



## Hornby Island Local Trust Committee

### Minutes of Special Meeting to Hold a Community Information Meeting

<b>Date:</b>	<b>February 27, 2023</b>
<b>Location:</b>	<b>Electronic</b>
<b>Members Present:</b>	<b>Timothy Peterson, Chair Alex Allen, Local Trustee Grant Scott, Local Trustee</b>
<b>Staff Present:</b>	<b>Sonya Zupanec, Island Planner and Meeting Host Renée Jamurat, Regional Planning Manager Katherine Vogt, Recorder</b>
<b>Others Present</b>	<b>Patricia Maloney, Planner/Consultant Sharon Horsburgh, Planner/Consultant Approximately One Hundred Sixteen (116) members of the public</b>

#### 1. **CALL TO ORDER**

Chair Peterson called the meeting to order at 4:04 pm. He noted that the Community Information Meeting was focusing on the topic of Short Term Vacation Rentals. He acknowledged that the meeting was being held in territory of the Coast Salish First Nation and welcomed Trustees, Staff, Consultants, and Members of the Public.

#### 2. **OFFICIAL COMMUNITY PLAN AMENDMENT REVIEW PROJECT-SHORT TERM VACATION RENTALS**

##### 2.1 **Presentation by Patricia Maloney, Planning Consultant**

Consultant Maloney presented by PowerPoint a summary of recent engagement activities; and offered three options for future managing of Short Term Vacation Rentals (STVRs):

- Option 1: No change to the current bylaws: STVRs remain permitted in R1, R2, R4, and A1 and are Bylaw Enforced in unpermitted zones.
- Option 2: Comprehensive Change: remove STVRs in all zones; existing STVRs to become legal non-conforming; allow new STVRs through Temporary Use Permits (TUPs); allow existing illegal STVRs one year to apply for TUP before bylaw enforcement; allow TUPs on 3-year terms with one renewal and possibility for spot zoning if there are no complaints; allow one Additional Dwelling Unit (ADU) on every residential property.
- Option 3: Changes so that there are no new STVRs: remove STVRs as permitted uses in all zones and enforce bylaws to remove illegal STVRs.

Consultant Maloney noted the following:

- The current number of STVRs on Hornby is unknown.
- Numbers of guests in an STVR cannot be controlled. The Vancouver Island Health Authority (VIHA) controls septic and water capacity issues through numbers of bedrooms.
- Islands Trust cannot issue business licenses and the Regional District (RD) has indicated unwillingness to do so.
- Current bylaws allow only 1 STVR per property.
- There is no clear proof that STVRs take long-term rentals off the market.
- STVRs avoid engagement with the Provincial Landlord and Tenant Act.
- ADUs may be attached to, inside of, or detached from the primary home.
- STVRs and Bed and Breakfasts are considered residential, not commercial, under the Provincial Water Act.

Planner Zupanec clarified that past reviews of the Hornby Official Community Plan (OCP) occurred in 2010 and 2017. The OCP Bylaw Amendment Table outlines the dates of the adoptions of OCP amendments.

Consultant Maloney noted that most municipalities allow STVRs in some form and many municipalities allow ADUs. The use of TUPs is applied on Gabriola and Salt Spring Islands, whereas in other jurisdictions STVRs and ADUs are zoned in and approved. Vancouver Island is a very popular place to have STVRs.

Planner Zupanec launched an electronic 'Overview of Options Poll' which asked meeting attendants to choose just one of the three consultants' options or 'none of the above;' and then asked for those who chose 'none of the above' what their preferred method of engagement was for LTC future review of other options: email or phone Trustees or speak at the next LTC meeting.

Planner Zupanec noted that the poll showed the following:

- an 85% participation rate
- 49% in favor of 'No change to the current OCP policies and Land Use Bylaw (LUB) regulations.'
- 21% in favor of 'Require a TUP for any NEW short term vacation rentals as a permitted use and enforce any NEW STVRs (existing ones could continue as legal non-conforming).'
- 18% in favor of 'Remove short term vacation rentals as a permitted use and enforce any NEW STVRs (existing ones could continue as legal non-conforming).'
- 12% in favor of 'None of the above, need a different approach!'
- 47% of the 'none of the above' choosers would directly contact the LTC.
- 23% of the 'none of the above' choosers requesting an additional community information meeting.

Consultant Maloney noted that consultants would consider all further public input and prepare a recommendations report on the four topic areas: Indigenous Communication, Riparian Areas, Affordable Housing, and Short Term Vacation Rentals for the LTC for March 2023. She invited members of the public who may be uncomfortable speaking in

the forum to go to chat and send their comments directly to the host where they will be kept private for later review.

