

Airbnb in East Ferris and Mattawa Conservation Territory

Summary:

Airbnbs are with us to stay, however, there are many issues to consider, and the majority of them are negative. I suggest we exercise the Township's ability to levy a tax on them per Transient Accommodation Regulation 435/17.

There are many possible rental location on our lake. A quick search on the Airbnb website, entering the dates of August 16th to August 20th shows 5 hosts on Lake Nosbonsing By September 14th, this number was up to 13. Two new AirBnbs are rumoured to be happening on our road alone. A stay per one night ranges from \$129 to \$650 a night, per the Airbnb website. On the site called RentByOwner.com shows 53 vacation rentals and cottages on our lake. A site called VacationRentalCanada.com shows 92 possible rental sites on Lake Nosbonsing. There is some duplicates between these 3 sites.

Below are the thoughts I have considered, having observed the operation of a few Airbnb sites on Nosbonsing Park Rd, having spoken with concerned neighbors and performed some research.

Concerns:

- 1) **Septic System Overload.** Properties that have septic systems for 4 or 6 people often have more people living on that site for weekends or weeks at a time - from personal experience and observation of units operating on our road. Are septic systems designed for this load? We have seen one site that had 3 RV trailers installed on it all summer long, and that is where an algae bloom started later in the summer.
- 2) **Increased Road Use.** Traffic is increased as multiple vehicles arrive and depart. Speeding is an issue. Road traffic is definitely up. Yet Airbnb owners pay no extra tax for road maintenance.
- 3) **Covid Hideout.** Airbnb were rented during the Covid lockdown when people were supposed to not travel out of their Health district. One unit on our road had the OPP called, and a renter claimed he was the son of the owners, and the 2 buddies with him were from his university / college dorm, where they shared a common housing unit. Yet three cars were used to get to the property. No charges were laid. We were told this by a neighbor who called the OPP. Covid compliance was low – with an impact on local businesses. A comment from Perron's Freshmart staff after the June long weekend, was that they were swamped with people who did not observe Covid distancing rules and were obviously not local; "The store was full of them".
- 4) **Fire Department.** Airbnb people are seemingly not aware of fire bans, or restrictions on the size of fires. We have heard of and seen "bonfires" that were definitely larger than 1 meter by 1 meter. It seems many renters think that fireworks are a great idea, even if there is a fire ban in effect.
- 5) **Taxation Negative Impact** on local businesses, such as the rental camps on the lake. Every Airbnb renter is one less renter for a camp. Not every Airbnb person would have gone to a camp, however, do the business owners of the camps pay more than an individual house that is being rented out? Are we taxing the Airbnb businesses in proportion to the tax levied on businesses? If so, are we encouraging a reduction in our taxes (assuming camps fail) in order to allow Airbnb owners to have an advantage over their competitors?

- 6) **Quality of Life** The behaviour of a full time resident is tempered by the fact they will need to live with their neighbours. Unfortunately, these constraints do not apply to those people visiting AirBnBs? There are times when you can hear the commotion and party noise from many houses away. Our road is very social.. but the people who visit Airbnbs do not contribute to the friendly feeling. In fact, there is worry that theft and property damage has risen with the visitors.
- 7) **Respecting Private Property.** We have had to point out to Airbnb users that our property (shore line) was in fact private property, and we did not want them to land their canoes and start wandering around – or worse, starting fires. Yes, we posted No Trespassing signs Our neighbors have also posted numerous signs.
- 8) **No Real Business Benefit.** Airbnb / renters are not net positive for local businesses. Studies show most visitors (96%) would have come to the area in any case, and stayed in alternate accommodation. Airbnb owners may spend more money on their properties performing upgrades, and may buy some supplies locally – or they may not do upkeep. One property on our road is a total eyesore as the owner allows degraded temporary structure and junk to pile up on the roadside.
- 9) **Occupancy Tax Opportunity** A tax is being charged in many locales in Ontario. There is currently an “Occupancy Tax” of 4% levied against the listing price including any cleaning fees. These taxes are in effect in Barrie, Brockville, Greater Sudbury, Mississauga, Ottawa, Toronto, North Bay and Sault Ste Marie, Waterloo Region and Windsor. This tax applies for reservations 30 days in length or shorter. The provincial government has authorized that municipalities can levy this tax. The relevant act is called the Transient Accommodation Regulation 435/17 which came into force December 1st, 2017. Given our need for income, why is this tax not in effect in East Ferris?
- 10) **Impact on Housing Supply.** Airbnb owners run their houses as a business, so, they are willing to pay more for their “house”. This inflates the prices of houses in the area. A house on Nosbonsing Park Rd just sold for \$950,000 and the new owners plan on using it as an Airbnb. This means less housing supply available for full time residents who may start businesses and support the local economy and cultural events.
- 11) **Reduced Job Opportunities.** Airbnb businesses can result in reduced job opportunities for locals. Many Airbnb owners perform their own maintenance, to keep costs low. Even if they hire statistics show their wages are lower than paid in other hospitality sectors. They are not local to the area, so, effectively they are reducing the potential jobs available to local contractors.
- 12) **Extra Load on Services.** Airbnb renters impose extra loads on local services such as garbage collection, recycling and water quality. We could show pictures of the amount of garbage and recycling at some local properties. Accordingly the owners should pay more to support these services.

See this link for further reading

<https://www.epi.org/publication/the-economic-costs-and-benefits-of-airbnb-no-reason-for-local-policymakers-to-let-airbnb-bypass-tax-or-regulatory-obligations/>

Best Regards,

Rob Effinger