



Newmarket

# Short-Term Rentals

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# Overview



- Background
- Survey results
- What is a short-term rental?
- STR benefits and concerns
- Municipal tools
- Other legislative regimes
- Options
- Questions

# Background

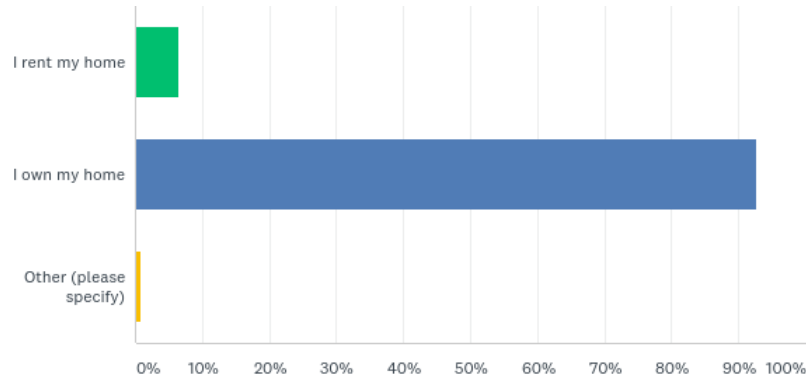


- Regulatory Review
- December STR PIC
- Short-Term Rentals survey
  - 123 online respondents

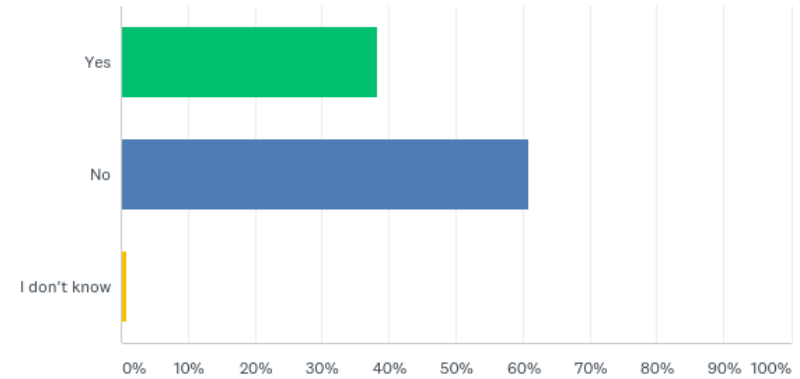
# Survey Results



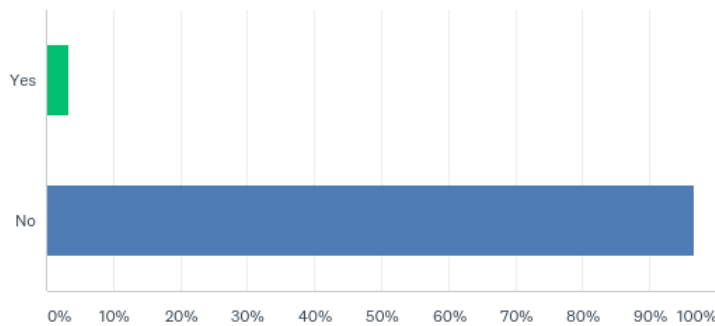
## Do you rent or own your home?



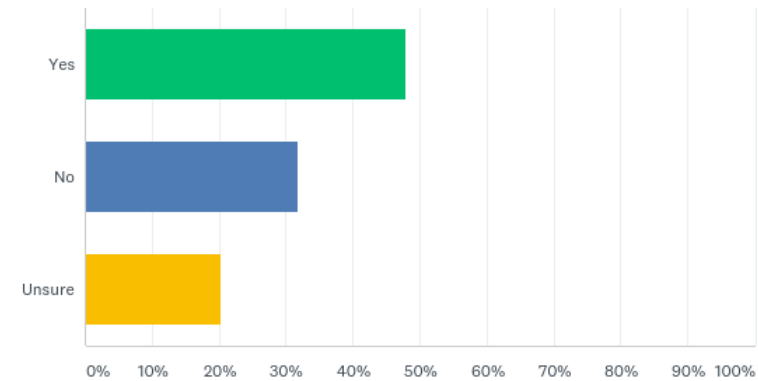
## Have you ever stayed in an STR?



