

Short-Term Rental Accommodation Regulation

Electoral Area Services Committee Report

December 11, 2025

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Purpose

1. Seek EASC recommendation to proceed with Short Term Rental (STR) review project

EASC recommendation provided to Regional Board on December 18, 2025

2. Share a Proposed Policy Approach for Regulating STRs

Obtain early feedback from EASC

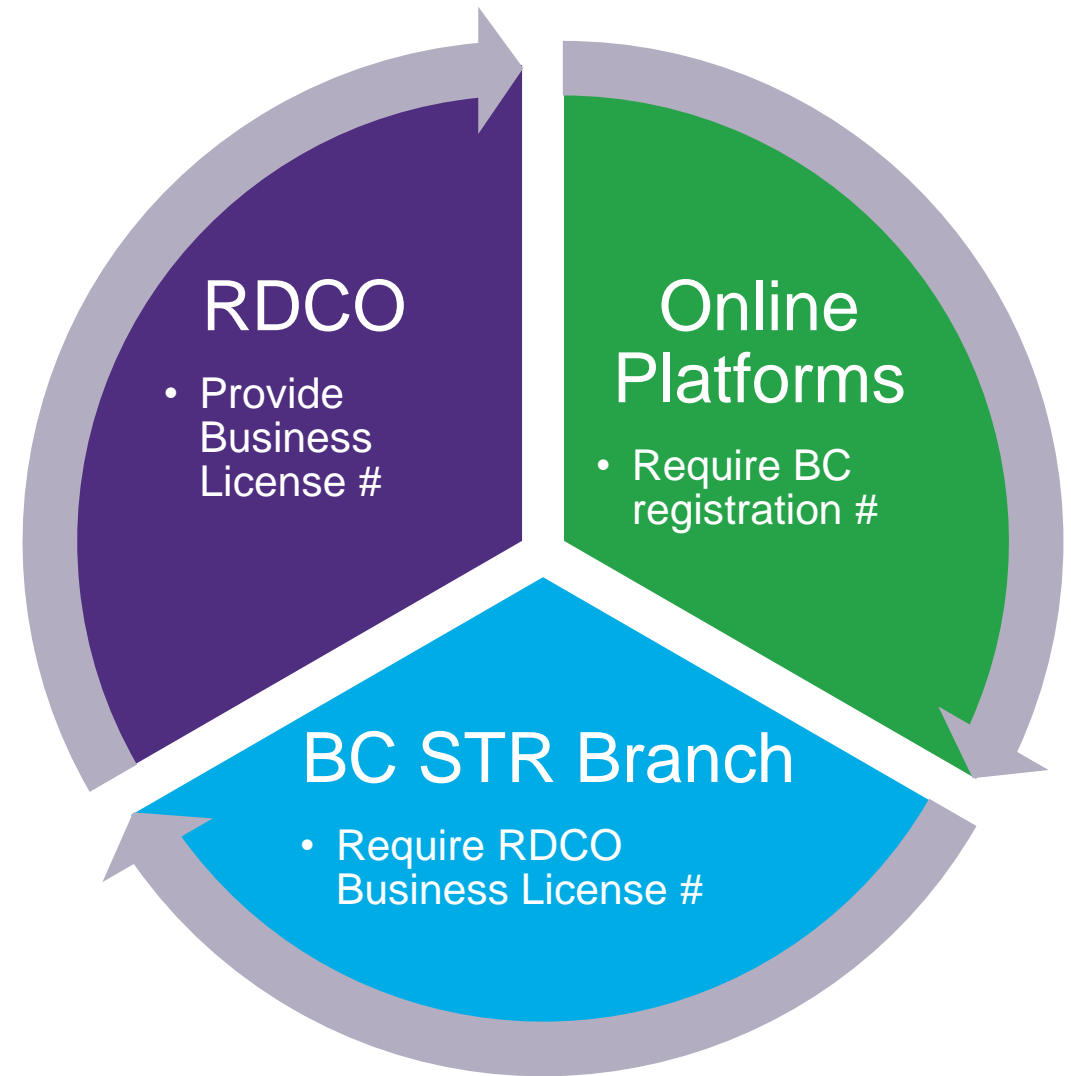
3. Outline a Proposed Community Engagement Process

