Kingston & Short-term accommodations

Introduction to Kingston STA Context and Policy

**Short-term accommodation (STA):** Private, residential dwellings (or part of dwellings) that are rented to provide sleeping accommodations to a person or persons on a temporary basis (less than 28 days, with daily or weekly rates)

Communities across the world are learning how to manage the opportunities and challenges presented by short-term accommodations (STAs). There has been a recent increase in the popularity of websites such as Airbnb, VRBO, Roomorama, and others that provide a platform for hosts to list STA properties.

While the topic of STAs has not resonated with residents of Kingston to the same extent that it has in cities such as Toronto or Vancouver, the City’s Planning Department has been conducting preliminary research on the impacts of this emerging form of short-term accommodations and how it fits into Kingston’s context. When our current zoning bylaws and regulations were drafted in the 1970s, 80s, and 90s, they could have never imagined or prepared for these disruptive technologies to result in the phenomena we are experiencing today, such as homesharing. In fact, by City Staff estimates, there were over 500 STA properties available for rental in Kingston this past year—a 125% increase over 2016!

This “Kingston & Short-Term Accommodations” backgrounder explores the STA context and existing policy found in our City.

- 390 active Airbnb hosts
- 56% whole units
- 0.7% vacancy in long-term rental market
- Some complaints
- Few documented cases of illegal STAs
- No hotel tax applicable
- STA operators do not pay commercial property taxes
- Official Plan contains policy that limits bed & breakfasts
- Zoning for most of Kingston allows for up to three roomers and boarders as part of any household
- Zoning does not have a temporal restriction for roomers and boarders

**Why look at our context and policy?** To inform a discussion on the topic, it is helpful to know what’s already happening here in Kingston. Understanding our local STA context and the current policies we’re working with allows us to ensure that next steps involve a Made-In-Kingston approach to Kingston’s context.
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Kingston’s Tourism Industry

Kingston’s tourism industry is cyclical in nature, with peaks during the summer months, and troughs in the winter. Kingston hotel occupancy during the summer is consistently in the 65 to 80% range, indicating a healthy tourism economy during these months. Overall occupancy during these months has been consistently and slowly, trending upwards since 2010, as is shown in Figure 2.

STAs could potentially offer additional capacity for accommodations when mass-events occur in the City. For example, the final Tragically Hip concert in August 2016 drew thousands of additional visitors from outside of Kingston during an already busy time of year.

Local tourism organizations attribute the recent sustained growth in visitor numbers and stays to several factors, including aggressive marketing campaigns in both English and French, a strong U.S. dollar, and the success of the Kingston Penitentiary tours. The visitkingston.ca website traffic statistic for December 2017 (Figure 1) shows these factors playing out, with heavy interest in Kingston from several major American and Québec cities.

Figure 1: visitkingston.ca statistic

Figure 2: Seasonal variation of hotel occupancy rates
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Kingston’s Airbnb Context

Airbnb is by far the largest STA operator in the City of Kingston. It is a good case study for how its future growth could potentially impact how Kingston grows and develops. Statistics provided to the City by Airbnb show that in 2017, roughly 29,800 individuals booked STAs through their website in the City. These numbers are slightly greater than those from London, Ontario, a city with double the population of Kingston.

18% of Airbnb guests in Kingston originated from Europe, while 77% came from somewhere in North America. 96% of all trips to Kingston involved four or less guests. There are approximately 550 Airbnb listings, and roughly 390 active hosts currently in Kingston. Of all listings in the City, 76% were booked for 90 days of the year or less. Just 6% of all listings, or 27 STAs total, were booked for more than 180 nights per year. The majority (56%) were rentals of an entire home without the host present within the rental unit. The average host in Kingston is 45 years old, and makes $4,900 per year from hosting visitors to Kingston. The average Airbnb Kingston Airbnb guest stays 3 nights, is 36 years old and travels in a group of 2.5.

