



TOWN OF CANMORE
RECORD OF WRITTEN SUBMISSIONS
Public Hearing

Council Chamber at the Canmore Civic Centre, 902 – 7 Avenue
Tuesday, December 3, 2023 at 9:00 a.m.

This document contains the written submissions received in response to the notice of public hearing for the following bylaw:

Revised Land Use Bylaw Amendment 2024-30 – Tourist Home Conversions

Submissions are sorted in alphabetical order. If you are viewing the electronic version, please use the bookmarks feature to scroll through the document.

This record of written submissions was compiled by Ben Stiver, Municipal Clerk, on December 2, 2024.

Written Submission to Canmore Council on the Revised Land Use Bylaw Amendment 2024-30 - Tourist Home Conversions

Submitted by: Dr. E. A. Auksi
November 28, 2024

I am opposed to the Revised Land Use Bylaw Amendment 2024-30 - Tourist Home Conversions.

It is my understanding that the goal of the Liveability Committee and of Town Council itself was to find ways to encourage an increase in the number of residential units that are available for people who work and/or live in Canmore.

We bought our tourist home condo unit in 2013 and rented it out long-term until 2016 when we retired and moved here. In 2013, the trend was buying tourist homes to live in. By 2016 that trend had flipped to buying them as investment opportunities. This trend has continued.

Tourist homes in Canmore are very desirable - they sell quickly and at a premium. Rough calculations of tourist home value and the corresponding residential home value shows a 15-20% difference in selling price.

I agree with Council's decision to eliminate tourist homes as an allowed use. I do not agree with the proposed plan for existing tourist homes or the process that has been used to implement this plan.

It should be noted that the tourist home category is a residential category - just more flexible than most residential categories. When Council was considering adding the tourist home category, they were under the impression that tourist homes would be primarily owner lived in and that they would be rented out short-term when owners were away. Interestingly, the advertising materials for prospective owners leaned heavily on the idea that you could rent your unit out short-term and make a considerable income. I question how that Council could be so unaware of happenings in their community.

That brings us back to today. According to Mr. Brunnen's presentation, there were 685 tourist homes in 2022. Future tourist homes, in approved ASP's, will add approximately another 940-1340 tourist homes to the existing supply. I don't have data for 2023, but I think we can safely estimate that in total there will be less than 2500 tourist homes in Canmore. This assumes that this bylaw is passed and the tourist home designation is removed as an option for future development. Of these 2500 tourist homes, approximately 84 of these homes are owner occupied. This is based on 0.6% of 14005 total housing units in 2022 - information that Mr. Brunnen presented at the January 9, 2024 Regular Council Meeting.

In fact, I'm sure that the real number of owner-occupied homes is less than 84 now as I know of two owner-occupied units in my complex that sold in 2024 and at least one in 2023 that are now being used for short-term rentals.

That brings us to the proposed plan. As an owner who lives here full-time, I have two options. The first is to leave my home as a tourist home and pay the higher commercial tax. The second is to lose the flexibility of my tourist home and remove the tourist home designation allowing me to pay the considerably lower residential tax. Let's explore those options:

If I make my unit residential, the property value of my unit will decrease. In conversations with town councillors I have been told that property values can't be predicted and that isn't for sure. However, in last week's Town Hall, Mr. Krausert said that property values were expected to decrease to that of other residential properties of the same size. It is estimated that it will take approximately 20 years before I will have paid more tax than the expected depreciation of my home. As well, because my unit is in a condominium complex that is now primarily being used for short-term rentals, my unit may not sell for a long period of time.

An additional question is how the town will determine the value of my property. Will it be based on units around me that have sold - those will be tourist homes with values considerably higher than mine?

If I keep my unit as a tourist home, I retain my property value but pay approximately 300% more in taxes and future owners of my unit will have the flexibility to use the unit as they wish to. In my case, it means my daughters could decide to keep the unit by using it as a tourist home - renting it out when they weren't using it. If I make it residential, they will not be able to afford to keep it - they could rent it out long-term but this makes it difficult for them to use it - and difficult to even break even. When we rented our unit out between 2013 and 2016, the rental income did not cover our costs until we had paid off the mortgage.

By implementing this change, have we increased the number of residential units available? Even Mr. Brunnen thinks that there won't be much uptake for the change from tourist home to residential. In other words, this will not significantly increase the number of strictly residential units. On the assumption that he is correct, and I think he is, based on conversations I've had with other resident owners, this simply looks like a tax grab with little impact on the number of residential units. Although there are small numbers of these units, it is still an estimated \$4-500,000 in the town coffers.

Would it not have been simpler to simply eliminate the tourist home category as an option for future development not already in the pipes? If that were the case, owners who live in tourist home units could fill out the same form that every resident owner in Canmore now has to fill out to prove their residency status and therefore have the residential tax rate. This would also eliminate the discrepancy of resale value and ability between tourist home and strictly residential units in the same complex. This option also would not make much of a difference in the number of residential units available.

Another option would have been to simply say that when an existing tourist home sells (one that is already registered at Land Titles) that the next time it changes hands, it becomes a strictly residential unit. This would have levelled the playing field - all tourist home units would depreciate to the strictly residential value and we would significantly increase, over time, the number of residential units in Canmore. I have been told that this option is not viable due to litigation concerns.

I am gravely concerned that not all options were adequately explored before decisions were made. When I look at the make-up of the Liveability Task Force, I do not see representation of ordinary residents in Canmore but instead business people including many who work in the tourism and real estate industries. Three town councillors should have been able to represent their constituents but there is no evidence that they took into account any of the points that have been raised by myself and others.

