

Alicia Ferguson

From: Public Hearings
Subject: RE: URGENT: Public hearing, Thursday, September 21, 2017, 6:30 p.m.

Monday, September 18, 2017
To: publichearings@victoria.ca
Subject: Public hearing, Thursday, September 21, 2017, 6:30 p.m.

It's your neighbourhood

Re: B. Short-Term Rentals: Proposed Changes to the Zoning Regulation Bylaw Zoning Regulation Bylaw, Amendment Bylaw (No. 1112) No. 17-084:

"The purpose of this bylaw is to amend the Zoning Regulation Bylaw by amending the definition of "Transient Accommodation" by removing a reference to vacation rentals, creating "Short-Term Rental" as a new use, and by prohibiting Short-Term Rentals except where expressly allowed."

Thank you for inviting our input regarding this amendment. We have a short-term rental permit. However, what we propose is that if we were to sell our home, that the new owners would be guaranteed that this suite would still be permitted to be a short-term rental accommodation.

Sincerely,

Ralph & Midori Lindberg
#205 689 Bay Street,
Victoria, BC
V8T 5H9

Alicia Ferguson

From: Public Hearings
Subject: RE: Zoning Regulation Bylaw, Amendment Bylaw (No. 1112) No. 17-084:

From: Ali Taleb
Sent: Monday, September 18, 2017 2:42 PM
To: Public Hearings <PublicHearings@victoria.ca>
Subject: Zoning Regulation Bylaw, Amendment Bylaw (No. 1112) No. 17-084:

Dear Madam Dear Sir,

I would like to voice my strong disagreement on this proposed amendment.

I am the owner of 832 Princess avenue.

I believe that our city benefits tremendously from temporary rental. This gives a huge economical benefit for tourism and make the city touristically affordable.
Hotels are getting more and more expensive which is keeping tourists away.
In addition, it helps people to generate extra income.

I am ok in taxing it but not stopping it.

It's a matter of time where everyone on this planet has to agree with the shared economy (airbnb, Uber, etc..).
History has shown that not the strongest or the smartest that survives but only who can adapt.
Not helping people to adapt will put our city behind.

Regards

Ali

Lacey Maxwell

From: office [REDACTED]
Sent: September 15, 2017 11:27 AM
To: Lisa Helps (Mayor)
Subject: Short-Term Rental Latest News posted for September 2017

Dear Mayor Helps:

We are responding to the Short-Term Rental Latest News posted for September 2017. We are a STR property owner in Victoria's downtown transient zone. Please consider this letter as our combined 10 minutes of input.

My wife and I have more than 50 years combined experience in the 5-star hotel-resort tourism industry at the management and executive level. As such, we are concerned about the Council considering changes to existing regulations based on may be. "Because short term rental **may be** impacting the availability of long term rental housing, Council is considering further regulation to: ..." With all due respect, decisions based on may be, i.e., a guess, personal beliefs, etc., especially when or if those assumptions are shown to be wrong, could have an untenable blowback.

Also, it is just as valid an assumption, until proven otherwise, that short term rentals **may not be** impacting availability of long term rental housing in any significant way especially when one considers new housing starts. In fact, evidence from other major Canadian cities shows that this is the more likely scenario. We respectfully submit that the Council delineate to the public what actions it is considering if this is the case?

Otherwise, it may be perceived that the Council already has made up its mind in this regard before the public hearing, which would be a conflict of the public interest. And if changes to existing regulations admittedly are based on **may be**, guesses or assumptions, they easily would be subject to challenge in court.

Has the Council conducted a scientifically valid survey of Victoria short term tourism rental owners to see if whatever regulations, licenses, fees are being considered would, indeed, result in a property becoming a long term rental, or are they merely punitive in nature designed to force owners financially out of this property use market? Please bear in mind, STR tourism and its dollars follow this market out the door. Yet, they could just as easily flow in this door too.

Has anyone determined what the monthly rentals would be on these units if they went long term? Would they be affordable? And to what percentage of the residents? What if these units mostly would be affordable to the top 10% of income earners, say those earning more than 120K per year for example? Having answers to these and many other questions is imperative when the public rationale for considering such changes is **may be**.

Exactly how many short term tourism rentals would not become a long term rental regardless of changes to regulations? The city and its tourism businesses will lose the associated short term vacation rental tourist generated income. Who will make up this shortfall to local tourism businesses? What about all the existing jobs and local businesses that will be lost as a result of greatly reducing this market? What provisions is the city council making to provide alternative jobs for this sector of the public?

Has the Council considered what will replace the STR in Victoria's tourism market because the demand definitely is there? Hotels won't because STRs are not hotels. It's not even close. In fact, a hotel business has

more in common with a local restaurant and bar than they do with a STR when it comes to being profitable. The key profit center for a hotel is its food and beverage service, just like a restaurant and bar, not a bed in a room with all its attendant high overhead costs. For example, to make the same percentage of profit from one bottle of vodka sold in a hotel bar in one night can take years with a hotel room. Therefore, take food and beverage sales out of the hotel business and a great many of them would go out of business.

