

SHORT-TERM RENTAL REVIEW



The District of Squamish is reviewing and developing options for short-term rentals (STRs) which include rentals listed on Airbnb, VRBO and other similar platforms. STR regulation is one of many initiatives to improve affordable housing as outlined in the *Squamish2040 Official Community Plan*. Designing an approach for Squamish will involve extensive engagement with the community to determine how best to address the opportunities and challenges presented by STRs.

This backgrounder provides information to support informed discussions about STRs – the current housing situation and STR context for Squamish; different perspectives, considerations and common approaches to regulating and managing STRs; and potential options going forward.



WHAT ARE SHORT TERM RENTALS?

An STR is the use of a dwelling unit, or any portion of it, as a rental unit for a period of less than 30 days and includes vacation rentals and bed and breakfasts (District of Squamish Zoning Bylaw 2200, 2011).

A Bed and Breakfast is a dwelling used for temporary lodging of paying guests, limited to 2 bedrooms and common areas, including a dining room.

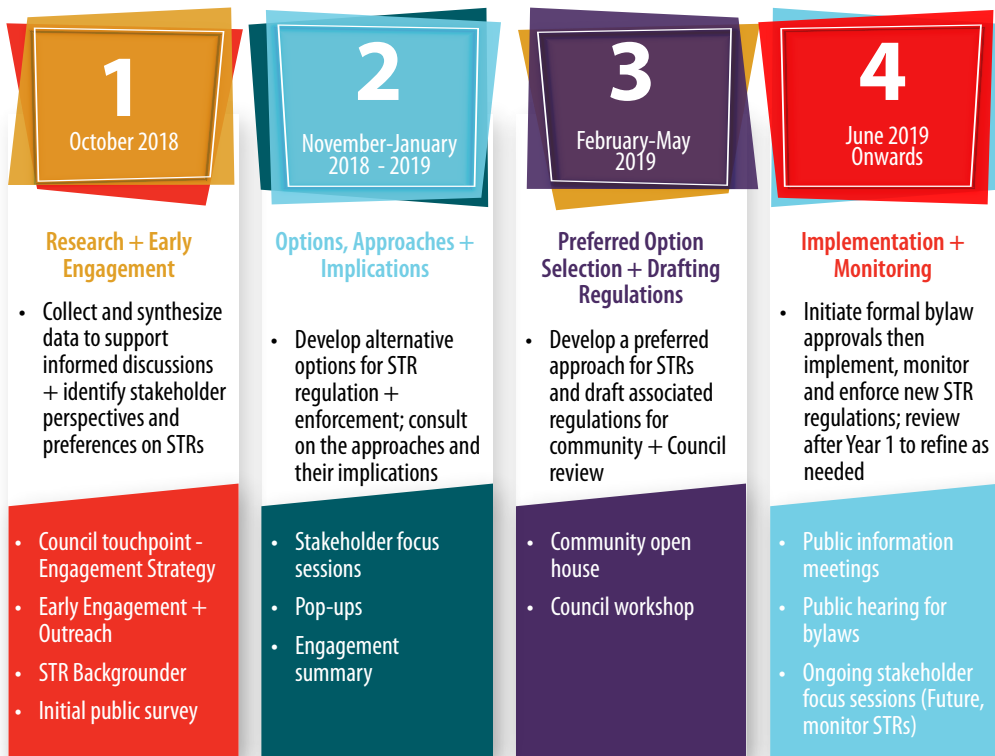


ARE THEY PERMITTED?

Short-term rentals are currently permitted in commercial zones as tourist accommodation (Hotels, Hostels, Motels) and on parcels zoned to permit licensed Bed and Breakfasts, with a valid Bed and Breakfast Business Licence.

Residential zones do not currently permit short-term rentals in residential dwellings (single family, duplex, townhouse units, etc) or accessory dwellings (secondary suites, coach houses, etc). Some stratas in Squamish have begun to put short-term rental strata bylaws in place, and can further regulate rentals and impose fines for non-compliance.

