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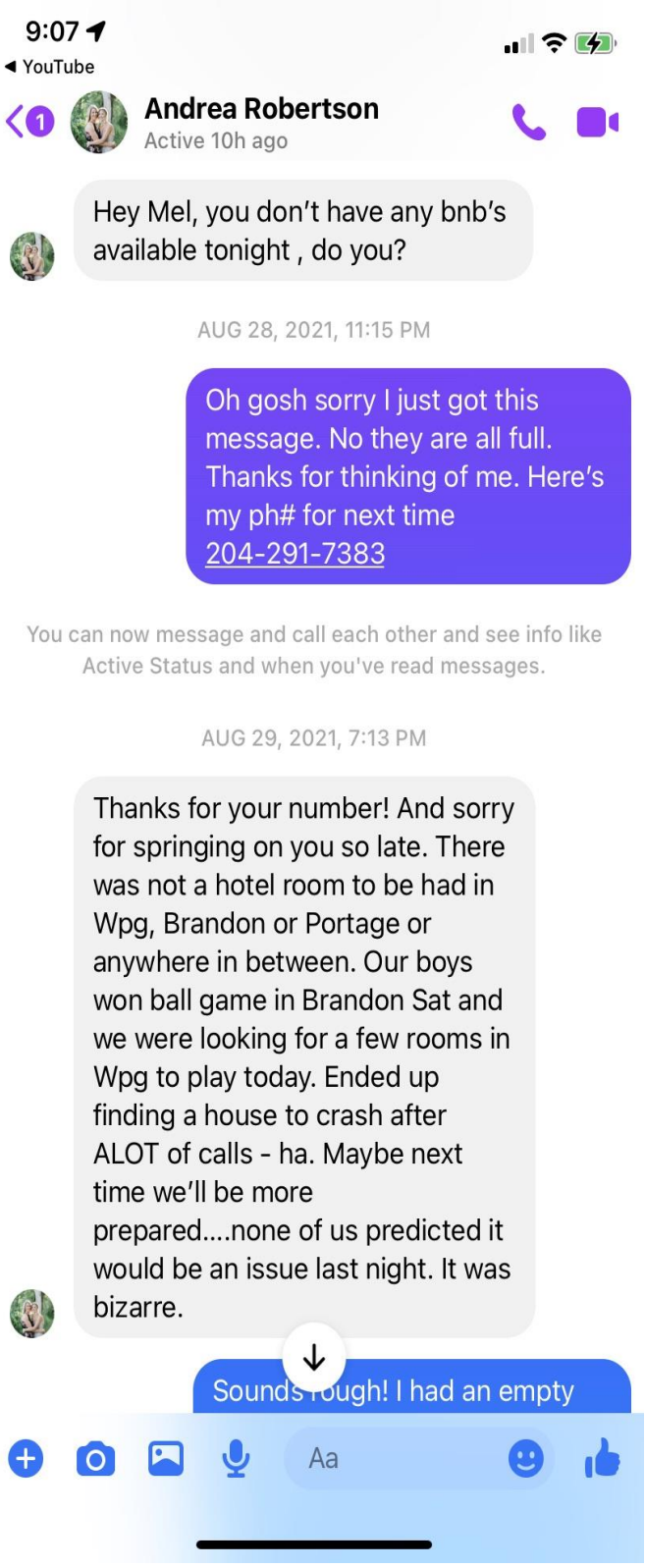
Delegation information
Committee: Executive Policy Committee
Committee - council: N/A
Committee - other: N/A
Agenda item (number and title): Regulating Short Term Rentals

Service inquiry: Submit Comments in writing
Participation preference: N/A
Comments in writing: This set of screen shot text messages is from last summer (when the hotel association said they had been suffering from lack of business).

An acquaintance of mine was desperately trying to find a hotel room in Winnipeg, Portage or Brandon and could not find one.

So do you still think short term rentals are impacting the hotel industry in any manner? They aren't. There are the same amount of hotel rooms just in the Delta and the Fairmont downtown as all of the short term rental listings combined in Winnipeg. The very least city council could do for these businesses is allow the ones already there to continue operating.

Melanie Mitchell / MM Properties Wpg
Southland Park


9:07
YouTube
Andrea Robertson
Active 10h ago
Hey Mel, you don't have any bnb's available tonight , do you?
AUG 28, 2021, 11:15 PM
Oh gosh sorry I just got this message. No they are all full. Thanks for thinking of me. Here's my ph# for next time 204-291-7383
You can now message and call each other and see info like Active Status and when you've read messages.
AUG 29, 2021, 7:13 PM
Thanks for your number! And sorry for springing on you so late. There was not a hotel room to be had in Wpg, Brandon or Portage or anywhere in between. Our boys won ball game in Brandon Sat and we were looking for a few rooms in Wpg to play today. Ended up finding a house to crash after ALOT of calls - ha. Maybe next time we'll be more prepared....none of us predicted it would be an issue last night. It was bizarre.
Sounds rough! I had an empty
Aa

“Belong Everywhere!” - How Short Term Rentals Benefit Winnipeg, both Culturally and Economically.

