

REQUEST FOR DECISION

TO: Council **MEETING DATE:** May 7, 2025
FROM: Ian Holl, Development Planning Manager
SUBJECT: Development Variance Permit 2024-13 – 7545 Islets Place
FILE NO: 3090-2025-02

RECOMMENDATION

That Council choose their preferred option (Option 1, 2, or 3) and;

That staff bring back a report to a subsequent Council meeting for a decision based on that option.

PURPOSE

Staff are presenting a report for information on a complex proposal for a variance to the Zoning Bylaw relating to parking requirements for short-term rental (STR) use. The property owners for 'Tuanek Hotel' have applied for a development variance permit to reduce the required parking for STR use on their property.

A survey has determined that there are only two spaces completely within the private property boundaries. This meets the requirement for residential parking (two spaces for one dwelling). There are no spaces for STR parking on the property that meet the off-street parking requirements of Zoning Bylaw No. 580, 2022.

Staff have outlined an interim approach that only considers the DVP for a limited period of time. After this trial period staff note that there are only two permanent options to consider: require the owner to create proper parking on their private property; or require road improvements be made and a lease be required to assign two designated spaces within the public road right-of-way.

The lease would need to charge an annual fair market rate fee for commercial use of public land. Depending on support from Council, staff could bring a report back to a future meeting to present a Development Variance Permit (DVP) for further consideration.

OPTIONS

There are three options for Council to consider:

1. Conditionally approve a DVP to support a business licence for 2025 only.
 - a. No lease would be required for this period.

- b. Before 2026, a lease with an appropriate fee would be required to operate beyond 2025, and the owner would be required to construct road improvements to District standards to create proper public street parking along their road frontage.
 - c. Instead of 1(b), before 2026, the owner would be required to construct proper off-street parking within their private property boundaries.
- 2. Conditionally approve a DVP to support a business licence for 2025 and 2026.
 - a. No lease would be required for this period.
 - b. Before 2027, a lease with an appropriate fee would be required to operate beyond 2026, and the owner would be required to construct road improvements to District standards to create proper public street parking along their road frontage.
 - c. Instead of 2(b), before 2027, the owner would be required to construct proper off-street parking within their private property boundaries.
- 3. Deny the application and require the applicant to comply with the Zoning Bylaw by constructing sufficient off-street parking within their private property boundaries.

DISCUSSION

Summary

The property owner wants to continue operating their STR at 7545 Islets Place – The Tuwanek Hotel. The property owner does not live there, but they have an operator that lives onsite that meets the principal residence requirement. Enforcement can be increased for operation without a short-term rental business licence if this issue is not resolved through a development variance permit and lease agreement for additional parking spaces.

Legislative Context

Local governments have the authority to consider applications by owners to vary provisions of a bylaw as outlined in Division 9 (Development Variance Permits) of the *Local Government Act*. A local government may vary a land use regulation in accordance with applicable guidelines; however, the level of density or use of the land may not be altered.

Support to a business is prohibited by *Community Charter* s. 25, however, if Council were provide the same opportunity to all businesses, the prohibition to support ‘a business’ may be mitigated. The implication would be that the opportunity to acquire additional dedicated parking on municipal property would be open to any business in the District of Sechelt where the physical properties of the land would safely accommodate it. Note that fees would also have to be consistent across all businesses.

Based on legal counsel, staff have determined that Council could consider a DVP for a limited period of time where no lease may be required. This would support the STR in a transition period over 2025 and potentially 2026. However, beyond that time, permanent solutions must be

implemented as noted earlier – parking on the property, or road improvements and a lease charging a fair market rate.

Community Charter

- 25(1)** Unless expressly authorized under this or another Act, a council must not provide a grant, benefit, advantage or other form of assistance to a business, including
- (a) any form of assistance referred to in section 24 (1) *[publication of intention to provide certain kinds of assistance]*, or
 - (b) an exemption from a tax or fee.
- 24(1)** A council must give notice in accordance with section 94 *[public notice]* of its intention to provide any of the following forms of assistance to a person or organization:
- (a) disposing of land or improvements, or any interest or right in or with respect to them, for less than market value;
 - (b) lending money;
 - (c) guaranteeing repayment of borrowing or providing security for borrowing;
 - (d) assistance under a partnering agreement.
- 24(2)** The notice must be published before the assistance is provided and must
- (a) identify the intended recipient of the assistance, and
 - (b) describe the nature, term and extent of the proposed assistance.
- 26(1)** Before a council disposes of land or improvements, it must publish notice of the proposed disposition in accordance with section 94 *[public notice]*. (3) In the case of property that is not available to the public for acquisition, notice under this section must include the following:
- (a) a description of the land or improvements;
 - (b) the person or public authority who is to acquire the property under the proposed disposition;
 - (c) the nature and, if applicable, the term of the proposed disposition;
 - (d) the consideration to be received by the municipality for the disposition.

Background

Business Licence History

The Tuwanek Hotel has operated at 7545 Islets Place with a valid business licence from 2006-2022. Since the new STR regulations have been adopted, there has not been a valid business licence.