Targeted outreach to residents, operators, and interested parties



Context

- RDCO Business Licensing Order in Council No. 1745/89
- BC's Homes for People Plan
- Bill 35 - Short Term Rental Accommodations Act 2023
- RDCO Electoral Areas Housing Needs Report



Current Approach to Short Term Rentals

Commercial Resort Areas

Purpose-built resort communities in commercial zones that allow tourist cabins, tourist campsites and tourist lodges and licensed as STRs

Bed and Breakfasts (BnBs)

A licensed use within permitted residential zones for individual guest room stays of 30 days or less with the requirement that the operator remain on site during the stay

Agri-tourist Accommodation

Regulated through the Agricultural Land Reserve with specific rules

Regional Outlook

- Kelowna* and Lake Country have come into compliance with the *STRAA* and the principal residence requirement (PRR)
- West Kelowna and Peachland require principal residency but not “opted-in” to PRR
- Regional use of both “Bed and Breakfast” and “Short Term Rental” terminology
- Licensing application fees within region range from \$50-\$250 and \$345-\$500 annually

Jurisdiction	Max Stay	BNB	STR	Rooms	Suites	Max Bdrms
Kelowna	90 days	✓	✓	✓	✓	5
Lake Country	30 days	✓	✓	✓	✓	4
West Kelowna	30 days		✓	✓		4
Peachland	30 days	✓		✓		4

* Note: City of Kelowna is currently reviewing STR regulation, which are subject to change.

Short Term Rental Accommodations Act & BC's Principal Residence Requirement

Principal Residence Requirement

Short-term rentals are limited to the host's primary residence and one suite on the property. **They are restricted from use on a secondary property (i.e. not the primary residence).**

Applicability by Population

Applies to municipalities over 10,000 in population and nearby smaller communities within 15 kms. Does NOT apply to Regional Districts.

Opt-in for Smaller Areas

The Province provides an option for smaller municipalities and Regional Districts to opt in by resolution. The timeline for this is March 31 each year to come into effect on November 1st of the same year.

Enforcement and Management

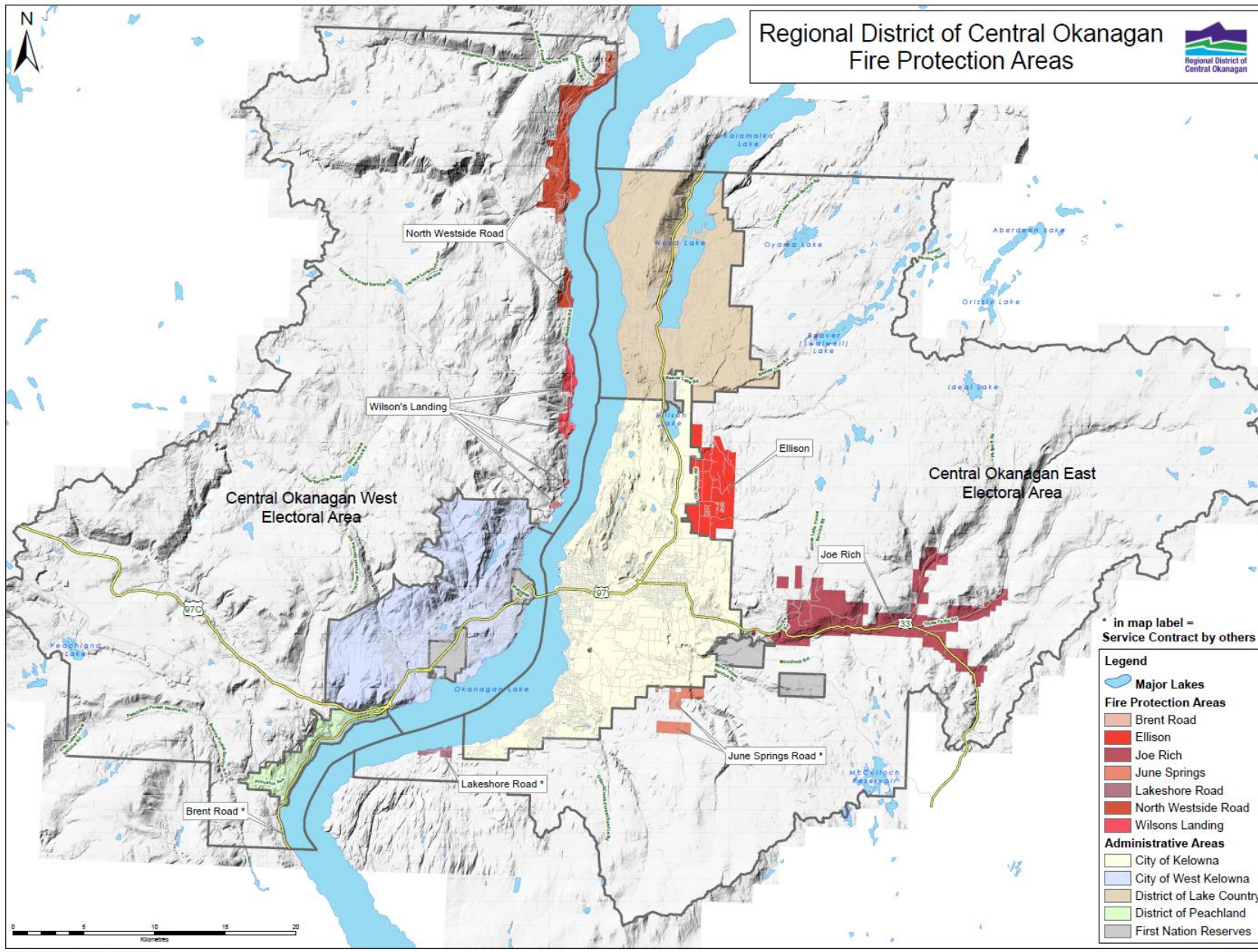
Province can provide additional enforcement for the principal residence requirement.