## 2.2 Question and Answer Session

Members of the public noted or asked the following:

- Aquifers being depleted in high STVR neighbourhoods.
- Request that Consultants review limits to STVRs on other islands.
- Why are ADUs not included in option 2 and 3?
  - Consultant Maloney responded that this option could be added to any option and was a significant future discussion issue.
- How much influence and weight have Hornby Island Economic Enhancement Corporation (HICEEC) and Hornby Island Short Term Rentals Association (HISTRA) been given in terms of final decisions on what to do?
  - Consultant Maloney responded that written submissions from HISTRA, several residents and the APC have been received. HISTRA had many people speak at the October 6, 2022 meeting, but this is the extent of their organized response.
  - The member of the public responded that he gets a different sense than the consultant's perspective.
- Chat is presently disabled; it needs to be fixed.
- How successful has the pillow tax been and how is it enforced?
  - Consultant Maloney noted that she did not believe that the Gulf Islands permitted various tourism and speculation tax options that occur in other municipalities.
  - A Trustee asked if Karen Ross could address the pillow tax question.
  - Speaking as a representative of HICEEC which had been put on the speakers list, Karen Ross read from a prepared letter from the board of HICEEC, noting the following:
    - At their February 21, 2023 APC meeting, the APC shared that their primary intention in removing STVRs as a legal use in the OCP and LUB was to support the creation of long-term rental housing, not eliminating or curtailing STVR's. HICEEC appreciates this clarification and supports both STVRs and long-term affordable housing; but believes that STVRs are being unjustifiably targeted for the lack of affordable housing. Most Current STVR operators are local community members, not investors, so their shutdown would not likely increase affordable housing.
    - The Provincial Residential Tenancy Act, amended in May of 2018 to preclude fixed term contract rentals, effectively ended the historic Hornby practice of part-time summer residents renting their property to locals during the school year.
    - HICEEC has provided administrative and funding support for the Island for Secure Land Association (ISLA) and was a founding member of the Hornby Island Housing Network, currently working on an affordable housing project on crown land.
    - In 2018, the pillow tax allowed workforce housing to be funded which prompted HICEEC to apply and finally receive permission for Hornby to be designated as a Municipal Region Tax Distribution Area in June 2022.

This permits the collection of a 3% tax from fixed roof vacation rentals, a portion of which is to support affordable worker housing.

- Controlling STVRs will make properties on Hornby less valuable and provide more opportunities for local workers' purchase.
- Research done last year on housing on Hornby with 261 resident respondents, which was 25% of the 2016 census population, revealed that 68% of respondents did think that STVR activities reduced the availability of long-term rental housing; and 87% of respondents said that accessory dwellings units would be an acceptable housing typology for residents on Hornby.
- The Residential Tenancy Act allows for a fixed term rental if the owner or owner's family is moving into it at the end of the term.
- Are TUPs the fastest route to creating more long-term affordable housing?
  - Consultant Maloney responded that the fastest route would be to allow ADUs in all zones. The drawback of TUPS is they are temporary.
- The Beulah Creek housing project was stalled for over 10 years due to roadblocks of various government entities. A streamlined model needs to be developed to quicken housing developments on given land.
- Elders may benefit from moving to ADUs and renting out their primary residence to younger families.
- Hornby should subsidize the purchase of bulk rainwater collection items and provide information to residents about how to set up these systems.
- Is HICEEC the only group on the speakers list? There is more to the island than HICEEC.
- Less than 10% of STVR owners that I know would flip to a long-term rental.
- Environmental impacts is a broad statement. Does an STVR truly use more water? What about generalized drought? Better facts would be helpful.
- Why is Bradsdadsland and the Thatch allowed to operate at high densities and they don't live on Hornby when I, who have lived here for decades, have watched all my friends have to move away and have received an official investigation against me. I am going to have to let go of this property, the property taxes are unaffordable and there is no work for me on Hornby, and I would have welcomed allowing other renters on the property. How can regular people live here?
- Is it true that the Ministry of Health would not allow ADUs on properties less than 2 acres?
  - Consultant Maloney noted that VIHA regulates water and septic issues based on bedrooms numbers and subdivision regulations.
- STVRs are not always that profitable, especially for non-resident owners. Payments to property managers, gardeners, cleaners, and others was significant but good for local workers.
- Noise problems are mitigated when STVR owners are on their property.
- STVRs should be limited because the environment, local services, and supplies cannot keep up.
- I do not support the use of the poll at this meeting.
- At a community vision meeting on Hornby last weekend, the impact of tourism on Island infrastructure was a top concern.
- What is to prevent ADUs from becoming STVRs?

