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ROOMSCORE 2016: SHORT-TERM RENTAL REGULATION IN U.S. CITIES

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INTRODUCTION

In recent years, discussion of the so-called “sharing economy” has dominated local politics in many cities across the country, and drawn no shortage of hand-wringing from policymakers about how to regulate it. While so-called “ridesharing” services like Uber and Lyft have generated headlines for their disruption of taxi and limo markets, emerging demand for “roomsharing” is disrupting existing hotel and bed-and-breakfast markets with a similar recipe of innovation: technological advancement that empowers individuals to engage in new forms of commerce that expand and improve service for consumers.

Short-term-rental (STR) services allow individuals to rent a home, apartment or even just a single bedroom for short-duration stays, usually just a few days at a time, using Web-based platforms that advertise to travelers. The services help provide lower-cost lodging to visitors, while allowing property owners to earn returns on underused assets. As the STR market has grown, it also has roused the interest of

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regulators and generated dozens of legislative battles over proposals to curtail that growth.

For the past two years, the R Street Institute has examined the regulatory climate for transportation services in 50 of America’s largest cities. Through our Ridescore project, we have assessed the burden of state and local rules governing transportation network companies (TNCs), taxis and limos, and assigned both individual and composite scores and letter grades based on cities’ openness to innovation and new business models in the for-hire transportation market.¹

With this report, we set out to perform a similar function for short-term rental regulation. Roomscore looks at 59 cities to assess their openness to commerce conducted through services like Airbnb; HomeAway (and its related brand, Vacation Rentals by Owner or VRBO); FlipKey (a brand of TripAdvisor); and even Craigslist. We hope the results provide a comprehensive analysis of the evolving policy climate for short-term-rentals, illuminating trends and highlighting

1. Andrew Moylan and Zach Graves, “Ridescore 2015: Hired driver rules in U.S. Cities,” R Street Institute, December 2015. <http://www.rstreet.org/wp-content/uploads/2015/12/RSTREET48.pdf>

successes and failures that could guide cities and states toward regulatory frameworks that foster innovation and economic growth.

PARALLELS WITH RIDESHARING

The parallels between the debates over TNCs and those regarding Web-enabled short-term rentals are legion. Earlier versions of both ridesharing and roomsharing have existed on small scales for many years, but the Internet has made it supremely easy to connect buyers and sellers on a scale never before possible. With Web-based smartphone applications available to lower search costs, catalog user feedback and make billing simple, even the most casual users now are able both to provide and to procure such services with ease.

Like TNCs, short-term rentals have the potential to make significant contributions to economic growth by unlocking underutilized capital, of both the physical and human varieties. As R.J. Lehmann and I discussed in a 2014 R Street policy brief, there is a substantial body of evidence pointing to the growth potential from freeing what economists would call “trapped capital,” such as spare bedrooms and under-used vehicles.² Modern technology now allows millions of people who own underutilized homes or apartments to put that space into the stream of commerce with the addition of a relatively small amount of labor to manage and advertise a property. This both expands the supply of available lodging for travelers and allows property owners to enjoy new kinds of returns on their assets.

Much like TNCs, short-term-rental services also enable markets to respond more quickly and more thoroughly to fluctuating supply-and-demand dynamics. A useful illustration can be found during Pope Francis’ 2015 visit to Philadelphia. Officials expected more than 1 million visitors for the occasion, but the city had only 11,200 hotel rooms to offer.³ Short-term-rental companies empowered individual homeowners to help fill that gap. Airbnb reported a 270 percent increase in listings, while HomeAway saw a 795 percent increase in demand and a 450 percent increase in inventory. Many of those listings are likely attributable to “casual” users of the systems, those who saw a financial opportunity for this special occasion but do not regularly rent their properties.

While a once-in-a-generation event like a papal visit serves as an interesting test case, there are innumerable smaller-scale examples as well. STR listings surged significantly last year in San Diego in conjunction with the famous Comic-Con

International entertainment and comic-book convention.⁴ Events like the National Collegiate Athletic Association’s Final Four basketball tournament and the Indy 500 race put the services on the radar of officials in Indianapolis.⁵ In January 2013, the first presidential inauguration of the “short-term rental era” engendered huge spikes in use.⁶ In each case, the availability of convenient short-term-rental options helped alleviate supply crunches and provide affordable lodging options for visitors.

ECONOMICS OF SHORT-TERM RENTALS

This phenomenon has contributed to massive valuations for short-term-rental companies. After raising \$1.5 billion in a single financing round in June 2015, Airbnb’s valuation is now estimated at \$25.5 billion.⁷ That makes it the third-largest privately held startup in the world, behind only ride-sharing company Uber and electronics maker Xiaomi. It also exceeds the market cap of such hotel chains as Marriott, Starwood and Wyndham, a staggering achievement for a business that has existed for less than a decade.⁸ Meanwhile, HomeAway, publicly traded on the Nasdaq Stock Market, recently was acquired by Expedia Inc. for \$3.9 billion.⁹

These data suggest that short-term-rental companies are carving out a slice of the proverbial economic pie of lodging, challenging established hotel brands and changing the face of travel and tourism. There also is some evidence that STR is disrupting the relatively staid hotel market. One recent report from a Credit Suisse equity analyst speculated that short-term-rental services may be contributing to soft hotel demand and a recent drop in the sector’s revenues in New York City.¹⁰ The Credit Suisse report pointed to STR services’ ability to “pressur[e] pricing on the margin,” yielding lower costs and wider options for visitors.

4. Beau Yarbrough, “Comic-Con 2015: Airbnb triples reservations for upcoming convention,” *Los Angeles Daily News*, July 2, 2015. <http://www.dailynews.com/life-style/20150702/comic-con-2015-airbnb-triples-reservations-for-upcoming-convention>

5. Anthony Schoettle, “Airbnb gets foothold in Indianapolis,” *Indianapolis Business Journal*, Feb. 7, 2015. <http://www.iji.com/articles/51651-airbnb-gets-foothold-in-indianapolis>

6. Shilpi Paul, “1200 Percent: The Airbnb Inauguration Spike,” *Urban Turf*, Jan. 16, 2013. http://dc.urbanturf.com/articles/blog/1200_percent_increase_the_airbnb_inauguration_spike/6524

7. Scott Austin, Chris Canipe and Sarah Slobin, “The Billion Dollar Startup Club,” *Wall Street Journal*, Feb. 18, 2015. <http://graphics.wsj.com/billion-dollar-club/?co=Airbnb>

8. Alison Griswold, “Airbnb Is Thriving. Hotels Are Thriving,” *Slate*, July 6, 2015. http://www.slate.com/articles/business/moneybox/2015/07/airbnb_disrupting_hotels_it_hasn_t_happened_yet_and_both_are_thriving_what.html

9. Frederic Lardinois, “Expedia Acquires Airbnb Rival HomeAway For \$3.9B,” *TechCrunch*, Nov. 4, 2015. <http://techcrunch.com/2015/11/04/expedia-acquires-airbnb-rival-homeaway-for-3-9b/>

10. Nick Vivion, “Is Airbnb responsible for the softening in New York RevPAR,” *TNooz*, Feb. 11, 2015. <http://www.tnooz.com/article/airbnb-responsible-softening-new-york-revpar/>

2. Andrew Moylan and R.J. Lehmann, “Five principles for regulating the peer production economy,” R Street Institute, July 2014. <http://www.rstreet.org/wp-content/uploads/2014/07/RSTREET26.pdf>

3. Max Kutner, “Airbnb hosts cash in as Philadelphia hotels fill for Pope’s visit,” *Newsweek*, Sept. 24, 2015. <http://www.newsweek.com/pope-philadelphia-mass-airbnb-homeaway-rentals-376130>

A Boston University study focused on Austin, Texas estimated that Airbnb's popularity precipitated an 8 to 10 percent drop in that metro area's hotel revenues.¹¹ The BU study concluded that Airbnb helped to "reduc[e] hotel pricing power during periods of peak demand," as high demand drew added supply to the market. This effect was particularly pronounced in lower-priced markets and on boutique hotels that do not typically cater to business travelers.

But for all the signs pointing to short-term rentals taking a growing share of the lodging pie, there's substantial evidence that they simultaneously are serving to expand the size of that pie. Moreover, the services' emergence clearly has provided downward pressure on lodging prices in ways that benefit consumers. Indeed, the largest purveyors of short-term-rental services will have to both expand the pie and put price pressure on the dominant market players if they are to justify their lofty valuations, which have come despite a limited history of demonstrated profitability.

Despite concerns about the impact of STR on traditional hotels, it appears the lodging industry's fundamentals are quite strong. The American Hotel and Lodging Association reported that revenue grew from \$163 billion in 2014 to \$176 billion in 2015.¹² A Morgan Stanley equity analyst report projected increases in hotel-occupancy rates from an already-strong 65 percent in 2014 to more than 69 percent in 2017.¹³ The number of hotels and number of rooms both expanded, as well. A report from STR Inc. – a hotel-research firm whose name does not refer to short-term rentals – projects a 6 percent rise in revenue this year.¹⁴ After predicting the next few years would be "great," industry analyst Amanda Hite quipped: "We keep saying this won't continue, but it keeps continuing." In other words, whatever impact short-term rentals are having on the hotel industry, it cannot be characterized as an existential crisis.

This stands to reason, given that hotels and short-term rentals largely cater to different markets. For example, a Morgan Stanley survey found that stays of a single night made up 25 percent of hotels' business, but just 7 percent of Airbnb's. This reflects that many hotels are clustered in city centers to better service business travelers, while Airbnb reports that large percentages (including 72 percent of San Francisco

listings and 82 percent of New York properties) of short-term rentals are found outside central districts.¹⁵

REGULATION OF SHORT-TERM RENTALS

The economic picture painted by rapid growth of the short-term-rental industry is a rosy one, premised on continued expansion and revitalization of the lodging sector. But that same rapid growth has contributed to a decidedly blurry policy picture. As STR has taken hold in markets across the country, regulators, lawmakers and, especially, industry competitors have responded with an at-times vigorous backlash. Opponents have offered a raft of legislative and regulatory proposals to restrict short-term rentals in various ways, such as limiting where they can legally operate, imposing requirements for tax collection and remittance, and enforcing strict licensing regimes. In some cases, these rules have been added to limitations governing property rentals that already were on the books.

Proponents of STR regulations frequently pitch their proposals as helping to address purported issues with traffic and noise or the availability of affordable housing, though there are other, more targeted policy options available to lawmakers who seek to solve such problems. Cities nearly always have ordinances to address traffic and noise complaints, whether a property is rented or not. Where new problems arise related to congestion or noise, they are best addressed holistically, rather than a piecemeal approach that targets only short-term rentals.

Questions about the impact of STR on affordable housing are slightly thornier. Some STR opponents have claimed that, because units reserved for the short-term-rental market are unavailable for long-term rentals, the effect of the market's growth has been to exacerbate housing shortages and put upward pressure on prices. But Michael Lewyn, an assistant professor at Touro Law Center, recently detailed some of the problems with this claim, including its assumption that a significant portion of Airbnb units otherwise would be available for long-term rentals.¹⁶ Moreover, the same charge could be directed at hotel rooms that aren't set aside for long-term rental or at homeowners who don't make spare rooms available for rent.

There's little evidence the current or near-term-future scale of short-term rentals is sufficiently large to have a significant impact on housing affordability. To take one example, Airbnb units comprise just 0.6 percent of Los Angeles' total number of housing units and just 1 percent of its rental market. These

11. Georgios Zervas, Davide Proserpio and John W. Byers, "The Rise of the Sharing Economy: Estimating the Impact of Airbnb on the Hotel Industry," Boston University, Jan. 27, 2016. <http://people.bu.edu/zg/publications/airbnb.pdf>

12. Christopher Elliott, "Big Hotels' Plan to Win Customers from Airbnb," *Fortune*, Jan. 27, 2016. <http://fortune.com/2016/01/27/big-hotels-airbnb/>

13. Alice Truong, "Why the hotel industry isn't afraid of Airbnb (yet), explained in five charts," *Quartz*, Nov. 17, 2015. <http://qz.com/551612/why-the-hotel-industry-isnt-afraid-of-airbnb-yet-explained-in-five-charts/>

14. Market Report, "Positive 2015 and 2016 Outlook for the U.S. Hotel Industry," STR Inc., Aug. 7, 2015. <http://www.hotelnewsresource.com/article84973.html>

15. Airbnb, "Airbnb Economic Impact," Airbnb Blog, accessed March 6, 2016. <http://blog.airbnb.com/economic-impact-airbnb/>

16. Michael Lewyn, "Airbnb and Affordable Housing," *Planetizen*, April 21, 2015. <http://www.planetizen.com/node/75968/airbnb-and-affordable-housing>

are hardly the conditions for massive disruption in the available housing stock.

Focusing concern about the lack of available housing on short-term rentals would be to miss the forest for a mere twig. A wide range of academic literature and anecdotal evidence suggests that the real culprits – restrictive zoning laws – have had an outsized impact on housing availability and affordability, often making it impossible to build at the density level that would allow developers to meet the demand for lower-cost housing. In many cities, exhaustive permitting processes and meddlesome neighborhood committees also make building new housing arduous and expensive, if not impossible. Addressing these issues would do a great deal more to alleviate housing crunches than any regulation of short-term rentals could.

Furthermore, as Hoover Institution Senior Fellow Richard Epstein wrote in 2014, “the whole point of markets is to make the best allocations of scarce resources under rapidly changing conditions.”¹⁷ While it may not please policymakers, it may, in fact, be the case that the highest and best use for a small slice of units is to be rented on a short-term, rather than long-term basis.

ROOMSCORE METHODOLOGY

In an effort to offer comprehensive analysis of existing rules across the country, we researched the legal and regulatory climates in 59 cities to assess their openness to short-term rentals. These assessments include both local and state requirements, since both can have significant impact on the ability to engage in STR. Beginning in summer 2015, we exhaustively reviewed municipal and state codes, proceedings of legislative sessions, legal filings and press reports to help illuminate the state of short-term-rental regulation. R Street researchers also initiated conversations with lodging regulators in cities where insufficient information was available to make determinations. A detailed description of the methodology follows.

We looked at five key policy areas. Each city started with a base score of 90. Points were added or deducted based on the following questions:

1. *Does the city have a tailored legal framework for short-term-rental regulation?* While short-term rentals are a relatively new phenomenon, they appear to be here to stay. Because the services straddle the line between purely commercial ventures like hotels or bed-and-breakfasts and purely personal uses, cities are well-advised to craft modern, tailored structures

that appropriately account for genuine public-policy questions, while leaving most details to free and open market competition.

In our methodology, where a city has a recently crafted regulatory structure that explicitly acknowledges and creates a legal foundation for rentals conducted on a short-term basis – including language geared toward rental of single bedrooms within an apartment or home – it is eligible to receive as many as 10 additional points. Cities with laws crafted only to accommodate vacation rentals, and that do not specifically acknowledge true “roomsharing” arrangements, are eligible for a smaller number of additional points.

2. *What, if any, legal restrictions are in place to curb short-term rentals?* This category seeks to assess the restrictions cities place on the ability of property owners to engage in short-term rentals. Some jurisdictions make rentals of less than a certain duration (say, 30 days) completely illegal. Others enforce myriad geographic restrictions, making it difficult or impossible to rent properties outside of certain designated zones. Still others place caps on the number of days per-year that a property can be made available to rent, among many other limitations.

Perhaps most prominently, a large number of cities restrict rentals based on whether or not a property owner will be present on the premises during a guest’s stay. Some simply prohibit any “non-hosted” stays outright, which effectively makes vacation home rentals illegal. Other cities have the opposite prohibition, and bar “hosted stays” where a property owner rents a room in a home or apartment where he or she will be present.

In our scoring, legal restrictions on the ability to engage in short-term rentals could net cities deductions of up to 40 points, based on their severity. A city that regards short-term rentals as completely illegal would receive the full 40-point deduction. More modest restrictions generate smaller deductions. A city with no legal prohibitions would receive no deduction at all.

3. *What tax-collection obligations are placed on STR services?* Much of the debate surrounding STR services – and particularly, the hotel industry’s objections – has centered on requiring such services to collect lodging taxes on behalf of city and state officials. While it’s certainly true that lodging-tax rates are nearly always much more burdensome than ordinary sales-tax rates, this category is not intended to calculate the tax cost to consumers. It instead is used to determine which entity the law establishes as the

17. Richard A. Epstein, “The War against Airbnb,” Hoover Institution, Oct. 20, 2014. <http://www.hoover.org/research/war-against-airbnb>

responsible party for collecting a tax, should city and state officials determine that one must be imposed.

This distinction is important, since some municipalities have attempted to force STR platforms to collect all taxes, regardless whether their business model justifies such a requirement. For example, a free advertising site like Craigslist or a subscription-based short-term-rental platform would have no ability to verify and track that a transaction had been conducted between a prospective buyer and seller, let alone possess the ability to assess and remit the appropriate lodging taxes. In cases like these, the service does not serve as a financial intermediary between the two parties.

Our judgment is that, in most cases, the appropriate public policy is to allow for compliance with tax rules either by individual property owners or by the platform, where warranted by circumstances or where the platform chooses to make tax-collection and remittance services available to its customers.

We reviewed local rules that force all STR platforms to comply with all tax obligations in ways that may prove ill-fitting with some business models. Furthermore, we found a few cities that impose taxes on short-term rentals that are disproportionate to those imposed on ordinary hotels and bed-and-breakfasts. In both cases, such rules could net a city a deduction of as many as 5 points.

4. *How burdensome and expensive is the city's licensing regime for short-term rentals?* We attempted to assess how difficult it is for a property owner engaged in short-term rentals to comply with city and state licensing requirements. While basic licensing for enforcement purposes need not pose an unworkable burden, some cities impose much more onerous requirements than others. Forcing property owners to jump through numerous expensive hoops serves as a significant barrier to entry, unnecessarily restricting short-term rentals in much the same way that excessive licensing weighs down other businesses.

To assess licensing burdens, we looked at the requirements each city imposes over a five-year time horizon. Through this process, we determined how many licenses or filings a property owner would be required to submit within five years, as well as the total cost of any regulatory fees and assessments. Based on the severity of licensing burdens, cities received deductions of as many as 10 points. For cities with minimal licensing requirements, such as a single inexpensive filing, no points would be deducted. For those that required multiple annual license renewals or that imposed a dis-

proportionately expensive process, larger deductions were assessed.

5. *How hostile is the city's enforcement regime for short-term rentals, including restrictions that don't fit neatly into the prior categories?* This category is intended to assess rules that are fundamentally hostile to short-term-rental services. These can take the form of unnecessarily burdensome inspection regimes; disproportionately high insurance requirements; restrictive occupancy limits; mandates to provide vehicle parking spaces; prescriptive regulation of a host's location and/or accessibility; and many others.

