## **Public Input on Rental Accommodations Study**

## **Executive Summary**

In accordance with the City of Ottawa Public Engagement Strategy, the Rental Accommodations Study featured robust community engagement with the general public and more than 230 stakeholder groups.

Three periods of consultation enabled residents and stakeholders to contribute throughout the policy development process by:

- > Sharing experiences and identifying concerns (Consultation 1),
- > Weighing various policy options (Consultation 2), and
- > Expressing support or disagreement with staff analysis (Consultation 3).

As further described below, staff analysis notes that there is public support for the proposed regulatory regimes for rental housing and short-term rentals, with limited exceptions:

- Landlords are unlikely to support additional fees for non-compliant property inspections, or the use of these fees for additional enforcement capacity.
- > Landlords have concerns about publishing property standards violations online.
- > STR Hosts are unlikely to support the proposed permit system.
- Landlords are not likely to support the recommended ban on commercial STR activity. STR hosts are more divided on this issue.

### Stakeholder Engagement

Overall, the Rental Accommodations Study invited input from more than 230 stakeholders, including:

- 161 community associations
- 20 businesses and business groups, including Airbnb, the Building Owners and Manager's Association, Eastern Ontario Landlords Organization, Expedia, Ottawa Gatineau Hotel Association and Ottawa Real Estate Board.
- 9 social service agencies, including Legal Aid Ontario, Ottawa Community Housing, Ottawa Public Health, Sandy Hill Community Health Centre and Somerset West Community Health Centre
- 5 post-secondary institutions, 5 student unions and the Town and Gown Committee
- Individual residents that either requested meetings or provided written submissions

Stakeholders were notified by email as each report was released and each round of consultations was announced. Where consent was provided, stakeholder contact information was also shared with the City's consultant, Maclaren Municipal Consulting Inc. (Maclaren), to enable independent consultations in support of their analysis and recommendations.

## **Consultation 1: Understanding Community Concerns**

The first consultation period ran from May 22 to June 30, 2019. The purpose of this consultation was to assess resident experiences and concerns with respect to housing conditions, student housing, rooming houses and short-term rentals.

This consultation included:

- Three online surveys for Housing Conditions, Student Housing and Short-Term Rentals (more than 4,200 responses)
- Ten Public Workshops (more than 325 participants), led by Maclaren
- A door-to-door survey of rooming house tenants (33 tenants and 3 landlords)
- A public meeting hosted by Ottawa ACORN

Maclaren produced three discussion papers to offer guidance to residents:

- <u>Rental Housing Conditions Discussion Paper</u>
- Student Housing Discussion Paper
- Short-Term Rentals Discussion Paper

The input collected during this consultation served to identify and prioritize issues for consideration by staff and consultants. Results from the workshops and survey were reported to the public in the Policy Options Papers used for Consultation 2, described below.

### **Rooming House Survey**

Following a recommendation by Somerset West Community Health Centre, staff visited 6 rooming houses in Alta Vista, Rideau-Vanier and Somerset wards to ensure that these residents had a voice in the consultation process.

#### **Current Occupancy**

- 16 tenants lived in their rooming house for more than 3 years, with 18 years being the longest tenancy
- 11 tenants had lived in their rooming house for 1-2 years
- 6 tenants had lived in their rooming house for less than 1 year

#### Previous Occupancy

- 9 tenants had previously lived in shelters
- 8 tenants had previously lived in other rooming houses
- 16 tenants had previously lived in private housing

#### Room Issues

- 14 tenants reported no issues
- 14 tenants reported pest and vermin issues
- 5 tenants reported maintenance issues

#### Common Area Issues

- 17 tenants had no issues with common areas
- 11 tenants reported cleanliness issues
- 5 tenants reported problems with bathroom and kitchen amenities
- 3 tenants reported problems interacting with other tenants (including drug use)

#### Property Management

- 21 tenants reported that the landlord/superintendent made repairs when required
- 12 tenants reported that the landlord/superintendent did not make repairs when requested.
- 9 tenants called 3-1-1 for assistance
- 3 tenants did not know they could call the City for help
- 2 tenants did not call because they were skeptical that the City would help
- 1 tenant did not call because they have a limited phone plan and were concerned about wait times

Tenants were also asked "What is the most important thing the City can do to improve living in rooming houses?"

