabetical order;
 - w. at section 18.23.3 by adding “**short-term rental**” in alphabetical order;
 - x. at section 18.24.3 by adding “**short-term rental**” in alphabetical order;
 - y. at section 18.25.3 by adding “**short-term rental**” in alphabetical order;
 - z. at section 18.26.3 by adding “**short-term rental**” in alphabetical order;
 - aa. at section 18.27.3 by adding “**short-term rental**” in alphabetical order;
 - bb. at section 18.28.3 by adding “**short-term rental**” in alphabetical order; and
 - cc. at section 18.29.3 by adding “**short-term rental**” in alphabetical order.
10. Richmond Zoning Bylaw No. 8500, as amended, is further amended:
- a. at section 19.1.3 by adding “**short-term rental**” in alphabetical order;
 - b. at section 19.2.3 by adding “**short-term rental**” in alphabetical order;
 - c. at section 19.3.3 by adding “**short-term rental**” in alphabetical order;
 - d. at section 19.4.3 by adding “**short-term rental**” in alphabetical order;
 - e. at section 19.5.3 by adding “**short-term rental**” in alphabetical order;
 - f. at section 19.6.3 by adding “**short-term rental**” in alphabetical order;
 - g. at section 19.7.3 by adding “**short-term rental**” in alphabetical order;
 - h. at section 19.8.3 by adding “**short-term rental**” in alphabetical order;
 - i. at section 19.9.3 by adding “**short-term rental**” in alphabetical order;
 - j. at section 19.10.3 by adding “**short-term rental**” in alphabetical order;
 - k. at section 19.11.3 by adding “**short-term rental**” in alphabetical order;
 - l. at section 19.12.3 by adding “**short-term rental**” in alphabetical order; and

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m. at section 19.13.3 by adding “**short-term rental**” in alphabetical order.

11. Richmond Zoning Bylaw No. 8500, as amended, is further amended:

- a. then some of 20 (look more closely)
- b. at section 20.1.3 by adding “**short-term rental**” in alphabetical order;
- c. at section 20.2.3 by adding “**short-term rental**” in alphabetical order;
- d. at section 20.3.3 by adding “**short-term rental**” in alphabetical order;
- e. at section 20.4.3 by adding “**short-term rental**” in alphabetical order;
- f. at section 20.5.3 by adding “**short-term rental**” in alphabetical order;
- g. at section 20.6.3 by adding “**short-term rental**” in alphabetical order;
- h. at section 20.7.3 by adding “**short-term rental**” in alphabetical order;
- i. at section 20.8.3 by adding “**short-term rental**” in alphabetical order;
- j. at section 20.9.3 by adding “**short-term rental**” in alphabetical order;
- k. at section 20.10.3 by adding “**short-term rental**” in alphabetical order;
- l. at section 20.11.3 by adding “**short-term rental**” in alphabetical order;
- m. at section 20.12.3 by adding “**short-term rental**” in alphabetical order;
- n. at section 20.13.3 by adding “**short-term rental**” in alphabetical order;
- o. at section 20.14.3 by adding “**short-term rental**” in alphabetical order;
- p. at section 20.15.3 by adding “**short-term rental**” in alphabetical order;
- q. at section 20.17.3 by adding “**short-term rental**” in alphabetical order;
- r. at section 20.18.3 by adding “**short-term rental**” in alphabetical order;
- s. at section 20.19.3 by adding “**short-term rental**” in alphabetical order;
- t. at section 20.20.3 by adding “**short-term rental**” in alphabetical order;
- u. at section 20.21.3 by adding “**short-term rental**” in alphabetical order;
- v. at section 20.22.3 by adding “**short-term rental**” in alphabetical order;
- w. at section 20.24.3 by adding “**short-term rental**” in alphabetical order;

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- x. at section 20.25.3 by adding "short-term rental" in alphabetical order;
 - y. at section 20.26.3 by adding "short-term rental" in alphabetical order;
 - z. at section 20.28.3 by adding "short-term rental" in alphabetical order; and
 - aa. at section 25.2.3 by deleting "n/a" and adding "short-term rental" in alphabetical order.
12. This Bylaw is cited as "Richmond Zoning Bylaw No. 8500, Amendment Bylaw No. 9648", and comes into force on _____, 201__.

