

# OSOYOOS PROPERTY OWNERS' INFORMATION & INPUT SESSION

Short-Term Rental (STR) Regulations and Proposed STR Pilot Program Review

Tuesday, March 25 · 6:30 – 8:30 pm PDT



# Presentation Purpose

## The purpose of this presentation is to:

1. Provide information on the Town's proposed Short-Term Rental (STR) Pilot and related proposed bylaw amendments and requirements
2. Clarify how and where the STR Pilot and "principal residence" requirements apply
  - Differences between STR's and other accommodation uses/types in Osoyoos
  - Properties/buildings that may be exempted from the principal residence requirement
3. Review "approval processes" for different types of accommodations (e.g. strata hotel vs STR)
4. Hear from owners/operators and understand how units are being used in your complexes
  - Rental durations, occupation, etc. of units
  - Challenges you may be facing with the new legislative regime for STRs

# AGENDA & ZOOM RULES

- 1. STR Legislation Background**
- 2. Town STR Pilot Program Overview**
  - Background and historical context
  - Proposed Pilot Program and bylaw amendments
- 3. Applicability of STR Regulations**
  - Approval process for STRs
  - CT4 “Resort Residential Buildings”
  - Principal Residence Exempted Buildings (e.g. Strata-Hotels)
- 4. Discussion & Hearing From You**
- 5. Next Steps & Closing**

## ZOOM RULES

**Drop your questions in the chat anytime!** We’ll answer quick ones during the presentation and dive into bigger ones later.

**Mics are muted by default** to keep things smooth. **Want to speak during the discussion?** Raise your hand or use the chat, and we’ll unmute you.

**Let’s keep it friendly and respectful** – we’re here to learn and share!



# Background: Short Term Rental (STR) Legislation

# STR BACKGROUND & LEGISLATION

## ***Short-Term Rental Accommodations Act***

- Province enacted legislation to help free up housing inventory for long-term rental units
- Act gives municipalities more tools and resources to regulate and enforce STR bylaws
- Act targets STR units offered on online platforms and web listing forums (e.g. Airbnb, VRBO, Kijiji)
  - *Does not apply to reserve lands, hotels, motels, vehicles (such as an RV), and tents or other forms of temporary shelter.*

## **What does the Act do?**

- Require STRs to be located on a property that is the principal residence of the host, with certain exemptions included
- Allow municipalities to require STRs to attain and display a business licence for operation
- Require rental listing platforms to share rental listing data with the Province and remove illegal listings at their request
- Removing non-conforming use protections to STRs
- Introduce provincial oversight through a registry service and a compliance and enforcement unit

# STRs and Principal Residence

## What are STRs?

Short-term rentals (STRs) are vacation or recreational accommodations rented for a limited time, often through platforms like Airbnb or VRBO. The Province identifies STRs as having a 90 day or less period, or as established by the local government (e.g. 30 days or less).

## Why Regulate STRs?

While STRs support tourism, they can also affect housing availability and community balance. This project seeks to develop regulations that protect long-term housing while allowing for diverse and flexible accommodation options in Osoyoos.

B.C. has a provincial principal residence requirement in some areas of the province which limits short-term rentals to:

- The home where the host lives for a longer period of time in a year than any other place.
- Plus one secondary suite or accessory dwelling unit on the same property.
- Several buildings/accommodation service providers are exempted from this requirement.
- Smaller/resort municipalities were allowed to choose to opt in or not to requirement.

# Principal Residence Exemptions

Some types of accommodation are exempt from the principal residence requirement because they were never meant to be long-term residences, or restrictions on their ownership or use make them unsuitable as permanent housing, such as:

- Hotels, motels, and hostels
- **Certain strata-titled hotels or motels (more on this later!)**
- Time share properties and home exchanges
- Fractional ownership properties, where the owner may not use the property as a principal residence
- Accommodation that is provided by an operator of outdoor recreational activities
- Student or employee housing that is owned or operated by schools or non-profits
- Strata corporation guest suites

# Town of Osoyoos STR Pilot Program Background



# STR Pilot Project Background and History

## Background

STRs are largely restricted and the vast majority of STRs in Osoyoos are operating illegally. The need to develop STR regulations dates to the Town's Official Community Plan (OCP) update in 2021 as a result of community and stakeholder feedback.