In fact, according to the Metro news, only the top renting 5 or 6 short term units in Toronto, out of a city of 6.2 million people, had an occupancy rate of at least 65% for the year. This is the average occupancy rate for all the hotels in Canada, 5-star or 1-star, according to the Canadian hotel industry association. The remainder of short term rentals rent out at occupancy rates that would put most hotels out of business within a year.

According to the same article, the average income for STRs in Toronto, Montreal and Ottawa was about \$5K for a 12-month period ending in July. This is a very thin monetary margin to work with over the course of a year. From a purely business perspective, owning a STR is about the last “business” one would consider getting in to if you want to earn a living at it. At best, income from a STR is marginally supplemental for the owner. It’s not even a minimum wage paying job. Yet for elderly people living on fixed incomes or on a city pension, this is a life saver. It’s their safety net. Don’t change the rules on them and take this away. Instead, the Council should help them by bringing their property into compliance with the existing regulations, which is a win-win-win for all involved.

And only “0.07 per cent of the entire housing stock in Toronto, are rented frequently enough (as a STR) to outcompete a long-term rental.” This is hardly the sky is falling STR scenario that some in the media have made it out to be. Also according to this same media report, “That means 14,000 entire homes including condo units, have been taken out of the long-term rental market.” While this sounds like a huge amount on the surface, when one realizes the Greater Toronto has a population of about 6.2 million, it’s a very small amount.

This extrapolates out to .011% of the total housing market in Toronto used in the STR market based on 2.5 people per housing unit. Or looked at another way, 99.989% of the market is available for purchase or as long term rentals. Perhaps consider a cap of a maximum of 1% of the total housing market that can be STRs? One percent doesn’t appear to place any undue burden on the housing market, but keeps the tourism rental demand in place, and keeps the tourist dollars coming in.

Adam Smith, the “father of modern day economics” and author of *The Wealth Of Nations*, stated, “By selling products (and services) that people want to buy, the butcher, brewer, and baker, (the short term rental owner) hope to make money. If they are effective in meeting the needs of their customers (the market demand), they will enjoy the financial rewards. While they are engaging in their enterprises for the purpose of earning money, they are also providing products that people want. Such a system creates wealth not just for the butcher, brewer, and baker, (the short term rental owner), but for the nation (and city) as a whole when that nation (city) is populated with citizens working productively to better themselves and address their financial needs.”

It is this principle that eventually, with so many major cities throughout Canada artificially putting the kibosh on STRs (losing wealth) despite the strong tourist market demand, will lead one clever tourist destination city to figure this out and capitalize on this demand. They will swim upstream by encouraging STRs in a controlled manner (thereby creating wealth), attracting all that free money booted out of the other cities, while promoting and tapping into this tourist goldmine, laughing all the way to the bank.

What is Victoria’s percentage of short term tourist rentals compared to its entire residential housing stock? This public statistic is a key piece of evidence in drawing conclusions and making decisions concerning the STR tourism market. However, that number will only decrease as a percentage when new approved housing units become available.

We are categorically opposed to ex post facto laws, regulations, licenses, and fees designed to force a market into a direction it doesn't want to go. It's like changing the rules half way through a hockey game to favor one team over the other. There's always the danger of a greater negative pushback.

Also, these type of regulations send out a very loud negative message that you can invest in your future here today, but we may change our minds tomorrow and you'll lose money on your investment or retirement. To wit: "amend the zoning regulation bylaw **to remove transient zoning downtown where transient zoning currently exists**. No zoning changes would occur without a public hearing, which has not yet been scheduled." Although this would not affect strata legal, non-conforming status, it becomes a non sequitur if licensing and fees are in the works with the intention to extinguish short term rentals or make them a non-viable option in the tourism market as witnessed in other Canadian cities. However, if these zones were to be removed, what changes does the Council have in mind?

As the **Tourism Industry Association of BC** states it:

Investing in tourism-related projects is **a key provincial strategy and priority**. *Put your community on the map* (or take it off the map as the case may be) and **energize the local economy by supporting tourism for all it's worth**. Together, many groups, agencies and organizations are working to build and sustain an industry that fosters fresh ideas and innovative investment designed to make our region even better equipped to attract more visitors and stimulate economic activity."

Impairing or effectively shutting down the short term vacation tourism rental market in Victoria to "encourage long term residential rentals" is hardly supporting tourism for all it's worth. In the long term, a decision in this direction will prove to be short-sighted because it is contrary to existing global market demand. The money in the market will follow the supply, wherever it may be. It's just a matter of who realizes this and will capitalize on it.

Short term vacation rentals are a very popular tourism segment vital to stimulating local economic activity as the real world continually demonstrates. Shutting it down or impairing it runs contrary to this goal, especially as Victoria is the capitol city of the province.

And shut down or impaired short term vacation tourism rentals will cause tourist dollars to go where they are available. When this occurs, what plan does the Council have to replace this lost outside income? Has the Council given thought to this economic impact on Victoria's job market? What plan does the city have to provide jobs to these people? People that don't have jobs, can't afford to pay any rent, short or long term. How is possibly in the public's interest to cause newly unemployed people to leave Victoria for where there are jobs?

