

Aven, Heather M.

From: Pool, Lisa A.
Sent: Monday, June 11, 2018 10:30 AM
To: Aven, Heather M.
Subject: FW: Short Term Rentals

Here's the last one. Thank you.

Lisa Pool, AICP
Senior Planner
City of Bellingham, WA
360-778-8390
lapool@cob.org

My incoming and outgoing email messages are subject to public disclosure requirements per RCW 42.56.

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

From: Anne L. Watson [mailto:annelwatson7@gmail.com] On Behalf Of Anne L. Watson
Sent: Friday, May 18, 2018 6:56 PM
To: Pool, Lisa A. <lapool@cob.org>
Subject: Short Term Rentals

I moved here last year from San Juan Island. Short term rentals have reduced the housing stock to the point that many long-term residents have had to move away. Neighborhoods have been hollowed out--approximately half the houses are not occupied year-round. The isolation of the island makes crime impractical. I don't know if that would be the case on the mainland.

There was an environmental cost as well. My husband and I lived in a house that had previously been listed on Air B&B as "sleeps ten." The site did not have parking facilities for the listed occupant load, and the town water system there isn't able to handle such high occupancy levels in many buildings. The listing was illegal, but Friday Harbor doesn't have enough enforcement personnel to stop illegal STRs.

When we moved into the house, it was in sad shape. It took several months to get it clean again--some vacation tenants hadn't exactly been careful with the building.

My background is in architecture and city planning. In my opinion, short term rentals profit a few and hurt everyone else.

Yours sincerely,
Anne L. Watson

May 22, 2018

RE: Short Term Rental Regulation – Public Hearing on June 18, 2018.

Thank you for this opportunity to provide comments about the City of Bellingham vacation rental ordinance for the upcoming public hearing.

An alternative to Hotels that allow multi-family occupancy

As the Council prepares to legalize vacation rentals, private homes will soon be promoted for tourism.

What are the benefits? For a select few, it will be a nice business with few regulations. While a conditional use permit has some cost upfront, once the “conditions” are attached to the permit and the new transient occupancy is transparent, there are just some retail sales taxes to collect from the renters and forward to the State. Most illegal vacation rentals already do this because lodging is subject to retail sales tax.

Shoreline Laws - Lake Whatcom properties currently advertised online will need to shut down because of current SMP shoreline laws as stated in new section 20.10.37(9). How will that be handled?

Will the property managers that promote these waterfront vacation rentals be notified?

Limitations – The proposed Type III-A units is limited to 125 residential homes converted to commercial use. Legalizing this method of securing vacation property for both personal use and short-term rentals will attract more investors from Canada and out of area.

Another Limitation – A limit of 2 vacation rentals per owner will possibly open up a few existing properties for long-term rentals that are currently in excess of that limit or sold to someone else for a vacation rental.

Affordable housing – most likely housing prices will increase for all units due to more demand. Demand drives the market.

Events – allowed in some areas.

Additional watershed impacts from unlimited shoreline vacation rentals proposed by the County in their pending legislation. There was no coordination for shared watershed goals on this issue.

Enforcement is not mentioned in this ordinance although the Planning Director may revoke a permit that is in violation of the “conditions” of the new required permit.

Cost of Enforcement of the new regulations – not discussed that I know about.

San Juan County, for example, recently voted for a \$2300 penalty for the first notice of violation for operating or advertising a vacation rental and \$100.00 per day for the continued operation of an unpermitted vacation rental. These fines were passed to cover the cost of enforcement since so many people continued to operate vacation rentals without permits.

Conclusions

This ordinance really will not change the number of current vacation rentals available online, it just makes a permit necessary. The actual number of vacation rentals will continue to increase and when the limit is hit the property managers will be lobbying for more. Illegal units will continue to avoid the cost of a permit.

Property managers need to understand the new regulations since many have promoted using homes for vacation rentals. Notification of these regulations need be made available to all property managers.

Vacation rentals within the watershed city limits is listed in 20.10.37(9) as:

9. Short-term rentals are not permitted in the Lake Whatcom Watershed, or shoreline areas regulated per BMC Title 22, Shoreline Master Program.

Requiring compliance with this provision will require these watershed businesses stop advertising and stop renting to transient guests. That requires enforcement.

Finally, one watershed example I found on VRBO.com recently is within the city limits advertises for 16 guests with 6 queen beds; a mattress and three sofas and they promote the use of a personal launch for the renter's boats. There is no mention of the AIS inspection program at Bloedel. Sounds like a bunkhouse profit center.