## Decision to Opt-In to Principal Residence

In March 2024, Council requested that the Town be included in the Principal Residence Requirement, and this request was approved, taking effect on November 1, 2024. This must be renewed each year.

Opting in or out of this requirement depends on the unique needs of each community. A key benefit of opting in is that give the Town access to provincial enforcement and resources to support enforcing the Town's short-term rental regulations.

## Overall Timeline with STR Pilot Project

### 2021

- Updated Official Community Plan to support STR regulation

### 2022

- Launched Zoning Bylaw Update Project

### 2023

- Community engagement on STR regulations
- STR Pilot Program decision
- Provincial STR Act introduced, delaying implementation

### 2024

- Opted into the Principal Residence Requirement (effective Nov 1, 2024)
- Adopted updated Zoning Bylaw No. 1395, 2024
- Recommended moving forward with a modified STR Pilot Program

### 2025

- Community engagement on the STR Pilot Program & draft bylaws
- Next Steps

# STRS IN OSOYOOS - ENGAGEMENT

## What We Learned from the Community in 2023

Based on an online survey and three community workshops, the Town learned that:

51%

of survey respondents supported permitting short-term rentals in Osoyoos

16%

of participants would support permitting short-term rentals, so long as they were restricted to certain areas within the Town

24%

of participants did not support permitting short-term rentals

## What We Heard from the Community in 2025

Based on an online survey (102 respondents as of March 21) and a public information meeting (60+ attendees), the Town's learned that:

- Over half of survey respondents support implementing the pilot program as proposed
- Over 70% of survey respondents support permitting STRs in Osoyoos with some level of regulation

### Some Initial Concerns Raised Include:

- Impact on neighborhoods, including increased noise and parking issues
- Challenges in enforcing regulations and addressing violations