I got into short term rentals in the spring of 2018 as an experiment. I had one property that was particularly hard to keep rented. I still have long term rentals, but this property was not quite working out long term. However, some of my other long term tenants have been with me for ten plus years so there are fortunately no such surprises with them. I thought if this short term rental idea didn’t work for me, at least I would already have the place staged nicely to put up for sale if it came to that.

However, what happened next right from the start of my short term rental career was a multitude of unexpected, fun and fascinating learning or growth experiences with people from other cultures and regions. The very first thing I learned in my new hosting gig is that authentic homemade Tandoori chicken WILL set you on fire!

I recently had a guest who immigrated here with his wife and two teenaged daughters from South Africa. He came for an employment position at a local accounting firm. He called me to ask if I could please turn up the air conditioning from my phone because it was getting warm in his suite. (He had forgotten the instructions I gave him for the Smart thermostat). I turned the temperature down for him but explained it still takes time for the house to cool down.

He asked if he could open the door to get some cool air in faster. So I replied, “Why don’t you just CRACK a window?” His voice got a bit hesitant as he asked, “I don’t think I am comfortable with breaking windows just to get some air! That seems drastic! Are you sure about this?”

“Oh Oh! Please don’t break my windows!”, I answered nervously. It turns out that where he is from the windows go in at a certain time of year for protection from the elements and come out at other times of year for fresh air. They do not open and shut like ours. We both laughed at the exchange. I not only learned something new about a foreign country, I also learned a valuable life lesson. Just because you are both speaking the same language it does not mean the concept is transferring.

Sometimes when I visit with the you here at council I have felt that way too. We are both speaking English, but I often feel we don’t understand each other fully.

I have explained the benefits of short term rentals with all the stats and math in revenue opportunities currently flowing into our city. Each guest spends on average $200 per day into our economy. So with my three suites if they are rented on average 200 days per year this brings $960,000 in spending to area restaurants, hair salons, movie theatres, concerts etc.

These figures can not be overlooked for the sustainability of some of the area small businesses. Multiply this number by the total number of guests using this service in Winnipeg and it becomes a figure with enough zeros that it could really make a substantial difference for us here.

Our city obviously needs much more income to support infrastructure and other ongoing maintenance issues. We have all sorts of existing by-laws to cover any neighbourhood issues. We have already acknowledged and accepted the licensing and taxation aspect of the report.

The stats I provided from CMHC on housing availability do not leave any room for interpretation. That is hard data and there are more houses and multi-family buildings still going up constantly all over Winnipeg. A wonderful sight! There is no shortage of housing here… there is just a shortage of affordable housing which has nothing at all to do with STR. Keep it or scrap it you still have an affordability issue.

I noticed a new project over on Bridgewater Center. A three-story mixed-use, commercial, apartment and hotel complex will be built on the east side of Centre Street, between Jacob’s Creek Road and Park East Drive.

The ground floor will host up to six commercial units (notice the word “host”), the second story will have 43 hotel rooms with 49 residential units on the third story.

Isn’t that a novel idea? This mixing residents and tourists together? I most definitely share in Councillor Lukes excitement over this project! It does sound vaguely familiar to what I do myself in mixing visitors and locals together so they can each learn more about one another. So great!

We have given examples of the benefits of short term rentals in the gentrification of some of our distressed neighbourhoods. My circa 1907 guest house on McMillan for example, was an eyesore when I acquired it a decade ago. It had been involved in an ugly estate dispute between siblings and hadn't been lived in for…I think about three to four years? Or so we thought!

Turns out it did have many residents. Squirrels, mice and even a feral cat with kittens in the basement. This house would have been slated for teardown to build one of those weird tall square box infill structures in it's place. Some people like that, but I am not a fan.

The second I saw the heavy sliding solid oak pocket doors leading into the dining room and elaborately carved staircase pillar it was love at first sight for me! Even if it wasn't exactly a love match for my carpenter husband. He has dubbed that house "McRubble", McHell" …some of the other labels he has used for my "fine house" aren't fit to repeat in this forum.

When we started working on this neglected structure in Crescentwood the neighbours would come over to introduce themselves and check out our project. It took a full year to rehab the McMillan house with the two of us, some friends and our family pitching in with their labor. The day we yanked the big overgrown jungle-like shrubs out of the front yard by the roots with heavy equipment there were actually four people from the street (whom we had not yet met) standing on the sidewalk giving a round of applause.

I bet you're wondering what my little stories have to do with the SERIOUS business at hand here. I have heard the verbiage "decimating the fabric of a community". I strongly disagree with that statement because the new definition of a "community" is not Charleswood or St Vital etc. A community is now the whole world!

