

From: [Hasnain Hasan](#)
To: [Clerk](#)
Subject: Re: Short Term Rental Regulations
Date: Wednesday, November 22, 2017 11:44:39 AM
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Dear Team,

My name is Hasnain Hasan, and I work as a Manager for Toronto Furnished Living. On Nov 15th and 16th, I attended the meetings at the City concerning the short term rental market regulations.

From what I sense, the City is moving forward with the proposal of allowing short term rental services only in the principal residences and banning rental activities in secondary properties. Many short term rental businesses, and also different organizations that rely on short term renting (not for profit organizations, vacation rental companies, outsourcing companies etc) unanimously agree that the City is trying to move ahead with the proposals suggested by a hotel lobby, Fairbnb. Its proposals are short sighted and dangerous for the city in the long term. In our opinion, this approach does not take into account the wide variety of stake holders that rely on short term rental market.

Our research has indicated that the following groups rely heavily on the short term market:

1. Financial Institutions and Technology Companies- Banks and Technology companies rely on temporary workers, especially from India, to complete their IT projects. These workers help them save substantial amounts of money on projects, which in turn help them increase their profits and generate more employment.
2. Construction- Workers from out of province and other countries live in Toronto and need furnished accommodation on a temporary basis to complete the projects.
3. English Language Students- Students from around the world come to Toronto to learn English. If these cost cautious students cannot find suitable accommodation, they will be forced to study elsewhere. Many European and South American agencies report that the demand from students to study in Toronto continues to grow.
4. Newly Arrived Immigrants- Since Toronto relies heavily on immigrants to support its economic growth, it only stands to reason that this City should ensure that the initial transition of these newly arrived immigrants is smooth. When they come to Toronto, they are eager to find low cost alternative to hotels. Since short term rental accommodations normally have a kitchen, Internet connection, phone line etc, and are way less expensive than staying at a hotel, demand for short term rental especially from this segment is always high.
5. Insurance Companies- With no or limited short term rental options, insurance companies will have a great difficulty finding an alternate lodging options for their clients to be relocated temporarily due to emergency situation. These clients would be reluctant to stay in a hotel as, in general, it does not have a kitchen, something their clients especially ask for.
6. Business Executives- Many multinational corporations with their offices in Toronto bring their senior executives from different countries in Toronto to provide training and recommendations to their staff on major business projects. These corporations and executives give preference to short term rental options as opposed to a hotel mainly because with extended stay, corporations save money on accommodation and executives get all the luxuries of a hotel in a furnished condo or apartment
7. Refugees- Every year, Toronto gets refugees from war stricken countries. Since we have partnered with many not for profit organizations, these organizations rely on us to provide accommodation to these families during their transition stage in Toronto. They cannot afford to put these families in a hotel due to cost factors.
8. Patients - Patients needing palliative or emergency treatment often come to Toronto. They prefer to stay in apartments close to their hospital. We have partnered with many hospitals in Toronto who often guide these patients or their guardians to stay in apartments close to their hospital.
9. Medical Students- These students are on a tight budget and want to stay close to hospital mainly also due to odd and long hours they are required to spend at hospitals. Our business offers them the convenience of saving money while being close to the hospital
10. LGBTQ Group - This group is one of the most vulnerable and persecuted groups in our city. Many times, these people need urgent accommodation facility. Due to limited housing facilities available for these groups, they often end up requiring

temporary accommodation facility. Since this group is not financially strong, staying in a hotel option is not something they want to consider.

11. Local Residents Many times locals experiencing financial difficulties prefer to stay in a furnished apartment and pay on a week to week basis. Once they have saved enough money, they move out to a place that meet their needs.

Instead of restricting the short term market, the city should encourage regulating it in a fair manner that will have a positive impact on the city. The city should consider doing the following:

1. Imposing short term rental tax
2. Mandatory police clearance record for hosts
3. Listing fee for every property the host lists on vacation websites (no restriction on the number of property the city could list)
4. Rental income should be taxed as a regular income
5. Hosts or its representatives should be present at the time of guests' check in
6. Helping first time buyers with down payment while temporarily taxing the seller when he or she is selling a secondary property
7. Providing subsidies to builders to build apartment companies and condos, and restricting the rent and the price of these condos.
8. Banning foreign investors from buying a property in Toronto

We have been providing short term accommodation services since 2005. We have helped thousands of people find accommodation in Toronto, and today we are faced with great uncertainty about the future of our business.