# Proposed STR Pilot Project



# Proposed STR Pilot Program Bylaw Amendments

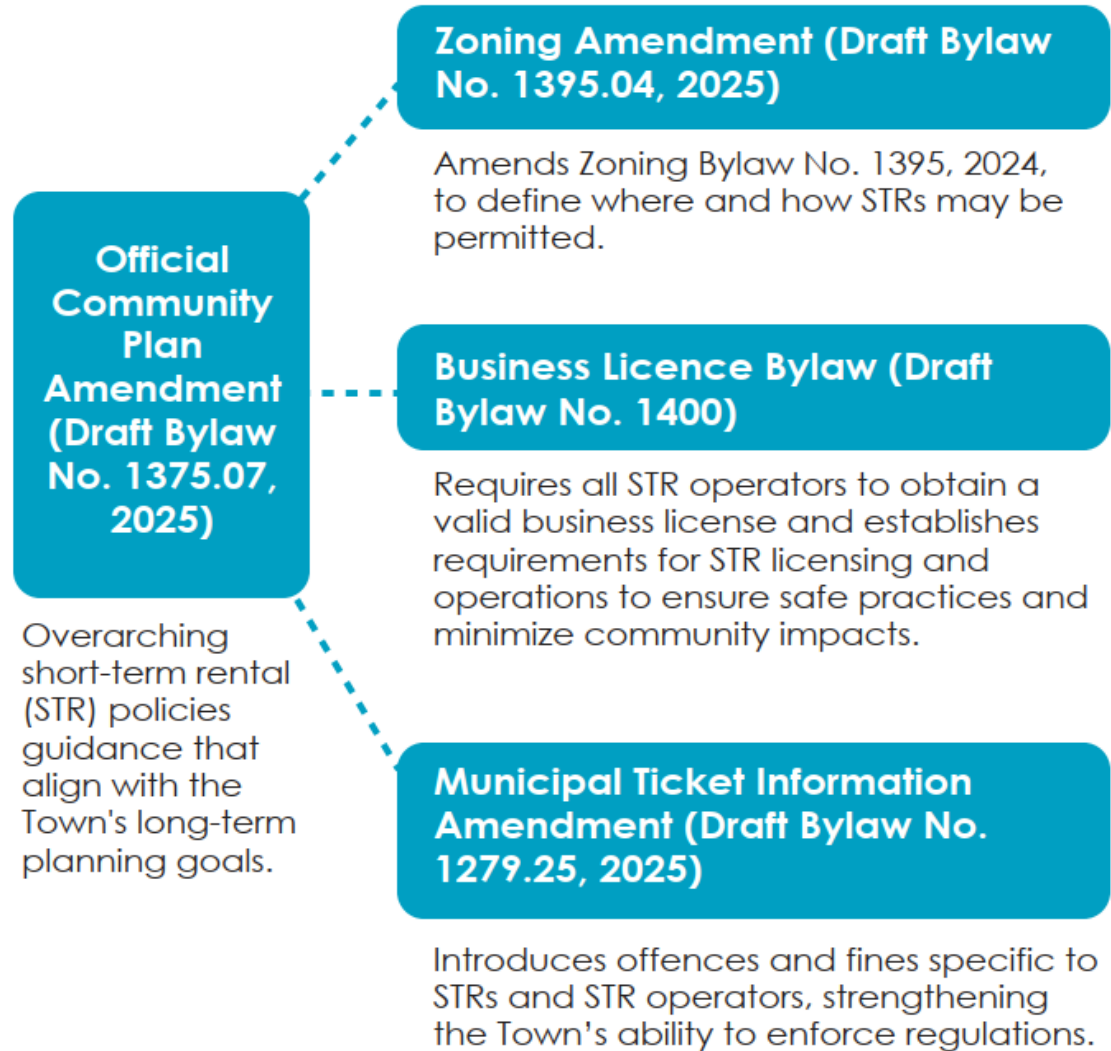
## Current Regulations in Osoyoos

Right now, **STRs are only permitted in the Resort Commercial (CT4) Zone** in "resort residential buildings" (buildings that can be used as either full-time residences by owners or tenants or as short-term rentals).

**If approved as proposed, the STR Pilot Program would also allow STRs in:**

- Small-Scale Multi-Unit Residential (RS1) Zone (most single-family areas in Osoyoos)
- Agriculture (AG) Zone

## Proposed STR Regulatory Framework



# Proposed Official Community Plan Amendments

## What is the purpose of this Bylaw?

Provides the Town with a framework to guide growth and development. All bylaws and works undertaken by Town Council must be consistent with the policy direction provided in the Official Community Plan.

## Why does the Bylaw need to be Amended?

To update policies regarding STRs to align with the proposed Pilot Program.

## What amendments are being proposed in the draft bylaw?

- Short-term rentals on lands designated Low Density Residential (LR) where the operation takes place within a single detached dwelling, accessory dwelling, or secondary suite on a parcel which is the owner and operator's principal residence.
- Short-term rentals on lands designated as Tourist Commercial (TC) where the operation takes place within a resort residential building.
- Regular reviews of short-term rentals to understand their impact on rental housing affordability and supply.
- Periodic reviews of business license fees to ensure that the regulation of short-term rentals operates on a cost-recovery basis.
- Considering the use of residential dwelling units for tourist accommodations through the issuance of a temporary use permit (TUP).
- Discourage STRs in residential/accessory dwelling units that don't comply.
- Discourage STRs in multi-family residential buildings.

# Proposed STR Business Licencing (Bylaw Amendments)

## What is the purpose of this Bylaw?

This bylaw ensures that businesses in Osoyoos, including short-term rentals (STRs), operate legally by requiring a valid business license.

## Why does the Bylaw need to be Amended?

Anyone operating a business in the Town of Osoyoos must obtain a valid license. A separate license is required for each business.

