I want to ask a question that should have been asked at the start. Why can't Winnipeg be a city that reimagines what housing can be in the 21st century and how can licensing and regulation for time-limited tenancies be a part of that. But before I can get into that, I'm going to be talking about where the construction of this regulation has missed the mark, and then I'm going to talk to you about how much more this regulation could be if you would step back from the microscope and see the bigger picture.

Very briefly I would like to explain the terminology of a time-limited tenancy in the context of Manitoba with the tenancy act. Manitoba defines a tenancy as a lease that can be renewed indefinitely. And that's why the tenancy act has never applied to STRs, not because they are under 30 days, but because there is an end date in the lease. This will make more sense as we continue.

As Thomas Sowell, a great American economist, famously stated, "There are no solutions. There are only trade-offs." In the context of Short Term Rental Accommodations, we must recognize that while addressing one issue, we should be careful not to inadvertently create new challenges or opportunity costs in the process.

Today I'd like to talk about the unexamined trade-offs that I see in iteration of STR regulation in Winnipeg because this council's decision-making process appears to be influenced by strong biases, emotions, and a selective focus on certain facts. A regulation corrupted by poor decisions while it is being created will always do more harm in the long run by stifling innovation, reducing competition, increasing compliance costs, and distorting market behavior, resulting in opportunity costs.

- We've observed that this regulation has been developed with a strong focus on perspectives that selectively confirm preconceived beliefs. For instance, during a radio discussion that I was on, a Winnipeg councillor openly expressed her reservations about Short Term Rentals, stating, 'I don't have anything nice to say about them.' That's not very nice, or even a logical position to hold. Loveday Mushrooms and the abattoir behind Maple Leaf Meats sometimes produce a stench that stretches across the city, but I can admit that they provide nourishment to scores of people. It raises the question of whether this council can make well-rounded decisions about our industry with such a poor attitude about it.

- We've observed a regulatory approach driven by fear, outrage, and sympathy, rather than relying on evidence-based analysis. The city is proposing new bylaw officers that can respond to these concerns with

fines and force, which I think we can all broadly agree with. In fact, I look upon this solution with jealousy because I was a renter for 13 years. I had fights and drug use and death in the halls. I had the swat team called in on the neighbours. To whom should I send a complaint? Renters in this city have to suck it up because the tenancy act is a barrier to satisfactory results. And that's why this regulation can be so powerful, because time-limited tenancies are not governed by the tenancy act, and the city has the opportunity to create something new and exciting.

But you won't achieve this if you remain biased against our industry. The manager of licensing and bylaw for Winnipeg, says that STRs are not housing because they use platforms such as Airbnb and VRBO, and nothing more.

This assertion is a circular definition. It presumes that STRs are inherently distinct from traditional housing solely based on the method of acquiring tenants, without taking into account the broader characteristics and functions of these tenancies.

- When you compare an STR occupant with all other types of housing in the city, the fundamental characteristics appear quite similar. People occupy a residence, engaging in activities like cooking and sleeping, and depart the residence to conduct their business. They are equally similar in the truth that you don't get to choose your neighbours, their comings and goings, whether STR or otherwise. So, the question arises: what is so profoundly different

about finding accommodations that suit your time and size requirements on a platform like Airbnb that it cannot be categorized as a form of housing?

The definition of STRs is a matter of interpretation. The choice to view them in a particular light is not based on absolute truth but rather the truth that YOU wish to convey through your decisions. And just because you think it's true doesn't mean it's true and without consequence. This regulation is initiating the slow death of our industry through atrophy when it should have every right to exist and thrive where the market can support it.

The Tenancy Act, as it stands, presents a significant risk for potential landlords. Due to being understaffed and underfunded, the hearing process

can take up to a year to resolve issues related to non-paying or problematic tenants, placing a significant financial burden on investors and citizens.

So landlords must have deep pockets to endure the financial strain of carrying a mortgage for months, if not an entire year, while awaiting a resolution. Many landlords will be green with envy looking upon the new power that the city will have to quickly remove problem tenants from time-limited tenancies that they do not have access to, and you should ask yourself, why shouldn't they?

You have the opportunity to include strong protections for landlords and investors in specific circumstances and outside the tenancy act because

newsflash, that's what you're doing here. A good regulation could be an incentive for investment by substantially reducing financial risks and empowering the city to remove problem tenants in a way that everyone wishes could happen but can't until you say it can. Simultaneously, this approach allows for the introduction of a multitude of new housing products, catering to a broader range of citizens' needs that will be taken away if you pass today's regulation.

