Dear Councillors,

After taking in the presentations and hearing arguments before city council, it became apparent to me that STR and ghost hotel don't have a sound argument against the city taking regulatory action against their damaging and predatorial business model. I heard a lot of appeals to emotion, deflections of legitimate and unaddressed concerns, and willful ignoring of what has become a very serious and ongoing problem for residents that has found no recourse through other channels.

I am re-submitting my concerns for the record, but additionally I would like to list some of these logical fallacies that fellow Glasshouse residents Allen Mankewich and Sinan Leylek (owner/resident ex-condo board members who served residential living at Glasshouse for years, now ousted through the efforts of a developer/STR takeover of the board) spoke very thoroughly on.

Common STR arguments/justifications, as you may recall from the presentations:

- Residents neighbouring my ghost hotel have no problems with my business/love my business.
    - Maybe some residents are fortunate to not have problems with a neighbouring ghost hotel, but I think you'd be hard pressed to find anyone—including yourselves, City Councillors—to find themselves elated to discover a neighbouring property being converted into a ghost hotel. Ghost hotels poke holes through and—through accumulation or their individual conduct of their business model—break down communities. When I started doing business with AirBnB, I stayed with single parents, young families, and retirees and widows/widowers who supplemented their income by hosting folks such as myself as guests in a spare room. I thought this was what AirBnB and other STR companies were about. In fact, the STR business model is not primarily about folks hosting guests in a spare room; it is a large scale and predatory industry that takes residential properties away from community living, converting them into ghost hotels.
- Taking action on STRs/ghost hotels would compromise the assistance that STRs provide to Ukrainian war refugees.
    - I found this to be a really tasteless emotional device to justify inaction on very serious and ongoing issues with the STR business model. There are many well-regulated businesses around the world that have reached out to help in times of humanitarian crises. This isn't a binary where unless STR and ghost hotel problems remain unaddressed, Ukrainian war refugees will suffer.
- Large families/groups won't be able to travel without ghost hotels to serve them.
    - Ghost hotels are a relatively new thing. Large families and groups traveled before ghost hotels. If a more residential setting is something that people want, it should be offered only if STRs/ghost hotel issues are fully resolved. This is not sufficient justification to leave issues unaddressed.
- My ghost hotel business and my family will be ruined if action is taken.
    - This is another tasteless emotional device. The STR/ghost hotel business model found an opportunity to exploit the market to its benefit and to the detriment of residents and communities, and a lot of people and large businesses are making a lot of money at others' expense to their quality of life and safety. The serious issues with STRs/ghost hotels are not unique to Winnipeg. It has become a global problem, and cities around the world are starting to take action. If a business cannot be viable without it being provided

an absence of regulation and accountability addressing concerns that are valid and echoed around the world, then it should not be a business.

- Residents are just as likely to cause problems as ghost hotel customers.
    - Issues at the Glasshouse condo tower pertaining to ghost hotels:
        - luring and abducting someone from one ghost hotel to another, where they were then tortured
        - partying at all hours
        - drug/alcohol parties
        - incessant defiance of pandemic mandate
        - signs of human trafficking, child exploitation, and gang activity
        - domestic violence
        - fire alarms being pulled
        - security assaulted
        - knives, beer cans and other objects thrown off balconies
        - ghost hotel customers banging on residents' doors at all hours, climbing onto residents' balconies
        - damage to common elements
    - STR businesses told you, City Councillors, that the situation at Glasshouse as listed above (this building is the perfect example to identify and study the problem with STRs) would look exactly the same if it had not been overrun with ghost hotels. This is amongst the most ridiculous statements I have heard from presenters.
- STRs are working with residents to sort this out… AirBnB has heard your concerns and takes them very seriously… Condo boards can address this if they want to… We're sorry to hear to hear that. Please call the police…
    - I just wanted to reiterate the nonsense that residents frequently hear when they voice out their concerns or make a complaint to a STR business or platform such as AirBnB.
        - No doubt some STRs try to be proactive in having their ghost hotel cause fewer problems. In the case of Glasshouse, these efforts only make the ghost hotel situation less bad. Buzzing a stranger/customer in remotely and then viewing them remotely through a unit door camera does not provide the host with the ability to adequately screen or reject entrance. Once someone enters the building, they're in, and once someone has been granted access to a unit, they can bring others in throughout their stay. Incessant drug and alcohol COVID-19 parties throughout the pandemic at Glasshouse confirms this. The only action that can then be taken is if the STR host eventually decides to travel down to the property to address the matter, or the STR host tries to utilize security paid to provide security for residential condo living as their business security. Problems at Glasshouse have not waned. Our security has been stabbed, assaulted, we've had regular disruptions. Partiers pull the fire alarm on a regular basis at all hours. There is nothing obligating a STR business from being "less bad" or operating without a care in the world for its impact on residential living.
        - This winter I reported an incident where I was woken up by a disturbance in the pre-dawn and then witnessed someone staying at an AirBnB assault a host. I had the address and the name of the host but could not find the listing on AirBnB. AirBnB refused to engage or acknowledge they had a listing matching with my info. Some time later, I made another attempt to search through the many Glasshouse AirBnB listings and for some reason was then able to find it. Suddenly AirBnB acklowledged the listing and the guest stay. AirBnB gatekeeps and discourages both reporting and accountability for incidents at STRs/ghost

