

May 3, 2017

At its March 8, 2017, meeting the SCAN Board voted 10 to 0 to support proposed amendments to regulate accessory short-term rentals *with added safeguards* noted below; and to oppose other forms of short-term rentals.

## Accessory Short-Term Rentals

If accessory short-term rentals are now occurring illegally and are expected to increase in residential zones, then we support, with added requirements noted below, the license requirements and special use standards proposed by staff. All of staff's proposed safeguards, plus SCAN's requests below should be adopted in order to mitigate potential negative impacts on surrounding residents. We believe the current proposal gives too much emphasis on providing incentives and ease of operation to the rental owner at the expense of neighbors' quality of life. It needs to be rebalanced towards protecting the interests of existing neighbors.

## SCAN requests:

 Require a minimum of one off-street parking space. Current proposal requires no additional parking. Most of the people attending the February 1 open house "voted" for requiring additional off-street parking, most indicating one space per guestroom. One additional space, whether one or two guestrooms are rented, is a good compromise. Required parking is needed, given that some residences may already have a parking deficit, that is, not provide the required two spaces for a single family home.

SCAN does not agree with staff's intent to "ensure" residents in older areas without sufficient off-street parking are not precluded from accessory short-term renting. SCAN includes mostly older residential areas with already congested curb parking. If a resident wants to provide commercial lodging and does not have enough off-street parking, they can lease nearby parking, as other commercial uses are required to do to meet parking requirements.

 Require the license and local representative contact information be displayed on the residence so it can be seen by the public. Neighbors need to be able to contact the local representative if they have a complaint when the residence is non-hosted. The fact that this information is available from the City is irrelevant to neighbors trying to get complaints resolved at night and over a weekend. It will save police costs if neighbors can contact the local representative directly. Staff acknowledges that violations of licensing requirements, special use standards, or disturbing the peace violations will be enforced only if a complaint is made. Please give neighbors the tools they need to help with enforcement. The City of Yachats (and likely many other cities) require local contact information be publicly visible on a residence used for short-term rental.

- Send neighborhood associations a courtesy notification of initial and renewal license applications so they can provide comment, similar to notification of liquor license applications. This is especially important for renewal applications because neighborhood associations may be aware of neighbor complaints that were not formally filed with the City, including grounds for revoking, suspending, or not renewing a license. Neighborhood comments can help inform staff if special use standards are met. Notification need not change the type of land use decision or require an appeals procedure.
- Require annual inspections prior to license renewal. This is very important, especially in the first 5 years of relaxing the requirements for accessory short-term rentals, to help educate property owners and ensure the amended ordinances are working as intended.
- Define "guestroom" to avoid abuse and confusion in enforcing licensing requirements and special use standards. Nothing in the proposal says a guestroom needs to be a bedroom.
- Require an annual staff report on the number of accessory short-term rentals, a summary of data gathered from guest registries (e.g., number of days rented hosted and non-hosted, number of guests, etc.); number of complaints; and how complaints were resolved.
- Set license application fee to cover 1) administrative expense of review, annual inspection, and approval; and 2) enforcement expense.

## Short-Term Rentals

SCAN opposes short-term rentals in all residential zones, because it provides an incentive to remove housing stock from the market for long-term residential use. With the documented shortage of affordable housing in Salem, and multi-family vacancy rate of only 2.6% in 2016, the City should encourage housing for permanent residences, not for short-term renters. SCAN believes the potential for negative impacts on neighbors is much higher when a resident family or local representative is not present in the residence to monitor renters and to respond to concerns of neighbors. Neighbors include those on the other side of a wall in an apartment, duplex, or condo.

SCAN believes the proposed amendments do not comply with the Residential Development Goal or State Goal 10-Housing. The staff report acknowledges that new internet booking opportunities (e.g. Airbnb) make offering short-term rentals easier and less costly than before and has led to a proliferation of short-term rentals. It states, "Because of the ease with which homes or rooms within homes can be listed, there is an increasing demand by residents to engage in this form of short-term commercial lodging." The stated purpose of the proposed amendments is to make it easier to operate small scale forms of short-term lodging in residential zones.

The short-term rental market has clearly changed due to the ease of using on-line booking platforms—for both renters and property owners. There is no reason to assume the number of short-term rentals under these amendments will be the same as the current number of bed and breakfast rentals under existing ordinances. Staff findings state the amendments will not affect residential housing supply in residential zones beyond what is currently allowed without offering any evidence of likely response to the amendments.

If short-term rentals are allowed in residential zones, then:

- A resident manager must be required.
- An owner should be limited to one short-term rental. This will help limit the conversion of houses and apartments to the short-term rental market.

On behalf of the SCAN board, thank you for your consideration.

Jeff Schumacher SCAN President, 2016-17