

**VILLAGE OF RADIUM HOT SPRINGS**

**AGENDA**

**REGULAR COUNCIL MEETING OF OCTOBER 23<sup>RD</sup>, 2019.**

**PRESENT:**

**1. ORDER:**

**2. ADDITIONS TO AGENDA:**

**3. MINUTES:**

(a) None

**4. DELEGATIONS:**

a) Kicking Horse Canyon Project overview – acting Associate Project Director, Lindsay Parker, Operations Manager Art McClean and Lead Traffic Engineer Mars Otten-Andrew;

b) Online Accommodation Platform Tax – Tourism Radium and Family Dynamix representatives.

**5. COMMITTEE REPORTS:**

**6. UNFINISHED BUSINESS / BUSINESS ARISING FROM THE MINUTES:**

a) Short Term Rental Accommodation Policy draft (attached).

**7. BYLAWS:**

a) Bylaw No 454,2019 – Financial Plan Amendment.

**8. MISCELLANEOUS CORRESPONDENCE & REPORTS:**

**9. NEW BUSINESS:**

a) Rotary Splash Park update.

**10. SUNDRY MATTERS & QUESTIONS:**

**11. NOTICE OF COMMITTEE, SPECIAL & CLOSED MEETINGS:**

**12. ADJOURNMENT:**

VILLAGE OF RADIUM HOT SPRINGS

Short Term Rental Accommodation Policy

Definition:

“Short term rental” or “STR” means the commercial accommodation of guests in a private residence, which could include a room, apartment, secondary suite, or house, on a temporary basis, this being 30 consecutive days or less.

Policy Statement:

The Village of Radium Hot Springs (the ‘Village’) will regulate short term rental accommodations, to allow property owners to conduct short term rental of their property, provided the necessary approval has been obtained and all Municipal regulations, which are updated from time to time, are adhered to.

Policy Background:

The Village of Radium Hot Springs is a community with a unique demographic. We have approximately 1200 residential units, which range in the spectrum from single family dwellings, located within both fee simple and bare land strata subdivisions, to row housing and multi-story apartment style dwellings located within strata developments. With a permanent population less than 800, this means that approximately two thirds of our residential dwelling units are secondary dwellings, owned by absentee landowners, many who reside in Alberta. Our recreational character is further exemplified by the presence of nearly 800 motel and hotel units, as well as a large stock of camping trailer spaces.

As such, tourism is a main economic driver, in addition to the forestry industry.

Many communities in British Columbia and elsewhere have been trying to deal with the complexities of accommodating short term rentals in residential areas. Village Council and staff have been monitoring how other communities are dealing with these issues, while researching what is happening within our own boundaries to determine if local regulation is appropriate, and, if so, what enforceable actions to implement to address issues and problems, where they arise.

In the summer of 2019, the Village undertook an online survey to gather information about the short term rental accommodation sector, and to collect the opinions of our residents, secondary homeowners, and business owners. That survey identified a wide mix of opinion regarding the subject. The survey demonstrated that there is considerable STR activity occurring within the Village, and that STR activity is having an impact on our community. The survey also demonstrated a roughly fifty-fifty split amongst respondents, based on a pro or con perspective regarding STR accommodation. In

addition, 40% of respondents indicated that they had been disrupted by short term rentals. 51.5% of respondents were in favour of business licensing as the preferred method to regulate the industry.

Council reviewed the survey and decided that some regulation would be appropriate, so as to achieve a number of positive objectives, arising out of the benefits and challenges originating from the STR accommodation industry.

Some of these benefits and challenges can be summarized as follows:

#### STR Benefits:

- STRs contribute to the local tourist economy by providing accommodation for the travelling public, tourists, and those considering becoming seasonal or local residents.
- STR guests spend money on other visitor related amenities such as restaurants, attractions and other local businesses.
- STRs provide an additional accommodation option for visitors who may not want to stay in a hotel, motel or resort:
- STRs provide additional income for homeowners, especially secondary homeowners who may not have been able to buy into the Radium Hot Springs market otherwise.
- Choosing the STR option provides homeowners the flexibility of renting based on their needs and schedules.
- STRs in secondary homes increase the use of these residences, avoiding 'dark streets', and increasing neighbourhood security.