The vast majority of Airbnb listings are found within the Inner Harbour, Sydenham, Queen’s, Sunnyside, Williamsville, Alwington, and Portsmouth neighbourhoods, although they are present throughout the City, as shown in Figure 3.

It is important to note that Airbnb is currently experiencing year-over-year market growth in Kingston of approximately 125 percent.

This means that while total receipts for stays in Kingston Airbnbs from May 1, 2016 to May 1, 2017 were under $1 million, they are projected to be in excess of $2 million for May 1, 2017 to May 1, 2018.
There are five Zoning Bylaws in place in the City of Kingston. Each one covers its own geographical area. Short-term accommodations are not specified in any of Kingston’s five Zoning Bylaws. However, the regulation of bed and breakfasts, lodging houses, tourist establishments, and roomers/boarders provides an ad hoc framework to permit some STA activity. Each one of these defined uses is explained below in further detail.

**Bed & Breakfasts**

**What is a Bed & Breakfast?**

The Official Plan defines a Bed & Breakfast Operations as: An operator-occupied detached dwelling offering short-term lodging for compensation to the travelling and vacationing public. Guest rooms or suites are limited in the zoning bylaw, and may include a private bath, but must not include cooking facilities. Breakfast and other meals, services, facilities or amenities may be offered exclusively to guests.

Zoning Bylaw 96-259 defines a Bed & Breakfast Establishment as: a dwelling in which guest rooms are let, with or without meals, for the temporary accommodation of the travelling or vacationing public. Such establishment shall have the proprietor or manager residing on the premises and shall not include a “Restaurant”, “Hotel”, “Motel”, “Lodging House”, “Nursing Home”, or any home licensed, approved or supervised under any general or special Act.
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In Section 3.3.D.1 Bed & Breakfast Operations, the Official Plan permits bed and breakfast operations in single detached or semi-detached units in the City provided that the owner and operator resides in the building, the property has access from a public road, the zoning bylaw limits the number of guest rooms and sets standards for parking, landscaping and buffering, and signage meets Sign Bylaw requirements. As currently defined, bed & breakfast operations are only in detached or semi-detached dwellings, not in any building type that has 3 or more units.

Of the five zoning bylaws for the City of Kingston, two of the zoning bylaws define, and permit, bed and breakfasts: the Downtown & Harbour area (Zoning Bylaw 96-259) and Township of Pittsburg (Zoning Bylaw 32-74). The Township of Pittsburg has a site-specific R1-49 zone for 1368 Highway No. 15 that allows a bed and breakfast, defined as a dwelling occupied by the owner. There is a maximum of four rooms and five parking spaces are required. In the Downtown & Harbour area, a bed & breakfast is defined as a dwelling in which guest rooms are let for temporary accommodation. There are two conditions for bed & breakfast established in the bylaw in Section 5.7: that the B&B shall have a proprietor or manager residing on the premises and that there will be a minimum of one parking space provided on the lot for each guest bedroom (in addition to any other parking required – which includes one for the proprietor). These may be tandem spaces in the driveway. There are no restrictions listed for how many guest rooms may be provided. Bed and Breakfast establishments are listed as a commercial use in the following zones: Market Square Commercial (CMS), and a site-specific zone for 225 King Street East (C1-45). There are additional bed and breakfasts operating in Kingston; however, they may not fall under the “bed and breakfast” use in the zoning (they could be defined as a rooming house, hotel, or be a legal non-conforming use).

Things to think about:

- Bed and breakfasts are currently limited in zoning to three properties but there are ‘bed and breakfasts’ that may be operating as a rooming house or as a hotel
- Bed and breakfasts are intended in the Official Plan for detached and semi-detached homes (not townhouses or apartments) but this is not in the zoning
- It is unclear if the proprietor or manager needs to be present during the stay, (only says that they need to reside on the premises)
- The zoning bylaw does not currently cap the number of guest rooms
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Kingston’s Current Policy

Roomers & Boarders

What is a roomer or boarder?

