From:

Ben Brown <Benbrown131@gmail.com>

Sent:

Saturday, January 16, 2016 12:40 AM

To:

CPCinfo

Subject:

This is my home sharing story

Dear Executive Director Robert Rivers,

I have been using air B and B to make ends meet for a about 8 months now. the Guest that I host are from all over the country and the world. I have had nothing but positive feedback from all of the many who have stayed at my property and that is only because of this wonderful city of New Orleans and its charm. I believe this is a great hotel alternative and brings more people into the city who might otherwise may not have because of the the cost or experience of a hotel. A rising tide lifts all boats and that holds true in this case of Air B&B effect on New Orleans.

Sincerely,

Ben Brown

From: PoliceCounsel@aol.com

Sent: Saturday, January 16, 2016 2:08 PM

To: CPCinfo

Cc: PoliceCounsel@aol.com

Subject: The only place I love more than America is My Beloved French Quarter.

Again, I find myself needing to be heard because of greed and the inability of others to recognize the indisputable importance of preserving the En Louissianne and French Quarter way of life.

Like many other natives of New Orleans, I have a vested interest in some of the more treasunable things to remain in a time period that should be preserved for all future generations to witness, in its time period setting. This would include the nature of residential setting in the French Quarter. We have an extremely rich environment in New Orleans, something no other city world-wide can match. Once we destroy it, we can only report the good old days, and the quaintness of our special and treasured French Quarter environment **would be indisputably forever gone.**

It is one of those things, that when it is gone, there is no reversing it. The damage will have been made permanent. We must resolve to keep politicians and financial interests in the background, while making preservation the only priority for our beloved and quaint French Quarter. I also believe, that many, many other parts of Louisiana claim some of their rich heritage to this area of the "Quarter" due to the fact that much about New Orleans and the French Quarter has been preserved from a time so long ago, that <u>its not just about short term rentals, its is about "our way of life" here in Louisiana</u>. I believe we should remind city hall and anyone wanting to change this particular piece of land and its inherent culture, that it was a special gift to have landed here and an extremely special responsibility to preserve this land "as is".

The only place I love more than America is My Beloved French Quarter.

Bobbie Osterman New Orleans/Louisiana Native US Military Veteran

From: Beverly Fulk <beverlyfulk@yahoo.com>
Sent: Sunday, January 17, 2016 11:43 AM

To: CPCinfo

Cc: carolyndg2004@yahoo.com; Carol Allen; Carol Gniady;

susan@frenchquartercitizens.org; Meg Lousteau; Patricia Meadowcroft; DistrictC; Susan G. Guidry; LaToya Cantrell; Jared C. Brossett; James A. Gray; Stacy S. Head; Jason R.

Williams

Subject: Short Term Rentals Public Comment

Attachments: Suds Dem Duds.docx; Matassa_CPC LTR_Sept 2015.docx; STR Presentation Sept 29,

2015.doc

City Planning Commission:

At the September 29th meeting you heard me speak about two effects of short term rentals I've had personal experience with - dwindling numbers of eligible voters, and reduced rental housing for responsible residents (attached). You also heard a letter read, written by Louis Matassa, owner of a family business located in the French Quarter since 1924. His letter described the daily struggles he now faces to save his business (attached).

Like you, I'm learning new things daily about this topic. Frankly, although I thought I was aware of all the detrimental effects of short term rentals on neighborhoods, I was shocked to hear such accountings from French Quarter business owners. So many aspects we never thought of.

While I have the greatest empathy for other neighborhoods dealing with similar problems, I don't think anyone would deny that the French Quarter has a unique and fragile balance of different needs, that require different regulations. Because it's such a small, concentrated area, many seemingly harmless actions can have unintended consequences and devastating effects.

I implore you to carefully consider those effects, and to do the right thing for the French Quarter.

Thank you,

Sincerely,

Beverly Fulk 1018 Bienville St. Robert D. Rivers, Executive Director, CPC CM Nadine Ramsey, District C CM Susan Guidry, District A CM Latoya Cantrell, District B CM Jared Brosett, District D CM James Gray, II, District E CM Janson Williams at Large CM Stacy Head, At Large

City Council Members:

My name is Dinah Wagner. I operate Suds Dem Duds, a laundromat on 1101 Bourbon Street. There has been a laundromat on this site for at least 25 years. I am being negatively impacted by the short-term rentals that are going on in the French Quarter. When I purchased this business, I was told that the winter and holiday season was the busiest time of year. However, I am actually experiencing a decline in business because there seems to be less residents in the neighborhood. The people who rent out property Thursday through Sunday bring enough clothes for their vacation and do not come in to launder their clothes because they are only here for a very short time.

Having so many homes rented out for short term rentals creates a hardship for small businesses like mine. The residents are the steady backbone of the neighborhood because they support me by using my laundromat on a regular basis. I know many of them by name and they often stop by my place just to say hello. Businesses like mine are the backbone of the neighborhood too. The neighbors support my business and in turn, I support the fabric of the neighborhood. It takes both to make it work. No neighbors mean no small businesses like mine. Without neighbors and small business, there will be no special charm or unique atmosphere to our neighborhood, and eventually, there will be no tourists who want to come here.