We assessed deductions of as many as 10 points in this category, depending on the severity of the structures in place.

Points in each of these categories were added to or deducted from the base score of 90 to yield a city's Roomscore. We also assigned an associated letter grade that serves to measure that city's openness to innovative short-term-rental services. The results of our analysis follow.

TAILORED LEGAL FRAMEWORK

An overview of the legal frameworks that local jurisdictions have adopted to regulate short-term rentals show a policy environment that is relatively "immature," in much the same way that the ridesharing policy environment was when we completed our first Ridescore analysis in 2014. In that study, just 19 of the 50 cities analyzed had ridesharing-specific legislation, while another four had temporary operating agreements that allowed their operation.¹⁸

For Roomscore, just 21 of the 59 cities in our analysis received credit for having some sort of tailored legal framework that recognizes short-term rentals and provides a foundation for their operation. Of those 21 cities, 14 received the full 10-point addition for having a modern structure that fully accounts for STR: Anaheim, California; Austin, Texas; Boulder, Colorado; Fort Lauderdale, Florida; Galveston, Texas; Louisville, Kentucky; Maui, Hawaii; Nashville, Tennessee; Philadelphia; Portland, Oregon; Sacramento, California; San Francisco; San Jose, California; and Savannah, Georgia.

To be clear, not all of these 21 cities have ideal policy climates for STR, by any means. In fact, only four of them received overall grades of A. Many layer on restrictions in other areas that drag their overall scores down significantly, factors which are accounted for through deductions in other categories. The tailored legal framework category is instead

18. Andrew Moylan, Ryan Xue, Evan Engstrom and Zach Graves, "Ridescore 2014: Hired driver rules in U.S. cities," November 2014. <http://www.rstreet.org/wp-content/uploads/2014/11/RSTREET29.pdf>

TABLE I: LEGAL FRAMEWORK (0 TO +10)

CITY	POINTS	CITY	POINTS	CITY	POINTS
Albuquerque, N.M.	0	Fresno, Calif.	0	Oakland, Calif.	+3
Atlanta	0	Galveston, Texas	+10	Oklahoma City	0
Asheville, N.C.	+5	Houston	0	Omaha, Neb.	0
Anaheim, Calif.	+10	Indianapolis	0	Orlando, Fla.	0
Austin, Texas	+10	Jackson Hole, Wyo.	0	Philadelphia	+10
Baltimore	0	Jacksonville, Fla.	0	Phoenix	0
Boston	0	Kansas City, Mo.	0	Portland, Ore.	+10
Boulder, Colo.	+10	Las Vegas	+3	Raleigh, N.C.	0
Charleston, S.C.	+5	Long Beach, Calif.	0	Sacramento, Calif.	+10
Charlotte, N.C.	0	Los Angeles	0	San Antonio	0
Chicago	+3	Louisville, Ky.	+10	San Diego	+5
Cleveland	0	Maui County, Hawaii	+10	San Francisco	+10
Colorado Springs, Colo.	0	Memphis, Tenn.	0	San Jose, Calif.	+10
Columbus, Ohio	0	Mesa, Ariz.	0	Santa Barbara, Calif.	0
Dallas	0	Miami	0	Savannah, Ga.	+10
Denver	0	Milwaukee	0	Seattle	+5
Detroit	0	Minneapolis	0	Tucson, Ariz.	0
El Paso, Texas	0	Nashville, Tenn.	+10	Virginia Beach, Va.	0
Fort Lauderdale, Fla.	+10	New Orleans	0	Washington	0
Fort Worth	0	New York	0	AVERAGE	+2.9

intended to measure how forward-looking the city is with regard to contemplating disruptive innovation in lodging. The results show that simply being forward-looking in crafting an STR-specific regulatory structure is far from sufficient to ensure a broadly permissive legal climate.

A representative example of the type of city to which we awarded the full 10-point addition can be found in Savannah. The genteel southern tourist haven recently passed a short-term-rental amendment to its city code that effectively recognizes and legalizes the services in residential areas citywide. The only limitations are relatively modest ones related to occupancy and square footage. Compliance is secured through a single license and collection of the city’s (also modest) 6 percent lodging tax, in addition to ordinary sales tax. This commonsense approach eliminates confusion over the legal status of STR, provides simple avenues to abide by the rules and avoids the temptation to engage in the kinds of onerous regulation found in many other cities across the country.

The other seven cities receiving additional points – Asheville, North Carolina; Charleston, South Carolina; Chicago; Las Vegas; Oakland, California; San Diego; and Seattle – received “partial credit” for having recent structures that account for some, but not all, policy questions specific to short-term rentals. These cities generally tend to have what could be characterized as “vacation rental” ordinances of some sort, which do indeed contemplate short-term rent-

al of whole properties, but do not necessarily account for “roomsharing” services in which a host rents a bedroom in their primary residence.

LEGAL RESTRICTIONS

Our examination revealed that limitations on short-term rentals are fairly widespread, including several cities that effectively ban the practice altogether. Fully 32 of the 59 cities in our analysis imposed some sort of restriction on the legal operation of short-term rentals. The average deduction assessed to cities in this category was -13.3 points, or roughly the equivalent of one-and-a-half letter grades.

In three of the cities – Atlanta, Denver and Oklahoma City – STR is effectively illegal, according to our reading of statutes and discussions with officials. In an additional six cities – Fresno, California; Jacksonville, Florida; Kansas City, Missouri; Los Angeles; New Orleans; and Santa Barbara, California – restrictions on legal operation are such that STR is practically impossible, though theoretically legal under very narrow circumstances.

The remaining 23 cities have legal restrictions that range from relatively modest to quite strict. In Chicago, for example, hosted stays are generally legal, but non-hosted stays are illegal in a handful of residential districts, netting them a deduction of -10 points in the category.

TABLE 2: LEGAL RESTRICTIONS (0 TO -40)

CITY	POINTS	CITY	POINTS	CITY	POINTS
Albuquerque, N.M.	0	Fresno, Calif.	-35	Oakland, Calif.	0
Atlanta	-40	Galveston, Texas	0	Oklahoma City	-40
Asheville, N.C.	-25	Houston	-20	Omaha, Neb.	0
Anaheim, Calif.	0	Indianapolis	0	Orlando, Fla.	0
Austin, Texas	-25	Jackson Hole, Wyo.	-30	Philadelphia	-10
Baltimore	-25	Jacksonville, Fla.	-35	Phoenix	0
Boston	-15	Kansas City, Mo.	-35	Portland, Ore.	-20
Boulder, Colo.	-30	Las Vegas	0	Raleigh, N.C.	-30
Charleston, S.C.	-25	Long Beach, Calif.	-15	Sacramento, Calif.	-25
Charlotte, N.C.	0	Los Angeles	-35	San Antonio	0
Chicago	-10	Louisville, Ky.	0	San Diego	0
Cleveland	0	Maui County, Hawaii	-15	San Francisco	-10
Colorado Springs, Colo.	0	Memphis, Tenn.	-25	San Jose, Calif.	-10
Columbus, Ohio	0	Mesa, Ariz.	0	Santa Barbara, Calif.	-35
Dallas	0	Miami	-20	Savannah, Ga.	0
Denver	-40	Milwaukee	0	Seattle	0
Detroit	0	Minneapolis	0	Tucson, Ariz.	0
El Paso, Texas	0	Nashville, Tenn.	-10	Virginia Beach, Va.	0
Fort Lauderdale, Fla.	0	New Orleans	-35	Washington	-10
Fort Worth	-30	New York	-20	AVERAGE	-13.3

On the more stringent side, Fort Worth, Texas only allows hosted short-term rentals in homes registered as bed-and-breakfasts, a distinction only available to properties constructed before December 1993. Non-hosted stays are limited to commercial zones. So while STR is legal for a small subset of properties, the breadth of the restriction earned them a deduction of -30 points. These types of restrictions, in which a city essentially tells property owners that they’re welcome to engage in short-term rentals so long as they’re prepared to submit to rules intended for purely commercial ventures, were found in more than a dozen cities.

TAX-COLLECTION OBLIGATIONS

Contrary to our initial assumptions, poorly structured tax-collection obligations did not prove to be a significant problem for cities within our sample. We discovered only five cities with structures that justified point deductions: Galveston, Texas; Oakland, California; Orlando, Florida; Portland, Oregon; and San Francisco. As such, the average deduction in this category was just -0.3 points, amounting to little more than a rounding error overall.

Both Portland and San Francisco impose responsibility for tax collection on short-term-rental platforms, whether or not the platform directly manages transactions between buyers and sellers. This earned each city a deduction of -5 points. Galveston requires monthly reports on hotel-occupancy-tax collections, regardless of rental activity, a nuisance require-

ment that netted it a deduction of -2 points. Oakland levies on short-term rentals a disproportionately high gross-receipts tax at a rate higher than is imposed on hotels, while Orlando has a one-off agreement with just one company for tax-collection purposes.

In the future, we expect policymakers will have to give more thought to appropriate ways to divvy up tax-collection responsibilities between property owners and short-term-rental platforms. Requiring by law that any and all STR platforms have sole responsibility for collections is the wrong approach, since it fails to distinguish between businesses that serve as financial intermediaries for bookings and those that do not. By the same token, assigning all collection duties to individual property owners is equally problematic, as compliance is likely to be spotty. The “third way” approach of allowing either entity to satisfy tax-collection requirements is the best option for most cities, but could be enhanced with more robust reporting of obligations and easier ways to comply than exist currently.

LICENSING REQUIREMENTS

Our examination of licensing requirements found them to be only a modest factor in cities’ overall scores. While 25 of the 59 cities suffered some deduction for excessive licensing burdens, the average point deduction assessed was just -2.0 points.

TABLE 3: TAX COLLECTION (0 TO -5)

CITY	POINTS	CITY	POINTS	CITY	POINTS
Albuquerque, N.M.	0	Fresno, Calif.	0	Oakland, Calif.	-5
Atlanta	0	Galveston, Texas	-2	Oklahoma City	0
Asheville, N.C.	0	Houston	0	Omaha, Neb.	0
Anaheim, Calif.	0	Indianapolis	0	Orlando, Fla.	-2
Austin, Texas	0	Jackson Hole, Wyo.	0	Philadelphia	0
Baltimore	0	Jacksonville, Fla.	0	Phoenix	0
Boston	0	Kansas City, Mo.	0	Portland, Ore.	-5
Boulder, Colo.	0	Las Vegas	0	Raleigh, N.C.	0
Charleston, S.C.	0	Long Beach, Calif.	0	Sacramento, Calif.	0
Charlotte, N.C.	0	Los Angeles	0	San Antonio	0
Chicago	0	Louisville, Ky.	0	San Diego	0
Cleveland	0	Maui County, Hawaii	0	San Francisco	-5
Colorado Springs, Colo.	0	Memphis, Tenn.	0	San Jose, Calif.	0
Columbus, Ohio	0	Mesa, Ariz.	0	Santa Barbara, Calif.	0
Dallas	0	Miami	0	Savannah, Ga.	0
Denver	0	Milwaukee	0	Seattle	0
Detroit	0	Minneapolis	0	Tucson, Ariz.	0
El Paso, Texas	0	Nashville, Tenn.	0	Virginia Beach, Va.	0
Fort Lauderdale, Fla.	0	New Orleans	0	Washington	0
Fort Worth	0	New York	0	AVERAGE	-0.3

TABLE 4: LICENSING REQUIREMENTS (0 TO -10)

CITY	POINTS	CITY	POINTS	CITY	POINTS
Albuquerque, N.M.	-2	Fresno, Calif.	0	Oakland, Calif.	-8
Atlanta	0	Galveston, Texas	0	Oklahoma City	0
Asheville, N.C.	0	Houston	0	Omaha, Neb.	0
Anaheim, Calif.	-5	Indianapolis	0	Orlando, Fla.	-4
Austin, Texas	-7	Jackson Hole, Wyo.	0	Philadelphia	-5
Baltimore	0	Jacksonville, Fla.	0	Phoenix	0
Boston	-7	Kansas City, Mo.	0	Portland, Ore.	-4
Boulder, Colo.	-1	Las Vegas	-10	Raleigh, N.C.	0
Charleston, S.C.	0	Long Beach, Calif.	-9	Sacramento, Calif.	-1
Charlotte, N.C.	0	Los Angeles	0	San Antonio	0
Chicago	-5	Louisville, Ky.	0	San Diego	-3
Cleveland	0	Maui County, Hawaii	-5	San Francisco	-7
Colorado Springs, Colo.	-5	Memphis, Tenn.	0	San Jose, Calif.	0
Columbus, Ohio	0	Mesa, Ariz.	0	Santa Barbara, Calif.	0
Dallas	0	Miami	-2	Savannah, Ga.	-2
Denver	0	Milwaukee	0	Seattle	-5
Detroit	0	Minneapolis	0	Tucson, Ariz.	-5
El Paso, Texas	0	Nashville, Tenn.	-3	Virginia Beach, Va.	-4
Fort Lauderdale, Fla.	-10	New Orleans	0	Washington	-1
Fort Worth	-2	New York	0	AVERAGE	-2.0

TABLE 5: HOSTILE ENFORCEMENT (0 TO -10)

CITY	POINTS	CITY	POINTS	CITY	POINTS
Albuquerque, N.M.	-1	Fresno, Calif.	-1	Oakland, Calif.	0
Atlanta	0	Galveston, Texas	-1	Oklahoma City	0
Asheville, N.C.	-7	Houston	-5	Omaha, Neb.	0
Anaheim, Calif.	-10	Indianapolis	0	Orlando, Fla.	0
Austin, Texas	-5	Jackson Hole, Wyo.	0	Philadelphia	-5
Baltimore	-5	Jacksonville, Fla.	0	Phoenix	0
Boston	-6	Kansas City, Mo.	0	Portland, Ore.	-3
Boulder, Colo.	0	Las Vegas	-10	Raleigh, N.C.	0
Charleston, S.C.	0	Long Beach, Calif.	-3	Sacramento, Calif.	-5
Charlotte, N.C.	-3	Los Angeles	0	San Antonio	0
Chicago	-8	Louisville, Ky.	-7	San Diego	0
Cleveland	0	Maui County, Hawaii	-10	San Francisco	-10
Colorado Springs, Colo.	-1	Memphis, Tenn.	0	San Jose, Calif.	-5
Columbus, Ohio	0	Mesa, Ariz.	0	Santa Barbara, Calif.	0
Dallas	0	Miami	0	Savannah, Ga.	-1
Denver	0	Milwaukee	0	Seattle	-3
Detroit	0	Minneapolis	-5	Tucson, Ariz.	0
El Paso, Texas	0	Nashville, Tenn.	-5	Virginia Beach, Va.	0
Fort Lauderdale, Fla.	-10	New Orleans	0	Washington	-5
Fort Worth	0	New York	-8	AVERAGE	-2.5

Fort Lauderdale, Florida and Las Vegas both suffered full deductions of -10 points for onerous licensing requirements. According to our research, a property owner wishing to offer a short-term rental in Fort Lauderdale would, over a five-year period, need to complete seven forms and pay more than \$2,900 in associated fees. Las Vegas makes licensing tough as well, requiring six forms and \$2,500 in fees over the same period. The scale and cost of these licensing requirements effectively freezes out large numbers of potential participants in the short-term-rental market, as property owners interested in only very occasionally renting (for example, to capitalize on an influx of travelers for a major local event) quite easily could be priced out by licensing costs alone.

On the milder side, Boulder, Colorado, requires a one-time business license and a four-year short-term rental license for a total cost of \$130, earning only a -1 point deduction for the added annoyance of securing two licenses.

HOSTILE ENFORCEMENT

In our analysis, we deducted points from 28 cities for demonstrating hostile enforcement of their regulatory framework. The average deduction was -2.5 points, making enforcement penalties roughly equivalent to licensing penalties in terms of impact on overall scores.

Cities receiving the full deduction of -10 points were Anaheim, California; Fort Lauderdale, Florida; Las Vegas; Maui, Hawaii; and San Francisco. Of these, Fort Lauderdale is a representative example, given that it limits occupancy, requires both initial and ongoing annual property inspections, enforces minimum parking requirements and mandates that an owner or manager reside within 25 miles of a rented property. San Francisco is similarly illustrative, as it forces would-be STR participants to submit to an in-person appointment for licensing, limits all licenses to one unit only, issues licenses only to San Francisco residents, caps non-hosted stays at 90 days and requires \$500,000 in liability insurance, among myriad other rules. Combined, these restrictions contribute to dropping each city a full letter grade.

OVERALL RESULTS

For the 59 cities in our sample, the average overall Roomscore was 74.7, equivalent to a letter grade of C. The median

score was 73.5, also equivalent to a letter grade of C. The standard deviation among the scores was 14.3, indicating rather wide variance in scoring.

