

March 7, 2017

Bryce Bishop, Planner II
City of Salem
City Hall
555 Liberty Street SE, Room 305
Salem, OR 97301
BBishop@cityofsalem.net

CC: City Planning Commission

Re: Code Amendment Case No. CA17-01, Home Sharing Laws in Salem

Mr. Bishop,

I write to you today regarding the short-term rental (STR) community in Salem and the proposed amendments to local codes currently under consideration. We appreciate the opportunity to work with you and interested stakeholders to create rules that enable middle class Oregonians to continue to use home sharing to make ends meet.

Before turning to suggestions to strengthen the draft ordinance, I want to provide an overview of Airbnb in Oregon and some of the tools we've used to establish trust and security on our platform.

Airbnb: An Overview of Our Community in Oregon and Around the World

Airbnb was launched in 2008 with a single listing in an apartment in San Francisco. Our founders were struggling to afford an increasingly expensive housing market and decided to open up their own home to host other artists who were in town for a design conference.

Eight years later, that single home share has turned into a platform that has brought over 150 million guests to nearly 3 million listings in 65,000 cities across the globe.

Home sharing is an increasingly important component of the Oregon economy. In the last year alone, 7,800 residents welcomed over 647,000 guests to every corner of the Beaver State, with an additional 560,000 residents using Airbnb to travel across the country and around the world.

The vast majority of these hosts, 65 percent of whom are women and 39 percent of whom are over 50, are individuals and families who share their homes occasionally to pay for their mortgage, medicine, and student loans, or save money for retirement or a rainy day.

In fact, last year, the typical host shared their home for less than five days a month, bringing in \$5,900 to help make ends meet. Additionally, 19,000 Salem residents used Airbnb to travel.

Airbnb has grown dramatically in recent years and one of the reasons for our success has been

our investments in innovative tools to protect hosts, guests, and neighbors:

- In 2016, we launched the [Neighbors](#) platform, a tool that allows people to report safety or nuisance potential concerns directly to our staff for review. We've already taken action in response to complaints about specific listings and we will continue to take appropriate action where there is a pattern of problematic behavior by hosts or guests.
- Airbnb maximizes transparency by allowing hosts to require that guests provide a government ID, and we created a program called Verified ID, which connects a person's offline identification (a driver's license or passport) with another online profile, such as Facebook or LinkedIn accounts. For U.S. residents, Airbnb also runs host and guest information through several public databases to check if there are matches with certain felony convictions, sex offender registrations, or significant misdemeanors.
- Our community builds trust and a track record for users to be able to learn more about each other through publicly available reviews and feedback.
- We offer \$1 million [Host Protection Insurance](#) and a \$1 million [Host Guarantee](#) to help protect hosts and guests. If a guest or a host ever have an issue, our global Trust and Safety team is on call 24/7 to help.

Airbnb's Commitment to Collecting Taxes and Supporting Public Services

In addition to developing critical public safety tools, we are committed to working with states and cities to collect and remit lodging taxes on behalf of our hosts and guests.

We believe in helping our community pay its fair share. Since 2014 we have signed voluntary collection agreements (VCA) with over 230 jurisdictions around the world, including Portland, Ore., to collect and remit taxes on behalf of our hosts. These VCAs have enabled us to [collect](#) over \$175 million to fund critical public services. We proactively reached out to the City of Salem earlier this year to begin collecting here.

Airbnb's Comments on Proposed STR Ordinance

We thank you for your thorough and thoughtful effort to foster responsible host sharing in Salem and offer the following suggestions on ways to improve the draft ordinance:

- As is the case in Portland and the vast majority of other cities across the country, we believe that accessory dwelling units (ADU) and/or guest houses should be allowed to be used for short term rentals. These units are helping homeowners stay in their homes by defraying the cost of mortgages/property taxes. Moreover, ADU's improve affordability by adding new units to the long-term housing stock, even when used for short term rentals initially or periodically.
- With regard to transient occupancy taxes, we urge Salem to include a clause that would allow a booking platform to collect and remit taxes on behalf of hosts, as we do in Portland and over 230 jurisdictions worldwide.

- We support the insurance requirement, but urge the committee to add a clause stating that an operator may satisfy this requirement via a booking service. Airbnb offers two overlapping \$1 million insurance policies that protect hosts, guests, and neighbors in the rare event of injury or theft.
- We believe that all Salem residents—whether apartment renters or homeowners—should be able to share their own home and not be required to receive formal “permission” from landlords. Rather, the ordinance can reiterate that nothing in the regulations supersedes lease agreements between tenants and landlords.
- The 95-day maximum for non-hosted accessory short term rentals is stricter than many limitations we’ve seen across the country. We understand the rationale behind regulating non-hosted rentals more stringently than hosted rentals, but believe that Salem can reach its regulatory goals with a maximum closer to 180 days.
- As with any housing unit, the city has the right to inspect STRs for code violations. However, requiring every unit to be inspected as part of the registration process will create an onerous burden on both residents and regulators. As a result, we urge the committee to allow hosts to affirm that their homes are in accordance with the Housing Code and have the required parking.
- In order to be consistent with [state law](#) defining “resident” as an individual domiciled in the state or who spends at least 200 days in the state, we believe that the definition of “resident family” should be pegged to spending 200 days in the home, not 270
- The proposed requirement that all short term rental or accessory short term rental hosts obtain a license is onerous for those individuals who only occasionally rent their own homes, or are renting out a spare bedroom in their home. Many other cities have found that these individuals should be exempt from licensing or in-home inspection requirements. For instance, in Philadelphia, the registration requirement is triggered if an individual rents her own home for more than 90 days, while Jersey City, NJ requires registration only when a given individual offers five or more listings.
- Privacy is important for hosts and guests alike. As a result, while we agree that hosts should maintain records of bookings, we do not believe that these records should be turned over to the city as a matter of course during re-registration.

We look forward to continuing to work with you to craft rules that protect quality of life while ensuring that home sharing can continue to be an economic boon in Salem.

Sincerely,

Laura Spanjian
Airbnb