## Do you own or operate an STR?



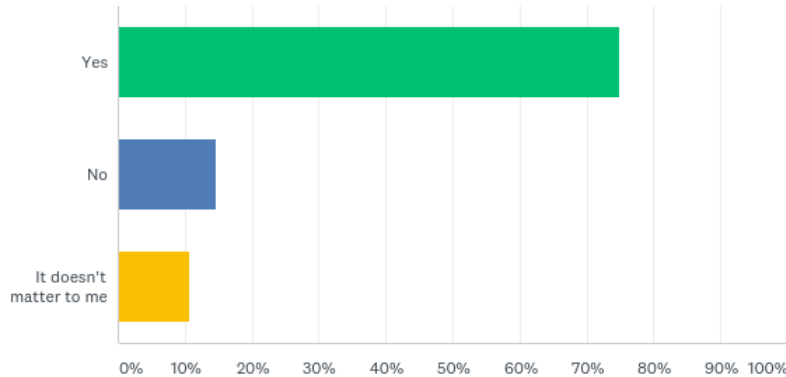
## Are you aware of STRs operating in your neighbourhood?



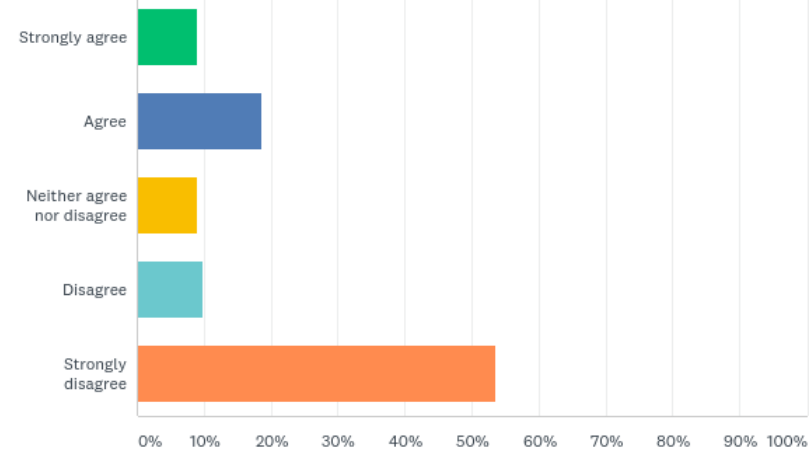
# Survey Results



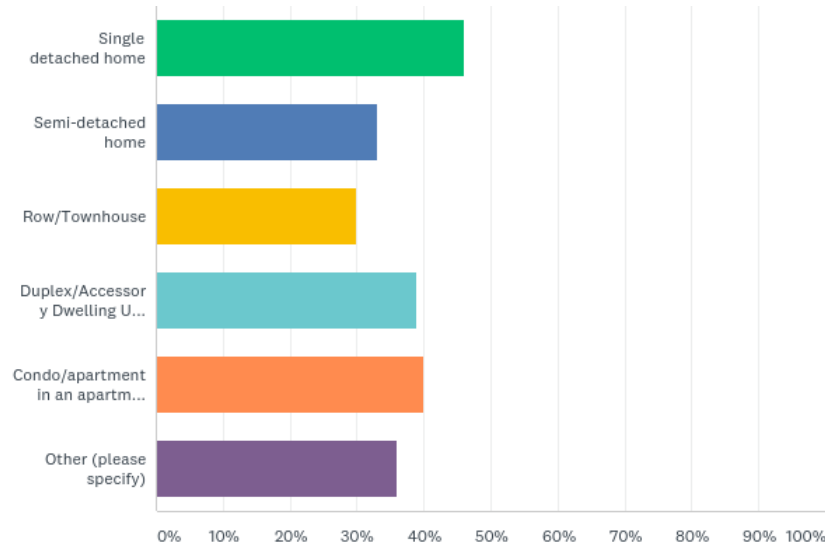
**Should STR operators be present in the home while the short-term rental is being used?**