Principal Residence Requirement: Rationale for Remaining Opted Out

- Rural areas are not target locations for new rental housing units
- Not all potential STR units are suitable as long-term rental housing
- Challenges for existing commercial resort STR operations
- Potential contribution to tourism and visitor dollars spent in the region
- Potential revenue for rural homeowners

Initial Proposed Regulation Changes

- Align with provincial STR definition of a stay 90 days or less
- Explore combining “bed and breakfast” and “short term rental” into one definition
- License a maximum of one STR per property
- Allow a maximum of four bedrooms per STR
- Allow whole homes and secondary suites to be used for STRs in selected residential zones, but not Accessory Dwelling Units



Limit zoning for STRs to
Fire Protection Areas



Initial Proposed Regulation Changes

- Strengthen requirements to maintain safety and livability, including signage and access for emergency vehicles
- Maintain current requirements for off-street parking
- Require a minimum in-person response time for any complaints
- Adjust administrative penalties as outlined in the STRA regulation
- Update licensing application and renewal fees

Proposed Regulation Changes

- Amendments would be needed to the following bylaws:
 - Zoning Bylaw 871
 - Joe Rich Rural Land Use Bylaw No. 1195
 - Licensing and Regulation of Business Bylaw No. 1555
 - Bylaw Notice Enforcement Bylaw No. 1538
 - Ticket Information and Utilization Bylaw No. 1537

Proposed Process

- Community engagement (January – February 2026)
 - Public Announcement and Direct Mail to BNB and STR operators
 - Two Virtual Engagement Sessions
 - Survey to Electoral Area residents and YourSay Page
 - Multi-Channel Outreach
- Presentation to the Regional Board (March-April 2026)
 - What We Heard Report and Bylaw Amendments
- Licensing and compliance (May 2026)



Proposed Process



Summary

- RDCO's Electoral Areas have unique housing and economic contexts
- Approach aims to respond to these contexts and:
 - Provide clarity and flexibility for short term rental operations
 - Maintain neighbourhood safety and livability
 - Balance preserving housing with sustainable tourism and economic growth
- Community input will be sought to inform the proposed approach prior to bylaw amendments being drafted

Recommendation

THAT the Electoral Area Services Committee recommends that the Regional Board direct staff to initiate community engagement on proposed Regional District of Central Okanagan bylaw updates in relation to Short-Term Rentals in Central Okanagan Electoral Area West and Central Okanagan Electoral Area East;

AND THAT the Electoral Area Services Committee recommends that the Regional Board direct staff to prepare draft bylaw amendments for Short Term Rental uses for Regional Board consideration.



Thank you