FIRST READING

PUBLIC HEARING

SECOND READING

THIRD READING

OTHER CONDITIONS SATISFIED

ADOPTED

MAYOR

CITY OF RICHMOND
APPROVED by
APPROVED by Director or Solicitor

CORPORATE OFFICER

5223435



**Business Regulation Bylaw No. 7538,
Amendment Bylaw No. 9649**

The Council of the City of Richmond enacts as follows:

1. **Business Regulation Bylaw No. 7538**, as amended, is further amended at the index by deleting the words “PART TWENTY-TWO – BED & BREAKFAST ESTABLISHMENT REGULATIONS” and replacing them with the words “PART TWENTY-TWO – SHORT-TERM RENTAL REGULATIONS”.
2. **Business Regulation Bylaw No. 7538**, as amended, is further amended by deleting Part 22 and replacing it with the following:

“PART TWENTY-TWO: SHORT-TERM RENTAL REGULATIONS

22.1. Without first obtaining a **licence** to do so, persons must not provide guests with **residential rental accommodation** for rental periods of less than 30 days.

22.2 **Short-Term Rentals** shall be subject to the following regulations:

22.2.1. the premises must be the **operator’s principal residence**;

22.2.2. the **operator** must permit the **City’s Licence Inspector** to inspect the operator’s guest register maintained pursuant to the *Hotel Guest Registration Act* to determine whether the applicable zoning bylaw restrictions on the number of guests permitted in the premises are being complied with;

22.2.3. if the premises are a **type A short-term rental** (*whole single family house*), the **operator** must prepare a fire evacuation plan showing the location of exits, fire extinguishers and smoke detectors, install and maintain the fire safety equipment, and post a copy of the fire evacuation plan in each bedroom used for guest accommodation;

22.2.4. if the premises are a **type B short-term rental** (*bed & breakfast, portion of single family home*):

- (a) the **operator** must prepare a fire evacuation plan showing the location of exits, fire extinguishers and smoke detectors, install and maintain the fire safety equipment, and post a copy of the fire evacuation plan in each bedroom used for guest accommodation;

- (b) the **operator** must not provide or install any equipment or facilities used for the preparation of food in any bedroom or sleeping unit used for guest accommodation; and
- (c) the **operator** must obtain and maintain “Approved Accommodation” status from Tourism British Columbia; and

22.2.4. if the premises are a **type C short-term rental** (*strata condo or townhouse*), the **operator** must install and maintain the fire safety equipment.”.

3. **Business Regulation Bylaw No. 7538**, as amended, is further amended at Part 23 by deleting Section 23.1 and replacing it with the following:

“23.1 Any **licencee, operator**, or any other person who:

- (a) violates or contravenes any provision of this bylaw, or who causes or allows any provision of this bylaw to be violated or contravened; or
- (b) fails to comply with any of the provisions of this bylaw; or
- (c) neglects or refrains from doing anything required under the provisions of this bylaw or the **Business Licence Bylaw**; or
- (d) fails to maintain the standard of qualification required for the issuing of a **licence**; or
- (e) makes any false or misleading statement,

commits an offence and upon conviction shall be liable to a fine of not more than Ten Thousand Dollars (\$10,000.00), in addition to the costs of the prosecution, and where the offence is a continuing one, each day that the offence is continued shall constitute a separate offence.”.

4. **Business Regulation Bylaw No. 7538**, as amended, is further amended at Section 26.1 by:

- (a) adding the following as the definition of “**agri-tourist accommodation**” in alphabetical order:

“**agri-tourist accommodation** means an **agri-tourist accommodation** as defined in the City’s zoning bylaw.”;

- (b) adding the following as the definition of “**boarding and lodging**” in alphabetical order:

“**boarding and lodging** means **boarding and lodging** as defined in the City’s zoning bylaw.”;