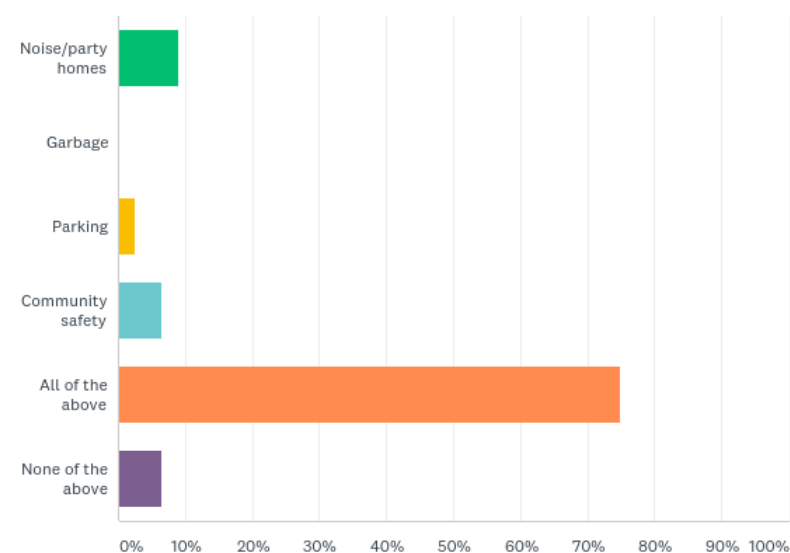
**The Town of Newmarket should allow short-term rentals.**



**Should Newmarket allow STRS in the following home types?**



**What concerns you about short-term rentals?**



# What is STR?



- All or part of a dwelling unit used to provide sleeping accommodations
- Rental period is typically less than 30 days
- It is the exchange of accommodation for payment
- Typically includes bed and breakfasts
- Typically does not include hotels or motels



# What is STR?



- Permitted in properties that meet the following regulations:
  - Single Detached (R1) Zone under Zoning By-law 2010-40
  - Maximum of three bedrooms rented for guests
  - Dwelling is occupied by the owner
  - Must provide one parking space per room rented in addition to those required by the main dwelling unit

# STR benefits



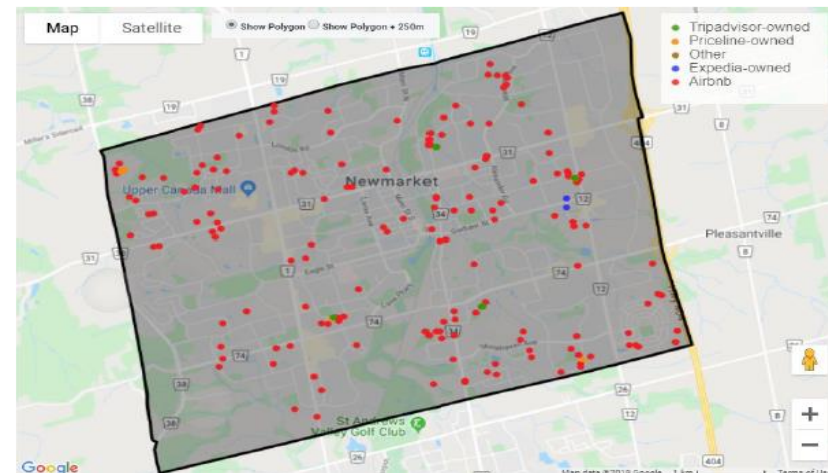
- Local impacts:
  - Supplemental income for property owner
  - Additional tourist accommodation options
  - Potential Municipal Accommodation Tax revenues to municipality



# STR concerns



- Local impacts:
  - Noise
  - Parking
  - Garbage
  - Property standards



# STR concerns



- Community impacts:
  - Housing affordability
  - Rental availability
  - Housing fairness



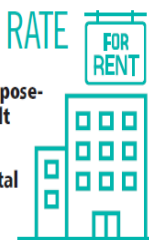
## Airbnb likely removed 31,000 homes from Canada's rental market, study finds

Short-term rental sites are 'having rather large impacts on our housing markets,' McGill researchers say in groundbreaking paper

### RENTAL SUPPLY

#### VACANCY RATE

1.7% Purpose-built  
0.8% Rental condo



CMHC 2018 Fall Rental Market Survey

### MARKET HOUSING AFFORDABILITY

**Average price** new single-detached home **\$1.24 million**  
**Average resale price** for all housing types **\$916,449**  
**Average rent** for purpose-built rental **\$1,267**  
**Average rent** for condo rental **\$2,001**  
**Estimated monthly housing costs** for owners (townhouse) **\$5,075**



Housing Matters 2019 (data sources: CMHC Housing Now, TREB Market Watch, Bank of Canada)

