

March 2, 2018

Regarding Short-Term Rental Regulations for City of Bellingham

Dear Commissioners:

1. Consider reducing the number of apartments that can be converted to short-term rentals. 25% is huge.
2. Consider that some tenants in apartment buildings will be asked to move so their units can be converted to STR units.
3. Consider that single room rentals in owner-occupied homes can easily provide enough online transient rentals units available in Bellingham to meet the demand for "alternative to hotels" customers. Private entrances can be designed without creating separate dwelling units.
4. It is already difficult for first-time homeowners to compete with landlords looking for properties for rental income.

Consider prohibiting STR units in some neighborhoods or areas where smaller homes are currently available for more affordable long-term rentals or primary home residential use.

I did not attend the Public Hearing but did listen to it on Channel 10. I do appreciate the City Planning Commission taking the time to get this right and the attention to detail.

Tani Sutley

Aven, Heather M.

From: Richard Conoboy <riton@comcast.net>
Sent: Friday, March 02, 2018 12:26 PM
To: Grp.PL.Planning And Development Commission
Cc: Aven, Heather M.; Lilliquist, Michael W.; Vargas, Pinky T.; Murphy, Roxanne J.; Knutson, Gene R.; Bornemann, Terry R.; Hammill, Daniel C.; Barker, April; Gardner, Mark J.; Linville, Kelli J.; Sepler, Rick M.; Pool, Lisa A.
Subject: Vacation Rentals

Commission Members,

There is no earthly reason why we should be taking rental housing stock away from local residents when we, at the same time, are declaring, most disingenuously, that there is a crisis in housing availability. I am greatly disturbed that the city of Bellingham is even considering such a measure to legalize the removal of precious housing units from the very workers and families who need it most. There is no balance between the economic benefits to homeowners and the very ability of our citizens to procure housing where they work and play.

Excerpt: "Beyond eating up the housing stock for renters, Goodman points to another affordable housing issue exacerbated by short-term rentals: "It's not just your normal bachelor party problems, but tax assessors taking into account the fact that you can do short-term rentals in [assessing] your property value."

"Because short-term rentals are priced to appeal to the tourist's buying power, not that of a local, they can inflate the housing market. DeDecker found that on Airbnb, the average price per whole house rental per night was \$229 — very competitive with hotels, and therefore attractive to tourists. On the other hand, a landlord could only get about \$45 a night for the same home if they rented to a long-term tenant. DeDecker says she has noticed more and more for-sale listings boast about the property's ability to generate short-term rental income, which factors into the sale price. This causes the value of those homes to rise, even though that rise does not reflect the buying power of the neighborhood's residents."

Dick Conoboy

[Here's What New Orleans Looks Like Six Months Into Legalized Airbnb](#)

By [Nina Feldman](#) | October 18, 2017

The city of New Orleans, after a long and heated debate, voted to legalize short-term rentals on platforms like Airbnb one year ago. Most affordable housing advocates viewed the new ordinance as overly generous to those in favor of short-term rentals; short-term rental proponents wished it was more lenient. New data on the impact of the ordinance on New Orleans, and approaches to regulating the business model by other municipal governments provide a sketch of how short-term rentals can affect a city, but the picture is still far from clear.

With new regulations effective in April, the city of New Orleans started offering two types of permits in residential areas. The holder of an accessory permit can offer rentals for as many nights a year as they want, in rooms within homes where the owner also lives (and includes the other half of an owner-occupied double shotgun). The accessory permit is \$200.

A temporary permit, which costs \$150, allows a person to rent out an entire home, for up to 90 days per year. There's no limit on how many temporary permits one person (or company) can obtain. Owners do not need to live on the premises.

Properties in areas zoned commercial aren't subject to the 90-day cap and don't have to be owner-occupied. There is, however, an outright ban on short-term rentals in most of the French Quarter, the city's main tourist destination.

Breonne DeDecker runs the affordable housing nonprofit Jane Place Neighborhood Sustainability Initiative (JPNSI), which creates permanently affordable housing through a community land trust in New Orleans' Mid-City neighborhood. DeDecker knows that companies like Airbnb have come under scrutiny for lots of reasons: Houses that rent out to bachelor parties and other large groups create noise and garbage, and the platform's users have been accused of racial profiling. But DeDecker is focused on the affordable housing challenge that short-term rentals present, and she's issued a series of reports and data analyzing the effects of such rentals throughout the city, one of which was released in September.

Amid its growing popularity over the last several years, Airbnb has touted that hosts across the world earn helpful supplementary income on its platform. But affordable housing advocates have charged that short-term stays in cities take homes off the market that would otherwise be long-term rentals for residents. In turn, they say, this more limited supply drives up rents.

From an affordable housing perspective, there are two regulations that really matter: whether the owner is required to live on the property, and the number of nights per year a rental can be available. If an entire home can only be rented nightly a few dozen times a year, the owner would likely still live in that home, or rent it out to a tenant long term. So a cap on rental nights could meet the needs of a family who might want to rent out their place while they're away on vacation — say, to get out of town during Jazz Fest in New Orleans. But if short-term rental operators are allowed to rent for enough nights out of the year that it becomes worth it for real estate investors — many who may not live locally — to buy units with the express purpose of renting them short term, then those units are essentially removed from the available housing stock for long-term renters.

DeDecker estimates that with the 90 nights-per-year limit in New Orleans' ordinance, it's still worthwhile for many investors to purchase and use homes exclusively for short-term rentals; they could still rent their units most weekends out of the year.

“You still make more money short-termining than you do on a long-term tenant,” she says.

Plus, DeDecker says, there are loopholes in New Orleans. While rental operators must file for a permit with the city, rental hosting platforms don't require such paperwork. A single operator could easily list a unit on Airbnb for 90 nights out of the year and on a competitor like VRBO for 90 additional nights. Hosts who want to skirt the ordinance could rent under the radar until a neighbor files a complaint or the city hunts them down. The data-sharing agreement that New Orleans struck with the private companies is anonymous, so it's very difficult to match the listings across platforms and enforce violations on the temporary permit holders. When the city does believe it has found a bad actor, officials must request a subpoena, a process that takes up to a month.

Researcher Jeffrey Goodman has looked into short-term rental ordinances across the U.S. He says when it comes to city regulation, there are typically three waves. First, there's the original ordinance on the books, usually from the 1950s, that doesn't work to accommodate any short-term rental arrangement, because it doesn't include any enforcement mechanism. Next, cities usually try to work with the rental platforms.

“They were like ‘we're hip, we're cool,’” says Goodman of what he has observed of city governments' attitude toward working with the companies in recent years. “And they worked with these companies not realizing that

it's regulatory capture. Not realizing that having the companies have a lot of influence in writing their own ordinance led to bad outcomes, and a lot of cities felt played."

The third wave, according to Goodman, is currently unfolding in places like Anaheim and San Francisco, with cities requiring more of the companies and the latter responding with litigation.

Goodman says those cities are at least starting to regulate short-term rental service so it functions the way the companies claim they're designed to: as an extra income generator for homeowners. But Goodman says that by not requiring that owners live on their property, and by keeping data private, that's not what New Orleans has done.

"The people who can take advantage of this market are not the people who need the money," he says.



The French Quarter in New Orleans has different rules about short-term rentals than the rest of the city.