- Improve Cleanliness/Increase Inspections (7 tenants)
- Improved Pest Control (6 tenants)
- Support renovations to improve facilities (3 tenants)
- Create more rooming houses and affordable housing (2 tenants)
- Provide support for beds, bedding and mattress covers to prevent bed bugs
- Lower rent for persons with substance abuse issues
- Improve security
- Increase awareness of 3-1-1
- Reduce 3-1-1 wait times
- Provide more garbage bins and large item collection

### **Consultation 2: Assessing Support for Policy Options**

The second consultation period ran from August 15 to September 4, 2019. The purpose of this consultation was to assess resident support for various policy options to address the concerns identified in Consultation 1.

This consultation included two online surveys for Rental Housing and Short-Term Rentals. More than 2,600 responses were received. Ottawa ACORN also hosted Maclaren for a second public meeting.

Maclaren produced two policy options papers to guide discussions:

- Rental Housing Policy Options
- Short-Term Rental Options

The input collected during this consultation informed Maclaren's final policy recommendations. Results from the workshops and survey were reported to the public for consideration during the final City-led consultation described below.

### **Consultation 3: Assessing Support for Recommendations**

The final consultation for the Rental Accommodations Study ran from October 4 to October 23, 2019. For this consultation, residents were invited to review Maclaren's recommendations for <u>Regulation of Long-Term Rental Accommodations</u> and <u>Regulation of Short-Term Rental Accommodations</u> and consider regulatory matters identified by City staff for consideration in the recommended regulatory frameworks. Participants were also asked to self-identify as home owners, tenants, landlords, STR Hosts and/or STR consumers.

The consultation included two public meetings attended by more than 300 residents and an online survey that garnered 611 responses. Additional print surveys were available at each public meeting. The results of both are reported further below.

#### **Rental Housing**

Total responses for each question are reported in the tables below, along with tabulations for respondents that self-identified as homeowners, tenants and landlords.

In terms of respondents:

83.3% indicated that they owned their homes, compared to 16.7% that indicated they rented their homes,

- > 44.3% indicated that they owned rental properties in the City, and
- Comparison to demographic data from the 2016 Census indicates that participation in the survey was low among tenants, but high among homeowners and landlords

Staff analysis of responses indicates that:

- Most homeowners and tenants agree that property owners should be charged for the cost or re-inspections, whereas most landlords disagree.
- Most homeowners and tenants agree that fees from re-inspections should be used to provide proactive by-law enforcement, whereas most landlords disagree.
- > A significant majority of homeowners, tenants and landlords all agree that:
  - o landlords should adhere to basic rules of conduct;
  - o landlords and tenants should work together to address pest control;
  - Property Standards Officers should have better access to investigate complaints at rental units,
  - the City should provide more information about regulations and resources, with particular attention on marginalized groups.
- Homeowners and Tenants expressed strong support for publishing property standards violation information online. Landlords were more divided on this issue, with 104 agreeing, 130 disagreeing, and 27 undecided.

#### Note: The numbers reported in Tables 1 to 9 reflect that some respondents have responded in more than one category (e.g. some Homeowners are also Landlords). The results reported in each column should be treated individually.

Table 1 – Q1: "The City should charge property owners for the costs of reinspections if a by-law violation occurs." (617 Responses)

Response	Total	Homeowners	Tenants	Landlords
Agree	302	242	59	77
Disagree	248	208	30	164
Undecided	67	49	19	23

Table 2 - Q2: "The funds recovered through re-inspection fees should be used to provide proactive by-law enforcement." (616 Responses)

Response	Total	Homeowners	Tenants	Landlords
Agree	304	243	59	88
Disagree	226	184	33	14
Undecided	86	69	18	33

Table 3 – Q3: "All landlords should adhere to basic rules of conduct for property standards, property maintenance and related by-law requirements." (614 Responses)

Response	Total	Homeowners	Tenants	Landlords
Agree	567	459	96	242
Disagree	33	25	8	15
Undecided	14	11	3	6