I also feel strongly that changes could be made to how the Planning Department approves or denies development permits. I have been told by an employee of the Planning Department and confirmed by a town councillor, that if an application is made for an allowed use, it is always approved and if it is a discretionary use, then it is almost always approved - that there needs to

be a very good reason why it can't be. When I walk around town, for a number of reasons, I shake my head at the development permits that are issued.

In areas with older single family dwellings on large lots, often those dwellings are rentals that are housing Canmore workers. When the dwelling and land is sold, multi-family dwellings are approved and built. As we all know, most, if not all, of the displaced tenants cannot afford to buy one of the new units. There isn't much that can be done for this situation except to hope that the new units go to Canmore residents rather than weekenders.

But, I feel strongly that Council could have acted way more proactively in finding ways to improve liveability with respect to accommodation. As a first step, the Planning Department could be given direction to not approve tourist homes or vacation homes as a discretionary use.

Secondly, Council could revise the Land Use Bylaw so that what happened on 10th Street can't happen. An apartment building and I believe the house next door were bought by a developer and a development permit for a vacation property was approved. It was an older apartment building so I expect the rent was more affordable than newer places. Again, where do the renters go?

I would like to touch on the subject of business licenses for tourist homes. It is my understanding that Council has just approved a motion that says that all tourist homes must have a business license. The assumption is that if the tourist home isn't changed to residential then it must be being used for short-term rentals. I hope you see that there are reasons why an owner may choose to keep their unit as a tourist home even though it is owner occupied or rented out long-term. Why do these owners need a business license? This appears to me, again, to be a situation where Council does not know their constituents.

As my last point, I question also the entire process of informing the public and involving the public in the decision-making process. Let's be honest - there is nothing that I can say or do at this point in time that is going to change anything. Letters have been sent for both the Tourist Home change to residential and for the Liveability Tax, there are ads in the Rocky Mountain Outlook saying that the programs are live. It's a done deal. And, yet, public consultation hasn't happened until now - we, the public, have not been involved in the decision-making process.

I will admit that I am currently quite disheartened with the governance of the town. It appears to me that the town is making it harder for people who live here, not easier.

I am opposed to the Revised Land Use Bylaw Amendment 2024-30 - Tourist Home Conversion as it does not meet the goals of the Liveability Task Force and Town Council.

Thank you for taking the time to read this submission.

November 28, 2024

TO: The Municipal Clerk of the Town of Canmore and Canmore Town Council

FROM: Monica Bast


RE: Revised Land Use Bylaw Amendment 2024-30 – Tourist Home Conversions

Dear Madam/Sir and Town Council:

I am providing this input in opposition to the recent above noted revision to the Land Use Bylaw.

I have owned a vacation property/second home in Canmore since March 2020. Until my retirement in 2022, I was employed in the larger city where my primary residence is located and therefore my husband and I were only able to make use of my Canmore home on weekends and holidays. That being said, I spent almost every weekend in Canmore over those 22 years. For 24 years I have paid assessed taxes which supported the Town's infrastructure and schools, all the while never once using any of Canmore's many schools or municipal services which my taxes supported, including but not limited to the Recreation Centre, the curling rink, and Elevation Place. My husband and I supported local businesses including bike shops, recreational equipment retailers, restaurants, veterinarians, retail stores, legal service providers, independent grocers, breweries and hairdressers, particularly during COVID. We have regularly supported the community of Canmore for 24 years. We are NOT TOURISTS and are not only disappointed by that designation but offended by it.

I own in a subdivision that does not permit rentals of less than 30 days and I have abided by that rule because I never intended my home to be used by anyone other than myself and my husband. We are taking advantage of our new retirement status and engaging in travel that we were unable to undertake earlier in our lives because of the great demands of our employment. If we decided to try and meet the new residency requirement, then we would be forced to abandon the retirement plans that we have been working on for over 24 years.

Up until now we have always voted in the city where we were employed and the new revision to the Land Use Bylaw will ensure that we will never have a say in who is elected to Council in Canmore. This is the epitome of taxation without representation.

This revision has the potential to create tension between neighbors, encourage neighbors to spy on each other, and negatively impact local business. If I am going to be arbitrarily taxed at a higher rate because I have the luxury of owning a vacation/second home in Canmore, it seems to me it will be more cost effective for me to stop supporting local Canmore businesses and service providers, and instead use my significant consumer dollars elsewhere where the cost of goods and services is significantly less. And I am not alone. Many of my friends and acquaintances who find themselves in this same position are thinking along the same lines.

Canmore has grown into the Town it is today due in large part to second home owners like myself, who paid taxes with no expectation of much in return and who supported local businesses in the spirit of community. This revision to the Land Use Bylaw appears to be a tax grab from those who have no say and it is frankly a slap in the face to those vacation/second home owners who helped Canmore build

itself into the community it is today. Just because I am fortunate enough to be able to own two houses doesn't mean I should arbitrarily be required to pay higher taxes, particularly since I never rent my property out as a tourist home and only make personal use of it. My taxes in Canmore are already significantly more than in the much larger city where my other home is located.

The affordable housing crisis in Canmore will not be assisted if I decide to sell and leave Canmore. The appraised value of my home makes it the opposite of "affordable" and an unlikely investment property. Nor was the affordable housing issue improved by the requirement for secondary suites in new builds in my neighborhood, because less than 50% of those new secondary suites are rented out and the rest remain vacant at the option of the owner.

Even if the new revision to the Land Use Bylaw was just shortsighted and not actually intended to be a blatant tax grab from those without a say, that doesn't mean it isn't the unintended actual result. If, on the other hand, the real intention of the new revision was to chase vacation/second home property owners out of Canmore, then perhaps the Town will get its wish -- but that will come at a cost and will not address the affordable housing crisis that actual proper planning over the years could have avoided.