Re: 1- 290 Superior St. Victoria BC.

Thank you for the opportunity to review the application of our home to host short-term rentals in James Bay, Victoria.

My wife Adriane and I (Arya Alaie) are very happy to have purchased our townhome in James Bay in 2021 during the pandemic. A real fixer upper, we have spent over \$50,000 on renovations since the purchase and with the help of family have completed 1.75 of the 3 floors so far. We've spent hundreds of hours (my parents and in-laws included) working on our home making it into the space we want, and we have the debt to show for it. The focus of this report will be the lower level of our home, about 430 square feet and ½ of the townhouse.

This space is very much a part of our home that we have always planned to use on a regular basis. As a full-time employee in a permanent work-from-home position, my wife utilizes the lower level as her athome office during the week. The space also acts as a workout area (*Appendix 1 - Home Workout Area*) which can be easily tucked away when we have guests. In addition, I find myself retreating after a long day to relax, play games, listen to music - without disturbing our neighbours. The lower level also has about 70% of the storage for the entire home, our home's electrical panel, and the only full-size dryer on the premises which we utilize on a weekly basis.

We have lived in 4 separate locations since 2019, View Royal on Watkiss for a year, Cook Street for 6 months, Pemberton near the hospital for my work was the last prior to purchasing in James Bay. Not only were these locations not appropriate to have visitors but also did not suit our needs, but we kept trying and kept moving. Paying up to 2200/month rent and feeling trapped. Now we pay a 3050/month mortgage which is just the start of the money going out and not coming in as fast as we need. We were very excited by the opportunity to host family and friends in our space that we worked so hard to clean

up and refresh to ensure it was comfortable. Living away from our family is difficult and we feel a need to see our parents, siblings, and nephews as much as we can - the cost of hotels and other accommodations hindered this when we first moved to Victoria. Our goal throughout the entire refresh process was never to utilize the lower level as a self-contained unit (as specified by the report) nor did we ever consider long-term stays (30 days or more). Rather, our intention has always been to create a space that accommodates our work-from-home responsibilities (Appendix 2 - Home Office & Electrical Box) while also providing a room that would be suitable for weekend-long/short-term stays. The kitchenette that the report refers to was updated for us and guests to use. The barn door was built to provide privacy when needed (eg. during my wife's meetings), however since completion I'll be the first to admit it does almost nothing to block the sound. The latch - not a lock - (Appendix 3 - Door Latch) we inquired about was not installed as we realized it wouldn't be necessary given guests would have access to the rest of the house. We believe that the space we've created is sufficient, desirable, and accommodating for short stays. While doing our research prior to purchasing our home, we were delighted to find out that our neighbour in unit 7 had an approved STR / Airbnb in their lower level and was almost completely booked 2-3 months out consistently over the year due to high demand. I have read hours and hours of documents and poured over the STR site, and we thought our lower level would be a great STR (Appendix 4 - STR FAQ and zoning link) I engaged the permit department in February of 2021 to inquire about a long-term rental and a STR all prior to our purchase. The information provided to us in communications with the permit office is not detailed or specific to set prospective hosts up for success. The permit office indicated early in our discussions about potentially adding a suite for a longterm tenant or short-term stay (Appendix 5 - Email from Permit Clerk, Nina - Feb 2021) informing me that, "The answer is not so simple" and that a suite would have to be compliant with all the zoning bylaws and a building permit would be required. This information along with the permit from the 2009 renovation that took place prior to our ownership stated that this space could not be used as a separate

dwelling unit (Appendix 6 - 2009 City permit). Upon hearing about these added steps to create a suite we quickly decided that we would not be interested in going in that direction and that we needed the space for ourselves. We decided to make an offer and thought we would instead create a flex space that we could utilize during the week and hoped to rent over weekends and when my wife is away for work. Following my initial emails with the permit office, my wife emailed the City Bylaw office with our initial application in mid-September 2021. Over the course of that email communication (Appendix 7 - email communication from Adriane; wife) she referenced the lower level as a "room rental", "guest room" and "lower-level suite" - all of which can be interchangeable terms. In March the Bylaw officers (3 of them) arrived at our home for our scheduled inspection. The lead officer quickly informed us that he was only there to take photos of the incomplete space. He added that another individual from their office would review our application for final approval or denial. Once we took the officer down to the space, he immediately stated that our space would not be approved due to the separate back entrance and called it a self-contained unit. We were confused and blind-sided by this comment as we were never made aware (a unit couldn't have its own entrance, like our neighbours did with their STR in unit 7) of this during any past communication as stated earlier. During the time he was taking photos, my wife and I asked questions about what we should and should not do. We were looking for guidance since we now felt that we had received unclear answers to the same inquiries we had with the office clerks. Throughout the entire process (pre-inspection and during) we felt like we were in the dark as to what to expect or how we could succeed. We feel this is an indication of how much the City's process needs to change.