Tani Sutley



Stunning four bedroom Lake Whatcom Home

Silver Beach, Bellingham, WA, USA

House	Bedrooms	Sleeps	Bathrooms	Half Baths	Minimum Stay
2900 sq. ft.	4	16	2	1	3 nights

4 bedrooms/Sleeps 12-16/Lake view/dry area deck with barbecue and hot tub

This recently remodeled 2900sf home sitting on half acre of land is located just across the North Shore of beautiful Lake Whatcom. Lake access is just across the street where you can launch your canoe, or just take a quick swim. It has four bedrooms and sleeps 16 guests; 6 queen beds, a mattress and three sofas. It is a comfortable fit for family gatherings, reunions and many more occasions. Located between Seattle and Vancouver makes it an ideal location to plan daytrips and explore the beauty and nature of these two Metropolitans. This Home has Wi-Fi high speed cable internet access throughout, three TVs with hundreds of channels of premium Hi-definition digital cable including all of the major movie channels, on demand, DVD player, CD players, wireless printer, Netflix, cross training equipment, outdoor dry area with gas grill and hot tub.

In the upper level there are three standard size bedrooms and one huge bedroom. The master bedroom leading to the upper level huge deck has a queen size bed, flat screen TV with DVD player as well as a large bathroom with a walk in shower and jetted tub. The second and third bedrooms have queen size beds as well as dressers and closets. The fourth bedroom has two queen size beds, a sofa bed, sofa, TV with DVD player, closets, desk and a huge selection of books. The second bathroom has a walk in shower.

Aven, Heather M.

From: Pool, Lisa A.
Sent: Monday, June 11, 2018 10:29 AM
To: Aven, Heather M.
Subject: FW: Short term rental input

Last two for posting - here's one...

Lisa Pool, AICP
Senior Planner
City of Bellingham, WA
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lapool@cob.org

My incoming and outgoing email messages are subject to public disclosure requirements per RCW 42.56.

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

From: Koelle Bodhi [mailto:koellel@gmail.com]
Sent: Tuesday, May 22, 2018 7:00 AM
To: Pool, Lisa A. <lapool@cob.org>
Subject: Short term rental input

Dear Ms. Pool—

I write to you as a low income senior homeowner in the Lettered Streets neighborhood who has participated in hosting Airbnb guests for the past two years. I have tried having both roommates and boarders in the past but my home is not suitable for more permanent use by others, in terms of storage, and square feet of housing. However, it works nicely to have overnight guests for a few days at a time. My guests are generally budget travelers, briefly here, mainly to explore Bham area, attend to family matters or visit medical facilities. I believe they might forego a stay-over if they had to pay hotel prices. In any case, I think there is room for the sharing economy to thrive in Bellingham with some reasonable restrictions and guidelines.

I do not think it reasonable to limit stays to 90 days nor charge expensive licensing fees. I am on limited Social Security income. I have had approximately 300 guests during the past two years. During 7-8 months of the year, I have averaged \$1000/mo per year income as an Airbnb host and I have conscientiously paid taxes on this income.

I am almost 70. I live simply and economically on under \$20,000/yr including this income. Hosting makes my life secure and independent. Because of this modest income, I am able to bear the costs of my medical co-pays, car and property maintenance, and participate in financial and volunteer contributions to our community that I would otherwise be unable to afford.

The interactions I have with my guests are mutually, and socially beneficial as I do a good job of promoting our community's assets and my solitary, otherwise isolated life has been given a great social boon. I am not in a position to make income in other ways. I have created no problems, nor had any complaints from my neighbors. I have contributed some of this income towards a student scholarship, the building of a curbside library, my garden's contributions to the local Food bank, a local church's homeless youth support project, and Planned Parenthood programs.

I hoping the committee can recognize that limiting stays, as well as high licensing fees, is counter productive for both me and the community. It will make booking guests less flexible, this more difficult, and it will greatly limit or eliminate my financial and social participation in self and community support programs.

Please give serious consideration to my plea.

Koelle Bodhi
Sent from my iPhone

Aven, Heather M.

From: Pool, Lisa A.
Sent: Monday, June 11, 2018 9:27 AM
To: Aven, Heather M.
Subject: FW: STRs in Bellingham

Here's another one to post, please. Thanks.

Lisa Pool, AICP
Senior Planner
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360-778-8390
lapool@cob.org

My incoming and outgoing email messages are subject to public disclosure requirements per RCW 42.56.

From: Erin Kreutz [mailto:erinkreutz@gmail.com]
Sent: Wednesday, March 28, 2018 2:34 PM
To: Pool, Lisa A. <lapool@cob.org>
Subject: STRs in Bellingham

Thank you for your consideration of my comments to limit the use of short term rentals in Bellingham, Washington. Despite reading the Bellingham Herald on a daily basis, I did not realize there was any further review or action on the process of limiting short term rentals and learned today the changes being proposed. I'd like to share my story as an Airbnb host and guest in Bellingham, WA.

