

## Tracking Status

- This item was considered by [Executive Committee](#) on June 19, 2017 and was adopted with amendments.

### Executive Committee consideration on June 19, 2017

EX26.3	ACTION	Amended		Ward:All
--------	--------	---------	--	----------

## Proposed Regulations for Short-term Rentals for Consultation

### Committee Decision

The Executive Committee:

- Directed the Chief Planner and Executive Director, City Planning, to prepare amendments to all applicable general zoning bylaws in keeping with the proposed zoning bylaw format outlined in Attachment 1 to the report (June 7, 2017) from the Executive Director, Municipal Licensing and Standards, and the Chief Planner and Executive Director, City Planning, and hold community meetings as required by the Official Plan and a public meeting as required under the Planning Act.
- Directed the Executive Director, Municipal Licensing and Standards, to conduct public consultation on the proposed licensing and registration framework outlined in Attachment 2 to the report (June 7, 2017) from the Executive Director, Municipal Licensing and Standards, and the Chief Planner and Executive Director, City Planning.
- Directed the Chief Planner and Executive Director, City Planning, to report with final zoning amendments to a statutory meeting of Planning and Growth Management Committee and direct the Executive Director, Municipal Licensing and Standards, to report with the licensing and registration requirements to the Licensing and Standards Committee, in the fourth quarter of 2017.
- Directed the Executive Director, Municipal Licensing and Standards, and the Chief Planner and Executive Director, City Planning to consult on and include for City Council consideration in the final report:
  - recommendations for fines and all other available penalties, including provision for special fines, for all contraventions of the by-law, including but not limited to substantial fines for non-compliance by operators and companies who operate without a licence.
  - recommendations for requiring proof of principal residency status to license a short-term rental unit.

### Origin

(June 7, 2017) Report from the Executive Director, Municipal Licensing and Standards, and the Chief Planner and Executive Director, City Planning

## Summary

This report proposes regulations for short-term rentals for consultation.

The short-term rental regulatory approach is premised on the following principles: 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; and create regulations and taxation systems that are fair and easy to follow for people and companies.

The proposed regulations are to:

- amend the City's zoning bylaws to create a new land use called "short-term rental" that is permitted in principal residences across the city;
- prohibit short-term rentals that are not in a person's principal residence;
- license companies that facilitate short-term rental activity, like Airbnb; and
- create a registry for anyone who operates a short-term rental in their home.

The proposed zoning framework would permit short-term rentals across the city in the principal residence of any owner or tenant in residential and mixed use zones and in all residential building types. Within their principal residences, people could rent: up to three rooms within a unit, separately; the entire dwelling unit; and lawful secondary suites. A short-term rental would not be permitted in a dwelling unit that is not a principal residence. This restriction limits long-term housing from being converted to accommodation for tourists.

The proposed licensing and registration system would require that all short-term rental operators register with the City and post their registration number in all advertisements. Short-term rental companies would be required to be licensed and only list registered short-term rentals. These regulations strengthen the above zoning amendments and minimize the impacts of short-term rentals on neighbourhoods.

Companies would be required to report quarterly to the City with anonymized data about short-term rental activities, share details about certain listings upon request by the City, remove problem listings and pay a licensing fee. Operators would be permitted to register their principal residence only, and one registration number would apply to all listings associated with that address (renting bedrooms, renting the entire unit, renting secondary suites). Operators would be required to provide appropriate emergency and safety information to guests and pay a registration fee.

Based on information from Airbnb, staff estimate that the proposed regulations would permit approximately 7,600 properties rented on Airbnb in 2016 to continue to operate as they likely occurred in a principal residence. Approximately 3,200 properties rented on Airbnb in 2016 would likely not be able to be registered as they likely did not occur in a principal residence.

Staff propose to consult the public on the proposed zoning bylaw amendments and the licensing and registration system for short-term rental companies and operators. Staff propose to report back to Council with final recommendations to regulate short-term rentals in the fourth quarter of 2017.

Concurrent with the proposed regulations in this report, staff are considering the implementation of a hotel and short-term rental tax, as directed by Council, subject to receiving legislative authority from the Province of Ontario. On April 27, 2017, the provincial budget proposed giving the City the authority to collect a hotel and short-term rental tax by amending the City of Toronto Act. Recommendations for a tax on hotel and short-term rental will come forward later this year.

The recommendations in this report were developed based on research and consultation. Staff sought input from the public and stakeholders through online surveys, public meetings, focus groups with short-term rental operators and users, and meetings with representatives from the short-term rental and tourism industries and community and neighborhood organizations.

The following City divisions were consulted in the preparation of this report: Affordable Housing Office; Corporate Finance; Economic Development and Culture; Legal Services; Shelter, Support and Housing Administration; Social Development, Finance and Administration; Toronto Fire Services; and Toronto Building.