Please help me by making the property owners in the French Quarter follow the law and rent their properties out for 60 days, instead of a four day weekend. Thank you,

Sincerely,

Dinah Wagner Suds Dem Duds 1101 Bourbon Street CPC Executive Director Robert Rivers, rdrivers@nola.gov

City Planning Commission: cpcinfo@nola.gov

CM Nadine Ramsey, District C districte@nola.gov

CM Susan Guidry, District A sgguidry@nola.gov

CM Latoya Cantrell, District B <u>lcantrell@nola.gov</u>

CM Jared Brossett, District D jcbrossett@nola.gov

CM James Gray, II, District E jagray@nola.gov

CM Stacy Head, At Large shead@nola.gov

CM Jason Williams, At Large Jasonwilliams@nola.gov

jtharris@nola.gov

Kdhunter-lowery@nola.gov

September 23, 2015

Mr. Rivers, City Council Members:

I am writing to ask for your help. My name is Louis Matassa. I own and operate Matassa's Market on 1001 Dauphine Street, in the French Quarter. My grandfather, Giovanni Cosimo Matassa, opened this business in 1924 and, until the last few years, it has continued to thrive and operate in the same location. Matassa's is a neighborhood market that has been a part of, and served the residential community for over 91 years. However, things have changed drastically in the last few years due to the short term rentals. My business has fallen off and for the first time in almost a century, the future is uncertain. The community is my customer base, and the community is dying. The residents have been displaced and the small number of residents who are left are dwindling each day because they are being kicked out of their homes by their landlords who want to make more money by running short term rentals. Other properties have been bought by owners who don't live here and rent the homes out to short term renters instead of long term residents. Other residents have left because they don't want to live on a street full of short term strangers. The neighborhood has lost many people who worked in the service industry at hotels and restaurants.

The short term renters come in on "Check-in Thursday". These people have no interest in our neighborhood and are here to simply have a good time for a few days. They come to my store and they buy cigarettes and liquor. They don't buy staples like milk, eggs, butter, bread, fruit, or meat. They don't buy detergent, paper towels or fresh produce. I can't afford to stock merchandise that no one buys. I can't make a living selling cigarettes. It is becoming more and more difficult to stock items that the residents need and want because there are just not enough of them. There is nothing wrong with tourism, but the short term renters give nothing back to the community. They don't spend money in the neighborhoods. They come here to enjoy the culture and soak in our unique atmosphere, but instead they are destroying it. These short term rentals will eventually hurt the tourist industry that is so important to our economy.

Please enforce the laws and help small business owners like me, or soon there will not be any small businesses like me in the French Quarter.

Sincerely,

Louis Matassa Matassa's Market 1001 Dauphine Street City Planning Commission
Planning and Special Projects Committee
Short Term Rental Hearing
September 29, 2015

GOOD EVENING. THANK YOU FOR THIS OPPORTUNITY TO SPEAK. BEVERLY FULK – 1018 BIENVILLE ST.

I'M NOT GOING TO RECITE ALL THE DETRIMENTAL EFFECTS CAUSED BY SHORT TERM RENTALS, ONLY TWO ASSOCIATED WITH MY PERSONAL EXPERIENCES.

IN MY CAPACITY AS AN ELECTION COMMISSIONER IN A FRENCH QUARTER PRECINCT OVER THE PAST FOUR YEARS, I'VE HAD THE OPPORTUNITY TO VIEW THE VOTER REGISTER. EVERY YEAR I'VE WATCHED THE NUMBER OF REGISTERED VOTERS DWINDLE, REFLECTING FEWER RESIDENTS ACTUALLY LIVING HERE. THIS CAN ONLY MEAN THE EVENTUAL ERADICATION OF THAT CRUCIAL BALANCE OF CITIZENS NEEDED TO PROVIDE GUIDANCE ABOUT SO MANY ISSUES IMPORTANT TO A CITY.

SECONDLY, AS MORE AND MORE LOVELY PROPERTIES ARE CHOPPED INTO TINY CONDOS FOR SHORT-TERM INHABITATION, IT'S REDUCING THE NUMBER OF APARTMENTS AVAILABLE FOR RESPONSIBLE RENTAL RESIDENTS. I DON'T SEE HOW SIMPLY REQUIRING THAT A PROPERTY OWNER LIVE IN ONE OF THE UNITS COULD MUCH IMPROVE THAT NUMBER. IT STILL CLOSES THE DOOR ON A WHOLE SECTOR OF VALUABLE RENTERS WHO WANT TO BE INVOLVED WITH IMPROVING THE COMMUNITY AND CONTRIBUTING TO THE CITY. LIKE ME. I'M A RENTER. A SINGLE RETIREE ON FIXED INCOME.

THANK YOU.

From: Alex Spec <Alexandra.spector@gmail.com>

Sent: Sunday, January 17, 2016 12:16 PM

To: CPCinfo

Subject: This is my home sharing story

Dear Executive Director Robert Rivers,

Hi I support home sharing

Sincerely,

Alex Spec

From: Sent: To: Subject:	Tara Cox <flowerytea@gmail.com> Sunday, January 17, 2016 1:04 PM CPCinfo This is my home sharing story</flowerytea@gmail.com>
Dear Executive Director Robert Rivers,	
I believe a balance can be found and a system of taxation for city revenue can be put in place.	
Tara Cox	
Sincerely,	
Tara Cox	

From: Ellen Nickell <Ellen.nickell@gmail.com>
Sent: Sunday, January 17, 2016 1:47 PM

To: CPCinfo

Subject: This is my home sharing story

Dear Executive Director Robert Rivers,

I am in favor of home sharing in New Orleans. I believe it brings economic vitality to our city. As a host, many of my guests have told me their trip would not have been possible if not for the affordable prices home sharing allows for. As for me, I've have depended on the extra income to make ends meet, especially with unexpected medical expenses this past year. I believe the city of New Orleans will be better off when it provides for a fair and equitable opportunity for citizens to share their homes legally. Thank you for your consideration.

