



## Short-Term Rental Study

Report Back: What We Heard  
April 2024

# SHORT-TERM RENTAL STUDY

## ENGAGEMENT REPORT BACK: WHAT WE HEARD



# Short-Term Rental Study

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## Authors of this report

This data collected through this engagement was analyzed and this report was written by researchers at the University of Calgary.

### Key authors:

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**Anna Cameron:** Anna Cameron is a Research Associate at the Department of Economics, University of Calgary. Her current research is focused on using gender and intersectional analysis (including GBA+) to understand and develop solutions to social and economic policy questions, particularly those concerned with poverty reduction and social provision. In the policy realm, this research has recently contributed to broader efforts of the BC Basic Income Expert Panel, the National Action Plan on Violence Against Women and Gender-Based Violence, and various other government-contracted studies. Anna has nearly 10 years of research, policy analysis, government relations, and communications experience spanning a range of contexts (e.g., non-profit, advocacy, think tanks, government) and policy areas (e.g., community economic development, poverty reduction, and environmental policy). She holds a Master of Arts from the University of Ottawa's Graduate School of Public and International Affairs and a Bachelor of Arts in Political Science.

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## What we asked

### Survey

The online survey comprised 50 questions designed to generate information about participants' experiences with and perspectives on STRs and Calgary's STR market. However, not all respondents received 50 questions, as some questions pertained exclusively to former or current operators or property managers, while others asked about a respondent's experiences and motivations as an STR guest. The first survey question asked respondents to identify past, current and expected (future) STR market participation; subsequent questions were then filtered based on responses to these questions.

Most survey questions were close ended (e.g., multiple choice, matrix-based Likert Scale questions). Questions spanned the following categories:

1. Demographics: age, gender, race, housing tenure, student status, residency in Calgary, postal code.
2. STR operators: past/current/future participation, details about motivations and the nature of the STR:
  - ▶ principal residence/secondary property and owner/renter;
  - ▶ type of dwelling (e.g., single-detached home, suite, unit in complex, moveable dwelling)
  - ▶ type of STR (entire unit/private room and whole year/periodic availability);
  - ▶ platform(s) used;
  - ▶ use of services and supports (e.g., property manager, professional co-host, etc.)
  - ▶ compliance with licence requirement.
3. STR guests: purpose(s) of STR use, reason(s) for choosing an STR over other options, frequency of STR use and platform(s) used.
4. Attitudes, perceptions and concerns: overall support for the STR market; level of comfort living near an STR; level of concern related to commonly stated negative impacts of STRs, level of agreement with commonly stated benefits of STRs; experience or observation of a range of commonly stated positive and negative impacts of STRs.

The survey also contained four open-ended questions, which touched on the following elements:

- ▶ Experience as an STR operator in Calgary.
- ▶ Experience as an STR property manager in Calgary.
- ▶ Experience with staying in an STR in Calgary.
- ▶ Other thoughts about STRs in Calgary and opportunity to explain any answers to survey questions.

### Interviews and focus groups

Semi-structured interviews and focus groups with interested parties were organized around three themes: (1) connection to the STR market and/or the topic of STRs (2) knowledge of Calgary's market and its impacts; and (3) challenges and opportunities going forward. Guiding questions, listed by theme, were:



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## Connections

1. What is your and/or your organization's connection to the issue of short-term rentals?
2. To what extent are short-term rentals on your/your organization's radar?

\*Note: In interviews and focus groups conducted with market actors (e.g., STR operators, property managers), the study team also asked direct questions to understand participants' experience as market actors, including the nature and extent of their participation in the STR market and motivations driving their participation.

## Impacts and attitudes

1. How does the STR market impact you and/or your organization and what are your/your organization's experiences of the STR market?
2. What are your perceptions—positive, negative, mixed—of the short-term rental market in Calgary overall (i.e., including beyond the extent to which it impacts you/your organization)?
3. Has anything surprised you about the growth of short-term rentals in Calgary?
4. Is there anything unique about Calgary's STR market, or Calgary itself (e.g., social, economic, demographic context), that has led to a particular context for STRs, or unique costs or benefits?

## Looking ahead

1. What are the biggest challenges on the horizon that policymakers will need to address when it comes to STRs? What is needed to overcome these challenges?
2. What are the biggest opportunities for Calgary to consider regarding the STR market?
3. Can the STR market be used in some way to help The City advance its social, economic, or environmental priorities?
4. Should platforms (e.g., Airbnb, Vrbo, etc.) play a role in managing STR activity going forward?