TABLE 6: ROOMSCORE RESULTS

CITY	FRAMEWORK	RESTRICTIONS	TAXATION	LICENSING	ENFORCEMENT	TOTAL	GRADE
Albuquerque, N.M.	0	0	0	-2	-1	87	B+
Atlanta	0	-40	0	0	0	50	F
Asheville, N.C.	+5	-25	0	0	-7	63	D
Anaheim, Calif.	+10	0	0	-5	-10	85	B
Austin, Texas	+10	-25	0	-7	-5	63	D
Baltimore	0	-25	0	0	-5	60	D-
Boston	0	-15	0	-7	-6	62	D-
Boulder, Colo.	+10	-30	0	-1	0	69	D+
Charleston, S.C.	+5	-25	0	0	0	70	C-
Charlotte, N.C.	0	0	0	0	-3	87	B+
Chicago	+3	-10	0	-5	-8	70	C-
Cleveland	0	0	0	0	0	90	A-
Colorado Springs, Colo.	0	0	0	-5	-1	84	B
Columbus, Ohio	0	0	0	0	0	90	A-
Dallas	0	0	0	0	0	90	A-
Denver	0	-40	0	0	0	50	F
Detroit	0	0	0	0	0	90	A-
El Paso, Texas	0	0	0	0	0	90	A-
Fort Lauderdale, Fla.	+10	0	0	-10	-10	80	B-
Fort Worth	0	-30	0	-2	0	58	F
Fresno, Calif.	0	-35	0	0	-1	54	F
Galveston, Texas	+10	0	-2	0	-1	97	A+
Houston	0	-20	0	0	-5	65	D
Indianapolis	0	0	0	0	0	90	A-
Jackson Hole, Wyo.	0	-30	0	0	0	60	D-
Jacksonville, Fla.	0	-35	0	0	0	55	F
Kansas City, Mo.	0	-35	0	0	0	55	F
Las Vegas	+3	0	0	-10	-10	73	C
Long Beach, Calif.	0	-15	0	-9	-3	63	D
Los Angeles	0	-35	0	0	0	55	F
Louisville, Ky.	+10	0	0	0	-7	93	A
Maui County, Hawaii	+10	-15	0	-5	-10	70	C-
Memphis, Tenn.	0	-25	0	0	0	65	D
Mesa, Ariz.	0	0	0	0	0	90	A-
Miami	0	-20	0	-2	0	68	D+
Milwaukee	0	0	0	0	0	90	A-
Minneapolis	0	0	0	0	-5	85	B
Nashville, Tenn.	+10	-10	0	-3	-5	82	B-
New Orleans	0	-35	0	0	0	55	F
New York	0	-20	0	0	-8	62	D-
Oakland, Calif.	+3	0	-5	-8	0	80	B-
Oklahoma City	0	-40	0	0	0	50	F
Omaha, Neb.	0	0	0	0	0	90	A-

CITY	FRAMEWORK	RESTRICTIONS	TAXATION	LICENSING	ENFORCEMENT	TOTAL	GRADE
Orlando, Fla.	0	0	-2	-4	0	84	B
Philadelphia	+10	-10	0	-5	-5	80	B-
Phoenix	0	0	0	0	0	90	A-
Portland, Ore.	+10	-20	-5	-4	-3	68	D+
Raleigh, N.C.	0	-30	0	0	0	60	D-
Sacramento, Calif.	+10	-25	0	-1	-5	69	D+
San Antonio	0	0	0	0	0	90	A-
San Diego	+5	0	0	-3	0	92	A-
San Francisco	+10	-10	-5	-7	-10	68	D+
San Jose, Calif.	+10	-10	0	0	-5	85	B
Santa Barbara, Calif.	0	-35	0	0	0	55	F
Savannah, Ga.	+10	0	0	-2	-1	97	A+
Seattle	+5	0	0	-5	-3	87	B+
Tucson, Ariz.	0	0	0	-5	0	85	B
Virginia Beach, Va.	0	0	0	-4	0	86	B
Washington	0	-10	0	-1	-5	74	C
AVERAGE	+2.9	-13.3	-0.3	-2.0	-2.5	74.7	C

The top overall Roomsore of 97, for a grade of A+, was shared by Galveston, Texas, and Savannah, Georgia. Both cities earned extra points for having tailored short-term-rental frameworks on the books; enacting no significant restrictions on legal operations; and suffering just -3 total points of deductions combined in the categories of tax collection, licensing and hostile enforcement. Galveston missed out on a perfect score due to its tax-reporting requirement and a small nuisance requirement to have a property manager within a one-hour drive at all times. Savannah was docked slightly for requiring frequent licensure.

Just behind those two cities are two recipients of A- grades: Louisville, Kentucky and San Diego, which scored 93 and 92, respectively. While Louisville has a tailored STR framework and hasn't enacted significant legal restrictions, it does have several nuisance requirements (such as requiring a host to be within 25 miles and limiting total occupancy) that tarnish its otherwise sterling framework. San Diego receives only partial credit for having a tailored framework and loses a few points for somewhat meddlesome licensing requirements.

Slotting behind those two is a group of 11 cities that received a Roomsore of 90, for a letter grade of A-: Cleveland; Columbus, Ohio; Dallas; Detroit; El Paso, Texas; Indianapolis; Mesa, Arizona; Milwaukee; Omaha, Nebraska; Phoenix; and San Antonio. We dub this cohort "silent cities," because their municipal codes do not explicitly either allow or prohibit short-term-rental activity. Because their laws are silent on the matter, they don't qualify for any additional points for implementing a modern STR framework, but nor do they suffer deductions for tax, licensing or enforcement problems.

Next come 14 cities that fall in the B range, with scores ranging from 80 to 89. A typical example of this cluster can be found in Tucson, Arizona, which received a score of 85 and a letter grade of B. The city has no special framework and thus earns no additional points, while it suffers just -5 points of deductions to account for somewhat meddlesome licensing requirements.

Only five cities scored in the C range, with tallies ranging between 70 and 79: Charleston, South Carolina; Chicago; Las Vegas; Maui, Hawaii; and Washington. The nation's capital illustrates the kinds of factors that comprise a mediocre overall score. The city has no tailored legal framework for STR and thus gets no added points. It lost -10 points in the legal-restrictions category for prohibiting rentals of more than two bedrooms per-unit. It earns another -5 point deduction for myriad hostile enforcement provisions, such as a prohibition on providing any food to a renter. It lost an additional -1 point for requiring multiple licenses.

Fifteen cities received grades in the D range, between 60 and 69. Boulder, Colorado; Portland, Oregon; Sacramento, California; and San Francisco share the unfortunate distinction of being among the lowest-scoring cities overall, despite having tailored short-term-rental regulations in place. Boulder has an STR law but strictly limits legality based on zoning, in addition to requiring multiple licenses. Portland requires that an owner occupy any STR-eligible property for more than 270 days and divides hosted rentals into two categories, one of which requires special review from the zoning board. Sacramento recently passed a very restrictive framework, although it previously had effectively banned residential

STR. San Francisco bars non-hosted rentals entirely and suffers multiple deductions for tax collection, licensure and hostile enforcement.

Long Beach, California, is somewhat more typical of cities in the D range. It lacks a tailored law, restricts hosted and non-hosted stays substantially, imposes more than \$1,000 in licensure costs over five years and maintains several restrictions on matters like entrances, the number of rooms rented and detached units, among others.

Finally, 10 cities received failing grades of F for earning Roomscores of 59 or less: Atlanta; Denver; Fort Worth, Texas; Fresno, California; Jacksonville, Florida; Kansas City, Missouri; Los Angeles; New Orleans; Oklahoma City; and Santa Barbara, California. These cities all either have laws on the books that largely ban short-term rentals or construe their existing laws in ways that make STR impossible, in practical terms.

TRENDS

It's difficult to identify any clear trends that would prove predictive of how cities approach short-term rentals. Some relatively politically conservative cities – like Mesa, Arizona – score quite well. However, other conservative cities, like Oklahoma City, are on the opposite end of the spectrum, having outlawed the practice. Seattle, among the more liberal cities in the country, performed reasonably well, with a Roomscore of 87 and a grade of B+. But San Francisco, itself a liberal bastion, did poorly, with a Roomscore of 68 and a grade of D+.

There also are few identifiable trends that can be derived from whether a city relies heavily on tourism revenues. Savannah, Georgia was the top-scoring city in our entire analysis. But other tourist hotspots – such as Jackson Hole, Wyoming – have so many restrictions as to earn them a grade just barely above failing.

This underscores our observation that the policy environment for short-term-rental regulations remains in flux. Nashville, Tennessee provides an interesting test case. It was a prominent early mover when it attempted to create a comprehensive regulatory infrastructure for STR. While the city acted to create a legal status for short-term rentals, it has encountered significant difficulty in administering the new rules. Some of the rules imposed under Nashville's framework – such as its limitations on rentals per census tract – have ignited controversy and invited a lawsuit by the free-market Beacon Center challenging the law for undermining property rights.¹⁹

Nashville's cautionary tale of good intentions and decidedly mixed results illuminates some of the difficulties facing policymakers as they attempt to strike the appropriate balance between fostering innovation and dynamic new markets, and establishing basic rules that make compliance simple.

CONCLUSION

Our first Roomscore analysis reveals a policy area of considerable difficulty and complexity. As traditional hotels ramp up their lobbying efforts to oppose the growth of short-term-rental services, it will be incumbent upon legislators to focus not on rules that protect dominant market players, but instead on addressing basic public-policy interests, like efficient tax collection and simple licensure. With simple rules in place, regulators can protect the public interest and ensure that competition happens in the open marketplace, not in the back rooms of city councils or state legislatures.

ABOUT THE AUTHOR

Andrew Moylan is executive director and senior fellow for R Street, where he heads coalition efforts, conducts policy analysis and serves as the organization's lead voice on tax issues.

Before joining R Street, Andrew was vice president of government affairs for the National Taxpayers Union, a grassroots taxpayer advocacy organization. He previously served with the Center for Educational Freedom at the Cato Institute and completed internships in the U.S. Senate and the House of Representatives with members from his home state of Michigan.

Andrew's writings have appeared in such publications as the Wall Street Journal, The New York Times and The Weekly Standard. He is a graduate of the University of Michigan with a degree in political science.

NOTE: Research assistance for this project was provided by Tyler Fisher, Zach Graves, Daniel Semelsberger and Josiah Neeley.

19. Joey Garrison, "Tennessee AG: Airbnb rentals subject to hotel, sales tax," *The Tennessean*, Dec. 3, 2015, <http://www.tennessean.com/story/news/2015/12/03/tennessee-ag-airbnb-rentals-subject-hotel-sales-tax/76739660/>

Bobbie Walthall

From: Marc Havener <marc@resonatepictures.com>
Sent: Tuesday, November 14, 2017 11:51 AM
To: Bobbie Walthall
Subject: Short Term Rentals

Bobbie,

I wanted to voice my concern for allowing non-owner occupied homes being used as STRs.

I am a resident and home owner in University Place where it is already a challenge to protect the neighborhood environment. Long term neighbors and home owners increase the safety and quality of life in the area.

Opening up the neighborhood to more rental homes puts our neighborly culture at risk and increases the likelihood of blighted properties by negligent landlords, a problem that already exists.

I ask that you not recommend the use of non-owner occupied STRs to the city commission.

Thanks,

Marc Havener
1603 Louisiana

Marc Havener
CEO & Founder | Resonate Pictures
323-273-0333 | resonatepictures.com

Bobbie Walthall

From: Phil Collison <phil@pcollison.com>
Sent: Tuesday, November 14, 2017 9:20 AM
To: Bobbie Walthall
Subject: Comments STR Work Session

Hi Ms Walthall, can you put this in tonight's packet for Work Session item 1 on Short Term Rentals.

Thanks!

To the Commissioners, I would like to reiterate one comment I made on the Lawrence Listens Forum and add one I didn't think of at the time.

I believe that Short Term Rentals will have a negative impact on affordable housing within Lawrence. First time buyers will have a hard time competing against speculative investors because of the potential rent that STR's can bring in. Staff and the CC need to recognize that and factor in some checks and balances.

STR's are a commercial endeavor and part of the role of good zoning is to limit commercial uses in inappropriate areas. The current proposal will allow commercial mini-hotels into non-commercial zonings. When STRs are strictly for a commercial use they should be recognized as such and be limited to commercially zoned areas with appropriate commercial building requirements. A distinction should be made between an occasional short term tenant and a property that is only used for this purpose.

Thank you for the opportunity to provide input, and I am speaking only for myself.

Phil Collison

Bobbie Walthall

From: Leslie Soden
Sent: Tuesday, November 14, 2017 8:58 AM
To: Bobbie Walthall
Subject: Fwd: Short Term Rental Discussions

Please add to correspondence.

Mayor Leslie Soden
913-890-3647

Begin forwarded message:

From: Jackie Counts <jacquelinecounts@gmail.com>
Date: November 13, 2017 at 9:09:25 PM CST
To: Matthew Herbert <matthewjherbert@gmail.com>, Mike Amyx <mikeamyx515@hotmail.com>, Leslie Soden <lsoden@lawrenceks.org>, Stuart Boley <sboley@lawrenceks.org>, Lisa Larsen <llarsen@lawrenceks.org>
Subject: Short Term Rental Discussions

Dear City Commissioners,

I am writing to support Short Term Rentals in Lawrence and strongly support the collection of transient guest and sales taxes for such rentals. Based on the survey data, it seems that we are putting in place regulations on a phantom problem that has not been well-articulated. Further, there is insufficient data to support notification of neighbors, as only 8 individuals in your survey indicated that a SRT had a negative impact on the neighborhood.

Finally, I would strongly urge the City Commission to refrain from including anonymous letters in correspondence. If people cannot sign their names, I do not think their opinion should be taken seriously.

Thank you for your service. I appreciate all you do on behalf of our community.

Sincerely,

Jackie Counts
904 Pennsylvania

Bobbie Walthall

From: STEPHEN EVANS <scevans704@gmail.com>
Sent: Monday, November 13, 2017 4:47 PM
To: Bobbie Walthall
Subject: Short Term Rentals
Attachments: 1700 Block AL Redacted_Redacted.pdf

Hello Bobbie,

I am providing the following comments after review of the Memorandum to Tom Markus from Danielle Buschkoetter dated November 14, 2017 regarding the Short Term Rental Work Session scheduled for November 14, 2017.

1. I am a resident of the University Place neighborhood that has been and will continue to pursue the means to protect and preserve the historic and cultural aspects of this place in Lawrence. Change is expected as time moves forward and the manner in which a neighborhood adapts to change can reflect its ability to maintain uniqueness and character with its built environment and social character.
2. Attached is a letter recently sent by an individual owner in the 1700 block of Alabama Street to neighbors requesting they consider "banding together" to sell their properties to KUEA for the purpose of expanding Ambler Student Center to the east. The letter mistakenly states that this block is not a part of the University Place neighborhood. This letter and my opinion on its inappropriateness was shared with City Planning, KUEA and DCM.
3. I provided earlier comments on the subject of STR's that are contained on pages 40-42 of the Correspondence attached to the Memorandum to Tam Markus.
4. I do not believe the proposed framework adequately addresses my comments and concerns in regulation of short term rentals, certainly for the neighborhood in which I reside but likely for all of Lawrence.
5. By allowing non-owner occupied STR's the door would be open for entities, private and possibly corporate too, to purchase and operate STR's not only in homes around town but in larger areas within neighborhoods; reference the attached letter in this context.
6. It is not enough to require that non-owner occupied STR's have a SUP. I'd be interested in the detail required to obtain a SUP, but not optimistic it would change my opinion on exclusion of non-owner occupied STR's.
7. I reluctantly voted in favor of the Sales Tax for Affordable Housing as my management experience has been that a project without a clear plan and expected outcome has diminished potential for success. I voted for this sales tax due to my confidence in Commissioner Boley and other commissioners who carry a passion for this initiative to succeed. I have no regrets but feel that the framework for STR's presented for consideration will create a real barrier for the success of an affordable housing initiative. I believe that University Place carries considerable potential for affordable housing and this would help in preserving what we have now and future improvements. I would ask again that you reference the attached letter in this context.
8. Item 6 of the framework addresses conforming with current occupancy standards permitting up to three unrelated occupants. This does not prevent a large family or families from occupying a STR for a short or longer term stays which any regulation must do to be appropriate for Lawrence and the neighborhoods.
9. The current, complaint driven enforcement of STR's does not work and places a burden on neighbors. There needs to be a reasonable regulation in place to make this safe, fair and a benefit to operators of STR's and neighborhoods like University Place.
10. The current framework may provide a basis for a discussion but a point of departure to a better solution for regulation of STR's would be my request.

Thanks.




Steve Evans

1729 Mississippi Street
Lawrence, KS 66044



Dear

My mother,  and I are writing this letter to the owners of the other 9 houses that make up the West 1700 block of Alabama Street regarding a unique opportunity that may present itself to us in light of ongoing expansion plans at the University. We ask that each of you consider the information and opportunity discussed below and let us know if our proposal holds any interest for you.

The University is currently planning to expand the Ambler Recreation Center with the addition of a "natatorium", or essentially an indoor pool facility, as part of their 2014-2024 Master Plan development. This past semester, the Ambler SRFC staff surveyed the student body entitled "What's Our Future?" in which other potential expansions were proposed as plausible. Some other ideas included an outdoor pool facility and lazy river, a full building expansion to allow more indoor basketball courts and weight rooms, and outdoor astro-turf practice fields. Regardless of which project or projects are undertaken, they will require land; a large chunk of land.

I spoke briefly with a KU Recreation director and it is clear that any project would have to take up the drainage lot to the south of the building (by the outdoor basketball courts) as well as about 30% of the existing parking lot in front of the structure. Since there is already a scarcity of parking on campus there is legitimate concern that utilizing the existing parking lot area for these expansions won't be a viable option. Therefore, the purchase of additional land nearby to fulfill these needs may become necessary. Taking away the existing parking spots could cost KU roughly \$1.5 million, annually, in revenue.

Thus, the half block of houses we own has some potentially significant leverage. The 10 houses that make up the west 1700 block of Alabama Street are rare, in that these properties are not officially a part of any neighborhood association and have resulting freedoms including the possibility of rezoning without any N.A. hearing approval. This means that KU could buyout our properties and rezone them to use for the Recreation Center fairly easily. Pursuing the properties individually would require a great deal of time, effort and money by KU, making it potentially an untenable alternative. However, negotiating for the all the properties as a single transaction makes this a very real opportunity for us all.

We would like you to consider banding together, in some form or fashion, to see if the KU Endowment would consider purchasing these properties before any plans for the Recreation center are finalized. We would consolidate the properties in some manner that would create a legally binding arrangement, providing that the properties can only be sold to KU, or a developer, together, not separately. We can negotiate together through a single party (which could be a representative group and not a single person). This arrangement would be to provide leverage and would restrict their legal teams from trying to pry us apart.

Based on recent purchases by the KU Endowment and other private transactions around the edge of campus these 10 plots could realize as much as a 66% increase over current tax values or more. This is much more likely if we are acting as a group and not individually.

While life holds no guarantees, we believe that a very real opportunity exists and would like feedback from each of you about whether there is any interest in pursuing this proposal further. We look forward to corresponding with you all about this proposal and what we might be able to accomplish together. Please feel free to contact me [REDACTED] with any questions or concerns. Your ideas about how to make this work are also appreciated.

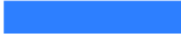




Very truly yours,

[REDACTED]







[REDACTED]

Short-Term Rentals Survey Responses







Which best describes your type of home?

		%	Count
Single-family home (detached house)		85.1%	171
Apartment		10.0%	20
Townhouse		2.0%	4
Duplex, triplex, fourplex		2.5%	5
Condominium		0.5%	1


Where in the City do you live?

		%	Count
North of 15th Street, East of Iowa		27.0%	54
North of 15th Street, West of Iowa		22.5%	45
South of Bob Billings, East of Iowa		36.5%	73
South of Bob Billings, West of Iowa		7.5%	15
I do not live in Lawrence		3.5%	7
Prefer not to answer		3.0%	6

How old are you?

		%	Count
18-24		2.5%	5
25-34		12.4%	25
35-44		24.3%	49
45-54		20.3%	41
55-64		17.8%	36
65-74		21.3%	43
75+		1.5%	3

What is your primary interest in short-term rentals (STRs) (i.e. Airbnb, VRBO)?