## Application Requirements for STRs (proposed):

- \$750.00 application fee is required for STR or Bed and Breakfast operators.
- Applicants must submit:
  - Proof of principal residence (for STRs)
  - Floor plan
  - Health and safety inspection
  - Fire evacuation plan
  - Parking plan

## Additional License Conditions for STRs (proposed):

- Business license number must be displayed in all advertisements and in a clearly visible area at the property entrance or as designated by the License Inspector.
- Provide the Town contact information for a local contact or property management company available 24 hours a day to respond to nuisance complaints.
- Guest information must be posted inside the unit, including fire evacuation plan, parking instructions, garbage management guidelines, good neighbor guide

# Proposed Municipal Ticket Information Amendments

## What is the purpose of this Bylaw?

Authorizes the use of the Municipal Ticket Information System to enforce designated Town of Osoyoos bylaws. The bylaw outlines specific offences and corresponding fines for various Town Bylaws.

## Why does the Zoning Bylaw need to be amended?

To update the fines and related regulations for business licensing and zoning to support enforcement of STRs.

## The amendment bylaw proposes offences for:

- Operating a business without a valid license.
- Advertising a short-term rental accommodation without a valid license.
- Advertising a short-term rental unit with more bedrooms than permitted.
- Failing to display a valid business license.
- Operating a use not listed in a particular zone.
- Allows fines up to \$3,000 per infraction.

# Proposed STR Zoning (Bylaw Amendments)

## What is the purpose of this Bylaw?

Guides the overall development and character of the community by regulating how land can be used by dividing all land and property within the Town into zones, which defines permitted uses and rules that all buildings and other structures must follow.





## Why does the Zoning Bylaw need to be amended?

To allow short-term rentals (STRs) in the Small-Scale Multi-Unit Residential (RS1) Zone, which includes most single-family areas in Osoyoos, and the Agriculture (AG) Zone.


## What amendments are being proposed in the draft bylaw:

- STRs permitted in the RS1 (Small-Scale Multi-Unit Residential), AG (Agriculture), and CT4 (Resort Commercial) zones.
- A maximum of four (4) bedrooms per STR.
- No more than eight (8) patrons accommodated at any time.
- A Bed and Breakfast cannot already be licensed on the same parcel.
- At least one (1) on-site parking space per bedroom must be provided.
- For parcels within the Agricultural Land Reserve (ALR), STR use must receive approval from the Agricultural Land Commission.



