

**Improving the supply of long-term rental housing through regulation
of short-term rentals in Pemberton, British Columbia:
A Multi-Attribute Trade-Off Analysis**

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Briefing Note

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Issue

Increasing the supply of long-term rental housing through regulation of short-term rentals in Pemberton, British Columbia: A Multi-Attribute Trade-Off Analysis

Background

The proliferation of short-term rentals (STRs) has been blamed, in part, for widespread shortage of affordable long-term rental housing (Cameron & Tedds, 2023; Dogru, 2020; Piccolo, 2024, Wachsmuth, 2024), increased neighbourhood noise and disruption, gentrification (Cameron & Tedds, 2024; Shelton, 2022; van Holme, 2020), and negative financial impacts on hotels (Dogru et al., 2019; Falk & Yang, 2021; Sainaghia & Baggio, 2020). In response, provincial and municipal governments have developed regulatory policies intended to protect long-term rental housing and minimize negative impacts of short-term rentals (STRs).

Pemberton is experiencing a shortage of affordable housing and a growing problem of housing precarity and homelessness (Urban Matters, 2023). In 2018, Council began regulating STRs, seeking to achieve a balance that would allow homeowners to earn income from short-term rental of their properties while minimizing negative impacts to hotels, neighbourhoods, and to the long-term rental housing market. In 2024, Council updated the zoning and business licence bylaws to align with the new provincial Short-Term Rental Accommodations Act (SBC 2023, c 32). In May 2025, Council asked staff to review policy options for regulation of STRs with the objective of minimizing the impact of STRs on long-term rentals, in alignment with the strategic priority to plan and manage growth (Village of Pemberton, 2022).

Municipal and provincial STR regulations have been shown to be effective in protecting long-term rental housing, reducing rents in BC by 5.7% or \$600 million in 2024 (Wachsmuth, 2024). The best regulatory policy, however, depends on local context. This brief compares three municipal policy options: the status quo, the prohibition of short-term rental of secondary suites or accessory dwelling units (ADUs), and a subsidy to encourage the conversion of STRs to long-term rentals.

Policy Options

Option 1: Status quo

Pemberton has followed the regulatory approach of many municipalities, limiting the number of STRs within specific areas of the municipality and restricting STRs to certain conditions of ownership and use (Shelton, 2022). Zoning Bylaw No. 832 permits an STR only in a principal residence or in a secondary suite or accessory dwelling unit on the same property as the principal residence in zones designed for single-detached dwellings. Section 7.24 caps the number of STRs at 5% of the lots in a neighbourhood but allows for an exemption for STRs that are not potential long-term dwellings (PLTDs). If the status quo is maintained, the number of STRs will increase until the neighbourhood cap is met in the last neighbourhood, Sunstone, resulting in a final count of 27 STRs based on approved subdivisions.

Option 2: Prohibition of short-term rental of secondary suites and ADUs

Option 2 maintains the existing restrictions and prohibits short-term rental of secondary suites and accessory dwelling units. No self-contained dwelling units could be rented on a short-term basis under this option. This option would remove licences from 14 of

the 21 STRs and would ensure that when the remaining six licences are issued, none would be allocated to PLTDs.

Option 3: Subsidy to encourage long-term rentals

Option 3 proposes to incentivise the conversion of STRs to long-term rentals through a subsidy to STR operators in exchange for relinquishing their business licences. The subsidy would be set at \$1,000 per self-contained accommodation unit, intended to offset the perceived inconvenience of managing a long-term rental property. Once surrendered, an STR licence would not be re-issued, resulting in a permanent reduction in the number of STRs. Depending on uptake of the program, the subsidy could result in 14 existing PLTDs being converted to long-term rentals.

Policy Evaluation

Evaluation Criteria

The brief compares the three policy options through a multi-attribute trade-off analysis based on the criteria set out in **Table 1**. This systematic approach is used to evaluate options on multiple criteria that cannot all be reduced to monetary values (Kiker et al., 2005), as is the case with STR regulatory policies that carry important implications for effectiveness, fairness, simplicity, and acceptability in addition to the monetary measure of efficiency.