The city says enforcement is working. When the ordinance went into effect in April, the Department of Safety and Permits had a budget of \$727,000 for 11 staffers, including technical support and more bodies in the adjudication team, to ensure a smooth adoption. The idea was that fines and fees would offset the costs of the department, and so far, it has collected \$665,000 in licensing fees from hosts. While not all of those staff positions are currently filled, Director of Safety and Permits Jared Munster says the city is hoping to outsource some of the technical work to companies that have figured out ways to catch bad actors who are finding loopholes like double-listing temporary permitted units on more than one platform.

"There's sort of an industry that has sprung up around the regulation of short-term rentals and they built either computer or human resources to match all those things up," he says. Jen Cecil, Director of One Stop for Permits and Licenses with the city, says an RFP for these services would likely be released later this year.

And while Goodman says that New Orleans is a whole wave behind other cities with more stringent regulations, Munster says cities across the world are modeling their deals off of New Orleans' approach.

"We've got the most successful program in the country. Our compliance rate is in the high 90 percent range. We got this deal put in place last year in December," he says. "Shortly thereafter, San Francisco settled their suit with these platforms with basically this exact same agreement in place."

Goodman points to a key difference in the agreements: San Francisco prohibits platforms from listing unpermitted properties. Still, Munster says, New Orleans has had more applications than they projected.

“We’re fairly confident that everyone who’s trying to do this is trying to do this legally,” Munster says.

According to DeDecker’s data, as of June, there were 5,307 Airbnb listings in New Orleans, 3,156 of which were legally permitted. (Editor’s Note: Erin Burns, the mayor’s press secretary, notes in an email that DeDecker’s data does not take into account the hotels, motels and bed-and-breakfasts that are legally permitted as something other than short-term rentals, but are also still able to list their rooms individually on the rental platforms. This, in part, explains why the number of listings would be greater than the number of short-term rental permits on file.)

Even within the rule of the law, the proliferation of short-term rentals can have adverse effects. DeDecker’s report highlights a particular block in New Orleans’ Seventh Ward where eight permits legally allow for at least 20 rooms to be licensed per night. Around 40 tourists could be staying on that one residential block on the same night. Goodman calls these “dark blocks” and says they are possible because there are no limits on the number of short-term rentals per block.

DeDecker also calls out companies like Stay Alfred, which manages short-term rental listings in cities across the U.S. The Spokane, Washington-headquartered Stay Alfred has 142 listings on Airbnb in New Orleans.

“They are basically running a disaggregated hotel that is taking rental units off the market,” says DeDecker. (A spokesperson for Stay Alfred says, “Since our inception, we’ve always supported short-term rental legislation that provides a clear licensing path. It’s good for us and the communities we are a part of.”)

Thanks to the limitations for the French Quarter that the New Orleans ordinance put into effect, that neighborhood is now offering a glimpse of what a ban on short-term rentals looks like. As regulation was being debated, residents there voiced concerns about the potential for their neighborhood to turn into a ghost town. The city responded with the outright ban in the French Quarter (that excludes one commercially zoned strip along Bourbon Street).

Meg Lousteau, executive director of the Vieux Carré Property Owners and Residents Association, or VCPORA, says since the ban, she has seen the number of units available for long-term renters and buyers alike increase.

“That could be happening in other neighborhoods,” she says. “We could be having hundreds of units returned to the market like we are in the French Quarter.”

Beyond eating up the housing stock for renters, Goodman points to another affordable housing issue exacerbated by short-term rentals: “It’s not just your normal bachelor party problems, but tax assessors taking into account the fact that you can do short-term rentals in [assessing] your property value.”

Because short-term rentals are priced to appeal to the tourist’s buying power, not that of a local, they can inflate the housing market. DeDecker found that on Airbnb, the average price per whole house rental per night was \$229 — very competitive with hotels, and therefore attractive to tourists. On the other hand, a landlord could only get about \$45 a night for the same home if they rented to a long-term tenant. DeDecker says she has noticed more and more for-sale listings boast about the property’s ability to generate short-term rental income, which factors into the sale price. This causes the value of those homes to rise, even though that rise does not reflect the buying power of the neighborhood’s residents.

“They never have to lower costs to meet the market for a neighborhood, so it permanently inflates prices,” DeDecker says.

Affordability is highly relevant in New Orleans. Over half the city's residents are renters, and 61 percent of them pay more than 30 percent of their income on rent — the standard at which renters are considered rent-burdened. More than one-third of renters pay more than half of their income in rent. On top of that, the rental stock is low: Seventy-eight percent of rental units are classified as substandard housing, and the citywide vacancy rate for rental housing is below 8 percent.

Conversely, many argue that short-term rentals contribute to the tourist economy in New Orleans, which is the largest industry in town and employs over 80,000 people. The Alliance for Neighborhood Prosperity, a New Orleans-based short-term rental advocacy group, maintains that the popularity of services like Airbnb in the city demonstrates a demand for more accommodations for tourists, who in turn contribute to the economy. A 2013 study prepared for the group by the University of New Orleans found that approximately 100,000 visitors to the New Orleans area stayed in short-term rentals that year. They estimated these visitors generated a total economic impact of \$174.8 million. The study found that visitor spending also resulted in the creation or support of nearly 2,200 full-time and part-time jobs.

Jobs for jobs' sakes aren't enough in DeDecker's opinion. It is true that even absentee landlords need to hire property management companies and maintenance staff to manage their units. And more visitors mean more business for restaurants, musicians and bars. But DeDecker says she doesn't think that's the right calculus.

"The bump in wages doesn't keep up with housing inflation," she says. "I think it's more important to look at what point are New Orleanians not going to be able to afford to live here."

Aven, Heather M.

From: Pool, Lisa A.
Sent: Friday, March 02, 2018 2:46 PM
To: Sepler, Rick M.; Nabbefeld, Kurt D.; Aven, Heather M.
Subject: FW: Short-term rental regulations

See below.

Lisa

From: registrations@matsumail.info [mailto:registrations@matsumail.info]
Sent: Friday, March 2, 2018 2:43 PM
To: Pool, Lisa A. <lapool@cob.org>
Subject: Short-term rental regulations

Hi Lisa, thanks for your help on the phone today clarifying the current draft of the STR regs. I'd like to submit and expand upon the thoughts I shared with you on the call, for the public comments record:

I am impressed by the balance the city has struck between the diverse interests in the STR matter, and support the general framework presented by staff in the March 1, 2018 public hearing. I would like to highlight one use case which, as I understand it, would be accommodated under the current draft, with an eye toward ensuring that it's not lost in the inevitable evolution of the legislation moving forward.

Student rental housing makes up a significant portion of Bellingham's permanent housing stock (including a triplex my wife and I own directly across Garden Street from WWU). Because it's impractical to have rental properties unoccupied for 25% of the year, student rental housing landlords generally create 12-month leases, essentially forcing a significant part of the student housing market to pay for three months of occupancy that they don't want, and often don't use. (My tenant's summer absences compel me to check frequently on the unoccupied units to protect the property and tenants who do remain.)

The most recent draft of the STR regs supports a win-win-win scenario:

1. I could offer students 9-month leases, reducing their overall annual cost of attending school.
2. I could manage one or possibly two of the units as STRs during the height of the visitor season, right when then students don't want to be there.
3. Perhaps best of all, because this is housing stock that is *already committed* within Bellingham's permanent housing inventory/needs, student housing STRs will have zero impact on Bellingham's permanent residential housing stock.