# PROPOSED PERMITTED STR ZONES WITHIN OSOYOOS

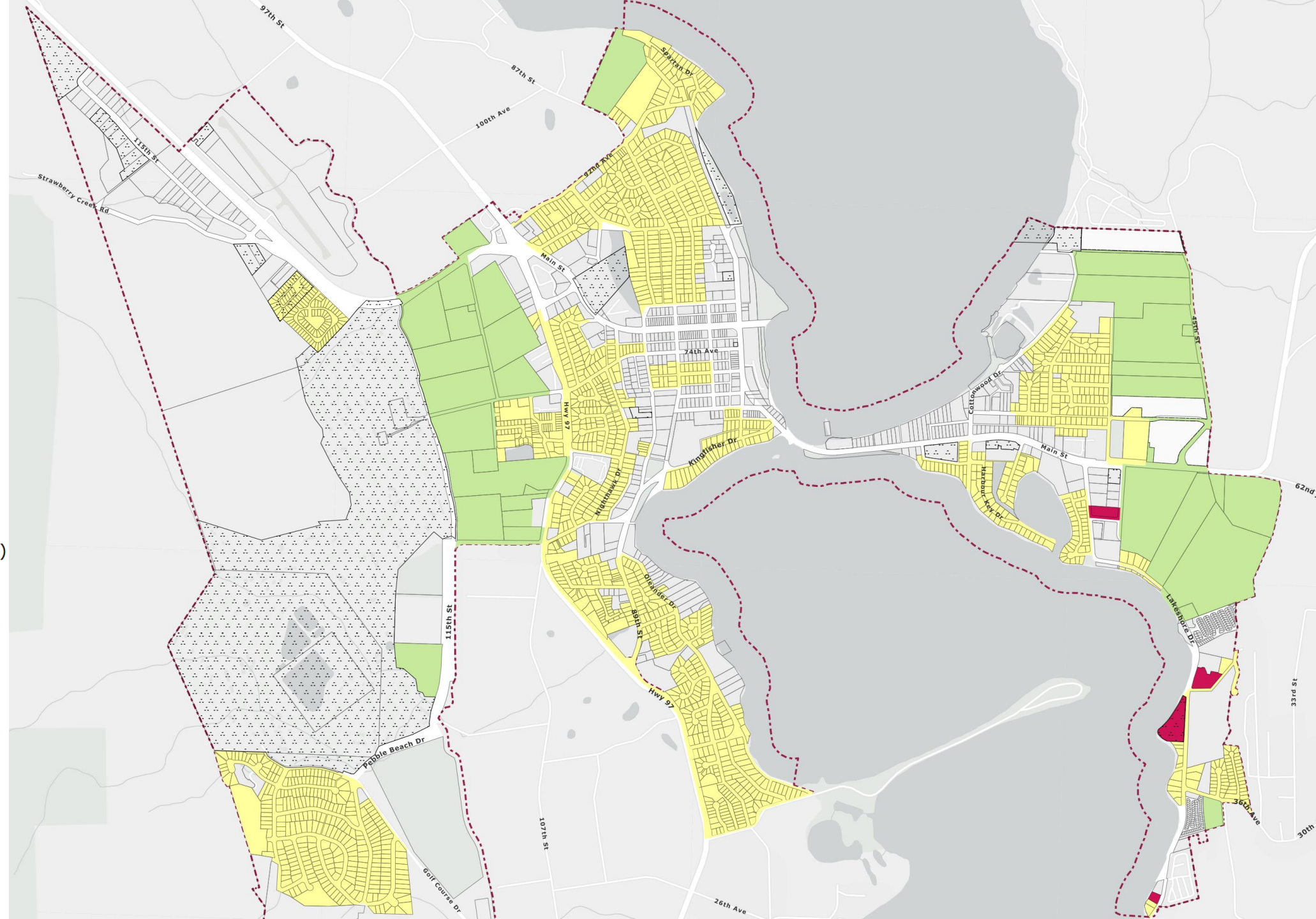
-  Town Boundary
-  Indian Reserve
-  Parcel
-  Site Specific ('s')

STRs Currently Allowed:

- Tourist Commercial**
-  Resort Commercial (CT4)

STRs Permitted Under Proposed Pilot:

- Low Density Residential**
-  Small-Scale Multi-Unit Residential (RS1)
- Agriculture**
-  Agriculture (AG)



# Key Definitions – Zoning Bylaw

## Short-Term Rental Accommodation

Means the use of a **residential dwelling unit** for the temporary commercial accommodation of paying guests for a period of less than one month but excludes a *bed and breakfast operation*.

## Tourist Accommodation

Means a building or buildings providing temporary accommodation for the travelling public, such as lodges, motels, hotels, inns, or hostels, which may include common public facilities, such as an eating and drinking establishment, gift shop; personal services, or spa; **but shall excludes short-term rental accommodation**, recreational vehicles, park model trailers or mobile homes.

## Resort Residential Building

Means an apartment building within which a dwelling unit may be used for a residential or short-term rental accommodation use, with the latter being for periods of less than one month. The resort residential building may include accessory facilities such as eating and drinking establishments, banquet and convention rooms, recreation facilities and personal service establishments for the convenience of residents and guests.

**Note: Temporary accommodation is considered occupancy under a month, while residential use is occupancy for a duration longer than a month.**

# Key Definitions - Summary

## Short-Term Rental Accommodation

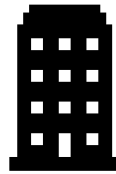


Using a residential unit (e.g. house/condo) for temporary accommodations less than a month.

Using purpose built residential unit, including a principal dwelling or suite.

Accessory dwelling units (e.g. in commercial buildings) are not a residential use and therefore not eligible.

## Tourist Accommodation



Hotels, motels, hostels, inns, lodges.

These are not residential uses, do not contain residential units, thus **are not** providing Short-Term Rental Accommodation and not subject to STR regulations.