I caught an American commercial for Airbnb where their slogan was "Belong Everywhere!" It was all of the Muppets travelling and meeting new friends. Of course I am a huge fan of the Muppets, but also a huge fan of the concept of BELONGING. That is one I can get behind! Things can be ugly out there at times, especially lately but it is not too late to embrace the concept of welcoming, sharing and cooperation. That's who I am and I believe that is what the short term rental industry is about…human connection.

Speaking of new connections. Last spring I hosted a Professor who immigrated here from France for a new position as Dean of one of our Universities. We have remained friends. My cousin took his seven year old daughter out trick-or-treating this past Halloween with her son of the same age. The young French girl was shocked that you can just ring somebody's doorbell and automatically get free candy. We had to make sure she understood that this only happens once a year! This guest from last year is babysitting two cats for one of my current guests right now who just immigrated here from Montenegro. These two sets of foreign guests were strangers, but because I don't happen to allow pets at my rental, this favour was their way to pay it forward to another new immigrant. I teased their little girl that she is also running an Airbnb of sorts, but hers is just for kitties.

More about this primary residence requirement though. I am confused as to why some think this is the answer. Hosting in a spare bedroom is a great way to supplement income for a homeowner and allows people of modest budgets to still travel. Which I am all for. Unfortunately, it does not bring in that much tourism money which the city desperately needs.

At the last planning committee meeting it was explained to me that in this "primary residence only" model I can just give up my house to a guest, go sit on the beach in another country for a few weeks sipping those brightly coloured drinks with little unbrellas in them, a whole continent away from my house, and council is totally cool with it.

The catch with that is people do not hire a professional property manager just to go away for a few weeks. Whereas, when I host at my properties locally I am situated a mere 12 kilometres away from them. I can monitor exterior cameras and the noise decibel monitor right off my phone. I greet each guest in person at the start of every booking and I touch base with them the very next day to make sure they settled in ok. I am always on hand in case they forget the door code or need advice on area restaurants, etc.

My question is, "If it's still a stranger sleeping in a residential house that they don't own, for a short visit, doing the same living activities there as I do, how is that considered to be a superior model?"

The only difference with it is where I am sleeping in reference to the rental house. Somewhere much farther away, a whole different time zone away probably…then it's somehow miraculously better? Please enlighten me on how that is better. Best case it would be the same.

If the city is really going to go so heavy-handed as to restrict right down to this primary residence only, you do realize this essentially keeps my guests LESS supervised rather than more supervised right?

The primary residence route or capping number of days a residence can be rented knocks out the people who really need this income while allowing the fatter wallet STR hosts, who do it just as a sideline, to continue on with it. Since when is it advantageous for a city to design programs which penalize the working class and reward the wealthy?

Allowing these two contentious items to remain will take away a fantastic cultural learning experience and revenue generator. Why create a bunch of overlapping by-laws when the city has no means of managing them without the licensing income from the non-primary residence STR's and the accommodation taxes from the higher dollar rentals.

If you scrap the secondary residence STR's from this model it means all you have accomplished is to harass the 214 spare bedroom operators with four kinds of tax on their $45 to $90 per night side hustle. These homeowners already pay property tax on their house, and income tax on their earnings. So now there will be licensing fees, accommodation tax, GST and business tax too? Essentially two years of debate and hundreds of hours of city resources to just gain 5% of a $50 stay?

Although I am aware that one tiny four letter word alteration in the report wording to "shall" include does not indicate anything at all in the eventual outcome of this debate, it did give a false illusion to people watching from both sides as well as the local media. Which I felt was an unprofessional misleading action to take at this juncture. Unfamiliar with the due process for by-law creation, many viewers mistakenly thought this was now a done deal (prior to any public engagement). Hardly!

Naively, I thought this process was supposed to be a merger, not a hostile take over. So as a result, it is my own opinion, that we now have a much bigger problem here in Winnipeg than just deciding whether to allow short term rentals or not!

However, to reiterate, our position as short term rental owners is to continue to work with council to come up with a solution that works for everyone involved. Furnished short term accommodation is a market that the hotels don't necessarily cover, so it creates new tourism opportunities. In reality, we find there's enough space for both businesses to exist and have success.

Within the submissions you will see a message relayed from Regina's city council indicating that one year into their regulation program things are going well. No changes to it are planned. A report going over their first year of regulation will be coming out in July, which will be favourable.

If Winnipeg chooses to follow the model of a vastly different city like Toronto, versus a very similar set of cities to our West, I have come to the harsh realization that I might not just need a new occupation. I may need to relocate to an entirely new city. Council, I know my family will be some kinda mad if you cause "the chosen one" (that's me) to all of a sudden pack up and ship out of our hometown.

You have met a sampling of my STR associates. They are ambitious, intelligent, educated, successful, creative, high-achievers. Is this really the group you want to drive out of Winnipeg?

Melanie Mitchell / MM Properties Wpg
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