Good day,

I am very supportive of the short-term rental industry here in Winnipeg for many reasons, and the reasons have been reiterated by many people who have responded to the recent survey in such a positive manner. It appears that finding resolution with the short-term rental owners and hosts is the most appropriate course of action to take. Most of the owners and hosts have worked very hard at maintaining a well-run short-term rental property which includes safety, and respect for the surrounding community.

Cities such as Regina have done an excellent job at maintaining a working relationship with short-term rental hosts, without having to submit to big American corporate pressures by appeasing their local hotel association. The city of Regina has stated:

Overall, the STA licensing program has met the objectives of the program.

1. Licence uptake has been positive, allowing residents to supplement their incomes by renting out their homes.
2. Property inspections are conducted in advance of licence issuance for all secondary properties.
3. Barriers have been minimized and compliance of both hosts and platforms have been obtained with minimal enforcement costs.
4. Nuisance complaints have been low.

Licencing, with safety and security measures does work, and it is being done without restricting hosts from only using their primary residence. The city of Regina has demonstrated that this method weeded out hosts who were not hosting in a safe or responsible manner. The licensing system has held hosts accountable to a high standard which does not have a negative impact to the communities they are hosting in.

I have been following this issue very closely for the past year, and I have observed a theme amongst many of the hosts. Most of the hosts are individuals who represent marginalized communities. Many of the hosts are women, and or newcomers to Canada. Nickels et al. (2022) has found that most of the entrepreneurs that fall into these demographics are people who lack opportunities, people with family responsibilities, and women who are returning to the workforce. Industries that these individuals find a meaningful place for self-employment are

home improvement, cleaning services, and Ecommerce. In addition, only 16% of entrepreneurs are women, and less than 2% for newcomers.

I am very optimistic that councillors of the City of Winnipeg will do the right thing, and work together with the Short-Term rental owners and hosts in finding a meaning resolution for them to continue providing a service that is very much wanted and needed.

Respectfully,

Andrija Pavlić

References

Nickels, W. G., McHugh, J. M., McHugh, S. M., Cossa, R., & Stevens, J. (2022). *Understanding Canadian business*. McGraw-Hill.

REGINA

Short Term Accommodation Licence Program Update

Date	July 6, 2022
To	Executive Committee
From	City Solicitor's Office
Service Area	Licensing & Parking Services
Item No.	EX22-86

RECOMMENDATION

That Executive Committee receive and file this report.

ISSUE

The Residential Short Term Accommodation Licensing Bylaw was approved by City Council on October 28, 2020, and became effective May 1, 2021. City Council requested an update on compliance with the licensing program and the number of complaints received, if any, after one year of program implementation. This report provides an overview of how the program has progressed, statistics related to advertising, licence issuance and enforcement and feedback received.

IMPACTS

None with respect to this report.

OTHER OPTIONS

The licensing program has been effective in minimizing the number of units operating as a Short Term Accommodation (STA) within multi-unit properties and Administration does not recommend a change to the current regulations. However, the Regina Hotel Association has expressed concerns with these types of properties. Should City Council wish to address these concerns, Administration has provided the following options:

1. Reduce the limit of units that can be issued secondary licences in a multi-unit dwelling from 35 per cent to 25 per cent.

This option would continue to provide residents the ability to generate income but would reduce the number of total units in all multi-unit dwellings that could obtain an STA licence.

2. Maintain the limit of 35 per cent for properties with 16 or fewer units and apply 25 per cent to properties with more than 16 units.

This option would continue to provide residents the ability to generate income but reduce the number of total units in only multi-unit dwellings with greater than 16 units that could obtain an STA licence.

COMMUNICATIONS

None with respect to this report.

DISCUSSION

The Residential Short Term Accommodation Licensing Bylaw became effective on May 1, 2021, and was developed using the following objectives:

1. Allow residents to rent out all or part of their home on a short-term basis.
2. Increase inspections for health and safety requirements imposed by other legislation.
3. Encourage compliance and reduce enforcement costs by minimizing barriers and focusing enforcement efforts on properties where the host does not primarily reside (secondary properties).
4. Address concerns about nuisances in neighbourhoods.

Implementation of Licensing Regime

Prior to the program effective date of May 1, 2021, Administration worked to ensure short-term accommodation hosts (hosts) and short-term accommodation platforms (platforms) were aware of the regulations and could prepare to meet these requirements. Administration developed a social media campaign and updated the City's website to include registration information and online application and payment link. The platforms aided promotion of the regulations via communications with hosts directly through their Apps. The campaign was successful and resulted in application submissions in advance of May 1, 2021.

As shown in Table 1, the number of properties advertising on platforms has fluctuated since 2020. Short term accommodations were impacted by the Covid-19 pandemic and fewer properties were available to book. In 2021, hosts started to offer their homes again and Regina saw the largest number of properties advertising when the STA program was implemented. Due to the requirement to obtain a licence and enforcement activities, we have seen this number decrease slightly. It is expected that as travel increases and residents obtain STA licences, we will see the number of host properties increase. Administration anticipates an increase in licence applications in the fall of 2022 as a result of demand for STA due to visitors coming to our community to take in the 2022 Grey Cup.

Table 1 Number of STA Properties Advertised

Date	# STA Properties
December 2020	231
May 2021 [1]	262
December 2021	230
May 2022	192
[1] program start date	

The City has issued 168 STA licences as of May 31, 2022. Most of the licences (99) were issued for principal residences and 69 were issued for secondary properties where the host does not reside at the residence. Each secondary property must obtain a fire inspection conducted by Regina Fire & Protective Services (RFPS). RFPS completed a total of 147 inspections of STA properties (initial and re-inspections) and approved 70 properties. There are currently 26 pending re-inspections.