		%	Count
I am a host/operator of a STR		12.9%	26
I have a STR in my neighborhood		16.8%	34
I have used a STR elsewhere		38.1%	77
I have used a STR in Lawrence		1.5%	3
Prefer not to answer		4.0%	8
Other		26.7%	54

Other:

- Other - Resident of core neighborhood that could be most impacted.
- Other - resident of Lawrence
- Other - Possible future interest in utilizing short term rental
- Other - I am not a host but do see the value and consider becoming one at some point.
- Other - No interest either way
- Other - maybe rent a bedroom at some point down the road
- Other - Resident of an affected neighborhood.
- Other - I have considered using and/or providing STRs
- Other - I have used STRs in Lawrence, KCMO, and throughout Europe
- Other - The City will not regulate these properly
- Other - None of the above.
- Other - it's Great for the local community who's getting it!
- Other - I have needed STR
- Other - input
- Other - I am interested in having a STR in the future.
- Other - I have considered using short term rentals in vacation plans and I have talked to members of these community who are in neighborhoods where they are run.
- Other - I do not operate a STR but there are several in my neighborhood and even on my block.
- Other - I have used STRs elsewhere and might want to do it here.
- Other - just a citizen
- Other - People across Lawrence have been asking for a process to regulate STR's along with bringing them under the tax umbrella that STR's benefit from for some time now.
- Other - I'm a former host of STR in a different city, I have considered using a STR for myself and visiting family
- Other - I have considered being a STR. Relatives have used an STR.
- Other - Another city attempting to regulate this use.
- Other - I am concerned about their effect on the peace, safety and privacy of my home
- Other - none of the above
- Other - I have no specific interests in STRs
- Other - I have in the past owned an Airbnb

- Other - I would like to rent my home ST over big KU weekends (graduation, home Basketball games, homecoming)
- Other - I may consider offering a short term rental in the future.
- Other - I was a HAPPY host/operator of a STR before the City sent me a cease/desist order.
- Other - Interested citizen - I have not used or lived near a STR.
- Other - might be a possibility for my home
- Other - I have used STR elsewhere and have one STR in my neighborhood.
- Other - Might want to convert a rental to Airbnb.
- Other - More equitable distribution of wealth and creating high quality cultural experience in Lawrence
- Other - Potential future host
- Other - I am planning on hosting an STR
- Other - I may become a host of a STR
- Other - I would like to operate STR
- Other - dont care
- Other - I have used STR elsewhere....London England, Banbury England, Bathe England, Bucharest Romanis. I have leased STR in Lawrence for visiting family members. They are all over the world in it's wonderful.
- Other - I have no direct experience of STRs, but am interested in the policy for Lawrence
- Other - I live in a single family home but lease one of my apartments as AirBNB
- Other - Planning to use this year
- Other - Might be interested in it
- Other - Impact on neighbors
- Other - I have a rental thinking about using it as a STR
- Other - I am a concerned citizen and primarily concerned with affordable housing
- Other - May use in the future; general interest in the new "share economy"
- Other - I have recommended STRs in Lawrence and I like using STR's when I travel
- Other - We own two long-term rentals in Oread neighborhood.
- Other - Feel they need to be on same playing field as other lodgings
- Other - May use in the future.
- Other - I think there should be strict regulations for short-term rentals and believe single-family neighborhoods should have the most strict regulations in regards to owner occupancy required and no more than current occupancy allows.

How long have you operated your STR?

		%	Count
Less than a year		38.5%	10
Between 1 and 3 years		38.5%	10
More than 3 years		23.1%	6

On average, how many nights a month is your STR occupied?

		%	Count
5 or fewer nights a month		23.1%	6
6 to 10 nights a month		53.8%	14
11 or more nights a month		23.1%	6

What is your primary reason for renting your property?

		%	Count
Additional income		76.9%	20
Take advantage of only living in my home part of the year		7.7%	2
STRs are part of my business (management company)		3.8%	1
Other		11.5%	3

Other:

- Other - extra income and I am an empty nester
- Other - In addition to supplemental income, Airbnb puts us in contact with people of many different cultures and facilitates the exchange of ideas. Airbnb hosts make excellent ambassadors to our city and hosting keeps dollars in the local economy.
- Other - Lodging for friends and neighborhood friends

Do you own/operate more than 1 STR?

		%	Count
Yes		7.7%	2
No		92.3%	24

If yes, how many STRs do you own/operate?

		%	Count
1		33.3%	1
2		33.3%	1
4		33.3%	1

What platform do you generally use? Select all that apply.

Platform	%	Count
Airbnb	96.2%	25
HomeAway	7.7%	2
VRBO	3.8%	1
Other	3.8%	1

Other:

- Word of mouth

How did you become aware there was a STR near you?

Response	%	Count
The owner spoke to me about it	17.6%	6
A neighbor spoke to me about it	26.5%	9
I noticed the activity	26.5%	9
Found it listed on a STR website	26.5%	9
Other	2.9%	1

Other:

- Other - Neighborhood email listserv









How do you perceive the presence of a STR in your neighborhood?

Response	%	Count
They have a positive impact	17.6%	6
They have both positive and negative impacts	44.1%	15
They have a negative impact	23.5%	8
They have no impact	11.8%	4
Other	2.9%	1

















Other:

- Other - Overall they have a negative effect. The yard is not cared for like others in the neighborhood. Trash gets left around. It removes a single family residence from a Lawrence family that could live there

If you think STRs have a positive impact, why? Select all that apply.

Property is maintained		83.3%	5
Increase personal income for hosts		83.3%	5
Increase revenues for the City of Lawrence		50.0%	3
Meet new people		50.0%	3
Property is maintained		53.3%	8
Increase personal income for hosts		53.3%	8
Increase revenues for the City of Lawrence		26.7%	4
Meet new people		6.7%	1

If you think STRs have a negative impact, why? Select all that apply.

		%	Count
I don't know who is there/high turnover		73.3%	11
Impact on affordable housing		66.7%	10
Litter		33.3%	5
Noise		66.7%	10
Occupancy (Overcrowding)		60.0%	9
Safety		33.3%	5
Traffic/Parking		86.7%	13
Other		6.7%	1
I don't know who is there/high turnover		87.5%	7
Impact on affordable housing		37.5%	3
Litter		50.0%	4
Noise		50.0%	4
Occupancy (Overcrowding)		62.5%	5
Safety		62.5%	5
Traffic/Parking		100.0%	8
Other		12.5%	1

Other:

- Impact on property values in my neighborhood.

- Concerned STRs effect on historical environs.

Have you personally experienced any issues, positive or negative, with STRs?

		%	Count
Yes		45.5%	91
No		54.5%	109

If yes, what were they?







- It gives great incentive to keep the property up, way friendlier than a hotel. It is driven by customer satisfaction so there is motivation to higher quality.
- First, I think calling this short term rentals is misleading. These are private property homes. This is my home . We have had delightful experiences both restating at air B and B internationally and in Lawrence , and in providing an air B and B in the community
- Many people enjoy the STR as an alternative to hotels. In addition I had a student in need of summer housing stay with me and requests from many more. It was quite rewarding to be able to host a law intern doing pro bono work
- Positive, as a renter in other communities while on vacation
- I've stayed at AirBnBs in LA and Columbia, MO
- Always friendly
- Both experiences were pretty good. Nice room in a comfortable house. I felt comfortable and safe both times. That said we need a little more info than my two stays!
- Nuisance from party attendees
- stayed at them twice, both excellent experiences, nice to stay in non-touristy areas
- Allowed a group of old friends to get together in a remote area
- I'm aware that in some instances speculators might buy real estate in order to turn it around as an AirBnB, but not to live in it. This creates an inflated real estate market. It also bypasses the visitors tax, which is beneficial to promoting the city as a tourist destination.
- Yes, guests were parking on my property. We contacted the owner & manager and it stopped.
- Problems with parking and large groups of unknown people in the neighborhood.
- I have only had positive experiences in each of the STRs I've stayed in. I actually stay in one weekly as I am a doctoral student that commutes from Lincoln, Nebraska. If it wasn't for the STR, my time here in Lawrence and in my doctoral program would look completely different. I travel frequently for my job in Nebraska and stay in hotels around the state between 1/3 - 1/2 of the year depending on my caseload and when cases come up for trial. I love the comfort and home-like quality of the STR I use each time I visit Lawrence. I don't have to worry about noise above me or in the hallway outside my room like I frequently deal with in hotels. The home and the neighborhood are quiet except for the occasional dog barking. I spend money weekly at The Merc for lunch and dinners; I eat at local restaurants regularly like Zen Zero, Merchant's Pub, LadyBird, and The Roost. Finally, the STR host I stay with each week has truly made being commuter student easy and worry-free.
- 99% positive, show a good side of Lawrence to guests, helps keep my property in tip top shape, brings \$ from visitors to the city

- There is no way to tell whether or not a residence is a short-term rental.
- Positive
- What the hell is a positive issue? Remove this question.
- The owners are always pleasant and welcoming.
- positive. fun way to visit other cities
- Parking in alley way to load/unload vehicles.
- Loud talkers out on decks and patios. Extra foot traffic around parking to the home, but nothing too significant.
- Pleasant stays at affordable prices; interaction with local hosts
- Nice cheap way to stay somewhere when i travel
- I stayed in one in another city; it was mostly positive
- Like STRs.... stayed in ~12 airbnbs
- Neighborhoods concerned with significant numbers of properties being purchased as short-term vacation rentals, precluding local residents from purchasing full-time homes.
- I have experienced both positives and negatives. I had a positive experience renting my extra bedroom as a summer sublet, renting it one month at a time via AirBnB to different "guests." It provided extra needed income to me and provided affordable housing compared to a hotel for the "guests" (such as the student temporarily living in the city for a 1-month course and the couple relocating to the city, needing somewhere to temporarily live while apartment hunting). I've had negative experiences with STRs (specifically AirBnB) when apartments or entire apartment buildings are functioning as hotels without regulation and contributing to affordable housing shortages by charging inflated prices and taking away much needed long-term housing.
- STR provide opportunities for travelers who may need alternative accommodations than what is commonly available from the hospitality industry.
- I have used STRs in many cities and always had a great experience.
- Stay in them many times. Much cheaper than hotels, and wonderful to have a kitchen so I can accommodate dietary restrictions.
- The ability to have better control over the maintenance and condition of our home, and those who share it have been the biggest positive.
- My stepson pays extremely high rent in San Francisco, partly due to dwellings purchased solely for STR, thereby reducing the number of properties available for full-time rental.
- It was a great option for my family when we traveled elsewhere. Much more affordable than the available hotels.
- Positive. My neighbors have STR and we have never had a problem.
- Yes, I think they are great.
- Just moved from the UPNA neighborhood where STR are the talk of the UPNA google groups. There was one right behind us that never caused any problems.
- I have used Air B & B when on vacation in 2 different cities
- Problems with noise, trash, and over crowding.
- Can't use our backyard. Short term renters using the outdoor space act unaware that there are neighbors right next to them.
- Wonderful guests, positive experiences here in Lawrence...excellent experience as a guest when out of town...
- The presence of STRs can potentially lower the value of surrounding homes.

- overpopulation, trash, not present landlord, violation of city code, change of occupants each weekend
- Excellent, easy way to travel.
- It has been an extremely positive experience most of time. Only one negative was had and airbnb took care of it.
- I have had positive experiences with STR. Anytime I travel outside of Lawrence we always stay in a STR because they provide a much better experience and accomodation than hotels. Traveling with my family or even our extended family is not feasible in the "traditional" hotel. We want to be able to gather as a group, eat dinner together, have our own rooms/showers, and be able to come and go as we please without the inconveniences of a hotel.
- When traveling, my wife and I typically stay in STRs, preferring them to hotels both for cost and for the experiences they help to facilitate in new cities
- Great experience.
- I have had a positive vacation experience staying in a STR
- I have loved staying in STRs in other cities when I travel; meeting the hosts and their support also encourages me to spend more time and money in a city and its local economies. STRs are often in neighborhoods with fewer chain stores nearby, a plus for the city and the visitor.
- They have provided a more affordable and comfortable option for stay in other cities.
- In general, people are really nice!
- I have stayed in STRs all over the country, and have only had positive experiences. I love being able to stay somewhere with locals, and experience a place for its community.
- Positive experience
- Parking in alleys & traffic
- All positive
- In three years we have not had a troublesome guest. In that time we have never had a neighbor complain.
- Hosting has been a huge positive. It allows us to stay in our home when our income from other sources has declined. And we have met some very nice people.
- The woman who operates it is friendly and a good neighbor
- Positive.... a rental across the street from my elderly mother's house was always problematic, cars parking on the lawn, cars eating up the parking on the street, lawn trashed and unmowed often. The owner converted it to STR and came around and discussed with all the neighbors in advance. Now it's turned around 180 degrees, nicest looking property in the neighborhood now. Never any problem's now.
- Parking and litter problems.
- Just positive experiences generally; it's nice to connect with travelers and provide hospitality and foster trust.
- Having to litigate to get money back on a trip canceled because of Hurricane Irma
- After hosting over 400 guests, we have only had one minor incident that Airbnb helped us resolve quickly.
- They're generally cheaper than hotels in areas and they're a great way to meet and talk with local folk
- They've given us a larger budget to spend in the city we're visiting to try more restaurants and entertainment venues.
- I think they are great! Not just for the cost, but the people you meet, the ability to live with facilities, etc.

- Noise, lack of respect for neighborhood where located. Trash left in yard.
- Very positive -- rented a bungalow in Atlanta. Attractive property, good location, impressive price relative to area motels, helpful host.
- Being part of community where stayed
- Renters have damaged property and owners have not fixed the damage.
- I have used them in several area around the country, all with great stays.
- I have used Air BnB in other communities and found the experience to be good
- They allow people to travel on more of a budget. I've stayed in one that was very nice.
- I have used Airbnb in multiple cities for business and vacation, for short term and up to two weeks. Every experience has been positive.
- Positive experiences renting STRs in several other cities
- Outstanding value plus warm and friendly individuals who were renting the property to me.
- I love how personal STR's are because you often talk to the owner of the property. However I have a group of friends from Saudi Arabia who have not always been treated respectfully, we're not sure what the motivation was. But it might be harder to enforce anti-discrimination rules for STRs because they are so controlled by the owner.
- We have a STR next to the home we own/live in in Salida, Colorado. We have had no issues.
- I think they are wonderful.
- Party noise until 3:40am! Not knowing how to contact owners.
- Positive all-around experience.
- I've never had anything but positive outcomes with all of my stays.
- All positive stays in STRs.
- ...into the night, loud gatherings.
- My Airbnb is more like a bnb in that I interact with the guest(s) most of them are University related guests. Many guests are young foreign first year students that come and visit KU. They live in our home and many become an extension of our family. They see what Lawrencians are, friendly and willing to help those wanting to fit in. This is an opportunity to earn extra funds to improve our home
- STRs are great--I prefer them over hotels whenever possible. That being said, I don't want them in my town.
- All Positive. I love sharing my home with others and making extra income. Every guest I have had gives a 5-Star review and they certainly enjoy staying in the community other than a hotel.
- Positive experience

What value do you see in allowing STRs in residential neighborhoods? Select all that apply.








		%	Count
Allows more people to stay the night in Lawrence		57.1%	113
Economic impact for Lawrence		61.1%	121
Gives alternatives to standard hotels and motels		77.8%	154
Improved property care		46.0%	91
Provides additional personal income for hosts		83.3%	165
Other		16.2%	32

Other:

- It keeps people involved and caring toward Lawrence
- I have had prospective students and parents stay with me so that they could get the "feel" of a local residential neighborhood.
- When I keep my place nice it inspires others around me to improve their property
- Unique experience when visiting Lawrence
- This is a new way to do business. We should explore how it works and design rules to support folks doing the best job. Deciding what is the best job will take some work.
- Encourages visitors to be more engaged with the community.
- None
- Helps brand the city as "cool" and "with it"
- allows guests that might otherwise not be able to visit Lawrence, come here to spend time with family, events, and spend \$ in our community
- It is a way more comfortable way to stay in a new city for the night. Hotels are relics from a generation past.
- The rent is too expensive and minimum wage is too low. The economy in Kansas is terrible. How else are we supposed to make money? I need both of my kidneys.
- Provide short-term housing (1-3 months), Lawrence does not currently have any affordable short-term housing especially near Downtown or KU for people visiting for school/business, relocating, or between leases/houses
- negative value of negligent guests or landlords
- cultural connection to local culture and lifestyles.
- Allows visitors to interact with residents and hosts in a meaningful way
- allows owners to choose what to do with their property (within limits)
- Helps us feel connected to people from all over the world...
- no value
- These are all phenomenal contributions that STR provide to the community. People want to stay in nicer STR which encourages owners to update and upkeep their property.
- Hosts often act as ambassadors for the city and help to shape tourist experience
- pays out stupid high taxes

- In the case of AIRB&B, rentals and renters are rated by each other which effectively weeds out the riff raff.
- allows guests their preferred experience of the city
- Hosts are excellent ambassadors for the city
- Unless they are regulated very stringently, so far I don't see any positives except the homeowner who makes money and doesn't have to be a part of the neighborhood.
- No. 1: It allows strangers coming into the city the opportunity to connect much more personally with caring homeowners, making them more likely to return for that reason. Plus, the reason of affordability
- Provides an economical way to spend the night away from home.
- No value to neighborhood
- No known value.
- We do not have the house sitting empty while we are away. Decreases likelihood of breaking and entering and theft.
- I see no value in single family, perhaps in multifamily such as apartments
- NONE

If an ordinance regulating STRs is approved, what do you see as potential issues? Select all that apply.

		%	Count
Housing affordability		39.1%	70
I don't know who is there/high turnover		36.3%	65
Noise		39.7%	71
Occupancy (Overcrowding)		36.3%	65
Traffic/Parking		58.7%	105
Safety		33.0%	59
Other		25.7%	46

Other:

- The people who want to regulate this have never used an airBNB. It is not really a short-term rental, do you call hotel rooms a STR?
- Air B and B strictly regulates , and it is not unknown who is staying in a place . In fact there is more data available then if it was a hotel
- over control by the city that has no idea what an AirBnB is
- I don't know if it will affect affordable housing here. Just heard a story about New Orleans having a problem.
- Vacant houses all over that are only STRs-VERY BAD for community/neighborhood feeling, eyes on the street, real estate speculation with no community investment. See Vancouver...
- If you have good hosts who do their due diligence and have well established house rules, then you will also have good guests.