An application was made in 2023 however parking issues were identified which prevent the issuance of the licence. Operation without licence has occurred unlawfully during this time since 2023.

Bylaw Infractions History

No record of bylaw enforcement complaints for the property.

Table 1 – Application Information

Applicant	Donna Patrick
Owner	Tuwanek Enterprises Ltd., Inc. No. BC0708461
Civic Address	7545 Islets Place
Legal Address	LOT A BLOCK 1 DISTRICT LOT 3259 GROUP 1 NEW WESTMINSTER DISTRICT PLAN BCP15027
Size of Properties	~1,096 m ²
OCP Designation	Low Density Residential
Zoning Designation	R1

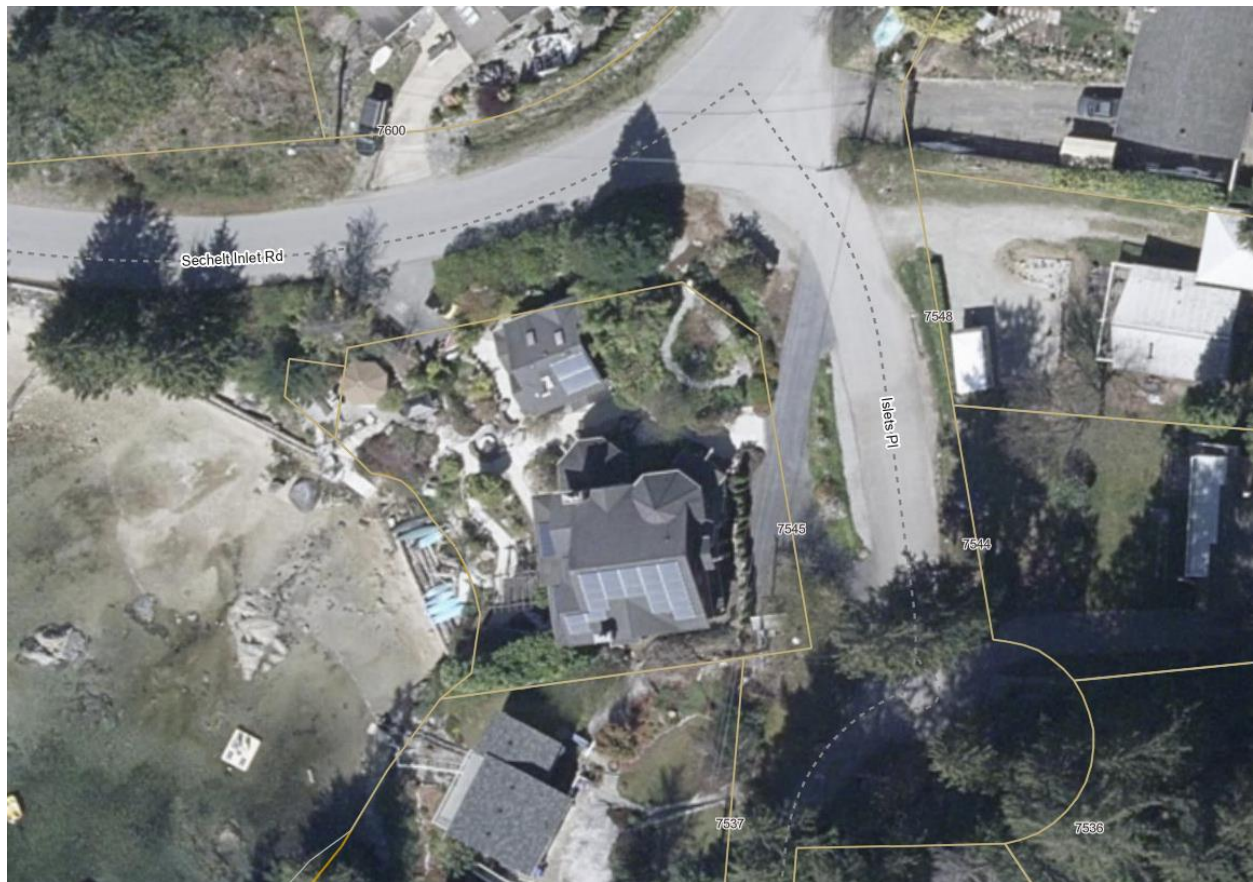


Figure 1 – Subject Property Location

POLICY AND BYLAW IMPLICATIONS

Official Community Plan

The property is designated Low Density Residential. The OCP policies do not support a decision on the DVP one way or another.

Zoning Bylaw

Zoning Bylaw No. 580, 2022 has minimum requirements for off-street parking for all land uses. STR use requires one parking space per STR bedroom. Off-street parking means the parking space (dimensions in the bylaw – 2.5 m X 6.0 m) is entirely within the private property boundaries.

Interim Condition of the Property

The existing condition of the property and surrounding road areas are problematic (See Attachment 1). Staff could support a limited, temporary use of the District's right-of-way to provide some parking spaces under the existing condition for a two-year period. Beyond those two years, staff would recommend the owner be required to undertake road improvements to create a final suitable condition. As part of potentially support a DVP and lease (fee or no fee), the follow work would need to be done.

