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REAL ESTATE

Ten downtown condo buildings have 50 or more short-term rentals like Airbnb, city data shows

Housing advocates argue the data shows buildings are being used as hotels. The city says it works to validate all registered properties.

By May Warren Housing Reporter

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A person with luggage makes their way into a high-rise condo at 300 Front St. W. in Toronto. The building is among downtown condo towers with the most units registered as short-term rentals, according to city data. Lance McMillan / Toronto Star

Ten downtown Toronto condo buildings have more than 50 units on short-term rental sites such as Airbnb, with nearly 8,000 operating across the city.

That's according to an online database of registered short-term rentals from Toronto's open data portal, offering an unprecedented look into where homes, condos and apartments are being used for guests.

"It suggests that these residential condo buildings have been turned into hotels that are not zoned as hotels nor taxed as hotels," said Thorben Wieditz, executive director of advocacy group Fairbnb Canada Network.

The database comes as New York City cracks down on Airbnbs with new regulations aimed at getting these units back on the long-term rental market.

It shows that at the Harbourfront Ice towers, long dogged by the label of "ghost hotel," more than 230 units are short-term rentals, while at 101 Peter St. there are 102.

And at 300 Front St. W., across from the Metro Toronto Convention Centre, about 28 per cent are being rented on platforms such as Airbnb, with 195 listed.

Toronto's short-term rental hotspots

A look at addresses with two or more registered units advertised on Airbnb and other platforms, according to city data.



SOURCE: DATA AS OF OCT. 6TH 2023.
FULL DATA SET IS AVAILABLE AT TORONTO OPEN DATA
TORONTO STAR GRAPHIC

Toronto's bylaw requires landlords to get a licence, and they can only rent out their own homes or "principal residences" for a maximum of 180 days a year. The city says thousands of operators have been removed from platforms since the regulations were introduced in early 2021.

Nathan Rotman, regional lead for the U.S. northeast and Canada at Airbnb, called Toronto's decision to release the data "a mistake" that is "dangerous" for both hosts and guests because it alerts the public to properties where someone might be away, or in an unfamiliar place.

He said the city already has "the strictest regime in Canada." Making the rules more prohibitive, as some housing advocates suggest, "will have no impact on the housing market," he added, noting rents and housing prices continued to climb even as the short-term rental bylaw was implemented.

"Toronto's problem is enormous and short-term rentals are a blip in the overall challenge," he said.

Carleton Grant, the city's executive director of municipal licensing and standards, said the city has always agreed to release the data for transparency, adding they made some updates to the database over the summer.

Since the bylaw went into effect, the city has received nearly 3,000 complaints. They have laid 150 charges against short-term rental operators, mostly for renting out homes that weren't their principal residences, or not registering, added a spokesperson. But Grant said "it's not a direct correlation between complaints and charges" and they work carefully to validate all of them.

Staff are also planning public consultations on the bylaw later this month, as directed by council, to see how it's working. They will report back later this year.

Ice condos is a known "problematic property," Grant said, adding: "It's the number one on our list to work with."

There are 1,343 units at the Ice condos, according to Nicholas Pearson, president of the condo board there. This means that 17.5 per cent are being rented short term.

The buildings, with a central downtown spot near King St. W and Scotiabank arena, make an "attractive location" for these kinds of stays, Pearson said. He acknowledged they've become "the face" of the issue in the city.

Ward 10 (Spadina—Fort York) has the most registered short-term rentals in the city, with more than 2,000, followed by Ward 13 (Toronto Centre) with 670.

Last spring, Ice condos signed an exclusive agreement with Airbnb for guests to pay a \$15 booking surcharge towards the building.

They've been doing as much as they can "but we call on the city to really step up their efforts there as well, because we need their support," Pearson said.

They'd like to see "higher penalties and more enforcement," specifically around ensuring homes are a short-term rental host's principal residence, to make sure units are rented responsibly and within the rules.

The property management firms for the other buildings with the most short-term rentals did not respond to a request for comment.

Fairbnb's Wieditz praised the city for releasing the addresses of short-term rentals, noting that in B.C., Airbnb and the City of Vancouver fought the release of similar information.

"It really helps us to pinpoint down where the hot spots are and what the issues are," he said.

He favours a stricter regime in Toronto with, for example, a notarized declaration of principal residence to discourage people from using units solely as short-term rentals by making them jump through more hoops.

The city of Toronto's address database does not include listings advertising rentals for longer than 28 days, which do not need to be registered under the bylaw. It's something Grant said is "an emerging area they are looking into" and will include in the upcoming consultations. It's also challenging to know how many unregistered short-term rentals there are, he added, and there's no estimate on that.

"We will find people trying to break loopholes and we will bring them to compliance," said Grant.

"It's a fairly new program, we're always learning."

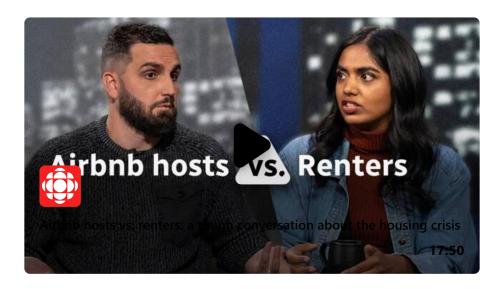
He called the city's short-term rental bylaw "a leader in Canada and North America," and said the city checks against owners' driver's licences that they are indeed renting out their own homes. The consultations will also look at what other places around the world are doing, such as New York.

In that city, owners must be registered, be present when guests stay, have no more than two guests at a time, and allow guests to have access to the whole home.

Airbnb's Rotman called New York City's rules a "de facto ban" and "likely the most strict in the world" where very few people are able to be registered.

The company's internal data shows the average host in Toronto shares their home only about 50 nights a year, he said, and guests have an economic impact, supporting restaurants and small businesses across different neighbourhoods.

"Individuals short-term rent for the most part, especially in Toronto, to make ends meet, to maximize the value of a space that cost them a lot of money to buy in the first place, in order to pay their rent, and pay their mortgage, in tough times," he said.





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