Table 1: Policy evaluation criteria, methods, and units of assessment

<i>Criterion</i>	<i>Definition</i>	<i>Methods</i>	<i>Units of Assessment</i>
Effectiveness	Evaluates how well each policy option achieves Council's strategic goal of increasing the long-term rental supply	Apply Statistics Canada's PLTD criteria and measure change compared to existing housing supply	Percentage increase/decrease in housing supply
Efficiency	Evaluates the financial efficiency of each option through a cost-benefit analysis (CBA)	Cost Benefit Analysis over 10 years with a discount rate of 3.6%	2025 CDN Dollars
Fairness	Evaluates if the policy options treat all parties equitably	Qualitative	High Medium Low
Simplicity	Assesses the additional work to develop/apply administrative framework	Qualitative	High Medium Low
Acceptability	Evaluations public perception of and anticipated response to the option	Qualitative	High Medium Low

Effectiveness assesses how well a policy achieves its objective. Council's objective for STR regulation is to increase the supply of long-term rental housing through regulation of short-term rentals, which reflects the strategic priority to plan and manage growth (Village of Pemberton, 2023) and aligns with the objective of improving housing affordability identified in the Housing Strategy (Abraham, 2024). This brief evaluates the effectiveness of the three policies in achieving the council's objective of increasing long-term rental housing by measuring the percent increase in long-term housing that each policy will deliver.

Efficiency in the context of STR regulation refers to the maximization of social welfare at lowest cost. This analysis applies the concept of potential Pareto efficiency such that a regulation is efficient if benefits exceed costs and there exists the potential to compensate losers. Efficiency is measured through a cost benefit analysis (CBA) of each policy option over a ten-year period applying a discount rate of 3.6%, and is expressed as the net present value of benefits (NPV). For a full breakdown of the CBA used in this policy brief, including methodology, see **Appendices A and B**.

Fairness refers to the equitable distribution of costs and benefits. The benefits of STRs are experienced primarily by a small number of STR operators but the costs are borne by the broader community. Regulation is intended to correct this imbalance; however, regulations themselves can create inequities. Fairness, therefore, is a key criterion in the evaluation of regulatory policy.

Housing is a human right and meeting the human right is a shared responsibility of local, provincial, and federal governments (Canadian Human Rights Commission, 2025). Lack of adequate housing affects individuals and employers (Statistics Canada, 2025) and limits the ability of future generations to remain in the community. Policies that fail to address the impact of regulations on the availability and affordability of housing perpetuate an unfair system in which access to adequate housing depends on wealth.

Fairness also applies to the competitive advantage STRs have over hotels, which is the primary reason for the overwhelming success of Airbnb and similar platforms (van Holme, 2020). STRs function as hotels but, because they do not meet BC Assessment's definition of a commercial use, are taxed at the lower residential rate. The difference is significant and represents a loss to the Village in tax revenue: the residential mill rate is 1.45 and the commercial 3.26 dollars of tax per \$1,000 taxable value (Village of Pemberton, 2025).

Simplicity refers to the administrative feasibility of a policy. A policy that requires the development of a new administrative framework may be too costly or complex to implement, rendering it an impractical solution.

Acceptability assesses how interested parties will perceive and react to a policy. STR regulation has been politically contentious (Shelton, 2022); recognizing the potential for dissenting views is essential in selecting a politically acceptable policy solution. Compulsory regulations are generally perceived less favourably than voluntary regulations even when benefits outweigh costs (Rhodes & Jaccard, 2013). Also, because people tend to value a loss more strongly than an equivalent gain, penalty fines face strong opposition while equivalent subsidies are viewed less enthusiastically (Goodwin et al., 2023, p. 226). Further, governments are increasingly seeking policies that nudge, rather than coerce, citizens, recognizing the advantage of applying the lessons of behavioural economics to policy (Goodwin et al., 2023, p. 243).

Evaluation of Option 1: Status Quo

Option 1, representing the baseline, would not increase the supply of long-term housing units. Effectiveness is therefore assessed at zero. The present value of all costs is

\$10.5 million, and the present value of all benefits is \$8.4 million, for an NPV of -\$2.1 million. The status quo is not an efficient regulation because it delivers a net loss.

If the trend to increasing popularity of STRs continues (Dogru et al., 2019), hotels will experience further declines in room revenues even as the number of STRs plateaus, an unfair outcome. The status quo receives a grade of low for fairness, as it is also inequitable to individuals unable to secure housing and to employers trying to attract and retain workers.