Sincerely,

Ellen Nickell

From: Josie Sexton <Josie@studiosidefx.com>
Sent: Sunday, January 17, 2016 2:13 PM

To: CPCinfo

Subject: This is my home sharing story

Dear Executive Director Robert Rivers,

Please support house sharing.

Sincerely,

Josie Sexton

From: Nancy Marshall < Njmarshall@cox.net>
Sent: Sunday, January 17, 2016 2:14 PM

To: CPCinfo

Subject: This is my home sharing story

Dear Executive Director Robert Rivers,

I rented my properties, which are three small properties on one lot, for 8 years. It was a miserable experience. I never could make enough money to cover the note. It was hard to keep the properties in good shape. The tenants were difficult. Unfortunately long term tenants feel entitled and started acting out. I am a very responsible landlord. One set of tenants threatened to move out over a minor repair that wasn't completed in one day. I told them I would be happy to refund their deposit if they did. They backed down, asked to stay another two months and, after they left, wrote me a letter of apology and told me what a good landlady I had been. Some tenants trashed the property.

I tried Homeaway and it was incredible. I could make enough money to fix up the properties. The properties made it possible for families to travel and enjoy New Orleans.

Recently I rented to a local family for six weeks because their family home had structural problem do they had to move out. They brought two dogs who barked incessantly (and I am a dog lover). They were unpleasant to deal with. One of my neighbors, who have never complained, begged me to go back to short term rentals.

The people who arrive as short term renters are happy, To be here and can afford to go out and spend more money in the city. Their kids have a yard to play in. They have another room to go to. People can make breakfast and lunch and afford to go out at night. It makes visiting with a family affordable and more comfortable. I enjoy them and they enjoy getting to know our city. Nancy J Marshall

Sincerely,

Nancy Marshall

From: John Johnson <mj.nodevco@gmail.com>

Sent: Sunday, January 17, 2016 5:08 PM

To: CPCinfo

Subject: This is my home sharing story

Dear Executive Director Robert Rivers,

The income that I receive from Airbnb isn't a lot but it helped me a lot last year to pay my mortgage. I think it encourages people to come to the city that wouldn't normally come. I've had several people stop in for one night as they are passing through town in a group and they did it because it was affordable. I average 4 nights of rental a month but every bit helps. Please don't hurt the economy of this city by limiting our freedom and hurting people that really need it.

Sincerely,

John Johnson

From: Virginia Pluta <Vpluta@gmail.com>
Sent: Sunday, January 17, 2016 6:20 PM

To: CPCinfo

Subject: This is my home sharing story

Dear Executive Director Robert Rivers,

After Katrina life was hard for all of us, as a teacher I lost my job, my health insurance and the 20 years I put into the retirement system. To make matters worse my property taxes went from \$137 dollars per year to over \$4,000 and my home owners insurance doubled.

I needed to find a job to take care of my 3 children. I soon found a teaching job in the charter system which did not pay into teachers retirement and found I just couldn't make ends meet.

When you buy a house you figure out how much your total payment would be which is what I did however the added \$600 per month for taxes and insurance was too much to handle. I have owned my house for over 26 years so it was not a new investment. I needed to make ends meet so I started to rent out a private room in my house via Airbnb. I can't use that room as an apartment so I am not taking anything away from anyone. Also in the couple of years I have been doing this I have never had a complaint from my neighbors. In my area parking is scarce to begin with so that is always a problem but never from my guests.

After doing this, I thought what a great oportunity to meet people and brag about the city I love so much. I spend money to beautify my house, which adds to the value of the neighborhood. I am also enriching the city and neighborhood I live in by supplying jobs and spending this money in the city I love so much.

Sincerely,

Virginia Pluta

From: Ed Kendrick <ed_ward_kendrick@yahoo.com>

Sent: Sunday, January 17, 2016 9:04 PM

To: CPCinfo

Subject: This is my home sharing story

Dear Executive Director Robert Rivers,

Please vote to grow the economy and don't shut us down.

Airbnb is the future! Do everything you can to support us, including the creation of small business loans and tax breaks. Be at the front in the positive change that is here and grows!

This is what the public thinks of us:

"Ed and Jonathan were great! They were very helpful and can tell you anything about the area, plus Ed's breakfast cooking is not to miss. The neighborhood is not nearly as bad as it may seem. The house was very nice, bigger than I thought, and is about a 20 minute walk, or about 5 minute drive, to the Quarter. Overall my friends and I were very pleased with our stay, and would definitely stay again."

Sincerely,

Ed Kendrick

From: Avenue Inn Bed and Breakfast <stay@avenueinnbb.com>

Sent: Monday, January 18, 2016 12:50 AM

To: CPCinfo Subject: STR Issue

Just wanted to put in a last word from an operator in the field.

I understand that the concept of anyone renting a room to the public just because they have access to a website that supports the concept maybe here to stay. But in cities like New York, its not allowed for all the reasons that you have received from the "against" side. And now, even in San Francisco where it all started, the referendum on the subject barely passed recently. it must say something about the problem of mass commercialization of non-traditional lodging locations. I hope and pray that you take a good look at what these operators and future operators are doing to the landscape of our city.

But if you do decide to recommend that these so called "sharing economy" lodging facilities be given illegitimacy, look at how they are taking away tax revenue. Right now, for the first two months of the year 2016, our sales have slipped about 30% in actual and future bookings. We believe this is in part do to visitors going for lesser expensive options like the illegal STR's. That's 13% in state and local tax plus the nightly occupancy tax and that doesn't count personal property tax and assessments for a commercial operation. If you do not make the STR's collect the same, the city will lose. And too, this is not a matter of the STR's bringing in more visitors as they claim,, it's just a transfer of revenue from one group to another.

