



WEST HANTS REGIONAL MUNICIPALITY REPORT

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To: Members of Planning and Heritage Advisory Committee (PAC/HAC)

Submitted by: _____
Mark Fredericks, Senior Planner

Date: July 13, 2023

Subject: Short Term Rentals – Information Report

LEGISLATIVE AUTHORITY

Municipal Government Act Section 214

Tourist Accommodations Registration Act Section 6

RECOMMENDATION or DECISION REQUEST

This report is being provided for information purposes only.

BACKGROUND

On May 9, 2023 the COTW recommended that Council direct staff to prepare a report regarding regulations for short term rentals. On May 23, 2023 the Council passed the following motion:

Council direct planning staff to prepare a report with recommendations regulations if deemed appropriate for short term rentals within the West Hants Regional Municipality to be provided to the Planning and Heritage Advisory Committee as a starting point.

In September of 2020, a previous information report was provided to the Planning Advisory and Heritage Advisory Committee discussing short term rentals and the available regulatory approaches at that time. This 2020 report is included as Attachment A. More recently, in April of 2023, the Province of Nova Scotia introduced a registry system for short term rentals, which

supports Municipalities in balancing their communities' need for housing and travel accommodations.

DISCUSSION

Short-term rentals (STRs) facilitated by online platforms like Airbnb, have gained popularity in recent years. This popularity has provided economic benefits to operators and the tourism industry while also raising concerns about the impact on local housing availability and neighborhood character. To address these concerns, some municipalities seeking to balance the demand for tourism with the need for more housing have implemented regulations to manage and control short-term rental activities. Regulating short term rentals can make it easier for residents to find adequate housing by ensuring more of the housing stock is made available for regular and longer-term rental scenarios. However, regulating an ever changing digital and international form of housing can be challenging for smaller municipalities when enforcement falls to limited staff resources.

The Province of Nova Scotia has introduced a Tourist Accommodation Registry which requires all short-term rentals to register with the Province annually. This applies to all short-term rentals including those within people's homes and is defined as a rental arrangement that lasts fewer than 28 days. This registration approach involves providing the Provincial registration number within all rental listings through online booking platforms like Airbnb.

Under this new Provincial registry effort, the owner of any short-term rental must demonstrate their compliance with local bylaws as a condition of obtaining or maintaining an existing registration through the Tourist Accommodations Registry. This process must be done for each individual rental unit. It is through this opportunity that municipalities can choose to regulate STRs. This can be done with a stand-alone bylaw, or included within the existing Municipal Planning Strategy and Land Use Bylaw, by listing STRs as a permitted use in various land use zones and excluding them from others.

The nature of short term rentals can result in many forms of housing being made available for rent. Sometimes the activity of short term rentals can be indistinguishable from an owner-occupied home. However, in some locations, the short duration of stay, and potential for disruption can make them more noticeable. In these areas, a municipality may choose to shape the regulations to apply more flexibly to areas that permit a wider mix and density of commercial/residential uses, and restrict the opportunity in certain low density residential areas. This type of analysis may be better suited to a comprehensive consideration of all permitted land uses during the Plan Review project. Alternatively, if maximum flexibility is desired, the municipality could allow STRs to locate anywhere by recognizing them as residential dwellings and avoiding any additional regulations.

Many cities across Canada have been dealing with this strain on housing for longer than smaller municipalities, and the following list illustrates the range of approaches that have been used in large Canadian cities.

How other Municipalities approach regulations

Many Canadian cities have created some form of regulation to help manage local housing demand with the increasing popularity of short term rentals.

1. City of Toronto, Ontario:

- Introduced a short-term rental bylaw in 2017, requiring hosts to register with the city and obtain a license.
- Implemented a zoning regulation that allows short-term rentals only in a homeowner's primary residence, limiting the rental of secondary suites and investment properties.
- Established a maximum limit of 180 nights per year for short-term rentals.

2. City of Vancouver, British Columbia:

- Implemented regulations in 2018 that require hosts to obtain a business license and display it in their advertisements.
- Introduced zoning restrictions allowing short-term rentals only in a homeowner's principal residence, prohibiting the rental of secondary suites and investment properties.
- Enforced a one-host, one-home policy, limiting hosts to renting out only their primary residence.

3. City of Montreal, Quebec:

- Passed regulations in 2019 requiring hosts to obtain a short-term rental permit and display it in their listings.
- Implemented a 31-day minimum stay requirement for entire homes and apartments in certain zones, limiting the availability of short-term rentals.
- Introduced zoning regulations that restrict short-term rentals in some residential areas and certain commercial zones.

4. City of Calgary, Alberta:

- Implemented regulations in 2020 that require hosts to obtain a short-term rental license and display it in their listings.

- Introduced a cap on the number of bedrooms that can be rented out in a short-term rental property.
- Enforced a maximum number of occupants per short-term rental unit based on the size of the property.

5. City of Ottawa, Ontario:

- Introduced regulations in 2020 that require hosts to obtain a short-term rental permit and display it in their listings.
- Implemented a cap of 180 nights per year for short-term rentals.
- Enforced zoning restrictions that prohibit short-term rentals in certain areas, such as core residential zones.

There appear to be two core approaches to regulating STRs across Canada, including:

- Registration/licensing to track and monitor the number and location of STRs.
- Land use regulations to control location and other site specifics by establishing zoning regulations that define where short-term rentals are permitted.

Within the land use regulations approach, the following types of controls could include:

- Occupancy limits or duration of stays – limiting the number of guests based on the size of the units may reduce potential conflicts with the neighborhood by avoiding overcrowding.
- Parking requirements and building code compliance – may require regular inspections to ensure egress window requirements are met, fire extinguishers are provided etc.
- Special taxes or fees - collected by the municipality from the owners to fund infrastructure projects or enforcement staff positions.
- Complaint systems - where residents can report issues such as noise disturbances, property damage, or violations of regulations. Municipalities would require staffing to provide follow up and enforce penalties for non-compliance, including fines and revocation of licenses, to ensure adherence to the regulations.

Municipalities have responded to the evolution of short-term rentals by applying regulations that aim to balance the economic benefits of this industry with the maintenance of existing

residential neighborhoods. By introducing a registry or zoning regulations, or other code compliance measures, municipalities can manage short-term rentals effectively and reduce the potential for neighborhood conflict. However, this type of regulation could take time to develop and apply to appropriate locations. Depending on the level of control desired, the enforcement aspect of these regulations may require additional staff resources to implement.

NEXT STEPS

Discuss and provide feedback to staff on what direction to follow if regulations are the desired approach.

FINANCIAL IMPLICATIONS

There are no financial implications associated with the filing of this report.

ALTERNATIVES

In response to this report, the PAC/HAC may:

- Recommend no action is taken to regulate the location or number of short term rentals;
- Direct staff to prepare text amendments to the planning documents;
- Direct staff to prepare text amendments to be incorporated into the new planning documents through the Plan Review project; or
- Provide alternative direction such as requesting further information on a specific topic.

ATTACHMENTS

Attachment A September 10, 2020 Information Report to the Planning Advisory Committee

Report Reviewed by: _____
Sara Poirier, Director of Planning and Development

Attachment A