## Background Information

(June 7, 2017) Report and Attachments 1 and 2 from the Executive Director, Municipal Licensing and Standards and the Chief Planner and Executive Director, City Planning on Proposed Regulations for Short-term Rentals for Consultation

<http://www.toronto.ca/legdocs/mmis/2017/ex/bgrd/backgroundfile-104802.pdf>

Attachment 3 - Detailed Summary of Research and Consultation Findings

<http://www.toronto.ca/legdocs/mmis/2017/ex/bgrd/backgroundfile-104803.pdf>

Attachment 4 - Feedback from public meetings, public survey and stakeholder meetings

<http://www.toronto.ca/legdocs/mmis/2017/ex/bgrd/backgroundfile-104804.pdf>

Attachment 5 - Ipsos Public Opinion Research and Focus Group Reports

<http://www.toronto.ca/legdocs/mmis/2017/ex/bgrd/backgroundfile-104805.pdf>

Attachment 6 - MaRS Short-term Rental Stakeholder Workshop Report

<http://www.toronto.ca/legdocs/mmis/2017/ex/bgrd/backgroundfile-104806.pdf>

Attachment 7 - Jurisdictional Scan of Short-term Rental Regulations

<http://www.toronto.ca/legdocs/mmis/2017/ex/bgrd/backgroundfile-104807.pdf>

## Communications

(June 12, 2017) E-mail from Troy Farrell (EX.Supp.EX26.3.1)

(June 12, 2017) E-mail from Mark Jablonski (EX.Supp.EX26.3.2)

(June 12, 2017) Letter from Michael Katchen, Founder and Chief Executive Officer, Wealhsimple (EX.Supp.EX26.3.3)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70632.pdf>

(June 12, 2017) Letter from Michael Gardner, Chief Executive Officer, Agreement Express (EX.Supp.EX26.3.4)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70662.pdf>

(June 13, 2017) Submission from Peter Thoma, Partner, urbanMetrics (EX.Supp.EX26.3.5)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70697.pdf>

(June 13, 2017) Letter from Yannick Bigourdan (EX.Supp.EX26.3.6)

(June 13, 2017) Letter from Shauna Levy, President and Chief Executive Officer, Design Exchange (EX.Supp.EX26.3.7)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70722.pdf>

(June 13, 2017) Letter from Vicki Saunders, Founder, SheEO (EX.Supp.EX26.3.8)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70774.pdf>

(June 14, 2017) E-mail from Saleh Reda (EX.Supp.EX26.3.9)

(June 13, 2017) Letter from Donna Dooher, Executive Chef/Owner, Mildred's Temple Kitchen (EX.Supp.EX26.3.10)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70840.pdf>

(June 14, 2017) E-mail from Lee-Anne Golden, Managing Director, Urban Flats Toronto Inc. (EX.Supp.EX26.3.11)

(June 14, 2017) E-mail from Terri Frank (EX.Supp.EX26.3.12)

(June 15, 2017) E-mail from Ben Lichty (EX.Supp.EX26.3.13)

(June 8, 2017) Letter from Jeff Musson, Founder, Northof41.org (EX.Supp.EX26.3.14)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70854.pdf>

(June 15, 2017) E-mail from Ruth Donsky (EX.Supp.EX26.3.15)

(June 15, 2017) E-mail from Tom and Siobhan Brewer (EX.Supp.EX26.3.16)

(June 15, 2017) Letter from Davin Michael Garg, Vice President, TSCC 2130, The Residences of Maple Leaf Square (EX.Supp.EX26.3.17)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70861.pdf>

(June 15, 2017) Letter from Geoff Kettel and Cathie Macdonald, Co-Chairs, Federation of North Toronto Residents' Association (FoNTRA) (EX.Supp.EX26.3.18)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70862.pdf>

(June 16, 2017) E-mail from Pamela Keith-Bruin (EX.Supp.EX26.3.19)

(June 16, 2017) Letter from Mary Ann B. Passi, Chief Executive Officer, Corporate Housing Providers Association (EX.Supp.EX26.3.20)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70875.pdf>

(June 16, 2017) Letter from Karin Ots, Senior Vice President, Regulatory and Government Relations, Aviva Canada Inc. (EX.Supp.EX26.3.21)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70883.pdf>

(June 16, 2017) E-mail from Ed Van Gennip (EX.Supp.EX26.3.22)

(June 16, 2017) E-mail from Brad Edelson (EX.Supp.EX26.3.23)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70885.pdf>

(June 16, 2017) Letter from Michael Serbinis, Founder and Chief Executive Officer, League (EX.Supp.EX26.3.24)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70886.pdf>

