

Short-Term Rentals at the Fernie Alpine Resort Workshop

Summary

As part of the Elk Valley OCP planning process, a workshop was held on January 31st, 2025 to discuss the current and future policy and regulation of Short-Term Rentals in the Fernie Alpine Resort area. This summary provides an overview of the discussions and considerations that will be used in policy formulation during the OCP review process.

Background

The Board initiated a Short-term Rental (STR) Temporary Use Permit (TUP) process in September 2023, which has been utilized to permit properties to operate as STRs when the zoning does not permit tourist or commercial accommodations. The Board adopted a STR TUP Policy in June 2024 to guide decision making around STR TUP applications. Applications go through two streams: staff delegated or Board approval. The applicable stream is determined based on proposed guest occupancy and the ability of the application to meet specific mandatory requirements identified in the Policy.

As the RDEK is undertaking the OCP review and update, a practical aspect of the process includes a review of STR policies that can be implemented at a zoning level. To best develop STR policies, an examination of community perspectives, Provincial legislation, desirable outcomes, and resulting policy direction is required. This summary of the discussion from the collaborative workshop represents the initial step in the process of considering STR regulation via new zoning regulations. Future consideration is also anticipated for a transition to a conventional business licence model rather than Temporary Use Permits (TUP), but that will also require a dedicated process and dedication of resources by the RDEK.

The Fernie Alpine Resort area is of special interest and importance for tourism in Electoral Area A, as it is a destination ski hill that provides the area with economic opportunities. Accordingly, it is identified as a Mountain Resort by the Province of British Columbia that has a Master Plan guiding its development within the oversight of the Mountain Resorts Branch (MRB).

As part of the MRB planning process, bed counts are used to illustrate the required number of units developed to realize the success of a given Mountain Resort. Accordingly, the development of single family, duplex and multi-family residential properties at the Fernie Alpine Resort are considered as bed count allocations. Further, the Province included specific exceptions in the *Short-Term Rental Accommodations Act* to principal resident requirements, or the ability of local governments to outright prohibit STRs, in designated Mountain Resort areas.

Discussion

On January 31st, 2025 RDEK staff facilitated a collaborative workshop with community members, short-term rental operators and stakeholders. The workshop provided an opportunity to discuss the current operation of STRs, how they are regulated, and the future of how regulation could be undertaken at the Fernie Alpine Resort.

During the workshop, participants were invited to engage in discussion at tables of 8-10 participants, comprised of an even mix of residents and operators. Each table was facilitated by RDEK staff, who provided question prompts to guide discussion during conversation. The workshop started with a brief introduction from Electoral Area A Director Thomas McDonald, and a representative of the Resorts of the Canadian Rockies (RCR). Following the introduction table discussions were undertaken that lasted approximately 2 hours. During the discussions regarding STRs at the Fernie Alpine Resort, participants shared:

- Personal experiences with STRs;
- Perception of STR's role in the context of the Resort;
- What expectations should exist for operators and residents alike;
- Opinions on how to best regulate STRs; and
- If different regulations were location dependent within the Resort area.

When discussing personal experiences of STRs, a few specific concerns were focused upon, including: noise levels, parking (especially on-street disruptive parking), garbage, and overall neighbourliness. A major aspect of the discussion focused on behaviour of occupants, regardless of if they were short-term rental guests or homeowners.

Noise concerns were identified as stemming from several different sources. Noise from unit occupants was generally categorized into two types: enjoyment noise and party noise. Enjoyment noise was discussed as noise emanating from play and/or festivities that ought to be expected, especially in the context of a resort area where vacationing occurs. Children playing, reasonable daytime music levels, or talking amongst occupants were all considered enjoyment noise. Conversely, party noise was discussed as being associated with use of alcohol, loud music and a general ignorance of time of day or impact to others.

Parking concerns focused on the impediments to movement of vehicles on roadways, especially when snow loads are high and otherwise impacting the roadway. These concerns were further impacted during busy times at the resort, with specific references to holiday weekends and Grizz Days as being especially impactful. In certain instances, parked vehicles blocking driveways were discussed as especially impactful occurrences.

Participants discussed how STR guests, home owners, or resort visitors not staying overnight at the resort caused disruptive behaviour. The inclusion of all individuals at the resort being responsible for the peaceful enjoyment of homes in the area led into discussions of expectations within resort communities.

Discussions surrounding expectations were approached from both a behaviour and tolerance of behaviour perspective. On one hand, participants stressed the need to ensure that anyone coming to the resort area needed to be held accountable for their behaviour. On the other hand, several participants discussed the differences in individuals' perceptions of what could be considered reasonable behaviour. Examples of how expectations between individuals differed included playing children being seen as expected noise for some and a nuisance for other, or audible conversations from a neighbouring property at different times, with reasonable conversation noise being acceptable at anywhere from 8 pm to 11 pm for some, or not at all for others. RCR representatives

noted that noise and light complaints were received in relation to resort operations, including from snow making and plowing operations on the ski hill.