PROJECT STAGES + ONGOING ENGAGEMENT OPPORTUNITIES



Share your
Perspective

VISIT

squamish.ca/short-term-rentals
to complete the survey



Individuals' needs and aspirations, as well as collective community needs such as affordable housing, are all part of the community conversation.

The STR survey aims to better understand the community's perceptions, concerns and preferences for short-term rental approaches and their implications. Survey results will be summarized and shared with the community and Council. They will inform next steps for community consultation on regulatory options to find a preferred approach for Squamish.



SQUAMISH

HARDWIRED for ADVENTURE

ACCOMMODATION SNAPSHOT 2018



POPULATION GROWTH

avg 2.5% / yr



SQUAMISH CENSUS CA (2016)

7,375 OCCUPIED PRIVATE DWELLINGS

60% HOMES DECLARED AS A PRINCIPAL RESIDENCE (Squamish Home Owner Grants 2018 YTD)

27% RENTER-OCCUPIED

37% RENTERS SPEND MORE THAN 30% OF INCOME ON RENT

0.3% RENTAL VACANCY RATE since 2015

632 SECONDARY SUITES

40 CARRIAGE HOMES

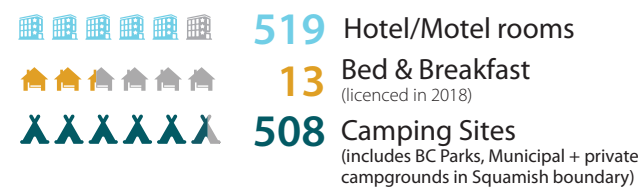
334 SECONDARY SUITE BUILDING PERMITS issued (average of 59/year) and 42 accessory dwelling BPs since 2014

To encourage affordable housing options, in 2016 the District began waiving building permit fees for secondary suites and accessory dwelling units as well as exempting them from development cost charges.

488 ESTIMATED NEW AFFORDABLE RENTAL UNITS NEEDED IN THE NEXT 8 YEARS

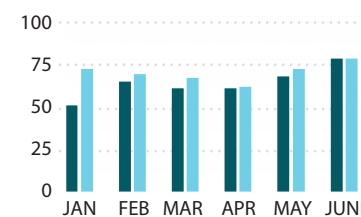
represents an additional 7% of total housing stock (Source: Squamish Community Housing Needs Assessment July 2018)

