

From: [Carole Smith](#)
To: [citycouncil](#)
Subject: [EXTERNAL]Objection
Date: Friday, November 21, 2025 12:45:48 PM

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I object to the public hearing being held without proper notice to all short term rental owners who will be affected by being included in the Tourism Promotion Area, and I object to the tax.

From: [Dan Atchison](#)
To: carole@smithkittleson.com
Cc: [Josh Eggleston](#); [CityRecorder](#)
Subject: FW: [EXTERNAL]Hearing notice
Date: Friday, November 21, 2025 4:05:14 PM

Ms. Smith:

The City received your emails and they will be provided to council as part of the record in the matter and your objection will be tallied as part of the remonstrance for the TPA. Yes, the code does require notice to all operators. The City has taken steps to notify all known operators, including unregistered ones, and I regret that you did not receive a mailing from the City. However, a failure to identify and notice all potential operators doesn't invalidate the hearing or the final tally on the remonstrance. Staff's recommendation will be to conduct the hearing and close the remonstrance period at the end of the hearing. Council will make the decision on whether to do either. A supplemental staff report will be provided to city council in response to your request to postpone the hearing and the remonstrance period. Once it is published (most likely on Monday) it will be available on the city's webpage, here: <https://salem.legistar.com/DepartmentDetail.aspx?ID=32828&GUID=FDD68669-A0E9-4CAE-8936-1DF754C5A1BE>.

Dan Atchison
City of Salem, City Attorney
503-588-6003
datchison@cityofsalem.net
www.cityofsalem.net

The City of Salem Legal Department is temporarily relocating to accommodate seismic improvements to the Salem Civic Center. Public in-person visits to the Legal Department are not available at this time. You may contact the Legal Department at Legal@cityofsalem.net or 503-588-6003. Our mailing address is: PO Box 14300, Salem, OR 97309.

-----Original Message-----

From: Amy Johnson <AJohnson@cityofsalem.net>
Sent: Friday, November 21, 2025 3:41 PM
To: Dan Atchison <DATCHISON@cityofsalem.net>
Cc: Josh Eggleston <JEggleson@cityofsalem.net>
Subject: FW: [EXTERNAL]Hearing notice

-----Original Message-----

From: Carole Smith <carole@smithkittleson.com>
Sent: Friday, November 21, 2025 3:15 PM
To: Amy Johnson <AJohnson@cityofsalem.net>
Subject: [EXTERNAL]Hearing notice

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Amy,

I sent an email to City Council last night regarding the public hearing and vote to add short term rentals to the Salem Promotional Area tax.

We were never notified about this hearing or tax. Doesn't the city ordinance require a 30 day notice to all affected parties and let them know they get to vote?

Looking forward to your response,

Carole Smith

Rachael Gangelhoff

From: Emily Drew <emmadru@gmail.com>
Sent: Monday, November 17, 2025 9:50 AM
To: Finance
Cc: CityRecorder
Subject: [EXTERNAL]Objection to the continuation of the TPA and ASTR inclusion

CAUTION! This email came from outside the City of Salem. Do not click links or open attachments unless you recognize the sender. For guidance on identifying legitimate senders/emails, please review the IT Intranet Cyber Security Page.

Dear City of Salem,

I am writing to express my objection to the continuation of TPA in Salem, as an operator of a ASTR.

Ordinance 4-25, which will make ASTR's subject to the TPA presents a hardship on my very small business of renting out a room in my home through short term stays. 95% of the guests who stay in my home are not in Salem for Salem ... they are not partaking in ANY type of tourism. They are here as a stop on their larger trip, or to visit family or spare themselves a commute for work. My ASTR is a practical place to sleep overnight, not a space for people coming to Salem to enjoy what the city has to offer.

I object to ASTR's being included in this ordinance.

Emily Drew

Rachael Gangelhoff

From: Brandon Fahlman <bfahlman@gmail.com>
Sent: Wednesday, October 22, 2025 10:46 AM
To: Finance
Cc: CityRecorder
Subject: Salem TPA Public Hearing
Attachments: Salem TPA Public Hearing Letter.pdf

Please see attached. Please acknowledge receipt.

