

MEMORANDUM

DATE February 18, 2026 FROM Daniel Sturgeon, Community Planning Consultant
TO Brad Dollevoet, Manager Development Services, Regional District of Central Okanagan FILE 1179.0124.01
CC Barbara Everdene, Regional Planning Specialist, Regional District of Central Okanagan SUBJECT Short Term Rental Engagement Analysis and Recommendations - RDCO Electoral Areas

1.0 CONTEXT AND PURPOSE

The purpose of this memo is to provide an overview of the key findings of a short-term rental specific survey held in January 2026, explain insight into regional context relating to STRs that this provides, and establish recommendations relating to the RDCO's proposed policy framework approach for short-term rentals that reflect engagement results and project objectives.

Urban Systems is supporting the RDCO with engagement and policy development regarding review of regulations for short-term rentals (STR) throughout Electoral Areas East and West. Urban Systems was retained by the RDCO to provide technical expertise to inform potential STR policy updates, drawing on our extensive experience in both public engagement and supporting Okanagan local governments with strategic policy planning, and more specifically for recent experience throughout the Okanagan in the development of regulatory frameworks for STRs following the introduction of the *Short Term Rental Accommodations Act* (Bill 35) in British Columbia.

1.1 KEY TAKEAWAYS

Overall, engagement results show reasonably strong support for the proposed short-term rental regulations. Opposition expressed in survey results is broadly generalized towards short term rentals, as opposed to being oriented towards specific aspects of RDCO's proposed STR policy framework and constituted a minority of responses. Short-term rental regulation is a polarizing topic and generates strong responses with very divergent perspectives. Efforts have been made to account for these perspectives.

Responses were received from those within Electoral Areas and those across the broader RDCO member municipalities and beyond. Subsets of survey data were analyzed, and support towards STRs is more prevalent from respondents within Electoral Areas than those within member municipalities. Enforcement of regulations and concern of nuisances (noise, disruptions to rural character) are the most common concern. Detailed survey results are contained in the attached What We Learned Report.

The RDCO's proposed approach is more flexible than regional municipal counterparts, while maintaining alignment in key aspects such as one STR per property, establishment of additional parking requirements, and licensing requirements. The most significant defining difference between the RDCO's approach and surrounding municipalities is the option to operate an STR without the owner living on the property at any point (in other words there is no principal residency or owner-on-site requirement). This approach will allow more flexibility for electoral area residents but will rely on a robust and consistently applied enforcement approach to deter nuisance STR operations.

1.2 CURRENT CONDITIONS AND APPROACH

The RDCO currently permits stand-alone (i.e. whole-unit) short-term rentals within commercial tourist accommodation commercial zones only. Otherwise, traditional 'bed and breakfast' type businesses are the only short-term rentals permitted more broadly throughout Electoral Areas within residential dwellings. Demand for and popularity of stand-alone short-term rentals (such as those listed on AirBnB and VRBO) has surged in recent years, leading to demand for allowances of stand-alone (ie whole unit) short-term rentals. The enactment of the Province's 2023 *Short Term Rental Accommodations Act* (Bill 35) has created some inconsistencies between the Province's and the RDCO's current short-term rental frameworks.

The RDCO's objectives in this process are to provide flexibility for additional short-term rental options throughout the Electoral Areas, incorporate clarity, provide tourism/economic opportunity, address safety, align with provincial regulations, and incorporate rural community context.

Urban Systems' support for this process included development of a public survey, support for online and in-person communications and engagement activities, and development of recommended adjustments to the draft policy framework based on results and previous experience.

2.0 SURVEY ANALYSIS

A public survey was hosted by the RDCO on the 'Have your Say' platform from January 12 – February 2, with four additional open house events (1 virtual and 3 in person) occurring during that time. Detailed results of these events are provided in the attached 'What We Learned' Report.

A total of 847 survey responses were received, which included a large number (596) of respondents from member municipalities (City of Kelowna, District of Lake Country, etc.) and from outside of the RDCO. It is suspected that unexpected overlapping media coverage and concurrent policy review processes in two member municipalities contributed to this. Survey results indicate some confusion from residents, who either mistook proposed RDCO policies for municipal, or thought that RDCO policies would apply universally throughout the entire region. As a result, survey responses were filtered based upon postal code in order to separate responses from those who either live within or own property within Electoral Areas. This approach allowed for data analysis related to responses from those most directly impacted by the proposed regulations. Further detail on this process is provided in the 'Methodology' section of the attached What We Learned Report (WWLR).