I moved to Bellingham two years ago from Ellensburg, Washington where I was a homeowner, along with my husband. My job brought us to Bellingham and we live in the Puget neighborhood. We stayed at local Airbnbs while we visited Bellingham to decide if we wanted to move here, when we were house shopping, and again when I was starting to work and we hadn't yet closed on our home (approximately 2 weeks).

My husband, was able to find work shortly after moving here, but it was not easy. His starting salary was 1/2 of what he earned doing the same job in Ellensburg. As a family, we gross less income than we did in Ellensburg, and moved into an area at least twice as expensive as our previous community. We were thrilled to find a house to purchase despite the over double price tag. However, our previous Airbnb experiences as guests directly influenced the house that we ended up purchasing. They were all shared homes with full time residents, with extra bedrooms and guest space to share. Our new home had these same space opportunities. We would not have purchased this home, if we were unable to use it as an Airbnb rental.

Our Airbnb income helps us make our ends meet in a very expensive city. We live very simply, we are often referred to as cheap/frugal, although I like to think of us as *thrifty*. We use and rely on our Airbnb income to pay for additional expenses that arise, pay additional principle payments on our mortgage, and help with the utilities. Without this income, we would not be able to afford living here, period. With our property taxes increasing, it concerns me that we could lose our home without the rental income (or the reduction of occupancy). I also don't believe my experience and predicament as a host is unique. I think many of us are doing this to help support our incomes in a increasingly expensive place to live.

We also love to host. We have had an overwhelmingly positive experience welcoming travelers and guests into our home by providing a cozier and unique experience. Our guests range from WWU parents, young

professionals, elderly couples on tighter budgets, and others just like us that are coming to Bellingham to decide if this is where they want to move or are waiting for their houses to close.

I believe that some regulation is necessary as housing prices continue to soar, however punishing a small number of us is probably not the most effective way of solving this problem. Influences from Seattle and Vancouver have a far greater impact on rental affordability than a few hundred Airbnb hosts. Besides, shared houses aren't impacting the rental market because it remains our primary residence.

In addition, Airbnb provides more tax revenue when compared to a long-term rental. Local taxes are paid by the guest, and our income is taxed as well. I also believe that Airbnb promotes tourism and travel because it makes a more affordable and unique method of travel. Many of our guests are last minute decisions to take advantage of a good stretch of weather, parents who are having separation anxiety from their kids in college, or others who just want to get away for a weekend because they can afford to do so when lodging prices are reduced. I know from our experience, staying in an Airbnb allows us to travel more frequently and gives us more money to spend on our adventure.

By enforcing the Conditional Use Permits, there will be less overall host participation in Airbnb and in my experience that means fewer visitors, shoppers, family members visiting, and people who need a short term rental option that is more affordable than a hotel. I feel moving forward that the Type III permit is invasive to my privacy and it concerns my safety by having to publicly post my home. Not to mention the criteria for filling out the Type III form is confusing, excessive, and filled with burden (this is also coming from someone who works for the federal government and is WELL aware of paperwork and forms). While we've kept most of our neighbors informed that we are hosting, by having to post signage it invites others to target our guests, our home, and our safety.

I would be happy to chat more if anyone has any questions, but I can only strongly encourage you to look deeper into this situation and determine if the ends truly justify the means. Is impacting Airbnb hosts and discouraging short term rentals the best thing for Bellingham? What are the unintended consequences to the community and to tourism? Will the rental market and trends be affected at all by restricting usage of short term rentals? Does Bellingham have the occupancy in hotels to support the number of visitors interested in coming to Bellingham?

I would also encourage you to stay in an Airbnb if you haven't already. Experience what it means for hosts and guests and why this arrangement is so special and increasingly preferred way to travel.

Thank you,
Erin Kreutz

Aven, Heather M.

From: Pool, Lisa A.
Sent: Monday, June 11, 2018 9:28 AM
To: Aven, Heather M.
Subject: FW: Benefits of Airbnb in Bellingham

And another.

Lisa Pool, AICP
Senior Planner
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lapool@cob.org

My incoming and outgoing email messages are subject to public disclosure requirements per RCW 42.56.

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

From: Krystal Rodriguez [mailto:krystallr@hotmail.com]
Sent: Wednesday, March 28, 2018 7:11 PM
To: Pool, Lisa A. <lapool@cob.org>
Subject: Benefits of Airbnb in Bellingham

Hi Lisa,

I understand you're interested in getting some feedback on how access to Airbnb in the area has been beneficial. I have recently started working in Bellingham but still maintain a house in E. Washington. I've been coming up this way for 3-4 days at a time and have taking advantage of the inexpensive options Airbnb provides since I've just needed a simple room to stay in. Hotel stays would add up too quickly.

