Submission to the City of Winnipeg Executive Policy Committee

October 17, 2023

Re: Agenda Item #2: Regulating Short-Term Rentals

I address you as a resident of the Daniel McIntyre ward with concern about Agenda Item #2 on regulating short term rental accommodations.

While the proposed by-law will increase accountability in some ways, I remain against the proposed framework as I don't think it goes far enough.

The reason I don't think it goes far enough is that the proposed bylaw is missing a key element, and I'm going to tell you why it's a problem. The by-law is missing a primary residence requirement. If we had a primary residence requirement, that would mean that short term rental operators could only rent out their primary residences and only for a certain number of nights a year.

We always hear that Winnipeg wants to become a "world class city". Let me tell you which world class cities have a primary residence requirement or a restriction on the number of nights per year you can rent out your primary residence: New York City, San Francisco, Los Angeles, Amsterdam, the entire country of Japan, New Orleans, Copenhagen, Paris, Vienna, Vancouver, and Toronto, to name a few. You can make the argument that Winnipeg is not on the same level as some of these places, but many other more comparable cities like Mississauga, Quebec City, Ottawa, and Vaughan among others all restrict short term rentals to primary residences. There is absolutely no excuse not to, and the positives of adding this requirement far outweigh the negatives.

Companies like Airbnb started off as a place where you could rent out a room in your home, but now you see investors buying entire homes and taking them off the market to convert to short term rentals. I would love nothing more to see our city council propose an amendment to the proposed by-law to only allow short term rentals in someone's primary residence. One of the issues many people have with short term rentals is that it affects the quality of life for the residents who live around them, especially in multi-unit residential buildings like the one I live in, which has become overrun with short term rentals.

If you had a primary residence requirement, you would see a lot less issues, because people would never let the kinds of things we've seen happen in short term rentals to happen in their own homes. I believe this would help the City of Winnipeg save money on enforcement, as you'd simply have fewer issues to contend with, especially from a livability perspective. The police are a fixture in our building as a result of short-term rental owners who fail to take responsibility for their units. These owners offload responsibility for dealing with problems in their units to rhe police and our building's security.

Restricting short-term rentals to primary residences would also force short term rental owners to return all but their primary residence back to Winnipeg's conventional rental market. In our building alone, it would return approximately 60 units back to the conventional rental market. Winnipeg's current rental vacancy rate is currently around 2.9%. Renters need those units more than the short-term rental operators do.

You will hear many stories from short term rental owners who will use absurd emotional appeals about how much they contribute to society because they rent their units to refugees or people travelling from remote communities to access medical care or others who need help. As someone who has actually worked in social services for the last 20 years, I can assure you there are many other services that are in a better position to provide supports to refugees, people seeking medical care, and others.

It seems like the entire time this issue has been debated at city hall, council members have given equal weight to the arguments by short term rental operators and the people that are impacted by them. But as I just alluded to, short term rental operators can do something else with their other units if a primary residence requirement is added to the by-law. If these short-term rental owners are the entrepreneurial geniuses they claim to be, they shouldn't be worried about a primary residence rule and will find other ways to monetize their units if such a rule is implemented, such as converting them to long term rentals.

On the other hand, if I have decided I've had enough of living in a building that's become overrun with short term rentals, as my building has, my only option is to sell the home I love. I love living downtown, but without a primary residence rule that applies to all short-term rentals, I am strongly considering selling my unit and potentially leaving downtown. It's time to decide if this council is serious about investing in downtown. If so, they'll implement a primary residence rule. If not, they can cave to the short-term rental owners and leave the proposed by-law as is. One thing that I'll add here is that the developer of our building, Urban Capital received $4.5 million through the city/provincial Live Downtown Rental Development Program, which was launched in late 2014. I can honestly say the money that was contributed by the city through that program was a complete waste, as it helped build a building that has become the poster child for issues with the short-term rental industry. It's a building that people came to live in but are now fleeing from in droves, being driven out with issues with short-term rentals.

It shouldn't come down to me selling the home I love to get away from a nuisance business that is literally operating right beside me. You may hear short-term rental operators claim it will ruin their livelihood. To that I say too bad, find a way to make an honest living that won't destroy neighbourhoods and peoples' quality of life. When people use their property as an investment rather than a home, there is some risk in that. When you buy other forms of investments, an investment advisor will often go over the risk involved. However, short-term rental owners seem to think there should be no risk to their real estate investments. These people will claim to be entrepreneurs or people who have picked themselves up by their bootstraps or whatever, but they've landed in the situation they're in because the game is currently rigged in their favour. And it will still be rigged in their favour if the by-law goes through without a primary residence rule. Again, we need to prioritize residents' quality of life over the profits of short-term rental operators.

Before you proceed with voting on this and sending it to the full council, I implore you to prioritize the people who actually live in the neighbourhoods impacted by short term rentals over the profits of short-term rental operators and amend the proposed by-law to include a primary residence only rule.

Sincerely,

Allen Mankewich