Would it not be better to make positive, fact based decisions based on reality that allow them to keep their existing jobs, especially related to income generating tourism, and to encourage and create new ones as well? Come up with a solution that involves all the stakeholders throughout the entire decision making process rather than 5 minutes on a given day. There are many possible avenues this can take.

And, if this is a desire to counter the overreaching AirBnBs of the world, there are much more effective ways to do this while protecting the city's local tourism income market. No need to throw the baby out with the bath water. It requires a bit more effort and creativity, but it is much more satisfying and is of greater economic benefit in the long term. It also has the added potential to make Victoria an enlightened leader in Canada in this respect.

Legal properties grandfathered in existing under current guidelines will be absorbed by new housing starts over time without putting in place punitive licensing, fees or taxes, and would show good faith to this public sector on the part of the Council members. If you must make changes, implement changes that apply to new properties

coming online. Otherwise, once trust is broken, it is very difficult to restore, with existing residents whose businesses suffer, with people who lose their jobs, and with retirees on fixed incomes hoping to make ends meet. It also creates an additional hurdle when competing to attract needed innovative investment into the city.

Secondly, if short term vacation tourist rentals are zoned out of existence or made financially unviable to property owners through fees, licenses and further taxes, what will replace this tourism segment and wealth creation for local businesses? As above, every economy, in order to grow, needs outside sources of income brought into it. Otherwise, an economy stagnates.

Vancouver Island, and the city of Victoria in particular, are tourist destinations especially when compared to the likes of Toronto. Destination tourism is what gives Victoria its market advantage over cities like Toronto, Ottawa, Calgary, etc. Tourism is a market that provides an outside influx of capital wealth, and it is being encouraged at the provincial level just a few blocks down the road. Whereas short term tourist rentals bring new money and provide for growth of the local wealth in its economy, long term rentals recirculate existing capital. There is more than enough room for both in a vibrant economy that is moving forward.

Also, the Council is considering to “develop new Short Tern Rental business regulations to establish specific requirements for Short Term Rental business licenses and potentially apply different business license fees to different uses, as well as fines for **non-compliance**. Community engagement and opportunities for public feedback would precede any changes to business regulation.”

Are there not regulations already in existence for such concerns? Should not current regulations be enforced first, and results analyzed before making changes that may be worse in their net effect for the city’s residents and businesses? Again, the danger of may be.

The city’s businesses and employees on the job make more money (wealth creation) off our unit through tourism dollars spent in the city than we do by more than double. Multiply this effect out among all the legal short term tourist rentals. What does the Council offer to replace this income and the jobs it generates for Victoria?

In making any fundamental business decisions, many factors must be objectively taken into consideration without prejudice. This is the sound, normal course of due diligence. To this end and to recap, there are a dozen or so questions that should have definitive and specific facts to support them made public before making any decisions regarding changes to the short term tourist rental market:

We respectfully submit that the Council delineate to the public what actions it is considering if short term vacation rentals are shown *not* to cause a significant shortage of long term rentals?

Does the Council plan to conduct a scientific business survey of Victoria short term vacation rental owners to determine if whatever regulations are being considered would in fact result in a property becoming a long term rental or not?

What would the monthly rentals be on these units?

Would they be affordable?

And to what percentage of the city’s residents?

What if these units only would be affordable to the top 10% of income earners, say those earning more than 120K per year for example, but tens of thousands of tourists who have expendable income could afford them,

bringing additional short term tourist income into the city, what action would the Council take to encourage this capital wealth inflow to the community?

Who will make up the shortfall in income to local tourism businesses from the loss of short term vacation rental tourists? How will it be replaced?

What about the existing jobs that will be lost as a result greatly reducing the short term vacation rental market? What provisions is the city council making to provide jobs for these people?

What will the Council use to replace the popular short term vacation rental in Victoria's tourism market? Tourists need a place to lay their heads, and wallets, at night, if not in Victoria, then someplace else.

What is the exact percentage of legal short term tourist rentals versus all the other residential housing in Victoria? In most cities, the reality is that it is a very small percentage, less than one percent in major cities like Montreal and Toronto according to the CBC and Metro News. Is this worth the potential loss of a major tourism income segment especially when the province is doing the opposite by promoting tourism?

If these downtown transient zones were to be removed, what specific changes does the Council have in mind?

If short term vacation tourism rentals are shut down or impaired, a lot of tourist dollars will go someplace else. When this occurs, what plan does the Council have ready to go to replace all this lost outside tourism income?

The Council is considering developing new Short Term Rental business regulations to establish specific requirements for Short Term Rental business licenses and potentially apply different business license fees to different uses, as well as fines for **non-compliance**. Are there not regulations already in existence for such concerns?

Should not current short term rental regulations be enforced, and an economic impact assessment made with results analyzed before making changes that may be worse in their net effect for the city's residents, businesses and employment rate?

There is an old proverb that says look before you leap. No one wants to be the goat who leaped into the well without considering how to get out of it. Therefore, we ask that the Council's decision with regard to the short term tourist rental market objectively be considered by dutifully evaluating all segments of the public interest.