Staff monitor STR platforms, municipal business licensing data, and the provincial data portal (Province of BC, 2025) and send enforcement letters to non-compliant STRs. When local enforcement measures are ineffective, staff can request assistance from the provincial enforcement team. Staff time totals approximately three hours each week, giving the status quo a high grade for simplicity.

The status quo of STR regulation is accepted by residents despite its strong degree of compulsoriness. Overall, the regulations generate few complaints. The status quo earns a grade of medium for acceptability.

Evaluation of Option 2: Implementation of More Stringent Restrictions

Applying Statistics Canada's criteria for potential long-term dwellings (PLTD) (Government of Canada, 2024), we evaluated Pemberton's existing STRs (Province of British Columbia, 2025) and determined that 14 are PLTDs. Option 2 would create 14 additional long-term dwellings (LTDs), representing a 0.98% increase to Pemberton's private dwelling supply of 1,430 (Government of Canada, 2022). The addition of 14 LTDs causes the present value of all costs to decrease to \$5.2 million and the present value of all benefits to increase to \$11.1 million, for an NPV of \$5.8 million. Option 2 meets the criteria of efficiency.

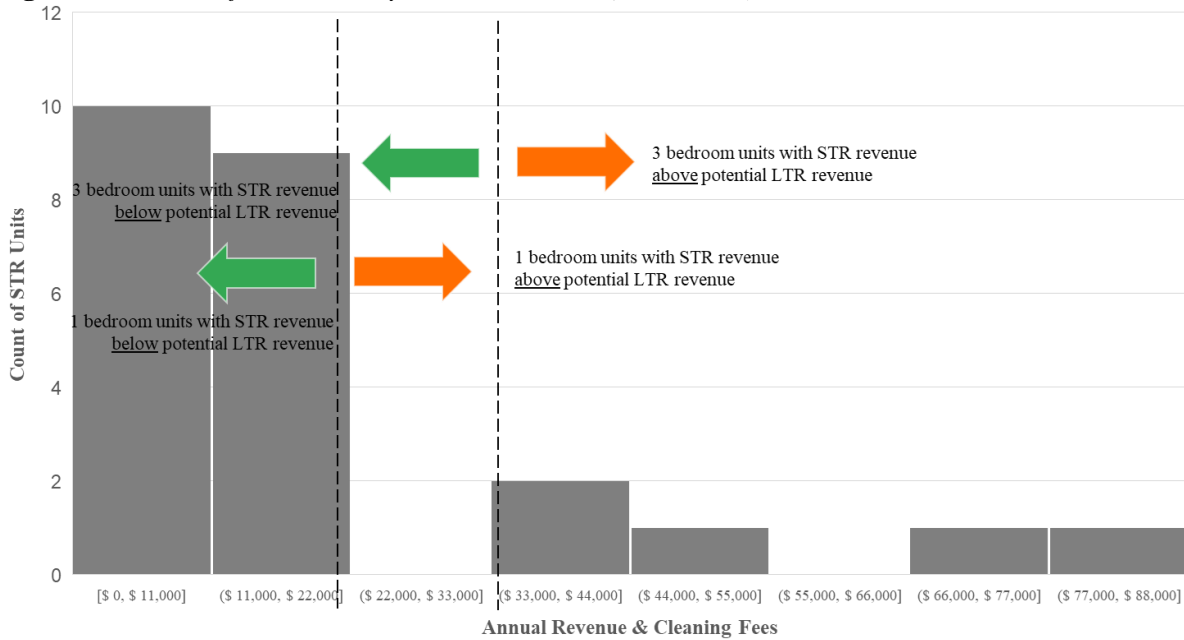
Option 2 is the most equitable option but would be perceived as unfair by operators of the PLTD STRs who would lose their licences. Based on the cost projections, most STR operators would suffer no financial loss if they converted their accommodation units to LTDs. However, long-term rental housing is subject to the Residential Tenancy Act (SBC 2002 c 78) which imposes responsibilities on both landlords and tenants; short-term rentals are not subject to the Residential Tenancy Act. Option 2 receives a fairness grade of high.

Option 2 could be monitored and enforced using the administrative framework developed for Option 1. Because the regulations under this option are more stringent, additional time would be required during the first year of implementation for education, monitoring and enforcement. Simplicity receives a grade of medium.