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Brandon Fahlman
P (503) 930-2786
E bfahlman@gmail.com

DISCLAIMER:

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Brandon Fahlman

295 Patterson St NW
Salem, OR 97304
(503) 930-2786
bfahlman@gmail.com

22nd October 2025

Salem City Council

% Finance Department
555 Liberty St SE, Room 230
Salem, OR 97301

Dear Councilors,

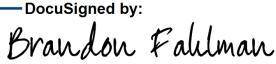
I, Brandon Fahlman, object to the continuation of the Salem Tourism Promotion Area.

Current Units Operated in Salem:

- (1) 1012 3rd St NW, Salem, OR 97304 (License 25 101068 00 MF)
- (2) 795 Church St SE, Salem, OR 97301 (License 25 100514 00 MF)
- (3) 1780 Winter St NE, Condo 101, Salem, OR 97301 (License 25 110781 00 MF)
- (4) 1780 Winter St NE, Condo 102, Salem, OR 97301 (License 25 110788 00 MF)
- (5) 1780 Winter St NE, Condo 103, Salem, OR 97301 (License 25 110792 00 MF)
- (6) 1780 Winter St NE, Condo 202, Salem, OR 97301 (License 25 110799 00 MF)

I cast my 6 votes in objection against the continuation of the Salem Tourism Promotion Area, evidenced by the above units.

Sincerely,

DocuSigned by:

493611CA627D45C...

10/22/2025 | 10:43 AM PDT

Brandon Fahlman

Rachael Gangelhoff

From: Leigha Gaynair <leigaynair@gmail.com>
Sent: Wednesday, November 12, 2025 10:19 AM
To: Finance
Cc: CityRecorder; paultigan@gmail.com
Subject: [EXTERNAL]Formal Written Objection TPA_For hearing November 24, 2025
Attachments: WrittenObjection_Hearing_STPA_Submitted_11.12.25.docx

CAUTION! This email came from outside the City of Salem. Do not click links or open attachments unless you recognize the sender. For guidance on identifying legitimate senders/emails, please review the IT Intranet Cyber Security Page.

Subject: Written Objection to STPA Continuation - Public Hearing November 24, 2025

Dear Salem City Finance Department,

I am writing to formally submit my written objection to the continuation of the Salem Tourism Promotion Area (STPA) as it applies to Short-Term Rental (STR) and Accessory Short-Term Rental (ASTR) operators under Ordinance 4-25, as outlined in the public hearing notice.

Public Hearing Details:

- Date: November 24, 2025
- Subject: STPA Continuation and STR/ASTR Registration under Ordinance 4-25

My Information:

- Name: Leigh Gaynair
- Property Address: 1915 Maple Ave NE, Salem, OR 97301
- ASTR License Number: 26101074
- Property Type: Accessory Short-Term Rental (Primary Residence)

Objection Summary:

As a Salem homeowner and property taxpayer operating an ASTR from my own primary residence, I strongly object to the STPA continuation for the following reasons:

1. **Discriminatory taxation** - STR/ASTR operators are the only home-based businesses subjected to commercial industry taxation
2. **We are homeowners, not hotels** - I already pay \$186 annual licensing fees plus full residential property taxes
3. **Excessive cumulative burden** - 12.5% total lodging taxes plus licensing fees, insurance, and property taxes
4. **Taxation without representation** - STPA is controlled by hoteliers with no STR/ASTR representation
5. **No demonstrated benefit** - STPA marketing serves hotels, not residential home rentals

6. **Platform tax collection** - Airbnb/VRBO already collect and remit TOT efficiently
7. **Retroactive policy reversal** - 2019 STPA explicitly exempted STRs/ASTRs
8. **Competitive disadvantage** - Salem's 11% local lodging tax drives guests to neighboring jurisdictions

Requested Action:

I respectfully request that the City Council:

- Reject the STPA continuation as it applies to STR and ASTR operators
- Restore the original 2019 exemption for home-based rentals
- Recognize that homeowners should not be treated as commercial hotels

Attached Documents:

Please find attached my complete formal written objection with detailed arguments and supporting information. I request that this objection be entered into the official record of the November 24, 2025 public hearing and distributed to all City Council members for their consideration.

Please confirm receipt of this objection and provide any additional information regarding:

- The public hearing format and procedures
- How to register for remote testimony if applicable
- Timeline for City Council consideration and decision

Thank you for your attention to this matter. I appreciate the opportunity to provide input on this important policy decision affecting Salem homeowners and small business operators.