TOURIST ACCOMMODATION



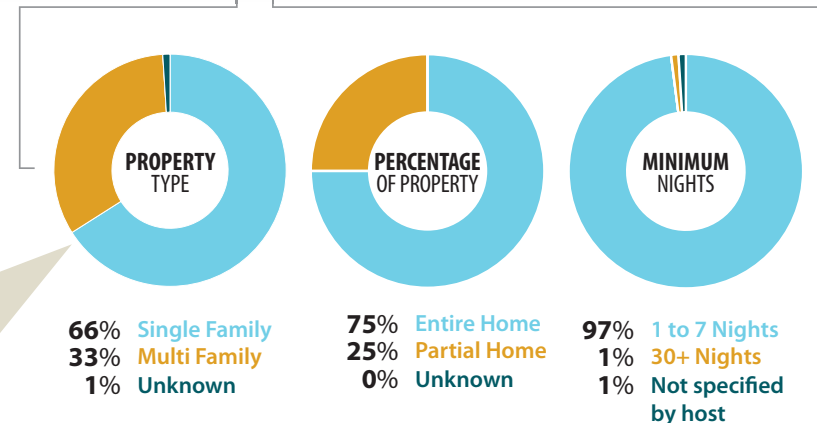
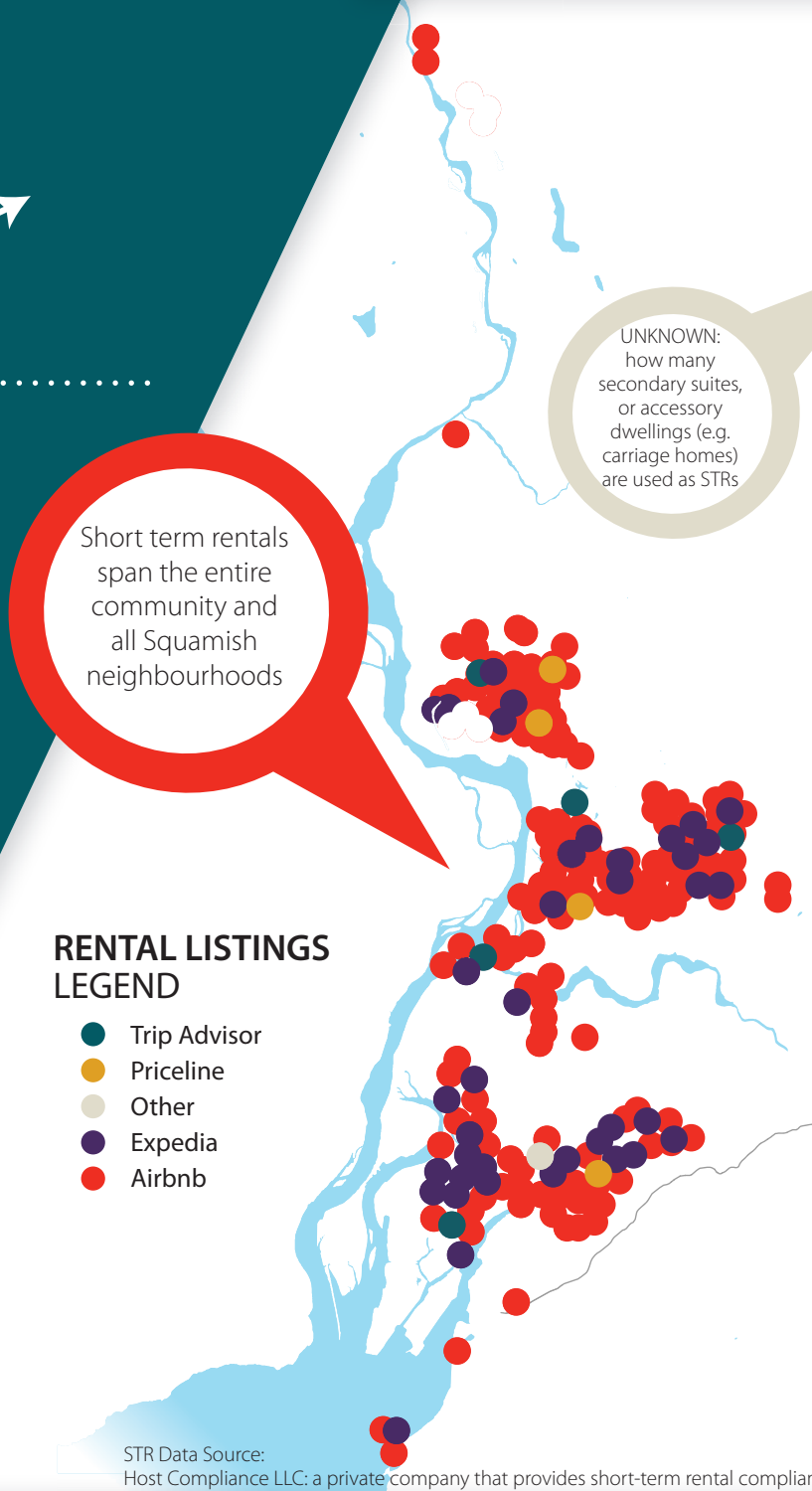
Hotel Occupancy 2017 to 2018

Comparing year to date numbers (January to June) over the same period in 2017, Squamish continues to maintain growth in overnight visitations with a 9.7% increase in occupancy.

