From: Jeremy Furse < jpfurse@icloud.com > Sent: Friday, May 10, 2019 1:46 PM

To: Jeff Crick < jcrick@lawrenceks.org >

Subject: Short term Rental SUP 8431/2 Massachusetts.

Mr Crick, I would greatly appreciate it if you would pass this email along to the entire Planning Commission for their review.

Commissioners, I have spoken at the last 2 commission meetings regarding the SUP applications for short term rentals for Lawrence KS. I just want to give the Commission some additional information that I hope will aid in your decisions.

I'll start by giving you a little background. I ran a successful retail business in our downtown from 1984-2016 (Britches) at 843 Massachusetts. At some point I was fortunate to be able to purchase my building from the Albach Family. The Albach family were the original owners of the property, constructed in 1868. I take great pride in the fact the my family is only the second family to own the property in it's 151 year history. I hope it stays in my family indefinitely. After my retirement in 2016 it didn't take long for me to realize that retirement was not all it's cracked up to be, I soon got bored to tears. I spent the next 18 months trying to decide what I was going to do with the rest of my days. A friend of mine suggested that I list the unused apartment above my retail space on Airbnb. I had built a loft apartment for my sons when they were in school at KU, as a way of saving on their room & board. The apartment had sat empty for several years because I never wanted a full time tenant living above my business.

I decided that this opportunity could workout for me in several ways. It gives me an opportunity to promote the downtown that I have come to love over the past 35 years. It helps with the expense of owning a 151 year old building, a building where as you probably know the property tax approaches \$12K per year. It allows me to work with people from all parts of the country and it provides me with a much needed new challenge. It also allows me to rent my building for less money so that I can keep it occupied and give new businesses a chance to grow and succeed in our downtown.

I'm sure you see the number of buildings that sit empty downtown for extended periods largely due to the rent that needs to be charged to cover expenses. I have chosen to charge less for my building so that I can consistently keep it occupied. After taxes, insurance and maintenance there's not a lot left over from the monthly rent that we receive. Operating a short term rental helps us survive.

At the last Commission Meeting that I attended, the Commission wanted to know how they could monitor these short term rentals for quality control. As I said in the meeting, all of the reviews are available on any of the sites that we use but it's been my experience that Airbnb owns about 95% of the market, so you would only need to check one site. I'm very proud of the fact that we have never received a rating of less than 5 starts (the highest rating possible) since we started hosting in September of 2018. You could also ask for copies of the quest books that just about everyone of us have in our properties. This is where guests take time, during their stay, to tell you how much they did or didn't enjoy their stay. I'm attaching the pages from my guest books to this email so that you can see the kind of things that people say about their stay in Lawrence, at our property. We provide our guests with a tremendous amount of information about whats available to them in our downtown. Where to shop, where to eat, where to find the nightlife (because we don't allow parties to be held in our property) and what to see, Parks, museums, the University etc. I don't think that I'm the only host that does all of this for my quests. I believe that all host go the extra mile because if they don't their place won't survive. If you grant every SUP that you have applications for I truly believe that you won't have to worry about them because if they aren't run well they won't be there long. The Commission also said that you worried about "Party Houses" I can assure you that no Host wants to allow people to throw parties in their property. Hosts operate like any other small business, margins are slim and there's no allowance to cover damage to the property. I, like most hosts, clean my own property so I,m the person that would have to fix anything that might happen. I was unfortunate to have one guest that decided to Break our "no party" rule. My place was left in a mess that took me 14 hours to put back together. After my discussion with Airbnb, I can assure you that the Individual that caused the problem has been black listed and will never be able to rent through their platform again. The one point that still baffles me about

the SUP is the need for it. The Commission doesn't seem to see any need for a SUP to use a property as a long term rental. Nor does it seem to need to limit the number of long term rentals that an individual may own (something that was suggested could be necessary for short term rentals). Nor does the Commission seem to see a need to stop any type of business entity from owning long term rentals. We all know that a few of the Long term rental owners in our town can best be described as slum lords. I believe that anywhere the commission has seen fit to allow long term rentals it should allow short term rentals. I feel safe in saying that short term rental owners, whether they permanently reside in Lawrence or not, will always take better care of there property than long term rental owners because we are reviewed after every stay and we survive and thrive by the reviews we receive.

I apologize if I've droned on but I'm very passionate about my new venture. I hope you'll grant my SUP and all the other applications for Short term rentals that come before you. These Hosts are fantastic ambassadors for Lawrence. If they're not they won't be around long enough to worry about. Please review the attachment to see what guests say about their time in Lawrence and our property. Sorry for the orientation, you should be able to adjust it on your computer.

Kind regards, Jeremy Furse

Great room in a great location. We couldn't have asked for any thing more. From how been very welcoming and overall a phenomenal host.

Definitely staying here again.

