Short-Term Rental Public Consultation

Consulting with Residents and Stakeholders on Short-Term Rentals in the City of Charlottetown

June 19th 2019
Agenda

- Welcome & Introductions
- Purpose
- Existing Regulations
- What we have heard (Survey Results)
- Discussion and Public Feedback
Welcome & Introductions

- Complex issue with many stakeholders and differing opinions
- Opportunity to provide feedback
- Rules of conduct
  - 5 min time limit when providing comments
  - Keep it civil and focused on the topic at hand
Purpose of the Public Consultation

- To obtain resident and stakeholder input to inform decision-making

- To provide a summary of the public survey results that were collected and an overview of the existing regulations relating to Tourist Accommodations

- To capture the full range of opinions and ideas expressed by residents and providing it to Council for consideration
PEI has the highest growth rate among provinces.

Population increase primarily due to immigration and other international non-permanent residents (not anticipated to be a long term trend).

Source: PEI Population Report 2018, PEI Gov
Across PEI single detached home sales were down 19.5% from year-ago levels across all price ranges. Charlottetown it was down 34.2%.

Across PEI the median price of a single detached home was up 11.5% from $194,550 to $217,000. Charlottetown it was up 17.5%, from $241,000 to $283,250.

Source: PEI Real Estate Association [http://creastats.crea.ca/peia/index.html](http://creastats.crea.ca/peia/index.html)
PEI Rental Market

Vacancy rates by apartment type

Charlottetown Construction Statistics

The graph illustrates the number of single family dwellings, two-family dwellings, and multi-family dwellings constructed in Charlottetown from 2009 to 2018. The y-axis represents the number of units constructed, ranging from 0 to 350. The x-axis represents the years from 2009 to 2018. The graph shows a trend of decline in single family dwellings and multi-family dwellings from 2009 to 2013, followed by a recovery from 2013 to 2018. Two-family dwellings show a more stable trend with slight fluctuations.
Charlottetown Construction Statistics compared with PEI population growth

130,000
135,000
140,000
145,000
150,000
155,000

PEI Population

Charlottetown New Dwelling Units (by permits issued)

Single Family Dwellings - New
Two-Family Dwellings - New
Multi-Family Dwellings - New
Population
Charlottetown Construction Statistics compared with Charlottetown’s Population Centre growth

- Single Family Dwellings - New
- Two-Family Dwellings - New
- Multi-Family Dwellings - New
- Charlottetown population
- Linear (Charlottetown population)
What is a Short-Term Rental?

- The Zoning & Development By-law defines a short-term rental as the rental of a dwelling unit or a portion of a dwelling unit (i.e. bedrooms) for a period of less than 30 consecutive days.

- Existing regulations in the Zoning & Development By-law permits property owners to operate a Tourist Accommodation as a Home Occupation subject to the following requirements:
  - Must be homeowner occupied and within the principal residence;
  - Can only be operated out of a Single-detached Dwelling;
  - Secondary or Garden Suites cannot be used for short-term rental purposes
Context

Who is Involved in Short-Term Rentals?

- Property owners
- Renters
- Tourist companies that facilitate short-term rentals

Regulatory Framework

- Building and Fire Codes (Life Safety)
- The Municipal Government Act
- The Planning Act (Land Use)
- Tourism Act (Provincial Approval)
- Zoning & Development By-law
Short-Term Rental Practices in other Municipalities

- Tourist cities have been impacted the greatest by short-term rentals (i.e. Vancouver, Toronto, Montreal)

- Some cities have adopted regulations and licensing by-laws to control short-term rentals with varying degrees of success
  - Toronto’s short-term rental regulations are currently under appeal and going to the Local Planning Appeal Tribunal (LPAT) this Fall

- Some cities have adopted Municipal Accommodation Taxes on short-term rentals
What we Heard: Public Survey

- Online survey on the City’s website and hard copies were available at both the City Hall and the Planning Office
- 746 unique surveys were completed
- 607 respondents were full-time residents
  - 219 identified as an owner;
  - 227 identified as a renter;
  - 161 full-time residents did not identify as either an owner or renter
Charlottetown STR Survey - Who responded?

Ownership vs Renter:
26% identified as Owners (of which 63% are FT)
24% identified as a Renter (of which 66% are FT)
Have you ever advertised your dwelling/home as a short term rental?

- Yes: 11%
- No, but considering it: 12%
- No, I don’t plan on it: 76%
- Didn’t respond: 1%

Seasonal Residents (64%) and Commercial Respondents (54%) were most likely to respond Yes.

Renters (94%) were most likely to respond NO, I don’t plan on it.
Do you support time limits on short term rentals?

“Seasonal short term rentals means that renters have to move in order for tourists to have a convenient place to stay. It is detrimental to the health of our communities.”

“If owners normally rent to University and College students, the owner should be permitted to provide short-term rentals when the unit is not occupied during the summer months. This would help students in that they wouldn't have to pay rent during the summer in order to secure a unit for the next school year.”
Have you been impacted by STRs in your neighbourhood?

- Yes: 32%
- No: 66%
- No Response: 1%

If so, how?

- Direct Impact
- Indirect Impact (housing)
- No Impact
- Positive Impact

“We had to find new housing for my mother because her long-term rental apartment was sold and turned into an AirBnB. She did not have the funds to buy and no decent rentals were available - she is on the subsidized housing wait list but they said it would be years.”
Do you feel there are benefits to short term rentals?

“A rental property, especially short-term, can be an important factor in acquiring, maintaining, and afford a first home for a young person.... As a first-time owner in a 150+ year old home, it has really been a great thing.”
Do you feel there are impacts from short term rentals?

“I have a short term rental next to me. Guests arrive late, make noise, don't know how to use garbage sorting, occasional parties on week nights.”
What type of dwelling units are most appropriate for short term rentals?

“I don’t think the dwelling type is the issue. The issue is the amount of dwellings shifting to Airbnb.”
What can the City do to regulate short term rentals and protect housing supply?

- 64%: Apply the same regulations as B&B/hotels
- 40%: Limit short term rentals to specified time periods
- 29%: Limit short term rentals to single detached dwellings
- 23%: None of the above / Didn’t respond

“These homes should pay commercial tax rates and commercial insurance rates. They are operating a business. What about room levy and paying applicable provincial [property] and federal [income/HST] taxes?”
“The problem is simple. Airbnb (according to its original spirit) is supposed to allow people to either (a) occasionally rent out their home for temporary periods when they are elsewhere or (b) rent out a room or space within their home, for short periods. What is happening is that people are taking advantage of the situation, buying up residential units (houses or apartments) and turning them into a lodging business....”
Thank you

Should you have questions or want to provide additional feedback please contact the Planning Department at planning@charlottetown.ca