A roomer or boarder is not defined with the zoning bylaws so standard dictionary definitions are provided. Roomer: A lodger (A person who rents accommodation in another person's house) occupying a room without board (Board: The provision of regular meals when one stays somewhere, in return for payment or services.) Boarder: A person who receives regular meals when staying somewhere, in return for payment or services.

Why are we talking about roomers and boarders?

Up to 3 Roomers and boarders are allowed in any dwelling type in most areas of Kingston, because of the way ‘family’ or ‘dwelling’ is defined in the zoning bylaw. “Family means one or more persons residing together and comprising a single domestic household, sharing all areas of a dwelling unit, exclusive of bedrooms and may include up to three roomers or boarders.” “Dwelling” means a building or part thereof used or intended to be used as a residential unit and may include up to three roomers or boarders.

Four of Kingston’s five zoning bylaws have provisions for roomers and boarders (Zoning Bylaw 96-259 Downtown & Harbour, Bylaw 32-74 Pittsburgh Township, Township of Kingston Bylaw 76-26, and Bylaw 8499 Restricted Area). These four bylaws cover all of the City of Kingston, except for Cataraqui North, as shown in the zoning map. The definition of “family” or “dwelling”, depending on which term is used in the bylaw, includes up to three roomers or boarders. This means that any dwelling unit, whether it is a detached dwelling, semi-detached dwelling, townhouse or apartment unit, can be used to room or board up to three people. Put another way, guest rooms within a principal residence can rented to up to three people at a time.

The current bylaws have been interpreted to allow for short-term or long-term accommodations of up to three guests. This interpretation is more permissive than a bed and breakfast operation, as it allows for short-term accommodation in more locations throughout the city, and in any dwelling type, provided that it is limited to three roomers or boarders. All zoning designations that allow for a dwelling also allow for that dwelling to have roomers and boarders, with the exception of Cataraqui North.
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Things to think about:

- The bylaw does not specify the length of time a roomer or boarder stays
- It is implied that the roomer or boarder is not part of the single domestic household (i.e. housekeeping unit) and does not share household duties
- There are also boarding houses, rooming houses, and lodging houses that have different rules and limitations (generally being four or more roomers/boarders other than ‘family’)
- It is more difficult to regulate the number of people staying, as this number will vary depending on guest groupings. It is easier to regulate the number of rooms, as this is a constant number
- The bylaw does not specifically address whether the family is present/absent during a roomer/boarder’s stay

Lodging Houses (i.e. Rooming House or Boarding House)

What is a lodging house?

“Lodging house” means any house or other building or portion thereof in which persons are harboured, received or lodged, with or without meals, for gain or profit, but shall not include a bed and breakfast establishment, residential unit, hotel, hospital, nursing home, home for the young or the aged or institution if the hotel, hospital, home or institution is licensed, approved or supervised under any other general or special Act.

Lodging houses, or similar uses such as rooming houses or boarding houses, are defined in four of Kingston’s five Zoning Bylaws. These uses are not defined in the Cataraqui North Bylaw. Some of the definitions include limits on the number of guest rooms (not more than four guest rooms) or how many guests (four or more persons, or three or more persons). The common thread is that guest rooms contained within a building are rented out for gain or profit. There is no indication of whether these units are for temporary accommodation or long-term accommodation, except that the definition excludes bed and breakfasts and residential units.

The main distinction between a lodging house and a dwelling unit that can have three roomers or boarders is how many guest rooms or guests are allowed.
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Zones that appear to allow lodging houses:

<table>
<thead>
<tr>
<th>Area</th>
<th>Zoning Bylaw</th>
<th>Permitted Zones</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pittsburgh Township</td>
<td>32-74</td>
<td>R2, R3</td>
</tr>
<tr>
<td>Central Kingston</td>
<td>8499</td>
<td>B (3-6 Family dwellings), E (Special Education), C (Commercial), 14 Garrett St.</td>
</tr>
<tr>
<td>Downtown &amp; Harbour</td>
<td>96-259</td>
<td>--</td>
</tr>
<tr>
<td>Kingston Township</td>
<td>76-26</td>
<td>R4</td>
</tr>
<tr>
<td>Cataraqui North</td>
<td>97-102</td>
<td>--</td>
</tr>
</tbody>
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Tourist Accommodation (i.e. Hotels, motels)

What is a tourist accommodation?

