

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 than 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
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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.					