

# Short-Term Rental Tiered Licensing

## Standing Policy Committee on Community and Protective Services

Presentation by:  
Calgary Hotel Association  
Myka Osinchuk, Interim Executive Director  
[ed@calgaryhotelassociation.com](mailto:ed@calgaryhotelassociation.com)  
403-472-6265

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Madame Chair, Committee Members, good morning. My name is Myka Osinchuk. I am the Interim Executive Director for the Calgary Hotel Association.

Thank you for the opportunity to speak to the recommendation to amend the Business Licence Bylaw for Tourism Accommodation.

Calgary's hotel sector supports more than 7900 full time equivalent jobs and it is estimated that hotel room sales in the city generate \$53 million annually in consumer taxes and fees. Importantly, our members are key partners, along with Tourism Calgary, Calgary Telus Convention Centre, BMO, and others, in attracting leisure, sports, meeting and conventions visitation to Calgary. In 2018, this activity contributed more than \$2B to our city's economy.

We commend the City of Calgary for taking this first step towards developing an appropriate regulatory framework for the short-term rental market.

We are pleased that the proposed amendments to the Business Licence Bylaw provide a minimum starting place for oversight to address safety, health and community standards concerns. This approach also ensures that Calgarians are able to take advantage of the benefits of "casual" homesharing and the digital economy, without the burden of onerous regulation.

While we are supportive of the recommendation in front of the Committee today, it is the CHA's position that there continues to be a significant need and opportunity to address the "other" category of Short Term Rental Operators – commercial operators who offer multiple listings that are not primary residences or secondary suites. These operators make up an increasing share of

the short term rental market in all jurisdictions across the country (and are estimated to make up 80% of all Short Term Rentals in Calgary).

The amendments to the bylaw do fall short of addressing the unique and increasing challenges that these commercial operators pose by not being subject to standard business, health & safety, and insurance requirements.

Just as importantly, there is an opportunity cost if we do not recognize the difference between casual homesharing, that benefits regular Calgarians, and commercial operators who are serving as de facto hotels.

Our City and our Province are facing significant economic challenges, highlighted by the recent \$60M reduction in Calgary's city budget. We need to work together to identify opportunities to address these challenges.

Commercial operators are running active businesses and they should be taxed accordingly. Without further development of a progressive and effective Short Term Rental framework that addresses commercial taxation, the city will continue to forgo an increasing and important source of tax revenue.

The CHA and our members recommend that the City of Calgary move forward with the recommendation to create a new tiered licence category for Short Term Rentals.

We further encourage and recommend that the City of Calgary continues to actively develop a robust framework that will address the full scope of challenges and opportunities presented by the Short Term Rental market.

Appropriate and progressive taxation for commercial Short Term rentals can and should be part of the solution for our community's current economic challenges and opportunities for future growth.

The Calgary Hotel Association will continue to work with our partners and the City to develop leading practice regulations and to establish an effective framework that fully addresses the opportunities and challenges presented by Short Term Rentals.

Thank you again to the Committee and Administration for your work on this file and for these important first steps .