STR Snapshot - An Inside Look at Short-Term Rental Hosting in Winnipeg

-Give The Consumer What They Want-

There is an increasing demand for authenticity in lodging now. Since the pandemic the consumer seems to be looking for this in all sorts of transactions, more than ever before. Many of the travellers and the several hundred random Winnipeggers I spoke to in regards to the petition we created, (1550+ names as of this printing) felt Airbnb properties were more "authentic" than franchised hotels and appreciated the personalized and individualized human element.

Modern travellers don't want to stay in a new city but in the same old hotel (which looks exactly the same as the hotels where they are from). More and more people want a unique travel experience and Airbnbs offer that.

The human connection element is key in home-share style travel. So the "live like a local" and "belong everywhere" culture runs deep in the short-term rental arena. It's no coincidence that Airbnb uses those slogans in all of their marketing. The intentional blending into the local landscape concept is the main reason why this council's idea of keeping STR's out of residential areas does not work. It goes against the main ingredient that makes this mode of travel so popular and successful.

Airbnb's business model has flourished for many reasons. Customers like having access to an enormous supply of properties and rooms at a wide variety of prices, often more competitive in pricing than hotels for a larger space or more specialized amenities.

-Different Strokes for Different Folks-

When I travel I relish the chance to engage with local people and have localized experiences. My husband conversely is happier with a hotel because he wants the room service, hot-tub and spa perks. We are two different types of clients with specific preferences. Winnipeg should want to please both of these visitors.

I purposely don't call them "tourists" because only one part of this business is actual "tourism", a great number of the visits to Winnipeg are for work, health or family commitments.

-Public Engagement (our version) -

Many discussions were sparked within the general population in Winnipeg and surrounding areas with our petition and public awareness campaign, (of now 1550+ names at the time of printing and climbing quickly).

During this "public engagement process" I met the parents of a severely disabled child. This family was very concerned about how a ruling to disallow whole-home travel would negatively

impact travel plans for parents with family members like theirs. Their child can not stay in a hotel when they travel due to sensory issues. Hearing other guests talking in the hallway on the way to their room or other room doors in the hall opening and closing does not work for them at all. Access to a washer and dryer is key for them to be able to wash their child's clothes because of spills when they eat or accidents. Their child can not eat in a restaurant either due dietary restrictions and further sensory issues.

The families and friends of the disabled population are a common user of Short-Term rentals and were not considered as one of the stakeholders in this discussion.

The Society of Manitobans with Disabilities should be given the opportunity to weigh in on it going forward.*

Many short-term rentals are situated near hospitals and are used for extended periods of time (often up to several months) for families to stay close to their loved ones undergoing treatment or comfort care.

Earlier this winter I hosted a family with a pre-mature baby staying on the Heath Sciences neonatal intensive care ward for six weeks. I did not ask the family of this delicate premature baby to move locations after 30 days (as they would need to under these proposed guidelines). In the end this guest's baby did pull through but unfortunately not without some lasting deficits. (We still keep in touch with this family).

My point is, having a 30 day maximum cap on nights is not the right idea to endorse because it directly and negatively impacts our ability to provide ideal customer service. I do not ask people to leave my STR unless they need to make way for the next guest coming in. The idea is to keep them full all the time with short, medium, or longer term guests. Hosts need to have that ability to pivot back and forth quickly as consumer demand indicates. All of the short-term rental hosts I know follow this same practice of varying the length of the stays in their suites.

We do not turn down a three day, 34 day, 56 day or 99 day stays etc. and we should not be forced to reduce our income potential and inconvenience our guests for some random government policy that has nothing to do a guest's plans or the safety of our community, etc. It is our opinion that there is no reasonable logic creating a need to impose this specific requirement. Doesn't a three month stay has a much lower chance of having a party in the house than a one day stay? Personally I do not accept one day stays because it's too big of a job for me to reset the houses every few days, but many do to fill a gap in their calendar this way. There is nothing at all wrong with a one day stay (if vetted properly) just as there is nothing wrong with a five or six week stay either.

My neighbours to my STR prefer that my house stay full because an empty house can draw the wrong element. Their empty house for sale right next to my STR on the East side and it had the unfortunate event of some squatters take up residence temporarily in it once. Yikes!

My neighbours have enjoyed the slightly longer “medium-term stays” (usually 1 to 4 months) because they then have the opportunity to get to know my guests a bit better. Last fall I had a family who just moved here from Toronto staying in one of my listings for four months with two little kids. Their children were roughly the same age as the children who live one house over so the two families arranged a few play dates together during this stay. (I doubt a play opportunity like this would happen for those toddlers in a hotel setting. I personally introduced these two families to set up this fun-filled connection).