This specifically includes taking into consideration the positive economic impact of short term rental tourism to Victoria (creating wealth), and what negative effects its loss would have, both short and long term, rather than basing decisions on the publicly stated **may be** that more than likely, at least as demonstrated by media reports in other major Canadian cities, does not appear to be warranted.

Sincerely,

Michael & Karyn Allard

Dr. Barbara Rodwin
702-708 Burdett Ave.
Victoria, BC
V8W 0A8



To Whom It may Concern,

Please be advised that I have a unit, 702, located at 708 Burdett Ave. This unit is operating as a short term rental. It is my understanding that our building would retain the short term rental status based on the Local Government Act. Please see the reasoning below. I have also had legal council on this matter and it is their understanding of the same.

The building The Falls, 708 Burdett Ave., has a number of short term rentals within it that have been operating for a continuous period of greater than six months as short term rentals. Based on the Local Government Act (see the excerpt from a City of Victoria notification below) this building would retain the right to operate Short Term Rentals legally.

If you would kindly clarify this matter for me. I look forward to your timely reply. If you could direct the reply to both my email address and a paper reply.

Yours in Health,

Dr. Barbara Rodwin

Excerpt from Notification:

What does this change mean?

This bylaw amendment means that transient accommodation will no longer include Short Term Rentals. Residential units located in zones that allow transient accommodation cannot operate Short Term Rentals.

Exception: Short Term Rentals are grandfathered in buildings where they currently exist (see legal non-conforming use).

What is legal non-conforming use?

There are rules in the Local Government Act that permit uses that occurred legally before a bylaw change. This means that a building with at least one unit operating as a Short Term Rental in a transient zone at the time of this change retains the right to operate Short Term Rentals legally.

If no Short Term Rentals are operated for a continuous period of six months (not including normal seasonal discontinuation) then the legal non-conforming status will no longer apply.



Management Inc.

City of Victoria,
Mayor and Council,
1, Centennial Square,
Victoria, B.C. V8W 1P6.

September 19, 2017

RECEIVED
SEP 19 2017

Dear Mayor and Council,

We represent the Principals of the Owner of 1624 Store Street, namely the Farmer and Scroggs families.

We have owned this property for over 30 years and have operated a parking business on this property since we purchased it. Our families have been actively instrumental in the building and growth of commerce and tourism in the City of Victoria for over 65 years through our Construction, Equipment Rental Companies and Hotels.

We are providing this correspondence to voice our astonished reaction with Council's proposal to down zone Our Property at 1624 Store Street, along with countless others by removing the Transient provision presently included in the Zoning Bylaw without compensation, a property right that has existed for many years, and now that some reply to this part of the Zoning Bylaw is flourishing, Council in its wisdom seeks to extinguish this commerce to apparently fix what is perceived to be a problem in another area of commerce, that being affordable long term rental stock. Time has told us it is unlikely that Government can fix commerce.

With many people having invested in rental suits recently in the proposed change areas there is no doubt that the City will face numerous legal challenges in pursuing the course of action contemplated.

We are presently in the process of designing a building for our 1624 Store Street property and while it is designed as a condominium we are as yet uncertain if it will be residential or will be a Condominium Hotel. We are of course in the HOTEL BUSINESS and the downzoning you are proposing will possibly impact our property in a huge way financially.

We respectfully request that Council refrain from the proposed rescinding of the "Transient" provision of the Zoning Bylaw in question and concentrate on legitimizing those people that invested in short term rental suites by requiring licensing and taxing as any other hotel, thereby ensuring that if they wish to be a small business they do so in a legitimate way and be contributing to the vibrant commerce of downtown Victoria.

Yours truly,

Brian Scroggs.

Terry Farmer.



SHORT-TERM RENTALS AND THEIR POTENTIAL IMPACT ON HOUSING IN VICTORIA

Short-term rentals are not a new phenomenon in Victoria. Transient single-room occupancy housekeeping units have been part of the City's landscape for decades. The need for bed-and-breakfast licensing was recognized after the Commonwealth Games in 1994. However, with the advent of disruptive digital technologies, the growth of "home-sharing" to accommodate tourists in alternative hotel accommodations has now mushroomed—in this City, and across the world.

The growing commercialization of housing in urban areas poses important questions. Where does the hotel-type 'home-sharing' model fit? Should homes be used as hotels? Is it possible to balance these with current demands to provide long-term accommodation for everyone, including tenant households who form the majority of Victoria's current population?

The City of Victoria admits: "*no formal public engagement on this matter has been undertaken.*" Since 2010, the City has done nothing to limit the mushrooming of "home-sharing" enterprises—pseudo-hotels—in downtown, James Bay, Fairfield and elsewhere.

The City disclosed selected correspondence from more than 100 residents, businesses, and visitors on the issue of short-term rentals. And, a petition with 1,100 signatures calling for a ban on short-term rentals—this, until data could be collected on these businesses and an assessment made of their potential impact on rental housing in Victoria. The City has disclosed a report by STR (using source-data from Airbnb) assessing Airbnb's global impact on the hotel industry—with no analysis of Airbnb's impact on hotels or residential properties in Victoria. The City has also disclosed the content of several reports by industry groups such as Tourism Victoria.