It seems that the City is considering reducing access to Airbnb lodging options because of a housing shortage. I argue that in most cases just a room, a basement, or mother-in-law apt over a garage is set aside for these spaces. These do not substitute for permanent housing options.

As someone that is looking to purchase a house here, the high costs of homes and property taxes are a real concern. The supplemental income provided to residents allows them to live a more comfortable life and spend more money on local businesses. It's a win, win situation that brings money in from visitors and local residents alike.

Instead of reducing access to Airbnb's, the City should consider something like a housing bill tax that recently passed in Ellensburg. Proposition 1 levies a tiny sales tax increase that forces students (who don't pay property taxes) and visitors to contribute financially to this community. It will generate 100s of 1000s of dollars each year to a small community like Ellensburg. 60% of which will be designated to affordable housing. Imagine what it could do for a city as large as Bellingham.

Just wanted to pass along my thoughts.

Krystal

Aven, Heather M.

From: Pool, Lisa A.
Sent: Monday, June 11, 2018 9:28 AM
To: Aven, Heather M.
Subject: FW: Travel impacts from limitations on STRs

One more.

Lisa Pool, AICP
Senior Planner
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360-778-8390
lapool@cob.org

My incoming and outgoing email messages are subject to public disclosure requirements per RCW 42.56.

From: Erin Kreutz [mailto:erinkreutz@gmail.com]
Sent: Thursday, March 29, 2018 10:00 AM
To: CC - Shared Department <cc@cob.org>; Pool, Lisa A. <lapool@cob.org>
Subject: Travel impacts from limitations on STRs

I've shared my concerns with how this policy will affect me as an Airbnb host, but I also want to share how this will affect others who are not involved with Bellingham politics and do not have voice.

I've put together a list from my guests from Oct-March and their purpose for traveling to Bellingham. We charge between \$40-75/night and my guests are able to come here because it's so much more affordable than hotels. They can then choose to go out, dine, and shop with the money they save. These are dollars that will be lost to our local community.

Matthew-Seattle. Taking girlfriend to visit alma mater. 2 nights

Madeline-Michigan. Job interview and scouting Bellingham. 2 nights.

Noah- North Carolina. Spring break. 4 nights

Jacob- Pasco. Job training. 4 nights

Skyler- Florida. Spring break west coast trip with her dad. 4 nights.

Matt- Seattle. Taking girlfriend to Bellingham for hikes and breweries. 2 nights

Jason-Eugene. Marimba building class. 3 nights.

Noella- Bellingham. Pipes burst in house. Needed temporary emergency housing. 4 nights.

Naomi- San Jose. Always wanted to visit Bellingham. 3 nights.

Caroline – Seattle. Wanted to snowshoe Artist Point. 2 nights

Sandy- Blaine. Needing a break from kids and retreat with husband. 2 nights.

Alexandra- Santa Barbara. Visiting kids at WWU. 3 nights.

Marissa – New York. Visiting her brothers who are attending WWU and made a last minute decision to find alternate housing because as she learned, “staying with her brothers reminded her, she’s not in college anymore...” 2 nights

David – Spokane. Work training. 2 nights.

Janet- Boise. Taking daughter to scout WWU. 2 nights.

Keith – Canada. Mtn biking Gailbraith. 2 nights.

Casey- Boulder. Always wanted to see Bellingham. 3 nights.

Dustin – Portland. Skiing at Mt Baker. 3 nights

Eric- Australia. In town between travels. 2 nights.

Mira – Portland. Moving daughter to WWU for semester. 3 nights.

Jayvil – San Clemente. On a west coast road trip. 3 nights.

Ashely – Tacoma. Needing a break after holidays. 2 nights.

Beth- Bellingham. Lives in my neighborhood and needed housing for parents during visit. 3 nights.

Julian- Austin. Business trip. 2 nights.

Jennifer – Netherlands. West coast trip. 3 nights.

James – Seattle. WWU alumni visit. 2 nights.

Wendy – Portland. Visiting son who lives in Bellingham. 2 nights.

Lisa – Bothell. Helping daughter who was opening up a new business in downtown Bellingham get through the first couple days. 3 nights.

Caroline – San Francisco. Helping her dad while he undergoes surgery in Bellingham. 3 nights.

Kevin- Seattle. WWU alumni. 2 nights.

Jim – Santa Barbara. Musician with Skagit Opera. 3 weeks.

Cindy- Los Angeles. Visiting daughter at WWU. 3 nights.

Lynda- Seattle. Booked for son who was delayed entry to his apartment near campus. 2 weeks.

Janet- Portland. Nursing conference. 4 nights.