- (c) adding the following as the definition of “**community care facility**” in alphabetical order:
- “**community care facility** means a **community care facility** as defined in the City’s zoning bylaw.”;
- (d) adding the following as the definition of “**dormitory**” in alphabetical order:
- “**dormitory** means a **dormitory** as defined in the City’s zoning bylaw.”;
- (e) adding the following as the definition of “**dwelling**” in alphabetical order:
- “**dwelling** means a dwelling as defined in the City’s zoning bylaw.”;
- (f) adding the following as the definition of “**hotel**” in alphabetical order:
- “**hotel** means a hotel as defined in the City’s zoning bylaw.”;
- (g) adding the following as the definition of “**motel**” in alphabetical order:
- “**motel** means a motel as defined in the City’s zoning bylaw.”;
- (h) adding the following as the definition of “**principal residence**” in alphabetical order:
- “**principal residence** means a principal residence as defined in the City’s zoning bylaw.”;
- (i) adding the following as the definition of “**residential rental accommodation**” in alphabetical order:
- “**residential rental accommodation** means the accommodation of guests in all or a portion of a **dwelling**, with or without food service, but excludes accommodation that is a **hotel, motel, agri-tourist accommodation, boarding and lodging, community care facility, or dormitory.**”;
- (j) adding the following as the definition of “**short-term rental**” in alphabetical order:
- “**short-term rental** means a short-term rental as defined in the City’s zoning bylaw.”; and
- (k) by adding the following as the definitions in alphabetical order”:
- “**type A short-term rental** means a type A short-term rental as defined in the City’s zoning bylaw.
- type B short-term** means a type B short-term rental as defined in the City’s

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rental zoning bylaw.

type C short-term rental means a type C short-term rental as defined in the City's zoning bylaw."

- 5. This Bylaw is cited as "Business Regulation Bylaw No. 7538, Amendment Bylaw No. 9649," and is effective _____, 201__.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating Division
APPROVED for legality by Solicitor

MAYOR

CORPORATE OFFICER



**Business Licence Bylaw No. 7560,
Amendment Bylaw No. 9650**

The Council of the City of Richmond enacts as follows:

1. **Business Licence Bylaw No. 7360**, as amended, is further amended at the table of contents by deleting the words “Bed and Breakfast Establishment” and replacing them with the words “Short-Term Rentals”.
2. **Business Licence Bylaw No. 7360**, as amended, is further amended by deleting Section 2.4 and replacing it with the following:

“2.4 Short-Term Rental

2.4.1 Every **short-term rental applicant** must at the time of application:

- (a) certify that they reside in the premises as their **principal residence** and provide proof that the premises are the **applicant’s principal residence**. To demonstrate that the premises is their **principal residence**, an **applicant** must be able to produce copies of the **applicant’s** government issued picture identification showing the **applicant’s** address as the premises, and copies of either one or both of the following:
 - (i) a tax assessment for the current year for the lot upon which the premises are constructed showing the **applicant** as payor, or
 - (ii) a utility bill (electricity, district energy, gas, or telephone) issued within the previous 3 months for the premises showing the **applicant** as payor;
- (b) provide proof that the owner of the premises has consented to the use of the premises as a **short-term rental** by providing one of the following, as applicable:
 - (i) if the **applicant** an owner of the premises, a copy of legal title to the premises showing the **applicant** as an owner in fee simple or leasehold, or
 - (ii) if the **applicant** is not an owner of the premises, a copy of legal title to the premises identifying the owner and a declaration from the owner of the premises certifying that use of the premises as a **short-term rental** is permitted; and

- (c) provide a copy of the guest register format to be used in the recording of guests stays under the *Hotel Guest Registration Act* (British Columbia).

2.4.2 Every **type A short-term rental** (*whole single family house*) **applicant** must at the time of application:

- (a) prepare a notification letter that:
 - (i) describes the operation; and
 - (ii) includes information on how to contact the operator by phone;
- (b) mail or deliver the notification letter to all residents and owners of residential dwellings abutting or across the street from the **type A short term rental** premises;
- (c) provide a copy of the notification letter and a list with the names and addresses of all persons that received the notification letter;
- (d) provide a copy of the fire evacuation plan required by the **Business Regulation Bylaw**; and
- (e) pay the required annual type A short-term rental business licence fee specified in the Consolidated Fee Bylaw No. 8636 for the Short-Term Rental Use category of this bylaw.