Policy Direction

Discussion regarding policy direction and how to best regulate STRs in the Resort area primarily focused on communicating expectations of the presence and intensity of STR use. Property owners and STR operators discussed their expectations of how the community might evolve alongside their relationship with their property.

Noise, parking and general nuisance behaviour was discussed as potentially being addressed through strengthened STR operator requirements. Signs were seen as potentially effective at better communicating requirements to all Resort visitors, however, some participants had reluctance towards the visual impact of signs in the Resort area. Noise monitoring as a requirement was discussed, of which the feasibility was seen as potentially problematic from a legal and/or enforcement perspective.

Several property owners discussed purchasing their property as investments, intended for personal use as vacation homes with an eventual desire to occupy their property as their principal residences during retirement. Being able to STR their units was discussed as an essential aspect of the investment for many property owners, wherein many would not otherwise be able to afford the property investment and long-term rentals would prohibit their personal use of the properties. In other instances, property owners viewed their properties strictly through an investment lens, with STRs providing the greatest return on investment.

Several owners discussed a desire to have their neighbourhood either transition to an increasingly residential existence, or to maintain an obvious level of owner-occupied units to best maintain a neighbourhood feeling. The nature of the units at the Resort being part of the Resort Master Plan's bed count (intended to ensure sufficient accommodation availability for tourism guests), translates to the neighbourhoods of the Resort needing to maintain an element of STR use. As such, the nature of units transitioning between more STR focused and personal residence was discussed as the ebb and flow of property tenure over time.

In the future clarity in policies and regulations that assist property owners understanding the regulations specific to the neighbourhood in which they are buying a property was an important aspect of policy formulation. The oldest neighbourhoods of the Resort, having transitioned to a higher rate of owner occupancy, were discussed as most desirable to maintain the existing STR Policy allowance under the delegated stream of 10 guests per property). This occupancy limit was seen as an acceptable compromise to allow for use of units to support Resort operations while the ebb and flow of owner occupancy fluctuates over time. Newer areas, including Resort Drive and Alpine Way, were discussed as being a logical divide to where higher STR occupancy could be allowed. There did not seem to be a consensus on what upper levels of occupancy may be acceptable, with many comments regarding occupancy rates as secondary to nuisance behaviour management.

Having zoning regulations in place that clearly states what uses and the intensity of uses that are allowable would help communicate owner, operator, and guest expectations to best avoid nuisance

behaviour and conflicts. The possibility of larger occupancy STRs was generally discussed as acceptable, provided guests maintained respectful behaviour. While larger guest occupancy STRs were seen as acceptable, the difference between STRs and boutique hotels or European style pensions was seen as an important distinction. Considering heightened fire protection and commercial level construction standards were also discussed as desirable for higher occupancy STRs. Several participants commented that higher occupancy STRs should be considered commercial properties that would need to meet commercial building code standards and/or have installed fire suppression sprinklers.

Parking was discussed in a similar regard to how occupancy allowances were discussed. Many participants discussed the need to communicate parking requirements alongside zoning, such that parking expectations were communicated at the outset of development. Having ample parking to support STR use was considered an important aspect of reducing roadway conflicts.

Concern was expressed regarding how to best approach enforcement into the future. Specific zoning and design requirements were seen as an effective means of setting standards to mitigate potential conflicts, and the permitting process was viewed positively in its success in curbing some of the more disruptive nuisance behaviour. How to achieve enforcement on a moment-to-moment basis was, however, a major concern of participants, who discussed the lived impacts of noise, garbage management and parking.

The jurisdiction and limits of the RDEK to enforce regulations, nuisances, and parking on public roadways under the jurisdiction of the Ministry of Transportation and Transit was highlighted by workshop participants. While there was acknowledgment of the limitations of enforcement, the RDEK was seen as playing a key role in enforcement and considered an important advocate to third parties to ensure enforcement was undertaken by all oversight bodies. RCR and STR operators were also considered important parties in enforcement actions, who have a more persistent presence in the Resort area and are more likely to be able to attend to incidents as they occur.

Next Steps

With the ongoing review of the Elk Valley OCP, staff will consider policies that can be implemented to better regulate STRs within the Fernie Alpine Resort area. When a policy and potential regulatory changes for the zoning bylaw have been substantially drafted, a review process of the policy draft will be undertaken to provide residents and stakeholders with an opportunity to provide feedback. As STR specific policies are drafted and considered within the broader review process, the implementation process will also be considered. Implementation will likely include a recommendation to consider zoning bylaw amendments, in addition to the new OCP policy framework. The timing of implementation of zoning regulations may occur after the new OCP adoption, as other considerations, such as a business licencing program may be desirable to be established prior to adopting the zoning changes.