Tax and strongly regulate them as we are regulated. If you don't, you spell doom for operators of small Inns and B&B's who will be punished the most. We will always be undercut by someone selling a room illegally or with some special reduced tax plan. Its not fair and its totally unacceptable. Don't kill our small businesses.

Do your due diligence in cities around the country. You will find that the "sharing economy" is a scam, helping operators of multi rental units to run "hotels" in neighborhoods. Only a small percentage of this kind of lodging is Mom and Pop. Put a stop to it one way or another. Assume that the city is not prepared to enforce any regulations you may put forward because their hands are tied with the current law. And if you come to that conclusion, then recommend against new regulations validating the illegal STR's..

Thank you for your time.

Joe Rabhan Innkeeper/Proprietor Avenue Inn 4125 Saint Charles Ave New Orleans LA 70115-4754 Toll Free 800-490-8542 Phone 504-269-2640 Fax 504-269-2641

Certificate of Excellence Award from Tripadvisor.com for 2015 Diamond Level Accreditation from BedandBreakfast.com 2015 Website: <u>www.avenueinnbb.com</u>

"Don't just visit New Orleans, live it!"

From:

Danny Starnes <dannyneworleans@aol.com>

Sent:

Monday, January 18, 2016 7:32 AM

To:

CPCinfo

Subject:

This is my home sharing story

Dear Executive Director Robert Rivers,

In the Spring of 2015 my long term tenants (on the other side of my double, I live in) decided they needed a larger apartment and moved in the middle of April. I hired a team to come in and clean, paint and repair everything that needed it. By the time the apartment was available it was mid-June. I listed it to rent with a leading real-estate agency, but no takers, I added free utilities, no takers. By mid-August, I became desperate and a friend of mine told me about Airbnb. I furnished the apartment and listed it with them. Since mid-August 2015 I have rented my apartment and have been able to pay my mortgage, insurance and the proceeds have helped pay city taxes. Also, four of the guests have rented apartments in New Orleans.

Sincerely,

Danny Starnes

From: Andre Cardinale <Acardinale28@gmail.com>

Sent: Monday, January 18, 2016 9:02 AM

To: CPCinfo

Subject: This is my home sharing story

Dear Executive Director Robert Rivers,

My husband and I attempted to legally open a bed an breakfast at our home. However, because we own a double shotgun, we were told we could not have a b&b. The rule seems quite arbitrary to me, and a bit confusing. I used to work in hospitality and visited multiple B&Bs that were in fact doubles. Many also did not conform to all of the rules set forth to be a b&b (ie living on property, not cooking breakfast if there are a small amount of rooms. Etc.). Most said they were simply grandfathered in. After navigating so much red tape, we decided to just use air bnb several times a year in our personal home to help pay for the constant increase in property taxes and flood insurance. We both work full time, but it is expensive to be a home owner. I would love to pay the same taxes and fees a local b&b pays and rent my house out during peek seasons. I don't believe homes should be purchased strictly to rent to air bnb guests. The fabric of our neighborhoods is important. I would I ike to legally rent out my personal property the same way a bed and breakfast can. Fair, clear rules that create an equal opportunity for all would be amazing!

Sincerely,

Andre Cardinale

From:

Tara Lee <Starlingbuilt@gmail.com>

Sent:

Monday, January 18, 2016 10:26 AM

To:

CPCinfo

Subject:

This is my home sharing story

Dear Executive Director Robert Rivers,

Seems to be a balance could be found and a taxation on B&B to add revenue.

Sincerely,

Tara Lee

From: Elonide Semmes <esemmes@righthat.com>

Sent: Monday, January 18, 2016 12:09 PM

To: CPCinfo

Subject: Short-term rentals

As semi-retired individuals, short-term rentals help us have a better quality of life and frankly be able to spend money in the city. My husband is disabled and as you know social security doesn't go far. Having periodic short-term rentals can be a huge help to us. Rather than disallow them, why not regulate them in a reasonable way like they do in Austin, Texas. Require a smoke alarm and other basics. But don't let the hotel industry lobby control the rights of citizens. Technology has disrupted many things from cabs (Uber) to hotels. But it is good as everybody has to raise their game. We used to never be able to get a cab in Uptown and now with Uber it is no problem.

Please consider a reasonable approach to allow short-term rentals so you don't make individuals lives harder.

Thank you,

Elonide Semmes 321 Hillary Street New Orleans, LA 70118

504 218-8428

From: Kropog, Ryan <ryan.kropog@lpl.com>
Sent: Monday, January 18, 2016 12:44 PM

To: CPCinfo

Subject: Short Term Rentals

To Whom it May Concern,

I received an email indicating that today is the last day to voice an opinion on the topic of short term rentals before the next City Planning hearing. So, here is my two cents:

As a resident of the Lower Garden District, I'd rather tourism money go to my neighbors and to local businesses within my neighborhood than to national hotel chains. Per a recent AirBnb study:

"Most hosts were long-time New Orleans residents, many of them older, according to the company. The benefits to the city's economy, meanwhile, were significant, the report states. Airbnb guests spent a combined \$140 million, citing a survey of New Orleans tourists who booked lodging through its website. About 70 percent said they spent more money on food and entertainment at local businesses because they were able to save money on lodging, according to the report."