We also recommend Ramon Boul,
just a few blocks away & Worderfair
downstairs.

Thanks for everything,
Rachel & Wesley

Valla

What a Great Place

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Best Wishes,

Mandle Jule

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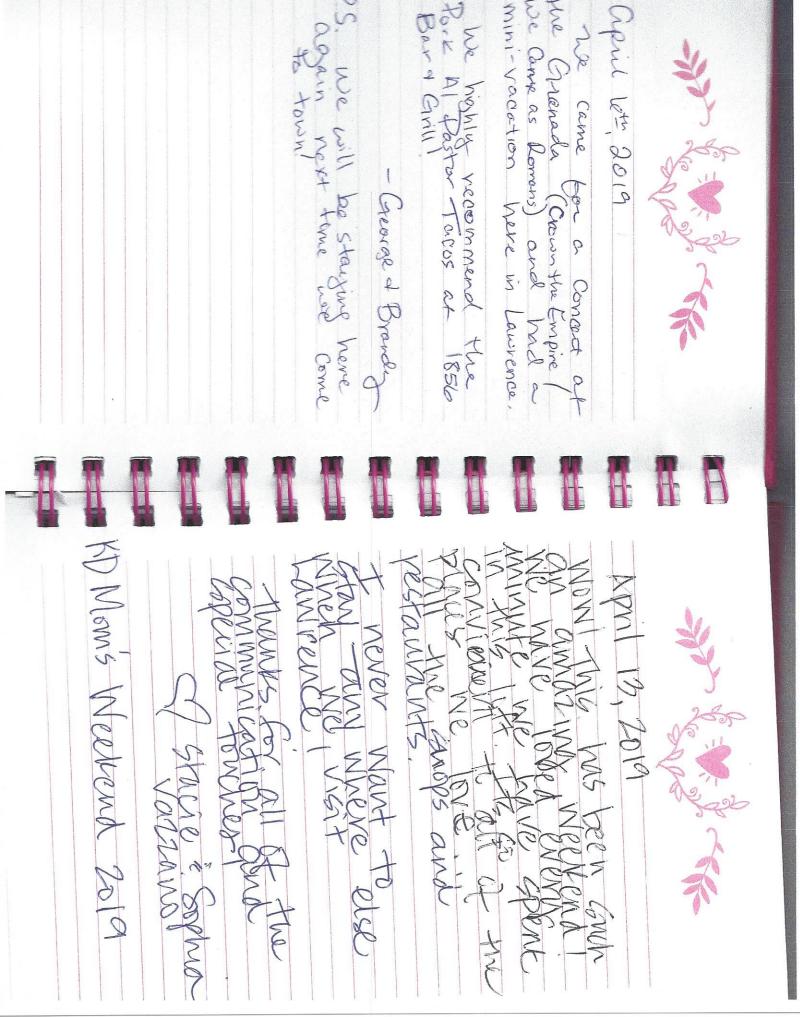
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Shopping - Wondertain, Raven, Essential goods, Brits Food - Remain Bruis, 1900 Banuar, Mad Greek, Burger Star PS-My Recommendations: - Dr. Kat Meeua-A MARIAN DIMPRINA

the wonderful overall experience. I hope to be

back again!



1-21-19

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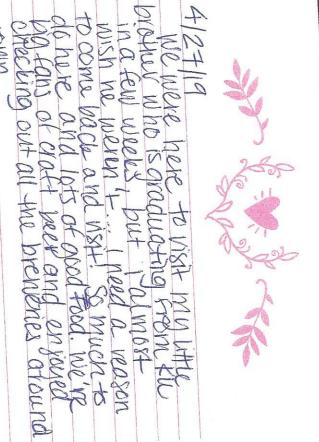
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HERE AGAIN!

ANNE TAFT

PS: PHOENIX UNITERCHEBUND, CAFE BONBON, MILTON'S, THE LEVEL CAFE.



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Thank you!!

Annie Jand Jonny)

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Bindering marine confined companies We appreciated the clean liness, too.
Thank you, we hope to when again found. 4-14-2019 arriably light and watering redom. Thinks you of place to helax while eighning -SHAPPENCY IT VATH US! MONDEGILL SPACE! THANK a great apt! and all the the touches are so throughther to the coming back if we VIA BROOKERY, NY ashley

## INPUT FOR SPECIAL USE PERMIT APPLICATION



Charles and Leda Sedlock 630 Indiana Street Lawrence, State KS 66044-3539

Contact: Leda Sedlock Email leda@brilliantbungalow.com Mobile: 785-550-8899

Planner's Name: Lucas Mortensen

Planning Commission Input: Apr 24, 2019 6:30 PM

Planning Commission Meeting: June 24 and 26 (Feb. 27, 2019)

City Commission Work Session: May 14,

City Commission Meeting: Mar. 17, 5:45 PM Removed from Agenda

April 22, 2019

Dear Lucas and the Planning Commission,

Thank you for the time and energy you put towards developing the Non-Owner Occupied Short -Term Rental (NOOSTR) SUP regulations. My name is Leda Sedlock and my SUP was removed from the March 17 Consent Agenda by the City Commission.