Respectfully,

Leigh Gaynair

Attachment: Formal Written Objection to STPA Continuation (full document)

WRITTEN OBJECTION TO CONTINUATION OF SALEM TOURISM PROMOTION AREA (STPA)

Re: Public Hearing on November 24, 2025 - Ordinance 4-25 and STPA Continuation

To: Salem City Council

Date: November 12, 2025

From: Leigh Gaynair, Registered ASTR Operator

Property Address: 1915 Maple Ave, NE Salem, OR 97301

ASTR License Number: 26101074

FORMAL OBJECTION TO STPA CONTINUATION

I am writing as a registered operator of an Accessory Short-Term Rental (ASTR) in Salem, Oregon—my own primary residence—to formally object to the continuation of the Salem Tourism Promotion Area (STPA) and the implementation of Ordinance 4-25, which designates STR and ASTR operators as responsible parties under the STPA assessment.

BACKGROUND CONCERNS:

When the STPA was originally approved by City Council in December 2019, short-term rentals were explicitly excluded from the 2% assessment. The STPA established an additional 2% fee on top of the 9% Transient Occupancy Tax (TOT) as defined in SRC Chapter 37. Ordinance 4-25 now reverses this exclusion, requiring STR and ASTR operators to collect and remit STPA fees beginning in 2026. This represents discriminatory taxation of home-based businesses and a fundamental change to the economic framework under which many of us made the decision to enter the legal short-term rental market.

GROUNDS FOR OBJECTION:

1. DISCRIMINATORY TAXATION OF HOME-BASED "SHARING ECONOMY" BUSINESSES

STRs and ASTRs are **home-based businesses**, yet we are the **only** home-based or "sharing economy" businesses being subjected to this commercial lodging tax. The City does not impose similar taxation on other home-based businesses operating in Salem, including:

- **Home bakeries** - Not subject to restaurant taxes or special food service assessments
- **Home-based childcare** - Not subject to commercial daycare facility taxes
- **Home-based resale clothing/goods businesses** - Not subject to retail business assessments
- **Home offices** for consultants, freelancers, contractors - Not subject to commercial office taxes
- **Other sharing economy businesses** - Not subject to industry-specific assessments

Why are STR/ASTR operators being singled out for taxation that mirrors commercial hotel/motel operations when we are residential property owners operating small home-based businesses?

This constitutes **selective and discriminatory taxation** that unfairly targets one specific category of home-based business while exempting all others.

2. WE ARE NOT HOTELS - WE ARE HOMEOWNERS

There is a fundamental difference between:

Hotels/Motels:

- Commercial properties zoned for lodging business
- Corporate or business entities
- Properties that exist solely to generate lodging revenue
- Businesses with employees, commercial insurance, and business infrastructure
- Properties exempt from residential property taxation

STR/ASTR Operators:

- **Residential properties** - our homes
- Individual homeowners or residents
- **I am renting space in my own primary residence (ASTR)**
- Properties that serve as our primary residences
- **We pay full residential property taxes** on these properties
- Small-scale operations, typically sharing our own homes or managing 1-2 properties
- No employees or commercial business structure
- Sharing our homes to supplement income, pay mortgages, cover property taxes

We already pay property taxes as homeowners. We should not be treated as large commercial lodging businesses simply because we occasionally rent out rooms in our own homes or share our properties.

3. DOUBLE TAXATION: PROPERTY TAX + COMMERCIAL LODGING ASSESSMENTS

Unlike hotels, which are commercial properties, STR/ASTR operators face **double taxation**:

- **Property taxes** on our residential properties (assessed and paid annually like any other Salem homeowner)
- **TOT (9%)** on rental income
- **State Transient Lodging Tax (1.5%)** on rental income
- **Now STPA (2%)** - an additional commercial lodging assessment

Hotels are commercial properties with commercial tax treatment. We are **residential property owners already contributing to Salem's tax base through property taxes**. Adding commercial lodging assessments creates an unfair double burden that doesn't exist for other home-based businesses.

4. EXCESSIVE CUMULATIVE TAX AND REGULATORY BURDEN ON HOME-BASED BUSINESS

STR and ASTR operators will now face a **total lodging tax rate of 12.5%**:

- **9% Transient Occupancy Tax (TOT) per SRC Chapter 37**
- **2% STPA fee (under Ordinance 4-25)**
- **1.5% State Transient Lodging Tax**

Plus significant ongoing costs:

- **\$186 annual ASTR license renewal fee** (for primary residence)
- **Stand-alone STR properties pay even higher licensing and renewal fees**
- Mandatory liability insurance premiums
- **Property taxes on our homes**

No other home-based business in Salem faces this level of taxation and regulatory burden. A home baker doesn't pay \$186+ annual fees plus restaurant taxes. A home daycare doesn't pay commercial childcare facility assessments on top of hundreds of dollars in licensing fees. A home-based resale business doesn't pay retail business taxes plus nearly \$200 in annual fees.