I also strongly feel that web services such as AirBnb have changed the game when it comes to travel. This is not just a fad. The way people travel and look for lodging has drastically changed. So, our city can get on board with the undeniable global trend, or we can fold our arms and be stubborn about it. Without a doubt, certain rules need to be put in place. Here are my three basic starting points:

- 1) A good place to start would be to restrict AirBnb listings to primary residences. Rental properties should be for long term tenants. The would help thwart the concern of people with big wallets buying up rental units and using them for short term rentals, making it harder for residents to find long term homes. But, for the local couple who owns a home in the Marigny and wants to make a few extra dollars to spend at local restaurants, this is a positive thing! People who live in the home they are renting are also more likely to be selective with who they rent their house out too and are more likely to speak to neighbors about this activity.
- 2) The next thing to do would be to work with AirBnb to make sure renters pay their local taxes. Other cities such as San Francisco and Portland have already begun doing this.
- 3) Lastly, a distinction must be made between a property owner renting out their home 1-2 times a year vs. someone who rents their home as a side business. Anyone who rents their home more than 14 days a year must register as a Bed and Breakfast and pay the appropriate taxes and dues.

Ryan Kropog, CFP[®]
Vice President
Director of Investment Management

Kropog Financial Group, LLC Phone: (985) 727-6724

7

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Fax: (985) 727-6701 <u>ryan.kropog@lpl.com</u> <u>www.kropogfinancial.com</u>

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From: John Parker Roy <johnparkerroy@gmail.com>

Sent: Monday, January 18, 2016 12:57 PM

To: CPCinfo

Subject: Short term rentals

I believe New Orleans property owners should be able to allocate the use of their properties for the purposes of short term rentals. It is not appropriate for the government (Federal, State, or Municipal) to dictate the use of private property as long as that usage is not for illegal activities (prostituion, gaming, etc...) and is within the zoning allowances. The State and Municipal authorities should tax this usage and provide some regulation that provides a framework of quality performance for all parties.

The beneficiaries of short term rentals are significant and comprehensive. The property owners benefit from increased revenue, the consumers benefit from more options & a more local experience (in many cases a superior value), and the city benefits from greater capacity, increased taxes & increased revenue for the city in general.

I am a property owner in Orleans Parish and would like the option to rent my property out to short term renters. I equally want to see the City and State benefit from this activity as well, so I am in favor of appropriate taxation on these revenues. Additionally, I am more than willing to carry appropriate levels of insurance to provide protection.

I hope this offers a general perspective on my position and desires as a homeowner in Orleans parish.

Thank you,

Parker Roy 4822 St. Charles Ave New Orleans, LA 70115 504.329.4534

From: Calhoun, Jaye A. <jcalhoun@mcglinchey.com>

Sent: Monday, January 18, 2016 2:25 PM

To: CPCinfo

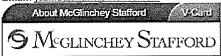
Subject: Short Term Rentals

I live in the area served by the Maple Street Residents Association. I STRONGLY object to permitting short term rentals in our neighborhood. I would also urge that the City police the college students who live in the area to comply with the City ordinances regarding trash collection, noise and the dates/times that students can leave their garbage cans on the curb. Tulane can only do so much (and sometimes doesn't) to get the students to behave like good neighbors. Without City enforcement of these ordinances historic properties are being irreparably damaged and the quality of the neighborhood is suffering. Please take a look at the double located at 7209-7211 St. Charles Ave (corner of Broadway – across the street from Rite Aid) if you want to see what I mean. That house was owned by a family for years and was one of the loveliest and most interesting houses in the City. For years now, however, it has been rented out to college students and transients. The yard all the way to the street is covered in trash and the house is falling apart and in a state of disrepair. It's really a shame that the City doesn't enforce the ordinances. The neighbors are losing quality of life and suffering a diminuition in property value but the City is losing a historic property and looking trashy to the tourists that ride by every 20 minutes on the streetcar and see the trash on the sidewalks and the street and the property in disrepair.

Jaye A. Calhoun McGlinchey Stafford

Direct: (504) 596-2785 Fax: (504) 910-8910

Email: jcalhoun@mcglinchey.com



12th Floor, 601 Poydras Street New Orleans, LA 70130 PO Box 60643 New Orleans LA 70160-0643

www.mcglinchey.com | www.CafaLawBlog.com

McGlinchey Stafford, PLLC in Alabama, Florida, Louisiana, Mississippi, New York, Ohio, Texas, and Washington DC and McGlinchey Stafford, LLP in California.

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From: Mark Rokusek <thismarkjames@gmail.com>

Sent: Monday, January 18, 2016 2:43 PM

To: CPCinfo

Subject: This is my home sharing story

Dear Executive Director Robert Rivers,

I am writing to tell you how sharing my home through Airbnb has positively impacted my life. I live alone and need help covering my costs at times. Once every few months I will rent out my place for a few days to people visiting the city to help me make ends meet.

Airbnb has allowed me to pay my rent and bills on time and gives visitors a unique experience.

I would be very sad if I was not able to do this anymore. I don't do it often, but when I do it really helps me stay out of poverty.

Sincerely,

Mark Rokusek

From: Meg Lousteau <meglousteau@gmail.com>

Sent: Monday, January 18, 2016 2:56 PM

To: CPCinfo

Subject: Short-Term Rentals - further comments

Please note that I am sending this correspondence as a private citizen, not as a representative or member of any organization.

Dear City Planning staff and commissioners:

As you continue your evaluation of the prospect of legalizing short-term rentals in New Orleans, I strongly suggest you review how the industry has behaved in cities that have offered some kind of legalization.

Below is <u>an article</u> from a San Francisco magazine. The title says it all: **The Airbnb law is failing. Here's** how.

In a nutshell, now that this "industry" is legal, there have been 1318 applications for STRs, yet there are an estimated 10,000 STRs in San Francisco. (Airbnb itself has 7985 listings.) **That's just over 13% compliance.** 13%.