I am writing to help inform your mandate to develop the requirements by addressing perceptions about NOOSTRs in Lawrence. While I understand neighbors' and hotel owners' concerns about home shares, I believe Special Use Permits can alleviate concern of what are, on balance, a net positive for our economy and, therefore, Community.

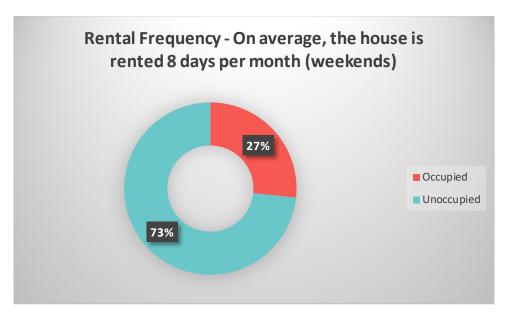
I will attempt to present a balanced and fact-based response based upon the past 18 months experience in the non-owner-occupied short-term rental business. I also bring a balanced perspective on the difference between long and short-term rentals because this property was a long-term rental for 21 years prior to Dec 2017.

#### Background

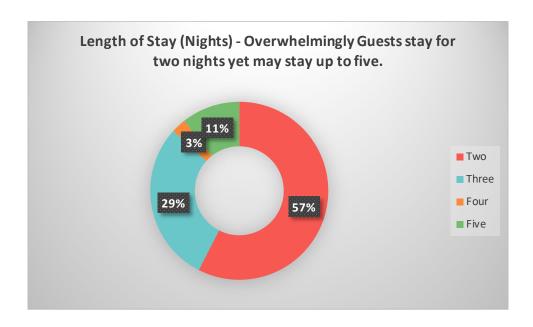
I have the fortunate opportunity to take advantage of the City's tourism industry by offering a NOOSTR.

Guests come from all over the US (e.g. CA, IL, WI, SD, KS, MO, TX, MA, NY) and are travelling for pleasure (e.g. KU Football, Basketball, Weddings, Funerals, Reunions, Mom's/Dad's Weekends).

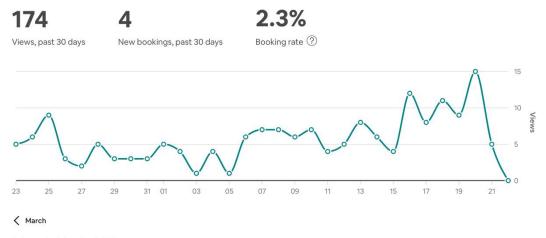
The house is rented, on average about 8 days a month, mostly on weekends.



Guests typically spend two nights or three nights yet may spend up to 5 nights. I have a two-night minimum.



I "win" only a fraction of "views" to my property's website. For example, in March, ninety-seven times out of 100 visitors to my site stayed elsewhere, perhaps at my competitors'. When searching for a home like mine, e.g. 2 bedrooms, sleep 4, entire place, availability, they choose my place only 2.3% of the time.



Data may be delayed up to 3 days

This booking rate is despite exemplary reviews and feedback.

**4.9** ★ **34 91%**Overall rating Total reviews 5 star reviews

### Ratings (34)

Overall experience	4.9 ★ 🗸
Accuracy	5.0 🛨 🗸
Cleanliness	4.9 ★ 🗸
Communication	5.0 ★ 🗸
Check in	5.0 🛨 🗸
Location	5.0 🛨 🗸
Value	4.8 🛨 🗸

I am not bragging nor am I anything special when it comes to these ratings; indeed, I represent the average; if you search for Non-Owner-Occupied Airbnbs in Lawrence, KS, you will find nothing but 5 Star Properties. Anything less does not survive.

Of the 148 "Entire Homes", a proxy for non-owner-occupied rentals, available on the biggest platform, Airbnb, 87 have earned "Super-Host" status 1. The balance of homes too, are 5-Star-rated and well on their way to earning "Superhost". They just do not yet have the necessary 10, 5-Star ratings. Anything less than "Superhost" simply does not survive. Guests expect perfection. Personally, I have gotten dinged (and "kachinged") on a dirty bathtub (\$100 plumber and a 15% discount off the Guest's next stay) and poor path lighting (\$600).

- → This is an incredibly efficient market that brings more visitors to Lawrence because it creates accommodations that are a great value. While I have no proof, I am convinced it increases the overall number of visitors to Douglas County.
- → It is good public relations for the City because Guests meet Lawrencians who personally welcome them to town.

I would like to address some concerns I have heard about of short-term rentals.