I understand the goal of trying to increase stock and remove barriers for units to be built and to come available to curb the housing shortage. I consider myself very familiar with these situations. I have lived with roommates my entire university, and early working career, work that took me to Fort McMurray (where I had 5 roommates), Edmonton (2 roommates), Calgary (1 roommate), and Vancouver (2

roommates). I had roommates all but 6 months over my 20's and majority of my 30's until I lived with my partner. Almost 20 years of sharing accommodations in my 40 years. Now I'm being told that my wife and I (and hopefully a child soon) will have to get a roommate to make ends meet? Why is the missing middle class your solution to a housing crisis that we've had no part in creating? This space will never be available to a full-time renter, we just couldn't do it. It would leave us with less than 900 square feet of living space and reduce our own space by 1/3. My mother is a Master of Urban Planning and we've discussed the current housing landscape and its extremely complex. Your own city colleagues participated in a study on STR's (Appendix 8 - Policy Areas Housing Priorities for Short-Term Rentals Report 2021-10) I'd like to bring your attention to a few points that were outlined and still yet to be clarified. The lack of consistent definition of what constitutes a "permanent dwelling" and what constitutes a "kitchen" seems to be another item. Contrary to the bylaw officers' report they have never been a second kitchen in our unit, I inquired about adding one prior to purchase and we are unable due to strata regulations. Another point the commission makes is "B.C. households seeking rental housing are not excluded from finding and affording housing that meets their needs as a result of suitable units being repurposed or developed specifically for short term rentals instead of long-term tenancies." This report states that effective taxation and other areas of opportunity are the way forward with STR in BC – not the current ineffective and over governed restrictions.

Several documents mention looking to increase the number of licensed STR's as I'm sure you'll agree the sharing economy is not going anywhere and tech giants like Airbnb and Uber are the golden child's of this sharing industry. An industry that Victoria is looking to foster while simultaneously regulating it into non-existence. I'm not here to talk about tech. I'm here to talk about my family and how we've struggled to try to find a home – in which we plan to start a family in. After buying our first home we've had to deal with substantial increases to our taxes and increases in inflation while our municipalities continue to let down the middle class. We now must start the next steps in our family planning (IUI and

IVF on the mainland) without a family physician to help guide us. The stress this community is under is not reserved for the lowest earners, as you know the middle class is fleeing the area and I see no action to stop this. We live between two of these developments already in James Bay (Superior and Oswego) with Kingston Street supportive housing and a new development on Montreal St. just started. As the City continues to support this widening gap, I already know which direction we're heading. Give "Missing Middle" residents a chance to afford an increasingly unaffordable city. The missing middle class want the ability to have a family and afford a decent living in the James Bay area and Victoria without feeling like we may have to move in a few years. For a small number of people that might mean an STR to supplement the cost of IVF.

Demand for STR's keep increasing as more people have great experiences with them. 47% of BC residents are interested in STR accommodations in the near future (*Appendix 9 - Victoria Tourism Metrics*). We recently had a friend stay at a Victoria hostel because she could not afford a hotel and couldn't find a STR that would accommodate her while she was in town. This friend was in town for a tattoo at Tech Noir on Blanchard - spending money at a local business and supporting our economy. Just this past week I had a friend rent an Airbnb in Nanaimo (*Appendix 10 - Nanaimo STR regulations*) instead of booking a hotel in Victoria primarily due to the cost for a week of accommodations. He and a friend drove their rental car from Nanaimo to Victoria to drink and visit Saturday night, then had a company drive them and their car back to Nanaimo after midnight. We had guests both times or we would have been happy to host them for free. This shows how we are failing to accommodate the diverse needs of travelers and tourists as well as middle income earning residents looking to start a family.

