Good morning Mr. Mayor, and members of the Executive Policy Committee.

This is my second time standing before you, thank you for this opportunity. The first time I was here, December 7th of last year, I had come to lobby for a cause that I am passionate about, Short Term Rentals. Imagine my surprise when this time around I find myself agreeing with much of what the city is proposing, even as it includes taxation.

I'd like to start with what we support in this report.

- We support community safety and neighbourhood accountability.
- We support the adoption of fire, and health & safety regulations.
- We support police checks.
- We welcome the opportunity to be part of the educational process regarding sex and human trafficking in partnership with the Winnipeg Police Service, and the UN Women Safe Cities Global Initiative. Interestingly 54% of short-term rental users are women, and they often cite safety as one of the primary reasons they choose a short-term rental over a hotel.
- We all agree that that the proposed accommodation tax is fair and equitable, and I'll speak more about that in a moment.
- We welcome and encourage a licencing model that can hold any trouble owners responsible. It is the very few negative incidents and headlines that tarnish an otherwise responsible and accountable STR community in Winnipeg.
- We are happy to see the report acknowledges that STRs have only a small negative impact on affordability in the local rental and housing markets. This has been a false flag argument by those opposed to STRS for far to long.
- The report also acknowledges the positive benefits to tourism from STRs in reducing the cost of accommodations, by creating more options at various price points, and by making hotel prices more affordable through competition, all great for Winnipeg's tourism industry.

This is what we respectfully ask that the Executive Policy committee to reconsider:

We don't endorse a cap on the number of units someone can own. There are numerous owners who have a couple or several units and manage them responsibly. The number of units you own doesn't change your approach or management philosophy. Of the 1410 active listings this month, only 145 are professionally managed. The remaining 1265 are hosted by the individual owners themselves. These are mostly small scale, family run, mom and pop businesses.

We would ask council to reconsider the different fee structure for a corporation vs private ownership. I think the word "corporation" is a misconception of the actual business model. For example, our, my STR is owned by a corporation, but that was simply a mechanism to borrow money against the equity in our existing business. My wife, my daughter and I are just like other hands-on individual hosts, greeting guests, cleaning, repairing, etc. A graduated licencing model with a fee increase for each additional unit someone owns would be more equitable, and an opportunity for increased licencing revenue.

Additionally, we can't support the proposed zoning restrictions. STR's account for 60% of the vacation rental market now, and that share is growing. 77% of these travelers use STRs because they want to "live like locals" and 86% of these travelers also say they choose a STR because the location is more convenient than that of a hotel. This "local charm" is the attraction of short-term rental tourism. And 58% of your survey respondents don't agree with residential restrictions either.

I do understand the motivation of the zoning restrictions, however STR platforms are continually evolving in partnership with cities and local municipalities to prevent and eliminate disruptive bookings and guests. For example, to facilitate this partnership, Airbnb created "The City Portal" a technology that offers governments and tourism organizations data insights, remitted tourist tax revenue, compliance tools, and centralized access to the Airbnb Neighborhood Support hotline. More than 300 cities and tourism organizations to date have partnered with Airbnb to access this technology. In the last seven years, Airbnb has collected more than $4 billion dollars in local tourist taxes globally on behalf of hosts and municipalities.

To restrict zoning or limit the number of units someone can own, or the number of days a unit can be rented, is to instantly reduce the number of STRs, and adversely affect our contribution to Winnipeg's tourism industry. No one benefits by this except hotels. If you have confidence in your licencing process then these additional restrictions are redundant. Regulations can always be amended if needed, why start with a model that is so restrictive that it immediately eliminates existing STRs, discourages and prevents new STR's, hampers tourism, and reduces the amount of the city's proposed accommodation tax and licencing revenue that it stands to generate?

Winnipeg has strong STR demand from the travel public. We score a 75 or A- with our city's performance vs the top 2000 global Airbnb markets, according to AirDNA data. This performance indicator uses a combination of annual occupancy and listing growth rates to show the relative travel demand and revenue growth in a given market, and by extension Winnipeg's proposed Accommodation tax growth potential as well.

Let's talk about the Accommodation Tax.