What the City has *not* chosen to disclose is bylaw complaints-statistics related to short-term rentals (said to be more than 100 over the past six to eight months.) The City has also chosen *not* to disclose an independent citizen-initiated report, "Home Truths: Implications of Short-Term Rentals in Victoria's Housing Market" submitted to Mayor and Council at the time they were holding an STR workshop, in January 2017.

Background:

The Airbnb 'home-sharing' platform in the City has grown from six listings in 2010 to more than a cumulative total of 2,154 listings in 2017; an annual growth rate of 70%. (Source: Airdna.com)

There now exist 1,178 active Airbnb rentals (properties) and 724 active hosts in this City.

- 81% of the active rentals are for entire units; the remaining units are private rooms and shared accommodation.
- 20% of hosts (150) are multiple listing hosts (operating 51% of all Airbnb rental properties (604); these represent commercial ventures in the Airbnb business model.
- 80% of hosts (574) are single listing hosts (operating 49% of all Airbnb rental properties (574).
- 58% of the listings/properties (683) are rented 1-3 months a year; the remaining 42% of listings/properties are rented from 4-12 months a year.
- The average nightly rate charged in Victoria is currently \$158, an average annual income of \$3,507 (based on less than full-time occupancy). By way of comparison, a pro-rated long-term apartment rental rate is \$40 per night.

The City has no housing inventory, and no short-term rental (STR) statistics. Nor has it sought data from the online home-sharing platforms, or engaged a third party to determine how many STR properties and hosts are participating in the home-sharing economy.

According to the 2016 Census, 3,345 dwelling units (or 7 percent of the city's housing stock) was unoccupied. This may be due to a poor state of repair, or use of the property as an investment (including the STR option by an absentee owner.)

If the City legalizes short-term rentals as a way of supporting home-owners' mortgage costs (especially those who spend more than 30% of their monthly income on shelter), where are the statistics to support this position? And, why are home-owners given preferential treatment in terms of income opportunities unavailable to tenants who also may wish to defray shelter costs?

The City permits 1,700 residential units, primarily in strata properties—in the transient accommodation land-use zones (mainly in downtown and parts of James Bay)—to be used as short-term rentals by their owners. Other strata title properties may also permit short-term rentals under their bylaws. Too, the City permits short-term rental-unit use of one-and two-bedroom units (within single family dwellings) as long as they're operated by principal residence owners. The City has also deregulated secondary suites and garden suites to promote an increase in rental properties. However, many of these units are being used as short-term tourist rentals, rather than long-term rentals.

The original intent of transient accommodation zones was to permit legal use of property by commercial accommodation owners (hotels, motels, and bed-and-breakfasts). There are now 154 transient zones in Victoria. Developers have seen the opportunity to use such zoning to their advantage by redeveloping or building new residential properties that

permit unit owners to operate them as short-term rental-revenue investment properties or pseudo-hotels.

The City may consider removing transient accommodation entitlement from downtown zoning. However, there are no enshrined property rights under the Canadian constitution. And, the 'legal non-conforming status' or 'grand-fathering' clause in downtown residential unit agreements for short-term rental use (claimed by property owners, operating them as STR units) may not be a valid defence.

Furthermore, what regulations prevent a commercial enterprise from purchasing an existing strata title property, buying-out unit holders, opening an administrative office in one of the units, and offering all units as STRs to visitors? This is happening in Vancouver. It is a less costly and less onerous way to use existing zoning to open an accommodation business with no regulatory oversight.

What is the size of the potential short-term rental pool in Victoria?

- 3,195 condo rentals (25% of the total 12,553 condo properties in the City, (according to the CMHC Fall 2016 Victoria CMA Rental Market Report)
- 6,545 single detached houses (Census 2016 Dwelling Counts)
- 1,140 semi-detached houses
- 2,260 row houses

The potential size of the STR pool is: 13,140 residential units out of a total of 49,212 dwelling units in 2016. This represents 26.7% of the City's housing stock (which may be available for use as short-term rentals). In other words, 27.5% of the City's population (who are also property-owners) may potentially benefit from STR income opportunities, which are not available to 59% of tenant households in the City.

Questions: Why is the City legalizing STRs in single-family homes under the "home-occupation" provision to supplement their owner's income? Why is it considering the expansion of STR use to include multi-family dwellings to "provide residents in other housing forms with equal opportunity to offset housing costs?" Especially, if such a policy obliges current tenants to vacate so tourists can move in?

Where is the policy to address short-term housing versus long-term housing needs?

Almost 60% the City's households are renters. And 54.8% of the City's housing stock is dedicated to providing shelter to long-term tenants. With a current vacancy rate near zero, and current soaring rents (median one-bedroom rent increases of 12.2% over last year), converting housing as a 'social need' into a higher profit-margin tourism accommodation business, does little to address availability or affordability of needed rental stock in the City.