- hosts need to have their spaces inspected for safety and cleanliness, hosts should have proper insurance, hosts should have solid House Rules, including names of all guests and limits on number of cars on property, and NO PARTY HOUSES
- Criminal intent by the renter.
- If these are non-owner occupied STRs, then you have to consider these as hotels without on-site managers and greater increase to the likelihood of personal property damage to that property and neighboring properties.
- Regulation should be kept to a minimum
- No issues--there are a number of long term rentals in my neighborhood that have been sitting empty for years or are full of rowdy students.
- STRs where they shouldn't be; renters acting as "hosts" without owner consent; STRs as investment properties
- In some neighborhoods, especially in and near Downtown, limit housing availability where there is already a housing shortage.
- i don't see any actual issues, but rather more perceived ones.
- Fear of decreased property values; fear of loss of quality of life
- Protecting quality urban core
- No issues
- Too much gov. control.
- While we may not know who is there (high turnover), we also can not control who moves in next door to us or down the street. This is not an issue that is any different than selecting a neighborhood that fits your needs.
- Widening inequality: over-regulation of this industry could come at the expense of average Lawrence citizens and likely favor wealthy individuals and corporations with large numbers of realty holdings who can afford to lobby-for and meet such regulations.
- The city should responsibly support, and not impede STRs, particularly as we lack accommodation space in the City.
- neighborhoods will be less attractive, more touristy
- None of the above have been an issue in our experience.
- I don't see any potential negative issues
- too much regulation
- I'd say it's a win win for all parties including neighborhoods.
- increased liability for hosts
- Loud parties
- The City making it a pain to offer it.
- Lawrence has a low inventory of homes for families that need them. Until we have a true surplus, I do t think there'd should be any STR unless the owner proves that they actually reside in the house 9-10 months of the year.
- I'm not convinced that an ordinance is necessary.
- If additional cost or paperwork discourages hosts from renting, the City of Lawrence is the loser. When I travel, like many now, I do not stay in places where there is no affordable airbnb!
- None of the above
- More cost to the STR because the government will request a fee
- None, rentals are visited more frequently and guests are vetted by platform

- Neighbors retaliation against STR owners
- Impediment to free and open market. Are there actually active problems with the STR business? If not, why regulate?
- I'd like to avoid the same problems we had with massage clinics, so we need to make sure units aren't being used for trafficking. Will this ordinance help protect renters of color from possibly biased owners?
- Loss of local/neighborhood feel.
- I do not understand why the city feels it has a place or purpose to regulate it. These are private homes.
- Loss of income for senior citizens on a fixed income.
- Potential decline in community spirit of my neighborhood, where now "everybody knows your name." Potential long-term negative impact on property value of my real estate.
- STRs (full houses being rented for short terms will be a negative impact on Lawrence in long term.
- None
- I don't see those as issues
- Loss of actual neighbors.











Do you think existing city codes related to noise, parking, occupancy, safety, property maintenance, ect., mitigate potential issues?

		%	Count
Yes		45.0%	90
No		24.5%	49
Maybe		18.5%	37
I don't know		12.0%	24

Do you think STR activity should be regulated?

		%	Count
Yes		48.0%	96
No		30.5%	61
Maybe		18.0%	36
I don't know		3.5%	7

If STRs are regulated, which of the following elements would you like to see considered most? Select your top three (3).


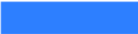
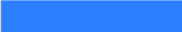





		%	Count
Limit STRs to only owner-occupied houses		45.2%	85
Limit the number of nights units can be rented		13.3%	25
Limit the number of occupants (how many people can rent out a property)		49.5%	93
Limit the number of properties an owner can operate		39.9%	75
Only allow in certain zoning districts		9.0%	17
Require a contact name and phone number to address immediate concerns		58.5%	110
Require a notice to surrounding property owners of a new STR		30.9%	58
Require a license through the City		42.6%	80
Require STR inspections to ensure safe structures		34.6%	65
Other		12.8%	24

Other:

- Limiting the number of nights is ridiculous , especially if this in someone's home or on their property
- Need to move away from complaint driven responses.
- Require a license, require safety inspections, require notice to surrounding RESIDENTS (owners and renters), require a contact name/phone to address immediate concerns...all of these
- Do not allow landlords to increase rent because of the potential income that could be earned from operating an air bnb.
- Ensure all STR's are paying the transient guest tax rate of \$5.00/night per bed
- Airbnb has a good system of regulation set up already.
- I strongly support licensing and inspections for STRs that are not owner occupied. If an entire house or apartment building is a defacto hotel, it should be regulated similar to a hotel.
- Require a local contact for issues at the property.
- More restrictions in solely residential neighborhoods of single family homes. Easy process to suspend/revoke license if there are complaints. DO NOT ALLOW corporate purchase of residential houses for STRs.
- The top 5 options on this list are unreasonable and will stunt economic growth in Lawrence. The majority of progressive cities do not try and manipulate the STR. I believe limiting these in such ways will potentially create an unlevel playing field.

- There is no "top three", all these components need to be included in STR regulation.
- leave them alone
- none of the above... it's a non-issue, the people involved are knowledgeable, wise, and definitely business oriented such that they protect their business interests.
- wd prefer that inspections target fire alarms and the most critical safety issues
- Do not allow renters to offer their homes as an STR (this can be managed in landlord leases)
- Limit the number of units (beds perhaps) allowed per geographic areay, such as census block or block group or neighborhood if possible. Seems like it'd be better if they were distributed throughout the city and not concentrated in particular areas.
- License because I think proof of insurance should be required.
- Put a restriction on the right to rent an STR property if there are numerous complaints from neighbors about noise, parking, or other similar issues that are registered with police.
- You have all the regulation you need on the books today no more is needed.
- Require owners to agree to non-discrimination rules and if they don't follow then their license can be rescinded
- One STR/block. It works well in Salida; we are trying to prevent becoming a Telluride, Crested Butte, Breck.
- Use existing rental laws to inspect and license property.
- Unclear why the city needs to regulate hosts that are using Airbnb.
- If not Owner Occupied then may want to look at fees in lieu of commercial zoning and commercial codes.

Who should be allowed to offer units on the STR market?


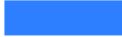
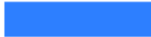





		%	Count
Landlords of entire apartment buildings		29.4%	59
Property owners of a condo		65.7%	132
Property owners of a house		86.6%	174
Property owners that own multiple properties		47.8%	96
Renters		19.4%	39
No one, I don't think STRs should be allowed		6.0%	12
I don't know		2.5%	5
Other		10.9%	22

Other:

- Folks that are properly licensed by the city in appropriate areas.
- Maybe limit the number of units/properties any one owner could have to be allowed to rent. EG my neighbor owns two houses, that's fine. A landlord who owns 200 units should NOT be allowed to do 20 STRs.

- Local property owners only, that are accessible and add to the authenticity of the program
- I think every property should be allowed STRs.
- Owners w very few properties and only those allowed under certain restrictive zoning/ordinances. Otherwise these landlords are simply operating hotels and our residential neighborhoods, even MF residential, neighborhoods are not zoned for those.
- anybody with an otherwise-legal right to do so
- Anyone who is registered on Airbnb
- Landlords of entire buildings and owners of multiple properties should be allowed, BUT only a certain percent (low, such as 10%) of the apartments in the building/houses owned should be allowed to be STRs. There is already an affordable housing shortage.
- I would restrict to 2 or 3 the number of properties one owner could offer for STR. Again, easy suspension or revocation if there are problems/complaints.
- A property owner should have the right to rent or not rent their asset they have purchased. A lease should prevent tenants from using their unit as a STR. Covenants for an HOA should be the only prevention on how a residential property can be utilized
- Renters with Landlord approval (if not all renters)
- If you're going allow STRs, no one should be excluded (not fair to single out property types). But ALL should be strongly regulated. Owners/landlords only, not renters, that will violate their lease terms, renters cannot "sublease" w/o owner/mgr approval.
- anyone
- maybe cap the number of properties owned by one entity
- only if owner occupied in single family residential areas
- One would expect STRs as being appropriate for apartments and condos. Neighborhoods should not be disrupted by this kind of activity.
- Why limit who can offer?
- Renters if allowed by their lease
- Subject to condo's HOA rules; subject to neighborhood association rules
- I always thought of STRs as property owned by individuals.
- I think duplex/triplex/fourplexes should either not be allowed as STRs or the neighbors must be notified and agree to the property being rented. Its a shared building so those sharing it should know.
- If a private citizen offers, and a private citizen responds, why is there the need for government regulations?

What type of property should be allowed as a STR in Lawrence? Select all that apply.






		%	Count
Accessory dwelling unit (smaller second house on same lot as primary house)		78.9%	157
Apartment unit		55.8%	111
Condominium unit		69.3%	138
Duplex, triplex, fourplex		67.3%	134
Mobile Home		40.2%	80
Single family home (detached house)		84.4%	168
None		6.0%	12
Other		10.6%	21

Other:

- Any that conform to ordinance. Any of above, assuming they are in proper location.
- Folks should be able to rent out rooms in their own houses.
- Local property owners only that are accessible by guests and neighbors should a problem arise.
- Owners should be local homeowners, not corporate investors. It ruins the authenticity of the STR by having out of town investors.
- Anything that could or would be a residence. Whatever the customer wants.
- Townhouse
- any property fit for habitation
- A room or portion of an owner occupied house
- I have seen RVs, high quality tree houses, and "glamping" style tents available as STRs. As long as they meet requirements such as licensing, inspection, they should be allowed.
- Only a room in owner occupied home
- Again, if they are allowed at all, all property types should be eligible or you're picking winners/losers, not fair.
- Room in owner-occupied dwelling
- Any residential property
- any
- The market will easily dictate this.
- Specialty structures like tiny house or tree house
- Rooms within single family homes
- Why control types of property?
- Again, subject to neighborhood ass'n rules & condo HOA rules
- One side of a duplex.

- If a private citizen wants to stay there and a private citizen who owns it says ok, why does that need to be regulated by the government?

If you own/operate a STR or have thought about owning/operating a STR, what is important to you if the City regulates STRs? Select your top three (3).

		%	Count
Ability to own more than one STR property		27.3%	36
Reasonable and efficient inspection program		53.8%	71
Ability to operate a STR in all zoning districts		47.0%	62
Simple registration/licensing process		74.2%	98
Other		25.8%	34

Other:

- I think the City should stay out of it unless there are complaints and then address that specific event.
- I do not agree with having my home inspected
- let it continue as self regulation, handle events on a single basis
- That I would not be negatively impacting a neighborhood for own personal goals.
- A clear set of rules. Insight into the data measuring how STR business affects the city. Maybe a link in the various apps for the clients to recommend forwarding their evaluations to the city to help gather data.
- The STR should have a sign prominently displayed in the front yard and designed by the City
- Licensing should be required.
- Only occupancy regulation and/or Contact Information
- city need not be involved
- Government should butt out unless clear benefits to interference
- safety/security/liability; not competing against "companies" or big landlords
- I rented my spare bedroom as an STR. I do not think owner/renter-occupied STRs need as strong of regulation as STRs that operate as hotels because an owner/renter occupied apartment/house is already mostly regulated through code enforcement.
- Freedom.
- tell my neighbors it is legal and okay
- Number of units and locations regulated
- I can understand that urban core can be protected vitalized by helping residents keep their home by some extra income thru short term room rentals. Some seniors may need this help
- No one should be able to own more than one STR
- Low cost!
- Not applicable
- The city shouldn't put any regulations on them

- not important self regulating thru feedback
- Please do not over regulate, understand.... example, a grandma owns a home with more than one bedroom, she wants to keep her home for when her family comes home to visit, other time's she can STR her bedrooms to help pay home maintenance and other expense
- Does not apply
- I don't own one
- The City government does not need to be involved at all
- No licensing.
- n/a
- Don't want to have to deal with city
- Verify people who they say they are, fight trafficking
- 1 STR/block
- I don't support STRs
- Limitation on the number of STRs in an area -- i.e. no more than one or two per city block.
- N/A
- Really don't see the necessity for the city to regulate how I choose to use my property.

Any additional comments or concerns:

Answered

70

Answers:

- My guests are paying sales tax; I am paying income tax, federal as well as state. Enough already.
- This is personal property . Air B and B regulates , we are taxed and pay taxes. I can understand if it is not someone's home or on their property , but otherwise , this seems to have some agenda that is not clear . I understand safety but air B and B knows more about person than hotels
- My neighbors welcomed the STR of my property--they even helped me get it into shape for renting. I am using the income to improve the house.

AirBNB has many guidelines which have not been address in this survey such as allowing or not allowing parties. I do not allow parties. I do not allow extra guests. I have more than 3 bedrooms, but I read a city ordinance stating that if I offer more than 3 bedrooms for rent, I fall under the guidelines of a hotel/motel and I didn't want to do that, so I only offer 3 bedrooms. Parking in my area is not an issue as I offer off-street parking for my guests. I do not have any "public" sleeping spaces (such as pull out sofas, air mattresses, etc) so I have a maximum of 6 guests in my 3,000+ sq ft home.

AirBNB does a good job of "self policing" in that the host gets to publicly review the guests and visa versa. This keeps both sides working to provide a safe, comfortable environment for responsible guests and guests that respect the property and the neighborhood. All of my guests are drawn to the quiet residential neighborhood and prefer to stay in a space that feels homey rather than in a party environment.

A host must list all safety items found in the home including first aid kits, fire extinguishers,

carbon monoxide and smoke detectors, etc. If these items were not actually in the home (or if the home were dirty or unsafe), guests would report them to AirBNB. There is a vehicle in place to do just that--report a host or guest directly to AirBNB so that disciplinary action can be taken. For this reason, I do not believe that homes being rented as STRs need to be licensed or inspected by the city. Unsafe or unclean spaces will be eliminated by guest review process.

Hosts have the option of requiring a deposit. And the deposit can be collected for breaking the house rules, which the guest must agree to in order to stay with the host. If my guests break the house rule pertaining to noise or parties, I can collect and keep the entire security deposit. AirBNB also has a standard to which hosts aspire called SUPER HOST. Super Hosts are those hosts that are responsive, responsible, provide a clean and safe space, and advertise their property accurately.

I believe that STR's provide a way for home owners to earn extra income from space that they already have. I am using my extra income to restore my home and have already put thousands of dollars into painting, repairing, and restoring it.

In addition to providing extra income for the home owner that can be used to improve a property or help pay for insurance or mortgage payments, I believe that well-managed STRs are good for the city for many reasons including tax revenue and providing a flexible source of additional accommodations for peak seasons. I can see the potential for issues to arise when people are seeking a large space for partying and hosts are looking to make large sums of income from these large groups of guests. I am not in that market and so cannot speak to the issues--pros or cons--of hosting or being a neighbor to such groups. I own my home as a second home and am interested in improving it so that I can move there in the near future. As such, I am not interested in parties and have found that I do not have to cater to this demographic in order to keep my place rented.

- Lawrence is becoming a party town. Significant resources are being utilized to convince people to come to town for the Lawrence "scene". And we have a very good scene going on. This puts the areas near the "scene" at a significant risk of catering primarily to that scene, making it more difficult for full-time residents to enjoy their homes. Speculative real estate purchases become the norm, shrinking available housing in those areas, which is often in the lower price ranges of housing in Lawrence. It should be noted that where home prices are higher, there are often covenants or HOAs or other legally binding agreements which already prohibit those types of uses. Those areas are already insulated from this type of use. More affordable marginal housing in the core areas often do not have those secondary agreements and are much more vulnerable to being used for STR type rentals. This leads directly to real estate speculation driving up the prices of existing housing.

I would also like to see a correlation of the list of 130 or so houses currently listed in the presentation materials with the building permits that have been issued in last 4-5 years. I believe we would see that entire houses are being purchased, transformed or being built as infill development for the sole purpose of becoming STR's, as well as additions being added for that sole purpose. How many STR's would show up on that list? How many are not owner occupied? That would be very useful information to help see the impact of the issue to be regulated.

STR's should be regulated just as regular rental properties are, following their existing zoning

categories. Which means in RS they are mostly not allowed. It is one thing to rent a spare bedroom occasionally in an owner occupied home with an RS designation and quite another to allow full use of a home as a full time transient rental property. Even the occasional use should be subject to zoning and rental regulations.

The impact to hotels should also be observed. If an STR is available just as a hotel / motel is available then they should be subject to many of the same safety / quality issues as the full time traditional STR's are. The precedent has already been set that when restaurants are allowed via a special use permit within a non-conforming zoning category they must conform to the same safety standards that traditional restaurants must follow. Why would it be any different for STR's?

The City currently is supportive of a sales tax issue that would support a fund for affordable housing. If that is the only plank for encouraging affordable housing, then I will have a problem supporting it. Increasing the amount of affordable housing should be a multi-pronged approach that includes shoring up the funding as well as adopting measures that help prevent the reduction of available affordable housing. Regular rental properties already put great pressure on that availability, and I believe that the current trend for STR's will put an even greater pressure on that availability that will constantly erode the effectiveness of a fund.

I encourage a comprehensive approach to bettering the availability of affordable housing and that this STR regulation process can become a major piece to that puzzle.

Thank you for the opportunity to provide input.

- Can we question folks around existing STR businesses in Lawrence to find out if they feel secure knowing there are transients in their neighborhood? Do STR businesses use our community assets like police, fire, and medical more, less or the same as the existing neighborhood? Is there a place occasional STR owners can go for info, and tips, like when the hotels in town are sold out for one reason or another.
- Having used STRs all over the world while traveling, I am a huge advocate for the concept. We spend significantly more in communities where we use STRs as opposed to staying in a hotel. Using an STR makes us more a part of the community and allows us to get to know the community we're visiting. It's the only way we travel anymore.
- I think we need VERY careful consideration on this because in a college town and as a midpoint between KC and Topeka, this can go bad fast. Crime is increasing and there needs to be some control
- I see a significant difference between owner occupied STRs and those that are not. The latter often seem to have out-of-town owners and/or they operate multiple rentals. Perhaps only the latter need to be regulated.

Also, the background information states that they are paying taxes. I would like to see that revenue dedicated to affordable housing to offset their impact on our neighborhoods.

- My experience of Airbnb in Lawrence is what convinced me to use Airbnb across Europe this summer and I was not disappointed. I have been spoiled by my host and honestly have a hard time imagining staying anywhere else each week while I'm in Lawrence for classes. She is

dependable, reliable, and honest with clear expectations of her guests. My STR is clean, quiet, convenient, and like a second home to me.