(June 16, 2017) Letter from Margarita Mendez, Executive Director, Nellie's, Shelter, Education and Advocacy for all Women and Children (EX.Supp.EX26.3.25)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70887.pdf>

(June 16, 2017) Submission from Tom Slee (EX.Supp.EX26.3.26)

(June 16, 2017) Letter from Jordan Banks (EX.Supp.EX26.3.27)

(June 16, 2017) E-mail from David Anderson (EX.New.EX26.3.28)

(June 16, 2017) E-mail from Jerry Dias, National President, UNIFOR, the Union (EX.New.EX26.3.29)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70923.pdf>

(June 16, 2017) E-mail from Barbi Lynn Lazarus (EX.New.EX26.3.30)

(June 17, 2017) E-mail from Derek C (EX.New.EX26.3.31)

(June 18, 2017) E-mail from Doug Ewart (EX.New.EX26.3.32)

(June 18, 2017) Letter from Marilyn Tait-McClellan, President, Bay Cloverhill Community Association (BCCA) (EX.New.EX26.3.33)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70927.pdf>

(June 19, 2017) Submission from Hamish Wilson (EX.New.EX26.3.34)

(June 19, 2017) E-mail from Suzanne and Steve Krajinovic (EX.New.EX26.3.35)

(January 7, 2017) Letter from Lindy Davies (EX.New.EX26.3.36)

(June 19, 2017) Letter from Kenneth Hale, Director of Advocacy and Legal Services and Bahar

Shadpour, Communications Co-ordinator, Advocacy Centre for Tenants  
Ontario (EX.New.EX26.3.37)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70915.pdf>

(June 18, 2017) Letter from Lisa Marion, Founder and Chief Executive Officer, H&P Properties  
Company Ltd. (EX.New.EX26.3.38)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70916.pdf>

(June 18, 2017) E-mail from Tom Walters (EX.New.EX26.3.39)

(June 18, 2017) E-mail from Brian Tyndale (EX.New.EX36.3.40)

(June 19, 2017) E-mail from Peter Moore (EX.New.EX26.3.41)

(June 19, 2017) E-mail from Yogi Acharya, Organizer, Ontario Coalition Against  
Poverty (EX.New.EX26.3.42)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70920.pdf>

(June 19, 2017) E-mail from Gary Edgar (EX.New.EX26.3.43)

(June 19, 2017) E-mail from Lacey Churchill (EX.New.EX26.3.44)

(June 19, 2017) E-mail from Lu-Anne DaCosta (EX.Supp.EX26.3.45)

(June 19, 2017) Letter from Richard Koroscil, Interim President and Chief Executive Officer, Ontario  
Chamber of Commerce (EX.New.EX26.3.46)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70944.pdf>

(June 19, 2017) Letter from Marianne Moroney (EX.New.EX26.3.47)

(June 19, 2017) E-mail from John Provart (EX.New.EX26.3.48)

(June 19, 2017) E-mail from 68 Communications received from individuals related to "Written  
Submission - Agenda Item # EX26.3" (EX.New.EX26.3.49)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70947.pdf>

(June 19, 2017) Submission from Lina and Paul Nedoszytko (EX.New.EX26.3.50)

(June 19, 2017) E-mail from Chris Liao (EX.New.EX26.3.51)

(June 19, 2017) E-mail from Doug Frost, President, Federation of Ontario Bed and Breakfast  
Accommodation (FOBBA) (EX.New.EX26.3.52)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70934.pdf>

(June 19, 2017) Submission from Linda Brett, Bloor Street East Neighbourhood Association  
(BENA) (EX.New.EX26.3.53)

(June 19, 2017) Letter from Carl Szabo, Policy Counsel, NetChoice (EX.New.EX26.3.54)

<http://www.toronto.ca/legdocs/mmis/2017/ex/comm/communicationfile-70958.pdf>

## Speakers

Darrell Villa

Barbara Disman

Terry Mundell, Greater Toronto Hotel Association

Linda Brett, Bloor Street East Neighbourhood Association (BENA)

