

From: Louis

Sent: Monday, February 26, 2024 5:29 PM

To: Office of Ward 3 City Councillor Nrinder Nann <ward3@hamilton.ca>

Cc: McGillivray, Alex <Alex.McGillivray@hamilton.ca>; Kelsey, Lisa <Lisa.Kelsey@hamilton.ca>; Bates, Tamara <Tamara.Bates@hamilton.ca>

Subject: Request the City to reconsider the STR's licensing program's requirements

Hamilton City, Feb 26, 2024

To the Attention of Ms Nrinder Nam, Councillor of Ward 3, Hamilton City

Re: Request to reconsider the STR's licensing program's requirements from Hamilton City

My name is Louis Nguyen, a retired man living in Ward 3, Hamilton City

I have no income, thus in order to pay the mortgage and other house maintenance expense, I have my basement unit rent out in long term basis to a retired couple, and 3 bedrooms in the main floors for Airbnb in my principal house.

Nearly all of my Airbnb guests are visitors / international students from other provinces or countries coming to Hamilton to visit or to look for working / investing opportunities. They are totally satisfied staying with us because of affordable price and conveniences we offer, and nearly all of them gave me 5-star review which helped me become a super host of Airbnb even though we have nothing but bedrooms with a shared bathroom and no kitchen.

I totally agree with the Hamilton City 's program to manage the STR and did my best to comply with licensing procedure to get the license though it costs a lot of efforts and money to complete. However, my application is rejected because I could not comply with the insurance requirement as per the City by-law 07 -170, schedule 32 which requires (1) Host Liability or Commercial General Liability coverage of 1M per occurrence for personal injury, bodily injury, death and damage to property and (2) A provision that the City will be notified with no less than 30 days written notice of any cancelation"

I would like you to consider this requirement again because I found this totally impractical because of following reasons:

1. While Airbnb offers their hosts with the Aircover policy covering host liability (please find the copy of the policy attached) which covers exactly the same coverage, I do not understand why the requirement asks us to supply again a host liability coverage? It does not make any sense but a waste of resource because in case of need, only one policy is totally enough to cover the host liability. And you may also know that the Aircover policy from Airbnb is in fact not free, because they (Airbnb) pay it from the budget extracted from our contribution through the Airbnb fees we pay to the platform for each booking.

Besides, nearly no insurance company offers us the host liability coverage. Some of them do offer the Commercial General Liability (CGL) with a very high premium, averagely from \$6,000 - \$7,000 per year, nearly all of our annual net income from our STR business. But I think it is not adequate to consider our very small business commercial with total income under \$30,000 per year.

2. The insurance company also refuses to add a provision to notice Airbnb any cancelation within 30 days. According to their policy, such a notice is given to the one who share a "insurable interest" in the premise like the mortgagee / the lender only. This requirement is totally impractical.

We know that the City wants to restrict the STR to encourage house owners to covert their rental premises to long term ones; However, not all of us can do so. In my case for example, I could share only 3 bedrooms in my own house for STR and can never covert them to long term rental because it is not a complete unit (without kitchen nor laundry).

Please kindly consider also our contribution to the City, not only in our tax paying every year from this STR but also our addition to the City affordable accommodation which is now in crisis, attracting visitors to Hamilton contributing to the development of the City's economy.

All of these contributions will not be done if we cannot have the STR license; worse still, we could face a possibility of becoming homeless, adding a burden to the City because we cannot afford the mortgage payment without doing this business

In short, writing this letter, we would like to ask you as our representative to have a voice to the City to consider again the bylaw which is not practical at all.

At least, we request the City to treat our case as a particular one, giving priority to very small business owners offered by seniors like us who have limited income to have a more flexible and favorable requirements to do the STR business.

Thank you very much for your kind assistance. We wish you all the best to continue supporting us, the residents of Ward 3, Hamilton City.

Looking forward to hear from you soon. Please do not hesitate to contact me if you need further information of my case

Sincerely Yours,

Louis Nguyen

P/s: FYI- By the time I am about to send this letter, I receive another notice from the licensing department asking me to increase the insurance coverage to 2M instead of 1M as previously stated. And again, they insist in asking for a provision in the policy to notice the City in case of any cancelation, which is denied by all the insurance companies in the market because it is impractical and against their policy.