- Attention should be given to Hosts who are serious about their business, have experience, and have rules that help keep their properties safe and create a great welcoming experience for guests in our community. Local owners add to the authenticity of the guests experience to "live like a local".
- STR's will put neighborhoods at risk for blight and disruptive behaviors. The City is not competent to adequately regulate them.
- Licensing should NOT be required. Housing is housing. It doesn't matter how long someone is staying there. I have friends who travel to Colorado and Portland almost monthly and stay in "STRs" constantly. By being conservative and regulating an otherwise non-issue item, you are creating more issues than not; you are limiting Lawrence's tourism potential at the cost to owners considering this low-revenue option. Let someone rent out an otherwise vacant or low use property as they please. The individual is responsible and liable for damages or crimes, the landlord is responsible for maintenance as per any other residence, crime, or situation. Let's all be adults here. This shouldn't be regulated and is a non-issue. Any NIMBY complaining about this should open their eyes to the world they actually live in. It's not society's job to cater to their isolationist lifestyle choices.
- Please do not let landlords raise the rent because of this. That is a problem that has occurred in all major cities. I can barely eat and pay rent and I work 40 hours a week and earn above minimum wage. This town will dry up and the population will age rapidly if no one can afford to live here.
- Albuquerque here has their own for hotels! which in return pumps over \$50 million into our local economy during the International Ballon fiesta weekend!!
- I also think sscity needs to monitor Rentals prices better to allow lower income families to rent homes.
- Registering and licensing seems over the top. People are already registering with a website to allow guests to come stay and the feedback is of utmost importance, so they'll do what they need to keep the house/property in good condition.
- seems like you are planning to interfere with personal property rights. overreach
- We have an air bnb next door. We didn't know it was a rental until we started seeing people going into the house, having a drink in the patio, unloading suitcases from cars, etc. without the owners being around. In fact, my neighbor asked the owners if they were renting the house out and they said "no." However, the house is listed on Airbnb.com We live in a historic neighborhood and have little kids who like to play outside. My primary concern is that I have no idea who is renting this house, when it is/isn't being rented, and whether the people renting the house are safe around children. People renting this house for a few days tend to be a bit aloof - it's not like they want to get to know the neighbors - and I can understand that. It's just awkward. I feel like I have to keep a very close eye on my kids, pay extra attention to who is at the house next door (strangers vs. our neighbors), and make sure my kids know to be careful talking to "strangers" (e.g., if a ball goes into their yard) when there are people we don't recognize at the house. While the homeowners make a few bucks by renting the house out, I feel like the families living in the neighborhood are paying the price for their entrepreneurial business ventures.
- I don't see a reason why people in Lawrence can't run STRs. Especially with the rising costs of property taxes and house prices, it can be hard to get by financially. I do believe that anyone

who is running a STR should have the goodwill of their neighborhood. And I see no reason why they shouldn't pay the same \$5 transient guest tax as hotels, or be registered with the city. This community has many attractions and sometimes an STR is more affordably priced with better amenities than a hotel.

- I don't think there needs to be any regulation with these. There are a lot of places in the US and other countries that do STR and do not have regulations set by the local government. Hosts aren't getting rich, they're simply using the money to pay for bills to supplement their income.
- STR's benefit directly from the work performed by Explore Lawrence which is funded via dollars drawn from the transient guest tax. As these individuals benefit financially from the work of a publicly funded entity it would be fair and equitable to have STR operators pay into the very tax they benefit from. This would in turn generate more revenue to promote more events within Lawrence thus bringing more people to town who would use STR's.
- I know that I have been renting my house out since 2012 with no problems--I have 133 positive reviews and am considered a "super host." I do not use automatic booking, and vet all my guests. Generally, they are coming to Lawrence for a conference, a reunion, graduation, bringing kids to KU or other local schools, visiting for parents day, weddings, special events, and often the local hotels are booked or have increased their fees which make it very expensive for families. Just this year a family from Colorado was bringing their daughter to school in Atchinson, for August 21, (eclipse) and could find no accommodations and since they needed Sunday, Monday, my house was available and I rented it to them. I married in 2010 and my husband's house is in Lone Star--35 minutes from town. My house is in East Lawrence and I teach at KU so stay there during the week. Renting it on weekends and school holidays has allowed us to keep both houses, which I love, and to make improvements--I've hired local people to do the work, so the additional money supports the local economy. It also helps us get through the summer months, when I am not paid. And the house is occupied when I would normally not be there. I don't allow parties or events. I use airbnb when I travel, and have only had positive experiences. I have paid taxes on the income since I started and since Feb. the State has started to collect about 14% taxes, Airbnb charges the guest 12% and the host 3%, which adds up. I feel that Airbnb is a very responsible agent, and would not consider using any other organization. Especially not Craigslist, since you never know who is on there.
- I personally think that Airbnb's system works well in protecting hosts, guests and neighbors. There are already ordinances in place to deal with issues of civility. All areas of Lawrence should be allowed to host, otherwise it is discriminatory.
- I think STRs should be carefully regulated so they don't price owner-occupants and long term renters out of neighborhoods. They should be a way for an individual property owner who has extra space to act as a "host" to vetted visitors and receive some compensation for it. I would not like to see any properties bought as STR properties or used primarily as investments.
- I think existing city regulations regarding noise, traffic, safety, etc. would reasonably cover these issues as they relate to STR housing. However, I think it would be beneficial to Lawrence renters or would-be home-buyers if a regulation was put in place to ensure that only occupants (if permitted to sub-let) or owner-occupants of residences be eligible to operate STRs. Many affordable homes in Lawrence are already often purchased as long-term rental properties by landlords, thereby reducing the number of affordable homes available for purchase for first-time/single-family home-buyers.

- I support STRs being allowed in Lawrence because there is a shortage of hotels and short-term sublets available. My family wanting to visit have had to cancel or reschedule plans because low and average priced hotels were fully booked on many weekends. There are very few, if any, apartment sublets/affordable extended stay hotels for people visiting for conferences, classes, or work. Most Lawrence landlords have a very inconvenient standard-of-practice of having to (1) lease apartments 6 months in advance and (2) Move out at least a day early before a new lease starts. This makes apartment/house hunting for all non-students like myself (including people moving to Lawrence) extremely hard and we rely on hotels, which is less-than-ideal for many reasons. STRs are a much better option. All this said, I am also concerned about STRs further contributing to the housing shortage (especially quality affordable housing for non-students east of Iowa St., both rentals and for sale). Many landlords prefer STRs because of the opportunity for higher profits, at least in theory. Developers/landlords should not be allowed to own multiple residential properties that function as a hotel. There should be a balance between the need for short-term housing and the needs of long-term housing and the communities.
- Living in a single family neighborhood, STR's are the equivalent of new renters CONSTANTLY. We already have crazy parking, inconsiderate noise and overcrowding.
- STR are a fun and important new way for all travelers to afford and experience the local culture and people of a city.
- I would think that the city's ordinances for homeowners and landlords should cover STR's sufficiently and no further regulations would be required.
- I really don't think an STR should be allowed in any way to ruin the rights of surrounding home owners to enjoy their own property in peace and comfort without ANY issues caused by the STR. That's why I favor allowing them, but making it very easy for neighbors to get an STR license pulled quickly if there are issues that are negatively impacting the surrounding neighbors. I would put a heavy burden on the STR owner to monitor and maintain their property and be responsible for their guests. I would strongly recommend ONLY ALLOWING LOCAL OWNERS and disallowing any absentee landlord types from running STRs.
- The hotel industry has been building like crazy in Lawrence and elsewhere in spite of the rapid expansion of STRs in recent years. Clearly they think they can compete so the City should mostly stay out of regulating this. I'm usually skeptical of the free market without some guidelines, but this truly seems like an area that can work itself out due to the reviews that users post. Mainly I think the City should make sure STR users have immediate contact info and also should make sure that you can step in if the case of repeated complaints.
- Regulating STRs means extra city staff/hours will be required at taxpayers' expense.
- My biggest concern is that neighborhoods be protected. Limiting a STR to owner occupied homes will prevent investors from buying houses and creating a tourist zone that degrades the quality of life for neighbors. Home owners that wish to host travelers will be more likely to take care of their properties and show concern for their neighbors.
- I feel strongly that any regulations be strongly enforced. I also would strongly prefer that they be owner occupied and that the owner must be present when they have renters. The present code has not been enforced so I am skeptical that the city will enforce a new code. I believe that this is a serious concern. I live in the University Place neighborhood and it is very fragile. I want to see our neighborhoods protected better than they have been.
- The presence of one or more STRs can potentially lower the value of surrounding homes. Conversely, it could drive up property values, making housing less affordable for ordinary residents of the city. Neither of these outcomes would be good.

- I wanted to live in a neighborhood knowing my neighbors and be part of a community. I am at a risk neighborhood based on proximity to KU. We have had several homes being bought for this purpose and owners out of state or not living at the residence. I have not had any luck (in the past) with the city enforcing violation of rentals and converting houses against code that I can't imagine weekend violations will be corrected. Please see journal world articles on house in 1700 Block of Louisiana which is still operating. I called on house in 1600 block on Indiana when it was split into 2 rentals the city reply about the prior house use was inaccurate but I was not able to pursue further than email and phone call. I knew the owners and she was a founder of our neighborhood association to prevent this. I am 100% against non owner occupied if in a residential neighborhood. I also don't believe that "tax" is being remitted to the city and if applicable state tax. If it is income, the owner occupants should be registered and pay taxes and be regulated. I think Lawrence should seriously looking at supporting neighborhoods as good neighborhoods assist in keeping our center of town and University safe. I also fear the hotel chains or management companies will start buying up houses for this purpose which is why I strongly want owner occupied. We have an Air BNB in our neighborhood that advertises I believe a dozen people staying in the house. Non owner occupied runs the security risk as we don't know who is next to us when we are out in our yards with family and small children playing and additional traffic from more cars. I am careful with security when staying at a hotel and I do not want that feeling when staying at my own home. I hope you will do something and enforce it. All funding for the regulation should be self supported by the registration and fines. I also think 3 fines and the owner(s) lose their license to have any forever. The fines should start at one night of full cost with a minimum of \$1000, 2nd violation is double nightly fee or min \$1500. So for the house that advertises 12 people for \$2000 a night their first fine is \$2000, 2nd is \$4000. For the house that is \$500 a night first fine is \$1000. 2nd is \$1500. Penalties less than this are not going to have any impact. They still are making money and like other landlords the fine and risk is insignificant so they continue. Thank you.
- Home owners should not be regulated for renting out their own home or room in the home. Anyone that owns more than one property in the city limits should be licensed for STR.
- As little regulation as possible. This is an important way for some people to make extra income, to show Lawrence hospitality to out-of-towners, and to make Lawrence accessible to more visitors.
- I operate 2 listings but they are in the same house, and I only rent one out at a time. I would object then to doubling the cost for inspections, etc. Airbnb (I can only speak of that co.) is basically self regulating as they readily resolve issues as they arise. Negative reviews, if common, would result in suspension if corrections are not made. I have off street parking so that has never been an issue. Owners park in the streets all the time. Please don't make a non problem a problem.
- I don't think there should be any regulation on STR's. Issues can be addressed with the short term renter directly or with the property owner as if it were residents or long-term renters occupying the unit. The ranking system on the sites will handle any safety concerns that may exist and allow for lower costs than a licensing program.
- It seems to me that STRs would bring more people to Lawrence (for sports and cultural events, shopping, visiting students at KU) which would also bring revenue from outside Lawrence. Hotels are expensive, and STRs are a better deal for people who want simpler accommodations. A host who owns a property may be a better ambassador for Lawrence

than hotel employees, which also helps promote tourism. Please consider this could help Lawrence economy in multiple ways.

- Whatever regulations the city comes up with better have some "teeth" to it or it won't make any difference. How much resources will the city be able to dedicate to regulating STRs?? The city is already struggling to effectively regulate rental properties from code violations, over occupancy, shadow dorms, etc. The city wants voters to pass a tax increase for "affordable housing". What do you think opening the floodgates to STRs will cause regarding availability/affordability for full time residents?? City of Lawrence = think long and hard about this before you take any action. You're holding a big can of worms with this issue!
- As an Air BnB host, I have found the guests overall to be very respectful. We have an apartment over our garage. There have been no issues with noise, or property damage. We have an off-street parking spot for our guests. Our home is quite large, and now that our children have moved out, there is certainly room for more people to stay here without causing overcrowding in the neighborhood.
- quit annoying us with all these dumb rules
- Air&b is all over the world, it's a tremendous advantage for people that want to travel as well as property owners that could use a little additional income to help them to maintain their property. Don't spoil it please.
- I totally agree there must be regulations. STRs should be required to pay taxes on incomes as well as city and state tourism taxes, just like the hotels are required. Should also be some language around revoking a license for properties that continually violate codes, ordinances or require the expense of police visits for noise or parking issues. I have used several VRBOs. Most have been good experiences in tourist locations. I rented once in a condo bldg on a Florida beach that appeared to be used only for rentals. Several of our neighbors where there to drink and party. I would have hated to have lived in that bldg or neighborhood!!
- Because Airbnb has a feedback loop which provides some accountability for guests and hosts alike, both parties have an incentive to be on their best behavior.
- I am worried that potential rental units will be used for STRs and this will, in turn, drive up rental prices due to decreased supply or a certain subsection on rentals (example: single family houses turned apartments) will be removed from potential long-term rentals. The profitability of STRs is a lot higher than those of long term rentals, which is a concern. On the other hand, STRs do allow people with spare bedrooms or living spaces to make money off of them, which can be a boon to many people.
- I see this as a positive thing for Lawrence as it will enable more people to stay in our city and spend money. We're already a college town with many visitors. This will give people more options and funnel more money into our locally owned businesses and citizens rather than to chain hotels.
- I don't see much problem with it, other than maybe the hotels losing business, but it seems like hotel shortages during peak times has been a problem for Lawrence anyway.
- I think only owner properties are eligible. I think it's okay to have more than one....but perhaps have a limit like 5 or something. Not having a bunch clustered together. The whole idea is to be in a neighborhood.
- There is no reason for the city to step in and add additional regulation or licensing for AirBNB. If anything, landlords/operators would be visiting the location more often and keeping it in tip-top shape to attract guests. The very process of each guest leaving positive reviews of the property lends to the property being clean and well taken care of. If you look at the Lawrence

listings you would find that the restrictions on parties, excessive guests, etc are more firm than most long term leases would require. Issues can be handled on a specific case by case basis without punishing all for the sins of a few. Let's not let Lawrence turn into a city with heavy regulation on everything it's citizens attempt to do to better their lives. As a landlord who is also passionate about affordable housing, I can tell you that having one unit with the potential to bring in a higher income enables me to not have to pass a portion of the yearly increases in insurance and property taxes on to my tenants who are already in the low income bracket and thus taxed with the high cost of living in this city. Let's not make this difficult.

- I am not sure if these units should be regulated or not, but some minimal requirements are probably needed.
- Taxes should be collected just like with hotels/motels.
- As a business person in town, I have already been approached to help fund purchases where the purchaser wants to turn the property into a STR. This will become a business model for some members of the community. I am not opposed to STR per se, but they have a specific place and location where they work. Lawrence has a critical housing shortage and until that issue is solved, STR should not be allowed in homes unless they are owner occupied and the owner occupant actually resides in the house for 9-10 months a year. I can see this being relevant for university staff that want to go on sabbatical and want to rent their home out for the duration of the sabbatical. This makes sense from a community and safety perspective. In a regular neighborhood, a single poorly-managed STR can cause bad feelings, lower property values and potential quality of life issues for those who own and are committed to the neighborhood. Without strict regulation, STR rental owners will take advantage of the situation and the City will find itself devoting resources to respond to these issue. Any regulations should be clear and concise and easy to follow coupled with severe repercussions for STR owners who don't follow them or become a nuisance to the surrounding properties.
- STR companies, at least airbnb, have self-policing systems. Owners who offer trashy properties, who mistreat guests, and so on, get bad reviews. I'm not sure the city needs to get into the regulation business unless significant problems arise.
- Please do not make this difficult for the ordinary citizen offering a single home. As long as it does not disturb neighbors and is not providing permanent lodging or lodging in violation of current codes, additional regulations will be counter-productive and possibly cost-prohibitive to many visitors who will choose to stay in STR's in other locations, taking their tourism dollars with them.
- Seems like a great idea.
- I believe these are an asset for the city, but appropriate regulation and oversight will help ensure that they are respectful of surrounding neighbors.
- The STR has been around for as long as there has been houses and people leaving then renting those house out until they were sold. There is no need to regulate this industry.
- It is seriously concerning to have the city make an issue of something that has yet to pose issues. Properties will be visited regularly by the host for changing linens & housekeeping and must be kept in desirable condition to attract guests. Homeowners and landlords do not wish to have too many guests at he time nor to have their property damaged. The city can deal with specific issues as they arise on a case by case basis. Do not punish those who are doing things right for the sins that of a few.
- Although I have used STRs in other cities/states and support the idea of them, I think Lawrence has a unique problem in that there are already far too many property owners who take advantage of (i.e., essentially control) the housing market by purchasing (cash or other

incentives for sellers) and renting out homes that would otherwise be purchased by young families looking for their first home. This is a clear problem in Lawrence, but I think if stipulations are put in place, STRs could benefit Lawrence. Particularly during busy times of the year when parents are in town helping college students move in and at graduation/peak wedding season, traditional hotels are typically completely booked months in advance.

- STRs should be allowed. However, they should be regulated by city code re: safety of premises, limit intrusion on neighbors, etc
- Actual enforcement of existing property codes and noise ordinance would be enough w/o another ordinance. We have many people in violation in my area now.
- I like the idea of requiring STRs to get a license through the city and the license should include an inspection of the property to prevent trafficking, assurance that owners of shared properties (like condos, apartments, duplex/triplex/fourplex) have at least notified adjacent neighbors in the building that the unit will be rented, and owners sign a non-discrimination form.
- Main concerns would be trafficking and how to keep that from expanding beyond what is already happening.
- I've lived all over the world and I've been to many college towns. What makes KU special is the neighborhoods that surround the campus. I believe STR are viable and valuable. But I don't want the perimeter of the campus to only be STRs. I recommend limiting the number of STRs/block. We live in Salida, Colorado. Our city council placed a 1 STR/block in place to decrease the transient feel and increase the number of LTRs/affordable houses. The STR for our block is next to to our home. 1 STR/block retains character, allows for enough neighbors while utilizing this new housing option, and keeps noise, parking, and partying to a minimum. Perhaps a city could go as high as 1 STR per side of a block (2 STRs per block)) without creating too much of an impact.
- We operate a STR 6 months out of the year and our income depends upon it. We have someone locally manage the property should the tenants need immediate assistance. During the time we have operated a STR, we have never had a problem. We are licensed rental owners. There are house rules posted online and in the home. We have never had an issue with our STR.
- My ex husband divorced me four years ago and I kept the large 4 bedroom 3 bathroom house for me and my 7 year old son who I only have 10-15 days of the month. I receive no alimony and no child support. I've tried multiple roommates to supplement the mortgage and they were all unreliable. When I signed up for AirBNB, I was able to consistently make more than a roommate was paying me and didn't have to occupy my house for more than 5-10 days a month. This allows me to rent when my son isn't there to supplement my mortgage payment to be able to keep my house without having to rely on unreliable roommates. I've never had an issue with a tenant and my HOA is fine with this because we've never had issues. I would like to continue being able to supplement my income through this source. Thank you!
- Because of its location (University Place, bordering KU and very near Allen Field House), I see the potential that my neighborhood could change into a dense STR district where there are so many of these that the single family occupants, such as myself, would cease to feel at home. Because there has been a significant increase of late, it is easy to imagine that this change could occur rapidly. I feel this is an urgent situation that requires attention sooner rather than later.