In using the RBC mortgage calculator (Appendix 11 – RBC Mortgage Calculator), 36,000 a year would be 25% of the income of someone(s) making \$144,000 a year to buy a condo in Victoria with additional housing costs (in our experience) of ~\$500 a month and tax and so on. A STR is a tool to mitigate some of these costs for hosts, for middle class people. I agree these STR's shouldn't be entire stand-alone

units and they take away from the long-term market, but our space isn't like that. I read that 72% of hosts in NYC use the income to stay in their homes and would have to sell without this help (Appendix 12 -2022 Airbnb Statistics: Usage, Demographics, and Revenue Growth). This is not something I want for Victoria, but frankly we are almost there. The average Airbnb host in the Victoria area will have 90 days rented a year with an added income of 15,282 before taxes (Appendix 13 - Average Victoria STR Data Inside Airbnb). When you zoom into Victoria proper there are only 400 units available to STR seekers and over 6,000 hotel rooms. For every 100 hotel rooms there are currently STR's in Victoria. As a preferred way to travel for us and many of our friends under the age of 40 these numbers aren't sufficient. We see that with people choosing to stay in Cumberland, Nanaimo, and other rural areas and drive back and forth to Victoria for a day or two to see the city. Is this the answer? It is widely known that STR's are not enforced to the same degree in Saanich and other municipalities and STR's are growing in these areas. Friends of mine with a 1-year-old are moving back to Saskatchewan (again working from home) for a year and renting out their home via a STR company in Saanich. They are booked for the next 3 months and expect to profit \$30,000 in the coming year. While they hope to return more financially stable and for the long term our discussions are of "hopes" of change and if that doesn't happen, they (like us) are considering a permanent move.

		0.01503 0.00		
Short Term Rental Policy Review	Monitor total number of active STR listings; increase number of licenced STRs citywide, including principal and non principal residences Monitor fines issued	Monitor total licences issued in City annually, and total monetary value of licences.  Monitor number and value of fines issued and collected.	Annual	Policy Review and Quarterly Reports

I apologize I lost the reference for the above screen shot, but I think it's great that you recognize the need to be flexible and continuously update the STR policy because it needs change. It's not working in favour of the city, Victoria residence or the travellers looking to stay in the area.

Again, family and friends are important to my wife and I. We didn't have many guests in 2021 because we had not completed the lower level. This pandemic was hard on us, we miss our loved ones just like everyone else and because we are separated by larger distances these visits tend to be a bit longer. Now that the space is done, we're so happy to have welcomed the following family and friends to stay and visit Victoria to show them why we love the city so much. They get to spend money locally, stay much longer and get to experience the city like a local. All things that we hope to share with STR guests in the future.

### Calendar of guests January 2022 - Present

Debbie & Kelvin Winge (in-laws)	January 6 - 10, 2022		
Gholam Alaie (father)	January 27 - February 6, 2022		
Greg Albin (friend)	February 18 - 20, 2022		
Sean Stephenson (friend)	March 31, 2022		
Jen, Ryan, Cruz & Nash Stacey (siblings & nephews)	April 1 - 5, 2022		
Heather & Lyle Glessing (friends)	April 7 - 12, 2022		
Debbie & Kelvin Winge (in-laws)	April 20 - 30, 2022		
Sean Stephenson (friend)	May 14, 2022		
Gholam Alaie (Wedding on Salt Spring 14th he rented an Airbnb)	May 12-13, 15-20, 2022		

I find it hard to fathom that we could have a STR and rent out our second bedroom (our baby room) next to us on the second floor but are having to challenge a bylaw ruling to rent out the lower-level bedroom. Please help me reconcile this. This short-term rental license approval is critical for our future in Victoria as it would allow us the financial ability to start a family, continue to have a home office, give the opportunity for us to host family and friends and support the local economy. We believe we meet

the requirements set out by the council to host a shared space STR, because we are abiding by the 2009 permit for development stating this space is not to be used as a separate self-contained living space (Appendix 6 -2009 City permit). Our neighbour unit 7 operates a STR in a similar space, our strata has approved the STR. Strata regulations prevent a second kitchen in the lower level. We need access to the mentioned amenities, storage, washer/dryer, electrical and office on a daily basis and it would be unfit for us to have a live-in renter and unfair to a renter in a shared space due to lack of a private room. I implore you to approve our request for a STR in our lower-level shared space. Further I would hope that the recent recommendations from the "Priorities for action on short term rentals report of the joint UBCM-Provincial Advisory group on Short-term rentals final report Jun 30, 2021" are taken to heart and changes are made. By their recommendations our unit would be the perfect STR for a growing and inclusive Victoria.

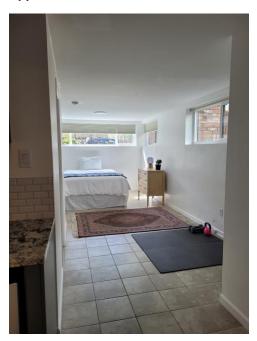
Thank you for your consideration and all the best to council during these challenging times.