**Note: Depending on how your building/unit is used, it may be currently zoned incorrectly (e.g. zoned as a hotel but functions as a resort residential building or vice versa).**

## Resort Residential Building



Apartment buildings with residential units that can be lived in and rented out (as STRs).

These unique buildings exist in the CT4 zone, and include Lakeshore Villas, Walnut Beach Resort, Las Ventanas al Paraiso, and Cactus Flats.

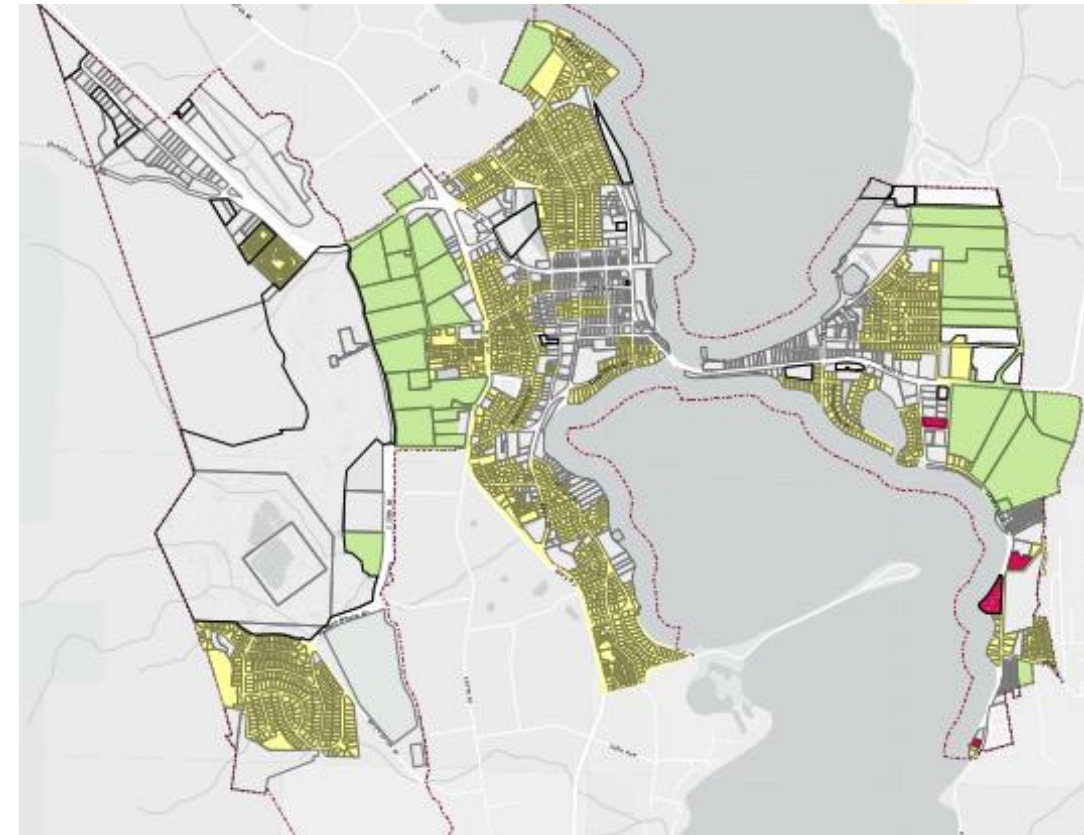
# STRs with Principal Residence Requirements



# STRs in the RS1 Zone (Small-Scale Multi-Unit Zone)

## Recap

- The Town is proposing to allow short-term rentals (STRs) in the Small-Scale Multi-Unit Residential (RS1) Zone, which includes most single-family areas in Osoyoos.
- The STR can be in the principal dwelling unit or in a secondary suite (1 per parcel), subject to meeting other zoning requirements for off-street parking, bedrooms, occupancy and business licensing requirements.
- STRs in the RS1 are subject to the principal residence requirement and must register with the province as a host by August 1, 2025 to operate (or as soon as registered after). August 1 is when the Business Licence must be obtained.
- Proof of business licence application or inability to obtain licence must be provided.
- Hosts that don't comply will have their listings taken down, starting and have future bookings cancelled.



