

# DELEGATION TO COUNCIL

**STRS – RESIDENTS TAKING ACTION**

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# Introduction

## **Are we a community or a commodity?**

- I have been coming to Stoney Lake for over 40 years and now call Stoney my primary residence
- Witnessed in the last 1.5 years alone, rapid expansion of real estate investment due to the creation of horizontal hotels that now in some cases make up the majority of a road/bay/shoreline
- This is not only inflating prices beyond the reach of many but at a pace that will have far reaching consequences for your constituency
- There is a hollowing out of neighborhoods taking place dominated by commercial interests and we are not zoned for such initiatives
- We ask: Are we a community or a commodity?

# Aggregate Ownership

## Digitization of Platforms

- Information technology platforms like Airbnb have enabled landlord automation and have facilitated commercialization of residential zones
- During the early rapid growth of these platforms, sharing economy companies started operations without regard to local laws on the basis that existing regulations had not envisioned the radical and disrupting new ideas they embodied
- But the tides slowly turned as the whizzy tech rhetoric wore off and it became clear that Uber was in fact a taxi company and Airbnb was in effect a hotel business
- The influence of the so-called ‘Airbnb effect’ on local housing markets has grown into a significant cause for concern, particularly when looking at its impacts on housing stock, prices and communities
- Forbes Magazine reports: “....*the costs to long term renters and local communities likely exceed the benefits to travellers and*

# Harm At Scale

## Platform Capitalism

- STRs are fueling over saturation and turning shoreline residential neighborhoods into hotel strips
- Our neighborhoods on Stoney Lake are being turned into increasingly contrived tourism destinations rather than places to live
- This kind of saturation and density of rental options is better suited for actual tourist areas with infrastructure, where regulation and planning principles can provide governance and oversight

# Density With A Cost

## Saturation Without Capacity

- The key area experiencing density around this issue are the shoreline residential properties, Stoney and Clear Lakes in particular offer up a proportionately larger stock of desirable properties because they are waterfront
- Research conducted by the Harvard Business Review found that: *Airbnb is having a detrimental impact on housing stock as it encourages landlords to move their properties out from the long-term rental and for-sale markets and into the short-term rental market*
- We end up with the gradual replacement of locals and true cottagers with the transfer of ownership to developers and entrepreneurs
- Short-term gain can undermine long-term sustainability
- A healthy housing market is the real bedrock of a healthy local economy
- So what are the options?

# Option 1

## Managing and Regulating a Hotel Industry

- Allow with regulation, licensing and oversight
- Sentences the township to liability, grief, costs, resource limitations, turmoil and an unhappy populous
- Issue will continue to expand (*don't forget Airbnb has an IPO to tend to*)
- Airbnb's strategic growth roadmap is on a path to more than 1 billion annual guests by 2028
- Naïve to think the township can manage and regulate a hotel industry
- Proven elsewhere this doesn't work
- Results in our tax dollars being used for council reacting on a continuum vs managing strategic and local municipal government mandates i.e. Fire and Emergency Services, Roads and Public Works, Parks and Recreation, Garbage and Recycling...things we pay tax dollars for
- Fundamentally, sanctions must be costlier than the benefits of misbehaviour – a high bar to reach when financial benefits of STRs are so high
- And what about data collection on the ongoing outcome of regulations should they be put in place? Planners and regulators need to consistently calibrate bylaws and work toward desired community outcome

# Option 2

## Ban It

- Denying it is decisive, sends a clear message that Douro Dummer is not open for business for STRs
- No new bylaws required simply focus on existing zoning – the principle that some land uses are better off away from other land uses is foundational to planning
- It stops the expansion, and current offenders can be dealt with so STRs decrease over time
- Communities stay intact, remain as shoreline residences
- A handful of people are making money while the community is being destroyed
- We have the benefit of all the research already completed around why Airbnb won't work, so why are we taking time to make a decision on what is already legally defined?

# “Don’t Force Pieces That Don’t Fit”

**Not a good  
fit for  
Council or  
the area**

- Ban it and focus on your strategic plan
- Put energy where your capacity as a council lies
- It’s ok that it’s not a fit for not only the council team to manage but for the area as well – we have specific needs and experiences in our small community
- STRs have social, political, regulatory and geographic contexts, inputs and outputs...it’s complex, do you really feel confident as a council that you understand the potential costs and this world of planning theory and practice?
- You are already living it, you are already fielding the calls the letters the complaints....you think that will get better?
- We are only 6709 people in the entire township, perhaps it’s just not a good fit to have this in our area for both sides
- And lastly, it doesn’t fit our environment or our culture within the township, alters the area’s atmosphere

## - IN SUMMARY -

The impacts of STRs are strongly felt in smaller and more rural communities, where there is less government and enforcement capacity, less leverage over sharing economy platforms, a smaller housing pool, and tight-knit communities. Research also indicates that the growth of STRs in Canada is higher in rural areas than in urban areas and also indicates that needs and regulatory regimes vary between communities. These STRs are owned and operated by people not even living in the community. Even living out of province. You must feel an urgency by this community...currently in violation of zoning ordinances. Our small community is poorly positioned to absorb this large shock of Airbnb density. A lack of neighbourliness is antithetical to what many rural communities understand as special and important to their community, which manifests in significant concern about STRs.

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THANK YOU  
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