The result of this geospatial analysis was 251 responses from electoral area residents and those from outside of Electoral Areas and who indicated they did not live in the RDCO but owned property within the RDCO. Even as a subset of the larger dataset, this can be considered a reasonably good response for a public survey in this context, especially given Electoral Areas' smaller population size.

The attached WWLR provides details of the responses from both groups – those residing within and outside of Electoral Areas. This memo focuses on results for Electoral Area residents and property owners only, with contextual discussion as it is relevant.

2.1 SURVEY RESULTS – KEY TAKEAWAYS

Key takeaways from the survey results are provided below. Contextual comments relating to the survey results and the RDCO's policy objectives are highlighted. Once again, further detail on these results is contained within the attached WWLR.

- ***General Support.*** Survey results indicate that a **majority of residents and property owners from Electoral Areas are supportive of the proposed short-term rental framework**. The proportion of support is greater from Electoral Areas compared to the responses from those located outside of member municipalities (Q#11):
 - There is overall strong support for the proposed short-term rental policy framework from Electoral Area residents. 63% of responses from residents and property owners from within Electoral Areas either 'strongly support' or 'somewhat support' the proposed regulation framework, while 26% 'strongly oppose' or 'somewhat oppose'.
 - There is less support and more strongly voiced opposition to the proposed short term rental policy approach from those who live outside (and who do not own property within) Electoral Areas. In comparison, 48% of respondents from outside of Electoral Areas strongly or somewhat support the proposed policy framework, while 43% of respondents strongly or somewhat oppose it.

- Variation between Electoral Areas and Municipalities. There is considerable variation between topic-specific responses from Electoral Area residents and those residing outside of Electoral Areas. These categories of responses **suggest that short-term rentals are generally viewed differently and more positively in the rural context of the RDCO Electoral Areas as compared to the urban context of adjoining member municipalities** and further indicates that the RDCO's proposed policy framework is a reasonable approach:
 - There is more support from Electoral Area residents/property owners for the ability of an owner to operate an STR and not live on the property. **Allowing STRs without an owner onsite would support tourism opportunities within Electoral Areas (Q#8).**
 - **There is less concern from Electoral Area residents and property owners regarding issues that are commonly related to STRs**, across all topic areas surveyed (Q#14). For topic areas related long-term rental availability, impact on housing affordability, and parking availability, there was considerably less concern from Electoral Area residents This likely reflects the lower amount of renters (<9%) within the RDCO, and the larger-lot rural context of Electoral Areas.
- One STR per property. **There is support for restricting to only one STR per property**, within either the principal dwelling or a secondary suite (Q#5) with 50% of responses indicating 'strongly support' or 'somewhat support'. This result is similar to the results of Question #11 - asking about general support for the overall approach, which suggests alignment amongst the responses and reinforces findings.
 - It should be noted that there is also strong support from Electoral Area residents/property owners for locating an STR within a detached accessory dwelling. 68% of responses 'strongly' or 'somewhat' support this. **While the current proposed policy framework does not anticipate allowing STRs in detached accessory dwellings, these results suggest that this particular topic may generate continued interest and/or political pressure.** In light of the existing policy framework surrounding detached accessory buildings (to be reserved for agricultural farm workers) a separate process would be necessary to fully explore this option and the impact it might have.
 - A limit of one STR per property maintains the RDCO's policy objective of balancing tourism and owner flexibility with housing need. Should STRs be permitted within accessory dwellings in the future, it is suggested that the one STR per property regulation be maintained (meaning an STR could be located within one of the principal dwelling, secondary suite, or accessory dwelling, should there be three on a property).
- Enforcement. Responses suggest that **there is a mixed level of confidence from Electoral Area residents and property owners towards RDCO's ability to enforce regulations**. 31% of Electoral Area residents/owners are "very confident," whereas 27% are "not at all confident". (Respondents residing outside of Electoral Areas were even less confident, with 38% stating "not at all confident"). **Enforcement is an area where the RDCO will want to pay close attention to ensure continuing resident support for the STR policy framework and preservation of resident comfort**, as well as addressing concerns from residents for maintenance of rural community values.

3.0 REGULATION REVIEW AND RECOMMENDATIONS

In light of the survey results, and taking account of regional context and best practices, Urban Systems has undertaken a high-level review of RDCO's proposed STR policy changes. We offer the following recommendations based upon the proposed policy framework and our prior experience in working with zoning regulations and Short Term Rental policy updates in other communities. Comments are organized by broad topic area related to the RDCO's overarching policy objectives as well as the survey results.

