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November 16, 2017

Chair & Members Licensing & Standards Committee **City of Toronto** 100 Queen Street West Toronto, ON M5H 2N2 Isc@toronto.ca

Good morning.

The recommended approach before you has been carefully considered and extensively consulted on by staff for almost two years. These are tough rules, both for hosts and platforms like Airbnb, **one of 14 short-term rental platforms active in Toronto.** While many of the proposed rules make sense, there are still some significant issues that need to be fixed.

Principal Residence & Night Caps

We are encouraged to see that the proposed rules are clear -Torontonians are allowed to share their principal residence in Toronto - their home.

Most of our hosts share only their principal residence, and they care about their homes, neighbours and neighbourhoods.

That's why the proposed 180-day "cap on nights" for entire-unit rentals is **redundant.**

A principal residence restriction is already a cap in and of itself, and filters out commercial operators.

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The City of Vancouver has already recognized this.

Just this week they approved new regulations that don't place an unnecessary cap when home sharing is limited to the host's principal residence. No burdensome rules for hosts to prove primary residence, and no prohibited buildings list in the City of Vancouver.

The additional cap only hurts families legitimately sharing their homes, who may happen to be away for large chunks of the year, and whose home would never be on the long-term rental market.

The 180 day cap on principal residences only adds more red tape, burden and cost for everyone, the city included.

I know a host living in Toronto who works elsewhere during the week, he works in a small town and comes home on the weekend to Toronto. A 180 day night cap would restrict his ability to share his home while he is away at work and punishes him for no good reason at all.

Host Registration

Our biggest priority is protecting our hosts' ability to continue to share their homes.

A typical host in Toronto earns less than \$5000 a year through home sharing, well below Canada's threshold for collecting and remitting HST.

We also have many people sign up to host on our platform who never end up hosting a guest or choose not to list their home.

That's why we believe that the proposed \$50 annual host registration fee is entirely reasonable.

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And why we support staff's recommendation for a straightforward registration process, which recognizes that a flexible approach is the best way to accommodate the different types of principal residences in our city.

We want our hosts to have the opportunity to participate lawfully and equally in this economy, and we know from our experience around the world that when registration is burdensome, you get less of it.

Conclusion

The recommendations for regulating home sharing and short-term rentals reflect the thorough work of city staff.

They embrace responsible home sharing, yet are clear that commercial short-term rentals will be illegal in Toronto.

We've identified some issues that need further consideration, and we're ready to work together to address them.

We are strongly encouraging you to ensure that home sharing and short-term rentals in Toronto are and should continue to be embraced in a balanced way.

As Toronto is actively trying to attract leading tech and innovation companies here, it is important to send a clear signal that the city is embracing regulations that are open to innovation and our changing economy.

Thank you again for the opportunity to speak today. I look forward to answering your questions.

Alex Dagg Public Policy Manager, Canada

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