Falling at the high end of the compulsoriness continuum and presenting a cost to STR operators who would lose their business licences, Option 2 would generate substantial opposition, including, potentially, legal challenges from STR operators. The widespread benefits to Village residents and businesses would be overshadowed by losses to the few high-revenue generating STR operators, Option 2 receives a grade of low for acceptability.

Evaluation of Option 3: Subsidy to Encourage STRs to Return to Long-Term Rental Market

Figure 1 shows the distribution of STRs by revenue. Potential long-term rental (LTR) income thresholds for one and three bedroom units are shown at \$22,000 and \$33,000 annual revenue. With full uptake of the subsidy by STRs that would generate more revenue in the long-term rental market, nine STRs would convert to LTRs, representing an increase of 0.62% in housing supply.

Figure 1: Number of STR Units by Annual Revenue (2024-2025)

The NPV of Option 3 is \$8.2 million, indicating that this option is more efficient than Options 1 and 2.

To operationalize this option, a new administrative framework could be managed through the municipality's online permit platform, leaving the existing administrative framework for monitoring and enforcing STR regulations in place. Simplicity receives a grade of low for this option.

Option 3 aims to balance the competing interests of the STR operators with the needs of the broader community. The subsidy, intended to encourage STR operators to convert their STRs to long-term rentals, will be viewed more favourably than equivalent command and control measures. Option 3 receives a grade of high for acceptability.

Recommendation

Table 2, summarizes the evaluation criteria, including the evaluation categories and rankings. Based on the analysis, we recommend Option 3 to improve the supply of long-term rental housing through regulation of short-term rentals in Pemberton. It provides the highest CBA, is more effective than the status quo, and balances the competing interests within the context of the community.

Table 2: Policy Option Evaluation Criteria Summary

Policy Option	Criteria				
	Effectiveness	Efficiency: CBA	Fairness	Simplicity	Acceptability
Option 1: Status Quo	0.00%	-\$2.1M	Low	High	Medium
Option 2: Prohibit STR of a PLTD	0.98%	\$5.8M	High	Medium	Low
Option 3: Subsidy	0.62%	\$8.2M	Medium	Low	High

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Appendix A: Cost Benefit Analysis

Policy Options Summary

	OPTION 1: STATUS QUO				OPTION 2: RESTRICTIONS				OPTION 3: SUBSIDY			
Group Impacted	Costs	Benefits	Net Present Value	Cost-Benefit Ratio (CBR)	Costs	Benefits	Net Present Value	Cost-Benefit Ratio (CBR)	Costs	Benefits	Net Present Value	Cost-Benefit Ratio (CBR)
Landlord / Homeowner	\$3,518,261	\$4,004,047	\$485,787	0.88	\$3,642,461	\$3,879,847	\$237,385	0.94	\$1,911,591	\$5,610,717	\$3,699,126	0.34
Business Economy	\$6,152,018	\$3,460,026	-\$2,691,992	1.78	\$1,042,015	\$6,272,992	\$5,230,977	0.17	\$2,271,371	\$6,187,556	\$3,916,185	0.37
Hotels	\$3,339,052	\$0	-\$3,339,052	-	\$1,042,015	\$0	-\$1,042,015	-	\$1,538,950	\$0	-\$1,538,950	-
Shops, Restaurants, Other Businesses	\$2,812,967	\$3,460,026	\$647,059	0.81	\$0	\$6,272,992	\$6,272,992	-	\$0	\$6,187,556	\$6,187,556	-
Government	\$838,912	\$946,015	\$107,104	0.89	\$548,052	\$923,643	\$375,591	0.59	\$514,300	\$1,122,070	\$607,770	0.46
British Columbia	\$489,365	\$551,842	\$62,477	0.89	\$82,888	\$315,033	\$232,145	0.26	\$294,941	\$470,720	\$175,779	0.63
Canada	\$349,546	\$394,173	\$44,627	0.89	\$59,205	\$225,024	\$165,818	0.26	\$176,665	\$336,228	\$159,563	0.53
Village of Pemberton									\$8,687	\$0	-\$8,687	-
TOTAL	\$10,509,190	\$8,410,088	-\$2,099,102	1.25	\$5,232,528	\$11,076,482	\$5,843,954	0.47	\$4,697,263	\$12,920,344	\$8,223,081	0.36