#### STR Challenges:

- STR activity may decrease the amount of housing stock available for long term rental accommodation.
- STR occupants may use up available parking options creating conflict between that group and permanent residents.
- STR occupants may subject neighbours to loud noise, partying, trash and other maintenance and security issues.
- Monitoring inappropriate STR tenant behavior may not be sufficiently effective when absentee owners are involved, or when no management company has been engaged.
- The short term nature of STR accommodation can add a transitory nature to residential neighbourhoods and buildings due to the constant stream of different people.
- STR homeowners may receive an unfair tax/fee and regulatory (i.e. fire inspections et cetera) advantage over legitimate commercial accommodation properties.

Policy Objectives:

1. To ensure that basic public safety requirements are met.
2. To ensure that short term rental properties are managed.
3. To ensure that neighbours of short term rental properties have a management point of contact for inquiries and complaints.
4. To maintain a registry of short term rental properties, so as to facilitate the Provincial governments collection of taxes.

Requirements:

1. Business license application with approval based on the following:
  - (a) Identification of a property management individual (which may be the owner) or business, available to respond to inquiries or complaints.
  - (b) Agreement between the owner and the Village acknowledging the Village's short term rental regulations.
  - (c) Approval in writing from the Strata Council, where applicable.
2. The business license requirements for STR management companies shall include the requirement to maintain a STR property registry, which will be made available to the Village, upon request.

Fees:

1. The annual business license fee for a single STR property shall be \$100.

Regulations:

1. STR properties will have their business license and property management name and contact telephone number posted on the entrance of the rental unit.
2. Business license numbers will be posted on all online listings.
3. The local property management individual or business must be available to respond to inquiries and complaints on a 24 hour basis.
4. The local property management individual or business must be available to respond to noise complaints, originating from the Village, RCMP or public, within a 12 hour period.
5. STR properties subject to three violations within a one year period may have their business license revoked or suspended for a one year period. Council will reserve the right to revoke a business license, at their discretion, should the circumstances warrant revocation.
6. Life safety requirements will include egress maps for guests, interconnected smoke alarms, carbon monoxide detectors, and fire extinguishers.

## Strata Properties:

### 1. Discussion:

Strata Councils have the authority to manage or direct most uses within their developments. Through its bylaws, a strata council could permit or prohibit short term rentals. This includes the option to levy fines in the amount of \$1,000 per day for rental violations. Further, most strata councils have hired property management and / or strata management companies to assist in the administration and management of their property and of the corporation. These contracts could be expanded to include short term rental administration.

In addition, each strata development is unique, with unique challenges specific to each strata development. These challenges may include such issues as the security of common amenities and underground parking, which are largely outside of the regulatory scope of the municipality.

From a zoning perspective, if the municipal zoning did not permit short term rentals, the strata council could not override the municipal zoning prohibition. Additionally, within a strata property, the municipality cannot rezone one or more individual strata units to another zoning category, while other units have a different zoning classification (this limitation may not apply to bare land strata developments). Zoning of a multi-unit strata building is an all or nothing situation.

An additional point is that noise enforcement, internal to the strata property, should be enforced by the strata council. This is completely consistent with the other rules of a strata property dealing with parking, pets, etc. As such, strata councils must assume a degree of responsibility for their own developments, similar to other private landowners and motels. Further, the legally enforceable bylaws of a strata council may be more effective methods for achieving compliance, than the municipal bylaw enforcement process, and in many cases provide stronger tools to achieve the desired results.

### 2. STR Policy for Strata Developments:

The Village will extend its STR business licensing scheme to strata properties, upon the written request of the strata corporation. Privately owned units within the strata will come under the business licensing requirements and regulations of the Village, once sufficient notice has been issued to strata unit owners by the strata corporation. The minimum notice requirement for owners within a strata development shall be 90 days. Extension of the Village STR business licensing scheme to strata developments will not alleviate any additional responsibilities of the strata i.e. specific strata bylaw requirements, parking, and noise control.

