

Pamela Martin

From: Steve and Trish Young [REDACTED]
Sent: March 6, 2018 3:45 PM
To: Public Hearings
Subject: Short-Term Rental By-Laws Public Hearing March 8 2018

Tuesday, March 6, 2018

Stephen Young
1295 Walnut Street
V8T 1N5

Dear Mayor and Council.

I no longer see the validity of enacting the Short-Term Rental Regulation Bylaw, as proposed.

At the September 22, 2017 Council meeting Councilor Ben Isitt said he was happy the bylaw amendment was adopted because it begins to address Victoria's low vacancy rate.

"I think we need these units for housing, and that's more important in my opinion than having these units used for commercial purpose of transient accommodation," he said.

However, according to a survey conducted in Seattle in December 2016, nearly all housing experts surveyed in Zillow's quarterly survey agreed short-term home rentals like those offered on Airbnb® and HomeAway® do not have a meaningful and large impact on housing affordability. Also, as it currently stands, the Province of BC is committing to the construction of 114,000 units in BC to help relieve the housing shortage, so the reason for Councilor Isitt's submission is, in my opinion, no longer a relevant or valid issue.

Isn't it also true that hundreds of new "rental-only" apartments are rapidly becoming available in new, downtown rental towers, such as the ones at Hudson Place? Predictions are that many more will soon be available as more and more of these apartment projects are completed. The housing "crisis" is just about over, so what is the real purpose of this STR bylaw?

In addition, it was earlier proposed by members of Council that any municipal taxes collected, as part of this new Bylaw would be allocated to easing the long-term housing "crisis" in our City. As it now stands, Mayor Helps has publicly stated that these taxes will NOT be allocated to offset the housing crisis but, instead will be transferred to Tourism Victoria in order for them to continue promoting our City as a tourism destination. This was not, in my opinion, the original intent and therefor nullifies the need for the punitive licensing fees proposed under these new regulations. So this transfer of funds indicates to me that there is NO housing crisis in our city that can be resolved through the new taxes derived from STR's.

As well, I feel extremely uncomfortable with the notion that license fees remitted by Short-Term Rental owners will be used to finance a third party "monitoring department" to watch for vacation rentals being operated contrary to zoning regulations. In other words, the fees will be used to "spy" on STR owners, so these owners will in fact be a means of funding a programme that is not in-place for any other business operations in Victoria where By-Law compliance comes out of general tax revenues.

I also ask, why it is that the \$1,500 fee would apply only to *downtown* units that qualify for legal non-conforming status and are grandfathered in? It would appear to me this is a move that is motivated by members of the existing downtown hotel industry (most of who see the bulk of their revenues transferred out of Victoria to large, multinational corporations (Marriott, Delta, Hilton etc.) to ensure that their dominant market position in Victoria is not compromised by the more affordable STR's.

Why is it that Councilor Isitt said when addressing Council "I think it is important for us to move forward with filling this regulatory vacuum that currently exists in ensuring that the impacts of these types of businesses are minimized on other residents of the city"?

Given my aforementioned comments, I fail to understand what impact STR's have on other residents of our city and, in fact, can only foresee a bylaw that punishes "the little guys" who have poured their life savings into property investments in the hopes that, someday, they would derive a source of income to support their pensions.

As well, it will have a huge impact upon potential visitors to Victoria, specifically those who cannot afford the exorbitant room rates charged by the hotel. What will happen to the working, middle-class visitors who wish to bring their families and children to Victoria for a holiday? The elimination of many of the STR's in the City means there will no longer be "room at the STR" for them. Instead they will either have to pay rates of anywhere from \$200 - \$400 per night, plus tips, plus parking, plus other "hotel guest charges", instead of approximately \$150 per night for a full apartment with kitchens, laundry facilities, free parking and more. The latter sector will now have to increase their rates to cover off the significant implementation fees and license fees, thus they will become less affordable to the working middle-class visitors, as well as those in need of affordable accommodations while loved ones and family members are hospitalized or in our City for other medical issues. Will this portend a huge downturn in those sectors of Victoria's visitors market? I predict that it will.

It should also be noted that the Snowbirds and other STR occupants offer a significant and valuable contribution towards the City's stated plan of creating a "vibrant downtown core." As the numbers of these visitors dwindle and eventually die, this will have a negative impact upon the downtown core.

Furthermore, should Victoria win the bid to host the 2020 Aboriginal Games, during which approximately 5,000 athletes, plus their friends, family members, coaches and chaperones may descend upon Victoria, where will they stay? Existing hotel capacity will not accommodate them all and without a good pool of STR's available to them, what is the City's plan for such an event?

Finally, the proposal by the Provincial Government to implement a "speculation tax" that will rise to 2% of property values next year for those who own rental condominiums will effectively kill the hopes and dreams of hard-working, honest, tax paying residents of our community, as this will apply to us as well as to outside investors. The "tax credit" that the government has hinted would be available will only benefit the high-income earners, but for the average property owner who makes only a supplemental income from their STR it will be negligible and will only serve to have a huge, negative impact upon them.

Think too about the BC Landlord Tenancy Act that was recently amended in November by the Provincial Government. No one will be encouraged to turn their properties into long-term rentals as the new regulations will prevent them from terminating the leases of tenants, even if they have signed "fixed-term" leases. Should one have undesirable tenants it will be almost impossible to end their tenancies.

In closing, while I agree that some regulations are required in the STR sector, I feel strongly that the licensing fees and the allocation of the municipal room taxes to support the local tourism "hotel" industry, instead of the originally intended fund to be directed at the "housing crisis," are unjust and uncalled for, will serve only to kill

our inbound tourism market and will have a huge negative impact on the associated employment and spending from which our City currently benefits as a result of our STR industry. I therefore urge Mayor and Council to amend the By-Law to ensure fairness in all tourism accommodations and related business sectors.

Respectfully Submitted
Stephen Young
Victoria Resident/Taxpayer

--

Pamela Martin

From: Tim Grant [REDACTED]
Sent: March 6, 2018 1:23 PM
To: Public Hearings
Subject: Short Term Rental Regulation Bylaw

Dear Mayor and Council:

As you continue your deliberations regarding the Short Term Regulation Bylaw, I ask you to consider a revised approach that does not treat all owners in the same manner.

I understand the need for a license fee, and believe you have a duty to manage the same. However such a fee needs to align with the magnitude of the business / income. Taxes, various offences and many other fees are based on thresholds, why can't you develop a similar approach for this regulation? Such an approach is important to me because we only plan to rent our unit to recover tax and strata fees. Such may be a total of 1 month a year. The balance of the time is for our, and our family member's personal enjoyment. For me to be faced with the same license fee as someone who aims to rent a unit out for a full year is inequitable. Though it is easier for the Municipality to administer, such does not represent a fairness of approach. It will also not solve your housing crisis. It may have a reverse affect of pushing me to increase the number of short term rentals to recover costs. You can be sure it will not push me to long term rental scenarios. You already have created one of the more punitive pieces of regulations for landlords that I am aware of.

Your proposed action, combined with the Provincial Government's proposed Speculation Tax, is creating a very negative perception of your Province's view on the tourism industry. These combined actions will turn away tourist dollars, and for myself, send a very divisive message to Canadians about your Province welcoming tourist dollars and investment.

Please consider a right and fair measure that is aligned with the degree to which owners rent out their properties.

Thank you for your attention,

Regards,

Tim Grant