Submission to the City of Winnipeg Executive Policy Committee

April 20, 2022

Re: Agenda Item #5: Regulating Short-Term Rentals

Dear Members of Executive Policy Committee:

I'm writing to you as a resident of the Daniel McIntyre ward with concern about Agenda Item #5 on regulating short term rentals.

I would like to address some of the recommendations put forward by the Standing Policy Committee on Property and Development, Heritage and Downtown Development.

I strongly agree with the recommendation that the Office of Public Engagement be directed to solicit feedback from the general public, stakeholders, and elected officials on their experiences with short-term rentals, on the nature and scope of associated concerns and opportunities, and on potential regulatory solutions, and that the public engagement be funded from existing resources within Planning, Property, and Development. I would like to ensure that in these consultations, that more weight is given to residents who are impacted by short-term rentals rather than those profiting from them.

I agree with the recommendation that short-term rental operators must list with the City each short-term rental unit they are operating and their contact information.

I don't completely agree with the recommendation to inform all immediate neighbours, including those across the street or hall, that a building or unit in a building is being used for short term rentals and to provide short term rental owner contact information to such neighbours. While it's a good idea in theory, I would like to see short-term rentals in multi-unit residential buildings forbidden, unless it is the owner's primary residence.

I agree that while there may be some benefit to providing information on Sex Trafficking and Human Trafficking for owners of short term rentals, many owners have proven that they don't care what's happening in their units, as long as they're making money, and any information developed for them will be ignored..

One recommendation that was not forwarded to EPC is that only primary residences are rented out. That's what other jurisdictions have done. That would eliminate most of the issues. You'll hear people today that will claim it will ruin their livelihood. To that I say too bad, find a way to make an honest living that won't destroy peoples' quality of life. When you buy many other forms of investments, an investment advisor will go over the risk involved, but some people think there should be no risk to real estate investments. They have the option of selling their property or converting it to a long-term rental. My only option is to sell my home that I actually live in if the short-term rentals become too difficult to live beside. We need to prioritize residents quality of life over the profits of short-term rental operators.

Enforcement is always an issue with any by-law. To that end I would support the implementation of heavy fines for violations of a short-term rental by-law. All it would take is to hit one short-term rental operator with a massive fine to send a message to the rest of the operators that the City of Winnipeg is taking this seriously.

Another way to assist with enforcement is to hold platforms such as Airbnb and VRBO accountable and ensure that they are complying with any by-law Winnipeg will put in place. It is just as important to hold these platforms accountable as it is to ensure compliance from individual hosts.

Until last week, I was the president of Winnipeg Condo Corp #989. I resigned in frustration due to the inability of our board to be able to put controls on short-term rentals either through our by-laws, the Condo Act, the Residential Tenancies Act, the Neighbourhood Liveability By-Law, or other frameworks. These various tools have proven to be useless for buildings like ours and just send you around in circles. Which is why I'm writing to you to encourage you to implement a strict short-term rental by-law.

Presently in the building I live in, to the best of our knowledge, only about a quarter of the 194 residential units are owner-occupied. About a quarter to a third of the units have been converted to short-term rentals. I would say the building is currently in a death spiral, with more and more resident-owners leaving due to the nuisance of short-term rentals. Earlier this month, I spoke to one of the residents of the building who just sold his unit for $70,000 less than he paid for it just to get out of the building because he was at the end of his rope with the out-of-control short-term rentals in the building. Many of the short-term rental owners in our building take absolutely no responsibility for their unit, instead offloading the management of their unit to our building security, which all owners also have to pay for through our condo fees. As a result, we have been forced as a building to up our security budget, to the point where our security costs are over $200,000 a year, which is almost a quarter of the building's annual budget.

The developer of my building, Urban Capital, still owns a number of unsold units. Between them and the investor-owners, they have been able to form a voting bloc to block any proposed condo by-law changes that would put rules in place around short-term rentals that would afford a better quality of life to people who actually choose to live in building. The previous board, which was comprised of a majority of resident-owners was overthrown last year by this voting bloc of the because that board tried to implement rules to control short-term rentals in the building. The new board had only two resident-owners on the board until I quit, leaving only one resident-owner on the board currently.

The liveability issues in our building involve a number of things, including out-of-control parties in the short-term rentals that spill over into the common areas. Our building has nice amenities for residents to enjoy, but often they are overrun with drunk, obnoxious partiers from short-term rental units. It's gotten to the point where I rarely use those amenities as a result, which is really unfortunate, because that's one of the things that attracted me to this building. Then there are the more sinister activities that residents have observed. For example, known sex traffickers have been seen bringing underage girls into the building. Sex traffickers know they can rent these units without much scrutiny. From discussions I've had with people in the hotel industry, they have told me that sex trafficking has moved away from hotels and into short-term rentals because of that lack of scrutiny. An example they gave me is that easier to bring someone into a building with short-term rentals rather than bringing them through a hotel lobby where staff are trained to look out for signs that person is being trafficked.

I earn a modest income in the non-profit sector, have worked 2-3 jobs at a time for the last 10 years, and saved all my money to be able to afford a place in our building. I live in small unit but it's something I only used to dream of living in one day. I love living downtown and contributing to making the downtown community a better place, but I can't even put into words how my dream home has become a nightmare. I thought I would live here forever, but without the city's intervention and a strong short-term rental by-law, I am considering moving from my dream home and out of the downtown, a downtown that the city seems to be putting a lot of time and effort into wanting to rebuild after the pandemic. Without your intervention, I can tell you that eventually our building will have nobody living

in it. It will become a ghost hotel. I might be naïve, but I honestly never predicted that that this would happen. If I could turn back the clock, I would have never bought a unit in this building.

In closing, I would like to reiterate the need for a strong short-term rental by-law, and I would also like to thank you all for your public service.

Sincerely,

Allen Mankewich
Daniel McIntyre resident