The 2% STPA represents a **22% increase** in local tax burden (on top of existing 9% TOT), making Salem one of the most expensive jurisdictions in Oregon for home-based short-term rentals.

5. PLATFORMS ALREADY COLLECT AND REMIT ON OUR BEHALF

Host sites like **Airbnb, VRBO, and other booking platforms already collect and remit TOT and other taxes directly to the City of Salem on behalf of operators** as part of their service fees. This means:

- The City receives tax revenue automatically without operator involvement
- Collection and compliance are already streamlined and efficient
- Adding STPA creates **redundant administrative burden** for both operators and the City
- The current system already works effectively for tax collection

Forcing individual home-based operators to separately track, collect, and remit an additional 2% STPA fee:

- Creates unnecessary administrative complexity

- Duplicates systems already functioning through platforms
- Disproportionately burdens operators who don't use platform services
- Increases compliance costs and risk for small home-based businesses
- Is especially burdensome for ASTR operators who are simply sharing rooms in their own primary residences

6. TAXATION WITHOUT REPRESENTATION

The STPA was created by and for the **commercial hotel/motel industry** through the Salem Area Lodging Association (SALA). Critical concerns:

- **No STR/ASTR input in STPA design** - Home-based operators were excluded from planning
- **No representation in fund governance** - STPA revenues are controlled by hoteliers
- **Fundamentally different businesses** - We are homeowners, not commercial lodging facilities
- **Direct conflict of interest** - Hotels compete with us for guests, yet control our mandatory contributions

We are being forced to fund a marketing organization controlled by **commercial competitors** with no voice in how those funds benefit home-based rentals.

As an ASTR operator sharing space in my own primary residence, I have nothing in common with a commercial hotel operation. Yet I'm being taxed as if I do.

7. NO DEMONSTRATED BENEFIT TO HOME-BASED RENTALS

Travel Salem's STPA-funded marketing primarily promotes:

- Hotel room nights and downtown hotel district
- Convention and group bookings at commercial facilities
- Business traveler accommodations
- Large event lodging at hotels

There is zero evidence this marketing benefits residential home rentals, which serve different guests:

- Families seeking home environments
- Extended stays requiring kitchens
- Pet owners unable to book hotels
- Groups needing multiple bedrooms
- Budget-conscious travelers
- Overflow for family visits
- Travelers seeking authentic local experiences in residential neighborhoods

We are being taxed to fund marketing that **exclusively benefits our commercial competitors** with no accountability, no measurable ROI for residential rentals, and no operator representation in governance decisions.

8. NO ADMINISTRATIVE FEE FOR COLLECTION

Per SRC Chapter 37, operators collecting TOT retain a 5% administrative fee. **No such fee applies to STPA collections.**

This means home-based operators must:

- Track STPA separately from TOT
- Create additional accounting systems
- Remit 100% of STPA with no compensation for burden
- Bear all costs without professional accounting departments

This is particularly unfair for **individual homeowners managing our own homes** without business infrastructure. I am sharing space in my own primary residence—I am not a business with accounting staff. Additionally, the City reporting system does not support this reporting and submission. There is one (1) staff member supporting the entirety of the TOT finance reporting system.

9. POLICY REVERSAL PENALIZES COMPLIANT HOMEOWNERS AND CREATES COMPETITIVE DISADVANTAGE

Many of us made significant investment decisions based on the **2019 policy that explicitly exempted STRs/ASTRs from STPA**, including property purchases, substantial home improvements to meet safety requirements, **\$186+ annual licensing and compliance investments**, and business planning around 9% TOT rate.

Ordinance 4-25 **retroactively changes the rules**, potentially making previously viable home rental operations unsustainable. This penalizes homeowners who complied in good faith with Salem's regulations and paid substantial licensing fees to operate legally.