Danielle Buschkoetter

From: Andy Krzanowsky <andykrzanowsky@yahoo.com>
Sent: Friday, September 29, 2017 7:06 PM
To: Danielle Buschkoetter
Subject: Lawrence STR feedback

Danielle,

I would like to share some feedback that involves my personal opinion on STR in Lawrence.

It is my personal belief that STR are an amazing asset to the community. They have a great ability to provide revenue for the city in various ways. First off the younger generation and future will always look at sites like AirBNB and VRBO before looking at places to stay like hotels. The STR often exceeds anything that a hotel can provide to someone who is visiting. This will provide revenue from taxes collected (hotel taxes) as well as the additional revenue collected through reasonable property inspections/fees that have already been established by the city.

STR provide a unique opportunity to travel anywhere in the world and feel like you are at home. My family and extended family frequently use these services and are able to bring together large groups of people under one roof when necessary. It's important the STR as established to handle the correct number of occupants. It would be a huge disservice to try and make a blanket statement about the number of people who may reside in one STR. It should be based on the number of beds/accommodations. Essentially each unit should have their own occupancy limits. The current limitation of 4 unrelated people to a single occupancy is absolutely archaic.

Requiring the units to be owner occupied is not a good concept. Forcing the people who want to provide this service to "live in" with their tenants is simply unreasonable. It should be an option that people can owner occupy but forcing them to do so is not fair practice. STR are no different than traditional rentals other than turnover is more frequent. Does Lawrence require Hotel owners to owner occupy? Of course not... it doesn't make sense but they have the option to reside on site if they choose.

STR are often kept to a higher standard than traditional rentals. The consistent turnover requires cleaning the units each time they turn over. This means that maintenance and cleaning issues are handled more often than traditional rentals. Also, the units on sites like ABNB and VRBO are rated by the "tenants". This means that the units found to be the best kept, updated, and maintained will be rented the most often. People who want to be the top STR properties will invest more money into their homes, increasing property values, and in turn provides more money to the city in taxes.

There is no limit on rentals in Lawrence currently and the same should be for STR. It would not be fair to current or future people who would like to rent their own personal asset if we limited the number of available "licenses". Why stunt potential growth opportunities for the members of this community? Someone should be free to rent, a property they own, both long and short term. It's not up to the city to determine the duration of leases that are required. The burden is on the homeowner and not the city. The number of units that act as STR will stabilize and have minor fluctuations with time. Landlords will become tired of being landlords and move on from the business. New owners will come along and fill the openings. Basically it's simple supply and demand... the units that are not well kept will not be successful and will need to either fix their properties or get out of renting to short term tenants. Attrition will be natural and happen the same way it does with current landlords/rentals in Lawrence. A landlord should not be limited on the number of days in a year that they can rent their unit. If they have a nice/desirable place to stay why should it not create revenue for the owner and city 365 days a year? Let's let our homeowners have the opportunity to create success for themselves.

With this being a "new" concept I think it's great the city is reviewing how we can best approach this topic. I don't own any STR but they are not going anywhere and will simply continue to grow in popularity. Currently there is one in my neighborhood. I had my initial concerns but we have not had any issues with this property to date and the landlord continues to follow our HOA. Owners should be responsible and on file for nuisances. In reality there is really no reason to approach this any differently than the current rental policy Lawrence has. Charge a fee and mandate inspections that the property is safe. Even the inspections are probably not necessary in this case but we have a system that works currently. The question of insurance has come up... the homeowners carry insurance in 99% of cases because their home loan requires it. This provides the liability insurance needed as well as the landlord has the option to purchase umbrella insurance at a very reasonable rate. This should be up to the landlord and their risk tolerance.

In my opinion STR should be available in all zoning areas due to varying needs of people looking to stay in our community. We have a ton to offer to people traveling into the community but we are certainly short on these STR's to meet the need. Let's regulate very similar to the current rental policy with some minor changes. Limit occupancy based on beds available and not the archaic idea of 4 non related people. Mandate registration as STR and charge a modest annual fee. Hold homeowners accountable for persistent nuisance issues (something we currently don't do with long term rentals). Keep a level playing field for big and small landlords by not limiting the number of STR available in Lawrence. The best will stay in business and the rest will move on from STR.

Thank you for taking the time to read and share my thoughts with everyone!
Andy Krzanowsky

Danielle Buschkoetter

To: Dee Miller
Subject: RE: Short-Term Rental Feedback--hostess asking questions

From: Dee Miller [mailto:1946writerdee@gmail.com]
Sent: Thursday, September 28, 2017 11:27 AM
To: Danielle Buschkoetter <dbuschkoetter@lawrenceks.org>
Subject: Short-Term Rental Feedback--hostess asking questions

This summer we began hosting an occasional STR, not having any idea we were operating without the blessing of the city. My husband Ron, a former city councilman in an Iowa community, brought the survey to my attention this morning. This was the 2nd time we have done this since we came to Lawrence 6 years ago. The last time, however, was only for a few weeks after we moved in, before Ron's pressing health issues made it impractical to continue. Back then, we were primarily hosting to provide a supplement for income we felt was ample at that time. With his health more stable, we decided to resume now to help pay medical bills.

It is amazing how life-enriching this experience has been! We move cautiously and ask questions, but have not felt unsafe at all nor have there been any issues brought to our attention from anyone--either neighbors or guests, about 1/3 of them families with limited incomes who need a place for their family of 3 or 4 because Lawrence has begun hosting more and more sports events for youth.

ONE QUESTION is raised by the wording of a single statement: STRs are not currently a permitted land use within the City of Lawrence. Enforcement of STRs is a complaint driven process.

Does this mean that those of us who have property (ie. land) on which we have a house that provides personal lodging and is serving also as an STR are operating *outside the law*?

The way I read it, we and 130 others are! Or does this mean something entirely different? If so, please explain.

Dee Miller

Danielle Buschkoetter

From: Jennifer <nyskansas@aol.com>
Sent: Thursday, October 12, 2017 10:04 AM
To: Danielle Buschkoetter
Subject: Short term rentals
Attachments: short-term-rentals-presentation-2017-09-26.pdf

My primary concern about short term rentals is that they contribute to neighborhood gentrification. I suggest that either a licensing fee or sales tax levied on the rentals be dedicated to affordable housing. Ideally, the money would be distributed proportionally to the number of STRs in a given neighborhood and used to subsidize qualifying tenants' rents.

Thanks for addressing this issue.

Sincerely,
Jennifer Kimball Brown



LAWRENCE ASSOCIATION OF NEIGHBORHOODS

Dear City Staff and City Commissioners,

10-12-2017

The Lawrence Association of Neighborhoods wishes to express our concern about the increase in numbers of Air B&Bs and other short-term rentals that have no City regulations. LAN believes that this increase is impacting the stability of lower density zoned neighborhoods as well as the rental market in general. There are presently no regulations with regard to occupants, health and safety, or parking for these types of rentals. Other rentals are registered, regulated and inspected.

Issues and potential concerns:

- Non-owner occupied Air B/Bs or short-term rentals threaten affordable housing. Affordable homes then become a desirable second home investment given that one can rent the house out to any number of individuals for short periods of time and have no regulations. Affordable houses may then become less affordable due to the financial potential of such rentals.

Owner occupied Air B/B or short-term rentals might need to be a requirement in single family and low density zoned areas.

- Neighborhood stability is threatened by the constant change of occupants.
No regulations for numbers of occupants, parking, health and safety.

- “Party Houses” are becoming popular in otherwise quiet neighborhoods. Noise, trash, additional cars, crowds, and excessive drinking compromise the quality of life in neighborhoods.

Occupancy requirements are needed as per the existing neighborhood zoning.
What kind of off street parking is provided by short-term rentals?

- Health and safety are of extreme importance. All other rentals are required to be registered, meet health and safety standards and undergo regular inspections.

How can the City or neighbors contact an AirB/B or short-term owner regarding issues if they are a non-resident owner and are not listed or registered?

LAN would like to see the City implement regulations for Air B/B and short-term rental units. While modest use of this kind of rental offers possible financial assistance for homeowners, there are other individuals that will take advantage of such an unregulated use and cause neighborhoods to suffer and decline. Let’s continue to build strong, stable neighborhoods.

Thank you for your thoughtful consideration,

Courtney Shipley LAN Co-Chair, Candice Davis LAN Co-Chair

NORTH LAWRENCE IMPROVEMENT ASSOCIATION

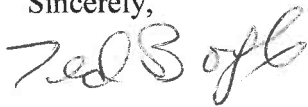
LAWRENCE, KANSAS

October 1, 2017

To Whom It May Concern,

The North Lawrence Improvement Association does not want Airbnb in residential neighborhoods. Perhaps there is a place for this type of thing in multi-family zoning areas, but areas zoned for single family use should not have it. This type of service will cause issues such as lower property values, crime, parking, and trash. If North Lawrence wanted Airbnb in neighborhoods we would have a motel or hotel in a residentially zoned neighborhood. Please, no Airbnb in North Lawrence.

Sincerely,

A handwritten signature in cursive script that reads "Ted Boyle".

Ted Boyle, President
North Lawrence Improvement Association
310 Elm Street, Lawrence KS 66044
785-842-7232

Scott McCullough
Director of Planning and Development
6 East 6th St.
Lawrence, KS 66044

RE: City reviewing options on how to regulate properties being used as short-term rentals.

I am writing in regards to my neighbor at 739 Connecticut who appears to have 2 properties (her main home and an apartment above her garage) on Airbnb. "They appear to be extremely successful as there are a variety of renters in and out of the residences almost daily...none of which reside there. I do not have a problem with the Airbnb concept but feel like there should be some regulation in terms of how OFTEN they can be rented. I also don't believe that main residences should be allowed to be rented. Nobody is responsible for WHO rents the property thus we continually have strangers in the neighborhood. I've visited both rentals on Airbnb and it seems they new rented about 80% of the time.

Additional concerns..

- Are we allowed to build apartments above garages for the sole purpose of renting out? Did this apartment get "grandfathered" in? Were there proper inspections on the building process? I don't remember seeing any permits posted when the garage was being built. I haven't raised this concern before because it didn't appear that it was utilized as a airbnb/rental. However, I've spoken with several guests and clearly that is no longer the case. I urge you to check permits and variances to verify. There is another living area above the garage of the neighbor directly to the North of this property but it appears to be a private art studio.
- There is a lot of traffic in the alley behind our houses as a result of these rentals. Is the resident response for alley upkeep?

I will also share our concerns on the survey.

Residents of 700 Block Connecticut



Danielle Buschkoetter

From: Ryan Ward <uncleastr@yahoo.com>
Sent: Tuesday, September 26, 2017 7:17 PM
To: Danielle Buschkoetter
Subject: Airbnb

I filled out the survey, but one thing I forgot to mention is I think it is very important to have 4 and 5 bedroom homes be able to advertise and rent to groups of 10 and 12. People choose those homes so they can have their group stay together and not rent 4 or 5 hotel rooms. They want a place they can BBQ/dine together and make memories.

Thank You

Ryan Ward

Sent from my iPad

Danielle Buschkoetter

From: tena s <tenakat@hotmail.com>
Sent: Monday, October 16, 2017 7:57 PM
To: Danielle Buschkoetter
Subject: Fw: Short Term Rental "testimony"

Hi Danielle, This came back to me because I sent it to the wrong email address. I called Scott and he said it was OK to resend, even though it was a little after the deadline. Hope this helps a little, and I'm available to answer any questions that might be in the best interest of Airbnb Hosts. Thank you, Tena

Sent from [Outlook](#)

From: tena s <tenakat@hotmail.com>
Sent: Friday, October 13, 2017 1:36 PM
To: dbkoetter@lawrenceks.org
Subject: Short Term Rental "testimony"

Hi Danielle, I am writing to you as a Lawrence Airbnb host. I attended the recent meeting at City Hall. First of all, I would like to say thank you to your team for reaching out to hosts, and for presenting your thoughts in such a fashion that we did not feel threatened or defensive. I am hoping that Lawrence, known for being a progressive community, will continue to research and develop Short Term Rentals as a viable option for housing. I was very impressed by the research your team has done, and my only surprise was that only one person on the team had ever used a STR. I would strongly suggest that you all go through the process of staying at a STR, on a business trip or family vacation, stay with a Super Host and gather more information. Having worked at two hotels (Eldridge and Oread) and also the Halcyon House, I have enjoyed a first hand view of hospitality. During my 2 1/2 years at the hotels, I never felt that my job as a front desk associate ever jeopardized my relationship as an Airbnb host or vice versa. As you know, there are thousand of hotel rooms in Lawrence, and only about 150 Airbnb listings, give or take.

Being an Airbnb host is definitely not for everyone. Not everyone enjoys the idea of keeping their home spotless on a daily basis, doing extra laundry, and hosting a "stranger/traveler" in their home. Communicating with guests, to make sure they are a good fit, waiting for guests to arrive, and the general change of logistics in your home with a guest, is not for the faint of heart. Even for offsite properties, I do like to personally welcome my guests when possible, which takes extra time and effort. However, that being said, I have met amazing people from many walks of life and have had the opportunity to personally show them around our city. Some have touched my life briefly, and some have etched a special place in my heart. Being a host has given me income and motivation to maintain my home and make it a better place in my neighborhood. No more deferred maintenance! I have been able to employ local craftsmen, landscapers, painters, carpenters, and cleaning help. As you know regular maintenance and cleaning is required, as guests will complain and you will be out of business quickly with complaints. Most neighbors appreciate the attention to detail that is required of a good host.

As a host, I can see some easy misconceptions and concern regarding STR's. I can also see some legitimate complaints. I am very glad the city is concerned enough to take a look at STR's and perhaps impose some general regulations.

One of the things I see as an important requirement is Accountability from both HOSTS and GUESTS. I do require full names of all guests, and of course, guests need to register through Airbnb before they can book. No private information (phone numbers, addresses, emails) are shared with a guest until after the booking is complete. House Rules should be clearly defined and enforced.

I would also propose that all STR hosts are local homeowners. In my opinion, companies and out of town investors wanting to try to emulate the Airbnb experience, will have a hard time being authentic. So again, I would strongly propose that all Airbnb hosts be local residents.

Number of Guests allowed at a rental should also be limited and that names of all guests be required. Large Party Houses should be banned or restricted to areas that do not have neighbors within a certain number of feet, or within the city limits.

Lastly, I hope you do give special consideration to Super Hosts of those that do hosting and hospitality for a living. Of course, since I am in that category, but there are many hosts who take their job seriously and are concerned citizens who care greatly for their city. Please feel free to contact me if you have any questions that I might be of help. Again, I appreciate very much the city wanting to make it a better community.

Sincerely, Tena Santaularia

Sent from [Outlook](#)

Danielle Buschkoetter

From: Danielle Buschkoetter
Sent: Monday, October 16, 2017 2:40 PM
To: Danielle Buschkoetter
Subject: FW: LAN Airbnb Feedback

From: STEPHEN EVANS [<mailto:scevans704@gmail.com>]
Sent: Thursday, September 07, 2017 7:26 AM
To: Scott McCullough <smccullough@lawrenceks.org>; Brian Jimenez <bjimenez@lawrenceks.org>
Subject: FW: LAN Airbnb Feedback

Scott and Brian,

Below is a message sent Tuesday to the LAN representative for University Place and our Listserv was copied. Brian and I spoke yesterday about this subject and I promised to forward this to you both in the interest of public input. You may see it again through the LAN channels as I understand they are preparing a memo about Airbnbs themselves to send to the City. This represents my own, personal thoughts about short-term rentals in Lawrence and was not based on any direct feedback from the neighborhood. There are, however, some discussions that have occurred in the neighborhood this week that I would like to share with you and also add another thought I've had since this message was sent.

1. Generally and certainly not based on a large sample of the neighborhood, the comments about the operations of the Airbnbs in University Place have been positive. I am cautious in saying this not knowing how the overall population in this area may feel so please understand that. Most of the comments on our Listserv came from neighbors that live close to the Airbnb homes so that may add some value to the discussion.
2. The point made by several was one of communication and I want to add a related thought about the development of your policy/regulation for short-term rentals. Without placing the burden for "enforcement" of complaints on residents should that occur, I think the policy should make every effort to encourage neighbors to communicate as much as possible to prevent formal complaints being sent to Code Enforcement. This would include notification of adjacent neighbors that an Airbnb is under operation "legally" if and when a permit is required. Most importantly, though, it would encourage neighbors communicating if a problem does arise to work it out together first. Of course not everyone involved will be comfortable with this as it may be perceived as confrontational but I think the policy itself should be motivational in this regard. Perhaps some examples of issues you might describe as "just go work it out" vs. some more flagrant violations that would need a formal complaint would be helpful.

Thanks to Brian for taking the time to chat yesterday about this subject and I am encouraged to learn that you are making good progress in developing the regulations for the commissioners to consider. Also, please let me know if any of my statements, particularly related to zoning, are inaccurate as that is not uncomplicated for sure.

Hope this is helpful and good luck to you both in this effort.



