

Short-Term Rentals

Committee of the Whole

March 7, 2023

Background

Council Direction

In 2016, Council directed staff to investigate the growth of Short-Term Rentals (STR)

On February 28, 2022, Guelph City Council reviewed a staff report to add a licensing category for short-term rentals under the City's Business License By-law (2009)-18855

Council approved the approach to license short-term rentals and directed staff to:

- engage key stakeholders and the public to develop a short-term rental category and regulations under the City's Business License By-law
- investigate options for licensing of both principal and non-principal residences for consideration; and
- report findings back to Council.

Key Stakeholders

Short-Term Rental Working Group

Working Group Structure - established in June 2022, to provide a balance of perspectives. Membership includes project team members and 13 community stakeholders who are a diverse group of participants with a variety of backgrounds and interests as they relate to the Guelph community, tourism and short-term rental industries.

Short-Term Rental Working Group

The working group shared insights, reviewed options, provided feedback, and helped staff understand and consider points of view from diverse stakeholders as they relate to:

- Community concerns around the operation of short-term rentals
- Business concerns around the operation of short-term rentals
- The benefits of short-term rentals in our community
- Business licensing options and best practices in other communities
- Impacts of licensing or regulation of short-term rentals
- Impacts if status quo was to continue
- Appropriate timing and degree of adopting change
- Impacts of taxation

Short-Term Rental Working Group

- Meetings were held July, August and September.
- The working group is not a decision-making body; it is a forum for information dissemination and gathering of feedback from stakeholders to create possible recommendations regarding direction and possible business licensing by-law amendments or other regulatory actions.
- A final working group meeting took place in January 2023 to consider community feedback and provide recommendations to staff on by-law licensing regulations.

Objectives

1. Health and Safety

Ensure rented residential space meets fire, building and bylaw regulations

2. Tax and Regulatory Equity

Treat accommodation providers equitably from a tax and regulatory perspective

3. Supplemental Income

Allow residents to earn income from renting their home occasionally

4. Tourism

Support growth in tourism and support for the City and University events

5. Transparency and Ease

A regulatory, licensing and enforcement system that is easy to understand, inspires high levels of voluntary compliance and has effective means of preventing lawful behaviour

Regulation Considerations

Regulation can include, but is not limited to, instituting a set of rules and conditions for short-term rentals such as:

Must Haves

- Safe accommodation - Guelph Fire, and building inspections
- No violations of City zoning, property standards maintenance or nuisance by-laws
- Mandated insurance requirements

Considerations

- Location and types of facilities that could be rented
- Principal residence, ownership, and operating models

Recommendations

(numbered simply for ease of reference, not priority)

1. Recommend a review of long-term rentals, as they are linked to the STR market
2. Must have someone available 24/7, in-person, within 30 minutes
3. By-law to be reviewed after one year
4. Starting in that initial year, collect data that would help assess the usefulness and appropriateness of the bylaw
5. "Host" can be owner or long-term renter, with written permission of owner
6. Support for limited number of guests, adequate parking – these will be handled through nuisance and parking by-laws, otherwise hard to enforce
7. Educate the public re: rationale – e.g. fees are not a "money grab" for the municipality

Recommendation: Principal property plus one

- Same service as a B&B or hotel, so should be regulated roughly the same way, no matter where it is offered
- Principal residence plus investment STR, limited to one per owner



My house



My laneway house



My ONE investment property