

December 22, 2023

Harwinder Sandhu

MLA, Vernon-Monashee

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Re: New Rules for Short-Term Rentals (“STR”)

MLA Sandhu,

We are writing with respect to our concerns regarding the Short-Term Rental Accommodations legislation.

The Short-Term Rental Accommodations legislation is one of the broadest sweeping housing reforms that our province has seen in decades. As a result, a number of our members have reached out to our office expressing their concerns. This led the Greater Vernon Chamber to establish a task force consisting of housing stakeholders and tourism providers to help identify unintended consequences of this legislation and to provide recommendations that will decrease the risk to business and the economy. Organizations that were represented and participated in the Greater Vernon Chamber STR Task Force include: Destination SilverStar, Outback Lakeside Resort, Predator Ridge, Turning Points Collaborative, Kari Gares - City of Vernon Councillor, BC Real Estate Association, Quality Inn & Suites, Restorations Lands – Developer, Uprooted Catering, Martin Von Holst – Realtor and Kim Heizmann – Real Estate Broker.

The Greater Vernon Chamber and the Task Force is appreciative that provincial government has recognized and is taking action to address the issue regarding the challenge of affordable and attainable housing in our province. We understand the intention of the legislation is meant to increase the availability of long-term housing options. This intended objective is undeniably important for families to be able to sustain a basic quality of life in our province and also give employers the reassurance that they will be able to attract skilled workers to their regions. It will also likely have a positive impact on hotels for those communities that have a healthy supply of accommodations.

The Task Force discussed a range of items that present potentially negative impacts to our community which need to be addressed. A topic at the forefront of the discussions was the impact on local vacation resort communities, including, but not limited to, Predator Ridge and Outback Lakeside



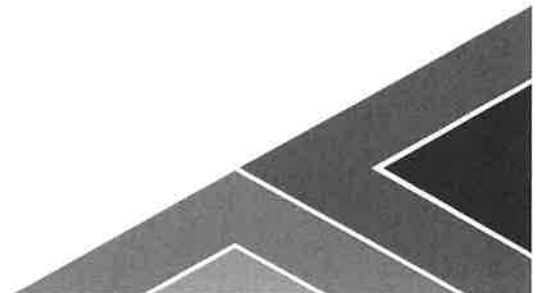
Resort. There is an inequality between communities that have been deemed exempt and those that are not. The communities impacted are not close to transit and are likely not the affordable living accommodations your legislation is hoping to target. These are communities built upon STR models to drive tourism which is a massive economic driver for the Okanagan and would be threatened. Families with vacation homes in resort communities will now be left with the difficult decision to sell their vacation homes as they will no longer be economically viable, especially when paired with the legislative changes around speculation tax.

Although the proposed legislation aims to and may potentially improve the availability of long-term rentals, the primary obstacle and deterrent for landlords continues to be the current *Residential Tenancy Act*. It is crucial to reassess this Act to create a more equitable framework to entice more property owners to lease their properties to long-term tenants. Simultaneously, there is a need to alleviate the challenges posed by the cumbersome process for handling tenancy disputes and the lengthy arbitration timelines.

Another key area of concern for the Task Force was to address the provincial governments interference and the legislations impact on municipal long-term planning. Many municipalities have undertaken significant work and substantial efforts to establish zoning bylaws tailored to short-term rentals in their regions. The new legislation creates the unfortunate possibility of an underground short term rental market leaving the burden of policing violators in the hands of the local government without additional resources or funding.

The Greater Vernon Chamber STR Task Force has made the following recommendations to increase the level of success with this legislation and decrease negative impacts:

1. First and foremost, consult with stakeholders to consider various impacts and unintended consequences of new rules. Stakeholders should include:
 - Municipalities and Regional Districts;
 - Chambers of Commerce;
 - Hotel/Tourism Association;
 - Developers;
 - Real Estate Associations;
 - Housing Associations; and
 - Economists.
2. Allow municipalities the right to determine and apply for exempted areas through zoning for commercial tourism.

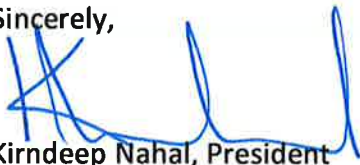


3. Conduct a full review of the *Residential Tenancy Act* to add balance between landlords and tenants with a particular focus on improving timelines on dispute resolution hearings and training for arbitrators at the Residential Tenancy Branch.
4. Meet with stakeholders to review, analyze, and disclose data from the new STR rules in one year to determine the success or impact of changes on housing, tourism and the economy to adjust as necessary.

The Greater Vernon Chamber recognizes the importance of housing issues in our province however the potential impacts of the proposed legislation need to be addressed.

We look forward to hearing from you on this matter.

Sincerely,



Kirndeeep Nahal, President

Greater Vernon Chamber of Commerce