Additionally, Salem's combined 11% local lodging tax (9% TOT + 2% STPA) creates significant competitive disadvantage:

- **Drives guests to neighboring jurisdictions** - Keizer, unincorporated areas with substantially lower taxes
- **Reduces platform competitiveness** - Guests compare total prices on Airbnb/VRBO; Salem listings appear significantly more expensive
- **Harms Salem homeowners** while directly benefiting properties just outside city limits
- **Incentivizes illegal operation** - Higher tax burden increases motivation for non-compliance, reducing total tax revenue
- **Makes sharing our primary residences financially unviable** for many ASTR operators

This policy harms compliant Salem homeowners who have invested substantially in proper licensing and benefits properties in surrounding areas, ultimately reducing Salem's competitiveness and potentially decreasing overall tax revenue through reduced bookings and increased non-compliance.

ALTERNATIVE PROPOSALS:

If the City Council is determined to continue the STPA despite these objections, I propose:

Option 1: Maintain Original STR/ASTR Exemption (STRONGLY PREFERRED)

- Reverse Ordinance 4-25 and restore 2019 exemption
- Recognize STRs/ASTRs as home-based businesses, not commercial hotels
- Treat us like other home-based businesses that are not subject to industry-specific commercial taxes

Option 2: Exempt All Home-Based Businesses or Tax None

- Apply consistent policy: either all home businesses pay industry taxes, or none do
- End discriminatory treatment of STR/ASTR home-based operators

Option 3: Reduced Rate Reflecting Home-Based Status

- 2% for commercial hotels
- Yearly fee and not a percentage for home-based STR/ASTR operators to be added to the renewal
- Reflects residential property status and lack of commercial infrastructure

Option 4: Voluntary Opt-In Program

- Make STPA voluntary for home-based STR/ASTR operators
- Allow homeowners to choose whether marketing benefits justify 2% fee

ADD: Mandatory Representation for Home-Based Operators

- Require STR/ASTR seats on STPA governance board
- Allocate funds proportional to contributions for residential rental marketing
- Ensure home-based operators have voice in fund allocation

REQUESTED RELIEF:

I respectfully request that the Salem City Council:

1. **Reject continuation of the STPA** as it applies to STR and ASTR operators under Ordinance 4-25

2. **Restore the original 2019 exemption** recognizing STRs/ASTRs as home-based businesses distinct from commercial hotels
3. **Conduct equal treatment analysis** comparing tax treatment of STR/ASTR to other home-based businesses
4. **Recognize the discriminatory nature** of singling out one type of home-based sharing economy business for commercial industry taxation
5. **Acknowledge that we are homeowners and property taxpayers**, not commercial lodging corporations, and that ASTR operators are sharing space in our own primary residences
6. **Consider the cumulative burden** of \$186+ annual licensing fees plus 12.5% lodging taxes plus property taxes
7. **Enter this objection into the official record** of the November 24, 2025 public hearing

CONCLUSION:

I am a **homeowner and Salem property taxpayer** sharing space in **my own primary residence** (ASTR). I am not a commercial hotel. I already pay:

- **\$186 annual licensing renewal fee**
- **Full residential property taxes**
- **12.5% in lodging taxes** (if STPA continues)
- **Mandatory insurance and compliance costs**

The STPA singles out STR/ASTR home-based operators for discriminatory taxation that:

- No other home-based business in Salem faces
- Treats residential property owners like commercial hotel corporations
- Treats homeowners sharing their own primary residences like commercial lodging facilities
- Imposes double taxation (property tax + commercial assessments)
- Provides zero demonstrated benefit to home-based rentals
- Funds marketing controlled by our commercial competitors
- Offers no representation or accountability
- Penalizes compliant homeowners who have paid substantial licensing fees
- Creates unsustainable competitive disadvantage and financial burden

I am not a hotel. I am a homeowner sharing space in my own primary residence. I should not be treated as a commercial lodging corporation.

The STPA was designed by hotels, for hotels. Forcing home-based operators—especially those of us sharing our own primary residences—to fund it through Ordinance 4-25 is fundamentally unfair, discriminatory, and will harm individual Salem homeowners and residents, make home-sharing financially unviable for many, reduce compliance, disadvantage Salem properties against neighboring jurisdictions, and undermine the benefits of the sharing economy for Salem residents.

I strongly object to the STPA continuation as it applies to home-based Short-Term Rental and Accessory Short-Term Rental operators.

Thank you for considering this objection from a Salem homeowner, property taxpayer, and primary residence ASTR operator.

Respectfully submitted,

Leigh Gaynair
(541) 948-9312
Leigaynair@gmail.com

CC: Salem City Manager
Salem Finance Department
Salem Planning Department