2.4.3 Every **type B short-term rental** (*bed & breakfast, portion of single family house*) **applicant** must at the time of application:

- (a) prepare a notification letter that:
 - (i) describes the operation and the number of bedrooms that will be rented to overnight guests; and
 - (ii) includes information on how to contact the operator by phone;
- (b) mail or deliver the notification letter to all residents and owners of residential dwellings abutting or across the street from the **type B short term rental** premises;
- (c) provide a copy of the notification letter and a list with the names and addresses of all persons that received the notification letter;
- (a) if required by the **Business Regulation Bylaw**, provide evidence of Approved Accommodation status from Tourism British Columbia;
- (b) provide a copy of the fire evacuation plan required by the **Business Regulation Bylaw**;

- (c) provide floor plans, drawn to scale, of the entire floor area of each level of the residence, indicating the use of each room of the residence and clearly identifying the guest rooms to be used in **type B short-term rental**; and
 - (d) provide a property site plan showing:
 - (A) the location and dimension of the driveway identifying vehicle parking spaces for residences and guests for each guest room;
 - (B) the location of the residence on the property with setbacks indicated from all property lines;
 - (C) landscaping and open areas as required by the **Zoning Bylaw**;
 - (D) signage size and placement as permitted by the **Zoning Bylaw**; and
 - (e) pay the required annual type B short-term rental business licence fee specified in the Consolidated Fee Bylaw No. 8636 for the Short-Term Rental Use category of this bylaw.
- 2.4.4 Every **type C short-term rental** (*whole or portion of strata condo or townhouse*) **applicant** must at the time of application:
- (a) provide a declaration signed by the **applicant's** strata council certifying that use of the premises as a **short-term rental** is permitted by the strata corporation's rules and bylaws;
 - (b) pay the required annual type C short-term rental business licence fee specified in the Consolidated Fee Bylaw No. 8636 for the Short-Term Rental Use category of this bylaw.
- 2.4.5 Every **type A short-term rental applicant** upon submission of requirements in section 2.4.1 and 2.4.2, and prior to a **business licence** being granted, shall arrange with the **Licence Inspector** for a site inspection, which may include inspectors from the Fire Rescue and Building Departments.
- 2.4.6 Every **type B short-term rental applicant** upon submission of requirements in section 2.4.1 and 2.4.3, as applicable, and prior to a **business licence** being granted, shall arrange with the **Licence Inspector** for a site inspection, which may include inspectors from the Fire Rescue and Building Departments, and Vancouver Coastal Health Authority.
- 2.4.7 Every **type C short-term rental applicant** upon submission of requirements in section 2.4.1 and 2.4.4, and prior to a **business licence** being granted, shall arrange with the **Licence Inspector** for a site inspection, if required by the **Licence Inspector**, which may include inspectors from the Fire Rescue and Building Departments.

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- 2.4.8 The **Licence Inspector** shall, when issuing a **business licence** for any **type A short-term rental, type B short-term rental or type C short-term rental**, provide to the operator a copy of the **City's short-term rental Code of Conduct**.
- 5.5.9 The **Licence Inspector** shall, when issuing a **business licence** for any **type B short-term rental**, provide to the operator a copy of the **City's bed & breakfast establishment Code of Conduct**.
- 2.4.12 If the premises for which a **licence** is issued or renewed under this bylaw are a **type B short-term rental**, the **Licence Inspector** may require as a condition of the **business licence** that the **operator** provide privacy screening or landscaping in the side or rear yard of the premises, at locations specified in the **licence**, prior to the accommodation of guests in the premises.”.
3. **Business Licence Bylaw No. 7360**, as amended, is further amended at Part 3 by adding the following as a new Section 3.7A following the Section 3.7:
- “**3.7A SHORT-TERM RENTAL USE CATEGORY** means the use of premises or facilities as **short term rentals**, including **type A short-term rentals, type B short-term rentals, and type C short-term rentals**, as permitted by this bylaw, the **Business Regulation Bylaw**, and the **Zoning Bylaw**.”.
4. **Business Licence Bylaw No. 7360**, as amended, is further amended at Part 5 by deleting Section 5.1 and replacing it with the following:
- “5.1 Any **licencee**, operator, or any other **person** who:
- (a) violates or contravenes any provision of this bylaw or a **licence** issued hereunder, or who causes or allows any provision of this bylaw or a **licence** issued hereunder to be violated or contravened; or
 - (b) fails to comply with any of the provisions of this bylaw or a **licence** issued hereunder; or
 - (c) neglects or refrains from doing anything required under the provisions of this bylaw, or a **licence** issued hereunder, or the **Business Regulation Bylaw**; or
 - (d) fails to maintain the standard of qualification required for the issuing of a **licence** under this bylaw; or
 - (e) makes any false or misleading statement,
- commits an offence and upon conviction shall be liable to a fine of not more than Ten Thousand Dollars (\$10,000.00), in addition to the costs of the prosecution, and where the offence is a continuing one, each day that the offence is continued shall constitute a separate offence, and may result in the suspension, cancellation or revocation of the **licence** in question.”.