Policy Option 1: Status Quo

		Discount Rate	3.6% ¹										
			t =	1	2	3	4	5	6	7	8	9	10
Costs	Element	Impacted Group	NPV	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	STR Cost - Annual Estimated Platform Fees ²	Landlord/Homeowner	\$500,478	\$57,569	\$58,605	\$59,309	\$59,783	\$60,202	\$60,864	\$61,545	\$62,235	\$62,932	\$63,637
	Opportunity Cost - Long Term Rentals Rent (Foregone) ³	Landlord/Homeowner	\$3,017,782	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694
	Opportunity Cost - Lost Hotel Revenue ⁴	Business Economy - Hotels	\$3,339,052	\$399,537	\$406,728	\$404,331	\$402,733	\$402,334	\$403,932	\$404,012	\$404,012	\$404,012	\$404,012
	Opportunity Cost - Lost Hotel Taxes ⁵	British Columbia and Canada	\$455,325	\$54,482	\$55,463	\$55,136	\$54,918	\$54,864	\$55,082	\$55,092	\$55,092	\$55,092	\$55,092
	Opportunity Cost - Resident Spending ⁶	Business Economy - Shops, Restaurants, Other Businesses	\$2,812,967	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942
	Opportunity Cost - Resident Spending Taxes	British Columbia and Canada	\$383,586	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356
Total Costs (Discounted)			\$10,509,190	\$1,218,706	\$1,184,937	\$1,141,944	\$1,101,098	\$1,062,806	\$1,027,879	\$992,764	\$958,786	\$925,976	\$894,294
Benefits	Annual Estimated Revenue ²	Landlord/Homeowner	\$3,439,063	\$395,589	\$402,710 ⁷	\$407,542	\$410,802	\$413,678	\$418,228	\$422,913	\$427,649	\$432,439	\$437,282
	Annual Estimated Cleaning Fee ²	Landlord/Homeowner	\$564,984	\$64,989	\$66,159	\$66,953	\$67,488	\$67,961	\$68,708	\$69,478	\$70,256	\$71,043	\$71,839
	Annual Estimated Tax Revenue ²	British Columbia and Canada	\$474,194	\$54,546	\$55,527	\$56,194	\$56,643	\$57,040	\$57,667	\$58,313	\$58,966	\$59,627	\$60,294
	Visitor Spending ⁸	Business Economy - Shops, Restaurants, Other Businesses	\$3,460,026	\$398,000	\$405,164	\$410,026	\$413,306	\$416,200	\$420,778	\$425,490	\$430,256	\$435,075	\$439,948
	Visitor Spending Taxes	British Columbia and Canada	\$471,822	\$54,273	\$55,250	\$55,913	\$56,360	\$56,754	\$57,379	\$58,021	\$58,671	\$59,328	\$59,993
Total Benefits (Discounted)			\$8,410,088	\$933,780	\$917,556	\$896,300	\$872,076	\$847,665	\$827,209	\$807,407	\$788,079	\$769,214	\$750,801
Net Present Value (NPV)			-\$2,099,102										
Cost-Benefit Ratio (CBR)			1.25										

¹ The discount rate is based on a ten-year average marketable bond yield (Bank of Canada, 2025b)

² Annual estimated revenues, cleaning fees, tax revenue and platform fees are based on data from active STRs between 2024-2025 (Province of British Columbia, 2025).

³ Foregone LTR income is estimated based on the potential conversion to long term dwellings and an the average monthly shelter costs for rented dwellings in Pemberton (Statistics Canada, 2023) adjusted by the number of bedrooms per unit to \$2025 using the Consumer Price Index (Bank of Canada, 2025a). See **Table B1** for price assumptions.

⁴ We assume current demand would shift from the STR to hotels in Pemberton. Revenues are estimated using average hotel prices in Pemberton in October 2025 (Kayak, n.d.), see **Table B2** for more details.

⁵ Taxes are based on Provincial Sales Tax (7%) and Goods and Services Tax (5%)

⁶ Spending by residents is estimated using the Market Basket Measure (MBM) for geographies in BC with <30,000 residents (Statistics Canada, n.d.). MBMs are estimated costs to meet a basic standard of living, including housing. Incomes were assumed based on MBM and adjusted to reflect a more realistic depiction of household income for households of varying sizes, depending on the number of bedrooms in existing STRs. After adjusting for personal savings (10%) and spending outside of Pemberton (30%), the remaining income is assumed to be spent inside of the Village of Pemberton.