CMHC 2018 Fall Rental Market Survey

TREB data

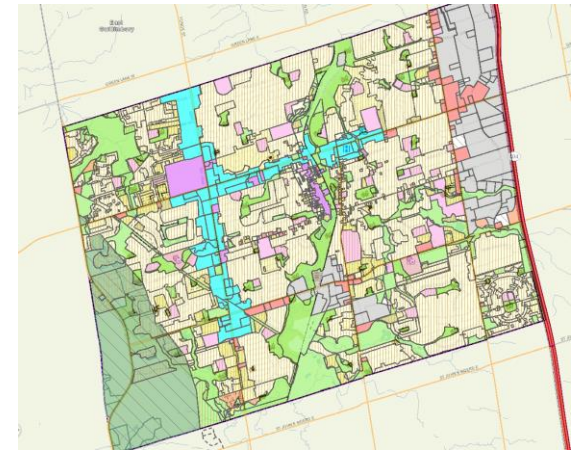
**11%** Percent of new ownership housing that is affordable to households in the top 40% of earners. In 2018, this was \$122,290 and above.

Affordable Housing Measuring and Monitoring Report (June 2019)

# Municipal tools



- Zoning By-law
  - Limit the areas where are permitted STRs;
  - Control what types of buildings can be used for STRs ;
  - Require whether the dwelling must be principally used as a residence;
  - Limit the number of nights that a dwelling can be a STR;
  - Require an amount of parking required for a STR; and
  - Limit the number of bedrooms that can be used as a STR.
- Cannot:
  - Limit legal nonconforming uses.



# Municipal tools



- Licensing By-law imposes conditions on a business, such as:
  - require the permanent resident have a licence for an STR;
  - require the operator to be available to respond to complaints within 1hr of being notified of a complaint;
  - limit the number of guests;
  - limit the number of bedrooms;
  - require the operator to provide a 'good neighbours' guidebook;
  - require a sign permit to identify the premises as a STR;
  - ensure building code and fire code compliance;
  - ensure compliance with the zoning by-law; and
  - implement a demerit point system, with a threshold at which a licence is revoked.

# Other legislative tools



- Ontario Building Code
  - Sets standards of construction depending on type of use
- Residential Tenancies Act
  - Regulates relationship between landlords and tenants
- Condominium Act
  - Allows condominiums to pass by-laws further regulating behaviours within their buildings
- Fire Protection and Prevention Act
  - Sets life safety requirements based on type of use

# Options



- **Option #1:** Adopt a licensing by-law for STRs and do not amend the zoning by-law.
- **Option #2:** Adopt a licensing by-law for STRs and amend the zoning bylaw.
- **Option #3:** Direct staff to license STRs first and then amend the zoning by-law
- **Option #4:** Do not enact a licensing by-law, nor change zoning regulations on STRs.

# Options



- **Option #1:** Adopt a licensing by-law for STRs and do not amend the zoning by-law.
- **Process:**
  - Licensing by-law can impose conditions
- **Timeline:**
  - Licensing by-law could be proposed by May 2020
- **Implications:**
  - STRs will continue to be permitted in most single detached dwellings
  - STRs will only be permitted in 'owner occupied' single detached dwellings, which are less than half of existing STRs
  - No ability for Council to control STR locations

# Options



- **Option #2:** Adopt a licensing by-law for STRs and amend the zoning bylaw.
- **Process:**
  - Zoning amendments will allow decisions on where to permit STRs, and to consider the role of STRs within overall housing supply
  - Licensing by-law can impose conditions
- **Timeline:**
  - Due to Planning Act process requirements, earliest possible dates for recommendations would be August 2020
- **Implications**
  - Provides greater ability for Council to control and regulate



# Options



- **Option #3:** Direct staff to license STRs first and then amend the zoning by-law
- **Process:**
  - Implement a licensing by-law
  - Begin zoning by-law amendment process
- **Timeline:**
  - Licensing by May 2020, zoning target August 2020
- **Implications:**
  - Risks of legal nonconforming properties
  - Risk of setting expectations through licensing that may then be reversed through zoning
  - Licensing by-law will not benefit from the input of the review undertaken during zoning amendment process

# Options



- **Option #4:** Do not enact a licensing by-law, nor change zoning regulations on STRs.
- **Process & Timeline:**
  - **None**
- **Implications:**
  - STRs will continue to be permitted in most single detached dwellings
  - STRs will only be permitted in 'owner occupied' single detached dwellings, which are less than half of existing STRs
  - No registry of STRs or ability to control location or conditions

# Options



- **Option #1:** Adopt a licensing by-law for STRs and do not amend the zoning by-law.
- **Option #2:** Adopt a licensing by-law for STRs and amend the zoning bylaw.
- **Option #3:** Direct staff to license STRs first and then amend the zoning by-law
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Questions?

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