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5. **Business Licence Bylaw No. 7360**, as amended, is further amended at Part 5 by deleting Section 5.3 and replacing it with the following:
- “5.3 Every **licencee** must comply with the requirements of this, or any other bylaw of the **City**, which governs or regulates the **business** for which such **licence** was granted, must comply with any requirements imposed by the **Medical Health Officer**, and must comply with all applicable statutes, regulations, rules, codes and orders of all federal or provincial authorities having jurisdiction of such **business**, and any **person** failing to comply with the requirements of this Part commits an offence and, upon conviction, is liable for the penalties specified.”.
6. **Business Licence Bylaw No. 7360**, as amended, is further amended at Section 7.1 by:
- (a) deleting the definition of “**bed & breakfast establishment**”;
 - (b) adding the following as the definition of “**principal residence**” in alphabetical order:

“**Principal Residence** means a principal residence as defined in the **City’s zoning bylaw.**”;
 - (c) adding the following as the definition of “**short-term rental**” in alphabetical order:

“**Short-Term Rental** means a short-term rental as defined in the **City’s zoning bylaw.**”;
 - (d) adding the following as the definition of “**strata lot**” in alphabetical order:

“**Strata Lot** means a lot, strata as defined in the **City’s zoning bylaw.**”; and
 - (e) adding the following as the definitions in alphabetical order:

“**Type A Short-Term Rental** means a type A short-term rental as defined in the **City’s zoning bylaw.**

Type B Short-Term Rental means a type B short-term rental as defined in the **City’s zoning bylaw.**

Type C Short-Term Rental means a type C short-term rental as defined in the **City’s zoning bylaw.**”.

7. This Bylaw is cited as **“Business Licence Bylaw No. 7360, Amendment Bylaw No. 9650**
and is effective _____, 201__.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating Division
APPROVED for legality by Solicitor

MAYOR

CORPORATE OFFICER

5224058



**Municipal Ticket Information Authorization Bylaw No. 7321,
Amendment Bylaw No. 9651**

The Council of the City of Richmond enacts as follows:

1. **Municipal Ticket Information Authorization Bylaw No. 7321**, as amended, is further amended at Schedule B 3 by deleting the following portion of Schedule B 3:

SCHEDULE B 3

BUSINESS REGULATION BYLAW NO. 7538

Column 1 Offence	Column 2 Section	Column 3 Fine
Failure to maintain Fire Evacuation Plan	22.1.1	\$250
No access to Guest Register	22.1.2	\$250
Food preparation in room used for guest accommodation	22.1.3	\$250
Failure to maintain Approved Accommodation Status	22.1.4	\$250

2. **Municipal Ticket Information Authorization Bylaw No. 7321**, as amended, is further amended at Schedule B 3 by adding the following to the end of Schedule B 3:

SCHEDULE B 3

BUSINESS REGULATION BYLAW NO. 7538

Column 1 Offence	Column 2 Section	Column 3 Fine
Rentals for less than 30 days without licence	22.1	\$1000
Premises not operator's primary residence	22.2.1	\$1000
No access to Guest Register	22.2.2	\$1000
Failure to maintain Fire Evacuation Plan	22.2.3	\$250
Failure to maintain Fire Evacuation Plan	22.2.4(a)	\$250
Food preparation in room used for guest accommodation	22.2.4(b)	\$250
Failure to maintain Approved Accommodation Status	22.2.4(c)	\$250

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3. **Municipal Ticket Information Authorization Bylaw No. 7321**, as amended, is further amended at Schedule B 17 by deleting Schedule B 17 and replacing it with the following:

SCHEDULE B 17

ZONING BYLAW NO. 8500

Column 1 Offence	Column 2 Section	Column 3 Fine
Parking or storing large commercial vehicle shipping container	3.5.3	\$100
Parking or storing large commercial vehicle	3.5.4	\$100
Dwellings – rentals for less than 30 days	5.5.1	\$1000
Short-term Rental – not operator's principal residence	5.5.3	\$1000
Type A Short-term Rental – excess guest capacity	5.5.5(a)	\$1000
Type B Short-term Rental – excess guest capacity	5.5.6(a)	\$1000
Type B Short-term Rental – excess guest rooms	5.5.6(b)	\$1000
Type B Short-term Rental – excess signage	5.5.6(e)	\$250
Type C Short-term Rental – excess guest capacity	5.5.7(b)	\$1000
Failure to maintain required parking spaces	7.7.1	\$250

4. This Bylaw is cited as **“Municipal Ticket Information Authorization Bylaw No. 7321, Amendment Bylaw No. 9651”**, and is effective _____, 201__.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating dept.
APPROVED for legality by Solicitor

MAYOR

CORPORATE OFFICER



**CONSOLIDATED FEES BYLAW NO. 8636,
AMENDMENT BYLAW NO. 9652**

The Council of the City of Richmond enacts as follows:

1. The **Consolidated Fees Bylaw No. 8636**, as amended, is further amended by adding the Business Licence Bylaw No. 7360, Short-Term Rental Use Table set out in Schedule A to this Bylaw following the Business Licence Bylaw No. 7360, Residential Use Table forming part of SCHEDULE – BUSINESS LICENCE to Consolidated Fees Bylaw No. 8636.
2. This Bylaw is cited as “**Consolidated Fees Bylaw No. 8636, Amendment Bylaw No. 9652**”, and is effective _____, 201__.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating dept.
APPROVED for legality by Solicitor

MAYOR

CORPORATE OFFICER

Business Licence Bylaw No. 7360
Short-Term Rental Use

Description	Fee
Type A Short-Term Rental Business Licence <i>(whole single family house)</i>	\$158.00
Type B Short-Term Rental Business Licence <i>(bed & breakfast, portion of single family house)</i>	\$158.00
Type C Short-Term Rental Business Licence <i>(whole or portion of strata condo or townhouse)</i>	\$158.00

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Attachment 7



November 18, 2016

Mayor Brodie and Members of Council
City of Richmond
6911 No. 3 Road
Richmond, BC V6Y 2C1

RE: Request to rescind Provincial Tax Regulation 78(1)(b)

Dear Mayor and Council,

We understand the City of Richmond has been working to mitigate the negative impacts of nightly short-term rentals in our community. We strongly support these efforts and commend Council for its leadership on this issue. However, we are concerned that Council's resources in this matter are stretched, and that meaningful action from the provincial government is required to resolve this issue in a timely manner.

Richmond Hotel Association represents 20 hotels with the City of Richmond and our members over the last year have experienced continual challenges with assisting new or existing employees to locate affordable monthly rental accommodation. The vacancy rate is often near zero, and in some cases we have lost potential employees due to this chronic rental shortage. Making matters worse, there are no indications this trend will change in the year ahead.

As Council well knows, many British Columbians have embraced short-term residential rental companies such as Airbnb and Vacation Rental by Owner (VRBO). While these online platforms have in some cases brought new visitors and tourism spending to BC, they have also negatively impacted the availability and affordability of monthly rental accommodations. One of the challenges is that these agencies are not subject to the same regulatory, legal, taxation, health and safety, or insurance laws as traditional accommodation providers.

For example, residents who offer fewer than four rooms for rent do not have to collect provincial sales taxes when renting those accommodations. This exemption has created an unclear business environment, and made it all but impossible for municipalities—even those with stringent bylaws targeting short-term rental accommodations—to effectively enforce the rules.

Eliminating section 78(1)(b) of BC's *Provincial Sales Tax Act* (Provincial Sales Tax Exemption and Refund Regulations) will eliminate this exemption and significantly enhance our community's enforcement regime. Not only will it encourage our local renters to register their business income fairly, but it will also increase voluntary compliance among landlords who risk finding themselves off-side with both local bylaws and the provincial tax code.

On behalf of the Board of Directors, we therefore respectfully request that the City of Richmond write to the Minister of Finance and formally request that *Provincial Sales Tax Act* exemption 78(1)(b) be rescinded. Council's support in this matter will be vital to encouraging effective action from BC's provincial government. We have attached a sample letter for Council's consideration.

Yours truly,



Gary Collinge
Chair

Richmond Hotel Association

cc: RHA Board of Directors