Neely, Robert

From:

Paraskevopoulos, Ioanna on behalf of Mann, David

Sent:

Monday, November 05, 2018 9:50 AM

To:

Williams, Brenda; Neely, Robert; Michael, Rahiel

Cc:

David Mann

Subject:

FW: [External Email] Short Term Rental Legislation Coalition Statement

Follow Up Flag:

Follow up

Flag Status:

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Can you please add the below email and attachment as a communication to the BF agenda for 11/13?

Thank you. loanna

From: Margy Waller < margywaller@gmail.com >

Sent: Thursday, August 30, 2018 3:37 PM

To: Mann, David <david.mann@cincinnati-oh.gov>

Cc: Paraskevopoulos, Ioanna < Ioanna.Paraskevopoulos@cincinnati-oh.gov> **Subject:** [External Email] Short Term Rental Legislation Coalition Statement

External Email Communication

Dear Councilmember Mann,

I am writing today on behalf of a growing coalition of concerned citizens, affordable housing developers and advocates, labor representatives, and homeless advocates. We very much appreciate your efforts to address the impact of short term rentals (STR) on our neighborhoods and housing market.

We have spent the last couple of months reviewing research about the impact of STRs, local legislation from around the country, and consulting with others who have been doing the same.

Today we are sharing the position statement and recommendations (attached) of our coalition. This statement is a proposal for sensible regulations of the industry designed to encourage the promise of home-sharing for visitors and income for homeowners who wish to welcome visitors, while protecting neighborhood culture and our affordable housing stock.

We look forward to discussing this with you.

Sincerely,



Short Term Rental Legislation Coalition Statement .docx 23KB

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The Bright Ride Blog

Text/Call: 513 | 405 | 2426

Statement of Residents, Affordable Housing Professionals, and Partners on City of Cincinnati Short Term Rental Legislation

Our coalition of Cincinnati residents, affordable housing developers and advocates has been studying with deep concern the trend toward full-time Short Term Rental (STR) sales and conversions. We have reviewed research about the impact of STRs on cities and the people who live in them. We have reviewed STR legislation from across the country. We are aware that we live in a city which, like many other urban places in 2018, has a severe shortage of affordable rental housing (housing residents can pay for using no more than 30 percent of their income].¹ Also, in recent weeks, we've all been given a close look at Cincinnati's full and over-capacity shelters, as well as the increased number of people living outside, that this affordable housing shortage causes.

At the same time, we have seen neighbors evicted from "naturally occurring affordable housing" (rental homes that are affordable without public subsidy) in rapidly changing neighborhoods, housing that has then been replaced by non-owner occupied full time Airbnb rentals. We have seen newly renovated housing marketed and sold to investors as non-owner occupied full time Airbnb rentals —and kept off the market to renters. We have seen developers attempt to turn entire buildings into illegal Airbnb hotels in Over-the-Rhine.

Most importantly, we have seen our community lose the valued asset of neighbors -- residents who are invested in the life and culture of our neighborhood, people who participate in events and provide daily commitment to the health and environment of our place. This is a devastating loss, especially in places like Over-the-Rhine where some blocks are now filled with multiple full-time STR units that are empty much of the week and filled with transient one-time occupants the rest of the week.

We support the individuals who occasionally choose to rent their permanent residence for a weekend or while they vacation for a week or so. And we support the neighbors who rent a room in their own home to visitors.

But we object to the loss created by taking entire units permanently off the market, thus removing opportunity for people in need of permanent housing. In other communities, this practice has been proven to raise the price of units for sale and rent and to have other negative effects on already burdened people, neighborhoods, and communities.

Our coalition submits the following principles for Short Term Rental (STR) Legislation:

We generally support the provisions in Councilmember Mann's proposed legislation of March 2018 and offer some additional provisions.

- Regulate short term rentals of entire dwelling units that is, an entire apartment or an entire house
 for periods of 30 days or less at a time.
- Owners may only rent entire dwelling units on sites like Airbnb for 90 days out of any calendar

¹ From 2000 to 2014 median gross rents rose at a rate of more than twice the rate median income rose, significantly increasing the number of households burdened by housing cost. (p. 7, *Housing Affordability in Hamilton County.* 2017)

year.

- Units may only be rented by permanent residents who live in the property at least 51% of the calendar year.
- Owners* must obtain a license to operate their business and renew the license every year they
 want to continue the business.
- Units are subject to city inspections to ensure compliance with relevant zoning, safety, housing, and building codes.
- Owners need to have liability insurance for the property, and pay taxes on the rental income, including transient occupancy tax. Failing to comply with any part of this law could result in revocation of the license or a fine.
- Online platforms must be responsible for the collection and remission of applicable taxes.
- Online platforms must require owners to list their city license/registration number on the rental platform.
- Online platforms must operate in a transparent manner and share complete and verifiable data with the City.
- It must be illegal for Airbnb to list a property without the valid registration/license info and failure to do so will result in penalties (See Chicago ordinance.)**
- Platforms (Airbnb) should also have a licensure process with a commensurate significant fee to the City. This will aide in enforcement since the license can be revoked for failure to comply with data sharing and other obligations.
- All revenue from license/registration fees related to short-term rentals and a portion of revenue derived from taxes on STR activity will be dedicated to a local Affordable Housing Trust Fund to support efforts for preservation and development of affordable housing.

We strongly support a provision like the one below, particularly as we are seeing significant and rapid impact on neighborhoods in the 45202 zip code. We urge Council to consider allowing buildings, streets, precincts, etc. to establish the area as a prohibited STR zone.

Prohibited short-term accommodation rental zone

Registered electors of any precinct or group of contiguous precincts may petition any member of City Council to introduce an ordinance establishing that area as a prohibited short-term accommodation rental zone. Such petition shall specify that it seeks to either prohibit new and additional short-term accommodation rental activity, or all short-term accommodation rental activity in that defined area.

Upon receiving a petition signed by registered electors of the precinct(s) equal to not less than five per cent of the total vote cast in the precinct(s) at the last preceding regular municipal election for mayor, the member of City Council shall introduce an ordinance with the intent of restricting short-term accommodation rentals in the specified area.

Any ordinance establishing a prohibited short-term accommodation rental zone may be repealed subject to the same process set forth in this Chapter for establishment of the zone, provided that a minimum period of 12 months has elapsed from the effective date of the ordinance creating the zone before a new petition for the same zone can be submitted.

In addition, the ordinance should allow particular buildings to opt out (as in Chicago), and the City must require the platform to abide by "homeowner's association rules, condominium agreements, and similar compacts" which often ban this activity (or can).

^{*} Owners refers to all owners, including those who rent a room in their own home.

**We recommend penalties because without them it appears that Airbnb will not comply (as in NYC).

Signed,

Short Term Rental Legislation Coalition, developing:

Mary Burke, Director, Over-the-Rhine Community Housing
Cal Cullen, Founder and Director, Wave Pool, Camp Washington Neighborhood
Katy Heins, Senior Organizer, Housing Trust Fund Project, Center for Community Change
Adam Rossi, Chief Shop Steward, UNITEHERE! Cincinnati
Josh Spring, Director, Greater Cincinnati Homeless Coalition
Margy Waller, Resident, Over-the-Rhine Neighborhood