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**MEETING TYPE:** Regular Council Meeting  
**MEETING DATE:** October 1, 2024  
**AUTHOR:** Paul Gipps, Chief Administrative Officer  
**DEPARTMENT:** CAO  
**ITEM TITLE:** Zoning Amendment | Z0000339 | Strata Hotel/Motel Secondary Use  
**DESCRIPTION:** Addition of Strata Hotel/Motel as a Secondary Use to 9652 and 9654 Benchland Drive Zara at Lakestone

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### PURPOSE

Does Council support adding a definition for Strata Hotel/Motel to the Zoning Bylaw and permitting Strata Hotel/Motel as a Secondary Use specifically on the property located at 9652 and 9654 Benchland Drive (Zara at Lakestone)?

### RECOMMENDATION

THAT Zoning Amendment (Z0000339) Bylaw 1243, 2024 be read a first and second time and forwarded to a Public Hearing.

### EXECUTIVE SUMMARY

Properties within C9, DC3 (Lakestone) and DC10 (Pixie Beach Resort) allow Recreational Tourist Accommodations as a permissible use. The current definition of Recreational Tourist Accommodation in Zoning Bylaw 561, 2007 reads as follows:

**Recreational Tourist Accommodation** means the development of land which has been planned and improved for the seasonal short-term use of tourist cabin(s) and campsite space(s) for rental accommodation on a daily, weekly or monthly commercial basis by transient occupants. Recreational tourist accommodation typically includes but is not limited to tourist cabin(s) and campsite space(s).

While the definition states “includes but is not limited to” which provides for other uses, Strata Hotels/Motel is not specifically identified. This creates uncertainty and clarification that short term rentals is a permitted use as part of this specific property use in order for the use to proceed.

### DISCUSSION/ANALYSIS

Dominium Inc. (“Dominium”), developers of Zara at located at 9652 and 9654 Benchland Drive comprises of 86-strata units and is zoned DC3. Expected completion and occupancy of Zara at Lakestone is anticipated to be spring of 2025. Dominion [presented](#) to Council at the Regular Council meeting on November 17, 2020. At the presentation Council was informed Dominion anticipated 30-40% of the 86 units to be used as short-term vacation rentals. The developer stated rentals would be controlled and regulated. Disturbance to the neighbourhood would be minimized by having a minimum 5-7 night stay strata policy ([minutes](#) from November 17, 2020 Regular Council Meeting).

To qualify as a new [Strata Hotel/Motel](#) under [B.C.’s short term rental legislation](#) the owner operator, must have the appropriate municipal zoning and meet the [Provincial regulations](#) that include the following criteria:

- a staffed front desk on site;
- one or more employees or contractors that provide housekeeping services for overnight accommodations; and

- a platform providing services available exclusively for the use of owners offering short-term rentals at the property.

Zara at Lakestone will comply with Zoning Bylaw section 19.3.2. - Principal Uses (once the project is completed and occupancy is permitted), which would allow for an addition to section 19.3.3 Secondary Uses - Strata Hotel/Motel.

The [Provincial definition](#) of Strata Hotel/Motel would be added to section 3.3.3 in alphabetic order to include:

STRATA HOTEL/MOTEL means a strata-titled hotel or motel is a property in which different owners own different strata lots and accommodation is provided in a manner like that of a hotel or motel. A strata hotel/motel must have all the following services: a staffed front desk, one or more employees or contractors that provide housekeeping services for the overnight accommodations; and a platform providing platform services available exclusively to owners offering short-term rentals at the property. Exemption from principal residence requirement is if the owner may not use the property as a principal residence due to mandatory provisions in a rental pool or rental management agreement.

To legally operate short-term vacation rentals at Zara, the strata will be required to obtain, every calendar year a Lake Country business licence. Staff will only issue a business licence if the strata fully complies with each requirement set out in the Provincial legislation and municipal bylaw for Strata Hotels/Motel and short-term vacation rentals. If nuisance complaints are received regarding short-term vacation rentals in Zara - the strata will be responsible to manage the issues through the strata bylaws. If actions of renters impact the neighbourhood the business licensing team will work with the strata to rectify issues as they arise.

Increasing the number of licensed short-term vacation rentals in Lake Country (currently there are 160 licensed) will support the tourism strategy of increasing the number of “heads in beds.” By having visitors stay in Lake Country instead of neighbouring communities, local businesses and service providers will benefit financially.

Currently Zara is the only property within Lake Country that will for the foreseeable future potentially operate as a Strata Hotel/Motel.

#### **APPLICABLE LEGISLATION, BYLAWS AND POLICY**

B.C.’s short-term rental legislation allows Strata Hotels/Motel to operate as short-term vacation rentals, providing the strata complies with all regulations set out in the [legislation](#). If the Strata Hotel/Motel has appropriate municipal zoning and meets requirements set out within the B.C. legislation and municipal bylaws- property owners can be exempt from the Province’s principal-residence requirement for short-term rentals, which went into effect on May 1, 2024.

#### **FINANCIAL IMPLICATIONS**

None       Budget Previously Approved       Other (see below)

If the District of Lake Country were to apply in the future for the Municipal and Regional District Tax Program (MRDT) revenues of up to 3% could be collected on all short-term vacation rentals including Strata Hotels/Motels. The MRDT was identified as an action item within the Lake Country Tourism Strategy endorsed by Council in 2024.

#### **ALIGNMENT WITH MASTER PLANS**

Tourism Plan

#### **OPTIONS**

THAT Zoning Amendment (Z0000339) Bylaw 1243, 2024 not be read and the file be closed.

Respectfully Submitted,  
Paul Gipps, Chief Administrative Officer

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**Report Approval Details**

Document Title:	Zoning Amendment Z0000339 Strata Hotel Motel Secondary Use.docx
Attachments:	- Attachment A-Z0000339-Bylaw 1243, 2024
Final Approval Date:	Sep 26, 2024

This report and all of its attachments were approved and signed as outlined below:

**Reyna Seabrook, Director of Corporate Services - Sep 25, 2024 - 2:05 PM**

**Paul Gipps, Chief Administrative Officer - Sep 26, 2024 - 7:49 AM**