That third point is one of emphasis: *This is a land use opportunity unique to communities like ours, that have substantial housing stock committed to, but underutilized by, seasonal tenants.* This multiple-tenant use of properties on a seasonal basis is not dissimilar from the advantages of shared parking, in which a professional space with daytime parking requirements, and a commercial space with night time traffic, can join to maximize the value of parking by sharing the land assets instead of providing redundant ones. In this case, the granularity is seasonal instead of hourly, and the land asset is housing, but the principle applies.

As a result, under the current draft, happily Bellingham will support more summer economic visitor activity with *no impact* to housing stock; students lodging affordability increases; landlords have a new option for optimizing use of their properties; and there are fewer underutilized units creating crime or safety concerns during the summer months. I guess that's actually five wins.

I think that Staff's recommended protections via third-party verification of STR utilization, along with operator caps of a single type I or II permit and a single type III permit, provide solid assurances against commercial operators utilizing the STR model to create quasi-hotel operations and simultaneously consuming permanent housing stock. Those also help preserve neighborhood character in Single Family Residential areas in particular, and are appreciated.

So as the regulations move forward, I hope that the tweaks and changes that occur are done while keeping in mind the the student housing/STR model and that the legislation retains all the community benefits outlined above.

Thanks,

Allen Matsumoto
910 Mason Street,
Bellingham, WA 98225
360-305-4266

Aven, Heather M.

From: Ali Taysi <ali@avtplanning.com>
Sent: Tuesday, March 06, 2018 12:13 PM
To: Aven, Heather M.
Subject: Fwd: STRs

Heather,

Below is a public comment on STR's. Please forward to the full commission.

Thanks,

Ali

----- Forwarded message -----

From: "Peter Frazier" <peter.frazier@gmail.com>
Date: Mar 6, 2018 9:49 AM
Subject: STRs
To: "Ali Taysi" <ali@avtplanning.com>, <irismautegibson@gmail.com>, "Mike Estes" <mikejestes@gmail.com>
Cc:

Hi, Ali, Iris, and Mike

I am very concerned about where the Commission ended up on STRs. If passed this is going to seriously reverse the VR economy for many middle class people, significantly lower the number of VRs available in the city, negatively impact the great tourism economy we are enjoying, and just give a win to the rather privileged neighborhood forces who have plenty of time to advocate for their narrow interests. Didn't hear much from VR owners? That's because they are all middle class working people trying to make ends meet.

I can't believe this has gone so off the rails. The 90 day caps and the CUP for unlimited, I predict, will cut the VR availability 3/4 of what it is now. My understanding is that planning staff are pretty dejected about this and I understand why.

I can hardly believe I am taking time to advocate for this because the Heliotrope is going to pick up a lot of the urban and suburban couples who are making use of Airbnbs and were never traveling before the advent of VRs. They will have few places to go, but Helio will likely benefit because our model is friendly to that type of traveller. Also, because I am relatively wealthy and can hire an attorney, and am a good advocate for myself, I will get a CUP for my condo on Garden and it will be doing quite well after the competition (nice families and singles trying to afford to live in Bellingham) is wiped out.

So if things go forward as is it will be great for me. However, it's bad for my community, bad for our local businesses, bad for families involved in this economy. It's bad planning, frankly. With 15000 units the 200+ VRs are a small drop in the bucket. Hell, developers bring more units online than that every year now, don't they? Also, there are so many things that could be done to control any negative effects of VRs in neighborhoods without killing the whole model.

I am currently reaching out to corporate Airbnb to see what help they might be able to provide. I have alerted Sandy Ward of Tourism (totally unaware of the situation). I will lobby the Council if I must. My understanding from Planning is they need to preserve their capital for other things, which I get, and will not be pushing back.

I feel awful. Because whatever the Planning Commission decided I was going to win, I didn't do anything to organize the VR owners to oppose the NIMBY forces. I regret that now and feel ashamed of myself for giving into my own interests over those of my community.

I am not sure what my ask is other than, "what can be done at this late date?" What more can I do to advocate against this?

Thanks,
Peter
360-201-0390

Here's my email to Sandy Ward:

Hi, Sandy

Here's the situation:

There have been several work sessions of the Bellingham Planning Commission and two public hearings regarding STRs since late summer 2017. My wife and I have been following this all the way though, have spoken twice, have spoken with members of the Commission, and have met with the Planning Director twice. Up until last week it looked like things were going in the right direction.

Things have now gone off the rails.

If what is now proposed is adopted by the Bellingham City Council, it will destroy the STR market in Bellingham. It's not an outright ban, but will be very, very bad for the economy of the STR market.

Basically, there will be three types summed up in this helpful, but disturbing, graphic, from the packet (attached). The full packet can be found for the 3/1 meeting here: <https://meetings.cob.org/onbaseagendaonline>

The 90 day cap will kill the economy of this for the majority of the people I know who are VR hosts. And to get a Type 3 requires a conditional use permit, which is expensive (at least \$1500) plus you must notify neighbors and go before the hearing examiner. Not only will this discourage VR hosts (it's very uncomfortable to ask your neighbors' permission) but the opposition (neighborhood groups with NIMBY tendencies) will organize against anyone doing this in all but the poorest, least organized neighborhoods.

I own three STRs. Two outside the city that are unaffected, one in the city that is, and a small hotel that uses Airbnb for booking. This regulation will be great for me. Why? The advent of Airbnbs has significantly grown the number of visitors to our city. These are mostly couples who travel from Seattle and other urban/suburban areas throughout the PNW and specifically like to stay in VRs. With the decimation of the number of VR in the city, they will go to the nearest thing to a VR, the Heliotrope Hotel. Also, because I have money and the will I will make sure my VR in the city will get its CUP, even if I need to hire an attorney to help me with the process. This VR will have so little competition, it will prosper like never before.

However, I am opposed to this regulation, because it will be bad for our tourist economy in all the ways, with all the multiplying effects, you can imagine. It will be bad for middle class families who make ends meet with

VRs. It will be bad for our community in that there will be less real, authentic connection between locals and visitors that come with host/guest interaction. It will give Whatcom County and other jurisdictions greater precedent to enact strict STR regulations.

Please have your policy people reach out to me. It may not be too late to reverse some of this. It gets voted on by the Planning Commission in the next week or two, then it's off to City Council.

The neighborhood forces and affordable housing people (my good friends!) tend to see vacation rentals as being counter to their aims, but they do not properly appreciate several key things:

- VRs are good for our tourist economy and vitality (including all the local restaurants and businesses they love)
- VRs are not owned by corporations, but by middle class people trying to make ends meet
- The VR host/guest experience is a great and important interaction, bringing people together, instilling warmth and love for our community, our ecosystem, and building bridges between people. I could go on at length about this aspect.
- With 15000 housing units, 200+ VR's is a drop in the bucket and will not affect our housing issue. Builders in our community are bringing online more than that number of units each year
- The forces against this, the neighborhood groups, are made up typically of wealthier retired folks who are already privileged. They are able to make it to all the meetings, are already organized on this issue and others. The VR hosts do not have that privilege and are not organized. They cannot make it to these meetings and their voices have not been heard.
- The visitorship to Bellingham is not a zero sum between hotels and VRs. VR visitors are not likely candidates to stay at hotels (though I think Heliotrope Hotel will do very well) and are just less likely to visit Bellingham if there are few VRs to stay in.
- There are better ways to limit any negative impact of VRs in neighborhoods than disallowing them.
- My understanding is that Planning staff are not happy with how far the Commission took this. They get how detrimental this will be for our community, and how unnecessary.