## **What we heard**

This section provides a high-level summary of engagement participation and key themes. Survey results are discussed separately from the interviews and focus groups. A detailed exploration, including a question-by-question breakdown, is presented in the Summary of Input section. It should be noted that the results presented here are based on a non-random, non-representative sample of participants and may not be representative of the views of any population at large (e.g., Calgarians, STR operators, STR guests, etc.).

## Survey

### **Who participated?**

The online survey received a total of 2,754 responses between October 19, 2023, and January 8, 2024. The STR Study Engagement Portal Page received 6,548 views, with 6,056 visits by 4,940 unique visitors over the same period. The following table summarizes key demographic information about the respondents.



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<b>Connection to STRs</b>	<ul style="list-style-type: none"> <li>▶ STR operators made up one-fifth (565) of survey participants, one-fifth of survey participants (533) had stayed in an STR in Calgary and nearly one-third (873) lived in proximity to an STR.</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>▶ Roughly three-quarters (2,023) of survey participants were Calgary residents.</li> <li>▶ Areas with the highest participation were the City Centre (519) and Northwest (532).</li> </ul>
<b>Housing status</b>	<ul style="list-style-type: none"> <li>▶ Over two-thirds (1,940) of survey participants were homeowners. One in four (698) rent.</li> <li>▶ Over half (1,595) lived in single-detached homes. Over one-third (1,013) lived in multi-unit complexes.</li> </ul>
<b>Gender identity</b>	<ul style="list-style-type: none"> <li>▶ Over half (1,442) of survey participants identified as women, over one-third (1,039) as men and roughly 48 as non-binary, transmasculine, or gender fluid.</li> </ul>
<b>Racial identity</b>	<ul style="list-style-type: none"> <li>▶ Three-quarters (1,808) of survey participants identified as White, while 780 identified as belonging to a racialized group. An additional 166 identified as mixed race or belonging to a group not listed among the survey options.</li> </ul>
<b>Age</b>	<ul style="list-style-type: none"> <li>▶ One-quarter (719) of survey participants were under the age of 35, 238 were seniors and close to two-thirds (1,689) were adults aged 35-64.</li> </ul>

## Summary of key findings and themes

### STR operators and property managers (former, current, prospective)

- ▶ **Most STR operators operate in their primary residence:** Nearly two-thirds (263) of respondents indicated they use their home as an STR. 188 said they operate it as an investment or secondary property.
- ▶ **Many operators host entire-unit listings year-round:** Nearly three-fifths of units operated by respondents are entire properties available to rent year-round.
- ▶ **No property type accounts for the majority of STRs:** STR units of respondents are evenly distributed across suites, single-detached homes and dwellings in multi-unit complexes.
- ▶ **Operators in Calgary use STRs as an income supplement:** Over two-thirds (283) of respondents note that supplementary income is the main reason for operating an STR.
- ▶ **STR operators described the STR market as an important source of income, a way of meeting and supporting people and a better option than operating a long-term rental.** However, some also indicated that operating an STR is complicated, a lot of work and not always lucrative. Some distinguished STRs as a good alternative to hotels. Many noted guests were travelling for work or in need of a place to stay during emergency or transitional periods.



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### STR guests:

- ▶ **Most guest survey participants use STRs for work related reasons or for short-term housing:** 130 indicate that they used an STR for accommodation for a work-related stay and 213 indicated that they used an STR as a short-term housing option, including a place to stay during renovations on their primary residence, as a stop-gap while moving residences, or during a time of an emergency.
- ▶ **Some guest survey participants report using STRs for hosting an event and medical stays:** 68 reported using STRs to host an event, including family reunions and 36 guest respondents reported using STRs for medical stayovers in Calgary.
- ▶ **The top two reasons guests choose to stay in STRs were amenities and price:** Most guest survey participants (355), report that they chose STRs because of amenities like a kitchen, laundry and backyard. The second most common reason for choosing an STR was price (323).
- ▶ **In their own words, survey participants indicated a largely positive experience as STR guests.** Amenities, comfort and privacy; price and value for money; and location of STRs were the top positive elements. Many guests indicated they preferred STRs to a hotel and used STRs during transitional periods, emergencies and renovations.

