

Licensing and Registration of Short-Term Rentals Bylaw

Submission to Municipal Licensing and Standards Division

October 30, 2023

Submission by: Right to Housing Toronto



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To

Municipal Licensing and Standards Division

Re: Licensing and Registration of Short-Term Rentals Bylaw

We are representatives of the Right to Housing Toronto (R2HTO), a network of organizations and individuals working to support the implementation of the right to housing by the City of Toronto. We are writing to you to comment on the Licensing and Registration of Short-Term Rentals Bylaw, in efforts to ensure negative impacts on housing affordability and availability are minimized.

Affordable housing is a human right. Canada is in the midst of a crisis in housing affordability. New units being built do not meet the affordability levels that Canadians need, and for every new unit built, at least fifteen are being lost to excessive rent increases, renovation, redevelopment, and conversion to other uses like short-term rentals. A [recent report](#) illustrates the profound impact that short-term rentals have had on housing affordability in British Columbia, depleting the supply of affordable homes by converting them into vacation rentals. Short-term rentals have had similar detrimental impacts on affordability across Canada, especially in Toronto.

R2HTO therefore supports Toronto's Licensing and Registration of Short-Term Rentals Bylaw as a way to prevent homes from being converted into vacation rentals. In particular, the Bylaw provides that a person may only rent a property for short-term rental if the property is the person's principal residence. This allows a Toronto resident to temporarily rent out their home or a part of their home, but not to repurpose the property so that it is no longer their home.

A significant weakness of the Bylaw is that it currently defines a "short-term rental" as a rental for less than 28 days. Since the Bylaw was enacted, short-term rental operators in Toronto have, in large numbers, simply started listing rentals on platforms such as AirBNB for 28 days and longer. These rentals are still short-term rentals: they are temporary, offered to the travelling and vacationing public, and not intended to be governed by the *Residential Tenancies Act*. They can have the same negative impacts as rentals for less than 28 days, depleting the supply of affordable homes by converting them into properties used exclusively for vacation rentals. The Bylaw does not prevent this practice, because it does not define these rentals as "short-term rentals." Consequently, the Bylaw is falling short of its potential for preventing the loss of affordable housing in Toronto.

We recommend that the Bylaw be amended to adopt a new definition of "short-term rental" that covers all temporary rentals to ensure that **homes are used as homes**. For example, the Bylaw



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could cover all rentals that: have a fixed end date; are offered to the travelling or vacationing public; are advertised on platforms such as AirBNB; and/or are intended to not be governed by the *Residential Tenancies Act*.

We support the City's project to update and strengthen the Bylaw. However, in doing so, we also urge City staff to ensure that any revisions do not inadvertently jeopardize successful initiatives that support equity-deserving groups from being housed. This may include partnerships with charitable organizations that work with homeowners to provide deeply affordable housing for equity-seeking groups such as refugees, students, low-income individuals, youth, seniors and others who might benefit from short-term stays.

The overall purpose of the Bylaw should be to prohibit any rental which results in a home no longer being used as a home. In this submission, R2HTO finds that:

- The current Bylaw's strength lies in its restriction of short-term rentals to an operator's principal residence.
- The bylaw could be improved by amending the definition of short-term rentals to account for listings that require stays beyond 28 days.
- The City must take a rights-based approach when updating the Bylaw to ensure that it does not avert equity-deserving groups from being temporarily housed.

Thank you,

On behalf of Right to Housing Toronto (R2HTO)



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