



Federation of Rental-housing
Providers of Ontario

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November 15th, 2017

Councillor Cesar Palacio and Members
City Municipal Licensing and Standards Committee
City Hall, 2nd Floor
100 Queen Street West
Toronto, Ontario M5H 2N2

Dear Councillors:

Re LS23.1 – Regulations for Short Term Rentals

The Federation of Rental-housing Providers of Ontario (FRPO) represents property owners, property managers and suppliers of multi residential rental properties across Ontario. Our members represent 350,000 units province-wide.

The staff report specifically recommends that multi residential rental units be allowed to operate as short-term rentals. I would like to offer our comments on the report to clarify some of the misconceptions on rental units:

1. The Residential Tenancies Act (RTA) governs all landlord and tenant issues in Ontario. The RTA prohibits “security” deposits of any kind. This is problematic as short-term rental sites require this;
2. The LS23.1 report states tenants would not require landlord approval to rent their unit. This is false. The RTA specifically requires landlord approval to sublet an apartment. This raises serious questions for renters registering with the city and not having received prior approval. Who will enforce this;
3. The RTA also prohibits charging more in rent for a unit than a tenant pays. If the tenant is paying \$1,200 monthly that would equate to no more than \$40 a night. Again, the question is raised as to who enforces this;
4. At a time when Toronto is facing a rental housing crisis with a lack of supply, it seems odd that the city is formalizing ways to take needed rental units out of the market. The vacancy rate in the city is 1.3%. An updated vacancy number, likely below 1%, will be released later this year. All of us should be looking at ways to generate more supply, not less;

In light of these and other considerations, FRPO strongly recommends the city undertake further consultations on how short-term rentals will affect the overall rental housing market.

Sincerely,

A handwritten signature in black ink that reads 'Jim Murphy'.

Jim Murphy
President & CEO