### Attitudes, perceptions and concerns:

- ▶ **STRs are polarizing:** Over half (1,604) of survey participants indicated they were unsupportive of the STR market (moderately/very unsupportive), while roughly one-third (953) noted their support (moderately/very supportive). It is notable that the highest proportion of survey participants were in the very unsupportive (1,015) and very supportive (661) categories.
- ▶ **Housing impacts and resident displacement are key concerns:** Survey participants were most concerned about the extent to which the STR market is causing housing pressures in terms of limited supply and price increases (1,927 were very/moderately concerned) and displacing residents from neighbourhoods (1,697 were very/moderately concerned).
- ▶ **Survey participants see STRs as a good option for longer-term stays:** When considering the range of benefits raised in relation to the STR market, there was the highest level of agreement with the statement that STRs are a better option for people traveling for longer periods of time (e.g., for medical and research stays), with 1,636 of survey participants either strongly or moderately agreeing with this statement. There was the least agreement with the notion that the STR market sparks neighbourhood revitalization, with 1,695 of respondents indicating that they did not agree.
- ▶ **The top three themes** present in the feedback respondents offered at the end of the survey were:



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- 1. Regulation:** A large proportion of respondents voiced support for regulation, both in terms of existing regulations and in relation to a strengthening of the framework. Though fewer in number than those supportive of regulation, many respondents raised opposition to the existing regulatory framework and shared concerns about potential additional measures.
- 2. The relationship between STRs and the housing crisis:** Many respondents raised concern about the role of the STR market in the current housing crisis, noting that STRs reduce the long-term rental stock and present a barrier to people finding housing. On this topic, many also suggested that the impact of STRs on housing is overstated in the Calgary context, with many other factors, such as broader supply issues and government policy, driving most of the issue.
- 3. Neighbourhood-level impacts of STRs:** Survey respondents expressed a high level of concern about the impact of STRs on neighbourhoods and multi-unit dwellings, such as condos. Respondents noted that the presence of STRs often causes disruption, noise, problems with parking and garbage and safety issues, ultimately undermining a sense of community. Others were less concerned, noting a positive influence on neighbourhood vibrancy, that good operational standards neutralize issues and that community disruptions are equally caused by long-term residents and neighbours.

## Interviews and focus groups

### Who participated?

Between October 2023 and January 2024, the Study team conducted 24 interviews and five focus groups with interested parties, whose participation was requested based on their role in the STR market or their connection to the various issues raised and impacts produced by STRs. The following table offers a summary of participants.

<i>Interviews</i>		
Internal (City of Calgary)	October – January 2024	9 participants
Government (external)	October – January 2024	1 participant
Elected official	October – January 2024	6 participants
Real Estate, Condos	October – January 2024	3 participants
Hospitality Sector	October – January 2024	3 participants
Digital Platforms	October – January 2024	2 participants
<i>Focus groups</i>		
STR operators Group I	December 6, 2023 [11:30am-1:30pm]	5 participants
STR operators Group II	December 7, 2023 [6:30-8:30pm]	6 participants



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Property Managers	November 27, 2023 [9:00-1:00am]	7 participants
Community Associations	December 15, 2023 [11:00am-1:00pm]	4 participants
Housing Affordability	December 14, 2023 [11:00am-1:00pm]	3 participants

## Key themes

### Connections

#### Connections to/ interest in market

- ▶ Housing crisis
- ▶ Community impacts
- ▶ Growing conflict
- ▶ Standards and safety

#### Motivations (operators)

- ▶ Moving away from long-term rentals
- ▶ Financial gain
- ▶ Hospitality

#### Experiences (operators)

- ▶ Great guests
- ▶ STR operators/market unfairly targeted
- ▶ STRs need to be actively managed
- ▶ STR listing platforms is vital

### Impacts

#### Benefits

- ▶ Offer something different—and better than other tourist accommodations
- ▶ Good investment or income source for owners
- ▶ Support tourism, local economy and vibrancy
- ▶ Important housing option

#### Costs

- ▶ Undermines neighbourhoods and community
- ▶ Reduce rental housing stock
- ▶ Negative neighbourhood impacts
- ▶ Disparate regulatory environments across STRs and other tourist accommodations
- ▶ Costs to the City including regulation, enforcement, and addressing complaints

### Looking ahead

#### Challenges

- ▶ Finding the true problem to be solved that can be obscured by perceptions
- ▶ Getting the policy framework right
- ▶ Addressing issues with current regulations
- ▶ Contending with unintended impacts

#### Opportunities

- ▶ Committing to evidence-based policy
- ▶ Bringing STR listing platforms into the fold
- ▶ Ideas for regulation
- ▶ Collaborating across and engaging with stakeholders
- ▶ Supporting tourism and events

### More information

- For a detailed summary of input provided over the course of the engagement, please see the **Summary of Input** section.
- For a verbatim listing of the survey responses (open-ended questions), please see the **Verbatim Responses** document.