- 1. Anyone can operate a NOOSTR and any property can be a NOOSTR.
- 2. NOOSTRs deplete the affordable housing stock.
- 3. NOOSTRs attract crime.
- 4. NOOSTR reduce property values.
- 5. NOOSTR raise property value.
- 6. NOOSTRs are Commercial Real Estate.
- 1. Anyone can operate a NOOSTR.

 Completed at least 10 trips OR successfully completed 3 reservations that total at least 100 nights AND

- Maintained a 50% review rate or higher AND
- Maintained a 90% response rate or higher AND
- Zero cancellations, with exceptions made for those that fall under our <u>Extenuating Circumstances</u> policy AND
- \*Maintain a 4.8 overall rating, which, when rounded up, displays 5 Stars.

<sup>&</sup>lt;sup>1</sup> "Superhost" requirements:

While it is true anyone with a short-term rental can complete an on-line listing, only those with the time and energy to field inquiries and find handymen and housecleaners, during very narrow windows of time, will succeed. Only Owners' (or Owners' Agents) with excess time and energy left over from a first job can successfully do this business as a second job. Else, this *is* their job. The latter is my situation.

#### 2. NOOSTRs deplete the affordable housing stock.

A perception is non-owner-occupied-short-term rentals deplete affordable housing stocks. Lawrence is not in a rental housing crisis. For those who have the security deposit and are ready to sign a Lease in a week or less, there is adequate rental housing stock in Lawrence, KS.

A search for a detached two-bedroom, 1 bath home of about 900 square feet in the price range of, \$825 - \$995/month displayed three comparable homes: 1803 Louisiana, 841 E 11th Street, 505 East 13th Street.2

#### NOOSTRs attract crime.

No place is free of crime. Just like the discharge of a firearm in front of the house on April 01, 2017 (Lawrence Police Case # L18019646), there are instances of danger at Airbnbs. Correlation is not causation. If criminal behavior happens more frequently than average at an Airbnb., Guests and Hosts who have been victimized, will call the Police and depress ratings<sup>3</sup>. Neighbors will be in a justifiable uproar. Has the Commission heard of more-than-average Police reports at area NOOSTRs?

#### 4. NOOSTRs reduce property values.

Despite a bump in 2018 when a comparable home in my neighborhood was sold, and bumped up my value by 8% in one year, it has increased an average of 1.0 - 2.0% annually for the past 23 years, consistent with those of my neighbors.

#### 5. NOOSTR raise property value.

-

<sup>&</sup>lt;sup>2</sup> Source Zillow.com April 2019

<sup>&</sup>lt;sup>3</sup> I suspect the Security cameras at Airbnbs we have been hearing about in the Press are mounted in public spaces and are there for protection of everyone - Guests, Hosts, and Neighbors alike.

Forgive me for repeating myself: Despite a bump in 2018 when a comparable home in my neighborhood was sold, my Property value has increased an average of 1.0 - 2.0%<sup>4</sup> annually for the past 23 years, consistent with that of my neighbors.

#### 6. NOOSTRs are Commercial Real Estate.

The consideration of increasing property taxes from 11.5% to 25% rate is unjustified. Classification of real estate is derived by Zone and regulated by the State. I am in a Residential Zone. I contribute 6% of my rental revenue in Occupancy tax.

The Commercial tax could turn my fledgling venture in a money loser; I am earning roughly the same amount on my NOOSTR as I did when it was a long-term rental. While gross revenues are higher, I now pay utilities (Internet, water, trash, gas, and electricity) in addition to the business fees (website commissions, SUP application fees).

Thank you for asking for Hosts' facts and perspectives as you continue your important work of simultaneously addressing the Neighbors' and Hosts' concerns in the regulations. Please advocate for the KS State-determined Residential Tax rate. Despite possible inconveniences from the comings and goings of tourists please recognize Hosts' overall contribution. Please allow me to continue making a positive economic impact, offering goodwill so tourists keep them coming back, and maintaining our City's property and infrastructure.

J,

Leda Sedlock

7

<sup>&</sup>lt;sup>4</sup> Based on April 5 conversation with the City Appraiser's office.

703 Highway 40 <u>Firsty21@gmail.com</u>

Lawrence, KS 66049 785-691-7844

April 22, 2019

TO: Lawrence Planning Commission

RE: An Owner's Perspective on AirBnB Properties

As an owner of a rental property that my daughter and I currently list with AirBnB, I wanted to provide some thoughts for consideration by the Lawrence Planning Commission. I own the property at 921 Missouri Street, and my 24-year old daughter manages it. Since I will be traveling on business during the Commission's April 24 meeting, please consider my comments below as input for your deliberations. For ease of reading, I provide them in a Q&A format.

Q: Will my neighborhood be overrun by STRs?