Many major cities around the globe have tried to regulate the short term rental market, but they have not been successful. In Manhattan and New York, for example, renting an apartment for less than 28 night stay is currently illegal, but it is extremely easy to rent an apartment through popular websites such as Airbnb, Booking.com etc. The City of New York knows that this regulation is not worth it considering the amount of resources are diverted for this task. Below is the article by a Globe and Mail reporter explaining that companies such as Airbnb and other vacation providers are good the economy.

<https://www.theglobeandmail.com/opinion/cities-should-think-hard-before-tightening-airbnb-rules/article37034444/>

I hope you would agree with me that our city has long made any consumption or possession of marijuana illegal. Today, we are noticing that our city will legalize it by next year. Clearly, the City is aware that it will never be able to effectively ban it, so instead it is trying to tax the usage. The same argument holds true for other illicit drugs arriving from China and other countries that continue to claim the lives in our City. Our city will eventually provide drugs to these individuals in a controlled environment because it knows that it will never be able to ban it.

I have written extensively to the City about this issue. Attached are my emails for your review.

I would appreciate if I could meet someone with authority in regards to this matter so I could explain my point of view. Any help would be much appreciated.

Hasnain Hasan, MBA
Manager
Toronto Furnished Living



www.torontofurnishedliving.com



Hasnain Hasan <hasnain.hasan@torontofurnishedliving.com>

Re: Short Term Rental

Hasnain Hasan <hasnain.hasan@torontofurnishedliving.com>

Mon, Nov 13, 2017 at 4:00 PM

To: Licensing and Standards Committee <lsc@toronto.ca>

Dear Jonathan,

In regards to the short term rental business, below are some additional points that are extremely important for the city to review before making any decision that could have an impact on the short term rental market.

1. Many short term rental companies like ours do not rely on Airbnb and other short term rental websites. They get businesses mainly through the word of mouth publicity, marketing their services to foreign travel agents, multi national companies, English language schools etc.
2. Regulating the short term rental market will have a little to no impact on the housing affordability crisis. The short term rental companies face a very low season from November to February. During this season, their vacancy rate is unusually high, as immigrants, international language students etc mainly come to Toronto from March to October. Even many Canadian companies that rely heavily on temporary foreign workers do not recruit them in the winter months. Due to poor demand, many short term rental companies who rent apartments from the landlords end their leases in the winter months.
3. Since any stay that is longer than 30 days is tax exempted, the city of Toronto will get less revenue in taxes if it prohibits the short term stay for less than 30 nights. Fewer tax collection means less money for the city to spend on otherwise very important areas such as:
 - i. infrastructure- Almost all roads in Scarborough and other areas in the city need urgent repairs.
 - ii. transit- Street cars, and trains malfunction on a regular basis increasing the commute time of workers
 - iii. health care- The wait time to see a specialist or even a family physician on the weekends or in the evenings continues to show no signs of improvement

Our city is cash strapped, and must avoid taking any steps that could affect the people of Toronto in terms of the services they expect to receive.

Below are the benefits of the short term rental market for the City:

1. Newly arrived immigrants, and out of town workers need an alternative to a hotel while they look for a permanent accommodation. Since these people come to Toronto to start a new life, they already have many financial decisions to make. When these people book an apartment for a week or two, not only do they get the option of deciding whether they should extend their stay depending on whether they like the neighbourhood and the apartment, they also do not have to end up spending the first and the last month rent. Many of our clients due to financial hardships initially stay with us for a week, and then end up staying on a month to month basis until they have saved enough money to move in to a place for a long term stay that meet their needs. Our city relies heavily on newly arrived immigrants and out of town workers since a vast majority of baby boomers are expected to retire within the next ten years causing an undue pressure on the city's limited resources. The influx of new immigrants, and people from out of town can help counter this undue pressure on city's resources.
2. When owners list an apartment or their home for short term rental, they earn an extra money to supplement their income to cover some living expenses of their children and other family members. Our household debt is one of the highest in the world, and an extra income will not only help families reduce their debt, they will also provide a much needed short term accommodation service.

Our recommendations to regulate the short term market:

1. Since critics like Fairbnb and many hotel lobbies often claim that properties listed on airbnb and other vacation websites often turn private residences in buildings into 'ghost hotels', the city should consider introducing fees for each unit to be converted into a short term rental housing to limit the transformation.
2. Hosts MUST reside locally if they intent to rent out their properties. They or their representative should meet the guests at the time of check in. Our research has indicated that the neighbours' peace is mainly compromised when the guests sense that the owners or his or her representatives will not be meeting them during their stay.
3. The city should impose a fee on owners or companies for each property they list on the short term website. Many

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owners do not have any interest on listing these properties on these websites mainly because of their time constraints.