hotels. If you want to report an incident, AirBnB requires you to have the listing, which sometimes is very difficult or even impossible to find. Hosts can also unlist their property, which makes this additionally problematic. Even when AirBnB acknowledges and receives a complaint, it will never provide any information on what action was taken. And for residents at Glasshouse over the years, it has become obvious that the action taken by AirBnB has been, obviously, no meaningful or noticeable action.

- Condo boards can fine $100 twelve times a year, a small and acceptable business expense for STRs/ghost hotels. Condos can also be taken over by non-residents. During the pandemic, the resident-dominated Glasshouse condo board attempted to address serious issues. Glasshouse developer Urban Capital and STRs used their voting power to remove residents from the board and install themselves to prevent action from being taken on STRs/ghost hotels.
- When residents reach out to STR/ghost hotel owners or AirBnB on a disturbance in progress, they are frequently told to call security or call the police. Security can't evict ghost hotel guests and in responding to STR disturbances, are tied up in providing security for a business instead of the residents they are intentioned for. The city's budget is becoming increasingly difficult to manage, and city Police and Fire Department take up very large portions of the budget. Glasshouse alone has contributed significantly to the costs of these services for years now. Incessant partying, domestic violence and other ghost hotel disturbances at all hours result in calls to police, because ghost hotels don't have the owner or staff on site and security is limited in what they can do. Ghost hotel stays at Glasshouse have also resulted in regular fire alarms being pulled, additionally burdening the fire department and compromising city residents' safety by tying up trucks and firefighters at regular false alarms.

The only possible solution that would address STR issues in condos would be a ban altogether, or a requirement for STRs to be permitted at primary residences only. Condo residents have been through enough and have had years of their reporting and documenting concerns ignored. I don't see how it can at all be possible for a ghost hotel to be operated in a condo so that it resolves the issues that I have raised. Please note also, that ghost hotel businesses don't have an answer. They simply say that they're one of the good ones, and that their livelihood will be ruined if (meaningful) action is taken.

Thank you for your time,

Jason Penner

(Previous submission below.)

After purchasing and living in a condo since Fall 2016, I have come to grow increasingly concerned about the effects that the AirBnB business model and practices have had on my safety and security, and what they might mean for all decision making and the re-purposing of condominium living in Winnipeg.

I believe we are now at a critical juncture. I have had my own experiences but I believe they are relatable to all condominium owners who are invested in having their property contribute to community building, and being a safe and secure place to live; a place where one would want to live in peace.

- I'm a resident in the Glasshouse tower at 311 Hargrave, and while I will provide examples related to my experiences and knowledge, I want to stress that these matters are are relatable to other scenarios involving STRs in Winnipeg.

- My building is being taken over by investors and turned into a ghost hotel. What do I mean when I say "ghost hotel"? A ghost hotel is a unit that is not a primary residence but a business; a hotel that is not regulated as a hotel would be, has no on-site staff other than cleaners who come by to prepare units for their next transaction, provides their customers remote access to the building, and leech condominium security provided for residential living for their ghost hotel business security to address violence, destruction and other disruptive ghost hotel customer conduct.

- Condominiums that are being taken over as ghost hotels have become desirable for partying and criminal activity. In my case, I live at the Glasshouse. It has become a popular place for people to get wild after a concert or game during pre-pandemic times, and during the pandemic it has been very popular for COVID parties and for travellers to utilize, shirking all consideration for COVID isolation and grouping protocols. Some residents have their lives disrupted by violence and partying on a regular basis, and this has been the case for years. Throughout the years, the building has had significant police presence, gang activity, human trafficking and possibly child exploitation. Ghost hotels are ideal covers for criminal activity.

- Glasshouse and AirBnB made headlines not too long ago when organized crime lured a man into a Glasshouse STR unit under the pretence of partying, then abducted and transported him covertly from Glasshouse to another STR where they tortured him over several days before the man was able to share his location and be rescued by police. If this isn't proof that criminals find ghost hotels ideal to act covertly, I don't know what is.