## Enforcement Implications:

### 1. Discussion:

While the Municipality will respond to calls for noise violations, when a bylaw officer is on duty, these violations must be significant enough to have an impact on the public. The actual source of the noise violation has to exceed the noise bylaw limit, as determined by the bylaw enforcement officer. The objective of a noise bylaw is to protect the public from disturbing noises.

Our bylaw enforcement officers are not peace officers, nor are they on duty on a 24 hour, seven day a week basis. They have no ability to use the criminal code, which remains the domain of the RCMP. The authority of a municipal bylaw officer is very limited. It must be clearly understood where the Municipal authority ends, and the police role starts. Evening, overnight, and weekend noise complaints shall be directed to the RCMP, if a satisfactory noise reduction cannot be attained after complaint to the property management individual or business.

### 2. Violations:

Under the business licensing bylaw, the following behaviour may result in fines:

- (a) Excessive noise and disturbance in violation of the current noise bylaw;
- (b) Parking and snow removal violations of the current traffic and parking bylaw;
- (c) Other disturbances deemed problematic to peaceful enjoyment of property;
- (d) Violations of the property management response regulations, and;
- (e) Violation of the agreement between the Village and the STR business licensee.

### 3. Complaints:

Complaints received regarding possible violations of the STR business licensing regulations will be directed to the Village bylaw enforcement officer, who will attempt to achieve resolution of the issue by contacting the property management individual or business responsible for the property, so as to achieve resolution of the issue. All complaints will be made in writing.

## Actions Required:

1. Develop a short term rental accommodation business licensing bylaw.
2. Undertake a public education campaign regarding STR requirements.
3. Revise the zoning bylaw to allow short term rental accommodation as a permitted use within residential zones.

Challenges and Issues to be Considered:

1. Some property owners will continue to undertake short term rentals without applying for a business license. Developing an enforcement program to tackle this noncompliance will be difficult and costly, especially when resulting in legal action. Enforcement of STR issues and violations will be complaint driven.
2. Until such time as the Zoning Bylaw is revised, business licenses should include a disclaimer declaring that the license does not constitute approval as a permitted use in terms of the zoning bylaw, and that; should the business license be questioned in a court of law, the Village has reserved the right to cancel the business license upon 30 days' notice.

Report prepared by Mark Read.

October 16<sup>th</sup>, 2019.

VILLAGE OF RADIUM HOT SPRINGS

BYLAW NO. 454, 2019.

Being a bylaw amending Bylaw No. 451 respecting the Financial Plan for the years 2019 - 2023.

WHEREAS the Financial Plan Bylaw No. 451 Schedule "A" requires changes,

NOW THEREFORE the Council of the Village of Radium Hot Springs, in open meeting assembled enacts, as follows:

1. That Schedule "A" of Bylaw 451 is hereby replaced in its entirety with the attached Schedule "A", and;
2. That the replaced Schedule "A" attached hereto and made part of this bylaw is hereby declared to be the Five-Year Financial Plan of the Village of Radium Hot Springs for the year ending December 31, 2023, and;
3. That the Financial Plan comes into effect on January 1, 2019, and;
4. That this bylaw may be cited as "Financial Plan Amendment Bylaw No. 454, 2019".

READ A FIRST, SECOND AND THIRD TIME THIS 9<sup>TH</sup> DAY OF OCTOBER, 2019.

RECONSIDERED AND ADOPTED THIS \_\_\_\_\_ DAY OF NOVEMBER, 2019.

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Mayor Clara Reinhardt

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CAO Mark Read

Hereby certified as a true copy of Bylaw No. 454, 2019.