Your report calculates the value of the proposed Accommodation tax at $100 per night x 62 nights per year x an estimated 900 STR operators. Based on this formula the new tax revenue generated for the city will be $279,000 annually.

The good news is that this estimate is wrong.

Data from AirDNA, which is one of the most popular sources of short-term rental data and analysis, and it is the company for which I offered to share my password with you last time I was here, shows the actual historical performance this past 12 months in Winnipeg, where the Average Daily Rate was $122, not $100, the average Occupancy Rate was 65%, not 62 days or 17%, and the average active rental units were 1229, not 900.

Data also shows that our community earned almost $20 million dollars in revenue last year. The proposed 5% Accommodation tax would have generated almost $1 million dollars for Winnipeg this past 12 months, more than 3 1/2 times your report's estimate. I should also note that this data is specific to Airbnb and VRBO only, there are numerous other management platforms in use, so this revenue could be much higher. And with the World Police and Fire Games, this year should be even more robust.

The City is facing an $83 million dollar shortfall. We have a strong and committed Short Term rental community that welcomes the opportunity to be part of the solution, with fair taxes and fair and equitable regulations. Don't we want and need this participation from ALL Winnipeg short term rental hosts? Don't we want to support and encouraging economic growth? Every 100 active short-term rentals gained or lost in the city represents more than $81,000 in potential tax revenue earned or forgone annually.

Alternatively, we can put several hundred people out of work in the toughest economic climate in years. We can penalize those owners, 60 % of whom BTW are women, that have taken personal risk and have made significant investments with their time and money into their local community and family businesses, and without expectation of any government support. The report as it stands now, if adopted, will do just that.

We host the World Police and Fire Games in 5 months. Many STRs and hotels are already fully booked for this 10-day event. Let our community be a full participating partner, and let us collectively put our best effort forward to showcase to the world what our Winnipeg has to offer.

Thank you again for the opportunity to speak with you today.