Last but not the least, even before AIRBNB came into existence, our company was providing the short term rental services to anyone looking for an alternative to a hotel to save money on accommodation, we find it extremely unfair that today our business is at stake mainly because groups like Fairbnb and other hotel lobbies want the City to develop rulings that actually benefit them by presenting facts that are not only misleading but actually harmful for city's growth in the long term.

Thank You

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Hasnain Hasan <hasnain.hasan@torontofurnishedliving.com>

Re: Short Term Rental Regulation- IMPORTANT

Hasnain Hasan <hasnain.hasan@torontofurnishedliving.com>

Thu, Nov 9, 2017 at 11:06 AM

To: MLSfeedback@toronto.ca

Dear City Staff,

I wish to bring to your attention the flaws in the short rental proposal suggested by the city council:

1. Placing restrictions on the short term rental market will have a significant **negative impact** on the economy. Small short term accommodation company like ours, and many other Global Travel websites such as Booking.com, Expedia generate employment, pay taxes and help the tourism sector grow. With every dollar tourist spent on accommodations, many more are spent on food, sight seeing, shopping etc.
2. Short Term rental accommodation is an **attractive alternative** to students who are here for a month or two, foreign and out-of-province workers and business executives, newly arrived immigrants etc. Placing restrictions on short term rental market will create a financial burden not only on these groups, but also on the city as well, especially at a time when the growth in Toronto is already **lackluster**, mainly due to low inflation, stagnant wages, and extremely unaffordable real estate prices.
3. Placing restrictions on the short term rental market will negatively impact the city with tax revenue. Our city is cash strapped, and instead of finding ways to generate more revenue to provide the long over due services to the people of Toronto, our city is **lacking a proper vision to make Toronto a business friendly city**.
4. Arguments made by the proponents of short term rental restrictions are mainly by condo owners. Their arguments are not only shortsighted but also dangerous for the city in the long term. They are unnecessarily involving the City. If they had some issues with short term rental, they should discuss issues directly with the Building Board of Directors.
5. Holding the short term rental companies responsible for the **imbalance in demand and supply** for rental and real estate market defies reasoning and logic. To solve the housing issues, the City should consider removing the bylaws from the **Tree Protection Zone (TPZ)** in certain areas to encourage the builders to build apartment and condo buildings **at subsidized rates**. It can also temporarily impose taxes on people selling their primary residence, increase the minimum down payment requirement for first time home buyers, and impose the **limit on the number of real estate properties foreign investors can buy** in Toronto.

Following industries and groups rely heavily on short term rental accommodation sectors:

1. **Financial Institutions and Technology Companies**- Banks and Technology companies rely on temporary workers, especially from India, to complete their IT projects. These workers help them save substantial amounts of money on projects, which in turn help them increase their profits and generate more employment.
2. **Construction**- Workers from out of province and other countries live in Toronto and need furnished accommodation on a temporary basis to complete the projects.
3. **English Language Students**- Students from around the world come to Toronto to learn English. If these cost cautions students cannot find suitable accommodation, they will be forced to study elsewhere. Many European and South American agencies report that the demand from students to study in Toronto continues to grow.
4. **Newly Arrived Immigrants**- Since Toronto relies heavily on immigrants to support its economic growth, it only stands to reason that this City should ensure that the initial transition of these newly arrived immigrants is smooth. When they come to Toronto, they are eager to find low cost alternative to hotels. Since short term rental accommodations normally have a kitchen, Internet connection, phone line etc, and are way less expensive than staying at a hotel, demand for short term rental especially from this segment is always high.
5. **Insurance Companies**- With no or limited short term rental options, insurance companies will have a great difficulty finding an alternate lodging options for their clients to be relocated temporarily due to emergency situation. These clients would be reluctant to stay in a hotel as, in general, its does not have a kitchen, something their clients especially ask for.
6. **Business Executives**- Many multinational corporations with their offices in Toronto bring their senior executives from different countries in Toronto to provide training and recommendations to their staff on major business projects. These corporations and executives give preference to short term rental options as opposed to a hotel mainly because with extended stay, corporations save money on accommodation and executives get all the luxuries of a hotel in a furnished condo or apartments.

Instead of placing restrictions on the short term rental segment, the City, should consider promoting this segment by offering employment subsidies to short term rental companies. reducing their taxes and putting no restriction on

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will, in turn, benefit the city with more money on its disposal and the people who live here temporarily or permanently. Short term rental market is growing exponentially in all major cities around the world. City and the businesses should work together to take advantage of this important segment, and provide the necessary services to anyone looking for short term rental options.