Thanks,

Peter

360-201-0390

Avery Barbera
514 E. Chestnut St.
Bellingham, WA 98225

Dear Members of the Board,

I attended the public hearing on March 3rd for the decision of short term rentals, which will hear on out be abbreviated as STRs. Although I did not know much about the ordinance at the time of the meeting, I did some research and wanted to comment that STRs should be allowed in Bellingham.

I am a student enrolled at WWU, pursuing a degree in Environmental Studies with two emphases in Environmental Policy and Geographic Information Systems (GIS). Taking an Urban Planning class this quarter has encouraged me to get involved with city planning decisions and meetings to stay up to date on current issues. Coming from out of state, I may not be the ideal citizen to comment on an issue, that some argue greatly affects the community and the overall wellbeing of the city, as I have not been a long time resident. However, I would like to argue that regardless of where I live outside of Bellingham and the scale or size of my community, STRs provide a greater range of benefits than they detract from a urban community.

As a second year student, I live off campus. With that being said, houses that could be counted in housing stock for permanent residents are not available each academic year, or the ensuing summer months, as most leases extend into July and August. However, many students will not live there during those months, which takes away any possibility that these houses might be available for families to occupy until they find more permanent housing. Yet, landlords do this to tie up their properties as a way to make money. So not only do these college rentals take away from the housing stock in Bellingham, they also are not available to families even when the school year ends as potential options for temporary living. Similar to the idea of STRs, these types of rentals actually have longer periods of vacancy than houses offered on Airbnb and VRBO, which offers temporary housing to visiting tourists with a booked stay of 29 consecutive days or less.

In addition, keeping these houses strictly available to college students allows landlords to minimally maintain these houses, while extorting for profit. This leads to neighborhoods designated specifically for college students, increasing noise disruptions, theft, and threats to public safety. Not to mention that any tourist traveling through Bellingham sees these run down homes, which detracts from the overall charm that Bellingham offers. In contrast, STRs provide tourists a welcoming experience through integrating these individuals into real neighborhoods, which offer a buffer from crime and provides a positive traveling experience. Arguably, when someone travels, they do not venture into neighborhoods, and thus, do not truly grasp the character or identity of a city.

My own experience using STRs for vacations has been very positive. Coming from a family of eight, with expanding numbers, STRs are a greater economic option for housing and feeding a large group. Staying in the comfort of a home makes dietary or another accommodations manageable, particularly with young children running around. With this in mind, the city's decisions regarding STRs should factor in large families that are either visiting or are in situations of emergency that forces them to find economic relief in STRs. If Bellingham does not define what an STR is, is the city limiting the type of tourist it invites to it's identified area?

From an environmental standpoint, resources are consolidated within a house, rather than separated through individual rooms found in a hotel. While it seems most cities are expanding their hospitality dwellings, hotels give off a feeling of temporality and disposability, since one's stay is supposed to be fleeting. Yet, houses give off a sense of permanence and substantiality, which can incite plans for a return trip, thoughts of relocating to the area, and pleasant experiences that spread through word of mouth to draw in even more visitors. Not to mention that they also provide greater privacy, which many tourists do not have while staying at a hotel. Hotels strictly designate individuals as tourists, which can incur potential security threats if individuals attempt to take advantage of these traveling groups, singling them out for theft or harm. However, coming and going in and out of a neighborhood, does not single the tourists out, which can be one less factor for them, or the city, to worry about. Not to mention that from a cost standpoint, a hotel room can be just as much as a STR per night, but without the extra space, amenities, location, or privacy.

In addition to using STRs for family vacation rentals, I was also invited to stay with a couple friends and their parents at the Wildwood cottages in Bellingham over the Thanksgiving break. This was a great option for many of my friends that could also not go home for the holiday, as it was too expensive to fly. Not to mention, it also exposed to me to another area of Bellingham that I had never been to before, and probably never would have otherwise, giving me a greater familiarity with the city. I do not think all of the cottages were STRs, but it was empty for the weekend, which, if one could imagine it was full of people, it would be a very pleasant and inviting taste of Bellingham, more so than it already was.

Living in Arizona, my mother had a STR in a neighborhood that was a mix of both rentals and permanent residents. This neighborhood did have a gate and attendant, with a community pool and facilities, which each individuals tenant had access to during their time of stay. The house itself was typically rented out for a couple of days to a couple of weeks at a time, all year round. However, it did slow in the winter season, which would lower the cost during the off-months, while increase during the peak months of summer season. Having a property through VRBO or Airbnb allows one to rent through other properties using credits, which can incentivize individuals who own their own STR listed through one of these sites to travel more. Why would these individuals spend more than is necessary, when they already pay taxes, mortgages, and bills? By spending money at the hotel, who is that money benefiting? This case becomes a decision between small, private "companies" and large, commercial industries that offer chain locations.

For many of the same reasons that businesses might choose private operations, why wouldn't the city to support growing populations? This might not be a case of retaining current housing stock for individuals looking to buy, while putting the individuals who operate their houses as STRs at a disadvantage, but rather the city looking to construct new housing for natural growth within the community. At what point does the city acknowledge that there are not enough houses without the presence of STRs, to initiate new development? If the planning commission is looking to entice individuals to move to Bellingham through plans of urban design, say for example Samish Street and others alike, why wouldn't housing be another top priority to infill or expand beyond the edges of the city? All that the city is missing is to build more housing units for low income families and individuals who may not be able to afford some of the houses that are currently listed as STRs. Even if the houses that are currently operating under Bellingham's "undefined" STR designation, were available to the general public, who's to say that individuals seeks residences would be able to afford them?

Regardless of the ordinance, there will always be a divide between individuals choosing the conventional commercial hospitality route, and those that choose a private stay in an STR. Yet, I hope you will consider my arguments and how they support the allowance of STRs within the community. Thank you for your consideration.

Sincerely,

Avery Barbera

Aven, Heather M.

From: Richard Conoboy <riton@comcast.net>
Sent: Thursday, March 08, 2018 10:52 AM
To: Grp.PL.Planning And Development Commission
Cc: Aven, Heather M.; Pool, Lisa A.; Sepler, Rick M.; Gardner, Mark J.; Lilliquist, Michael W.; Vargas, Pinky T.; Murphy, Roxanne J.; Bornemann, Terry R.; Knutson, Gene R.; Hammill, Daniel C.; Barker, April; Linville, Kelli J.
Subject: Vacation Rental Ordinance

For the Planning Commission Members,

First, I would like to re-iterate my strong objection to this ordinance except were it to create a specific and total prohibition of vacation rentals within the city of Bellingham.

Second, I refer to the briefing points below made by staff prior to the public hearing on this topic. My comments (in bold italic) follow each point from the briefing:

Community Benefits:

- Helps homeowners and renters afford mortgages and rents

Is this contention being raised because there is a clamoring need for this kind of assistance to homeowners? What are the facts about the numbers of homeowners or renters who want to avail themselves of this ordinance? Are we creating a registration and licensing system for minimal benefit to citizens while leaving the door open for exploitation by landlords?