So the company that is the industry leader, that promised such a move would lead to compliance and funding for enforcement, that spent 8 million dollars convincing voters to approve this change, and who has all of the information necessary to make scofflaws comply, is doing **nothing**.

In fact, as you'll see in <u>the article</u> below, Airbnb (and the other platform sites) didn't even bother to show up at a city hearing about enforcement of the new law.

Past is prelude, as the cliche goes. When given the chance, the industry has not only chosen not to comply with the rules, as promised. Please be aware of this as you craft your report.

I'd like to make two additional points.

First is a repeat of something I wrote in an earlier email on this subject:

I urge you to seize this golden opportunity to compel the companies that are managing this industry - Airbnb, VRBO, FlipKey, HomeAway, etc. - to provide the same level of data to regulators that all other businesses are required to provide. Other hotels, retail operations, and the like must supply granular data to city and state officials, and there is no reason that STRs should not be held to the same standards. Again, these are money-making enterprises, just like any other businesses, and should be treated with equal scrutiny. Claims of shielding such information from regulators because of privacy concerns are preposterous. If someone wants to operate a business, such disclosure is par for the course.

Second, I would also like to suggest that, rather than allowing this industry to become legal citywide, that instead we begin with a **pilot program in a limited geographical area**. This would allow citizens, neighborhoods, and regulators to observe how the law was working, how enforcement was being handled, and evaluate the impact before letting the genie out of the bottle in the entire city. We have taken this approach with other new industries, most recently with pedicabs. Proponents often cite STR usage as a catalyst for getting blighted properties back into commerce, so perhaps an area with a large percentage of blight and abandonment would be ideal for such a pilot program.

Kind regards, Meg Lousteau

Meg Lousteau 1020 N. Robertson St. New Orleans, LA 70116

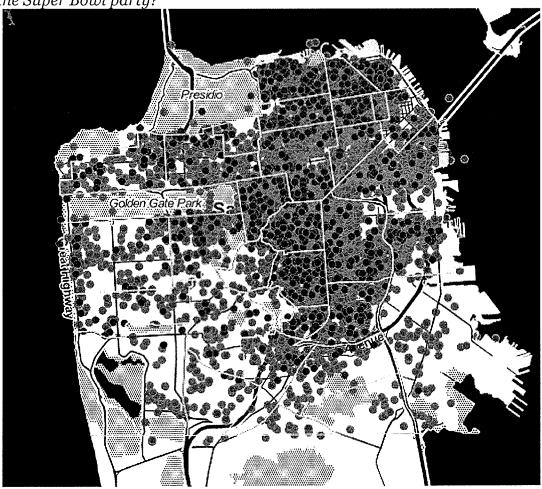
(bolding and highlighting are mine)

The Airbnb law is failing. Here's how

Posted on January 11, 2016 by Tim Redmond

Supes hearing shows that enforcement of the law is barely happening. Plus: Should SF taxpayers

underwrite the Super Bowl party?



There are more than 7,000 Airbnb listings in SF, and more than 90 percent are still illegal

By Tim Redmond

JANUARY 12, 2016 – Nobody from Airbnb or any of the other short-term rental platforms showed up at yesterday's hearing on enforcing the city's law. No representative was on hand to tell the Land Use and Transportation Committee members whether the companies have any interest in cooperating with the city. Oh, they were aware that the issue was on the table, but the corporate execs chose to duck. "It's really sad for me to read in the Chronicle that the city administrator had to beg Airbnb to do the right thing," Sup. David Campos noted. "That's where we are today – instead of rules we are begging."

Sup. Scott Wiener started the hearing off by saying that it's "very important that the public has confidence that there is enforcement" of the existing law. He said that the law had only been on the books for a year, and the Office of Short-Term Rental Enforcement only really up and running for a few months.

But then we got the numbers, which are not terribly encouraging.

Kevin Guy, the head of the short-term rental office, said that his staff had received 1,318 applications for the permits that allow people to rent legally through short-term platforms. There are, at this point, 879 approved and registered hosts. Another 269 applications are pending.

He said that since the law took effect, his office has taken on 264 enforcement cases, and closed 109 of them.

Now: There is some dispute about how many STRs there are in the city. Guy said he thinks it might be 5,000. Ian Lewis, a researcher for Local 2, the Hotel Workers Union, testified that trade publications show Airbnb alone had 7,985 listings in San Francisco in October – and Guy says that Airbnb probably accounts for only half the STRs in the city.

Some hosts testified that they list on multiple platforms. Still, 5,000 is probably a floor, and Campos said his information puts the high end a closer to 10,000.

In which case, more than 90 percent of the short-term rentals in the city are still unregistered, and thus illegal. That's not a very good record for the city's enforcement agency.

Even if Guy is right, and the number is closer to 5,000, 80 percent are still illegal.

Here's another sign of how bad it is: Peter Quan, who spoke on behalf of the organization San Francisco Homesharers, bragged that his group had more than 2,200 members. If the city had only registered 879, then more than half of his members are breaking the law.

"Maybe before you come down here and talk about your membership, you should try to get them all registered," Campos said.

Wiener said he want to see the city "get off the STR roller coaster" and quit amending the law, so that hosts could feel free to register without worrying that the rules were changing.

But the hearing produced some useful information about how the board could improve the enforcement – not by changing any of the rules that impact hosts, but by mandating more cooperation from the platforms. Which, by the way, are making lots of money — \$100 million in revenue in the last year alone, just from San Francisco, according to Lewis.

The first thing Guy mentioned – and it would be so easy for Airbnb and its competitors – is to provide the city with the addresses of any unit where there's a complaint or a question about its legality. Right now it's hard for anyone, including city regulators, to find out exactly which listing applies to which address; the platforms keep that intentionally vague.

