APPENDIX B - Estimated Revenues and Expenses

Licensing Fee and Structure (annually)	
Primary Residence	$260
Non-Primary Residence - Tier 1 - 1 bedroom property	$260
Non-Primary Residence - Tier 2 - 2 bedroom property	$520
Non-Primary Residence - Tier 3 - 3 bedroom property (baseline)	**$780**
Non-Primary Residence - Tier 4 - 4 bedroom property	$1,040
Non-Primary Residence - Tier 5 - 5 bedroom property	$1,300
Non-Primary Residence - Tier 6 - 6 bedroom property **(max)**	$1,560
Platforms – Tier 1 Less than 100 listings	$1,000
Platform – Tier 2 101-500 Listings (baseline)	**$2,500**
Platform – Tier 3 – More then 500 listings	$4,000

*License fees for operators have been established are based on a level proportionate to business tax rates paid by establishments offering similar services, adjusted for size and reduced slightly recognizing differing amenities provided.

Projected Licensing 2024 REVENUE (January 2024 - December 2024)			
License Category	**Projected # of Licenses Issued**	**License Fee**	**Total Revenue (projected)**
*assumes 900 STRA's license			
Primary Residence	300	$260	$78,000
Non-primary Residence	600	$780	$468,000
STRA - Platforms (baseline)	4	$2,500	$10,000
Subtotal	**904**		**$556,000**

*The proposed licensing fee structure as projected with the objective to achieve full cost recovery of the program. Annual renewals including inflationary increases to fees apply.

STRA Full Time Equivalents - Community By-law Enforcement Services Licensing/Enforcement					
	2023	**2024**	**2025**	**2026**	**2027**
Licensing Enforcement Coordinator (WASPSO X3, Step 19) **	$0	$112,000	$114,000	$116,000	$119,000
Licensing Enforcement Inspector (CUPE) **	$0	$82,000	$84,000	$86,000	$88,000
Licensing Enforcement Inspector (CUPE) **	$0	$82,000	$84,000	$86,000	$88,000
Licensing Enforcement Inspector (CUPE) **	$0	$82,000	$84,000	$86,000	$88,000
Clerk C (CUPE) analyze data **	$0	$73,000	$75,000	$77,000	$79,000
Shift Premiums	$0	$10,000	$10,000	$10,000	$10,000
Total Staffing Cost	**$0**	**$441,000**	**$451,000**	**$461,000**	**$472,000**

** All positions to start January 1, 2024

STRA LICENSING OPERATIONS ESTIMATED REVENUES AND EXPENSES					
	2023	**2024**	**2025**	**2026**	**2027**
Revenues					
Primary Residence License fees	$0	$78,000	$80,000	$82,000	$84,000
Non-primary Residence fees	$0	$468,000	$478,000	$488,000	$498,000
STRA - Platforms	$0	$10,000	$11,000	$12,000	$13,000
Other revenue - penalties and fees	$0	$10,000	$11,000	$12,000	$13,000
Total Estimated Revenue	**$0**	**$566,000**	**$580,000**	**$594,000**	**$608,000**
Expenditures					
Salaries and Benefits	$0	$441,000	$451,000	$461,000	$472,000
One-time Staff Office Setup Costs (furniture, computers etc.)	$0	$15,000	$0	$0	$0
Staff Training	$0	$10,000	$10,000	$10,000	$10,000
Fleet - Three (3) Vehicles - includes lease, insurance, parking *	$0	$42,000	$33,000	$33,000	$33,000
Annual ongoing software costs **	$15,000	$55,000	$59,000	$63,000	$67,000
Corporation/Title Searches	$0	$15,000	$15,000	$15,000	$15,000
Total Estimated Expenditures	**$15,000**	**$578,000**	**$568,000**	**$582,000**	**$597,000**
Projected Surplus / (Deficit) - Licensing Program	**($15,000)**	**($12,000)**	**$12,000**	**$12,000**	**$11,000**

*Includes Fleet Operating Lease ($8,000), Insurance ($6,000), Parking ($10,000) and Consumables ($9,000). In addition, the first year includes one time cost of decals and winter tires ($9,000). Figures provided by Fleet Management Agency.

**7% increase annually for software costs

STRA ACCOMMODATION TAX REVENUE AND EXPENSES

	2023	2024	2025	2026	2027
Revenues					
Accommodation Tax - 5% (deposited in DMR)	$0	$750,000	$900,000	$900,000	$900,000
Expenditures					
*Clerk C (CUPE) - Collection of Accommodation Tax Revenue	$0	$73,000	$75,000	$77,000	$79,000
One-time Staff Office Setup Costs (furniture, computers etc.)	$0	$5,000	$0	$0	$0
Annual ongoing software costs	$15,000	$59,000	$77,000	$82,000	$88,000
One-time Startup software costs	$45,000	$63,000	$0	$0	$0
Total Estimated Expenditures	**$60,000**	**$200,000**	**$152,000**	**$159,000**	**$167,000**
Projected Surplus / (Deficit) - Accommodation Tax	**($60,000)**	**$550,000**	**$748,000**	**$741,000**	**$733,000**

*Clerk C position to be transferred CBES for tax collection and enforcement activities
** 7% increase annually for software costs

City-Wide Financial Impact of the Short-Term Rental Program

	2023	2024	2025	2026	2027
Licensing Program Revenue	$0	$566,000	$580,000	$594,000	$608,000
Less: Operating Expenditures	$75,000	$778,000	$720,000	$741,000	$764,000
Less: Capital financing Fleet Procurement of Vehicles (Start-up costs)	$111,200	$0	$0	$0	$0
Projected Surplus / (Deficit) - General Revenue Fund	**($186,200)**	**($212,000)**	**($140,000)**	**($147,000)**	**($156,000)**
Accommodation Tax Revenue - Destination Marketing Reserve Fund	$0	$750,000	$900,000	$900,000	$900,000
Projected Surplus / (Deficit) - Total STRA Program *	**($186,200)**	**$538,000**	**$760,000**	**$753,000**	**$744,000**

Any deficits in the General Revenue (Tax-Supported) Fund will be offset by an equal transfer of Accommodation Tax revenue from the Destination Marketing Reserve Fund. Any Accommodation Tax Revenue will remain in the Destination Marketing Reserve Fund.

** As per recommendation 3 of the report, authorization is requested to fund all 2023 start-up costs for the Short-Term Rental Program, as an advance against 2024 Accommodation Tax revenue for any General Revenue Fund Department as required. Sufficient funding within the Destination Marketing Reserve is available.*