- Expands lodging options

Perhaps, but at the expense of those who live here without the benefit of affordable or even available housing.

- Bolsters tourism industry and local economy

Who actually benefits from the money spent for tourism in Bellingham? Restaurant, entertainment and tour companies are known for their low pay and lack of benefits. The profits go to the owners, many of whom do not even live here or are franchise operations to whose distant headquarters the money flies as soon as it is made. Just whom are we helping?

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This point suggests that those who might benefit from vacation rentals do not already keep their properties maintained. What improvements might be envisioned then if the owner or renter is already short on income? I do not see how this point is demonstrable in practice or remotely relevant to the issue.

Community Concerns:

- Housing stock

This is the most egregious of issues raised by this ordinance in which we are given to understand that we can open hundreds of housing units to vacationers while our own residents cannot find a place to stay in the city. This is a shameful proposition which should never have arisen in Bellingham, a town that ostensibly prides itself on equity and justice – at least that is what is often proffered from certain individuals and quarters in city hall.

- Neighborhood character

Just how does this ordinance assist in building community? The city is also asking for denser neighborhoods through other ordinances (which are not being coordinated with this ordinance, e.g. subdivision, illegal rooming house and infill tool kit). What does it serve to have vacation rental homes or apartments where there is an unknown group or individuals to deal with on a constant basis, people who have no stake in the community and from whom there is no escape until they depart? The notion that outside guests may produce wonderful encounters with the neighbors is an undemonstrable and exclusively anecdotal claim that should gain no purchase in effective planning.

- Guest behavior

Guaranteed, vacation rentals will present a host of continuing issues with regard to parking, noise, and litter, none of which are susceptible to immediate remediation since there are insufficient resources to enforce these violations as they are committed. Nights and weekends tend to the worst as police attend to other, higher priority duties, parking enforcement personnel are not available and litter control is relaxing at home. Noise complaints, probably the most likely of nuisances here, cannot be resolved unless a police officer actually hears the noise and, we all know from sad experience, will not be available short of a major riot. The neighbors will then face a death by a thousand cuts as nightly disturbances seep into their lives eliminating anything having to do with quiet enjoyment. This will be a "drip, drip, drip" process of workers and their families tortured by people who are transient but treat the surroundings as if it were their living room and, at times, a toilet. A code complaint form is nothing more than a bureaucratic nostrum equivalent to warm milk and cookies... "take two and call me in the morning".

- Health and safety

This point is closed allied with the point above. More density translates into more points of conflict and attendant mental health problems and chances for physical confrontation. Furthermore, houses are not hotels that have to deal with contamination issues on a regular basis (think bed bugs, lice, bodily fluids such as blood, urine, vomitus, feces). Who will inspect these vacation rentals on a regular and frequent basis? The Health Department is a Whatcom County entity and, as such, cannot be required by a city ordinance to inspect these vacation rentals.

- Tax collection

With no vacation rentals authorized, there will be no tax collection. Problem solved.

The Planning Commission recommendation to the City Council should be to prohibit vacation rentals outright within the city limits, a concise, one line ordinance applicable to all and easily understood.

Regards,

Richard Conoboy
Bellingham, WA

Bellingham Neighborhood Coalition

Bellingham, Washington
BhamNeighborhoodCoalition@gmail.com

March 9, 2018

Bellingham Planning Commission
Bellingham City Council
Mayor Kelli Linville
Planning Director Rick Sepler
City of Bellingham
210 Lottie Street
Bellingham, WA 98225

Re: Comments on Vacation Rental Draft Ordinance (aka, Short-term Rental) process and substance

Dear Bellingham City Council and Bellingham Planning Commission:

First of all, the subject ordinance needs to be relabeled and rebranded as a **vacation rental ordinance** and not the confusing title of short term rentals (STR). It needs to be called what it is, and that is an ordinance that expands the commercial activity of vacation rentals specifically into single-family residential zones. This commercial intrusion brings impacts to the health, safety, and welfare of the single-family residential zone. In addition, the Planning Commission should acknowledge that the legalization of this new form of commercial activity will have a negative impact to housing stock and affordability within the City, which is purported to be a concern of the Mayor, the City Council and many citizens. This paradox of dissonance should be acknowledged and addressed, if not by the Planning Commission, then by the City Council when the ordinance comes forward. Across the country, cities are facing the unintended consequence that vacation rentals are so much more profitable than long term rentals that housing units are being stripped from residents in favor of out-of-town visitors.

The Bellingham Neighborhood Coalition (BNC) has been involved with the plethora of proposed updated ordinances being considered in 2018. We have consistently expressed our concerns about the reckless simultaneous consideration of the DADU ordinance update, the short-term rental (STR)/vacation rental initiative, changes to the subdivision ordinance, reconsideration of the "boarding house/rule of three" policies, changes to past commitments to the expansion of the Infill Toolkit forms of housing, and the failure of considering all these changes and their impacts to the single-family residential zones within the City.

All of these changes have significant impacts to the quality of life in our neighborhoods, and there does not appear to be a concern about the irreversible impacts that may result. This disparate and uncoordinated approach candidly has volunteer citizens literally drinking from the fire hose of proposed changes, and many within the city are not aware of how all these proposed policy changes will interact with each other and create a cumulative significant impact to homeowners in single-family residential zones.

At the recent Public Hearing on March 1, 2018, on the STR/Vacation Rental ordinance, the planning commissioners were reminded of our concerns about the cumulative impact of all these regulatory changes and their significant and irreversible impacts. Yet, the planning commissioners instead expressed concern that the impacts of regulatory changes on the current illegal uses within our City are more important than the impacts to the current legitimate single-family residential owners and renters in Bellingham. Put bluntly, the profits of investors and a few residents breaking zoning laws while denying the city income from hotel taxes are being given preference over the many residents dealing with blocked roads, noise, and other nuisances common to commercial zones.

The risk and impacts of the STR/Vacation Rental ordinance should be borne by those who will make the most profit, rather than the legal uses that occur now as single-family owners. In addition, the planning commissioners seem more concerned about simplifying the process and procedures and increasing the number of units (up from 90 of the Type I units in single-family residential zones) for the minority of potential and existing Vacation Rental businesses, than protecting the majority who reside in these single-family zones. The public interests are overridden by the private interests; and this priority by the commission, we believe, is misplaced.

The BNC has reviewed the draft ordinance, and although we are most concerned about the cumulative impacts of all the proposed COB ordinance changes and the inherent inconsistencies and conflicts potentially between all of these ordinances, we believe it does have some utility in bringing the unlicensed and unpermitted Vacation Rental industry under control.

To this end, we have some general comments on the ordinance.

1. In the revised Section 20.10.37 (Short Term Rental), the following two sentences must be clarified as this expresses our concern about internal conflicts in the ordinance. Section 4 says short term rentals are permitted in legally-established attached accessory dwelling units CITYWIDE (emphasis added). The next section 5 states: Short-term rentals are NOT permitted in detached accessory dwelling units in residential General use type areas.
2. We recommend that the two requirements be clarified and coordinated.
 - a. Section 4 should read: Short Term Rentals are allowed in permitted attached accessory dwelling units citywide. Before STRs are allowed, the applicant must fully document and bring into conformance the use status of their attached accessory dwelling units as a condition of the permit.
 - b. Section 5 should read: Short Term Rentals are allowed in permitted detached accessory dwelling units in multi-family zoned and commercially zoned areas. Before STRs are allowed, the applicant must fully document and bring into conformance the use status of their detached accessory dwelling units as a condition of the permit. Short-term rentals are not permitted in detached accessory dwelling units in single-family residential general use type areas.
3. Enforcement and Monitoring: The staff report indicates that a program of enforcement and monitoring will occur after the ordinance is finalized. This approach has the cart before the horse, and the BNC has concerns that without enforcement and monitoring (like we presently have with many ordinances such as ADUs and boarding houses), the COB will put in place a program that will result in a major impact to limited enforcement

resources. We urge that before this ordinance is finalized, we have some idea about whether or not the COB will enforce it. The track record on enforcing other ordinances does not give us certainty.