Kind regards,

Arya Alaie and Adriane Winge

# Appendix

**Appendix 1.** Home Workout Area



**Appendix 2.** Home Office & Electrical Box (white cabinet)



Appendix 3. Door Latch (did not install)



Appendix 4. STR FAQ and zoning link

https://www.victoria.ca/EN/main/business/permits-licences/term-rentals.html

• I have a spare room I'd like to use as short-term rental. Is that allowed? ▲

You may rent up to two bedrooms within your principal dwelling unit, such as a condo, duplex, townhouse, secondary suite and garden suite.

#### Appendix 5. Email from Permit Clerk, Nina – Feb 2021



Zoning <zoning@victoria.ca>

Feb 1, 2021, 3:15 PM 🛣 🦱





to me ▼ Hi Arya,

The property is zoned R3-L. The answer is not a simple one here and no guarantee that a unit could be added. The zoning permits a maximum of 10 units for this site and a unit must be a minimum of 33m2 in floor area. There are density requirements as well outlined in section 8 of the zone. Typically from experience parking becomes an issue once a suite is added within a townhouse, it is no longer subject to the parking regulations for an 'attached dwelling' but for a 'multiple dwelling' as outlined in Schedule C - Off Street Parking Regulations.

Basically, a new suite would have to comply with all aspects of the zoning bylaw as set out in the zone and the parking requirements. A building permit would also be required to add a suite to the unit.

As for the use of units in this zone, they are not permitted to be rented out as a whole for short term. The only exception to this is up to 2 bedrooms may be rented out for short term at the same time a resident occupies the unit or on occasion the whole unit while the resident is away on vacation for example.

You can find more information here:

 $\underline{\text{https://www.victoria.ca/EN/main/business/permits-licences/term-rentals.html}}$ 

You can find more information here:

https://www.victoria.ca/EN/main/business/permits-licences/term-rentals.html

And to add, the information above does not supersede any strata bylaws. Strata approval is required for any planning/building applications and for any licences applied for.

Thanks,

#### Nina Jokinen

Planning Technician Sustainable Planning and Community Development Department Development Services Division City of Victoria 1 Centennial Square, Victoria BC V8W 1P6

T 250.361.0471 F 250.361.0386

Please think before you print

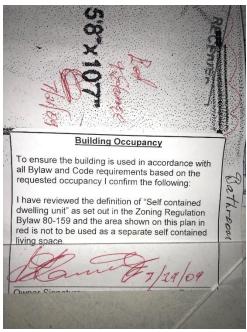


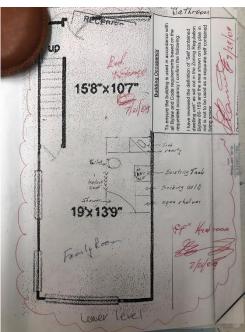




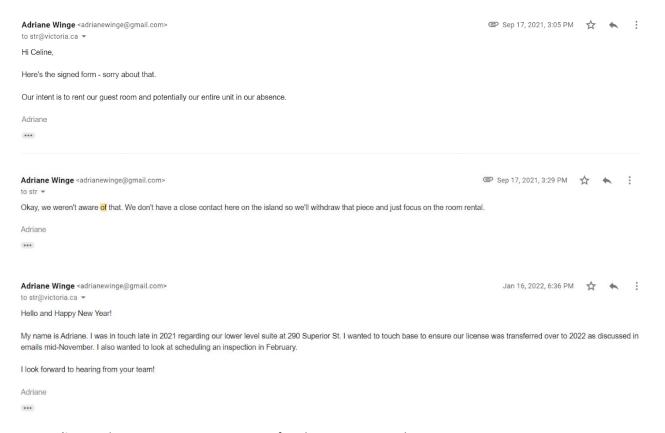


**Appendix 6**. 2009 City permit for lower level stating it is not to be used as a separate self-contained living space





# **Appendix 7.** - email communication from Adriane to Bylaw Office referencing guest room, room rental, lower level suite



## Appendix 8. Policy Areas Housing Priorities for Short-Term Rentals Report\_2021-10

https://www.ubcm.ca/sites/default/files/2021-11/Policy%20Areas\_Housing\_Priorities%20for%20Short-Term%20Rentals%20Report\_2021-10.pdf

#### Outcomes

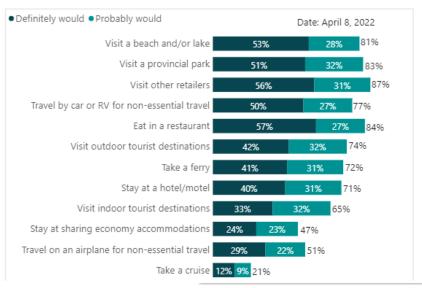
Drawing from the perspectives and experience of local government representatives from a diverse range of communities, the Advisory Group Identified a series of Important outcomes of potential legislation or programs for various stakeholders. These outcomes will be achieved by complementary and collaborative work across orders of government.