When short-term rental listings outnumber available long-term rental accommodation (1,178 Airbnb listings versus 205 Craigslist rental vacancies in August, 2017), we have a problem. *Clearly, 'home-sharing' in Victoria now means that it's five times more likely for the travelling public to find a place to stay—than for tenants to find a home.*

Airbnb listings outpace the number of housing completions in the City. Many of these newly constructed premium-priced downtown condo properties are being marketed to prospective owners as? Seasonal vacation or short-term stay revenue properties.

Housing has become a profitable investment vehicle. Housing is not seen as an essential human right to provide shelter for everyone. What 's absent here? A strong housing policy committed to providing housing for residents rather than tourists; a housing policy attached to income, making it affordable and available to the majority of the City's households. *Victoria's elected officials are not addressing the fundamental shelter need of our City's residents.*

Why is this? The City favours rights and entitlements of residential property-owners over the majority of taxpaying households—tenants, who as renters, cannot enjoy the benefits of the 'home-sharing' economy.

Opposition to Short-Term Rentals

Council should consider supporting the prohibition of short-term rentals both in the downtown core and in all neighbourhoods.

1. Commercialized short-term rentals contribute to inflating housing costs, including rental expenses; they constrain the available rental stock for long-term tenants, and oblige many long-term residents to vacate neighbourhoods and the City.
2. Short-term rentals disrupt residential areas; the transient nature of the business suggests little stake in the community, and lack of concern for added costs of congestion, noise, refuse and impact on long-term residents.
3. Commercialized short-term rentals are not treated as businesses in terms of taxation, fire and safety regulations, insurance, etc. If homes are to become hotels, they must be regulated and taxed as other accommodation businesses, e.g. hotels, motels, and bed-and-breakfasts.

If STRs are to become legal, which regulations are appropriate?

The highest priority for Victoria needs to be? Maintaining its long-term affordable rental housing stock. The City's overarching housing policy goal needs to aim at curbing the commercialization of housing, and linking housing costs to income levels.

To protect the security, and availability of decent, affordable housing for City residents, the City needs to make it a priority to provide housing—first and foremost—to meet the income and accessibility needs (not of tourists) but of citizens, those who live and work in Victoria.

Tourism accommodation (licensed hotels, bed-and-breakfasts, and hostels) should be restricted to commercial uses within designated land-use zones. Renters and tourists should not be obliged to compete with one another in order to put a roof over their heads (as is the case with the “home-sharing” Airbnb peer-to-peer business model.)

If the “home-sharing” model is to be legalized, steps must be taken to address which portion of the housing stock should be dedicated to this form of residential/hotel business. Why? In order to ensure adequate workforce-housing and housing for the general population; this, with mixed-income housing choices and accessibility needs.

Appropriate housing principles may include:

1. One host, one rental.

Each STR host must reside in a principal residence from which he or she operates an STR listing. The host must be present during occupancy by paying guests. Prohibiting absentee owners renting out a room or unit while they are out of town (or out of the country!) affords a level of trust from neighbours who may be concerned about increased noise levels, parking congestion, or security when no one is on-site to address these issues.

Only hosts with valid permits should be permitted to operate. This would entail showing proof of the host’s identity and municipal address; proof of a current police background check; proof that the property is the host’s principal/primary residence; proof that the listed space is in a habitable room in a principal residence; proof that the host has sufficient insurance cover and that the mortgage terms are not violated; and proof that the short-term rental is permitted in the host’s condominium declaration, and that the host’s condo-board bylaws permit short-term rentals.

In addition, the listing must not violate existing zoning bylaws, building/fire codes and health and safety standards; submission of a site and floor plan accurately depicting the size and location of the existing dwelling needs to be mandatory; and, submission of the number and location of designated off and on-street parking spaces; the number of vehicles permitted for overnight guests (if applicable); submission of a list of responsible contact persons; and submission of a list of all online platforms used to advertise the STR listing. (Source: Thorben Wieditz, *“Squeezed Out: Airbnb’s Commercialization of Home-Sharing in Toronto”*, Fairbnb.ca Coalition, 2017.)

2. No full-time, entire-home rentals.

STR hosts should not be permitted to rent out their residential units for an extended period of time (i.e. a 30-day limit on entire home rentals), regardless of whether or not the home is a primary residence. This will eliminate commercial multi-listing hosts, and limit short-term rentals to actual home-sharing—a reduction of 20% of current Airbnb hosts and a 51% reduction in STR listings represented by multi-listing properties.

3. Short-term rental platforms need to be responsible for enforcement.

If Airbnb and other home-sharing platforms wish to participate in the economy, they need to be regulated as a business subject to health, safety, and appropriate taxation measures. Certainly, these platforms must share their aggregate data with the City, provide a listing of all hosts and properties where licenses are required to operate, and taxes remitted. The platforms must pay an annual fee for operating in the province and local municipality.

In August this year, Airbnb and the Quebec government reached an agreement requiring hosts to secure permits—and for the home-sharing platform to begin collecting a lodging tax on short-term rentals in the province. This, effective in October. Similar legislation and agreements need to be created in B.C., perhaps by examining the regulatory frameworks being considered in San Francisco and Toronto.