"I'm constantly asked why we don't just go on the websites, find the illegal ones, and send them a notice of violation," Guy asked. But without the addresses, it's hard to do that – not impossible, but time-consuming and staff-intensive.

In most cases, he said, the office responds to complaints; proactively seeking out violations is less of a priority.

That change would cost Airbnb nothing, not a penny, and would help quickly resolve complaints and investigations.

The other key change, which has been talked about for more than a year: Simply ban the hosting platforms from listing any unregistered units. This would have no impact on legal hosts, and would instantly end much of the abuse.

It's mind-boggling that the supes refused to approve that amendment when it came up last year. With the clear failure of current enforcement, it's crazy to think that the board can allow things to continue as they are.

"Airbnb and Homeaway are making fools of this board," Lewis said.

As Campos put it, "the more you learn, the more it becomes evident that the existing law is not working."

From: Calvin A Lopes <clopesea@gmail.com>
Sent: Monday, January 18, 2016 3:18 PM

To: CPCinfo

Subject: STRs ~ The Slippery Slope of Deregulation

Over the last few years the number of illegally operated short-term rentals in New Orleans has more than doubled. At the same time there has been no enforcement. Those of us who have been adversely affected by both of these events have repeatedly pleaded for it to stop but have been ignored. We were even asked to help document flagrant violators, but again our efforts were for naught.

Thankfully many of these same concerned residents have continued to work toward a solution as this Study for Short-Term Rentals enters a new phase.

Anyone following the zoning dockets and subsequent Council action have seen first-hand where we are headed. Existing regulations have become ineffective, exploited, or circumvented.

Not long ago the City Planning Commission found itself in the untenable position of recommending approval for multiple whole-house short-term rentals in one city block, (2015) Zoning Dockets 095 and 096 (2028, 2030, 2036, 2038 Iberville Street). The laws they had sworn to apply did not allow common sense to prevail. By a fluke in zoning, the even side of a narrow side street is C-2 while the odd side is residential, sharing a 28-foot wide, single travel lane street.

What makes this especially egregious are density and proximity. There are no limits in commercial zones, therefore the Commission could not consider any such restrictions, nor were they allowed to require all health and safety regulations routinely customary in commercial zones because these applications fell into an odd category of "transient vacation rentals" which are not regulated under current law.

At several open hearing meetings individuals aligned on both sides of the short-term rental issue have agreed that density needs to be considered. Operators of existing legally licensed bed-and-breakfasts have always asked for a level playing field. By approving these four sites the City has clearly shown this will not be case since there will be four-times the sites than would ever be approved for bed-and-breakfasts licensed operators.

We are on a slippery slope. Existing regulations are ineffective because there has been no enforcement effort. Where violators were identified with documentation, sufficient to sustain, the City has chosen not to adjudicate.

Where does this leave the law-abiding resident? The recommendations made as a result of this Study, and the subsequent action, or inaction. through the approval process will tell.

Circumstances such as stated above where two adjacent and conflicting "short-term rental" zoning classifications should not be allowed to occur. In this example, the Conditional Use rules were applied but proved ineffective. What will it take for legislators and rulemakers to realize that common sense needs to prevail?



This email has been sent from a virus-free computer protected by Avast. www.avast.com

From:

Patty Gay <pgay@prcno.org>

Sent:

Monday, January 18, 2016 3:20 PM

To:

CPCinfo

Subject:

Short-term rentals

Short-term rentals are obviously a commercial use, and should not be allowed in residentially zoned areas unless the zoning is changed.

Preservation Resource Center

Sent from my iPhone

From: Patty Gay <pgay@prcno.org>
Sent: Monday, January 18, 2016 3:25 PM

To: CPCinfo

Subject: Short-term rentals

I personally feel that short-term rentals should be considered block by block in a residentially zoned area. They should not be allowed unless all property owners on the block and within a particular radius agree.

Sent from my iPhone

From: Carl Moller <Ceeemo@gmail.com>
Sent: Monday, January 18, 2016 3:43 PM

To: CPCinfo

Subject: This is my home sharing story

Dear Executive Director Robert Rivers,

With the extra income I get from Airbnbing i can now afford Health Insurance! Please please insure that it continues.

Sincerely,

Carl Moller

From: Sent: Claire McIntire <clmcintire@att.net> Monday, January 18, 2016 3:49 PM

To:

CPCinfo

Subject:

Short-Term Rentals

Dear Mr. Rivers,

It is difficult for me to express how strongly I oppose any changes which would allow short-term rentals in residentially zoned neighborhoods. Our neighborhood is a perfect New Orleans neighborhood, with neighbors who know and watch out for one another. We have a good mixture of single family and doubles, some of which are owner-occupied and some not. We are newlyweds, families with small children, and retirees. But none of us is on vacation here. We do not keep the hours or lifestyle of people on vacation. We do not come in noisily late at night or call cabs that honk to announce their arrival. Because we have in the past had an occasional neighbor put their place out for short-term rental, we do know how that can be for people trying to sleep or get children to sleep so as to be productive for work and life the next day. Residential zoning with a one-year minimum rental requirement is essential for our continued quality of life. Visitors have a wealth of options in our hotels and B and Bs for their vacation accompositions.

As it is, rents have sky-rocketed as landlords, including one on our block and several nearby, have discovered the cash-cow that is the TV and movie business. Even those, however, are on legal-length rental terms. Air Bnb style rentals turn an area zoned residential, where people purchased homes with that being the understanding, into hotel zones. What will that do to our property values?

