

REPORT

Community Services

To: Mayor Johnstone and Members of Council
Date: June 24, 2024

From: Blair Fryer, Acting Director Community Services
File: 1878836

Item #: 2024-367

Subject: **Council Authorization of the Province’s Short Term Rental Information Sharing Agreement**

RECOMMENDATION

That Council authorize the signing of the Province’s Short Term Rental Information Sharing Agreement.

PURPOSE

To seek Council’s authorization for signing an Information Sharing Agreement with the Province that supports the monitoring and enforcement of Short Term Rentals within New Westminister.

SUMMARY

The Provincial government has introduced legislation to regulate short-term rentals with the goal of returning them to the long-term rental market in order to assist with increasing housing supply and affordability.

As part of the new Short Term Rental (STR) regulations, the Province has created an STR Data Portal to support local governments with monitoring and enforcement. The STR Portal includes a notice and takedown process to remove STR listings that are not compliant with a local government business license requirement (i.e., for not having a valid business license), along with monthly platform data on individual STR listings.

The *Short-Term Rental Accommodations Act* requires STR platforms (e.g. AirBnB, VRBO, etc.) to share this monthly data with the Province. In order for local governments to access the monthly platform data, local governments must have a signed Information Sharing Agreement (ISA) with the Province. The purpose of the ISA is to govern how this data is shared and stored. The information is confidential and will not be disclosed to the public. Staff are seeking endorsement of signing the ISA in order to assist with data monitoring and enforcement efforts. Currently, the City does not permit short-term rentals unless the operator has a valid Bed & Breakfast (B&B) business license. The data provided by the portal will assist staff in ensuring short term rental lists are properly licensed in New Westminster.

BACKGROUND

In 2023, the Provincial Government introduced wide ranging changes to the housing legislation that governs how municipalities plan for and approve new development, to deliver on the priorities of the Province's Homes for People Action Plan. Part of this legislation included Bill 35, the *Short-Term Rental Accommodations Act*, with the goal of providing and strengthening tools to support local government enforcement of STR bylaws, return STRs to the long-term housing market, and establish a provincial role in the regulation of STRs.

Bill 35 includes the following components:

- Principal residence requirement: STRs can only be offered in the principal residence of a host, plus one additional unit, secondary suite or laneway home/garden suite.
- Non-conforming use of property will no longer apply to STRs. Under previous legal non-conforming use protections, if an existing use of land or a building did not conform to the new bylaw, it would have generally continued with legal non-conforming use.
- STR hosts will be required to display a valid business license number on their listing, where a business license is required by a local government.
- Data sharing and platform accountability: STR platforms will be required to share data with the Province. Local governments can request that a platform remove listings that do not display a valid business license.
- Increased fines: local governments may set increased fines for bylaw enforcement from \$1000 to \$3000 per infraction, per day.
- Provincial Compliance and Enforcement Unit: a new provincial Compliance and Enforcement Unit will be established in the Ministry of Housing to support enforcement of the new legislation.

As previously noted in the May 27, 2024 Council Report and Workshop, no change was proposed to the City's approach of not permitting short-term rentals unless the operator has a valid Bed & Breakfast (B&B) business license. The City's requirements, see *Attachment 1*, are more stringent than the Province's. Staff continue to monitor the implementation of these new regulations by the Province and will report back on any

proposed changes to the City’s approach as the roll out of the new regulations occurs over the next several months.

DISCUSSION

As part of the Province’s new STR regulations, the Province has created a STR Data Portal to support local governments with monitoring and enforcement. The STR Portal includes a notice and takedown process to remove listings that are not compliant with a local government business license requirement (i.e., for not having a valid business licence), along with monthly platform data on individual STR listings. In order for staff to have access to the STR platform listing data, a signed ISA must be in place. The first monthly report from major STR platforms (i.e. platforms with over 1000 or more listings) is expected to be available by July 2, 2024. This information is confidential and will not be disclosed to the public.

The ISA, see *Attachment 2*, was developed with feedback from select local governments to create a standard agreement to be used by all participating local governments. The ISA documents the terms and conditions of the exchange of Personal Information by the Parties in compliance with the *Freedom of Information and Protection of Privacy Act* of British Columbia and the *Short-Term Rental Accommodations Act*.

Staff are recommending Council authorize the signing of the ISA document so that staff can gain access to the Province’s STR Data Portal platform data sharing components.

Currently, staff believe there are approximately 225 STR listings across the city as of early May, a 22% decline from the previous month. In 2022, there were 10 approved B&B licenses; in 2023, there were 13; and in 2024, there are currently 23 to date, with 17 applications pending. While an increase in licence applications was seen in the Spring, business licensing staff have noted that new applications have now dropped off.

NEXT STEPS

If authorized by Council, staff will proceed with having the Agreement signed and returned to the Province for implementation.

FINANCIAL IMPLICATIONS

There are no financial implications anticipated as a result of signing this agreement.

INTERDEPARTMENTAL LIAISON

The Agreement was reviewed by the City’s solicitor and the City’s Freedom of Information and Privacy Coordinator. The City’s approach to STR regulation is being

considered by Business Licensing and the Housing Division of the Planning and Development department.

ATTACHMENTS

Attachment 1: Current approach for Short Term Rentals (B&B)

Attachment 2: INFORMATION SHARING AGREEMENT under the SHORT-TERM RENTAL ACCOMMODATIONS ACT

OPTIONS

Two options are presented for Council's consideration,

1. THAT Council authorize the signing of the Province's Short Term Rental Information Sharing Agreement.
2. THAT Council provide staff with alternative direction.

Staff recommend Option 1.

APPROVALS

This report was prepared by:
Carolyn Armanini, A/Manager Economic Development

This report was reviewed by:
Craig MacFarlane, City Solicitor
Karon Blandino, Freedom of Information and Privacy Coordinator

This report was approved by:
Blair Fryer, A/Director Community Services
Lisa Spitale, Chief Administrative Officer