- Consultant Maloney responded that If ADUs are clearly defined in the bylaws, they can be controlled through bylaw enforcement.
- There was no pre-meeting information indicating that members of the public could apply to speak at this meeting. If Karen Ross was allowed to speak for HICEEC, all groups should have been given an opportunity to speak. Also, the poll conducted today was not in the pre-meeting information and it should have been conducted after the question-and-answer period, not before. My vote was not able to be submitted. Many at this meeting are expressing views contrary to the poll results, and these views need to be worked through.
  - Consultant Maloney responded that the poll was not a vote but a way for consultants to assess public opinion before making recommendations.
- The poll was flawed. I did not want to answer the second question but was unable to submit unless I did answer it.
- There has never been viable bylaw enforcement of STVRs. While there are many compliant operators, others are flagrantly non-compliant. Some rental ads say “sleeps 24.” Buildings are being purpose built for STVRs. Rentals are occurring in Sandpiper for \$5000-\$8000.00 a week. My property taxes are going up. I do not want to own a million-dollar investment property, I want a home. We need business licenses, regulations, TUPs and other tools to manage STVRs.
- Regarding the prepared letter from HICEEC that describes discussion around STVRs as divisive, it is not divisive, it is very important. Many STVRs on small lots are rented for less than a week so there is a constant turnover and noise is a problem. To reduce the sense of invasion, limit the rental period for STVRs. Nothing seems to be enforced right now. Stipulate that property owners must be living on the property to conduct an STVR.
  - Consultant Maloney noted that there were currently 11 Bylaw Enforcement files open on Hornby. The bylaw process works, it just takes time.
- STVRs enabled us to visit Hornby and eventually buy a property here. Our STVR helps to offset certain costs. We cannot rent out long term because we visit the property throughout the year. We have a 6-chamber septic system and rainwater collection.
- The Tribune Bay Campsite contributes a lot to visitor density. STVRs help many people keep their properties. There were huge (30-40%) increases in property taxes last year. Owners can contest these increases. The STVRs issues should be separated from the long-term housing issues.
- The government should be lobbied to allow a 9-month rental period. Stop denigrating STVRs and focus on solutions. Short-term solutions are needed until long-term ones are realized.
  - Consultant Maloney noted that anything over 30 days can be considered long-term. The issue with a 9-month lease period is where do you go for 3 months? There are water and septic issues with parking a trailer on a property.

There were approximately 90 comments in the chat section of the meeting. Consultant Maloney read and answered the following public comments and questions from the chat section:

- Have the Consultants read the following reports: ‘Priorities for Action on Short-Term Rentals,’ Union of BC Municipalities and Province of BC Advisory Group, June 2021 and ‘Regulating Short-Term Rentals-A Toolkit for Canadian Local Governments’ Federation of Canadian Municipalities, June 2021?
  - Consultant Maloney responded that they had looked at these reports.
- Would new ADUs, if approved, be restricted to long-term rentals.
  - Consultant Maloney responded yes.
- Can you confirm that if we go with Option 1 there is no way for the community to limit the total number of vacation rentals, which have increased by about 50% since they were legalized; whereas option 2 will allow existing legal vacation rentals to continue, but a cap to be put on the number of TUPs to allow additional vacation rentals?
  - Consultant Maloney responded that if STVRs are a permitted use, numbers are not able to be controlled. If instead they are permitted only by TUP, numbers are more easily controlled.
- STVRs are a way for us to help afford \$1000/week for the next (and now extended) year. I might hope to retire, keeping our family Hornby property.
  - Consultant Maloney responded that STVRs and long-term rentals were both ways to help with mortgage payments.
- I think you may have made a mistake in your interpretation of the Tenancy Act. You may evict your renters if you intend to use the property yourselves; however, you couldn’t do that repeatedly.
  - Consultant Maloney noted that this had been previously addressed.
- Would the TUP process be tied in with checks on infrastructure i.e. water collection and septic capacity?
  - Consultant Maloney responded that TUPs would have associated regulations.

Trustee Scott noted a phone-in caller unable to speak.

- Planner Zupanec responded that there were about 10 members of the public waiting to speak and many questions in chat that had not been addressed. She advised that the meeting was limited to 2 hours with only 15 minutes left.

Members of the public, requested to adhere to a one-minute each time limit, asked and commented on the following:

- The poll did not function for me. STVR self-regulation is not working. Hornby is being sold to the highest bidder. HISTRA and HICEEC do not represent all voices on this island.
- STVRs should be capped to care for our island through this climate emergency. We have 80 to 120 STVRs here now. That is enough. Septic should be proven for every STVR, and there should be water on site, not reliance on trucked water. Because of STVRs, a particular known local worker is forced to pay \$1000.00 a week for 6 weeks in the summer for a trailer with an outdoor shower and outhouse.

- STVRs should be maintained as they are because they allow for generational transition. The only way we can keep the property that we have inherited is by renting it out for a few weeks in the summer. The egregious misuse of STVRs should be dealt with in a proper way.
- Hornby Island is a very finite land mass with limited infrastructure and water and septic capacity. STVRs need to be capped and given a more robust regulatory framework. The poll showed that a majority of respondents want changes to STVRs.

Trustee Scott expressed that the Community Information Meeting should not have been so time limited. Not everyone was given an opportunity to speak.

Trustee Allen noted that it was difficult to adhere to time limits on public comment when many of the speakers had complicated and impassioned views.

Consultant Maloney hoped to receive a transcript of all chat questions and comments for review. The Consultants' contract would be ending after the March 2023 report to the LTC. Further public engagement at the direction of the LTC could ensue.

Chair Peterson thanked everyone for their participation and encouraged anyone who was unable to speak to contact Trustees.

### 3. ADJOURNMENT

**By general consent** the meeting was adjourned at 6:05 pm.

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Timothy Peterson, Chair

Certified Correct:

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Katherine Vogt, Recorder