# Short-term Rental Study Phase 2 Engagement

## Report Back: What We Heard

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# Short-term Rental Study Phase 2

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## What we asked

### Introduction

The two-year Short-Term Rental Study by the University of Calgary, in partnership with the City of Calgary, is now complete. The research data from this study, along with the reports from the first and second phases of public engagement, will inform City Administration on the recommendations to present to Council later this year. These proposed recommendations will seek to adapt current regulations, introduce new regulations, and create mechanisms to monitor the impact of the short-term rental market in Calgary on an on-going basis. From the Short-Term Rental Study and Phase 1 engagement report, we know the following about Calgary's short-term rental market:

- The STR market in Calgary has been growing since 2017. The majority of STR listings and listing growth has been concentrated in Centre City communities and developing communities, however the type of listing differs by community.
- There are approximately 5,000 short-term listings in Calgary (September 2023). A short-term rental listing could be a private room, an entire apartment/home or entire suite. This represents less than 1% of the approximate 540,000 residential properties in Calgary.
- There is a clear seasonal pattern to activity STR listings, spiking in July when Calgary hosts Stampede. However, Calgary is not considered a year-round 'tourist destination'.
- From the Phase 1 engagement survey, we know that short-term rentals serve a need that is not limited to tourism. Short-term rentals are used to provide temporary accommodation for people travelling to Calgary for medical purposes, Calgarians transitioning in between homes, new Calgarians, and transitory workers.

## Questions

### Background:

The City of Calgary defines a 'short-term rental' as the business of providing temporary accommodation for compensation, in a dwelling unit or portion of a dwelling unit for periods of up to 30 consecutive days. A business licence is required to operate a short-term rental. However, there is a portion of listings that do not meet the current definition of short-term rentals because they operate outside the 30-days window.

**What do you think about changing the definition of short-term rentals to include the portion of listings that operate outside the 30-day window and are not currently regulated. (e.g., what do you see as benefits of this change, what concerns do you have)?**

[OPEN TEXT FIELD]



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### Background:

Currently, City of Calgary business licensing regulations do not restrict issuing a short-term rental business licence in dwelling units identified as affordable housing units. A 'dwelling unit' means one or more rooms used or designed to be used as a residence by one or more persons and containing kitchen, living, sleeping areas and includes access to sanitary facilities (i.e., a bathroom). We define 'affordable housing unit' as a dwelling unit legislated through a social housing program.

**What do you think about restricting short-term rentals from affordable housing units? (e.g., what do you see as benefits of this change, what concerns do you have)?**

[OPEN TEXT FIELD]

### Background:

Currently, short-term rental business licence fees are tiered, based on the number of rooms and/or occupants. However, unlike other business licence fees, the short-term rental fee does not consider whether the business owner resides in Calgary.

**What do you think about changing the business licensing fee model from fees based on number of rooms/occupants to fees based on whether the business owner is a Calgary resident (e.g., what do you see as benefits of this change, what concerns do you have)?**

[OPEN TEXT FIELD]

### Background:

A short-term rental company is any company facilitating or brokering short-term rental reservations online and receiving payment for this service (i.e., Airbnb, VRBO). Short-term rental companies are often referred to as 'short-term rental platforms'. Currently, short-term rental companies do not require a business licence to operate in the City of Calgary, nor are they required to pay a licensing fee.

**What do you think about The City requiring short-term rental companies to obtain a business licence (e.g., what do you see as benefits of this change, what concerns do you have)?**

[OPEN TEXT FIELD]

### Background:

The Short-Term Rental Study by the University of Calgary outlines a policy framework to help regulate the short-term rental (STR) market based on three broad policy objectives:

- Managing local impacts—housing affordability and preserving neighbourhoods;



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- Managing guest experience—guest safety/security and operational standards; and
- Managing city impacts—recover costs imposed by STRs and their guests on the city and on The City of Calgary to maintain/improve tourism and economic growth.

Within each policy objective, regulatory tools are available to municipalities to help regulate the short-term rental market. This background applies to the next series of questions.

### Which of the following should The City prioritize when developing recommendations to Council? (Select up to three)

- Housing Affordability
- Preserving Neighbourhoods (e.g., sense of community, community well-being)
- Guest Safety and Security
- Operational Standards (e.g., quality standards, guest experience)
- Recover Costs Imposed by STRs and their Guests on The City
- Maintain/Improve Tourism to Calgary
- Maintain/Improve Economic Growth to Calgary
- Other(s). Please explain/elaborate [OPEN FIELD, MAX 200 WORDS]

### What other consideration(s) should inform short-term rental regulations in Calgary? (Select one or all that apply)

- Calgary's housing market
- Calgary's long-term rental market vacancy rate
- Calgary's population growth
- Calgary's hotel vacancy rate
- Calgary's economic health
- Impact(s) on tourism
- Other(s). Please explain/elaborate [OPEN FIELD, MAX 200 WORDS]



