



Municipality of the District of Argyle

Item: Short Term Rental
Marketing Levy By-law

Date: April 22, 2024

Our Vision

Argyle is the community of choice to invest, live and play.

Our Identity

Argyle invests time & talent in growth opportunities in fishing, tourism, and renewable energy sectors.

*Argyle provides affordable taxation while providing safe and **livable** communities and strives to engage and inform our residents on decisions that affect them most.*

*Argyle provides high class, accessible recreational and cultural facilities for health and for **play**.*

****Purpose****

This request is for the council to consider the next steps for the Short-Term Accommodation Marketing Levy Bylaw.

****Background:****

- January 25, 2024 - First Reading of the Short-Term Rental Marketing Levy Bylaw.
- March 7, 2024 - Information Session with Operators to discuss the Bylaw.

At the information session, attended by many council members, firsthand concerns from operators regarding the bylaw were discussed. We invited over 40 operators, and approximately 8 to 10 attended, with another 4 submitting written concerns. Additionally, I met with 3 other operators since the meeting, thus engaging with over 30% of the operators in Argyle, which provides good representation.

Main areas of concern:

- Implementation date and operationalization.
- Monthly remittance process.
- Intended use of the levy funds.
- Auditor section needing better language.

Other concerns included:

- The appropriateness of the 3% charge and the need for a potential cap.
- Enforcement of unregistered operators for short-term accommodations.
- Concerns that the levy may force small operators to close or change their business model to long-term rentals.
- Clear definitions for rooms within a dwelling.
- Considering the levy to apply only to operators with multi-units.
- Whether the levy could be used for infrastructure improvements.

Additionally, there was a perceived disconnect between YASTA and operators in Argyle. Neil MacKenzie, Executive Director of YASTA, was unable to attend to address these concerns directly. However, it was clear that there is a gap between the work YASTA does for our region and the perception of our operators towards YASTA. YASTA is a destination marketing organization, committed to increasing market presence and penetration to get tourists to choose our area. Our tourism operators may not see themselves in that picture.

As we are a funding partner for YASTA, we can aid YASTA in a deeper connection with the operators. With council members and operators from Argyle already involved with YASTA, we should consider if merely having representation is enough.

Other Considerations:

- Operators would like to see the amended bylaw and provide comments before it goes to the second reading.
- There was a discussion about forming a committee to discuss various topics around this bylaw, such as new language for the bylaw, ideas for the levy, and new ideas for the municipality to consider.

Recommendations:

- 1) I recommend that council create an ad hoc committee consisting of councillors, Argyle operators, YASTA general manager and possibly others to review the bylaw and explore potential uses for the levy funds. This committee should also consider an implementation date. However, forming a committee now, as we enter the tourist season, may cause stress for operators who will be busy with their own businesses.
- 2) Staff should address the issues identified in the info session and prepare for the second reading of the Short-Term Accommodation Bylaw.
- 3) Approve the second reading of the bylaw as presented.

Suggested Motion:

Council approves the creation of an ad hoc committee to review the bylaw and address concerns identified in the info session regarding the bylaw and the disconnect with YASTA.