A: It is my observation that many short-term rentals (STRs) are on streets where there are other rental properties. Thus, it seems unlikely that neighborhoods primarily or wholly populated by owner residents will see an influx of STRs.

Q: Will traffic and parking on my street with an STR be a problem?

A: It is my observation that most STRs are rented by guests over weekends, and to that extent the weekday parking and traffic on residential streets will be much less than if a property was rented to multiple longer-term tenants, each with a car.

Q: Will the STR property be kept up in appearance?

A: It is my observation that STR properties are actually maintained better, both inside and out, than long-term rentals. In the case of AirBnB, guests can rate the property after their stays and provide input for future possible short-term renters. Those ratings and comments by guests are published on AirBnB's web site for each property. If a property is not well-maintained, the ratings would negatively affect future rentals, and to the extreme case, might bring an end to that property as an STR. Owners of STRs are motivated to keep their properties in "tip-top" shape.

Q: Aren't STRs just a place for wild parties by guests?

A: AirBnB allows owners to set rules on who can rent and operational details. At our property, for example, we set a number of rules, including things like the renters must be 25 years of age or older, must not smoke, cannot bring pets, and cannot have parties. Enforcement can be a little problematic, but if those rules are violated, we also have the chance to rate the guests, and AirBnB could ban those renters from future renting.

Q: Is there a limit to the number of quests staying at an STR?

A: Again, AirBnB allows owners to set rules on numbers of guests. Additionally, current Lawrence regulations set a limit to the number of cars that can be legally parked at an STR. In our case, since we have a 3-bedroom property, we limit the number of guests to 6.

Q: What impact can STRs have on visitors' perceptions of Lawrence?

A: It is my belief that STRs can provide a very positive experience and therefore have a very positive impact on visitors' perception of Lawrence. STRs provide visitors an opportunity to feel more a part of the community by actually staying in a neighborhood. STRs aren't for everybody. Some people prefer the conveniences of hotels. But for those who want to feel connected, STRs are a great way to offer local character and uniqueness of Lawrence, contributing to the positive reputation of our city.

Q: Does AirBnB have any type of control over property owners listed with them?

A: AirBnb sets standards on acceptability. Property owners cannot just simply choose to list with AirBnB, but rather must apply and be accepted by them. Once approved, the main vehicle used by AirBnB for control is the rating system provided by guests after stays. Every reservation is scored by AirBnB for risk. On 20 reviews, the average rating must by 4.7 out of 5 or higher. If not, AirBnB will suspend the license of the owner. If reviews would ever be a 1, 2, or 3, the license is terminated immediately.

Q: What would keep a guest from trashing an STR?

A: There are never any guarantees, but the same question could be asked about guests staying in hotels. AirBnB allows owners to obtain a security deposit, which is refunded once the property is inspected by the owner or his/her designee after the guest departs. It has been my experience and that of other AirBnB owners, that this is almost never an issue. Guests are typically home owners from another community who respect properties in which they are staying.

Q: Does AirBnB provide insurance for STR owners?

A: AirBnb provides property damage insurance up to \$1 million.

Q: Does AirBnB provide special recognition of good STRs?

A: Based on guest ratings, properties can receive special designations by AirBnB. For example, as manager of our property, my daughter and our property has received designation as a "super host," meaning an average of almost a perfect score of 5 on multiple rating criteria.

Q: Could crime go up in my neighborhood if there was an STR?

A: It is my observation that STR renters are typically solid citizens who are visiting our city and want to have a different kind of experience than staying in a hotel. They are usually homeowners themselves, so they appreciate the opportunity to share someone's home.

Thank you for your consideration.

Respectfully,

Bill Fuerst and Rylee Fuerst

Dear Lawrence City Planning Commissioners,

After the Monday 25<sup>th</sup> Planning meeting, the main question that came to my mind was, What aspect of an Airbnb do you want to regulate? And why? Where exactly is the focus? There is no visible clear direction to this process. I also realized that most of you as well as members of the Department of Planning present may have little experience on how Airbnb actually functions, to whom it caters, and how it fits into the Lawrence culture. In the spirit of helping the conversation, let me share a few personal observations and suggestions.

My first experience with Airbnb was some five years ago while traveling in Europe, my husband and I decided to give the platform a try and we loved it. Primarily, we loved the fact that very easily we were able to stay in average neighborhoods, away from the trafficked tourist path. Then, about three years ago my younger brother got married in Honolulu. My siblings and I decided to rent a large Airbnb house for a week. It was the best family gathering we've had. There was a lot of space for good quality family time, there were home cooked breakfasts by the early risers, and delicious cooked dinners from my mom. As my brother said then, the dinners were the best gift. None of these treasured experiences would have been possible in a hotel.