⁷ Forecasted STR revenues, cleaning fees, platform fees, tax revenues, visitor spending and foregone hotel revenues between 2026 and 2033 are based on projected Canadian tourism growth, illustrated in **Table B3** (Destination Canada, n.d.).

⁸ Visitor spending is estimated using a econometric model of tourism spending in Pemberton Valley by Pacific Analytics in 2018 (Cadence Strategies, 2020). The CBA assumes estimated daily spending per person of overnight guests in roofed accommodations minus accommodation expenses, adjusted to \$2025 using the Consumer Price Index, which equals approximately \$105 per guest-night. See **Table B4** for more details. The number of overnight guests-nights is estimated based on an assumed average occupancy rate by number of bedrooms multiplied by number of nights booked in 2024-2025, see **Table B5** for more details.

Note: For other assumptions, see **Table B6**.

Policy Option 2: Prohibition of short-term rental of secondary suites and ADUs⁹

Discount Rate		3.6%											
Costs			t =	1	2	3	4	5	6	7	8	9	10
	Element	Impacted Group	NPV	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	STR Cost - Annual Estimated Platform Fees	Landlord/Homeowner	\$397,050	\$45,672	\$46,494	\$47,052	\$47,428	\$47,760	\$48,286	\$48,827	\$49,373	\$49,926	\$50,486
	Opportunity Cost - Annual STR Revenue	Landlord/Homeowner	\$2,728,736	\$313,881	\$319,531	\$323,366	\$325,952	\$328,234	\$331,845	\$335,561	\$339,320	\$343,120	\$346,963
	Opportunity Cost - Annual STR Cleaning Fee	Landlord/Homeowner	\$516,676	\$59,432	\$60,502	\$61,228	\$61,718	\$62,150	\$62,834	\$63,537	\$64,249	\$64,968	\$65,696
	Opportunity Cost - Annual STR Taxes	British Columbia and Canada	\$405,959	\$46,697	\$47,537	\$48,108	\$48,493	\$48,832	\$49,369	\$49,922	\$50,481	\$51,047	\$51,618
	Opportunity Cost - Lost Hotel Revenue	Business Economy - Hotels	\$1,042,015	\$119,861	\$122,019	\$123,483	\$124,471	\$125,342	\$126,721	\$128,140	\$129,575	\$131,026	\$132,494
	Opportunity Cost - Lost Hotel Taxes	British Columbia and Canada	\$142,093	\$16,345	\$16,639	\$16,839	\$16,973	\$17,092	\$17,280	\$17,474	\$17,669	\$17,867	\$18,067
Total Costs (Discounted)			\$5,232,528	\$580,973	\$570,879	\$557,654	\$542,582	\$527,394	\$514,667	\$502,347	\$490,322	\$478,584	\$467,128
Benefits	STR Platform Fees Avoided	Landlord/Homeowner	\$103,428	\$11,897	\$12,111	\$12,257	\$12,355	\$12,441	\$12,578	\$12,719	\$12,861	\$13,005	\$13,151
	Annual Estimated Revenue	Landlord/Homeowner	\$710,328	\$81,708	\$83,178	\$84,177	\$84,850	\$85,444	\$86,384	\$87,351	\$88,330	\$89,319	\$90,319
	Annual Estimated Cleaning Fee	Landlord/Homeowner	\$48,308	\$5,557	\$5,657	\$5,725	\$5,771	\$5,811	\$5,875	\$5,941	\$6,007	\$6,074	\$6,142
	Annual Estimated Tax Revenue	British Columbia and Canada	\$68,235	\$7,849	\$7,990	\$8,086	\$8,151	\$8,208	\$8,298	\$8,391	\$8,485	\$8,580	\$8,676
	Visitor Spending	Business Economy - Shops, Restaurants, Other Businesses	\$3,460,026	\$398,000	\$405,164	\$410,026	\$413,306	\$416,200	\$420,778	\$425,490	\$430,256	\$435,075	\$439,948
	Visitor Spending Taxes	British Columbia and Canada	\$471,822	\$54,273	\$55,250	\$55,913	\$56,360	\$56,754	\$57,379	\$58,021	\$58,671	\$59,328	\$59,993
	Long Term Rentals Rent	Landlord/Homeowner	\$3,017,782	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694
	Resident Spending	Business Economy - Shops, Restaurants, Other Businesses	\$2,812,967	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942
Resident Spending Taxes	British Columbia and Canada	\$383,586	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356	
Total Benefits (Discounted)			\$11,076,482	\$1,264,744	\$1,230,175	\$1,193,572	\$1,156,098	\$1,119,331	\$1,085,639	\$1,053,084	\$1,021,537	\$990,965	\$961,338
Net Present Value (NPV)			\$5,843,954										
Cost-Benefit Ratio (CBR)			0.47										

⁹ The policy assumes 14 STR units are converted to long term dwellings. Same assumptions apply to policy options 2 and 3.