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**Considering the current housing crisis, what do you think about limiting the number of short-term rental licences based on the vacancy rates (i.e., percentage of available units) in the long-term rental market (e.g., what do you see as benefits of this, what concerns do you have)?**

[OPEN TEXT FIELD]

**What do you think about restricting the number of short-term rental licences using a city-wide or community specific approach (e.g., what do you see as benefits of this, what concerns do you have)?**

[OPEN TEXT FIELD]

**Which of the following applies to you? Select all that apply.**

- As a current host of one or more short-term rentals (STRs) in Calgary
- As a former host of one or more STRs in Calgary
- As a current property manager of one or more STRs in Calgary
- As a former property manager of one or more STRs in Calgary
- As someone who plans to become a STR host in Calgary
- As someone who has stayed in a STR in Calgary
- As someone who lives near a STR in Calgary
- As someone who owns, operates or works for a business that is linked to the STR market (e.g., cleaning, staging, etc.) in Calgary
- As a Calgary resident who does not live near a STR and is not involved in the STR market in Calgary (e.g., does not host or manage a STR or work for a business linked to the STR market).
- As a representative of a STR platform
- Other (please specify):



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### What we heard

#### Summary

##### **General Sentiment about Short-term Rentals (STRs)**

Participants generally fall into one of three categories: opposed to STRs, concerned but not necessarily opposed to STRs, and supportive of the STR market. Those opposed to STRs refer to nuisances (e.g., noise, disruption, frequent turnover in guests) to the surrounding neighbourhood, with some participants referring to negative experiences with a STR near their home. They are worried for the character of their neighbourhood, seeing a negative change since the introduction of STRs. Some also see them as a cause of low long-term housing supply and high rental and home sale prices. There is a desire among some participants to restrict STRs as much as possible and to go as far as banning them from Calgary. Others suggest that restricting STRs to only host-occupied units is sufficient to ease their concerns.

Other participants are specifically concerned about STRs managed by absentee hosts, especially those owned by corporations or individuals with multiple properties, which are seen as more problematic compared to host-occupied STRs. Some emphasize the importance of better oversight by, and accountability of, STR hosts to mitigate nuisances caused to neighbours and to ensure safe units for their guests. They see licensing and regulation as critical to oversight and accountability in the STR market. Some suggest STRs should be treated like hotels, subject to the same fees, levies, and taxes.

Those who are supportive of the STR market cite benefits of STRs to Calgarians, tourists and other visitors to Calgary, STR hosts and Calgary's economy. Some participants note STRs meet a need not met by hotels by providing affordable, convenient short-term accommodations to tourists, business visitors, medical visitors, newcomers and Calgarians requiring STRs for a variety of reasons. Others note that STRs are a small portion of housing units and/or that other factors are responsible for housing supply and affordability issues. This leads them to conclude that STRs should not be the focus for addressing these issues. For some participants, licencing and restricting STRs is viewed as an infringement of a property owner's right to decide how to use their property. It is argued that the market will self-regulate without the need for excessive government intervention.

##### **Perceived Benefits and Participants' Concerns about Expanded Licencing of STRs and Restrictions**

Participants note many benefits they see resulting from expanded licencing of the STR market and the introduction of restrictions. Improved licencing and regulation of STRs is seen as critical to ensuring they do not disrupt neighbours and the surrounding community and that they operate safely, as well as maintaining accountability of STR hosts and STR platforms. The additional licence fees and taxes that might be collected are anticipated to benefit Calgarians by offsetting The City's administrative costs for regulating the STR market and/or being used for services and programs such as affordable housing. Restrictions that favour Calgary-based STR hosts and/or that prevent affordable housing units from being used as STRs are seen as prioritizing Calgarians over tourists and non-resident STR hosts. Many expect that expanded



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licencing and restrictions on STRs will help address housing supply and affordability issues, particularly in the long-term rental market.

Participants have many concerns about expanded licencing of the STR market and the introduction of restrictions. Concerns are raised about the negative financial impact on STR hosts, particularly those who live on-site and/or rely on the income to pay their mortgage and/or bills. Some note the potential for overlap with long-term rentals (LTRs) and confusion for LTR landlords and STR hosts. Further licencing requirements and/or restrictions are predicted to lead to fewer STRs operating, with some mentioning STR platforms might withdraw from Calgary's market. The potential impact on tourists, other visitors and Calgarians who use STRs could be fewer accommodation options and higher rates, particularly if fee increases are passed onto STR guests. This is expected to have a negative impact on tourism and Calgary's economy. There is concern that expanded licencing and restrictions will not actually fix the housing supply and affordability issues.