Taxes to be assessed Dear councilor

My name is Sarah Skrumeda,

I am reaching out to you today regarding the recent EPC's decision to approve and amend the by-laws regarding short-term rentals.

I am a mother of 3, who has lived in Winnipeg my whole life and I take pride when I am able to host tourists in our great city. Our family has STR in the city that we successfully operate, we provide full time jobs to cleaners and maintenance crew. The proposed regulations would not allow our STR to continue and would end our business that we have invested so heavily into and would destroy my family financially in an already collapsing economy.

I host many guests who need accommodations for hospital stays or family members coming into the city to support family in hospital. Short-term rentals provide a home away from home, with many of the same amenities that you would find in a regular residence. Short-term rentals provide an affordable and convenient option for guests who need to stay in Winnipeg for medical treatment, allowing them to have access to a safe and comfortable place to stay without having to worry about long-term leases or expensive hotel stays. This is especially beneficial for those who may be struggling financially due to their medical condition.

Below is data that was collected by NREIC, which successfully illustrates the concerns and inequality to the STR business community. I strongly ask for you NOT to support the regulations put forward.

I want to bring the following attention to you,
These regulations mean,

- No STR's in any residential areas (R1 & R2)
- Limited to a maximum of 3 units per owner (it is our understanding that that's corporately and personally, combined)
- 5% accommodation tax (not against)
- Limited the number of days you can lease the short-term rental

Further, we have attached some facts that showcase that this should be voted and approved by city council and we should re-evaluate and work collaboratively to find a solution which is more reasonable.

Data & facts:

Based on Policy Analysis done by School of Public Policy at University of Calgary from January 14, 2022, called "Managing Airbnb: A Cross-Jurisdictional Review of Approaches for Regulating the Short-Term Rental Market"[1] with $500 license fee, Winnipeg will have the second highest licensing fees in all of Canada after Kelowna. How is this going to help our tourism goal to increase visitors here? (See Appendix A - STR Licensing and Registration Requirements in Canadian jurisdictions).

But, even if you use city Toronto regulations (which again, doesn't make any sense as Toronto has entirely different set of issues) – here are few facts.

The Definition of the STR in Toronto is “A short-term rental is all or part of a dwelling unit rented out for less than 28 day.” Why would Winnipeg have 30 nights for STR definition? What about a month of February?

Based on the official city of Toronto website toronto.ca, the city of Toronto has over 10,000 active Airbnb registered listing after they started their regulations in 2020. (See Appendix B)

As of Feb 10, 2023, the generic search for entire Winnipeg for 2 days stay in June with flexible dates shows that we have 885 homes available on Airbnb. Out of those, only 44 properties are located in the downtown area. (Appendix C)

Now, let’s see what happens if you pass proposed recommendations 2-D,E,F,G

If you prohibit Airbnb in R1/R2 zoning, let’s assume very conservatively that 1/2 of the listing outside of downtown Winnipeg will be removed. This would leave 420 listings (885-44)/2

[1] https://mpra.ub.uni-muenchen.de/111535/1/MPRA_paper_111535.pdf

With records from certified property managers, the accommodation tax would generate far closer to $2,000,000 of tax revenue for the city of Winnipeg, whereas that will be largely lost with these restrictions.

It also clearly noted in survey that (and I quote): “a majority of online survey respondents felt that short-term rental accommodations should be allowed in all neighborhoods (61 percent) and in all dwelling types (58 percent).” Why this feedback is completely disregarded by Public Service Recommendation? In fact, is doing something completely opposite and recommends restricting neighborhoods and dwelling types?

Lastly, we feel this proposal is a reflection of government overreach and are fearful to see this happening so quickly and so strongly,

1. Most complaints stem from the Glasshouse and by two residents
2. The city has not obtained evidence that there are dozens of complaints from residential areas, and we have yet to hear of such stories
3. Our personal residents are our own and we should be able to leverage them
4. Regulations are great, but destroying 80% of the industry is not and this sets precedent for all other things the city would like to impose on housing
5. Why should the government tell us what we can and can’t do in our own homes, within reason. This is not illegal activity… not yet anyways…

Please carefully consider the damages that this decision will cause and demand EPC to stop, evaluate and conduct research while working with short-term rental owners and communities at finding a solution.

A number of hosts including myself have issued formal complaints with the Competition Bureau who have stated that we have a valid case.

Sarah Skrumeda
Ambergates