Table 4 - Q4: "Landlords should be required to inform tenants of their rights and responsibilities, including specific instruction on who is responsible for the maintenance of the interior and exterior of the unit and property, as well as the applicable rules for garbage, parking and noise. (619 Responses)

Response	Total	Homeowners	Tenants	Landlords
Agree	511	414	91	209
Disagree	72	58	14	39
Undecided	36	29	5	17

Table 5 – Q5: "Landlords and tenants should be required to work together to address pest and vermin issues." (617 Responses)

Response	Total	Homeowners	Tenants	Landlords
Agree	558	461	89	251
Disagree	37	21	16	9
Undecided	22	17	5	5

Table 6 - Q6: "Property Standards Officers should have the ability to enter rental units to investigate violations, and any entry should be in accordance with the Residential Tenancies Act, 2006 in order to protect tenant rights." (616 Responses)

Response	Total	Homeowners	Tenants	Landlords
Agree	451	363	82	176
Disagree	106	87	17	57
Undecided	59	45	10	29

Table 7 - Q7: "Vulnerable persons should be able to designate a person to assist them with property-related service requests to the City. (615 Responses)

Response	Total	Homeowners	Tenants	Landlords
Agree	540	433	99	222
Disagree	27	21	6	14
Undecided	48	42	4	26

Table 8 - Q8: "The City should provide better information to tenants aboutlandlord-tenant resources and applicable by-laws, with a particular focus onmarginalized groups. (611 Recipients)

Response	Total	Homeowners	Tenants	Landlords
Agree	406	319	85	157
Disagree	91	72	14	43
Undecided	114	100	11	63

Table 9 - Q9: "The City should support consumer awareness by providing the public with basic information about the history of violations at any given address." (613 Responses)

Response	Total	Homeowners	Tenants	Landlords
Agree	355	278	80	104
Disagree	202	165	22	132
Undecided	56	49	7	27

#### Short-Term Rentals (STR)

Total responses for each question are reported in the tables below, along with tabulations for respondents that self-identified as STR Hosts, tenants and those that did not answer.

In terms of respondents:

- 27.6% indicated that they currently host short-term rentals, compared to 72.4% that did not,
- > 36% of self-identified landlords also indicated that they offer short-term rentals
- Representation of STR hosts was much higher than the general public

Staff analysis of responses indicates:

- > There is general agreement that STR activity:
  - o should be allowed in primary residences and in rural areas,
  - STR permits should not be issued where condominium corporations or landlords do not approve.
  - fees should be kept low to encourage participation/compliance
  - enforcement costs should be recovered through an increase in MAT tax
     platforms should be required to collect MAT on behalf of hosts.
- Although a large majority of STR hosts disagree with the requirement to get a permit, STR Hosts agree that if permits are issued, the City should be able to revoke permits for serious or repeated violations.

- Among decided participants, the recommended ban on commercial STR activity is supported by:
  - o 68% of non-STR hosts,
  - o 42% of STR hosts, and
  - o 35% of landlords
- Among decided participants, the recommended ban on commercial STR activity is not supported by:
  - o 58% of landlords,
  - o 58% of STR Hosts, and
  - o 32% of non-STR Hosts.

## Table 10 - Q10: "All short-term rental properties should require a permit from the City." (667 Reponses)

Response	Total	STR Hosts	Non-Hosts	Unidentified
Agree	283	33	244	33
Disagree	323	172	131	53
Undecided	61	17	41	9

## Table 11 - Q11: "Short-term rentals should be allowed in the primary residences of the host. (667 Responses)

Response	Total	STR Hosts	Non-Hosts	Unidentified
Agree	538	175	337	84
Disagree	79	17	61	10
Undecided	50	3	46	1

## Table 12 - Q12: "Rentals of cottages and vacation homes in rural areas should be allowed." (668 Responses)

Response	Total	STR Hosts	Non-Hosts	Unidentified
Agree	608	410	173	84
Disagree	23	4	19	4
Undecided	37	5	29	8