I have been a property manager for 25+ years in Lawrence, and in all those years I knew there was a lack of short term furnished apartments in this city. Over the years I have fielded many calls on the subject. In spite of the fact that I had the opportunity to set aside an apartment as a furnished short term rental, I never did, because of the potential high cost in damages. In long term rentals, with as much screening as we do, we still get 10-20% of renters that become problems (non payment and / or damages) - actual, tangible loses.

This is where Airbnb comes in. The platform helps protect me as an owner from problem guests. I gladly pay them their fee for that screening process and protection. On Monday's meeting it felt to me that the general impression is that Airbnb guests are a revolving door – a different person every night and that the guests are somewhat undesirable. This is not my experience.

For my Airbnb I would say that a good two months of the year are monthly rentals, and at least 20 some guests book for a week or more. People stay long term for many reasons, work, health, family, etc. Last year we had a grandma that wanted quality time with her autistic granddaughter and she rented our house for a month. Her daughter and family lived just a few blocks away. In December, I had an older couple from Washington that stayed a month, they wanted to host their family for a Christmas dinner. The guest told me that the best thing was that he got to cook several dinners for his daughter (who is attending KU). Twice, we have hosted the daughter and granddaughter of a local gentleman that brings them from Florida for a 2-week stay every August. Before their arrival he decorates the house and fills the refrigerator. We will be hosting this family again this coming August. We've also had a father and son that came for a swim meet with

two large coolers because of the special diet the young athlete was on. And umpires with large luggage that wanted to be sure we had laundry and an ironing board available for their uniforms.

My sister has an Airbnb close to the hospital, and I believe her monthly rentals are probably 4-5 months in a year. In her case, people come for outpatient treatment at the hospital, to take care of a family member in the hospital, she has two doctors that come regularly for 10 day stints and in January/February she had a grandma that came to stay in Lawrence to help with the grandkids because her daughter got sick. Grandma lives in Missouri, only about an hour away.

None of the experiences that I have shared would have been possible in a hotel.

Guests that use Airbnb want the experience of a home instead of a generic hotel environment. If they don't find this in Lawrence they will find it in Kansas City. Today, every city in the world offers a home-like setting as an option to visitors via Airbnb. Regular Airbnb users understand that rooms are not cleaned everyday like in a hotel, that guests are responsible for their own cleaning and in our case required to start the laundry and take the trash out as they leave. This is a different type of clientele than hotel users.

We have had guests from many different countries and I suspect that all of them only use Airbnb for their travel needs. It is a changing world and you cannot turn the clock back. Destroying this niche by over taxing the hosts would be a huge detriment to a vibrant city like Lawrence. Instead, you should welcome that Lawrence has residents willing to put their efforts and investment into offering an alternative stay option for visitors.

Airbnb is a platform that is controlled by reviews, thus, if I get a bad guest, somebody that breaks my rules or causes damages, I give them a bad review and that guest will have a hard time using the platform again. Similarly, if I as a host provide a bad experience (say a dirty house) I will get a bad review and my bookings will drop. The fact is that if a property owner takes a blighted property and tosses thrift store furniture in it, it will not get booked. Economic mechanisms of the free market discipline the system. There is no need for City personnel to intervene.

Of course we also host the short-term weekend guests, but that is not 100% like you seem to believe. This is why I humbly disagree with the direction of making these properties fall under SUP. These properties are short term rentals and they should be regulated by the rental licensing program that is already in place. This is no different than renting long term, except that I as an owner have a level of protection. There is no special use justifying a special use permit. And this is why you don't know how to judge these applications. Seventeen City Departments reviewed my application (see attached) for a total bureaucratic waste of time and resources, because none of these professionals knew what they were supposed to be looking for. Honestly, the SUP appears to be a simple money grab from the City with no real purpose – an additional tax on top of the 18% that we already pay to the State and City on each booking.

The idea that Airbnb is taking away affordable housing out of the market is a good soundbite but it is a fallacy. Rents in Lawrence have increased because of exponential increases in property taxes (two years ago I had several properties with increases close to 20%), and a steady increase in the cost of labor and materials. Two hundred units

that are used for Airbnb are not even a dent in a 25,000 + Lawrence rental market. Property owners who would otherwise rent to low income tenants are not diverting their units to become Airbnbs. This might be true in Barcelona, San Francisco or Los Angeles, but not in Lawrence, Kansas. By contrast, here we always have a level of vacancy.

The reason I put 941 Rhode Island as an Airbnb is because I could not find a qualified renter that did not have a pet. My house is a historic house and I did not want the damage a cat / dog does to property. As an Airbnb the house has a low risk of damages, and guests enjoy the square nails on the floor, the tin ceilings and the pictures of a 160 year old restored house that survived Quantrill's Raid.