- While other cities, such as Toronto, has recognized and taken measures to regulate and in some cases ban AirBnB, real estate in Winnipeg remains a Wild West. This cannot and will not be reigned in by condo boards for a few reasons. The first is that condo boards do not have the power to do so. There is a limit to what a unit owner can be fined per year and it's a pittance. The second is that condo boards can be taken over by those in favour of ghost hotels. In the case of Glasshouse, developer Urban Capital is in a difficult situation. They have been left with a number of unsold units, and since Glasshouse has been plagued by partying, fights, property damage, break-ins, theft, criminal activity and regular disruption at all hours of the day, it has become undesirable to prospective owner/residents. My property value has dropped $40,000 since 2016 in a hot housing market. For years of having a majority owner/resident condo board, Urban Capital voiced their intention of remaining neutral on matters with their significant voting power (based on their numerous unsold units). It was when the majority owner/resident condo board attempted to take action on STRs during the COVID-19 epidemic (with their incessant drug/alcohol parties and resulting assaults, ODs and disturbances, along with STR customers refusing to follow COVID-19 protocols) that they had one of their staff run for the condo board, and after elections the Glasshouse condo board is a majority tilted in favour of STRs. Residents voted for residents to serve on the board, but now residents are in the minority at Glasshouse. All efforts to limit STRs and address the STR, COVID-19 and security situation were ended. It seems that once-"neutral" party Urban Capital has thrown in with trying to unload their unsold units to prospective investors, not prospective residents. Action taken against STRs in Glasshouse seems to be something that would be unfavourable to their interests in unload-ing remaining units. A recent letter from our pro-STR condo board proclaimed success in addressing resident concerns but this couldn't be further from the truth.

- At the most recent meet-the-board meeting, the owner of a unit shared his frustrations. He's a doctor him-self, and purchased a unit to rent to individuals who were studying and launching their professional medical careers. Medical students, doctors in residency. And these are the people who rented his unit, and they contributed not only to our community as residents, but also to the pandemic. Can you imagine what it would be like to be a medical professional working 12-hour shifts, and to have time and again wild parties and unruly behaviour keep you up while you're trying to sleep? Can you imagine being a woman living alone and having a drunken male hammering on your door in the middle of the night, demanding to get let in? This doctor claimed that he was fed up, that his fellow colleagues and medical students no longer wanted to rent such a place, and that he was forced to sell with an asking price tens of thousands of dollars under his purchase price.

- AirBnB has done nothing to resolve this situation. Residents who call in a complaint are deferred to the police. Residents who can't sleuth out and provide the listing tied to the STR that caused the disturbance are stonewalled until they provide the listing, and even then AirBnB will not share any details as to what action was taken. They might claim that they have taken action but violent and disruptive incidents continue at Glasshouse. The source of the problem is obvious; non-primary residence ghost hotel businesses that do not have the owner or staff working on site to turn away a wild party or human trafficking when they arrive for their stays. Glasshouse has had many incidents of domestic violence. Would a drunken man be as likely to be assaulting a female companion at 3:00AM if they were staying with someone in their primary residence? Chances are the situation would have been addressed at a point of much less escalation, before neighbours had to call the police hearing a woman screaming while being hit and thrown around a unit. And had they gone to a hotel, they would have had staff to monitor for and address such situations. You know, like a business that actually has regulations and responsibilities.

- This ties in with another thing. It's ridiculous how much of a drain on police and fire department Glasshouse has been over the years. This also is a drain on my condo fees paying for security. They are all too often tied up with addressing STRs issues instead of providing for the safety and security of residents. They spend far too much of their time responding to STR complaints and writ-ing corresponding reports when they otherwise could have been completing their rounds and maintaining a presence at the front desk. This is not normal. A residential condo building shouldn't pro-vide residents with the impression that anything can go down at any time. That's not what we paid for when we bought our units.

- It's time to regulate predatory STR business practices. Ghost hotels ruin buildings purposed for residential living, and in turn they are also a detriment to building and fostering healthy and vibrant communities. Ghost hotels provide cover for criminal activity and those seeking out unhinged partying and disruption. People invested in owning and residing at a condominium should not have their quality of life ruined by developers desperate for a sale so that they can pursue their next development, or STR entrepreneurs who want to duck taxes, regulations and accountability for the drain and disruption that they cause residents.

Ghost hotels have no place in condos and ghost hotel entrepreneurs are not contributors to communities but drains on them. STRs should be primary residence only so that STR entrepreneurs can be directly pre-sent and involved in ensuring that guests to their primary residence are conducting themselves appropriately.
Thank you for your time,
Jason Penner