



Dear Deputy Mayor Bailão and members of the Planning and Housing Committee,

On May 20, 2021 your committee will receive a report on Toronto's short-term rental situation, including a market overview and regulatory impact analysis produced by internationally leading short-term rental researchers from the Urban Politics and Governance research group, School of Urban Planning, McGill University.

The McGill analysis shows that a significant number of short-term rental units have returned as long-term rental opportunities. But it also presents a worrisome finding, namely that Airbnb has placed over 8,000 housing units into a 28 night plus category, in effect avoiding Toronto's short-term rental by-law (which defines a short-term rental as 28 nights or less) by means of a technicality. Using this 28 night plus category is a relatively recent workaround Airbnb uses and we have seen this only twice before, in Los Angeles and San Francisco.

Airbnb's decision to create this new category to avoid Toronto's short-term rental by-law fits into its history of exploiting regulatory loopholes in cities around the world. By providing a safe harbour to these units, Airbnb buys ghost hotel operators time and provides them with an opportunity to find ways to skirt Toronto's by-law and worse, possibly taking bookings off-line altogether.

That said, we are pleased to see that the Executive Director, Housing Secretariat, the Executive Director, Municipal Licensing and Standards and the General Manager of Shelter, Support and Housing Administration recommend amending Toronto Municipal Code Chapter 547 to require short-term rental platforms like Airbnb to ensure that it verifies each listing's permit number with the City's Open Data portal for a valid short-term rental registration. It is unfortunate that this is necessary, but as the report outlines, there are just too many listings still advertised on Airbnb without valid permits, with fake permits or duplicate permits. It is curious for a so-called tech company not to have automated this process of verifying permits before they allow these to be advertised already. We don't consider this a haphazard change made only 5 months into the by-law implementation, but a change that should have been made and very clear from the outset.

It is also curious for Airbnb to bury the permit numbers on its website, rather than displaying them *prominently* on the first page of a short-term rental listing. In order to facilitate the rental

of legal units, potential guests should be able to see immediately whether a listing is legally operating in Toronto or not. This information should not be buried “below the fold,” in fine print, or requiring numerous clicks to access.

At a previous Planning and Housing Committee meeting, we heard Deputy Mayor Bailão liken the current short-term rental situation to a supermarket operation. It was said, and I paraphrase, that it is not up to the City of Toronto to patrol the aisles in a supermarket to double check that each product is legal and safe. It is up to the supermarket to ensure that they have systems in place to only offer safe and legal products. In the same fashion, it should not be up to the City of Toronto to double check tens of thousands of short-term rental listings to verify that they are legal. It should equally not be up to the City to contact Airbnb or any other company with individual removal requests. These illegal products shouldn’t make it onto Airbnb’s shelves in the first place. The recommendations in front of you today go a long way ensuring that platforms are made responsible for the content they advertise and profit from.

Yours sincerely,

Thorben Wieditz
Fairbnb Canada

cc: Mayor John Tory