

TORONTO'S SHORT-TERM RENTAL RULES UPHELD BY ONTARIO TRIBUNAL

Joint Statement from the Hotel Association of Canada, the Ontario Restaurant, Hotel & Motel Association and the Greater Toronto Hotel Association:

November 19, 2019 (Toronto, ON) - Following a lengthy legal process, the Local Planning Appeal Tribunal (LPAT) has ruled **in favour** of the City of Toronto's Short-Term Rental Regulations. This is a significant and precedent-setting win for the hotel industry.

The City of Toronto had passed strong and restrictive regulations in December of 2017 following a significant and sustained lobbying effort by the hotel industry and, in particular, the Ontario Restaurant, Hotel & Motel Association and the Greater Toronto Hotel Association. Almost immediately, these regulations were appealed by Airbnb advocates and commercial operators, resulting in a lengthy delay in implementation.

The decision delivered by the LPAT yesterday upholds the original regulations, dismisses the appeals and plants the City firmly onside with hotel, housing and community advocates.

The most significant component of these new regulations is the zoning bylaw that stipulates that short-term rentals can only occur in one's principal residence. This will effectively shut down the commercial side of Airbnb's business - those running multiple units or homes. The rules will also apply to other short-term rental platforms.

In addition to limiting operations to a principal residence, the regulations also include the requirement for owners to obtain a licence, register with the City, and pay a 4% accommodation tax.

This decision sets an important precedent as other jurisdictions across Canada work towards regulations in their regions. Later this month, the City of Ottawa will be voting on their proposed regulations which we trust will follow Toronto's lead.

The Hotel Association of Canada, together with its Provincial and City Hotel Association partners, will continue to drive a national strategy that aligns our efforts and positions the industry to achieve fair rules across the country.

More information will be provided by the City of Toronto in December 2019 regarding implementation and timelines.