# Table 13 - Q13: "Investor properties (aka "ghost hotels") should not be permitted." (665 Responses)

Response	Total	STR Hosts	Non-Hosts	Unidentified
Agree	341	69	263	42
Disagree	234	97	124	42
Undecided	90	29	58	9

Table  $14 - Q \ 14$ : "Short-term rental permits should not be issued for properties where the landlords or condominium corporation has indicated that they are not allowed under their rules." (668 Responses)

Response	Total	STR Hosts	Non-Hosts	Unidentified
Agree	514	141	353	75
Disagree	100	36	57	14
Undecided	54	18	34	7

Table 15 – Q15: "The City should be able to revoke short-term rental permits for serious or repeated violations of City by-laws." (668 Reponses)

Response	Total	STR Hosts	Non-Hosts	Unidentified
Agree	532	136	377	73
Disagree	75	33	36	14
Undecided	61	27	32	9

Table 16 - Q16: "Fees for platforms, agents, and hosts should be kept low to encourage compliance." (665 Responses)

Response	Total	STR Hosts	Non-Hosts	Unidentified
Agree	465	170	278	69
Disagree	79	10	65	12
Undecided	121	16	100	11

Table 17 - Q17: "The cost of administration and enforcement should be paid by guests, either through an increase in the Municipal Accommodations Tax (MAT) for short-term rentals or an additional service fee." (664 Responses)

Response	Total	STR Hosts	Non-Hosts	Unidentified
Agree	376	100	264	54
Disagree	166	65	92	25
Undecided	122	30	87	13

 Table 18 - Q18: "Platforms should be required to collect taxes and fees rather than individual hosts." (666 Responses)

Response	Total	STR Hosts	Non-Hosts	Unidentified
Agree	408	146	248	62
Disagree	118	26	86	15
Undecided	140	24	110	15

#### Hotels, Motels and Traditional Bed and Breakfasts

Total responses for each question are reported in the tables below, along with tabulations for respondents that self-identified as STR Hosts, tenants and those that did not answer.

Staff analysis of responses indicates:

- Almost 70% of respondents indicated support for a strategy to address problem hotels.
- Likewise, 70% of respondents agree that hotels, motels and bed and breakfasts should be able to use STR platforms, while 56% agree they should not pay additional fees.
- Respondents were 63% in favour of requiring traditional bed and breakfasts to pay the same as other hosts when using STR platforms for bookings.

## Table 19 - Q19: "The City needs a better strategy for addressing problem hotels and motels." (637 responses)

Response	Total	STR Hosts	Non-Hosts	Unidentified
Agree	422	107	271	44
Disagree	53	12	36	5
Undecided	162	41	111	10

Table 20 - Q20: "Hotels, motels, and traditional bed and breakfasts should be able to offer accommodations through short-term rental platforms." (638 responses)

Response	Total	STR Hosts	Non-Hosts	Unidentified
Agree	445	94	307	44
Disagree	82	33	38	11
Undecided	111	33	72	6

Table 21 - Q21: "As hotels and motels pay commercial property tax rates and the Municipal Accommodations Tax, they should be exempt from additional short-term rental fees charged by the City." (638 Responses)

Response	Total	STR Hosts	Non-Hosts	Unidentified
Agree	346	79	240	27
Disagree	143	48	75	20
Undecided	149	33	105	11

Table 22 - Q22: "Traditional bed and breakfasts should pay the same fees as other hosts for bookings made through a third-party short-term rental platform." (641 Responses)

Response	Total	STR Hosts	Non-Hosts	Unidentified
Agree	406	124	246	36
Disagree	86	14	62	10
Undecided	149	23	113	13

### Tell us about yourself

Table 23 - Q23: "Do you own or rent your home?" (665 responses)

Response	Total
Rent	111
Own	554

Table 24 - Q24: "Do you own any rental properties in Ottawa?" (660 responses)

Response	Total
Yes	287
No	373

Table 25 - Q25: "Do you currently host short-term rentals within Ottawa?" (660 responses)

Response	Total
Yes	198
No	462

Table 26 - Q26: "Do you use short-term rentals when you travel? (667 responses)

Response	Total
Yes	479
No	188