Policy Option 3: Subsidy to Encourage STRs to Return to Long-Term Rental ¹⁰

Discount Rate		3.6%											
Costs		t =	1	2	3	4	5	6	7	8	9	10	
	Element	Impacted Group	NPV	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	STR Cost - Annual Estimated Platform Fees	Landlord/Homeowner	\$235,624	\$27,103	\$27,591	\$27,922	\$28,146	\$28,343	\$28,655	\$28,975	\$29,300	\$29,628	\$29,960
	Opportunity Cost - Annual STR Revenue	Landlord/Homeowner	\$1,498,016	\$172,314	\$175,416	\$177,521	\$178,941	\$180,193	\$182,175	\$184,216	\$186,279	\$188,365	\$190,475
	Opportunity Cost - Annual STR Cleaning Fee	Landlord/Homeowner	\$177,951	\$20,469	\$20,838	\$21,088	\$21,257	\$21,405	\$21,641	\$21,883	\$22,128	\$22,376	\$22,627
	Opportunity Cost - Annual STR Taxes	British Columbia and Canada	\$195,881	\$22,532	\$22,937	\$23,213	\$23,398	\$23,562	\$23,821	\$24,088	\$24,358	\$24,631	\$24,907
	Opportunity Cost - Resident Spending	Business Economy - Shops, Restaurants, Other Businesses	\$732,421	\$88,512	\$88,512	\$88,512	\$88,512	\$88,512	\$88,512	\$88,512	\$88,512	\$88,512	\$88,512
	Opportunity Cost - Resident Spending Taxes	British Columbia and Canada	\$99,876	\$12,070	\$12,070	\$12,070	\$12,070	\$12,070	\$12,070	\$12,070	\$12,070	\$12,070	\$12,070
	Opportunity Cost - Lost Hotel Revenue	Business Economy - Hotels	\$1,538,950	\$177,022	\$180,209	\$182,371	\$183,830	\$185,117	\$187,153	\$189,250	\$191,369	\$193,513	\$195,680
	Opportunity Cost - Lost Hotel Taxes	British Columbia and Canada	\$209,857	\$24,139	\$24,574	\$24,869	\$25,068	\$25,243	\$25,521	\$25,807	\$26,096	\$26,388	\$26,684
Incentives for PLTD Conversion (\$1,000) - 9 PLTDs		Village of Pemberton	\$8,687	\$9,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Costs (Discounted)			\$4,697,263	\$533,940	\$514,440	\$501,437	\$487,186	\$472,959	\$460,651	\$448,744	\$437,153	\$425,869	\$414,884
Benefits	STR Platform Fees Avoided	Landlord/Homeowner	\$264,854	\$30,466	\$31,014	\$31,386	\$31,637	\$31,859	\$32,209	\$32,570	\$32,935	\$33,304	\$33,677
	Annual Estimated Revenue	Landlord/Homeowner	\$1,941,048	\$223,275	\$227,294	\$230,021	\$231,862	\$233,485	\$236,053	\$238,697	\$241,370	\$244,074	\$246,807
	Annual Estimated Cleaning Fee	Landlord/Homeowner	\$387,033	\$44,520	\$45,321	\$45,865	\$46,232	\$46,555	\$47,068	\$47,595	\$48,128	\$48,667	\$49,212
	Annual Estimated Tax Revenue	British Columbia and Canada	\$278,313	\$32,014	\$32,590	\$32,981	\$33,245	\$33,478	\$33,846	\$34,225	\$34,608	\$34,996	\$35,388
	Visitor Spending	Business Economy - Shops, Restaurants, Other Businesses	\$3,460,026	\$398,000	\$405,164	\$410,026	\$413,306	\$416,200	\$420,778	\$425,490	\$430,256	\$435,075	\$439,948
	Visitor Spending Taxes	British Columbia and Canada	\$471,822	\$54,273	\$55,250	\$55,913	\$56,360	\$56,754	\$57,379	\$58,021	\$58,671	\$59,328	\$59,993
	Long Term Rentals Rent	Landlord/Homeowner	\$3,017,782	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694	\$364,694
	Resident Spending	Business Economy - Shops, Restaurants, Other Businesses	\$2,727,530	\$251,430	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942	\$339,942
	Resident Spending Taxes	British Columbia and Canada	\$371,936	\$34,286	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356	\$46,356
Total Benefits (Discounted)			\$12,920,344	\$1,383,163	\$1,441,936	\$1,400,427	\$1,357,363	\$1,314,962	\$1,276,549	\$1,239,424	\$1,203,416	\$1,168,490	\$1,134,613
Net Present Value (NPV)			\$8,223,081										
Cost-Benefit Ratio (CBR)			0.36										