4. "Good Neighbor Guidelines" are a good idea, but need to be expanded to include behavior that triggers the nuisance ordinances and other aspects that impact neighbors. We suggest that the guidelines be expanded and include items relevant to individual neighborhoods, such as parking on steep slopes and narrow alleys in the South Hill and Sehome neighborhoods.

The BNC is concerned about the violation of property rights. Washington courts have determined three essential principles of property rights: Fairness, due process, and reasonable certainty. These principles are being ignored in the rush to complete this vacation rental ordinance. Homeowners need to be protected from adverse impacts of major land use changes. This ordinance will introduce a new, major commercial use into our single-family residential zones and cause public safety concerns by increasing densities and uses. Increased vehicle traffic, increased densities, and loss of our established peace and quiet by Vacation Rental users will result. The ordinance tries to mitigate these concerns by the Conditional Use Process; but we are uncertain how this will work, and it seems unfair that neighborhoods have to assume the risk for commercial activity in what we thought and bought as a residential zone. It seems unfair, without due process, and lacks reasonable certainty.

The volunteer membership of the Bellingham Neighborhood Coalition is expanding as many residents discover the massive changes being proposed to our quality of life in our neighborhoods. We are not going away and will remain diligent in our efforts. We appreciate the Planning Commission clarifying the comment period and keeping the record open for 10 days from the March 1 hearing. Thank you for the opportunity to comment.

Sincerely,

The Bellingham Neighborhood Coalition Coordinating Committee

*Harry Allison · Lyn Allison · Anita Ballweg · Ray Ballweg · Vince Biciunas · Lynn Billington
Randy Bilof · Louise Bjornson · Jane Bright · Nelson Bright
John Brown · Dick Conoboy · David Cunningham · Amanda Fleming · Dianne Foster
Judith Green · Kathy Hennessy · Larry Horowitz · Tim Hostetler · Scott Jones
Lesley Keenholts · Don Keenan · Joy Keenan · Mike Kimmich · Laura Laffrado · Anne Mackie
Carter Maden · Patrick McKee · Debbie Middaugh · Geoff Middaugh · Andrew Molitor
Lorretta Palagi · Jean Richardson · Jean Ryan · Tom Scott · Warren Sheay · Mark Sherman
Stephanie Twiford · Sean Wheeler · Alex Wiley*

The *Bellingham Neighborhood Coalition* (BNC) is an alliance of community members working together to ensure that:

- The vitality and character of established single-family and multi-family neighborhoods are preserved as the City accommodates additional growth and development;
- Bellingham's urban villages are targeted for future infill projects; and
- Existing residents and taxpayers are not unfairly burdened with the costs associated with growth and development.

Bellingham Planning Commission
Bellingham City Council
Mayor Kelli Linville
Planning Director Rick Sepler
City of Bellingham
210 Lottie Street
Bellingham, WA 98225

March 9, 2018

Re: Comments from the South Hill Neighborhood Association on the Vacation Rental ordinance and other proposed zoning changes.

The South Hill Neighborhood Association (SHNA) is concerned about the multiple, significant and cumulative changes being recommended by the Planning Commission for the single family zoned neighborhoods of South Hill. No one has a full understanding of their consequences, intended or unintended on our neighborhood character, livability, environment, storm water runoff, loss of tree canopy, parking on our narrow streets and alleys for starters.

Most noteworthy is that there is little clarity as to the goal of these changes. For example, while it is widely agreed that significantly more affordable housing is needed, even the Planning Department recognizes that Detached ADUs are so costly to build that they would rent at market rates, not affordable rates. While it is acknowledged that owner-occupied vacation rentals can provide income to residents, is providing income to residents the role of the city? Another consideration is that whole house vacation rentals deny the city much needed hotel tax income while removing housing from residents in favor of higher paying tourists. Is denying the city income while reducing housing units a goal?

It is worth noting that at a recent SHNA meeting of well over 50 residents, ADUs were supported as long as the owner was in residence. However, the neighbors have numerous concerns about Detached ADUs as they have the potential to change the built environment significantly, particularly for abutters for whom the draft ordinance gives no voice whatsoever.

One of our recommendations include that the City of Bellingham (COB) use the term vacation rentals (VR) rather than short-term rentals because vacation rentals better identify what these units truly are: commercial tourism businesses of housing units for transient vacation visitors to Bellingham. In addition, given our proximity to Western Washington University, we already house numerous short-term renters for periods less than a full year and often for a single semester.

Another concern is that because the COB has declined to inventory the number of both detached ADUs and attached ADUs within our neighborhood as required in the 2016 Comprehensive Plan update, it is impossible to understand the full impact of either the ADU ordinance update, or the vacation rental ordinance

without making assumptions and projections. An inventory would allow neighborhoods to identify an accurate "baseline" as well as areas where there are already concentrations of ADUs, D-ADUs and vacation rentals to assess and compare impacts and understand trends. It's unfortunate that the COB won't allow for this to better inform this debate and we strongly recommend that a thorough inventory be done before any changes are codified.

To perform our assessments of impacts without the benefit of the inventory, we have had to make assumptions from the COB data, which is shown in the attachment to this letter.

The question that needs to be answered before zoning is changed is: What is the cumulative effect of all these significant land use changes on our South Hill neighborhood?

From these data and assumption, we project the following impacts to our neighborhood:

1. The VR ordinance (aka STR ordinance) will allow for an increase of 14 vacation rental units through the CUP process within the South Hill, or a 70% increase from 20 units allowed now by the 1995 ordinance (presently being ignored by the COB). We consider the 20 units as our baseline.
2. The VR ordinance will allow through Type I administrative decisions, an additional 10 units (most within existing attached accessory dwelling units). This is a 50% increase over our baseline.
3. The DADU ordinance provisions of the ADU ordinance update will add an estimated additional 36 DADU's to our already crowded South Hill Streets, an increase of 80% over our baseline.
4. In summary, the South Hill is projected to be required to absorb a total of 60 additional units of density as a result of both the ADU ordinance and the VR/STR ordinance compared to what is allowed now in the 1995 ordinance (baseline), or an increase of 300%.
5. With the current density of the South Hill as 8.0 units per acre, these cumulative changes in density will result in an increase of density of 14% over the entire neighborhood, much of it on steep hills or downstream of steep hills.
6. The VR ordinance theoretically doesn't allow DADUs to be used as vacation rentals, although there is no plan of enforcement, and the COB track record for enforcement is nonexistent.