AIRDNA MARKETMINDER

Winnipeg

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BK

My Properties 1

Research

- Overview
- Occupancy
- Rates
- Revenue

Price

- Smart Rates
- Pacing
- Seasonality

Invest

- Rentalizer
- Top Properties
- Market Comparison

Help Center

Market Grade

A-

82 of 100

- Rental Demand
- Revenue Growth
- Seasonality
- Regulation

Average Daily Rate

$122

Jul: $134

Mar: $116

View Rates →

Occupancy Rate

65%

Aug: 82%

Jan: 42%

View Occupancy →

Revenue

$1,471

Jul: $2,114

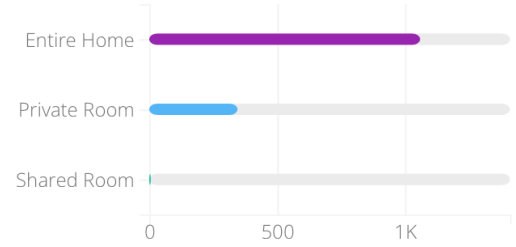
Feb: $1,036

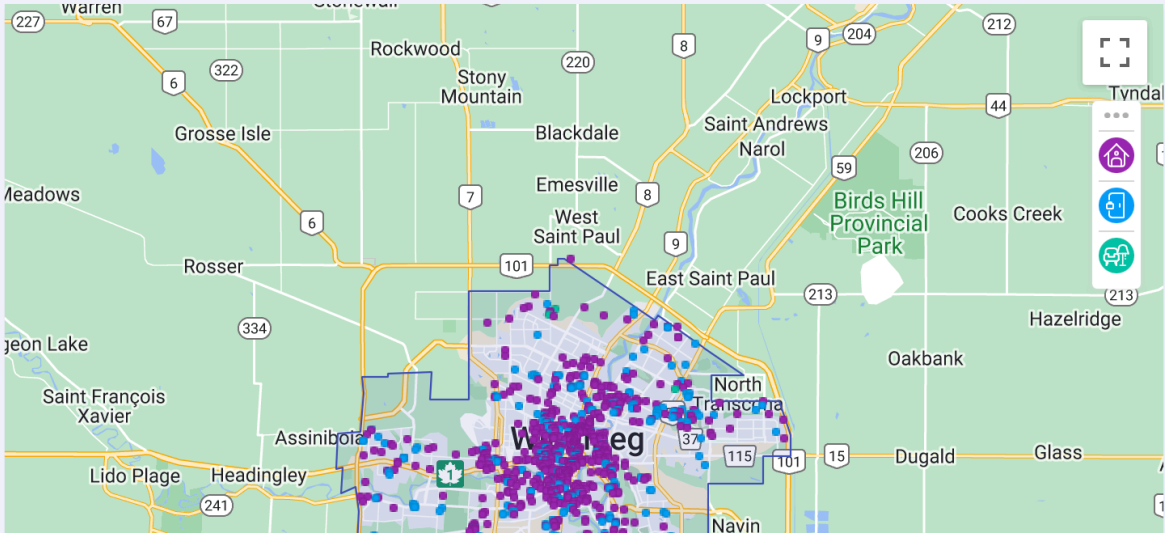
View Revenue →

1,410 Active Rentals

Rental Type

75% Entire Home rentals





Airbnb Guest Statistics

More guests are booking longer stays, indicating a market among “digital nomads” (i.e., remote workers who travel indefinitely).

- Guests were 18.4% more likely to stay in their Airbnb for at least a week in 2021 compared to 2019.
- Over one (1) year, 100,000 guests stayed in the same Airbnb for over three (3) months.
- 54% of Airbnb guests are female.
- 36% of guests are between the ages of 25 and 34.
- 15% are between 18 and 24; 13% are aged 55 and older.
- 95% of surveyed guests choose Airbnb for ease and security of payment.
- 86% say the location of their Airbnb is more convenient than a hotel.
- 77% want to live like locals.
- 64% agree that home-sharing is more ecological or environmentally friendly.
- 43% indicate functionality is their top valued amenity.

Airbnb Host Statistics

Women are more likely to register as hosts and are consistently rated as the best hosts on Airbnb.

- There are 4 million hosts worldwide.
- 85% of hosts are located outside the United States.
- Over 60% of hosts are women.
- Nationwide, the average host earns $99.00 per night for a private room with up to two (2) guests.
- For entire units with up to four (4) guests, hosts earn an average $242 per night.
- The average host earns $13,800 annually.
- Over 60% of hosts in the U.S. say they rent out their primary residence while they're on vacation.
- Average annual earnings among hosts have increased 43.8% since 2021.
- Hosts have collectively earned over $150 billion.
- 22% of hosts indicate they chose to host after first being an Airbnb guest.
- The fastest-growing host demographic is seniors, with over 400,000 senior hosts.
- Hosts can insure their property for up to $1 million through the AirCover program.

CONTENTS

Airbnb Industry Statistics

Airbnb Corporate Statistic

Airbnb Guest Statistics

– Airbnb vs. Hotels

– Airbnb vs. COVID-19

Airbnb Host Statistics

Sources

AirDNA https://www.airdna.co/vacation-rental-data/app/ca/manitoba/winnipeg/overview

Winnipeg Market as of February 10, 2023						Total
Date	1 bed	2 bed	3 bed	4 bed	5 bed	Active
01-Feb-18	530	160	62	21	8	781
01-Mar-18	511	156	65	23	7	762
01-Apr-18	524	153	63	26	9	775
01-May-18	516	160	63	23	10	772
01-Jun-18	544	165	66	25	10	810
01-Jul-18	546	176	68	28	11	829
01-Aug-18	600	192	72	32	10	906
01-Sep-18	592	197	67	33	10	899
01-Oct-18	565	187	70	34	8	864
01-Nov-18	594	202	68	35	7	906
01-Dec-18	651	224	70	42	7	994
01-Jan-19	650	219	74	36	7	986
01-Feb-19	640	211	67	34	8	960
01-Mar-19	644	236	69	34	8	991
01-Apr-19	666	241	71	34	11	1023
01-May-19	681	237	73	31	12	1034
01-Jun-19	702	247	82	39	14	1084
01-Jul-19	720	237	80	42	14	1093
01-Aug-19	756	256	83	37	17	1149
01-Sep-19	762	264	84	37	14	1161
01-Oct-19	743	257	85	43	14	1142
01-Nov-19	674	253	77	40	15	1059
01-Dec-19	722	284	87	42	15	1150
01-Jan-20	764	296	96	47	16	1219
01-Feb-20	706	287	94	43	17	1147
01-Mar-20	711	288	93	42	19	1153
01-Apr-20	638	265	88	37	14	1042
01-May-20	552	249	79	37	11	928
01-Jun-20	528	269	80	34	14	925
01-Jul-20	501	238	71	29	11	850
01-Aug-20	483	215	74	22	11	805
01-Sep-20	439	195	72	24	9	739
01-Oct-20	487	199	70	22	11	789
01-Nov-20	501	217	66	24	10	818
01-Dec-20	495	233	66	24	11	829
01-Jan-21	493	228	62	22	13	818
01-Feb-21	483	234	55	18	11	801
01-Mar-21	524	250	62	20	8	864
01-Apr-21	525	243	69	20	12	869