-Medical Stays-

Riverview Health Center is one of the largest palliative care and stroke rehabilitation centres in the prairie provinces. It is serviced by a few STR’s within walking distance to that hospital.

***Perhaps the Winnipeg Regional Health Authority should also be consulted on this based on the way the STR’s in hospital regions have been helping long term care patients heal (or sometimes pass away) gracefully surrounded by their families. This group was not part of stakeholder engagement either.* **

-Travelling with Pets?-

Another group using the whole home STR’s that has often been mentioned is families travelling with pets. If a dog owner has to come in for a week for radiation or chemotherapy, being separated from their pet during that time can cause further stress for both the animal and the owner which is not ideal. Some older dogs (or cats of any age) do not do well in a boarding kennel situation and it further adds a significant cost on top of overall access to treatment regime of the patient.

A yard to let a service dog or companion dog out into is often key for a medical guest who can often be too ill or weak to walk their dog themselves during their stay, but are still comforted during their healing period by their pet’s presence. My yard is only fenced on three sides currently so for one guest last year I set up a snow fence to close off the fourth side for them to manage their pet within. Would a conventional hotel do that? Pets at a hotel would have to be on a leash which only makes sense, but what if you don’t have enough balance or strength to handle a leash?

A friend’s in-laws visiting at the Riverview Health Center mentioned to me that they have cared for their family pet at an area STR and brought “Paco”(their half blind Chihuahua) into the personal care home daily to visit their terminally-ill Mom to brighten her day. They said handling the pooch would have been difficult and awkward in a hotel, besides there are no hotels within easy walking distance to Riverview Health Center.

This family is from Ste Agathe but since their elderly father does not drive any longer they situated him and “Paco” at an STR in that South Osborne neighbourhood. The elderly fellow was close enough to walk to the hospital each day and his adult kids took turns staying in

Winnipeg with him a few nights a week to visit their Mother in palliative care. This would not be affordable or practical in a hotel. Also their Dad would have had to take a taxi or Uber to the hospital each day adding significantly to his cost, it would be confusing for him, inconvenient and many of those services will not transport a dog.

***The Winnipeg Humane Society was not consulted on this proposal as a stakeholder. ***

-First Nations Travellers-

Short-Term Rentals are also a preferred means to travel for our First Nations friends from Northern Manitoba reserves. They travel in multi-generational units and like to cook in specific way. There are no restaurants that serve their traditional food (to my knowledge) in Winnipeg.

One repeat guest I have who comes in from Northern Manitoba has a medical condition that requires frequent visits to Health Sciences Center for a few days at a time. She bakes her own fresh bannock in my suite each morning which follows the same routine of how she lives at home. Once she invited my husband and I over for a traditional meal during one of her stays. She had two of her teenaged grandsons with her who were playing video games in the basement while we visited on the main floor.

Our visit with her sparked a better understanding of the situation with residential schools for us because we heard some first hand stories this guest's Mother and Auntie had experienced (that the news does not adequately report). These experiences helped to build a better cultural understanding and link between my family and hers.

The Manitoba Association of Short-Term Rental Owners Inc. has recently reached out to the Assembly of Manitoba Chiefs for official comment on this proposal to close down the STR's in R1 areas as they too are a stakeholder.

Staying Gainfully Employed after illness, Injury or Advanced Age?

The great option in hosting the short-term rentals is that it is not as physically demanding as many of the jobs. I can see myself doing this well into my retirement. It is not mentally very hard either - it's basically just keeping the house super clean and being helpful and friendly to people. That comes quite easily for me. I enjoy it and have excelled at it as have the rest of our group.

Many of our association members are not able to work a conventional job due to physical or mental illness, injury, family commitments to raising children or caring for an ailing parent or spouse. Then they found a job they could do well and were able to be productive again. One of our members is a young (but retired) policeman. He suffers from PTSD which prevents him from working at a conventional job so he took his insurance payout and invested it into four local houses which supplements his family's income and keeps him busy and productive. I understand from his wife that having this project has vastly improved his mental well being.

A few of our members are seniors who do the hosting for supplemental income but also for entertainment and company in their primary residence. This helps them stay in their homes in their familiar neighborhood long after their children have moved out and their spouse has passed on. How wonderful for their overall outlook having a great purpose to wake up to reach day and for increasing density in housing that their unused bedrooms and basement rec rooms are being better utilized.