We have concerns about the cumulative and irreversible impact of this 300% increase in housing units in our neighborhood. Our concerns are about the impacts to our health, safety and welfare of our residents. A 300% increase in accessory dwelling units and vacation rentals over what is legally permissible now will create these specific impacts in the South Hill:

1. Impacts to access by COB emergency vehicles (fire, ambulances and police) due to increased numbers of cars blocking our narrow streets as is occurring already in many locations in this neighborhood
2. Impacts to access to our homes due to transient visitor cars blocking our narrow streets and alleys, on our steep slopes, and complex narrow street patterns;
3. Increased nuisances such as parties and loud noise due to increased numbers of transient visitors to our residential homes in the South Hill;
4. Loss of housing stock to the commercial vacation rental operators, with consequent impacts to affordable housing and student housing;
5. Loss of urban forest canopy and increasing storm water impacts by the addition of impermeable surface neighborhood wide.

The proposed vacation rentals process has some good points which we support. We support the licensing of rental units in multi-family zones, including the multi-family zones of South Hill and the city's urban villages. We believe it is time that the COB attempts to legalize these commercial units in neighborhoods, and obtain revenues from these commercial businesses.

For the units proposed in single-family residential zones, we suggestion conditions that need to be added as described below:

1. The "good neighbor" concept is a good idea, but needs to be crafted to each neighborhood. In the South Hill situation, parking is our biggest concern, and the potential for loud, noisy parties is a concern in whole house rentals in our already dense neighborhood needs to be addressed, and prevented.
2. The CUP process is a good idea so that neighbors are informed about the proposal to have a commercial use in their neighborhood, although the number of 125 units citywide in the single-family zone is too high.
3. Vacation rentals of attached ADU's must only be allowed in homes that are owner occupied.
4. Any Type I decisions made allowing this commercial use in the single family residential zone must require owner occupancy, adequate parking, and awareness of nuisance ordinances (preventing noisy parties).
5. No vacation rentals should be allowed in Detached ADU's. The South Hill has numerous detached ADU's which have never been permitted. These unpermitted detached ADU's must not be allowed to become vacation rentals.

The SHNA has followed the comprehensive plan update process carefully and have commented numerous times about our concern about the consequences of densification. The final comprehensive plan (2016) does not call for increased density in neighborhoods such as the South Hill. We do, however, support the D-ADU pilot for Happy Valley as they followed the agreed to process on neighborhood involvement in changing zoning for their single family neighborhoods.

In fact, the City Council resolution for approving the 2016 COB Comprehensive Plan update directs: WHEREAS, the City/County land capacity analysis shows that the current City and UGAs have sufficient capacity to accommodate the mid-range population growth estimate of 28,398 new residents and the high range estimate of 22,641 new jobs during the planning period to 2036.

The South Hill Neighborhood is a welcoming and diverse neighborhood. We welcome all students, professors, teachers and citizens of all backgrounds, races, ethnicities, religions, gender identity and more. Our goal is to manage our growth thoughtfully such that the built environment and increased density are compatible with the values and sensitive environmental attributes that make this one of the most beautiful, peaceful and inclusive neighborhoods in Bellingham.

Jane K Bright,
306 Highland Dr

President of Board of SHNA

Facts and Assumptions about the South Hill Neighborhood:

Our analysis of the numbers being used to frame what would happen to the South Hill are provided below:

- Using the inventory of single family homes updated by the COB in February 2018, the South Hill contains 924 single family residential homes, which has a population of 2,192 citizens.
- The South Hill density is 8.0 units per acre, which is higher by 1.7 units from the citywide average of 6.3 units per acre. The South Hill contains 428 acres, or 3% of the total city land. We have a population of 3,470 residents, which is 4% of the city (86,720) in 2017.
- According to the COB statistics on "accessory dwelling units", the South Hill has maximized the number of "legal" or "permitted" ADUs by exceeding the 20 unit limited identified in the 1995 ordinance. Of course, this hasn't stopped the continued authorization of units, which we have an estimated 22 units permitted. Without an inventory, 20 units we consider as our "permitted" baseline.
- Using the Attachment A Map from the STR ordinance document (from the March 1 2018 meeting), we have estimated that there are 25 short term/vacation rentals already in the neighborhood, or 11% of the COB estimated total of 214. We estimate that the South Hill will be impacted by a proportion of the total of 214 vacation rentals, which is 11%, a number that we will use to project impacts.
- The COB has modeled 13,230 single family units that will be up-zoned to allow for detached ADU's as a result of the current ADU ordinance update. The South Hill will be required to absorb whatever is permitted within our existing 924 single family units above our legal baseline of 20 units. The South Hill

contains 7% (924 units) of the citywide total number of single family units (13,230 units)

- Using the estimated buildout provided by the COB in the ADU SEPA analysis of 5%, (which we believe is severely underestimated), this means that the South Hill will absorb an additional 36 DADUs into our already crowded neighborhood. This is an increase of 80% from the current number of allowed units from the 1995 ordinance for just DETACHED units only.
- The Vacation Rental (STR) ordinance will result in 125 (known) additional units within the single family residential zones citywide through a conditional use permit (CUP) process.
- In addition, through the administrative decisions of a Type 1 action, the STR ordinance will allow a maximum of 90 units citywide, most within the existing footprint of a house as an attached ADU.

Aven, Heather M.

From: Laura Laffrado <laffrado@hotmail.com>
Sent: Saturday, March 10, 2018 3:22 PM
To: Grp.PL.Planning And Development Commission
Subject: Vacation rental ordinance

Dear Planning Commission Members,

I write to strongly object to the vacation rental ordinance as it is currently being considered.

I have reviewed the information provided by staff prior to the public meeting. After reviewing this information, I find that the case that is being made for vacation rentals is **at best** undersupported and underresearched given the sweeping changes that such an ordinance would create. Each point that is made in support of the ordinance seems to be based on a variety of **unexamined assumptions**. For example, the point "Benefits neighborhoods with property maintenance and improvements" **assumes** that a homeowner who would benefit from this ordinance doesn't already maintain/improve their property. Says who? This point is, as I say, based on an assumption and a shaky assumption at that. To give another example, the point "Housing stock" **assumes** that by creating hundreds of housing units to be rented by vacationers that somehow Bellingham residents seeking rental housing won't be affected. I don't see how this point could be rationally explained, but in any case, this point, like all the other points provided seems to be based on assumptions, guesswork, and unexamined biases. If the only way that this case can be made is by uninformed guesswork, then it is not a good ordinance. Please. We can and should all do better than this.

I strongly urge the Planning Commission to recommend to the City Council that vacation rentals be prohibited within the city limits.

Sincerely yours,

Laura Laffrado
Bellingham

Aven, Heather M.

From: Dianne Foster <diannefoster234@gmail.com>
Sent: Saturday, March 10, 2018 9:43 PM
To: Grp.PL.Planning And Development Commission
Cc: Bornemann, Terry R.; Vargas, Pinky T.; Lilliquist, Michael W.; rmurphy@cob.org; dhammill@cob.org; Barker, April; Knutson, Gene R.; MY - mayorsoffice@cob.org
Subject: Vacation rental ordinance

Dear Planning Commission, Mayor Linville, and City Council members,

I would like to re-iterate the opinions of Bellingham Neighborhood Coalition member Dick Conoboy regarding vacation rentals in single-family-zoned neighborhoods, as I agree totally, to wit:

Members,

First, I would like to re-iterate my strong objection to this ordinance **except were it to create** a specific and total prohibition of vacation rentals within the city of Bellingham.