Should you have any questions, please let me know. I could be reached at [REDACTED] Below is my mailing address:

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Hasnain Hasan <hasnain.hasan@torontofurnishedliving.com>

Re: Short Term Rental

Hasnain Hasan <hasnain.hasan@torontofurnishedliving.com>
 To: Robert.hatton@toronto.ca

Mon, Nov 13, 2017 at 4:21 PM

Dear Mr. Hatton,

Thank you for the email you sent me on Friday. Below is the email that I have sent to the Members of the Licensing and the Standard Committee.

The City is holding a meeting on November 16th, and I look forward to attending it.

Mr. Hatton, we are extremely concerned about how the city is considering regulating the short term market. Even before AIRBNB, we were involved in providing the short term accommodation. Our services provide a cost effective solution to anyone wishes to avoid staying at a hotel to save money on accommodation and meals. Restricting the short term stay will not only cause financial hardships to anyone looking for accommodation, it will drive many short term accommodation companies and many Canadian accommodation websites out of business, something that is against the basic principles of capitalism.

Toronto is a world class city and to maintain its stature, the City and the businesses must work together to promote fair competition and to solve issues that affect us.

Thank You

Hasnain

----- Forwarded message -----

From: **Hasnain Hasan** <hasnain.hasan@torontofurnishedliving.com>
 Date: Mon, Nov 13, 2017 at 4:00 PM
 Subject: Re: Short Term Rental
 To: Licensing and Standards Committee <lsc@toronto.ca>

Dear Members of the Licensing and the Standard Committee,

In regards to the short term rental business, below are some additional points that are extremely important for the city to review before making any decision that could have an impact on the short term rental market.

1. Many short term rental companies like ours do not rely on Airbnb and other short term rental websites. They get businesses mainly through the word of mouth publicity, marketing their services to foreign travel agents, multi national companies, English language schools etc.

2. Regulating the short term rental market will have a little to no impact on the housing affordability crisis. The short term rental companies face a very low season from November to February. During this season, their vacancy rate is unusually high, as immigrants, international language students etc mainly come to Toronto from March to October. Even many Canadian companies that rely heavily on temporary foreign workers do not recruit them in the winter months. Due to poor demand, many short term rental companies who rent apartments from the landlords end their leases in the winter months.

3. Since any stay that is longer than 30 days is tax exempted, the city of Toronto will get less revenue in taxes if it prohibits the short term stay for less than 30 nights. Fewer tax collection means less money for the city to spend on otherwise very important areas such as:

- i. infrastructure- Almost all roads in Scarborough and other areas in the city need urgent repairs.
- ii. transit- Street cars, and trains malfunction on a regular basis increasing the commute time of workers
- iii. health care- The wait time to see a specialist or even a family physician on the weekends or in the evenings continues to show no signs of improvement

Our city is cash strapped, and must avoid taking any steps that could affect the people of Toronto in terms of the services they expect to receive.



Hasnain Hasan <hasnain.hasan@torontofurnishedliving.com>

Re: Short Term Rental Housing

Hasnain Hasan <hasnain.hasan@torontofurnishedliving.com>
To: lsc@toronto.ca

Thu, Nov 9, 2017 at 6:29 P

Dear Julie Levertu,

I am not sure if you could help me, but if you could, I would be grateful to you.

I work for Toronto Furnished Living as a Manager, and we are extremely concerned about the regulations expected to come into effect to regulate the short term rental market.

Our business is to provide short term rental apartments to a wide variety of clients ranging from newly arrived immigrants to English language students to business executives. Our business is a good alternative to someone looking to find an alternative to a hotel and save money on accommodation. Many times, our clients initially reserve our apartment for a week or more and then extend their stay for a month. From what we are sensing, the City will restrict the short term stay that is less than 28 days. This will have a **severe negative impact** on our business. Not only our business, but our stakeholders connected to our business (suppliers, regular clients, employees) will be affected as well. Indirectly, this proposal will also affect tourism and will cause hardship to many newly arrived immigrants, or out of service workers who prefer to stay in an apartment as opposed to a hotel on a week to week basis.

We have been in business since 2005. We are one of the oldest short term rental companies in Toronto. We have always paid our due share in terms of taxes, and operated our business as per the current rules and regulations. We find it extremely unfair that after establishing our business for more than 10 years we are now faced with a great uncertainty for the future of our business due to a heavy lobby mainly from the hotel industry. Our business model is different and we do not compete with hotels.

As a business, we already face slow and busy season. During winter months, the demand of our business slows down substantially, so we rely on renting our apartments for a shorter duration to cover our expenses.

Please advise as to what my options are to discuss my point of view with the City. I look forward to your response.

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