



Staff Report

DEVELOPMENT SERVICES DEPARTMENT

To: Council
From: Phil Armstrong, MDS/Planner
Subject: Short Term Rentals - Commercial

File: Bylaw 1424, 2019
Date: December 17, 2019

RECOMMENDATIONS

THAT per the December 17th, 2019 Staff Report, from the Manager of Development Services, Council consider **PASSING** first and second reading to *“Town of Golden Zoning Amendment Bylaw No. 1424, 2019 – short term rentals - commercial”* and to proceed to public hearing.

CAO COMMENTS

I support the recommendation. This text amendment will provide clarity in providing for what is a very prevalent style of development, particularly in resort communities. It is important to note that while this initiative does enable and validate short term rentals in commercially zoned areas, this was already a perceived permitted use. The crux of the short term rental affair lies primarily in its association with residential areas which remains a priority otherwise in finalizing a regulatory framework for.

BACKGROUND

OSO was originally presented as a two-building commercial development with residential units above the ground floor. The developer’s intent is to retain ownership of one building, renting commercial rental units (CRUs) on the ground floor and long term rentals¹ above. The second building’s ground floor would be sold as privately held commercial strata lots and the dwelling units above would be utilized for longer term ownership or rent -- long or short term (nightly). For the nightly rentals the developer leaned on the “hotel” permitted use.

The development was seen to comply with the purpose, intent and uses in the mixed use commercial -- C2 zone. The purpose is to *provide for mid-scale mixed-use development that includes a wide range of commercial and residential uses*. The permitted uses include a number of commercial uses including hotel as well as dwelling unit.

Recently, Vidorra Developments Ltd. (the proponent) engaged its lawyer to complete its disclosure statement. In doing so, clarity of the zoning bylaw around these uses has been questioned and a text amendment has been applied for.

DISCUSSION

This report presents bylaw *Town of Golden Zoning Amendment Bylaw No. 1424, 2019 – short term rentals – commercial* for Council consideration.

The purpose of this bylaw is to amend the Zoning Bylaw to reassign dwelling unit from an accessory use to a permitted use and introduce the use of Short Term Rental (STR) to the C1, C2 and C3 zones as well as include associated regulations.

¹ Note this is not proposed to be secured by a housing agreement or covenant.

The bylaw expands on the dwelling unit use in commercial zones. In its current form, the interpretation a “dwelling unit” could only be an “accessory use” tied to the commercial ground floor uses. In other words, the residents of the dwelling unit would have to be associated with the ground floor commercial business; for example, staff working at the restaurant. This clearly seems too rigid and inflexible for a zone whose intent is to have substantial residential development above a street front commercial space but not necessarily associated with it. Furthermore, mixed use developments like this are an extremely desirable built form to support a downtown commercial area.

In discussions with the developer, it was felt that the Town’s zoning bylaw’s simple definition of hotel allowed short term rentals in the commercial areas. Vidorra’s lawyer reviewed recent case law and advocated that the nightly rentals of individual strata lots be clearly stated in the bylaw. Staff previously presented a draft zoning bylaw amendment for short term rentals to Council for both residential and commercial short term rentals.

Note the business license/regulation bylaw is still in the works. The enclosed proposed bylaw 1424 breaks out only the commercial portions of the STR draft regulations. This will allow other dwelling units in the C1, C2 and C3 zones to be rented out nightly and ensure these units in the downtown have less of a chance of being left as “dark” windows. Commercial short term “vacation rentals” are supported by the OCP (see OCP policies below) and the more sensitive residential STR regulations will be further refined as a priority in the coming month.

In closing, staff is recommending support for this bylaw amendment in order to facilitate OSO to move forward and targeting a public hearing on January 7th, 2020.

IMPLICATIONS

Strategic

Strategic Priority – Short Term Rentals

OCP Residential Development

Policy 2. Prohibit vacation rentals in new and existing residential areas and **encourage vacation rentals in commercial areas**. Canyon Ridge subdivision will be the only residential area where —vacation rentals will be considered, subject to, design considerations which lessen the potential impact on adjacent existing neighbourhoods.