# STRs in the CT4 Zone (Resort Commercial)

## Overview

- STRs are only currently permitted in the CT4 Zone in “Resort Residential Buildings”
- Depending on the historic and current use of buildings in the CT4 Zone, ***the principal residence requirement may or may not apply if the building is eligible as an “exempted building”*** (more of this later!)
- STRs in the CT4 that are subject to the principal residence requirement and must register with the province as a host by August 1, 2025 to operate (or as soon as registered after). August 1 is when the Business Licence must be obtained.
- Proof of business licence application or inability to obtain licence must be provided.
- Hosts that don’t comply will have their listings taken down, and have future bookings cancelled.

Resort Commercial (CT4) Zone	
<i>Business Name</i>	<i>Address</i>
Lakeshore Villas	4300 44 <sup>th</sup> Ave
Walnut Beach Resort	4200 Lakeshore Drive
Las Ventanas al Paraiso	2418 Lakeshore Drive
Cactus Flats	5803 Lakeshore Drive

Currently zoned “resort residential buildings” in Osoyoos.

# Next Steps – For Principal Residence STRs

## Steps to Legal Operation (if Pilot Program is approved)

1. Ensure your property meets applicable zoning requirements and STR is a permitted use.
2. Confirm if your building/dwelling unit is included in Principal Residence requirement.
3. Review the Town's Zoning / Business Licence requirements.
4. Apply for a STR Business Licence from the Town.
5. Complete provincial registration as a Host including all registration checklist information required, including proof of principal residence and proof of Business Licence application.
6. Receive approved STR Business Licence and number from the Town.
7. Complete provincial registration as a Host and submission of approved Business Licence and number.

# Strata Hotels (and Motels)



# Strata Hotels Overview

## What is a Strata-Titled Hotel

- A strata-titled hotel (or motel) is a property in which accommodation is provided in a manner like that of a hotel or motel.
- Different owners own different strata lots within the complex with variety in how strata-titled hotels and motels are set up, operated, and marketed.
- Strata hotels typically operate as a ‘platform’, managing their own booking websites and facilitating transactions. They may also utilize larger platforms like Airbnb to support advertising.
- Most property owners participate in strata hotel rental pools, though some may manage their units independently.

Tourist Commercial (CT1) Zone	
<i>Business Name</i>	<i>Address</i>
Casa Del Mila Oro Resort	5401 Lakeshore Drive
Safari Beach Resort	5815 Oleander Drive
	5811 Oleander Drive
Desert Surf Side Waterfront Accommodations	7310 Main Street
Holiday Inn & Suites	7906 Main Street
Town Centre (TC) Zone	
<i>Business Name</i>	<i>Address</i>
Watermark Beach Resort	15 Park Place

Assumed Strata Hotels  
in Osoyoos  
(to be confirmed)

# Strata Hotel Registration Requirements

## What Do Strata Hotels Have to Do?

- By May 1, 2025, a strata hotel/motel that has its own website where guests can book a short-term accommodation must be registered with the provincial short-term rental registry.
  - Have a platform representative
  - Enable posting of business licence numbers
  - Comply with requests to stop providing platform services
- Hosts who manage/market their units independently must also register provincially as a host (but not if they only advertise through the Strata's own platform\*) but do not need a STR business licence
- Strata Hotels are subject to Principal Residence requirements, unless they qualify for an exemption (next slide)

Strata hotel platforms should register before individual hosts within the strata hotel!

# Principal Residence Exemptions – Strata Hotels

If a Strata Hotel is in an area subject to principal residence requirement, they must meet one of the three exemptions to continue operating (outside of principal residence requirement):