-The Culture of Hosting - Social Connections-

There is a lot more to this short-term rental entity than just leasing residential suites and keeping them full. There is a whole culture of hosting and welcoming guests to your primary or secondary residence(s) in and of itself. This is personal for most of us. It has to do with our pride in our rental spaces, pride in our community where they are located and all it has to offer, but most importantly pride in our city.

Many of us have a desire to show off where we come from to people who don't know "OUR Winnipeg" inside and out like we do. It can be fun to play tour guide to new friends from other cities and often even other continents!

Without this great business/hobby/passion I would never have had this opportunity to meet some of these fascinating newcomers to Winnipeg many of whom have since become my friends. How nice for them to be welcomed in and connected with my entire extensive social network when they first arrive all alone in a strange new country!

One of my cousin's introduced a 7 year old girl from Sweden, staying in my STR with her parents, to the concept of Halloween by inviting my guest's child and her parents out for Halloween with her and her son of the same age! Who knew that they don't do our traditional October 31 "trick or treat" activity in Europe? The Swedish girl was shocked that you go to strangers houses, ring the doorbell and they fill your pillowcase with candy! We had to explain in detail that this should only be done once a year!

-Participation - Your Group Project-

I would have liked the Manitoba Association of Short-Term Rental Owners to have been invited to be more involved in the drafting of these regulations. The offer was extended to council and the public service in previous meetings. It's unfortunate that our offer of a host tour or a training session on STR did not happen. It's definitely not too late to still arrange it.

We see a lot of inconsistencies in the recommendations which do not match up to the data collected in the report. Many of the regulation requirements in this rough copy draft by-law document don't work at all in the real life STR hosting activity. We believe input from industry insider(s) would probably have been helpful to ensure that the recommendations 1-achieved their intended purpose (which these current proposals do quite the opposite actually). 2-That

they do not encumber the hosting activity so severely that it is no longer legal or viable to operate them how a host normally would.

I/we could have illustrated what is positive or negative about these proposed by-laws before they ever went to print. The current recommendations are so tricky and cumbersome they not only can not be fully explained to council by the entity who drafted them. They also spooked everyone who operates in an R1 area (which is pretty near everyone).

-Collateral Damage - Why? Why? Why?

Last week when this document was first released I faced an angry, terrified, panicky avalanche of our members calling, texting and emailing me for three days straight!

I hope to never again have to respond to such a tidal wave emotion from several hundred of our members in a state of panic worrying about losing their entire livelihoods, or the security of their retirement, or even the security of their own primary residence (some of them borrowed against that asset to be able to purchase a second home to do their short-term rental activity).

Council please do your best to understand that the entire STR community is in uproar over this first draft. Some of the recommendations contained in this document are like going through our industry with a bulldozer smashing down everything we worked so hard to build.

This obviously could not have been your intent! Many of our members voices shook as they looked to me for answers which unfortunately I did not have. They asked me **why** the municipal government would put together something so “abusive“ or so “completely unworkable” as to put a few thousand local people immediately out of work.

They asked me repeatedly “**why**???” (when they had never had a complaint from any of their neighbours). Many of these responsible hosts you have met at these meetings have even had their neighbours write in letters of support for their STR businesses. Were all of those support letters read? They asked me **why** Winnipeg went this route when other nearby cities do not have such harsh and sweeping shut downs to content with.

Why did Regina and Calgary place reasonable, fair, common sense business practices on their hosts which were easy to comply with whereas Winnipeg went with one of the most aggressive set of regulation packages ever drafted in Canada? These recommendations are nearly as radical as those written for Toronto.

It is my understanding that the city of Toronto is currently, or will soon be, facing legal challenges from host associations stemming from their back-door expropriation of those businesses without compensation.

-Don’t Worry - Be Happy! -

I feel responsible for this large group who have have been depending on me over the past a few months (or years) of working on this. All along I assured them it would be ok and that we were “making inroads with city council all of the time”. I explained to them that at each meeting juncture that we were “gaining more mutual understanding” of each other’s positions and that eventually we would ”come to a fair mutual agreement”.

My message was always “we will be fine everything will work out” I sincerely believed that. I still do believe that even after all we have been though with months of working together on this minor piece of regulatory legislation.

I/we never expected to read this wild set of recommendations listed in the report presented last week. To say it came as a shock to me and to my peers is an understatement. Personally, for me (upon my first reading of it) this draft felt more like a bullet. It’s the kind of news that upon first digesting it creates that sinking feeling really down deep in your chest.

