Dear Executive Policy Committee,

Short-term rentals are often cited as a contributor to the affordable housing crisis. However, the issue is more complex and multifaceted than to just blame a centuries old problem on short-term rental platforms.

The primary cause of the affordable housing issue is a shortage of housing units built to land in lower price points. Demand drives up the prices of these rental units making them out of reach for low and middle income families. In many cities, the rate of new housing construction has not kept pace with population growth. Simple economics can answer why the property values change, and they will continue to fluctuate regardless of short-term rentals.

According to the Canadian Mortgage and Housing Corporation, the average single minimum wage earner working full time (at the new wage coming up this April of $14.15 per hour), should be spending $679.20 (30%) per month on their housing. There are very few apartments in that price range in Winnipeg. They probably aren't located in a safe area or maybe aren't maintained well enough to be safe inside either.

Most of the whole home and condo offerings on the Airbnb platform are priced at triple that figure even if they were offered unfurnished on a long term rental scenario. One group member with a condo has a $900 per month condo fee and his dead cost on the unit is $2500 per month. What I am trying to illustrate is that even if you shut down all of the short-term rentals in Winnipeg it will not have any impact on affordable housing.

Toronto has the strictest regulations of anywhere in the world yet their property values and rents continue to rise steadily. So creating a complete upheaval in the short-term rental community with harsh restrictive regulation has done nothing to address affordable housing there. Besides it seems to have opened up a big can of worms in trying to enforce these super strict regulations.

Government policies and zoning regulations can contribute to the shortage of affordable housing by limiting the supply of the new housing units being built through restrictive zoning regulations. This can prevent the construction of the new multifamily housing in certain areas where they would be needed and utilized.

The overall state of the economy, including job loss and wage stagnation, can also contribute to the affordable housing issue by reducing the ability of low and middle income families to pay for housing. Another economic issue is the cost of building materials, land and labour have gone up significantly.

Addressing the affordable housing issue requires a comprehensive approach that addresses all of these underlying factors.

These recent recommendations in the draft legislation to curb short-term rentals in residential areas severely affects their ability operate. The whole crux of their offering to the market is the idea of "travel like a local" and "belong everywhere". Their entire focus is on

the opportunity to live in that experience, so it's a key part of our city's tourism marketing to have them in residential areas.

A common sense licensing program and balanced regulation would have cleaned up any "less than ideal" guest or host behaviour.

It seems to me (from watching footage from previous council meetings) that the bulk of the neighbourhood livability complaints were not coming from residential areas. They were mainly concentrated in a downtown condo building. Doesn't that point to more of a management problem within that specific building?

I feel it is important have whole home options available as an offering to families travelling in a group. These are often located in R1 areas which are typically underserved by hotels. Guests choose these because they are within walking distance to their extended family they are here to visit. Not everyone wants to stay with their extended family in a condo. They may want a yard for kids or pets (or both) to play in. They may not want to pay for parking downtown either. These condos are great for visiting business people or singles/couples travelling who want to be in close proximity to Winnipeg's many entertainment or sporting events.

It is important when marketing Winnipeg that there is a wide selection of accommodation available to visitors such as hotels, spare bedrooms and whole homes. By restricting it to condos only is missing the point and does not correspond at all with the data contained in the report. Especially surrounding what the consumers are asking for.

The city of Brandon has the right idea with including short-term rentals as a key part of their tourism/hospitality draw as alternate accommodation for events being advertised there.

Short-term rentals are viewed as a threat by the hotel industry, so I understand why they would want to push for strict restrictions for the STR community. Competition in business is natural and should be expected. Especially with innovative market disruptors like this. However, whether the hotel industry realizes it or not, they are typically competing for an entirely different audience.

While hotels generally offer more amenities such as on-site dining and fitness centers, spas, sometimes gambling, short-term rentals offer more personalized touches, such as a fully equipped kitchen or outdoor space. Different target client with way different preferences.

A hotel is not superior to a short-term rental or vice-versa. They each have a place and there is plenty of business to be had in Winnipeg for both.

Limiting the number of secondary residence short-term rentals would cause local hosts to lose the majority of their investments. In many cases it would put them into a perilous financial position. Why create this undue hardship when they could have kept on as thriving contributing residents of Winnipeg?

What happens if they pull out all of their investment capital and move to other cities like Regina or Calgary where they can carry out this activity in a more welcoming setting? Isn't

the idea to attract and retain entrepreneurs to live and work in Winnipeg adding to our tax base and supporting area restaurants, the arts, and other area businesses and attractions?

There are arguments that short-term rentals cause a decrease in property values because of how the guests may negatively affect the surrounding community. Yet there are also arguments that support the idea that short-term rentals are increasing property values because if a property can be rented out, then it has the potential to be a profitable investment. It can't be the cause of both. It isn't necessarily the short-term rentals that are affecting the overall values of properties, but rather the large influx of people (demand) with a shortage of housing (supply).

The fundamental flaw in the rationale for restrictions is that demand for STRs won't disappear if the supply of STRs offered through services such as Airbnb is cut back. Where would the unmet demand for STRs go? The prime suspect, of course, is conventional hotels. But here's the catch: when there is more demand for hotels, more hotels get built. Hotel and apartment developments compete for the same scarce urban land, so more new hotels means fewer new apartments, and fewer apartments means higher rents. If so, then STR restrictions may be a zero-sum game for affordability.

Strict restrictive regulations will not only affect the owners, the local community and travellers. It will also put several hundred cleaning staff, maintenance people and property managers out of a job.

I doubt adding to the local unemployment stats in an already strained financial time was intentionally on the agenda of a city council. Please keep this in mind while making these decisions that unfortunate collateral damage can result if this proposed regulation limits these style of rentals to only certain commercial areas.

Yes It will send a lot of our investor money to other cities, but most importantly it puts our community's most vulnerable working poor out of their employment further straining their already strained resources.

Dakotah Charron