The consequences of non-compliance on the part of home-sharing platforms or hosts should result in hefty fines, rather than on a lame, ineffectual bylaw-violation, complaint-driven process. Perfunctory warnings and/or a small bylaw infraction fee as is the case now don't cut it. If fines are set at a rate well above monthly earnings on Airbnb, (said to be \$350 by Airbnb), this will act as a deterrent for those who choose not to follow the licensing, registration, or zoning certification regulations.

The City also needs to take steps to hire a certified and independent third party to monitor STRs in Victoria. This is necessary, to hold home-sharing platforms accountable; to track the development in platform liability, and to discourage abuse of the privilege re operating a home-sharing platform. All license, registration fees and fines should be reinvested into an affordable housing fund to expand and/or upgrade such housing as the City needs.

Conclusion

The City must take steps to implement a housing policy and regulatory framework which aims to provide secure, accessible, affordable, and decent quality of housing for all citizens.

While the notion of 'home-sharing' is recognized, it should not be seen as a way to favour or provide entitlement exclusively to property-owners over non-property owners. The issue is

this: that the growing commercialization of housing in general, and commercialization of home-sharing in particular, pose an impediment to the objective: providing housing for all citizens.

Airbnb, like other peer-to-peer platforms, enables individuals, holding companies and corporations to use a 'home-sharing' platform to conduct commercial business. Such 'hotel-type' use is a practice that should not be confused with the notion of 'home-sharing.' Multiple-listing hosts supply tourists with zoned, planned accommodation built primarily for residential use. Because 12 tourist accommodation facilities in Victoria have closed over the past five years, these commercial STR hosts now compete with existing hoteliers to offer 'home-sharing' experiences in both downtown and in the neighbourhoods. They, in turn, compete with tenants who seek residential accommodation in the same areas.

The ideas presented for consideration in this paper reflect key matters that need to be discussed and deliberated upon by citizens and their elected representatives. The highlighted views would achieve the following:

Recognition of housing as a human right. Recognition that the principal function of a home is to provide shelter. Recognition that protecting the City's housing stock is necessary to meet the needs of families, students, workers, seniors, and citizens seeking special support.

- Discouragement of housing commercialization, particularly the need to curb commercialization of home-sharing i.e. discouraging property-owning hosts from offering the City's scarce housing stock to a travelling public.
- Removal of multi-listing hosts from short-term rental platforms such as Airbnb, VRBO and others. Curtailing the use of entire housing units as short-term rentals for more than 30 days. Providing an enforceable, workable and accountable regulatory framework and compliance mechanism.

If Airbnb is committed to making this City stronger and more affordable, as it states, then it's time for that organization to demonstrate—in Victoria—what concrete measures and commitments they're prepared to make in order to turn their words into reality.

City Hall needs the political will to be in the forefront of resolving our housing crisis—by doing their part to enact housing policy changes and a regulatory framework—which recognizes first and foremost, housing for all Victoria residents; and this, before extending the use of Victoria's homes to paid guests.

Submission by Victoria Adams, 18-year resident of Victoria, B.C., to the City of Victoria Public Hearing (21 September 2017), on the Proposed Short-Term Rental Bylaw.

Pamela Martin

Subject: FW: Email to Mayor and Council RE: Short term Vacation Rentals: Input to City Council Decision Making

From: DavidandKate Preston [REDACTED]
Sent: February 28, 2017 8:55 AM
To: Lisa Helps (Mayor) <mayor@victoria.ca>; Councillors <Councillors@victoria.ca>
Subject: Short term Vacation Rentals: Input to City Council Decision Making

Dear Mayor and Councillors

We are snowbirds from Ottawa. We own a furnished condominium in a 2-unit strata property outside the downtown core which we occupy for a minimum of 3 months a year over the winter. We make it available for occasional use by family at other times and for the rest of the year we lease it for vacation rentals through our property management company. Many of our clients are return guests who rent for 4-6 weeks at a time. We declare all income earned and pay taxes on it as well as paying Victoria property and property management taxes. We do not make money on the property as the rental income merely covers the costs.

We keep the apartment in excellent condition, as attested to by the feedback we have from our guests. We are active participants in the life of the community, including making charitable donations and patronizing local businesses and festivals. Our tenants frequent restaurants and theatres and buy groceries and other local products. In short we occupy a specific niche in the Victoria housing market, one we believe the city should encourage, not attempt to stifle the social and economic benefits of our presence and that of our guests.

Nothing would be gained by leaving our apartment unoccupied during our absence, nor would it have an impact, positive or negative, on the long-term rental housing situation in Victoria. Maintaining a vibrant, engaged community has positive economic benefits on all residents. We would be happy to provide additional information, if requested, to substantiate our claim that residents like us are active contributors to Victoria's economic, social and cultural life. Thus we believe that the city's housing regulations should be sufficiently nuanced to acknowledge Victoria's particular advantages in the BC housing market.

Respectfully yours

David and Kate Preston

Pamela Martin

From: Sam and Nate [REDACTED]
Sent: Monday, September 18, 2017 9:08 PM
To: Public Hearings
Subject: Amendment to the Zoning Regulation Bylaw

Hello,

My husband and I are part of the group of middle class families that will be impacted if Council changes the zoning bylaws in Victoria.