Hearing the mixture of pain/fear/anguish in one call after another made me choke on all of those words of reassurance I had naively given out so feely in 2021 and 2022. I have always been able to talk my way out of any bit of trouble I fell into (from pretty near birth until now). Any problem or obstacle I have ever faced was something I could eventually find a solution to. That is always my strong suit - problem solving!

Last Tuesday when this report was released marked the first time in my 50 something years on earth where I did not have a plan on how to overcome this, nor any viable answer to offer anyone. (A pretty dark day over on Grosvenor Avenue at the Mitchell/Klassen household)!

I really don’t know where the concepts in this rough draft came from. I know they did not come out of the research the city collected (even if the survey conducted was so obviously biased in it’s questioning format). I also now know that these recommendations did not come from the majority of this council (nor are they comfortable with the grave implications of what would happen to a large section of your constituents who would stand to lose their … everything).
By “everything“ I don’t mean just their assets. Sure one could argue that assets can be replaced, but some of this group is at least at my age, many of them even have a few years or decades on me … there is not enough time left in their working career to make up what could be lost here in this council chamber today in one fell swoop.
Then we have the younger crowd just starting out in the toughest economic climate of any of our lifetimes…it will take them until they are middle-aged like me to recover from a blow of this magnitude.

Then there is the group I feel for the most. The ones renting a spare bedroom or basement in order to keep their homes amidst the rising interest rates. I understand their struggle all too well. I had the “pleasure” of having to renew two mortgages back in November. Ouch! The payments went up by $300 per month per house…and after three years of payments I will owe roughly the same amount on them as I do today. “Trigger rate”…who knew how heinous THAT term is! (Do I look a bit more svelte than last time you saw me? If I don’t so far, I soon will!) There are so

many families in this predicament. Thankfully STR and its extra income from their unused rooms has saved them for now…so long as it is allowed to continue un-encumbered.

By “continue“ I mean for secondary residence STR’s in **all neighbourhoods** in a variety of types of dwellings. For as short or as long as the host requires.

So long as they abide by fire and safety regulations. As long as they keep their properties neat and tidy, quiet and peaceful to the surrounding community…who would it harm? Why would city council care if somebody is in the house I own down the street for two consecutive nights, or 49 consecutive nights or a 100 nights? That part needs to be amended for certain.

Also how many STR’s I am allowed to own? That’s another amendment needed. I do believe the mayor and council had good intentions last week by allowing three STR’s instead of the original proposal of one. I could see the sincerity in their body language that they meant well by offering up the two extra non-primary residence STR’s. I don’t think from their expression that they knew at the time that it actually ended up being received as a “cruel“ teasing joke they pitched out. The new wording of it to “three STR’s grandfathered“ changed nothing at all because it really still means **none** for the majority of us with houses in R1 areas. That R1 zoning issue has GOT to be taken out! There’s no way around that portion. Also the grandfathering ensures that eventually, sooner or later a great offering like STR will become obsolete in Winnipeg.
**(Everything else in the recommendations becomes moot with the R1 issue still unaddressed).*

The cap on how long somebody can stay needs to come out, as does the number of units we can hold. I do agree personally that the units should have to be **owned** by the host, or by a host partnership.

Furthermore, just a small detail but an extremely important one…we CAN NOT put any contact info on the **outside** of the dwelling! That is a hard no for guest and host safety issues. I frequently host battered spouses who are shuttled to my houses in secret (often with their children in tow) to await safe transport out of Winnipeg.

I would sooner take the fine (for not having my contact info on the outside of my house) before I would compromise their safety in any manner. To even hint at this request while trying to acknowledge human trafficking issues and the like elsewhere in the report is, in my own opinion, a huge disconnect.

Other cities say the contact information has to be visible **IN** the dwelling not **ON**the dwelling. Big difference! I hope that was just a typo in the Winnipeg recommendations and the “o” was actually supposed to be an “i”?

There is so much value to be appreciated in the STR arena. Our offerings are highly sought after. Our unique, chic and often artistic homes are not some nuisance to try to curb and eradicate like ants at a Sunday school picnic! We are one of the main arms of the tourism

marketing plan in Winnipeg. The Manitoba Association of Short-Term Rental Owners are looking forward to sitting at Winnipeg's tourism table…as an honoured guest. We look forward to working right alongside this council on so many exciting new joint-marketing projects in the future!

Melanie Mitchell - President/Founder Manitoba Association of Short-Term Rental Owners & Crescentwood Constituent