Second, I refer to the briefing points below **made by staff** prior to the public hearing on this topic. My comments (in bold italic) follow each point from the briefing:

Community Benefits:

- Helps homeowners and renters afford mortgages and rents

Is this contention being raised because there is a clamoring need for this kind of assistance to homeowners? What are the facts about the numbers of homeowners or renters who want to avail themselves of this ordinance? Are we creating a registration and licensing system for minimal benefit to citizens while leaving the door open for exploitation by landlords?

- Expands lodging options

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Who actually benefits from the money spent for tourism in Bellingham? Restaurant, entertainment and tour companies are known for their low pay and lack of benefits. The profits go to the owners, many of whom do not even live here or are franchise operations to whose distant headquarters the money flies as soon as it is made. Just whom are we helping?

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This point suggests that those who might benefit from vacation rentals do not already keep their properties maintained. What improvements might be envisioned then if the owner or renter is already short on income? I do not see how this point is demonstrable in practice or remotely relevant to the issue.

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This is the most egregious of issues raised by this ordinance in which we are given to understand that we can open hundreds of housing units to vacationers while our own residents cannot find a place to stay in the city. This is a shameful proposition which should never have arisen in Bellingham, a town that ostensibly prides itself on equity and justice – at least that is what is often proffered from certain individuals and quarters in city hall.

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Just how does this ordinance assist in building community? The city is also asking for denser neighborhoods through other ordinances (which are not being coordinated with this ordinance, e.g. subdivision, illegal rooming house and infill tool kit). What does it serve to have vacation rental homes or apartments where there is an unknown group or individuals to deal with on a constant basis, people who have no stake in the community and from whom there is no escape until they depart? The notion that outside guests may produce wonderful encounters with the neighbors is an undemonstrable and exclusively anecdotal claim that should gain no purchase in effective planning.

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This point is closed allied with the point above. More density translates into more points of conflict and attendant mental health problems and chances for physical confrontation. Furthermore, houses are not hotels that have to deal with contamination issues on a regular basis (think bed bugs, lice, bodily fluids such as blood, urine, vomitus, feces). Who will inspect these vacation rentals on a regular and frequent basis? The Health Department is a Whatcom County entity and, as such, cannot be required by a city ordinance to inspect these vacation rentals.

- Tax collection

With no vacation rentals authorized, there will be no tax collection. Problem solved.

The Planning Commission recommendation to the City Council should be to prohibit vacation rentals outright within the city limits, a concise, one line ordinance applicable to all and easily understood.

Regards,

Richard Conoboy
Bellingham, WA

Dianne Foster, ARNP, Board member, Sehome Neighborhood Association

Addendum: I have used Air B and B in the past, but am now aware that I may have been displacing long-term renters by my actions, and will no longer do so. -Dianne

Aven, Heather M.

From: Pool, Lisa A.
Sent: Tuesday, March 13, 2018 8:28 AM
To: Aven, Heather M.
Cc: Sepler, Rick M.; Nabbefeld, Kurt D.
Subject: Fwd: Short Term Rental

Heather - See below public comment for STRs for PC.

Thanks,
Lisa

Get [Outlook for iOS](#)

From: Deborah SARY <debrasary@hotmail.com>
Sent: Tuesday, March 13, 2018 7:30 AM
Subject: RE: Short Term Rental
To: Pool, Lisa A. <lapool@cob.org>
Cc: Deborah SARY <debrasary@hotmail.com>

Lisa: I edited this letter this morning before work. Please give this copy to the planning commission members and not the one sent at 4:45. Have a great day.

Good Afternoon.
Planning Commission Members I want to sincerely thank you for your service!

I have been a resident of Bellingham since 1975. My husband of 35 years and I have lived north of Kmart for almost 31 years. We have two grown sons.

My STR story is this. After 25 years of having an unfinished daylight basement we started to finish it off. We were thinking that my parents or my son and his family would be visiting. My mother passed unexpectedly and my father came to live with us. After about 8 months and numerous caretakers coming and going I had an exterior door put in to separate the upstairs from the downstairs. Soon after my dad passed.

Six months later I was attending my weekly Toastmasters Club meeting and a member gave a speech on AirBNB. I looked into it when I got home. I can remember saying, "I can do this – until the government shuts me down".

I looked into the current laws of Bellingham and the state of Washington. I applied for a business license, I paved my driveway for \$9,000.00(my husband keeps reminding me of this) and I hired a landscape designer to help with ideas.

I have been in business for three and a half years. I have had over 500 people stay at Tall Cedars. They know they cannot stay longer than twenty nine days. I block the unit off for my grandkids, friends, donations to the Arthritis Foundation, the Kiwanis Organization and other people or organizations. There is no kitchen I don't want one. Just like a hotel I have coffee and tea pots and a dorm refridge.

Why do I do Airbnb? Mainly because it looks like someone is home. Our guests park in our driveway directly behind our garage. We park to the side. Our home looks lived in. Our area is north of Kmart off James Street. We have had numerous transients walking around, car and mailboxes broken into. Our neighbors have had to put no trespassing signs up.

And we allow dogs. I am done raising dogs or kids. I love seeing all the different types of dogs and their scent may and I say may deter the deer. It is a joy to have the children that visit. And finally it encourages my husband and myself to keep our home maintained.

We have watched the commission meetings. And now I have read the STR draft that you are proposing.

And again I want to thank you for your service.

There are two items that I am strongly opposed to.

1. Units can not be rented for more than ninety days. There is no way that an owner occupied AirBNB that is limited to a 29 day maximum stay is taking housing off the tight Bellingham market. An Airbnb that kicks out tenants from a home or apartment and turns it into an Airbnb is taking housing off the market. An Airbnb that buys homes and turns them into Airbnb's while not living in them is definitely taking housing off the market.

My immediate response to the limited housing is stop the above from happening and consider other reasons for the housing crunch i.e.: the cost of permitting for a single family housing, a builder's ability in getting financing for housing other than for apartment buildings(too risky for banks), and the fact that there is more people coming into the area after a severe economic recession.

2. Number of guests. No more than two guests! My goodness. That means the family of two adults, one infant and a toddler can't stay downstairs? I bring down my husband's highchair, I bring toys, I asked if they will need my grandchildren's port a bed. I don't understand where this is coming from. I make sure I know who is going to be downstairs. If four adults are staying I will remind them that there is a queen bed and a full size futon. Sometimes it won't work. This is not discriminatory this is because of the size of the place.

Regarding other items - I am not thrilled about having to discuss what I am doing in my house with my neighbors – but I am over five hundred feet away from them. If the law requires- I will be neighborly and let them know.

I am not thrilled of having a specific permit when I already have a business license. I always get concerned when we create more government. By doing so we are making it harder and harder for our current and future generations to pay their bills.

I will be retiring soon. My husband is a commercial fisherman – they never retire. I want to stay where I am. I want to support my lawnmower service, my tax accountant, my local grocers, the great restaurants, Blythe plumbing, the electricians, the theatres, the trails, the parks, the roads. I want to generate local and state taxes that contribute to my government.

I won't waste my time running a STR if I am restricted to a ninety day rule because someone thinks I am taking housing away from someone.

I have just written the firestarter for tomorrow's Bellingham Evening Toastmaster Club!

I look forward to seeing the final draft of this new and needed ordinance.

Thank you all.

Deborah and Mel Sary