Public Comment - HomeAway #1

Daly, Julia Rutherford

From: Walter Gonzales <wgonzales@homeaway.com>

Sent: Monday, June 05, 2017 12:45 PM

To: Williams, Das; Wolf, Janet; Hartmann, Joan; Adam, Peter; Lavagnino, Steve; sbcob

Cc: Metzger, Jessica

Subject: Short-Term Rental Regulations in Santa Barbara County

Attachments: Santa Barbara County Board Of Supervisors HA Letter 060517 Final SIGNED.pdf

Dear Santa Barbara County Board of Supervisors,

On behalf of HomeAway.com, the world leader in traditional whole-home vacation rentals, I would like to express our strong support for reasonable regulations for the short-term rental community in Santa Barbara County. While we support effective regulations on our industry, we are deeply concerned with proposed changes to how short-term rentals, including whole-home vacation rentals, can operate within the county. We believe the Board of Supervisors should continue to oppose efforts that onerously limit where vacation rentals can operate, efforts that would jeopardize the long-standing value vacation rentals have offered local homeowners and the community alike.

Instead, by collaborating with all stakeholders, Santa Barbara can craft policies that work for homeowners, travelers and communities, ensuring Santa Barbara will continue to benefit from this economic activity and increase tax receipts for the city.

The Benefits of Whole-Home Vacation Rentals to Santa Barbara

Whole-home vacation rentals have been a cornerstone of economic development and of Santa Barbara's travel and tourism industry for decades, providing economic opportunities for Santa Barbaran families and the community at-large. Vacation rental guests spend hundreds of millions of dollars in the Santa Barbara economy, supporting businesses like coffee shops, restaurants, and local boutiques. These rentals drive visitors to areas beyond existing tourist hotspots like the Wharf and the Zoo, extending the economic benefits of tourism across the city. Vacation rentals also support neighborhood businesses like landscapers, cleaning services, and contractors that help with the maintenance and upkeep of properties.

In fact, according to the Employment Development Department of California, leisure and hospitality is the second most important sector to the Santa Barbara economy, supporting nearly <u>27,000</u> jobs in 2015.

The Cost of Onerous Regulations

There are some who have advocated for placing artificial and onerous limits on vacation rentals, such as banning them in residential zones or limiting them to properties that are owner-occupied. This recommendation blatantly and arbitrarily discriminates against the rights of some property owners and limits the economic growth of local communities. Furthermore, arbitrary restrictions, like caps on days a property can be rented or the location of the property, will harm homeowners and Santa Barbara's tourist economy.

In fact, the availability of these vacation rentals could determine whether a family decides to visit Santa Barbara or another town. According to a 2015 Travel Tech and Internet Association survey, "1 in 3 Americans would be less inclined to visit a city if it banned short-term rentals." As families travel more and stay for longer periods of time, they are increasingly choosing locations where they can stay in a vacation rental due to the flexibility and unique experience these rentals provide over traditional hotel options.

Reasonable Regulations Will Ensure Whole-Home Vacation Rentals Continue to Benefit Homeowners and The Community

Proposals that encourage compliance through simple registration and fair taxation would create a further financial benefit for city coffers. HomeAway homeowners paid nearly \$1.7 million in taxes last year. Establishing a clear system for registration and taxation would increase this number as more and more homeowners understand and comply with regulations. However, further onerous restrictions and limitations will discourage compliance, and cost the city much-needed tax dollars.

Policies that support homeowners, spur business activity, and increase tax revenue include three principles: simple registration, fair taxation, and respect for property rights. Combined, these principles have a proven record of producing positive results for cities and states. In fact, the U.S. Conference of Mayors supported these principles in its <u>2012 short-term rental resolution</u>, citing that policies that encourage compliance and respect property rights ensure communities can continue to see the economic benefits of vacation rentals.

We encourage the Board of Supervisors to continue working with stakeholders to find short-term rental policies that work for Santa Barbara County homeowners, neighborhoods, and businesses. With that in mind, we respectfully urge the Board of Supervisors to reject any proposals that would stifle economic activity and opportunity with arbitrary caps and restrictions.

Please feel free to contact me directly with any questions. I can be reached at 512-505-1615 or via email at wgonzales@homeaway.com.

Thank you for your time and consideration.

Walter R. Gonzales

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