MEMORANDUM

Date: 22 October 2014

To: Mayor Hales
   Commissioner Fritz
   Commissioner Fish
   Commissioner Novick
   Commissioner Saltzman

From: Southeast Uplift Board of Directors

Subject: Regulatory changes legitimizing short term room rentals in residential neighborhoods

The Board of Directors of Southeast Uplift (SEUL) wishes to express our concern about the process used by the City in adopting regulations legitimizing short term room rentals in residential neighborhoods.

The use of the RICAP process, which was intended to be a process for minor technical changes to the planning code, did not provide the level of outreach and public input that such a major policy change warranted. SEUL and several individual neighborhood associations understood the significant impact the short term room rental proposal could have on the City’s residential neighborhoods and requested that the Council remove this controversial item from the RICAP process. SEUL, and individual neighborhood associations, also urged the Council to direct the Bureau of Planning and Sustainability to enter into the more robust public involvement process that a major policy change warranted. Unfortunately the Council chose instead to move ahead with this expedited process and make “Type A” short term rentals a “right” which effectively ends any opportunity for neighbors to seek reasonable standards on how these businesses operate.

The result of this expedited process is a set of regulations that favor those who would benefit from the commercialization of our neighborhoods while providing no recourse to those immediate neighbors who may be negatively affected by this commercial activity.

Within our twenty neighborhood footprint we see 488 residences offered for rent. Some are consistent with the existing rules; many are not. Our coalition has received only nine applications for licenses. We find this worrisome.

Since the Council chose to open the market to short term rentals there are a number of steps we believe should be taken immediately:

1. Adequately fund a vigorous monitoring and enforcement process to ensure those offering short term rentals are acquiring the required short term rental permits, business licenses and paying the lodging taxes due.

2. Require the bureau responsible for monitoring and enforcement to report at least annually on the approximate number of short term rentals advertised on publicly available sources such as VRBO,
AirBnB, etc. and the actual number of short term rental units permitted by the Bureau of Development Services.

(3.) Require the bureau responsible for monitoring and enforcement to report at least annually on the number of enforcement actions pursued and the number resolved.

(4.) To assist in determining if short term rentals are creating a problem in the neighborhoods require a centralized log be established where all complaints to any City bureau regarding short term rentals are recorded and annually report this information to the Council.

(5.) The City should develop codified sanctions to be applied when short term rental operators aren’t in compliance with City regulations.

An effective enforcement program will help ensure short term rentals are offered by responsible persons. Hopefully those who comply with the City regulations will also act responsibly towards their neighbors, thereby minimizing potential negative neighborhood impacts.

We hope you will consider this letter as constructive feedback and these suggestions as positive ones intended to strengthen the program.

On behalf of the Southeast Uplift Board of Directors,

Robert McCullough
President