So far the uses described are associated with residential uses (i.e. a use occurring within a dwelling unit). In Zoning Bylaws, there is typically a distinction between renting a dwelling unit or a room in a dwelling unit and renting tourist accommodation. Renting rooms or units to tourist/travelers is considered commercial use. Renting a dwelling, although profit is also made, is considered a residential use because the use of the dwelling remains as someone’s residence. In the case of some short-term accommodations, when the dwelling is never used as a residence, it is no longer a residential use but a small-scale commercial use. The dividing line between the two is not always clear.

There are several definitions for hotels, motels, and similar forms of tourist accommodation. One is provided for reference. "Tourist Establishment" means a building designed or used for the accommodation of the travelling or vacationing public. There are definitions in all 5 of Kingston’s Zoning Bylaws regarding some type of tourist establishment. Definitions include motel, hotel, rental cottage, and tourist establishment. They are all slightly different but the common thread is guest rooms are
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provided for the travelling or vacationing public or transient lodgers, and generally have five or more rooms.

**Zones that generally tourist accommodation:**

<table>
<thead>
<tr>
<th>Area</th>
<th>Zoning Bylaw</th>
<th>Permitted Zones</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pittsburgh Township</td>
<td>32-74</td>
<td>CH, CT, OS-6, BP</td>
</tr>
<tr>
<td>Central Kingston</td>
<td>8499</td>
<td>C2</td>
</tr>
<tr>
<td>Downtown &amp; Harbour</td>
<td>96-259</td>
<td>C1, CMS, Specific HR</td>
</tr>
<tr>
<td>Kingston Township</td>
<td>76-26</td>
<td>C2, C3, C4, C7, BP</td>
</tr>
<tr>
<td>Cataraqui North</td>
<td>97-102</td>
<td>MU1 and MU2 (Mixed Use)</td>
</tr>
</tbody>
</table>

**Summary of existing policy**

The existing zoning bylaws provide a framework for tourist accommodations, lodging houses, dwelling units and roomers and boarders. This framework has overlapping concepts (and sometimes definitions) that make it difficult to understand where modern short-term accommodations fit in. Bed and breakfasts, and the provision for roomers and boarders in dwelling units, provide avenues for tourist accommodations within residential uses. Lodging houses also provide tourist or residential accommodations at a larger scale. The next step is to define the difference between the two and where the line is drawn between a residential use and a commercial one for short-term accommodations.
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What We’ve Learned & Next Steps

STAs are here to stay...

- Airbnb is experiencing greater than 125% year-over-year growth in the Kingston market, while Kingston’s hotel industry is posting much more modest growth numbers
- Over 390 active Airbnb hosts already exist in Kingston

Kingston’s Current Policy...

- Dwelling units of all types, throughout most of Kingston, allow for 3 roomers and boarders
- There is no temporal component in the bylaws on the length of stay for roomers and boarders
- Bed & Breakfasts have stricter limitations in the Zoning Bylaw than regular dwelling units

BIG QUESTIONS

- What are the key issues for STAs in Kingston?
- How should Kingston manage STAs in the City?
- Where should STAs be allowed?
- What restrictions should apply to address key issues?
- What enforcement framework is the best fit?

Next Steps
The City is currently exploring the first big question of what are the key issues for short-term accommodations in Kingston. We are looking to engage in a public introductory discussion on the topic to better understand the nuances of this emerging use of dwellings in our city. After our initial public engagement, City Staff will internally review the feedback to determine next steps. The options are varied on how other communities have handled short term accommodation and we invite you to read the background document, Learning From Others, to gain perspective and inspiration.