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Clerk

SCHEDULE 'A' TO BYLAW NO. 454, 2019

VILLAGE OF RADIUM HOT SPRINGS  
AMENDED FINANCIAL PLAN 2019 - 2023

<b>Financial Plan</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Revenues</b>					
Taxation	-2,322,040	-2,300,310	-2,357,737	-2,404,984	-2,452,974
User fees	-802,000	-802,800	-796,497	-827,707	-831,354
Government transfers	-1,782,970	-665,165	-657,886	-529,573	-531,276
Non-Government transfers	-227,500	0	0	0	0
Fees, permits, licenses and fines	-116,705	-110,180	-85,227	-85,345	-85,465
Services provided to other governments	-61,630	-61,630	-62,131	-62,638	-63,149
Investment income	-40,450	-40,450	-40,700	-40,700	-40,699
Deferred Revenues					
From Water DCC Reserve	0	-540,000	0	0	0
From Sewer DCC Reserve	0	0	0	0	0
Other Deferred Revenues	0	0	0	0	0
Miscellaneous revenues	-20,000	-19,500	-4,140	-4,140	-4,140
	<b>-5,373,295</b>	<b>-4,540,035</b>	<b>-4,004,318</b>	<b>-3,955,086</b>	<b>-4,009,057</b>
<b>Expenses</b>					
General government	453,545	453,635	453,121	463,653	468,289
Protection	363,168	332,635	335,961	339,321	342,714
Roadways and transportation	650,217	628,990	635,280	641,633	648,049
Development services	328,225	319,355	322,549	325,774	329,032
Recreation and culture	296,950	326,805	300,073	303,074	306,105
Other	450	450	455	459	464
Water operating and administration	634,715	618,020	644,200	650,642	657,149
Sewer operating and administration	466,300	462,695	487,322	492,195	497,117
Debt financing - interest on long-term debt	113,000	113,000	109,000	109,000	109,000
	<b>3,306,570</b>	<b>3,255,585</b>	<b>3,287,961</b>	<b>3,325,750</b>	<b>3,357,918</b>
<b>Surplus</b>	<b>-2,066,725</b>	<b>-1,284,450</b>	<b>-716,357</b>	<b>-629,336</b>	<b>-651,139</b>
<i>Adjustment for non-cash items:</i>					
-Amortization expense	-863,345	-866,390	-866,390	-866,390	-866,390
-TCA expenditures	2,572,715	1,205,500	541,400	1,115,400	240,500
<i>Adjustment for cash items, not recognized as revenues or expenses in the Statement of Operations:</i>					
-Debt principle repayment	132,525	132,525	132,525	132,525	132,525
-Debt proceeds	0	0	0	0	0
-Transfers to Reserves	1,343,775	1,475,815	1,450,222	1,363,201	1,385,004
-Transfers from Reserves					
From Capital Reserve	-86,530	-185,500	-242,400	-919,400	-38,000
From Water Reserve	-444,000	-142,000	-182,000	-122,000	-100,000
From Sewer Reserve	-342,500	-32,500	-12,500	-12,500	-100,000
From Parking Reserve	0	-50,000	0	0	0
From Fire Department Reserve	-3,100	-19,000	-19,000	-19,000	0
From Road Reserve	-19,000	-100,000	0	-30,000	0
From Parkland Reserve	0	0	0	0	0
From Recreation Reserve	-185,000	-18,000	0	-10,000	0
-Transfer to Capital from Operating	-10,000	-113,500	-83,000	0	0
-Transfer (from)/to Residual Surplus	-28,815	-2,500	-2,500	-2,500	-2,500
<b>Financial Plan Balance</b>	<b>-0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

END OF BUDGET / FINANCIAL PLAN

<b>Capital Summary:</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Funding sources</b>					
Taxation	-464,318	-2,500	-2,500	-2,500	-2,500
Debt	0	0	0	0	0
Grants & Other Contributions	-1,028,267	-116,000	-83,000	0	0
Reserves	-1,080,130	-547,000	-255,500	-906,500	-213,000
Restricted Reserves	0	-540,000	-200,400	-206,400	-25,000
Residual Surplus	0	0	0	0	0
	<b>-2,572,715</b>	<b>-1,205,500</b>	<b>-541,400</b>	<b>-1,115,400</b>	<b>-240,500</b>
<b>Capital expenditures</b>	<b>2,572,715</b>	<b>1,205,500</b>	<b>541,400</b>	<b>1,115,400</b>	<b>240,500</b>