From:
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 To:
 Participate

 Cc:
 Carissa Connelly

Subject: Public Comment on STR regulation (Ordinance 1230)

Date: Tuesday, December 7, 2021 12:31:38 PM

Below I share some reflection from the STR conversation at the 12/6 Council meeting.

I am strongly supportive of 1230, and applaud the Council for this effort.

SVBR has made its position clear: it is against any regulation of STRs. Not only have they engaged their own local lobbyist, Mr. Crosby, to advocate this position with you, but they have also called in the heavy guns from the Idaho Board of Realtors legal firm in Boise.

I urge you not to overweight the input of lawyers for trade groups and their lobbyists relative to the residents of Ketchum.

Mr. Crosby's submission of December 6 seems to dismiss the City's interest in regulating STRs on a health and safety basis as unreasonable. Just because the City has not done so in the past does not mean the City should not be doing so today and in the future. Characterizing safety compliance as a "hardship" is a bit much. If STRs cannot comply with reasonable safety regulations, they should not be made available for rental.

Council Member Breen expressed concern about the fairness of 1230 to older units and the potential for litigation. The potential litigation from injury in an unsafe unit is probably is bigger issue. Why should some STRs get a break relative to other lodging providers on health and safety just because they have in the past? If the issue is fairness, it is not fair for an unsafe unit to be able to underprice a safe unit, be it an STR or hotel room, simply because it doesn't meet the same safety standards. That seems against the public interest and not a basis for successful legal challenge to the ordinance.

Shifting some of the STR market to SV by taking non-safety compliant units out seems just fine. Hopefully, SV will follow suit on safety regulation of STRs, as it is in their community interest, as well.

The SVBR's attorney assertion that the "chief component creating the practical prohibition is the ordinance's imposition of additional standards for residential property which are imposed simply due the the use of property as a short-term rental" negates the legal responsibility of City government to regulate safety, and ignores the language of the statute that they themselves lobbied for that permits the preservation of neighborhoods. It should carry no weight.

Despite the SVBR attorney's implication, there is nothing in the ordinance that prevents a homeowner from renting their property.

Despite their attorney's assertion that Sandpoint's regulation is illegal, they cite nothing to substantiate that implied threat.

Despite their attorney's assertion that STRs won't become LTRs, they ignore the fact that LTRs become STRs. The one thing we do know—conversion of LTRs to STRs hurts working people in Ketchum. We can fill the room for you on this if Mr. Crosby needs some

"evidence." Given the current extreme premium on STR rates vs LTR rates, probably not many units would covert backwards. That being said, if the economic differential is reduced, perhaps future LTR conversions to STRs may be discouraged by reasonable regulations. Interestingly, the data Mr Crosby provides from Frisco indicates that 42% of STR owners would consider converting to LTR. That is a meaningful number.

The rest of Mr. Crosby's assertions about renter and worker behavior are just that—assertions, unsupported by fact or analysis. He references evidence that he does not provide.

I urge the council to ignore the vaguely threatening tone from SVBR's attorney, and stand strong in your resolve to represent the interests of the voters and residents of Ketchum.

But this debate does raise the question—is Ketchum better off with unoccupied second homes, or with second homes occupied as STRs. We should have the public debate on this issue. As another councilman pointed out, it is possible for rental units to be STR in seasonal peaks while being LTR in off seasons. It could be possible in the future for the City to offer some incentive to landlords for LTR when not taking advantage of peak season demand for STR.

A couple of other points from the conversation:

- If self-certification is part of the process, there should be a perjury-type penalty for falsification.
- Council Member Hamilton's raised a point that there doesn't need to be different standards for HO properties—that makes sense. They might be prioritized for enforcement.
- ADUs should not be licensable as STRs. That is contrary to their intent. It might be made explicit in the ordinance.
- Consider the licensing fee as per room, as the cost of inspection to the City is driven by number of rooms.

Thank you for your service to the community,

Perry Boyle Ketchum