



April 12, 2023

Ms. Cathie Ritchie
City Clerk
City of Kawartha Lakes
P.O. Box 9000, 26 Francis Street,
Lindsay, ON, K9V 5R8
critchie@kawarthalakes.ca

Dear Ms. Ritchie:

On behalf of Expedia Group and its vacation rental platform Vrbo, I am writing to you regarding the City of Kawartha Lakes' consideration of a licensing program for short-term rentals ("STRs").

As you know, STRs have played a critical role in Canada's communities for generations. Travelers rely on vacation rentals as a lodging option that allows families to gather, cook together, and enjoy authentic and unique experiences, particularly when hotel accommodations are unavailable, unaffordable or unsuitable. In turn, vacation rentals help democratize the economic benefits of travel and tourism, allowing Canadian homeowners an entry point to the lodging sector and pulling traveler dollars into neighborhoods outside of major population centres, fueling small business and community vitality.

Vrbo is proud that each of its listings on the platform provides for a whole-home, or "Un-Hosted", experience. These vacation rentals are a distinct form of accommodation for traveling families (who desire, for example, multiple bedrooms, a kitchen, laundry facilities and outdoor access), all while providing the chance for them to stay at a property without having the host directly on sight. Of course, for the large majority of these rentals, the host is not far from the rental should they need to be reached by the traveler.

We appreciate the time and effort put in by City staff to complete and provide recommendations on STRs as part of its April 4, 2023 report. We are reaching out, however, to express our concerns regarding the Annual STR License fees that were recommended. City Staff have recommended an Annual STR License fee of \$300 for a Hosted short-term rental, and \$1,200 for an Un-Hosted short-term rental. The goal of these fees is to recover the City's costs associated with implementation of a licensing and enforcement program.

While the City's cost-recovery goal is laudable, we question why Staff have recommended a fee for an Un-Hosted STRs that is four-times the fee of a Hosted STR. Not only do we believe that the \$1,200 fee is unreasonably high, but we think that the fees for Hosted and Un-Hosted STRs should be much more equivalent to each other.

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We note, for example, that:

- Haliburton charges a license fee of \$250 for the operation of one STR (irrespective of whether it is hosted or un-hosted);
- Grey Highlands charges a license fee \$0 for a hosted property and \$300 for an un-hosted property; and
- Huntsville charges an STR license fee of \$500 for a primary residence and \$750 for a secondary residence.

We believe a lower fee for an Un-Hosted STR that is more comparable to that charged for a Hosted STR – and to the fees in these other jurisdictions – would be more reasonable. We are concerned that the current fee for an Un-Hosted fee will either disincentive STR operators from licensing their properties and/or create an enforcement challenge for the City. In our experience, municipalities that have been unsuccessful with the regulation of STRs have inadvertently incentivized a lack of compliance and struggled with enforcement.

Thank you for your time in reading this. Should you wish to discuss this matter further, please contact me via 343.961.6687 or hdoubt@expediagroup.com.

Sincerely,



Hunter Doubt
Manager, Government and Corporate Affairs – Canada
Ottawa, ON
Expedia Group

cc: Mayor & Councillors (delmslie@kawarthalakes.ca, eyeo@kawarthalakes.ca,
pwarren@kawarthalakes.ca, mperry@kawarthalakes.ca, djoyce@kawarthalakes.ca,
esmeaton@kawarthalakes.ca, rashmore@kawarthalakes.ca, cmmcdonald@kawarthalakes.ca,
trichardson@kawarthalakes.ca)
Aaron Sloan, Manager (str@kawarthalakes.ca)