¹⁰ The policy assumes 9 STR units are voluntarily converted to long term dwellings, maintaining the most productive STR units.

Appendix B: Other Assumptions

Table B1: Cost of Rent by Number of Bedrooms – Assumed (Statistics Canada, 2023)

Number of Bedroom & Term	2021	2025
Average monthly shelter costs for rented dwellings (\$)	\$1,630	\$1,899
Annualized	\$19,560	\$22,789
Annualized (2 bedroom)		\$28,800 (\$2,400 monthly)
Annualized (3 bedroom)		\$36,000 (\$3,000 monthly)

Table B2: Hotel Price Assumptions in Pemberton (Kayak, n.d.)

Period	Pemberton Valley Lodge	Pemberton Hotel
7 nights	\$2,099	\$1,507
Nightly Rate	\$300	\$215

Table B3: Canadian Tourism Growth Forecast 2026 to 2029 - 2030 to 2033 averaged (Destination Canada, n.d.)

Year	Tourism Growth (Canada - Forecasted) - Moderate	Guest Nights Equivalent
2025		4,300
2026	1.8%	4,378
2027	1.2%	4,430
2028	0.8%	4,466
2029	0.7%	4,497
2030	1.1% (avg)	4,546
2031	1.1% (avg)	4,597
2032	1.1% (avg)	4,649
2033	1.1% (avg)	4,701
2034		4,753

Table B4: Detailed Visitor Spending from 2018 Econometric Model of Pemberton Valley (Cadence Strategies, 2020)

	Roofed Accommodation	Campgrounds	VFR	Day Visitors	TOTAL VISITORS
NIGHTS	89,504	31,209	15,540	190,000	326,254
Accommodation	\$6,500,000	\$450,000	\$0	\$0	\$6,950,000
Daily Cost/Person	\$72.62	\$14.42			
Restaurants	\$2,939,411	\$372,827	\$167,841	\$1,702,306	\$5,182,385
Groceries	\$894,258	\$559,747	\$160,915	\$2,555,775	\$4,170,695
Shopping	\$991,568	\$215,026	\$50,370	\$236,267	\$1,493,231
Gasoline & Car Repairs	\$1,138,312	\$674,746	\$312,829	\$3,080,854	\$5,206,740
Other	\$100,622	\$56,685	\$13,717	\$0	\$171,024
Recreation	\$1,615,496	\$332,836	\$6,595	\$1,519,710	\$3,474,636
TOTAL SPENDING	\$14,179,666	\$2,661,866	\$712,267	\$9,094,912	\$26,648,712
Daily Spending/Person	\$158.42	\$85.29	\$45.83	\$47.87	\$81.68

Table B5: Assumed Average Occupancy based on Number of Bedrooms

Number of Bedrooms	Average number of guests ¹¹
1	1.8
2	2.5
3	4

Table B6: Other assumptions

Other Assumptions

STR owners want to maximize revenue by having a guest every night

Average percentage insurance premium increase over the next ten years will be similar to the previous ten years

Housing costs like utilities and maintenance are the same for STRs and LTRs

Housing costs like utilities and maintenance are transfer payments between Pemberton stakeholders and can be excluded from the CBA

If a STR is not available, all consumers will stay in hotels

Mid-October hotel rates are typical for the year

If we don't have enough information to determine if a STR can be a PLTD, we will assume it cannot

¹¹ Due to data limitations, average number of guests by number of bedrooms is assumed from personal experience.