- B.C. households seeking rental housing are not excluded from finding and affording housing that meets their needs as a result of suitable units being repurposed or developed specifically for shortterm rentals instead of long-term tenancies.
- Local governments are able to set and enforce land use policies that designate residential property primarily for the purpose of providing long-term residences, while allowing ancillary uses that are aligned with community objectives.
- Local governments have sufficient and timely access to short-term rentals data, and capacity to enforce the land use policies and regulatory schemes set in their jurisdiction.
- All operators within the industry are subject to a clear and consistent regulatory structure, with the same level of accountability to B.C. communities.
- Businesses operating accommodation services via online platforms are held accountable for the same safety, labour practices, neighbourhood impacts, and taxes as accommodation providers operating in more traditional business models (e.g. hotels, motels, B&Bs, campgrounds, etc).
- Hosts, travellers, and neighbours are kept safe and have enjoyable experiences (or fewer negative experiences) resulting from short-term rental accommodations.
- Local governments and the Province have improved capability, through data sources and analysis, to understand the interaction between short-term rentals and the housing market.
- The Province continues to monitor and report on trends and impacts from the short-term rental industry to inform and support local governments.

#### **Appendix 9.** Victoria Tourism Metrics

#### https://www.tourismvictoria.com/covid-19/tourism-industry-indicators-dashboard

# BC Residents - Comfort with Activities and Transportation (Among Those Who Generally Do Each)



#### Appendix 10. Nanaimo STR regulations

 $\frac{https://www.nanaimo.ca/docs/projects/short-term-rental-bed-breakfast-review/short-term-rental-guidelines.pdf}{}$ 

#### 1.3 RESTRICT SHORT-TERM RENTALS

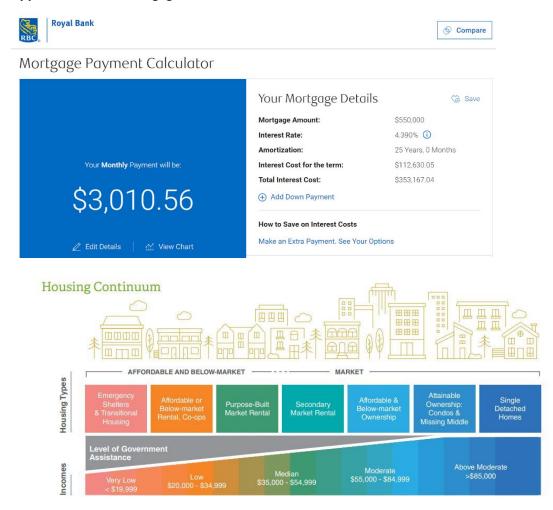
There is ongoing concern that short term rentals have the potential to impact the availability of rental housing for long-term tenants. These actions are designed to minimize the perceived and actual impact on housing supply and create a level playing field among operators. Short-term rental accommodation is defined as the rental of a room or an entire residential dwelling unit on a temporary basis (i.e., less than 30 days).

#### Actions

- Restrict short-term rentals (i.e. less than 30 days) to dwelling units where the owner is currently residing on the property, either in the main dwelling or the secondary suite.
- b. Require all short-term rental operators to obtain a business licence and to display their business licence number in all listings. This will include the operators of bed and breakfasts and other types of lodging.
- c. Support fair taxation for all types of short term accommodation, including hotels, bed and breakfasts and other types of short-term rentals.
- d. Ensure that zoning regulations that apply to bed and breakfasts are extended to short-term rentals.
- e. Assess the implications of requiring different business licences for properties located in areas zoned residential vs. properties located in areas zoned as commercial.
- f. Determine an appropriate fine for listing a short-term rental without a valid licence.
- g. Prepare an explanatory guide that outlines short-term rental operator requirements.



### Appendix 11. RBC Mortgage Calculator



Appendix 12. 2022 Airbnb Statistics: Usage, Demographics, and Revenue Growth

https://www.stratosjets.com/blog/airbnb-statistics/

Appendix 13. Average Victoria STR Data Inside Airbnb