01-May-21	522	243	73	21	12	871
01-Jun-21	523	246	65	25	10	869
01-Jul-21	517	246	70	25	13	871
01-Aug-21	523	273	79	27	10	912
01-Sep-21	507	275	76	26	11	895
01-Oct-21	497	283	76	26	11	893
01-Nov-21	539	295	85	26	11	956
01-Dec-21	566	315	100	35	11	1027
01-Jan-22	606	338	107	35	13	1099
01-Feb-22	562	327	109	39	13	1050
01-Mar-22	601	350	117	37	15	1120
01-Apr-22	618	332	104	38	13	1105
01-May-22	626	342	108	37	12	1125
01-Jun-22	618	344	122	40	15	1139
01-Jul-22	653	371	140	48	15	1227
01-Aug-22	659	377	138	57	20	1251
01-Sep-22	658	379	142	60	21	1260
01-Oct-22	705	379	141	52	20	1297
01-Nov-22	715	373	153	58	19	1318
01-Dec-22	747	404	168	64	22	1405
01-Jan-23	764	422	183	63	26	1458

Total for the year	14755
Average monthly	1229.6

Date	Occupancy Rate
01-Feb-18	55.97
01-Mar-18	58.96
01-Apr-18	62.02
01-May-18	65.28
01-Jun-18	71.62
01-Jul-18	78.81
01-Aug-18	75.92
01-Sep-18	68.9
01-Oct-18	63.15
01-Nov-18	52.31
01-Dec-18	64.07
01-Jan-19	49.02
01-Feb-19	55.69
01-Mar-19	61.91
01-Apr-19	64.29
01-May-19	70.2
01-Jun-19	72.62
01-Jul-19	76.06
01-Aug-19	77.09
01-Sep-19	69.05
01-Oct-19	64.62
01-Nov-19	54.11
01-Dec-19	56.22
01-Jan-20	45.79
01-Feb-20	55.83
01-Mar-20	56.24
01-Apr-20	51.16
01-May-20	59.97
01-Jun-20	64.16
01-Jul-20	74.17
01-Aug-20	76.26
01-Sep-20	65.37
01-Oct-20	63.9
01-Nov-20	49.06
01-Dec-20	55.92
01-Jan-21	58.08
01-Feb-21	57.06
01-Mar-21	58.14
01-Apr-21	64.45
01-May-21	62.39
01-Jun-21	64.86
01-Jul-21	76.72

01-Aug-21	79.99
01-Sep-21	74.12
01-Oct-21	69.14
01-Nov-21	58.02
01-Dec-21	60.07
01-Jan-22	42.72
01-Feb-22	53.18
01-Mar-22	53.13
01-Apr-22	65.45
01-May-22	69.77
01-Jun-22	74.48
01-Jul-22	77.16
01-Aug-22	75.07
01-Sep-22	65.73
01-Oct-22	60.82
01-Nov-22	53.55
01-Dec-22	56.9
01-Jan-23	42.83