OCP Community Economic Development:

Objectives:

2. ... *small business retention/expansion...*

7. *To build on a business-friendly environment through streamlined approval processes, open and responsive governance...*

Financial

-Application fees have been collected.

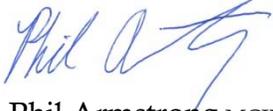
Administrative

-Part of the MDS’s work plan.

OPTIONS

1. THAT Council consider **PASSING** first and second reading to *Town of Golden Zoning Amendment Bylaw No. 1424, 2019 – short term rentals - commercial* and to proceed to public hearing.
2. Council selects another course of action.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Phil Armstrong".

Phil Armstrong MCIP, RPP
Manager of Development Services / Planner

Attachments:

- ✓ *Town of Golden Zoning Amendment Bylaw No. 1424, 2019 – short term rentals - commercial*



BYLAW RATIONALE STATEMENT

Town of Golden Zoning Amendment Bylaw No. 1424, 2019 – short term rentals – commercial

The purpose of this bylaw is to amend the Zoning Bylaw to reassign dwelling unit from an accessory use to a permitted use and introduce the use of Short Term Rental to the C1, C2 and C3 zones as well as include associated regulations.

TOWN OF GOLDEN

BYLAW NUMBER 1424, 2019 ZONING BYLAW AMENDMENT

A Bylaw to amend the “Town of Golden Zoning Bylaw No. 1294, 2011”

NOW THEREFORE the Council of the Town of Golden, in open meeting, enacts as follows:

1. Name

The name of this bylaw for citation purposes is “Town of Golden Zoning Amendment Bylaw No. 1424, 2019 – short term rentals - commercial.”

2. Amendments

“Town of Golden Zoning Bylaw No. 1294, 2011” is amended as follows:

a) “Section 4 Definitions” by adding the following definitions in section 4.3:

“**Residential Use**” means the use of a building or a part thereof as a **Dwelling Unit** by persons as a fixed place of abode and as their primary residence from which they are absent only as a part of a domestic routine including, without limitation, work and vacations.

“**Short Term Rental**” means the commercial use of a **Dwelling Unit** to provide temporary accommodation to the traveling public.

b) “Section 8 Parking and Loading Regulations” by adding to “Table 8-1 Minimum Parking Requirements” the following after the **Single Detached Dwelling Use**:

Short Term Rental in C1, C2, C3 zone	1 per Dwelling Unit		
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c) By adding in “Section 9 Specific Use Regulations” a new section as follows:

9.6 Short Term Rentals

1) **Short Term Rentals** shall:

- a. in a commercial zone, utilize a maximum of 3 **Sleeping Units** within any **Dwelling Unit** and a maximum of 8 guests within any **Dwelling Unit** at any one time;
- b. be in accordance with Section 8 [*parking and loading regulations*];
- c. a lawful **Dwelling Unit** in the C1, C2, and C3 zones may be used for **Short Term Rental** use when the **Dwelling Unit** is not occupied for **Residential Use**.

- d) By adding “**Dwelling Unit**” and “**Short Term Rental**” as **Permitted Use** in the following zones:
 - Schedule L Historic Downtown Commercial – C1
 - Schedule M Mixed-Use Commercial – C2
 - Schedule N General Commercial– C3

- e) By deleting “**Dwelling unit**” as an accessory use in the following zones:
 - Schedule L Historic Downtown Commercial – C1
 - Schedule M Mixed-Use Commercial – C2
 - Schedule N General Commercial– C3

- f) By adding to Schedule L Historic Downtown Commercial – C1, Schedule M Mixed-Use Commercial – C2, and Schedule N General Commercial– C3 the following to the second clause in the section h other regulations:
 - and may provide access to more than one **Dwelling Unit**.

3. Severability

If any portion of this bylaw is found invalid by a court of competent jurisdiction, the invalid portion is severed without effect on the remaining portions of the bylaw.

READ A FIRST TIME THIS DAY OF , 2019.

READ A SECOND TIME THIS DAY OF , 2020.

PUBLIC HEARING ON THIS DAY OF , 2020.

READ A THIRD TIME THIS DAY OF , 2020.

ADOPTED THIS DAY OF , 2020.