Finally, I would like to say that if you hang your hat on the parking requirement under the SUP, you should be consistent. Monday I was dumbfounded that a house that has no parking was brought up for review for a second time (545 Ohio) with a crazy idea that only two rooms would be used. Really? Who will regularly inspect that the third room will not be used? If you are going to require parking, require it from all. Don't start on the variance path to open a new can of worms. Equal protection of the law requires equal treatment of all applicants – no special favors. If a property owner does not have parking, they should not be getting into the Airbnb market.

So once again, I ask, What aspect of an Airbnb do you want to regulate? And why? Is it perhaps a desire to cap and restrict the number of permits that will be issued? Fair. But, do you need 21 pages of a SUP application for that?

In any case, I stand available to further discuss this matter. My contact information is below.

Respectfully,

Sofiana Olivera sofiana591@gmail.com

Encl.

cc: Kyle C. Kobe, Planner I

# SUP-19-00030 Special Use Permit

Planning Review: Planning Division, Kyle Kobe Revisions Needed

- 1. Please indicate the total available off street parking spaces on the site plan and indicate which will be used for the short term rental.
- 2. Note that the code requires one parking spaces per guest room.

Building Safety Review: DS - Admin, Adrian Jones - Accepted, No Revisions Needed

- 1. Property shall comply with the minimum housing standards of the 2015 International Property Maintenance Code.
- 2. All sleeping rooms shall have a fully functioning emergency escape and rescue opening complying with 2015 International Building Code section 1030
- 3. Smoke alarms shall be installed in locations as listed in 2015 International Building Code section 907.2.11.2
- 4. Smoke detectors shall be interconnected. Physical in interconnection shall not be required where listed wireless alarms are installed and all alarms sound upon activation of one alarm.
- 5. Carbon monoxide alarms shall be installed in all locations as listed in 2015 International Building Code section 915.2
- 6. GFCI protection for personnel shall comply with 2014 National Electrical Code article 210.8 (A) as adopted and amended by the City of Lawrence.

<u>Historic Resources Review:</u> Planning Division, Lynne Zollner Revisions Needed 01/28/2019 The Historic Resources Commission has the opportunity to comment on this application at their meeting on February 21, 2019.

City Engineer Review: PW-City Engineer, Christopher Rice No Comment

Code Enforcement Review: Code Enforcement Division, Brian Jimenez No Comment

Fire Department Review: Fire Prevention, No Comment Received

KDOT Reivew: Planning Division, No Comment Received

P&R Forestry Review: P&R- Forestry, Crystal Miles

No Comment Received

Police Department Review: Planning Division, No Comment Received

**Sanitation Dept. Review:** PW - Sanitation Division, Kathy Richardson No Comment Received

**<u>Utility Review - AT&T:</u>** Planning Division, No Comment Received

**<u>Utility Review - Atmos:</u>** Planning Division, No Comment Received

**Utility Review - Black Hills:** Planning Division, No Comment Received

**<u>Utility Review - Midco:</u>** Planning Division, No Comment Received

<u>Utility Review - Southern Star:</u> Planning Division, No Comment Received

**<u>Utility Review - Westar:</u>** Planning Division, No Comment Received

Transportation Planning Review: Planning Division, Jessica Mortinger No Comment

March 31, 2019

City of Lawrence Planning Commission

Re: Deferment of Short Term Rentals

In reading the comments of the Commissioners, LJW March 24, 2019, regarding taxation of short term rentals and the possibility of changing the taxation rate to commercial, I would suggest that doing so would alter the zoning of the property as well. And changing zoning from one type to another with only regard to short term rental does not seem appropriate. Zoning is how taxation rates are figured within the Treasurer's Office.

When the property changes hands or when the owner no longer wishes to maintain a short term rental property, it would seem that they would then have to submit an application to remove the property from this upgraded type of taxation and zoning, back to their original tax rate. Long term rental versus short term rental, where local rental regulations are observed and practiced, doesn't change the fact that in either case, the property is being rented. Attempting to get a commercial taxation rate seems to be an attempt to deter property owners from exercising their rights to rent, either long or short term. And if the proposal to tax short term rentals at commercial rates, it seems this would have to be made across the board and in doing so, zoning city-wide would need to be changed.

I would also suggest that in changing the taxation rate (and possible zoning) of the proposed short term rental would likely result in less landlords becoming current with the new regulations, continuing to operate under the radar to avoid the increased tax rate.

It seems that if the short term rental meets the requirements that a long term rental meets, then the income generated is virtually the same, although the city stands to gain by the sales tax generated by the hospitality tax. Airbnb submits taxes to both the state and the city entities, thereby ensuring that the city receives the appropriate sales taxes generated by the short term rental. Changing the real estate taxation seems to be a penalty to the landlord and is that legal? Or warranted? Or appropriate? If the landlord submits to the Rental Code requirement of inspection, paying the inspection fee, and providing safe housing, then penalizing them for choosing short term rentals doesn't seem fair or sound policy.