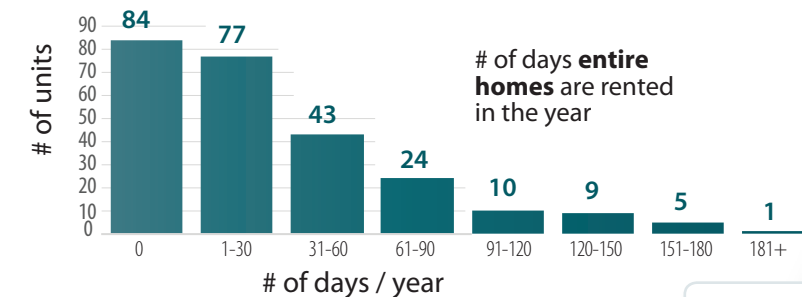


429 UNIQUE STR RENTAL UNITS

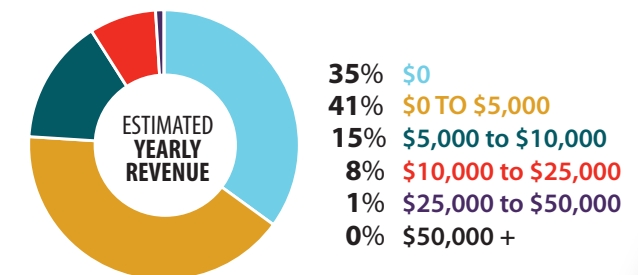
Listed in August 2018 | Listings grew by 140 units in last 12 months (August 2017 to August 2018)



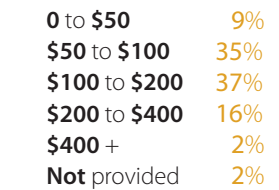
STR ANNUAL RENTAL FREQUENCY



ESTIMATED STR REVENUE



NIGHTLY RATES



LOCAL IMPACTS MANY PERSPECTIVES

The rise in short term vacation rentals in tourism regions and popular towns is connected to global growth in online rental platforms like Airbnb. STRs allow residents to leverage assets and earn supplemental income, and as a 'stay in' strategy in increasingly unaffordable markets like Squamish. STRs bring a variety of opportunities and challenges, as outlined below. Growth in STRs and their resulting community impacts need to be carefully considered and managed.

HOME SHARE / SUPPLEMENTAL INCOME

- STRs provide income for owners and businesses
- Allow for utilization of existing accommodation space when not in use
- Offer cultural exchange for residents + visitors
- May be subject to strata bylaw prohibitions, restrictions and/or fines

HOUSING AVAILABILITY + AFFORDABILITY

- There is a strong financial incentive to rent STRs
- STRs contribute to loss of long-term rental housing supply and increased rental rates over time
- A vacancy rate of less than 1% persists in Squamish
- More than a third of renter households spend more than 30% of their income on rent and utilities which is considered unaffordable
- More than 500 new affordable rental units are needed to meet core housing needs over the next 8 years

TOURISM

- STRs provide increased visitor accommodation options (especially for peak tourist periods)
- Increased visitation brings local economic benefits + spending
- STRs may also compete with commercial hotel tax revenues

NEIGHBOURHOOD LIVEABILITY

- Rotating visitors and STR turnover increase potential for noise/nuisance in residential areas
- Security concerns exist in shared accommodation buildings
- Increased parking and pressure on shared resources (utilities, garbage/recycling facilities)
- Potential changes to neighbourhood feel

TAXATION + BUSINESS LICENSING

- Currently Squamish STRs are not licensed nor taxed as commercial enterprises (unless licensed as Bed & Breakfasts) creating an unfair playing field for accommodation providers
- Accommodation Providers >4 units pay 8% PST plus a 2% municipal regional district tax (MRDT) for local tourism promotion
- Illegal STRs are not subject to building/fire inspections, creating potential safety concerns
- Municipal regulation and licensing may provide revenue through taxes and fees to fund STR monitoring, enforcement, inspections etc

APPROACHES & OPTIONS SPECTRUM



DIFFICULT TRADE-OFFS



POTENTIAL TOOLS

- **Business licence and licence conditions**
(Building code and fire inspections, health and safety checks, infraction deposits, parking)
- **Good neighbour requirements**
(Host operator contact information availability, onsite management)
- **Bylaw enforcement**
(Audits, tickets, legal review)
- **Host platform agreements**
(not listed without display of licence)



Please complete the survey before
October 31, 2018
squamish.ca/short-term-rentals

STAY
WITH US

Sign-up to receive updates by
email.

VISIT

squamish.ca/short-term-rentals

CONTACTS

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HELPFUL LINKS

[OCP Housing Policies](#)
[Zoning Bylaw](#)
[Business Licence Bylaw](#)