Total Market Revenue

Date	House/Villa	Unique	B&B	Apartment
01-Feb-18	172906.2	386.95	1621.46	211565.45
01-Mar-18	230954.37	78.3	2578.73	256040.88
01-Apr-18	247713.93	0	4521.99	282925.73
01-May-18	339179.65	848.25	4072.64	330581.29
01-Jun-18	409601.85	3869.96	5263.78	403126.4
01-Jul-18	522534.23	10915.13	7967.94	498698.82
01-Aug-18	588228.78	9241.02	7452.22	564519.67
01-Sep-18	448057.25	3265.54	8390.2	477837.2
01-Oct-18	408499.36	2433.75	5297.59	444350.69
01-Nov-18	290520.12	1562.5	2410.93	323123.06
01-Dec-18	412365.71	2791.8	2905.56	405066.35
01-Jan-19	328730.53	730.65	5073.45	336357.94
01-Feb-19	292068.57	1560.32	4643.87	319237.74
01-Mar-19	377556.29	1692.22	4773.7	415422.95
01-Apr-19	466682.59	1603.12	7500.85	450506.96
01-May-19	521229.99	3549.98	8653.83	552892.15
01-Jun-19	620064.99	5586.92	8340.03	572352.89
01-Jul-19	756634.67	5569.04	11143.29	633428.24
01-Aug-19	813219.82	5233.78	8801.54	720130.49
01-Sep-19	656543.4	8148.68	7598.91	610639.36
01-Oct-19	498760.37	3863.64	8946.05	528976.23
01-Nov-19	409695.31	3462.34	3447.8	454508.73
01-Dec-19	518256.1	4425.02	4231.19	470929.75
01-Jan-20	438974.53	3215.79	2548.11	441061.01
01-Feb-20	490399.45	4401.68	2434.04	515211.59
01-Mar-20	496869.06	2765.39	5660.49	508096.21
01-Apr-20	370793.11	1921.7	2887.49	364581.83
01-May-20	341948.6	1358.8	3169.12	421134.2
01-Jun-20	392960.38	2958.61	1648.48	446934.01
01-Jul-20	495487.23	3783.52	4815.51	562235.78
01-Aug-20	488024.98	3260.25	6749.88	544617.35
01-Sep-20	331261.4	2485.61	558.07	397651.15
01-Oct-20	312646.9	2697.19	1575.46	358738.61
01-Nov-20	232643.59	1611.46	863.47	277988.91
01-Dec-20	235302.51	3449.44	889.03	323032.14
01-Jan-21	238527.44	3042.33	403.18	339128.93
01-Feb-21	215176.77	4063.75	1331.84	343799.12
01-Mar-21	261599.52	6699.17	802.3	355750.99
01-Apr-21	309851.39	5547.49	13191.28	406125.76
01-May-21	343114.11	10606.87	888.75	449708.32

01-Jun-21	279513.94	5092.17	482.53	450634.87	
01-Jul-21	461365.27	8928.95	4764.79	617681.74	
01-Aug-21	584108.87	8130.81	5278.64	656461.08	
01-Sep-21	533225.32	8246.01	2285.51	670889.7	
01-Oct-21	442560.26	6244.35	2558.39	681737.97	
01-Nov-21	384169.15	5463.85	5606.52	576885.71	
01-Dec-21	462065.99	6450.32	1091.1	661539.29	
01-Jan-22	336183.23	7063.19	112.99	486606.83	$829,966.24
01-Feb-22	350753.07	6318.91	3107.29	471892.7	$832,071.97
01-Mar-22	422008.16	6502.43	3261.43	626561.53	$1,058,333.55
01-Apr-22	492659.83	5552.64	6647.53	755787.05	$1,260,647.05
01-May-22	677709.71	7412.86	8209.27	904939.85	$1,598,271.69
01-Jun-22	793861.56	11011.17	8921.72	1017436.17	$1,831,230.62
01-Jul-22	1063686.25	15099.43	8173.48	1183781.63	$2,270,740.79
01-Aug-22	1076088.29	15887.77	18810.6	1120089.37	$2,230,876.03
01-Sep-22	860662.35	6636.67	11957.67	985525.63	$1,864,782.32
01-Oct-22	796447.18	5921.59	1694.86	987456.69	$1,791,520.32
01-Nov-22	566762.41	6086.47	488.4	769699.61	$1,343,036.89
01-Dec-22	730441.15	8460.29	0	940981.4	$1,679,882.84
01-Jan-23	579390.57	12236.96	170.14	703099.85	$1,294,897.52
					$19,886,257.83
				5% tax	$994,312.89