We can only have this future YOU ALLOW IT, if you manifest this concept from ideas to words on paper and sign it into law. This is what we expect from our elected leaders, whom we have anointed with the power of creation. We could be looking at a regulation that would bring prosperity and investment to the city; a regulation that might rejuvenate housing more

than has been accomplished in the last 50 years if only you would reimagine what housing can be. Having the option to lease housing according to the timeframe you know you need is not evil. Being forced to exist in a world that only offers 12 month leases when it doesn't have to is evil. We all desire solutions, not trade-offs, innovation, not stagnation, to one of the biggest issues facing cities in our modern era.

The last time I can remember the city fiddling with what housing is and isn't was the crackdown on so-called illegal rooming houses near the University of Manitoba that started a decade ago and we see the fruits of this endeavour today: headlines this year proclaiming that there is an affordable student housing crisis near the University of Manitoba in 2023. The unintended consequences that can stem from good intentions, lead by emotion and bias,

and indeed, from the votes in this chamber, are difficult but not impossible to predict. Easy street leads to a dead end, but the hard road leads to the best destinations.

This regulation can be improved if it is brought back to the drawing board and utilizes

- Fact-Based Analysis: Any regulation should be foundationally grounded in sound empirical evidence to justify itself, and right now you have thoughts and feelings. The top way to ensure that this is to have a two staged approach. The first could be licensing with minimal regulation, and still include bylaw officers to crack down on impacts. But only after a period of time when the statistics can be analyzed can the city understand how to

proceed. We will be able to see how many times emergency services are called to STRs, compared to the norm. We'll see how many derelict homes have been purchased and rejuvenated for use in STRS compared to the norm. Property values. Curb appeal. Correlation between STRs and neighbouring business. The sky is the limit: Wouldn't it be utterly fascinating if you discover that the impacts you are so concerned about today are in fact, as we've said all along, less prevalent among STR properties than occurs in the general public? You'll never know if you vote yes on today's regulation, what the total opportunity cost to the city of Winnipeg will be. I can guarantee you that after your fingers are raw from counting all the money we will generate through an accommodation tax, you will be in a better position to determine what, if any, limitations should be in place.

Simply put, this regulation is the cart pulling the horse, when it should be the other way around. A two staged approach to licensing, followed by intelligence guided regulation, is the clear path forward.

I have heard it said that councillors do not like to vote no. I understand that you all must work together, and that a no-vote can create a rift in the relationship that you foster in your effort to serve your city. The truth is that some councillors have had their ladles in this stew more than others, and if it is passed you will have to eat equally from the bowl. And when the opportunity cost to the city begins to show itself, all fingers will be pointed equally at you all.

Because If you think that this will be the last time you have to worry about the affordable housing crisis, the looming mortgage payment crisis, the unused, derelict homes that litter our downtown core when they could instead be invested in perhaps as short term rentals if they are allowed, the mission to create a city that is fit for purpose in the 21st century with a diversity of housing products available for everyone, this regulation will not solve that one bit. In fact, this regulation will serve to entrench these problems even more deeply and make your jobs even more difficult... when the solution is staring you in the face. It will impact your legacy on the city. This is why you need to discuss and resolve to send this back to the drawing board so that we can produce a regulation together.

We can produce a regulation that can tackle all these issues, one that works holistically in our free market without perverting the economics of our city. One that means more investment and fixes houses. One that welcomes more opportunity for risk-averse investors. It's economics 101; an increased supply of STRs will force us to become more competitive at our price points, and that's good news for visitors and newcomers to Manitoba alike, because it's not just tourists that utilize our properties, but everyone in need of transitional housing outside the norm. A good regulation means more jobs for the STR service industry. More dollars being exchanged for tourism and restaurants and public transit and taxis. And more of that 5% accommodation tax that you propose, that will fill the city's coffers with a

new source of revenue, one which can be used to greenlight affordable housing in the city in traditional tenancies.

This regulation can be so much more than it is in its current form, and for any politician willing to walk that hard road with us, it could be a career-defining move with winners all around. Imagine the headlines across Canada and around the world: "Winnipeg bucks trend and embraces STRs as an essential component of a diverse housing landscape." Please, this is worthy of discussion, this could be so much more if you just have the courage to open your mind.

If you have any specific questions on my opinion on particulars of this regulation, I'm happy to take them.