

Push to keep short-term rentals in line

REGULATIONS: Lodging services such as Airbnb and VRBO face crackdown from landlords and neighbours

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THE PROVINCE

Online short-term lodging services like Airbnb and VRBO are growing fast in B.C. and some property owners are calling for a crackdown.

Currently, there are some 3,000 Airbnb hosts in Vancouver, according to the company.

With hosts operating without business licenses and against municipal bylaws, however, and strangers coming and going in private buildings, strata corporations, landlords and neighbours are proactively looking for ways to ban short-term rentals in their buildings.

David Hutniak, CEO of LandlordBC, said that in the past year a few dozen landlords have come forward with issues related to renters subletting their suites for short-term rentals.

"They're finding their tenants doing it on a regular basis," he said.

"In terms of the tenancy agreement that our members use, they're not permitted to sublet their apartment without any prior written consent."

Hutniak said LandlordBC is encouraging its members to watch out for such prohibited use of their properties.

Short-term rentals add administrative expenses and security risks for strata corporations, said Sean Ingraham, director of business development for FirstService Residential.

While "temporary renters can be pleasant and conscientious," increased visitor traffic "decreases the biggest security asset a strata corporation has which is neighbours knowing each other," Ingraham said.

FirstService has clients who have moved to ban short-term rentals, passed small move-in fees for furnished rentals or are waiting to see how the City regulates such rentals, but Ingraham said the best approach is they find solutions that benefit all owners in a building.

Jason Kurtz, vice-president of Stratawest Management, said the prohibition of short-term rentals has become a hot topic at strata council meetings lately.

"I think there's a perception that short-term rentals tend to add more wear and tear to the building, that there's more of a security concern with people who don't have a long-term commitment to the buildings," he said.

"Greater turnover means more administration in terms of tracking keys and FOBs and usage of the facilities, and then I think there's a big over-arching concern as to whether or not it's what's good for the community."

Kurtz said B.C.'s Strata Property Act gives strata corporations little pow-



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Renters obey the rules, says one host

A friendly neighbourhood Airbnb host, Kristy Todd, who works in banking, said in her experience, Airbnb guests cause less wear and tear on buildings and are more respectful of property than full-time tenants. Before listing her property on the site, she advised neighbours of her plan.

She posts Airbnb-recommended "house rules" to ensure visitors observe the building's smoking rules, keep noise down and respect her

neighbours.

Todd hasn't had a single complaint, she said, and one immigrant couple who stayed ended up becoming close friends with her neighbours and moving into the building.

"I've been pretty lucky, I'm in a really friendly building," she said.

"They haven't pushed back on Airbnb. There are definitely people in our building that don't like it, but it hasn't been put into the bylaws yet."

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er beyond fines to prevent the operation of short-term rentals.

Vancouver doesn't appear to be enforcing a municipal bylaw prohibiting such rentals, either, he added.

Zoning bylaw 10.21.6 states "No

person shall use or permit to be used any dwelling unit for a period of less than one month unless such unit forms part of a hotel or is used for bed and breakfast accommodation."

Facts about Airbnb

■ An online community marketplace that allows users to book short-term rentals in hosts' private homes, vacation properties and condos.

■ A privately-owned company raising funds for a \$20-billion valuation, according to a recent TechCrunch report.

■ Founded in San Francisco in 2008 by Brian Chesky, Nathan Blecharczyk and Joe Gebbia, who were recently added to Forbes' Billionaires List.

■ More than a million listings in more than 35,000 cities, with more than 30 million nights booked.

■ Hosts and users are protected by its internal payment and review systems and a \$1-million "Host Guarantee."

■ About 3,000 listings each in Vancouver, Toronto and Montreal.

■ B.C. prices range from \$20 per night for a cosy hostel-style room in Nanaimo to \$10,000 per night for a luxury yacht moored in Coal Harbour.

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term rentals.

Otherwise, she said, if a short-term rental host faces strata fines but continues to operate, the strata corporation could end up in court seeking a costly legal injunction.

Hosts need to ensure their insurance policies cover short-term rentals, too, Franco said.

James Brander, an economist with UBC's Sauder School of Business, said for short-term rentals to be viable, strata corporations need to address how costs potentially incurred by hosts and users — such as security upgrades, theft and damage — affect the building as a whole.

"From an economic point of view, it's really one of cost-shifting and having the people who are imposing the costs actually fully bear those costs," he said.

"That would go a long way toward resolving the issue."

Brander added that cities need regulatory standards and the ability to enforce them.

Airbnb is collaborating with some cities working to regulate the short-term rental business, such as Portland, which last summer legalized Airbnb rentals and began issuing \$180 permits and conducting safety inspections of suites.

Victoria is also looking to partner up with the company and is considering taxing short-term rentals, according to a council memo from last October.

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