We both work full time, and over the years have been able to save up and now own two condominiums downtown. We had rented these long term, but found that we were just covering our mortgage/strata/bills.

Short Term Rentals have allowed us to make some additional income, to help us afford living in one of Canada's most expensive markets. But more importantly, these are long-term investments for us. I don't have a pension, and these two properties represent my retirement. To take this away from us would have significant impact on our family's future.

We understand the need to create more access to long-term rental units, but please think before you do it at the expense of other hard working Canadians.

Regards,

Samantha

Pamela Martin

From: Louise Wood [REDACTED]
Sent: Tuesday, September 19, 2017 10:22 AM
To: Public Hearings
Subject: Short Term Rentals- Victoria

Greetings Mayor and Council,

We are concerned about the removal of our option to have short term rentals in the summer.

We live in a non transient zone, have a suite in our house which we rent out to students September to April, and to others in the summer for terms from 2 to 12 weeks. This has helped us pay down our mortgage. We use Airb&b because the background reviews on prospective tenants (both long term and short) is more reliable than references, in our experience. We've lived in this house for 16 years, have excellent relations with our neighbours and are engaged in the community. This is not a business, but a way for us to manage our mortgage. We sincerely hope that you will allow single suites in owner-occupied houses to operate.

Sincerely,
Louise and Randy

Pamela Martin

From: Monica Babic [REDACTED]
Sent: Tuesday, September 19, 2017 4:11 PM
To: Public Hearings
Subject: Victoria Short Term Rentals

I was a landlord in Ontario for many years. Here too, I have a house with 2 apartments. As a landlord here in downtown Victoria, my experience has been dreadful. I used to rent both units to lower income people. However, that didn't work out well at all. I had complaints from my neighbours all the time. People lied about and snuck in undeclared children so that 4 people were living in a 1 bedroom apartment. Because of the high incidence of alcohol and drug addiction in this province getting good tenants is difficult indeed. Tenants had loud drinking and drug use parties, people spilling out into the streets, violence, suicide attempts, police calls, damage etc. As a consequence, I didn't rent to anyone for quite some time even though I couldn't afford that. I was afraid to.

Now, I share one apartment with 2 others. One tenant is working poor, the other is on government disability. It's always been important to me to give the less fortunate a leg up. I've had a few bad experiences since sharing. Two of those instances were a direct result of the ignorance of Landlord Tenant regulations by the Victoria Police Department. Currently, I am owed 1 months rent from the one on disability. Renting to the less fortunate is risky. That said, mostly it has been a fair experience. In order for me to continue to rent to the poor. I must rent the other unit for more than I had been.

I decided to give Short Term Rental a try for the self contained 1 bedroom apartment. It's works out extremely well. I operate a 4 - 5 star establishment. The people I get in are appreciative and respectful of the unit. There are no parties, police, or damage. Additionally, I generate more money which enables me to rent to those with limited low incomes.

If I didn't have Short Term Rentals I would not be able to keep my house period. Selling my house would displace 2 poorer people. I am on a limited income and would have to find a place to live in this very expensive city too. I would not be able to afford to buy another place in this city.

The bottom line is that Short Term Rentals saves me from mortgage default. It keeps the roof over the heads.3 City of Victoria residents. This city needs to generate a healthy downtown environment. Short Term Rentals bring stable people to this city. For me it's a win - win situation. Respectful occupants and money too. How can you beat that?

Sincerely,

Monica Babic
930 Green Street
Victoria BC

cell [REDACTED]

Barbara Rodwin
702-708 Burdett Ave
Victoria, BC
V8W 0A8

To The City of Victoria,

My name is Barbara Rodwin and my family decided to purchase a property, condo, in order to have a place to move to when we retire. We searched long and hard for this place and finally found one that suited our needs. We plan to move to Victoria when we retire and wanted to purchase our property early as we heard the property prices were going up in your fine city!

We have had to take a mortgage out on our property as we are still residing in our primary residence and not using the equity from this for the condo. We looked at the options of ensuring we are able to pay the mortgage, condo fees, taxes and maintenance on the property. In order to make sure that the finances are met we decided to go the route of a Short term rental property.

When we decided on this we were not aware of the City of Victoria's by-law change proposals.

I am uncertain the reasons we are not able to continue with a short term rental. The property was deemed as this, the strata corporation allows it, it is our residence and we should be able to make use of it as we wish as long as we are not doing harm or causing issues (which we are not).

The guests that come like the option of being able to have a kitchen, a balcony, a fully stocked condo and that they are close to all the amenities your city provides. These guests do bring tourism dollars to the City of Victoria and provide a much needed revenue for the city. The use of the short term rentals for people visiting Victoria allow for greater tourism.

I am certain when many of you on the board have travelled that you have stayed at one point in time a short term rental in cities abroad. I know I have as they are convenient, have kitchens, are the same as living in a small home while away and allow for feeling comfortable. No matter where you travel, be it Florida, California, other states, Europe, Asia, etc. Condo's are being rented out for use for travellers.

I appeal to this to ask that you do not change the current by-laws in our zone and allow this area to stay as a short term rental zone.