	Category 1	Category 2	Category 3
<b>Description</b>	Strata hotel with a staffed front desk, housekeeping services, and a platform.	Strata hotel with two or more strata lots that cannot be used as a principal residence.	New Strata Hotel Development since December 2023.
<b>Business Operations</b>	Before Dec. 8, 2023, accommodations was provided like a hotel/motel.	Before Dec. 8, 2023, accommodations was provided like a hotel/motel.	Occupancy date was on or after Dec. 8, 2023, and includes hotel/motel services and restrictions on at least two strata lots.
<b>Included services</b>	<p>On Dec. 8, 2023 (and continued to date), included the following services:</p> <ul style="list-style-type: none"> <li>• Staffed front desk on-site</li> <li>• 1+ staff providing housekeeping</li> <li>• Online platform for bookings</li> </ul>	<p>On Dec. 8, 2023 two or more strata lots were unable (and continue to be unable) to be used as a principal residence under:</p> <ul style="list-style-type: none"> <li>• Rental management agreement with manager and one or more owners</li> <li>• Zoning bylaw regulations in effect</li> <li>• Restrictive covenant in effect</li> </ul>	<p>The strata must have the following services:</p> <ul style="list-style-type: none"> <li>• Staffed front desk on-site</li> <li>• 1+ staff providing housekeeping</li> <li>• Online platform for bookings</li> </ul> <p>Two or more strata lots were not able to be used for principal residences on the occupation date.</p>

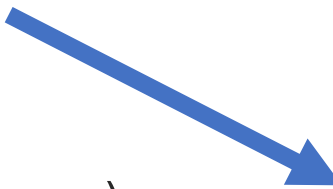
# What Does “Similar Manner to a Hotel” Mean?

**The following characteristics are used by the province to assess if a strata hotel is offering services and accommodations like a hotel or motel:**

- The business operation should be located on a single property, or multiple contiguous properties operated as a single business operation.
- The business operation should be overseen by a manager.
- The units within the building (some or all) should have limitations on personal use.
- The building and property should meet regulatory requirements of a hotel/motel (property classification/taxation, zoning, business licensing, occupancy permit, building code standards).
- The business operation should align with hotel industry standards and practices.
- The property should have hotel facilities and amenities and provide hotel services (e.g. housekeeping, front desk)
- The business operation should be branded and marketed as a hotel.

# Next Steps – For Strata Hotels

## Next Steps:

1. Clarify how you building(s) are used
  - Non-exempt from principal residence
  - Exempt from principal residence
2. Register (Exempt from Principal Residence)
  - Ensure you have valid Business Licence from Town (not for STR)
  - Select representative to communicate with province
  - Review online registration checklist
  - Complete application and upload documents to prove exemption
2. Licence and Register (Principal Residence)
  - Individual owners apply to get STR business licence from Town (subject to meeting zoning/business bylaw requirements)
  - Individual owners complete online application to register as a host
  - Individual owners receive approved Business Licence and number and submit to province.
3. Unit Owners Register
  - Individual owners may need to register as hosts with province (if they market outside of strata platform) using building Business Licence

# Next Steps Recap (if Pilot Program Implemented)

## Principal Residence Buildings/Units

1. Apply to Town for STR Business Licence.



2. Complete provincial Host application with required proof.



3. Receive Business Licence and # from Town.



4. Complete provincial registration as a host.

**Due Date of August 1, 2025!**

## Exempted Buildings/Units

1. Complete provincial registration for building with existing Business Licence and #.

**Due Date of May 1, 2025!**



2. Individual owners (as applicable) register units as hosts using existing Business Licence and #.



3. Complete provincial registration as a host.

# Discussion



# Discussion Questions

## What Do We Want to Know From You?

Better understanding of how your buildings/units are being used and challenges you are facing regarding the STR legislative and regulatory regime in effect for BC and proposed for the Town.

### Key questions to ask:

- Which building do you own/represent?
- How long are units being rented out for?
- How are unit owners using them?
- How are units being advertised?
- Is there longer term (e.g. 1+month) residential uses occurring in Tourist Accommodation buildings?
- Other comments and concerns?

\*See the stakeholder survey: <https://www.surveymonkey.ca/r/STRStakeholders>

## NEXT STEPS

- Written Feedback and Community Survey are open until April 4.
- “What We Heard Report” submitted to Town.
- Council Report Scheduled for late April.
- Council makes a decision on how to proceed.

Please fill out a brief exit survey. Scan the QR code or follow this link:

<https://www.surveymonkey.ca/r/STRStakeholders>



# Closing

