

Submission to the Nova Scotia Law Amendments Committee**Bill No. 101 – Tourist Accommodations Registrations Act**

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Short-Term Rentals: A Neighbourhood Perspective

Thank you to the Committee for allowing us to be with you today to present our perspective on the new Act. After some experience and research into the short-term rental issues we are glad to see that legislation has been put in process. Today we have some observations and suggestions to make concerning the Act itself and further consultation that has been referenced by the Minister in his announcement. While some of these suggestions may not pertain directly to the Act's revision we hope that you may be able to provide advice to the Minister on areas of implementation where appropriate.

Short Term Rental Impact on Neighbourhoods and Availability of Affordable Housing

To illustrate this impact allow me to give a brief history of how we got directly involved over the last few months. It may be a similar experience to many others in this community and around the province.

Our home is in the Hydrostone area in the north end of Halifax. Last Summer, one of our long-time neighbours passed away and her property was purchased. The new owner indicated he loved the neighbourhood and completed renovations. We looked forward to this new neighbour. However, in the Fall he told us that, because of the revenue potential, he would open an AirBnB. He does not intend to reside in the neighbourhood and also owns another AirBnB in Dartmouth. This was not good news

for us and many of our neighbours. We have lived in the Hydrostone area for twenty years and know many of our neighbours, some of whom own their properties and some who are long-term renters.

It is a very supportive and co-operative neighbourhood. Many stay in touch regarding neighbourhood events and occasions such as street picnics and open house socials and lend a hand to each other where needed. We think this kind of neighbourhood makes for a safer community and an attractive, affordable place for small families to live. Presumably, that is why the new property owner found it an attractive area for short-term rentals. Sadly, it cannot stay a great neighbourhood with only visitors.

While there are a number of concerns with the increase in short-term rentals around the province our primary concern is the loss of integrity and sustainability of neighbourhoods. In short, we lose a neighbour that can add to our community as a resident and citizen as well as the security of knowing the people next to us. Some of our neighbours have already experienced disruption with late night noise and arrivals and departures at all hours. Others are concerned about impact on property values as the number of short-term rental properties increase in their neighbourhood.

Along with sustaining neighbourhoods is another issue that needs to be factored in to the equation. Our neighbourhood, like many others in the city or elsewhere around the province, needs to maintain an affordable housing stock. Our area is very attractive to couples and small families for both purchase and rental. Obviously, the short-term rental operation removes a property from the mix but this is compounded by the potential of present property rental operations to convert to short-term rentals. That could be devastating to many neighbourhoods.

Neighbourhood and Affordable Housing Perspective Missing in Pre-Act Consultation

Over the last three months we have read far and wide about the experience of short-term rentals as they impact communities here and elsewhere and struggled to see what could be done. Essentially,

after our research and communications we realized that we, like other neighbourhoods around the province, have a *de facto* hotel in our area. At this point there is no resident owner, the property is a business but has not been zoned as a business or taxed as such and is not subject to standards of health and safety, insurance, and other requirements that might pertain to an actual hotel.

We turned to the Report of the Working Group on Short-Term Rentals on which portions of this new Act are based. It was clear that the focus was not on neighbourhood impact but the regulatory framework around the tourism industry. To our knowledge, there were no community consultations focussed on short-term rental impact on neighbourhoods or availability of affordable housing. We have reached out to the provincial Department of Business, Nova Scotia Housing, and HRM as well as the tourism industry to encourage discussion and legislation and to include local communities in that work. We are glad to see that legislation is now coming forth but would recommend consultation on further refinement of the Act and Regulations and implementation to be broader.

Provisions for Resident and Non-resident Short Term Renters

As indicated above, an important concern for our neighbourhood, and no doubt many others, is the prevalence and rapid growth of short-term rentals where owners who do not reside in the property being rented. In December, 2018, the CBC reported there were approximately 3,800 short term rental hosts in Nova Scotia and 450 of these owned multiple properties and therefore were non-resident owners.

We understand from our reading of Sections 2 and 3 of the Act that non-resident owners will be required to register under the Act. Does this mean that such businesses will have to meet the same requirements of other similar establishments such as hotels, motels, and others relating to such matters as appropriate zoning, commercial taxation and so on? We would recommend that designation regardless of the size of operation.

We note also that those offering short-term rentals who have “primary residence” in those properties

will not be required to register. Our only concern here is the definition of “primary residence”. Since it is such a key element this may need some additional refinement. Does it refer to how often the owner resides in the property? Should there be a limit on the number of days it can be rented? I believe a number of communities around the country are facing similar challenges. Victoria, BC, bases its registration strictly on “primary residence”. It may be instructive for ministry officials to confer with Victoria in that regard.

Summary of Recommendations:

1. Neighbourhoods and communities should be involved in consultations on implementation.
2. Nova Scotia Housing, NGO's involved in the availability of affordable housing should be involved in further consultations on implementation.
3. Short-term rental owners who are not primary residents, as noted in the Act, should comply with all requirements relating to commercial enterprises.
4. Recommend further definition of “primary residence” and consult with Victoria, BC.

This concludes our presentation. Thank you very much for your patience. If you have any questions we would be pleased to respond.