Whether or not the Commission views short term rentals as removing affordable housing from the available housing of Lawrencians, the choice is ultimately the property owner's, and again, the property owner should not be penalized for making such a choice. Unless the City of Lawrence chooses to offer incentives or subsidies to maintain a certain number of affordable housing units, then in my opinion, they cannot comment on "losing" affordable housing units to short term rentals.

Respectfully,
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Kathi Mullis

#### Dear Planning Comissioners,

I am writing to voice my concern over the effect of whole house, unhosted (transient rental is not the primary residence of the host) short term rentals to neighborhoods in our city. I have researched this phenomenon via periodicals from other cities as well as various real estate publications. I conclude that investor short term transient rentals raise the overall housing prices in a market and depress those prices immediately contiguious and in close proximity to the whole house unhosted short term rentals so long as the rental business is disclosed to the potential buyer. (Those properties take longer to receive an offer and the offers are lower as fewer people are willing to consider those properties as suitable.)

My opinion is that this is a negative effect on housing for families of middle income in Lawrence. I also suspect but do not know if higher end housing is protected from the externalities associated with transient housing due to rules of home ower associations which may prohibit them. I suspect most middle class housing in Lawrence does not have a home owner association. Holiday Hills, where I live, does not. If these transient housing accomodations are allowed to conduct business in the neighborhoods while paying residential taxes, then the neighborhood is subsidizing the business income while paying the externality cost.

I came across two articles that show how the cities of Boston and New Orleans have addressed this issue just within the last six months. You may find them interesting. I wonder if these cities, being major tourist destinations, have had a longer time frame to consider both the negative and positive aspects of transient housing. Accepting that, Lawrence may learn from their hindsight. Here are the two article links. You may have already read them.

https://www.wbur.org/bostonomix/2019/01/01/airbnb-boston-ordinance

#### www.nola.com/politics/2019/01/short-term-rental-rules-in-new-orleans-tightened.html



# <u>Short-term rental rules in New Orleans</u> tightened

"We have focused far too long on making sure New Orleans is a great place for tourists," Councilman Jay H. Banks said.
"We need to make New Orleans right for residents."

www.nola.com

Thank you, Sheri Ellenbecker 1017 Holiday Dr. Lawrence, KS 66049 From: Tom Markus < tmarkus@lawrenceks.org>

**Sent:** Monday, March 25, 2019 1:06 PM **To:** Stuart Boley <<u>sboley@lawrenceks.org</u>>

**Cc:** Sheri Ellenbecker <sheriellenbeck@hotmail.com>; Scott McCullough <smccullough@lawrenceks.org>; Diane

Stoddard < dstoddard@lawrenceks.org > Subject: Re: New Boston Air Bnb rules

I will pass along to the planning staff.

Sent from my iPhone

On Mar 25, 2019, at 1:02 PM, Stuart Boley <<u>sboley@lawrenceks.org</u>> wrote:

I'm copying City Manager Tom Markus to ask him to provide assistance to you in this matter.

Sent from my iPad

On Mar 25, 2019, at 12:21 PM, Sheri Ellenbecker < <a href="mailto:sheriellenbeck@hotmail.com">sheriellenbeck@hotmail.com</a>> wrote:

What is the best way to do that?

On Mar 25, 2019, at 11:54 AM, Stuart Boley <sboley@lawrenceks.org> wrote:

Sheri,

Thank you. Please consider sharing your thoughts with the planning commissioners as they take another look at this issue.

Stuart

Sent from my iPad

On Mar 25, 2019, at 9:24 AM, Sheri Ellenbecker < sheriellenbeck@hotmail.com > wrote:

same subject different city--New Orleans

The new rules are way down at the bottom--you have to read the whole thing. <a href="https://www.nola.com/politics/2019/01/short-term-rental-rules-in-new-orleans-tightened.html">www.nola.com/politics/2019/01/short-term-rental-rules-in-new-orleans-tightened.html</a>



# Short-term rental rules in New Orleans tightened

"We have focused far too long on making sure New Orleans is a great place for tourists," Councilman Jay H. Banks said. "We need to make New Orleans right for residents." www.nola.com

From: Sheri Ellenbecker

Sent: Sunday, March 24, 2019 5:03 PM

To: <a href="mailto:sboley@lawrenceks.org">sboley@lawrenceks.org</a>

**Subject:** New Boston Air Bnb rules

Hello Commissioner Boley,

Thought you might be interested in reading about this.

My sister lives/works in Boston and works for the Public Radio station so she keeps up on things.

https://www.wbur.org/bostonomix/2019/01/01/airbnb-boston-ordinance



### New Short-Term Rental Rules Take Effect In Boston

Reporter Zeninjor Enwemeka is a reporter who covers business, tech and culture as part of WBUR's Bostonomix team, which focuses on the innovation economy. <a href="https://www.wbur.org">www.wbur.org</a>