Secondary licences are limited to no more than 35 per cent of the units within a multi-unit dwelling. This was introduced to prevent apartment buildings from turning into hotels. The 35 per cent threshold has only been met in one instance and one application was denied. This occurred in a nine unit dwelling where three licences had been issued to two separate

individuals. Currently there are two multi-unit dwellings that have more than one licence issued at the property.

If the average vacancy rate in Regina is below three per cent, no new STA licences can be issued for secondary properties. This rate was selected to provide consistency with the condo conversion policy and protect the long-term rental market in Regina. There has been no change to the condo conversion policy. In addition, the City will be reviewing the Comprehensive Housing Strategy over the next 12-18 months. Should any policy or direction changes be recommended by this work, Administration will ensure the strategy is applied appropriately to the STA program and integrate the recommendations into *The Residential Short Term Accommodation Bylaw.* The average vacancy rate in Regina as of October 2021 was 6.8 per cent. As such, licences will continue to be issued for all qualifying applicants.

Enforcement

A strong working relationship has been developed with the platforms. Administration and the platforms work jointly to provide correspondence to individual property owners on requirements, enforcement activities and removing non-compliant listings from the platforms. Table 2 identifies the number of properties where enforcement action was required and the resulting outcome. Enforcement action has resulted in 61 per cent of non-compliant hosts either obtaining an STA licence or removing their listings without further action being required. An additional 29 per cent were removed by the platform(s) upon City request. The remaining 16 non-compliant properties identified have received initial communications and the listings will be removed should voluntary compliance not be obtained. As enforcement activity has been effective, no fines have been issued. We continue to monitor platforms to ensure listings have not been added back onto the platforms or new listings created. Should this occur, we would proceed with issuing fines.

Table 2 Enforcement Results

Enforcement Action Started	Voluntary removal of listing	Licence Obtained	Removed by Platform (via City Request)	Non-compliant, not ready for removal
179	65	45	53	16

Service Requests/Regina Police Service Calls for Service

Since October 2020, the City has received 37 service requests that specifically mentioned STA. Most were inquiries about the Bylaw and application process. Two were noise complaints that were forwarded to the Regina Police Service (RPS) for follow up and three complaints involved parking concerns which were addressed by Parking Enforcement. There were no complaints received by Bylaw Enforcement or Solid Waste that referenced STA.

Administration reached out to RPS to determine the impact of STA on their calls for service. RPS indicated that they found that the majority of STA did not generate service calls but has responded to some calls related to parties in suspected STA. The Bylaw allows for STA licences to be suspended or revoked should bylaw infractions warrant. The City and RPS will continue to work together to identify any properties that create neighbourhood nuisance concerns and, in these cases, Administration will take steps to either resolve the issue or remove the licence.

In relation to concerns brought up by delegations when STA was previously before Council, Administration followed up with RPS regarding the incidence of drug trafficking and sex trade work occurring in STA. RPS indicated that such reports are uncommon and occur less often in relation to residential STA compared to other forms of short-term accommodations.

Regina Hotel Association Feedback

In anticipation of this report the Regina Hotel Association (RHA) reached out to Administration. During discussions RHA shared that they are supportive of providing Regina residents with the opportunity to supplement their income by offering their homes for rent. RHA did identify concerns with secondary rental properties and the potential that multi-unit properties could operate as commercial accommodation businesses. As the hotel industry works to retain and attract new workers to Regina in their rebuilding efforts, they are concerned that STA within secondary properties could impact the rental housing market.

In response to similar concerns raised by the RHA upon initial creation of the regulatory scheme, a motion was made which led to the current 35 per cent limit for secondary properties within multi-unit dwellings. This limit was only reached in one situation as discussed earlier in this report. STA advertising within Regina shows only two multi-unit dwellings have more than one STA operating. Administration is not recommending any changes to the 35 per cent limit at this time as it has only been in effect for one year and there is no data to indicate a need to re-visit. However, should Council like to consider further restrictions, we have outlined two options in this report for further reducing the availability of STA in multi-unit properties.

Conclusion

Overall, the STA licensing program has met the objectives of the program.

1. Licence uptake has been positive, allowing residents to supplement their incomes by renting out their homes.
2. Property inspections are conducted in advance of licence issuance for all secondary properties.
3. Barriers have been minimized and compliance of both hosts and platforms have been obtained with minimal enforcement costs.
4. Nuisance complaints have been low.

DECISION HISTORY

September 2018, City Council passed a resolution requesting that Administration consult with interested parties to explore regulating the residential homestay industry.

December 2019, Executive Committee considered report EX19-39 and directed Administration to bring a report back to Executive Committee with additional information such as the use of garbage, utilities, parking, safety, and human trafficking within short term accommodations.

September 2020, Executive Committee report EX 20-27 was approved with amendments to bring forward to City Council meeting on September 30, 2020.

Supplemental report (CM20-26) and initial report (CE20-79) was provided to City Council on September 30, requesting both report and supplemental report be tabled to Oct 2020 to provide required public notice pursuant to *The Cities Act*.

October 2020, City Council reports CM20-26 and CR20-79, were considered and approved, and Bylaw 2020-70 *The Residential Short Term Accommodation Licensing Bylaw* was passed.

Respectfully Submitted,



Dawn Schikowski
Manager Licensing & Parking Services

Respectfully Submitted,



Cheryl Willoughby
Acting City Solicitor

Prepared by: Dawn Schikowski, Manager, Licensing & Parking Services