Chris Lehane, Global Head of Public Policy, Airbnb

Alyas Ali

James Miller

Charlene Chalmers

Ben Zifkin, Chief Executive Officer, Hubba

Maxine Louie

Jeff Timmons

Fernando Ruiz

Christina Chan

Ben d'Avernas

Kathleen Le Roux

Alain Pescador  
 Karyn Ruiz  
 Parul Bansal, Sonder  
 Vanessa Tam, Program Coordinator, Ontario Media Development Org.  
 Peter Thoma, urbanMetrics Inc.  
 Diann Emery, Co-partner, Visible Media  
 Kirsten Hildebrandt  
 Caroline Miller  
 Karen Yang  
 Todd Hofley, Airbnb  
 Jane Murdoch Adams  
 John Kiru, Executive Director, Toronto Association of Business Improvement Areas (TABIA)  
 Rigo Seucharan  
 Nick Christoforou  
 Steven Tufts, Fairbnb Coalition  
 Chris Penrose, Producer, DAIS  
 Lis Pimentel, Fairbnb Coalition and Unite HERE Local 75  
 Mike Casey, Share Better Coalition in San Francisco  
 Linda Pinizzotto, Chief Executive Officer and Founder, Condo Owners Association (COA Toronto)  
 Tony Elenis, President and Chief Executive Officer, Ontario Restaurant Hotel and Motel Association (ORHMA)  
 Joseph Montano, Expedia Inc.  
 Venkateswara Bhagavatula  
 Mara Epstein, Bloor East Neighbourhood Association  
 Lisa Marion, H&P Properties  
 Cameron Tabatabai, Guestable  
 Zach Mandlowitz, Guestable  
 Marianne Moroney  
 Anton Zilberberg, Chief Executive Officer, Quick Realty Inc.  
 Councillor Frances Nunziata  
 Councillor Joe Cressy

## Motions

*1a - Motion to Amend Item (Additional) moved by Councillor Ana Bailão (Lost)*

That Executive Committee direct the Executive Director, Municipal Licensing and Standards, and the Chief Planner and Executive Director, City Planning to consult on and include for City Council consideration in the final report:

1. the feasibility, opportunities and impacts of removing secondary suites from potential approval for short-term rentals unless they are separately occupied by a principal resident.

**Vote** (Amend Item (Additional))

Jun-19-2017

<b>Result: Lost (tie)</b>	Majority Required
Yes: 5	Paul Ainslie, Ana Bailão, Frank Di Giorgio, David Shiner, John Tory (Chair)
No: 5	Gary Crawford, Mary-Margaret McMahon, Denzil Minnan-Wong, Cesar Palacio, Jaye Robinson
Absent: 3	Jon Burnside, James Pasternak, Michael Thompson

***1b - Motion to Amend Item (Additional) moved by Councillor Ana Bailão (Carried)***

That Executive Committee direct the Executive Director, Municipal Licensing and Standards, and the Chief Planner and Executive Director, City Planning to consult on and include for City Council consideration in the final report:

1. recommendations for fines and all other available penalties, including provision for special fines, for all contraventions of the by-law, including but not limited to substantial fines for non-compliance by operators and companies who operate without a licence.

**Vote** (Amend Item (Additional))

Jun-19-2017

<b>Result: Carried</b>	Majority Required
Yes: 10	Paul Ainslie, Ana Bailão, Gary Crawford, Frank Di Giorgio, Mary-Margaret McMahon, Denzil Minnan-Wong, Cesar Palacio, Jaye Robinson, David Shiner, John Tory (Chair)
No: 0	
Absent: 3	Jon Burnside, James Pasternak, Michael Thompson

***1c - Motion to Amend Item (Additional) moved by Councillor Ana Bailão (Carried)***

That Executive Committee direct the Executive Director, Municipal Licensing and Standards, and the Chief Planner and Executive Director, City Planning to consult on and include for City Council consideration in the final report:

1. recommendations for requiring proof of principal residency status to license a short-term rental unit.

**Vote** (Amend Item (Additional))

Jun-19-2017

<b>Result: Carried</b>	Majority Required
Yes: 9	Paul Ainslie, Ana Bailão, Gary Crawford, Frank Di Giorgio, Denzil Minnan-Wong, Cesar Palacio, Jaye Robinson, David Shiner, John Tory (Chair)
No: 1	Mary-Margaret McMahon
Absent: 3	Jon Burnside, James Pasternak, Michael Thompson

***2 - Motion to Amend Item (Additional) moved by Councillor Cesar Palacio (Lost)***

That Executive Committee direct the Executive Director, Municipal Licensing and Standards and the Chief Planner and Executive Director, City Planning to consult further on, and include in the final report, an analysis of the implementation, impacts and options for revising the proposed definition of short-term rentals from "principal residence" to a more flexible definition based upon a restriction to "one Toronto residence", where the residence would not otherwise be on the long-term rental market.

**Vote** (Amend Item (Additional))

Jun-19-2017

<b>Result: Lost</b>	Majority Required
Yes: 3	Gary Crawford, Cesar Palacio, Jaye Robinson
No: 7	Paul Ainslie, Ana Bailão, Frank Di Giorgio, Mary-Margaret McMahon, Denzil Minnan-Wong, David Shiner, John Tory (Chair)
Absent: 3	Jon Burnside, James Pasternak, Michael Thompson

*3 - Motion to Adopt Item as Amended moved by Mayor John Tory (Carried)*

---

Source: Toronto City Clerk at [www.toronto.ca/council](http://www.toronto.ca/council)