The draft policy approach addresses most community concerns and reflects best practices and significant changes do not appear to be necessary. Engagement results suggest that there is broad support for the proposed regulatory approach, and the proposed policy framework largely aligns with best practices for

administration and regulation of short-term rentals. While there remain community concerns; these can be addressed procedurally and are detailed in further recommendations provided below.

1. **Ensure that an enforcement approach with escalating penalties is in place and is applied consistently.** Confidence in enforcement was the topic area of most concern from Electoral Area resident respondents to the survey. Broadly speaking, noise, nuisances and disruptions resulting from STR guests are one of the most common issues with STRs - and one which can generate the most frustration for nearby residents. Short-term rentals can gain reputations as 'party houses' and consistently attract loud and disruptive guests, which can have a detrimental impact on neighbouring residents enjoyment and quality of life. It is *strongly* recommended that the RDCO ensure a system is in place that combines *significant* financial penalties for noise infractions with escalating severity for multiple instances (such as double fines for subsequent complaints within a month and revocation of a business license for ongoing infractions). Examples of this are in place in member municipalities, specifically West Kelowna.
2. **Incorporate a requirement for an "Operator Acknowledgement" into bylaw requirements – specifically noting bylaws surrounding noise, nuisance, and person limits to maintain rural character - into licensing requirements for STRs.** Utilizing a 'Operator Agreement' or 'Operator Acknowledgement' as a standalone document or a part of an STR business license application (or equivalent) is an approach that allows RDCO staff to clearly articulate to STR applicants/operators the regulations in place for nuisance and noise. This document can serve as both an educational resource for policies, for the requirement to have a local contact available, as well as detail on enforcement actions that may be made if complaints are received. [An example of this approach can be observed in the City of West Kelowna](#) as well as [City of Kelowna](#) (using a different description). As revocation of a business license is typically a delegated discretionary matter (and a decision made based upon specific circumstances), this acknowledgement can articulate the STR operators requirements and expectations for maintaining rural character. Lastly, it provides a reference point should escalated enforcement actions (refusal to renew or revoke a license) become necessary.
3. **Significant fines are necessary to provide an effective deterrent for bylaw infractions and mitigate potential impacts of a more flexible regulatory approach where an operator is not living on-site.** Short term rental income can in many cases be lucrative for property owners. Fines against nuisance issues, such as noise complaints, need to come near to or exceed an STR hosts' daily revenue potential. Other jurisdictions have seen instances of STR operators simply paying fines and continuing with nuisance operations, as the fines were less than the STR income. In other words, daily fine amounts need to be significant.

The threat of fines can act as a deterrent, if fines are significant. A suggested starting point for fines is \$500 per day per infraction for an initial complaint, followed by \$1,000 per day for subsequent infractions. Higher fines, up to the maximum \$3,000 daily which is available under legislation¹ (using the Municipal Ticket Information System) are recommended for advertising² without a license.

¹ Maximum penalties for bylaw offences are established by provincial legislation and vary by enforcement method. Administrative Bylaw Offence Notices issued under the *Local Government Bylaw Notice Enforcement Act* are limited to a maximum penalty of \$500 per offence, and a local government can choose to allow for compliance agreements where applicable. Where enforcement proceeds by Municipal Ticket Information under the *Community Charter*, fines are capped at \$3,000 per offence for adult offenders (as outlined in the *Community Charter Bylaw Enforcement Ticket Regulation*). Higher penalties, including fines of up to \$50,000 per offence and daily or escalating fines, may only be imposed through prosecution under the *Offence Act* and require court proceedings. Accordingly, the maximum enforceable fine for an STR offence depends on the enforcement mechanism used (MTI vs. Municipal Ticketing), rather than the bylaw alone. The RDCO currently utilizes both methods. A common approach for local governments is to use Municipal Ticketing up to the maximum amount, and switch to MTI for more significant fines where necessary and enforceable.

² The recommendation is deliberately and specifically oriented towards advertising without a licensing as opposed to operating without a license. Ticketing for an advertisement is more viable and enforceable than operating contrary to zoning and can readily be backed with dated evidence of a listing, if necessary.

Examples of fines this high can be observed within member municipalities. It is observed that the RDCO's currently proposed fines are lower than municipal comparisons. It should also be noted that the staff time necessary to deal with nuisance complaints can be significant; effective fines can help with avoiding this outcome or offsetting costs.

