

VIA EMAIL Ref. 643496

March 12, 2024

His Worship Mike Hurley Mayor of the City of Burnaby 4949 Canada Way Burnaby BC V5G 1M2 Email: mayor@burnaby.ca

Dear Mayor Hurley:

Thank you for your letter of December 15, 2023, regarding the regulation of short-term rentals in the City of Burnaby. I appreciate you writing to highlight the challenges faced by the city in enforcing compliance with bylaws related to short-term rentals.

I recognize that this issue impacts Burnaby and many other local governments throughout the province. As you know, the BC Government is taking steps to regulate short-term rentals, including enacting new legislation giving local governments tools to enforce relevant bylaws. The process currently in place under the *Local Government Bylaw Notice Enforcement Act* (LGBNEA) is one existing way for local governments to enforce these bylaws by issuing fines for infractions related to short-term rentals.

Your letter requests changes to the LGBNEA to increase the maximum penalty allowable under the LGBNEA from the current maximum of \$500 and allow for outstanding fines to be added to municipal property taxes.

Ministry staff are currently reviewing the feasibility of increasing the maximum fine under the LGBNEA. I would emphasize that the policy intent of the LGBNEA system is to provide local governments with a low-cost option to enforce bylaws for simple matters involving small fines that should not require a full court hearing, and that can be decided on the civil standard of the balance of probabilities. Raising the maximum fine creates potential legal issues relating to the need for a court hearing and requiring the criminal standard of proof beyond a reasonable doubt. While an increase in the amount of the fine is certainly a possibility, there are limits to how high the fine may be.

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Very recently the provincial government raised the maximum limit for Municipal Ticket Information (MTI) tickets from \$1,000 to \$3,000 per ticket per day. One of the purposes of this large increase was to provide local governments with a more powerful tool to address unlawful short terms rentals.

While the MTI process allows for a hearing in Provincial Court on appeal of the ticket, which may create greater costs for local governments as compared to a LGBNEA administrative hearing, it may result in greater rates of compliance. I recommend the City of Burnaby consider whether the MTI process would assist in its efforts to address non-compliant short-term renters.

As for your request to add outstanding fines to property taxes, I thank you for the suggestion. Requests from local governments for changes to the local government legislative framework such as this often come to the Province through the Union of British Columbia Municipalities (UBCM), the organization representing all local governments in British Columbia. If local governments were to collectively support a legislative amendment such as this, that request would be brought to the Province's attention through the established UBCM resolution process. The Ministry is contemplating revisions to the LGBNEA for the legislative sessions that will occur in 2025 and will seek further input from local governments on these issues in the coming months.

Sincerely,

Niki Sharma, KC Attorney General