From: STEPHEN EVANS [<mailto:scevans704@gmail.com>]
Sent: Tuesday, September 5, 2017 1:40 PM
To: 'Pam Burkhead' <pburkhead@ku.edu>

Cc: upna@googlegroups.com

Subject: LAN Airbnb Feedback

Pam,

Thanks for coordinating the UP feedback on the discussion about Short-Term Rentals. Here are my own thoughts:

1. We use both BNBs and Airbnbs for our visits to other cities, both large metro areas and smaller communities like Lawrence. Having done this for several years now, we don't even consider hotels, motels, etc. unless in a small town with no other options.
2. I think that Lawrence should allow short-term rentals and have reasonable regulations protecting the character of neighborhoods while relying on neighbors communicating that a) they are operating an Airbnb and b) there are problems when they arise.
3. As the City operates on a "complaint" basis for the most part, when communication fails there is no recourse but to file a formal complaint and this should be done for Airbnbs. I don't feel an individual is under any obligation to inform anyone including the person operating the rental that they are filing a complaint. At that stage it should be the City's job to take appropriate actions, some complaints will be appropriate and some not.
4. Some regulations I think would be appropriate:
 - a. University Place is in a RS5 Residential Zoning District in Lawrence that does not allow accessory dwelling units although some exist historically and are likely used in non-conforming ways; i.e. short-term and long-term rentals. The regulations should address these grandfathered accessory buildings and since these structures rest in various locations and square footages relative to the main residence, I'd not allow Airbnbs in these dwelling units without a special use permit. In most cases I would expect the special use to be denied.
 - b. Areas of Barker, North Lawrence and others are in a RS7 District which does allow for accessory dwellings both attached and unattached. This accessory dwelling use would have to address each relative to Airbnbs which it does not at this time.
 - c. It is somewhat of a dilemma for me regarding the requirement for owner occupied Airbnbs. The Airbnb on Alabama Street appears to be unoccupied and strictly an Airbnb. It appears well-cared for by the owner at least from the exterior. The City points out this may reduce the availability of affordable housing in the Lawrence market and as others have mentioned corporations like Marriott are considering getting into the Airbnb business. For these reasons I would require owner occupied dwellings for short-term rentals in RS5 and RS7 Districts.
 - d. I think there should be a permit/registration process for short-term rentals in Lawrence and it should be renewed annually. This would include the requirement and evidence that adjacent neighbors have been informed that a short-term rental is being operated and a 24/7 contact for communication has been provided. Note this is not a requirement for approval by neighbors although some might think that would be a benefit. Adjacent neighbors would at least be two doors in each direction including across the streets and alleys.
 - e. The owner/operator of the short-term rental would be subject to immediate revocation of their permit and annual non-renewal if substantial complaints occur or have not been addressed and persist.
 - f. There should be restrictions on the number of rooms and occupants allowed in a short-term rental. The current Land Development Code addresses Bed and Breakfast Establishments and is silent on Airbnbs/Short Term Rentals which makes them non-conforming and not allowable in the City. For reference the following is from the current Land Development Code:
 - *20-504 BED AND BREAKFAST ESTABLISHMENT (1) A Bed and Breakfast with 3 or fewer guest bedrooms shall be operated as an incidental use to the Principal Use of an Owner-occupied Structure. (2) A Bed and Breakfast establishment with 4 or more guest bedrooms is considered a Bed and Breakfast Inn. (i) A Bed and Breakfast Inn shall have a full-time resident manager or Owner on the site and be licensed by the State of Kansas to do business. (ii) A Bed and Breakfast Inn shall only be permitted if it is adjacent to or within ready Access to an Arterial or Collector Street. (3) Bed and Breakfast establishments operated as part of an adaptive reuse within a Registered Historic*

Landmark or within a property located within a Registered Historic District shall not be restricted to a number of bedrooms.

- g. I would choose to be more limiting on the number of rooms and occupants than is allowed for BNBs reducing these to two rooms and four occupants. I'd also limit parking to two cars at one time and am concerned about this from a neighborhood perspective given our current challenges with parking. Also note that BNBs with more than 3 guest bedrooms would likely not be allowed in University Place under the current codes.
- h. I would limit the number of days a property could be rented to thirty or fewer.
- i. I would consider it a violation if an owner were not present 100% of the time when renters are present; i.e. an owner could not leave town for long periods of time and leave the rental occupied and unattended. This would be difficult to monitor and enforce.
- j. There needs to be considerable thought given to the "density" of short-term rentals in a particular area and how that should be restricted. This is admittedly an opinion based on instinct but I believe if there were more than 10 short-term rentals in University Place that would be a problem. We now have about 250 residences that include some multi-family buildings east of Naismith Hall and about 45 non-owner occupied homes that are currently rented or vacant so in that context 10 may be too many. Honestly I don't know the right answer with this but would ask others to provide opinions. I'd also consider how close these rentals could be as having several in one block would be problematic.
- k. Lastly, I believe how an operator presents their property publicly on the Airbnb or other website can go a long way towards neighborhood acceptance or not. Promoting parties and similar events as options would not be a good approach. Promoting the neighborhood experience that includes respect for the character of the place including quietude would be good.

Pam, thanks for requesting comments from residents in University Place and hopefully others will join the conversation.



City of Lawrence
Attn: City Manager
6 East 6th St
Lawrence, KS 66044

Re: Testimony for City Commission Work Session on Short Term Rental Taxation, Permits, and Standards

Dear Mayor and Commissioners,

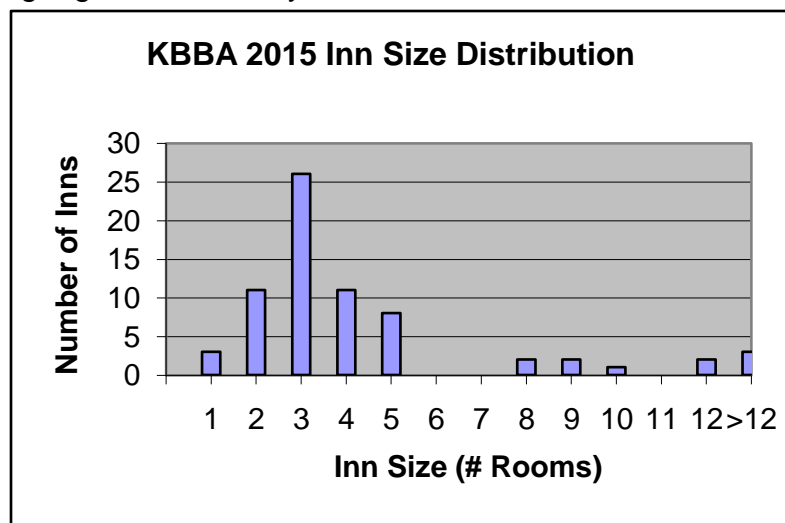
7 November 2017

As a retired bed and breakfast (B&B) innkeeper, I would like to share some of my experiences with short term rentals (STRs) as they relate to taxation, permits, and standards.

Background: Jan and I operated the Prairie Queen B&B in Leavenworth, KS for 12 years. Our B&B experience began with application for Leavenworth's Special Use Permit to operate in a residential district. The Kansas Bed & Breakfast Association (KBBA) assisted greatly and I subsequently served as a board member on the association for 5 years. I achieved two legislative accomplishments: In 2004 Kansas classified B&B with 3 or fewer rooms as residential; later expanded in 2016 for any property with 5 or fewer rooms.

Bottom Line: Short Term Rentals is a modern day term for classic bed & breakfasts and they pose all the challenges that communities always wrestled with B&Bs. Given all the focus on short term rentals, they have certain characteristics that deserve consideration to taxation, permits, and standards. Among the characteristics for STRs, the method of booking a rental should not consume the City's resources. The method of booking is irrelevant other than some players (Airbnb) make it easy to list, find, and pay for the transaction.

B&Bs Defined: KS Statute 79-1439 defines a B&B as, "a property with five or fewer bedrooms available for overnight guests who stay for not more than 28 consecutive days for which there is compliance with all zoning or other applicable ordinances or laws which pertain to facilities which lodge and feed guests." This statute classifies small B&Bs at the Residential Property Tax rate (11.5%) and larger B&Bs as commercial (25% rate). Intentionally absent from the definition are requirements for owner



occupancy, type of property, or frequency. Thus allowing an owner with a carriage house, barn, second property, or adjacent home to pay residential property tax rates. The statute also allows use of other types of buildings such as a downtown loft over a storefront, a renovated warehouse in rural or urban setting, or old schools & churches. The number of units owned should be governed by the property tax rate the owner is willing to sustain. Operations with more than 5 rooms become classified as commercial (25%), regardless of zoning. Lastly, the above chart helps put a typical Kansas B&B into perspective.

Taxation: Property tax is only part of the equation. Sales tax and transient tax are often misunderstood in the industry. The chart below from the KBBA Handbook summarizes when a certain tax kicks in based on the size of the inn. The smallest inns (1 & 2 rooms) don't have to collect any taxes. Guests that stay more than 28 consecutive days do not need to pay Transient Guest Tax.

KANSAS STATE SALES TAXES, PERMITS, AND LICENSING REQUIREMENTS

Number of rooms with max. # of guests*	KS State Sales Tax to be collected**	Transient Guest Tax to be collected**	ADA Requirements	Lodging License Required ***	Food Service License Required
one (1) room with 7 or less guests	NO	NO	NO	NO	If serve others than B&B guests
two (2) rooms with 7 or less guests	NO	NO	NO	NO	If serve others than B&B guests
three (3) rooms with 7 or less guests	NO	YES	NO	NO	If serve others than B&B guests
four (4) rooms OR 8 or more guests	YES	YES	NO	YES	If serve others than B&B guests
five (5) rooms OR 8 or more guests	YES	YES	NO	YES	If serve others than B&B guests
six (6) or more rooms OR 8 or more guests	YES	YES	YES	YES	If serve others than B&B guests

**Note: State requirements differ for collecting sales taxes and needing a lodging license:*

***For Sales Tax and Transient Guest Tax, the State uses number of guest rooms rented as the basis for determining whether you should collect or not.*

****For Lodging Licensing, the State Health Department uses the number of guests that can be accommodated at one time. Any inn that can accommodate eight (8) or more guests, even if they only have one guest unit, needs to apply for a Lodging License.*

Licensing: Kansas requires a lodging licenses to operate with 4 or more rooms. Any size inn must obtain a Food Service License if it serves outside customers (i.e., Tea Room).

Recommendations on the 11 Potential Code Standards:

1. Zoning. Don't limit small inns by zoning districts. Employ a Special or Conditional Use system for a use not specified within the district.

2. License & Fees. Remain consistent with Kansas and inns with 4 or more rooms. As a innkeeper with 3 rooms, Jan and I acquired a license because we thought it a good business practice. I remember to this day the state inspector asking us why. Then going on to say that we should never expect to see her again unless she received a complaint.
3. Owner-occupancy. Stay consistent with Kansas Statute. Don't require it owner occupancy. Absentee owners incur a higher level of management problems as it is. . Allow innovative ways to use existing buildings that don't have an owner present. Set a higher standard for Special or Conditional Use permit renewal periods for non-owner occupied inns. It is a self correcting system based on renewals an complaints.
4. Appropriate housing types: We can't foresee all possible combinations of an innovative way to use existing buildings. Enable innovative use. Manage atypical housing types by Special or Conditional Use permits.
5. Inspections: If there are 130 properties in Lawrence that participate as short term rentals, mandate that they develop their own standards and participate in their own self inspection program; i.e rotating innkeeper inspects other STRs on an annual basis. Use the old Kansas Bed and Breakfast Association inspection program as a model. Provide oversight on the inspection standards.
6. Occupancy limits: Don't place limits. Allow residential versus commercial property tax classifications serve as a control mechanism.
7. Frequency of rental per year: Hotel average 65% occupancy rates. B&Bs less than 30%. B&Bs are a part time business with a full time committment. Don't limit an industry that requires 8-10 rooms to sustain a family with no other forms of income.
8. Limit on the number of units owned: Stay consistent with Kansas definition and permit any size while maintaining the residential versus commercial classification threshold of 5 rooms.
9. Neighbor Notice: It is a good business practice and a sign of a good neighbor.
10. Provide contact info: a good business practice.
11. Proof of insurance: not all insurance is the same. A standard home owners policy does not cover liability for injuries sustained by a paying guest. An owner needs commercial liability to cover a paying guest. Proof of insurance will give the city a false sense of actual coverage.



Bob Topping
Retired Innkeeper
Former Kansas Bed & Breakfast Board Member
425 Pasadena Dr.
Lawrence, KS 66049
bjtopping@sbcglobal.net

From: tena s [mailto:tenakat@hotmail.com]
Sent: Thursday, May 17, 2018 4:08 PM
To: PlanningEmail <PlanningEmail@lawrenceks.org>
Subject: Airbnb notes

Hello Planning Commissioners,

As a 3 year veteran of Airbnb, I have some thoughts I would like to share before the Planning Commission meeting on May 23. I think about my relationship with visitors on a daily basis, and would like to share some of those thoughts. My background includes managing several rental properties, working at two lovely Lawrence Hotels, as well as a beautiful Bed and Breakfast, so I believe I am a good spokesperson for the benefits to Lawrence of all types of hospitality venues. First I should say that in my opinion, a variety of safe, clean, and well planned Hospitality venues are a benefit to the City of Lawrence. I do not believe it is one vs. the other, as all have their individual charms. All of us want to welcome visitors to our city to create revenue both for Lawrence, and for ourselves. We want to show Lawrence in the best light that we can, with the resources we have available. We all want to create a "welcoming culture" for visitors to feel good about their experience and their perception of Lawrence, and of course return with their friends and family, increasing our tax revenues, shop in our local stores and restaurants, support the arts, and feel like Lawrence is their home away from home. By lightly filtering visitors and guests into some of our neighborhoods, they become part of our community, and our shared economy becomes a benefit to all.

Before Airbnb, I was managing my property on a slim profit margin, barely able to make ends meet. After working hard with my short term rentals, the "Review Process" requires me to keep up my properties, and the extra income allows it. I now have fresh flowers at the entrance to my doors, candy on the tables, a smile on my face, and the bank is happy that I can pay my mortgages on time. By no means is this a "get rich quick" scheme... quite the contrary, as I am constantly spending money in the community at locally owned hardware stores, local flower gardens, and with local workmen and artisans. Now I can be proud of my property and be an inspiration for others, keeping Lawrence pretty and welcoming, without any additional cost to the city.

As far as rules and regulations, I am in complete agreement that we should all be on the same page with some light regulations. I am in hopes of our community supporting and encouraging Short Term Rentals with reasonable guidelines. As hosts, we are already, by the nature of Airbnb, guided to be the best hosts we can. Seasoned hosts know what to ask for and look for in guests. We have the option to accept or deny a request to book with us. We are required to leave a review, and our guests are asked to do the same. It keeps us all aware and on our toes, and naturally weeds out the hosts that are not serious about their business. Too many restrictions will complicate the already in place process. Lawrence is blessed to have a few natural hosts to show off their city in a good light and support our local economy and I would like to play a small part in encouraging our visitors to fall in love with Lawrence.

Tena Santaularia
Airbnb Super Host
785-550-2004

From: Ronda Miller [mailto:coachingforliferonda@yahoo.com]
Sent: Thursday, May 17, 2018 9:59 AM
To: PlanningEmail <PlanningEmail@lawrenceks.org>
Subject: Short term rentals

Dear Commissioners,

I'm writing about short term rentals for the city of Lawrence. I've been a home owner at my present address for 24 years. I've struggled hard as a single mom of two children (now grown!) and came close to losing my house on more than one occasion. I've always operated an in home childcare facility so I could be with my own children without losing a job when they were sick and out of school. Some of those years I had a double shift from home to survive.

I'm nearing the end of my long career (32 years plus) in the field of Childcare. I would love to not only be able to stay in my home (it will be paid off within the year) but to thrive in it. It's a large home, but being allowed to do STRs would afford me the opportunity to stay in my home, the ability to maintain it to suit the neighborhood, and give me additional income over the minimal social security expectations I won't be able to retire on.

My neighborhood is quiet and residential. Our houses are set back far from the street with quite a distance between homes. I think my neighbors would prefer an occasional weekend car in my driveway over the 8 to 10 cars coming to and from my home during work hours doing Childcare from 7:30 to 5. I know I sure look forward to working less than 48 - 50 + hours weekly.

STRs bring revenue to our wonderful city. I host youth and families. I recently hosted a family from Oregon who were here for a son's graduation. They would not have had a place to stay in Lawrence otherwise. I know the four guests ate all meals from Friday through Monday out. They also bought numerous gifts to take back. It was a win win. I was affordable, they were able to spend money in Lawrence!

Note: there are numerous homes being purchased for the sole objective of running STRs from them. I am against those. They are not owner occupied and are driving the cost of starter homes within our city sky high.

Please do consider the HOME based STR. We aren't doing it to make thousands upon thousands of dollars. We are trying to keep a family home.

Thank you and sincerely,

Ronda Miller
President, Kansas Authors Club
<http://www.meadowlark-books.com/p/watersigns.html?m=1>
<http://www.meadowlark-books.com/2015/05/moonstain-poetry-by-ronda-miller.html?m=1>

From: Shreders, Scott [mailto:shreders@ku.edu]
Sent: Sunday, May 20, 2018 10:30 PM
To: PlanningEmail <PlanningEmail@lawrenceks.org>
Subject: Short Term Rentals

Dear Commissioners,

I am writing to you on behalf of allowing short-term rentals within the jurisdiction of the City of Lawrence. For the past six weeks, my mother has operated a short term rental out of her home. I am an engineering student at the University of Kansas and am currently residing there with her. She has worked hard many years and is in sub-optimal health, and if her STR operation can continue to be successful, it will expedite her ability to retire. This is important to me because I want to see her do well and enjoy the life that she deserves. Additionally, her operation provides me some part-time work performing maintenance and various tasks to keep it running. Furthermore, I am of the opinion that these types of operations will benefit our community's economy. Thank you for your time, and consideration, as you begin your decision-making process.

Sincerely,
Scott Shreders

From: Angie Blair [mailto:nurseangie@sunflower.com]
Sent: Monday, May 21, 2018 6:38 AM
To: PlanningEmail <PlanningEmail@lawrenceks.org>
Subject: Short Term Rental

Dear Planning Commission,

I opened up part of my home to Air B and B about a year ago when I lost my job. I was unfamiliar with the how it worked and if it would be safe for me being a single female. I started slowly and soon discovered it was pleasant, the people were quite nice, and I could make some income. I have become friends with several of my guests and they return to my home as they return to Lawrence to visit their family and friends, attend an event, or to shop. I was happy to know the Air B and B support staff is there for me 24 hours 7 days a week for support. If I should have any challenges with my guest they step in and handle the situation.

I feel the short term rental business is self regulated by the rating system utilized by the patrons. The rating system encourages me to keep up my home in pristine condition and to be a welcoming host to my guests. If I do not keep up my rating then my income will suffer. My home looks better than it has in years and I am proud to welcome my guests. I am able to use part of my income to maintain my home and property.

I am able to provide a great, comfortable place to stay at a reasonable rate. Some of my guests have children at KU and have financial challenges trying to make ends meet. I am able to provide a service they can afford to introduce their child into higher education. Please be considerate as we are trying to make a living and keep food on our table.

Thank you for your consideration as we provide a service to our community that we are proud of. We want you to be proud of us too. I hope you can support me and help me remain in business. I want to have this opportunity to live in the town I love and help support it too.

Sincerely,
Angie Blair

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

From: Danielle Schmidt [mailto:danimari75@yahoo.com]

Sent: Monday, May 21, 2018 8:36 AM

To: PlanningEmail <PlanningEmail@lawrenceks.org>

Subject: Airbnb's in Lawrence

I am new to Airbnb and I can already see the advantages for Lawrence. It upgrades the quality and quantities of accommodations for visitors which brings in even more revenues for the city. It helps make Lawrence the place to go for a great few nights stay.

We have a lot to offer, music, theater, sports, special events, KU visitors, a great downtown, and nature / photography lovers at Clinton lake, Baker wetlands and the Arboretum.

And we can say we have the best accommodations in the state providing quality hotels and quality alternative stays.

It also helps your citizens build a better life and at the same time always promoting the city. Also hosts and guests will spend more on the retail front.

Short term rental is here. I hope the city will clearly see the advantages and support this business.

Danielle