4. **Ensure that licensing costs are higher than typical business license applications to reflect the increased staffing needs of STR licensing.** STR licensing processes usually require more time than a typical business license, given multiple documentation and inspection requirements. Each license application can necessitate multiple touch points with staff, which is a common experience amongst local governments. Licensing fees should be higher than typical business licenses to capture staff time and create a cost recovery mechanism. Similar to comments made for fines, it should be noted that short-term rental operators can generate significant income from these operations; licensing fees are a minor cost in comparison. The average annual licensing fee across the RDCO member municipalities for short-term rentals is slightly above \$350, and if municipalities further afield in the Okanagan are considered, licensing fees of \$500 - \$750 can be observed. The RDCOs proposed \$400 annual fee is consistent with regional comparisons but could be increased and still remain within a reasonable range.
5. **Regulate the number of beds in addition to the number of people and rooms.** The RDCO's proposed regulations, as written, currently stipulate a maximum of 8 persons and 4 beds per short-term rental unit. It will be inherently difficult for the RDCO to enforce a maximum number of persons staying within an STR. For ease of permitting and enforcement against large-capacity STRs which may present a potential source of noise, it is suggested to adjust this to regulating a maximum number of bed units (as well as bedrooms). For example, a maximum total of 4 bedrooms and 8 bed-units (as opposed to persons) per STR. Bed-units can easily be tallied by RDCO staff during inspection processes and can be further enforced based upon STR advertising. (This may require a separate definition for a 'bed-unit' within bylaws). Note that a 4-bedroom STR, each with a double bed, as well as a flip-out couch would constitute 10 bed-units.
6. **Ensure that roll-out communications are comprehensive and detailed.** Implementation of the proposed regulatory framework will be best supported by detailed guidance materials (i.e. brochures, information sheets, detailed webpage content) that can also function as education resources. Engagement results suggest that there may be confusion amongst residents as to what requirements will be in place, such as building permits, business licenses, and how these relate to provincial requirements. It is suggested that the RDCO develop these detailed materials concurrently with the bylaw adoption process that is tentatively to be underway. Further to the above, it should also be expected that residents may conflate RDCO regulations with member municipality regulations and clarity on this distinction will support implementation and licensing processes.
7. **Clearly separate RDCO regulations from provincial regulations in communications materials.** Engagement results suggest that there is considerable confusion between provincial requirements and local regulations. Respondents do not appear to understand that it is the Province's decision to create the STR registry and to enact the principal residence requirement. Furthermore, for those who will be seeking a business license for a short-term rental, there is likely to be confusion about RDCO requirements versus provincial requirements.
8. **Utilize communications to emphasize the importance of life safety as it relates to short-term rentals.** Many respondents are opposed to government intervention of any degree and may not appreciate that regulations, particularly requirements for building permits, limiting STRs to one per property, and limiting STRs to locations within fire protection areas, are all oriented towards life safety for all community members. While these respondents may still oppose short-term rentals generally, this communication may help those residents appreciate that the RDCO's approach is intended to balance community interests (housing, tourism, owner flexibility, economic benefits) and maintenance of rural character.

DATE February 18, 2026
FILE 1179.0124.01
SUBJECT Short Term Rental Engagement Analysis and Recommendations - RDCO Electoral Areas
PAGE 6 of 6

4.0 SUMMARY

Overall, the public engagement results and Urban Systems' regulatory review support the RDCO's proposed regulatory framework, with some minor recommended changes as identified above.

Survey feedback has revealed notable differences between residents and property owners in Electoral Areas and participants who do not live in or own property within the RDCO. These results underscore that the proposed policy framework is broadly supported within the Electoral Areas (when compared to results from respondents outside of these areas) but that there will be a need for clear communications and resources during bylaw rollout, particularly to distinguish provincial STR requirements from RDCO regulations and neighbouring municipalities.

Enforcement was a noted concern from engagement results, highlighting the importance of a clear, consistent, and practical enforcement regime with enforced penalties in place to build public confidence. Penalties of escalating severity are necessary to mitigate any potential impacts of a more flexible regulatory approach compared to other jurisdictions.

Finally, licensing fees should balance between support for the local tourism economy with the need for funding local government staffing resources.

Sincerely,

URBAN SYSTEMS LTD.



Daniel Sturgeon
Community Planning Consultant

cc: Daylin Mantyka, Communications and Engagement Consultant

DS/KK/ap

Attachment: What We Heard Report: Short Term Rentals in Central Okanagan Electoral Areas East and West