- Closure of the excess driveway accesses which are considered "unsafe" due to the proximity to intersections, skew angle of approach/egress, insufficient horizontal and vertical sightlines, location on a curve, and gradients.
- Closures may be permitted with the use of temporary barriers provided existing drainage patterns are not disrupted by their installation. Install no-post barriers for each closed access.
- Removal of the driveways' asphalt surfacing and reinstatement of the boulevard is preferred but not necessarily a requirement.
- Existing drainage patterns be maintained so that the conditions or areas draining to private properties are not worsened.
- Adequate/applicable advisory and restrictive signage is installed.
- The site maintains sufficient access to the property from District roadways including necessary turn movements.

Lease

Staff propose that a lease agreement could be drafted and authorized by Council to lease two parking spaces within the public road right of way of Islets Place to the property owner for their STR operation. This lease would only be considered for the current property owner and for a maximum two-year period. Given that the property cannot support any STR parking on it, and the operation is entirely reliant for parking on public land, staff recommend that a fee be charged for each parking space as it is commercial use of public land. It is proposed that any lease revenue could be added to the Affordable Housing Reserve Fund.

SUSTAINABILITY PLAN IMPLICATIONS

This application does not contribute to the Sustainability Plan goals.

STRATEGIC PLAN IMPLICATIONS

This application does not contribute to the Strategic Plan goals.

COMMUNICATIONS

Owners and occupiers within 100 m of the subject property were notified as part of a mailout sent on April 23, 2025 of Council's intention to consider an application for a Development Variance Permit as required under Section 499 of the *Local Government Act* and Planning Procedures Bylaw No. 566, 2018. As of submission of this report, no responses were received.

Respectfully submitted,

Ian Holl, MCIP, RPP

Development Planning Manager

Attachments:

- 1 – Summary of Existing Condition and Potential Final Condition of Property
- 2 - Site Plan

ATTACHMENT 1 – EXISTING AND FINAL CONDITION OF THE PROPERTY

Existing Condition of the Property

Engineering staff have provided a quick review of the existing site condition, accesses to the site and description of the surrounding right-of-way along the frontage of 7545 Islets Road.

- Site is located on the south-west corner of the Islets Place and Sechelt Inlet Road.
- Approximately 35 m of frontage on Islets Place.
- Approximately 35 m of frontage on Sechelt Inlet Road.
- Islets Place:
 - Classified as a Local Road.
 - 6.0 m wide asphalt, limited shoulder and roadside parking along frontage.
 - Minimal sloping of the roadway with a drainage ditch located on the east/uphill side of the road, no known drainage infrastructure.
- Sechelt Inlet Road:
 - Classified as a Collector road.
 - 6.0 m wide asphalt, no shoulder or defined roadside parking along frontage.
 - Slopes east-to-west, existing drainage ditch along north side of the road, driveway and road culvert collects road runoff and discharges to outfall on south side of the road.
- Existing condition of the property includes three driveway accesses.
- Islets Place driveway "loops" through the property with 2 access points to Islets roadway.
- Ingress angles from Islets, diagonal to the roadway, with close proximity to the Islets Place and Sechelt Inlet Road intersection.
- Egress is onto Islets Place at a near perpendicular angle.
- Majority of the "loop" is located entirely on District right-of-way or straddles the property line.
- Driveway slopes down from the road to the site.
- Third driveway fronts Sechelt Inlet Road.
- Driveway angles at a diagonal from the roadway.
- Driveway is located along a curved portion of the road with exiting vehicles reversing onto the travel lane.
- Vegetation on the right-of-way limits sightlines between the travel lane and driveway.
- Majority of the parking area is located on the District right-of-way.

The site frontage along Islets Place is largely occupied by the site's existing looped driveway with limited shoulder available for public street parking. The roadside drainage is not clear from the initial review but appears to be directing runoff to the property as the driveway slopes away from the road to the subject property. The Sechelt Inlet Road frontage has undeveloped streetscape, vegetation extends to roadside edge of pavement and limits visibility beyond the travel lane. Drainage along the roadway is captured in the ditch and discharges to the ocean through a culvert and outlet on a District owned parcel.

Final Condition of the Property

The applicant is requesting the use of the District right-of-way for parking as on-site parking requirements cannot be achieved at this time. The District roadway does not have existing street parking provisions for the applicant's use. Additionally, the number of accesses and geometry of the driveway also do not meet the current servicing bylaw requirements.

To permit the use of the District property for the site's parking, Engineering staff recommend the site's driveways be upgraded to meet the current standards and the streetscaping be improved, at the applicant's cost, to meet the current District standards.

This would include:

- The removal of additional driveway accesses to limit the site to one access off of Islets Place (the lower classified road).
- Reinstatement of the boulevards.
- Improvements to the boulevard to current standards
- Construction of dedicated parking lane/areas to service the site (standard of these areas shall be determined at a later date).
- Any upgrades to control, capture and discharge the roadway drainage to prevent runoff from District surfaces from being directed to private properties.