



**Council Member Motion
For the Committee of the Whole Meeting of July 13, 2017**

Date: July 7, 2017

From: Councillor Ben Isitt

Subject: Supplementary Material on Short-Term Rental Regulatory Framework

Background:

Council provided clear direction to staff on June 22, 2017 to develop a regulatory framework to restrict short-term rentals in Victoria, as one response to the housing affordability and housing availability crisis, and to ensure fairness among operators providing transient accommodation.

This report recommends that Council refer new information to staff, specifically reports on regulatory frameworks currently under development in Vancouver and Toronto and information on best practices in other North American jurisdictions, to inform the development of the regulatory framework for Victoria.

Best Practices in other Jurisdictions:

Major Canadian cities including Vancouver and Toronto are currently developing STR regulations based on models in place in San Francisco and Santa Monica, California, which share several common characteristics.

Under Vancouver's proposed regulation (see Attachment 1), which is being considered by Vancouver City Council on July 11, in order for each host to receive licencing from the municipality they will need to provide proof that they are:

- 1) Using their primary residence.
- 2) That the unit is not a secondary suite.
- 3) That they have permission from their strata council to go ahead with the rentals.

Licensed properties are given permit numbers, and platforms such as Airbnb and VRBO are required to list only licensed units along with the host's licence number. Platforms are also responsible for sharing data with the city including the location of properties, the cost of the rentals, the length of time that they are rented, and contact information for hosts. That way, in the case of complaints, city staff can contact the host directly instead of going through the platform as an intermediary. Finally, there is a 3% transaction fee that goes to the city to help cover costs associated with administration and enforcement of the regulations. Toronto City Council's Executive Committee approved a similar regulatory framework on June 19, 2017 (see Attachment 2).

Common characteristics of the regulatory frameworks under development in Vancouver and Toronto, and already implemented in San Francisco and Santa Monica, include a restriction of STRs to a host's primary residence, and clear requirements that mandate responsible operations, including requiring that hosts demonstrate they have approval of strata councils to operate STRs, and mandating co-operation from platforms on the location of properties, the validity of business licenses, and the collection of fees to cover municipal costs.

An analysis of best practices in North American jurisdictions suggests that the regulatory framework for Victoria should include the following requirements:

- One host = One listing;
- Proof of the host's identity and municipal address;
- Proof of a current police background check;
- Proof that the property is the host's principal/primary residence;
- Proof that the listed space is in a habitable room in the principal/primary residence;
- Proof that the host has sufficient insurance coverage;
- Proof that mortgage terms are not violated, if an owner;
- Proof that short-term rentals are consistent with the use of the strata lot in the host's land titles declaration, if a strata resident;
- Proof that the host's strata council rules permit short-term rentals, if a condominium resident;
- Proof that the listing does not violate existing zoning by-laws, building codes, fire codes and health and safety standards;
- Submission of site and floor plans accurately depicting the size and location of the existing dwelling;
- Submission of the number and location of the designated off and on-street parking spaces and the number of vehicles allowed for overnight guests, if applicable;
- Submission of a list of responsible contact persons;
- Submission of a list of all online platforms used to advertise the listing.

Recommendation:

That Council refer this report and the attachments to staff, and request that the following provisions be incorporated into the City of Victoria's regulatory and business licensing framework for Short-Term Rentals:

- One host = One listing;
- Proof of the host's identity and municipal address;
- Proof of a current police background check;
- Proof that the property is the host's principal/primary residence;
- Proof that the listed space is in a habitable room in the principal/primary residence;
- Proof that the host has sufficient insurance coverage;
- Proof that mortgage terms are not violated, if an owner;
- Proof that short-term rentals are consistent with the use of the strata lot in the host's land titles declaration, if a strata resident;
- Proof that the host's strata council rules permit short-term rentals, if a condominium resident;
- Proof that the listing does not violate existing zoning by-laws, building codes, fire codes and health and safety standards;

- Submission of site and floor plans accurately depicting the size and location of the existing dwelling;
- Submission of the number and location of the designated off and on-street parking spaces and the number of vehicles allowed for overnight guests, if applicable;
- Submission of a list of responsible contact persons;
- Submission of a list of all online platforms used to advertise the listing.

Respectfully submitted,



Councillor Isitt

Attachments

1. City of Vancouver staff report, "Regulating Short-Term Rentals in Vancouver," July 5, 2017
2. City of Toronto Executive Committee Decision, "Proposed Regulations for Short-term Rentals," June 19, 2017