

Attachment 4: Short-term Rentals Update

BC Short Term Rental Accommodations Act (Bill 35) (2023)

[BC Short-term Rental Accommodations Act \(Bill 35\)](#) was passed in October 2023. As of May 1, 2025, restrictions on short-term rentals came into effect. Under the new Provincial rules, short-term rentals (through platforms like Airbnb, VRBO, Booking.com) in North Cowichan must be located on the same property as the operators' principal residence. The Province has also established a mandatory registry for short-term rentals.

To be registered through the Province, operators must provide proof of residency and a valid business licence. There are processes in place for the Province to share information with the Municipality. The Municipality can request that the Province have short-term rentals removed from the online platforms and that existing bookings be cancelled where short-term rentals are out of compliance with our bylaws. Under this regime, it should be difficult for short-term rentals to operate illegally (i.e., without a valid business licence or in an unpermitted suite).

Zoning Regulations (North Cowichan Zoning Bylaw No. 2950)

Under North Cowichan's zoning bylaw, short-term rentals fall under the definition of "bed and breakfast" (though note that for business licensing we differentiate between a "bed and breakfast" and a "short-term rental" – see below). The zoning bylaw definitions are as follows:

"bed and breakfast" means a building or use of a building in which sleeping units are rented, with or without meals being provided, to persons other than members of the family of the owner, tenant, or lessee of the building;

And

"sleeping unit" means one or more habitable rooms used to accommodate any persons for a period of three (3) consecutive months or less in a calendar year;

"Bed and Breakfast" is a permitted use in most of North Cowichan's agricultural and low-density residential zones as well as in many of the commercial zones. Different zones have different limits on how many rooms can be offered, some zones also limit whether the "bed and breakfast" use can be in an accessory building and whether it is permitted to take up an entire dwelling unit. "Bed and Breakfast" is generally not a permitted use in the townhouse/ apartment/ multi-family zones.

Business Licensing Process

North Cowichan separates licence types as either short-term rental or bed and breakfast. Short-term rentals provide cooking facilities to guests, whether it is a full kitchen or microwave. Bed and breakfasts do not provide cooking facilities to guests.

All short-term rental/bed and breakfast applications require the business licence application to be completed in full, description of the cooking facilities provided (if any), and a floor plan. The application is reviewed for compliance with the zoning bylaw and the principal residence requirement and to confirm that the building or dwelling was constructed with the correct permits and inspections. If any issues are identified through the application process, the relevant department will contact the applicant with information about the process required to address the issues (e.g., building or planning applications).

Existing Business Licences & Ongoing Compliance Review

North Cowichan has **105 short-term rentals and 135 bed & breakfasts** with issued business licences and/or pending applications. Through the BC Short Term Rental Portal, we are able to review STRs registered with the Province as well as view information provided by the short-term rental booking platforms.

The Municipality can compare the data provided by the Province with the current licences. The STRs found to either not hold a valid NC business licence or not in the compliance of the licence, are emailed a letter of Non-Compliance through the BC STR Portal. We are giving them 14 days to respond or risk their listing being removed from host sites. Currently, our licensing clerk is working through a list of **68 listings that are deemed to be not in compliance** to the Municipal and/or Provincial legislation.