

Short-term Rentals

Proposed Regulations for Toronto

Planning and Growth Management Committee, November 15, 2017
Licensing and Standards Committee, November 16, 2017

Short-term Rentals

- Short-term rental platforms such as Airbnb, Expedia and VRBO are operating worldwide
- The City received data from a few short-term rental platforms that operate in Toronto
 - Of these platforms, Airbnb has the most listings
 - Number of short-term listings tripled from 2014 to 2016
- The following data was provided by Airbnb for 2016:
 - 10,800 properties were rented on Airbnb in Toronto
 - 72% of all listings rented were in condominiums, apartments or lofts
 - 53% of listings were downtown

How We Got Here



Consultation



From March to September 2017:

- Six public meetings (over 500 total attendees)
- Public meeting online streamed on YouTube with interactions with staff on Twitter (700 total views of the online videos posted on Twitter).
- Two online public surveys (over 9,000 total responses)
- 12 targeted stakeholder meetings (80 attendees)
- Focus groups with operators and guests (33 attendees)
- Representative survey by Ipsos (1,009 responses)
- Stakeholder workshop by MaRS Solutions Lab (50 attendees)
- Submissions, letters and emails to staff (around 80 emails from residents and submissions from around 35 companies or organizations)

Principles of Proposed Regulations

- Permit people to **rent their homes** for short periods
- Minimize negative impacts on **housing affordability and availability**
- Enable greater diversity in **tourism accommodations**
- Maintain **community stability**, including in vertical communities
- Minimize **nuisances**
- Create regulations that are **fair and easy to follow** for people and companies

Zoning

- Amend Zoning By-laws to create new land use called "short-term rental"
 - means any rental less than 28 days at a time
 - permitted city-wide in any residential zone and residential component of a mixed-use zone
 - only in principal residences

Zoning

- Within their principal residence, people could rent:
 - up to three rooms
 - ~~one secondary suite~~ *
 - entire home
- Short-term rentals are permitted in any type of house (detached, row, townhouse, condo, apartment) as long as it's the principal residence, whether owned, rented or leased
- Short-term rentals would not be permitted in vehicles (trailer, motor home, minivan)

**On November 15, 2017, Planning and Growth Management Committee voted to not allow secondary suites to be used as short-term rentals.*

Registration

For people who want to rent their home (referred to as operators in the report):

- Owners and tenants can register their principal residences for short-term rentals
 - can rent **entire home** while away – maximum of 180 nights per year
 - can **share home** for unlimited number of nights (up to three rooms and/or secondary suite)
- annual fee of \$50 per operator
- must provide City a 24/7 contact for the property
- must keep records of short-term rental activity
- must ensure that property is in compliance with all laws including Ontario Building Code and Fire Code

Principal Residence

- Defined in short-term rental by-law as:
“a dwelling unit owned or rented by a person, alone or jointly with another person, where they are ordinarily resident”
- When registering, operators must declare the address is their principal residence.
- Each person can only have one principal residence.
- A corporation cannot have a principal residence.
- If staff suspect that someone has registered a property that is NOT their principal residence, staff can request that the person provide proof. If staff are not satisfied with the proof provided, staff can remove the person from the registry and/or charge the person with a violation of the by-law.

Licensing

For companies:

- License short-term rental platforms
 - one-time application fee of \$5,000, plus \$1/per night booked
 - all listings must have valid registration number
 - develop procedure to minimize nuisances such as garbage and noise
 - provide information about short-term rental activity with the City

Implementation

- Zoning by-law and amendments are expected to be before Council in December 2017 for enactment
- Short-term rental registration and licensing by-law expected to come into effect June 1, 2018

Thank you