We are counting on you and your Commission to defend our way of life. New Orleans is not Los Angeles, and we should all fight outsiders trying to make it so.

Thank you for your service to our city! Sincerely, Claire McIntire 4819 Carondelet St. NOLA 70115 899-8665

From: Debra Howell <howellmed@medigraphics.com>

Sent: Monday, January 18, 2016 4:01 PM

To: CPCinfo

Subject: Sort-term rental problem in New Orleans

To the members of the City Planning Commission:

Despite the fact that I know I will be repeating what many others have already said, I am adding my voice in opposition to loosening restrictions on most short-term transient rentals in New Orleans.

As far as I am concerned, the only allowable rentals for less than our current 30 day minimum (60 days in Quarter) would be properties where the owner has a homestead exemption on the property and ACTUALLY RESIDES on the premises during the period of the short-term rental, with NO exceptions. This would include single-family properties where the owner rents out a room or two, and multi-family properties where the owner resides in one of the units at all times.

In addition, any owner-occupied single-family property that is advertised for rent as a total unit rental, in which the owner would not be present, should not only remain illegal, but that property owner should lose their homestead exemption. Same with any multi-family dwelling where the owner is claiming a homestead exemption but nonetheless rents out the owner-occupied unit with a similar frequency as the non-owner-occupied unit or units. That will likely bring in more money to our city coffers than attempting to tax people who have already proven that they consider themselves outside the purview of any laws.

I admit at the outset that I have zero sympathy for the people who complain they should be allowed to maximize their return on investment by renting their properties any way they choose, including short-term. I believe these attitudes have seriously damaged the quality of life in many of our historic neighborhoods, most dramatically the Quarter, Marigny, and Bywater. The Marigny, for one, resembles a ghost town on many weekday evenings due to the loss of full-time residents, when it used to be a thriving community!

We were already suffering from a shortage of housing units in New Orleans post-Katrina, and the problem has been exacerbated by the removal of so many more units from the long-term rental housing market in more established neighborhoods, all to feed the greed for short-term rental rates by a few property owners—many of whom do not even live here! Not only has this trend made all rental housing even more expensive than the increases induced by our ever higher post-K property taxes and insurance, it is a contributing factor to the increased gentrification of historically poor neighborhoods, whose long-term residents are subsequently being pushed out...to where, no one seems to know or care.

While I realize that this is a vicious cycle with sociological ramifications far beyond the immediate question of short-term rentals, I believe the short-term rental boom of the past few years is a contributing factor. But since it's an element that we as a city are now trying to rectify, I would request that you keep most of the prohibitions on short-term rentals in place and actually start enforcing them.

--

Debra Howell 1540 Adams Street New Orleans, LA 70118

From: Carolyn Dunn Goodwin <carolyndg2004@yahoo.com>

Sent: Monday, January 18, 2016 4:05 PM

To: CPCinfo

Cc: DistrictC; Stacy S. Head

Subject: Short-Term Rentals/939 Orleans

Good Day:

The property across the street at 939-941 Orleans was purchased a few months ago. It is a double shotgun that while I've lived here housed teachers, a theatre manager, chefs and a construction worker. It is now used solely as a short-term rental. Every weekend a new group of young people descend on our block. We're subjected to the usual drinking and partying on the stoop. Living in the Quarter, I've learned to ignore noise and don't expect a quiet suburban type of atmosphere. Our corner was the site for numerous drug deals that were easily observed from my balcony. Gradually, with the help of the NOPD this had slowed down until recently. 939 Orleans seems to attract groups of young men who openly use drugs on the stoop and hail pedestrians in their pursuit of drugs. The people they solicit for drugs are certainly not people the residents want hanging out here.

You may ask why I haven't complained to the owners of the property? The answer is I'm in the process of doing that but it's not easy. I went to the tax assessor's site and found the property is now owned by First Quarter, LLC. Then I went to the site of the Secretary of State to find a name. Now, I'm in the process of writing to an unknown person about this property. I don't know if this person has direct involvement with 939 Orleans or not. My point to this letter is that it should not be this difficult to communicate with a neighbor about a problem. Fortunately, I have the skills to track this property. Many don't. When you develop your guidelines for short-term rentals, please demand that an owner's name and contact number are displayed and given to neighbors and that there is an easily contactable city official to track and deal with complaints.

Sincerely,

Carolyn Goodwin 713 Burgundy St. NOLA 70116

From:

Andrea Baptiste <abaptist52@yahoo.com>

Sent:

Monday, January 18, 2016 4:20 PM

To:

CPCinfo

Subject:

This is my home sharing story

Dear Executive Director Robert Rivers,

I am hopeful that the "City of New Orleans" will allow short term rentals to continue for the following reasons:

- a) Due to the attractive rates that the Airbnb community offers tourists who were unable to come in the past are able to comfortably enjoy a home setting as well as spending dollars in our local businesses.
- b) I am a senior citizen who is disabled and the Airbnb offers additional financial income that I would not be able to earn.

Sincerely,

Andrea Baptiste

From: Carol Gniady <carolgniady@icloud.com>
Sent: Monday, January 18, 2016 4:34 PM

To: CPCinfo

Subject: Short-Term Rental Study additional comments

January 18, 2016

Dear Mr. Rivers.

I am writing as a private citizen and submitting comments in addition to those I've provided earlier for your consideration for the CPC's Short-Term Rentals study. Thank you for your attention to this important matter.

Level the Playing Field

Give every neighborhood the choice to ban STRs or treat them as conditional uses. STRs are commercial activities in residential neighborhoods and neighbors must be given the right to approve these commercial ventures. Treat STRs just like B&Bs, as conditional uses in appropriately zoned areas and as permitted uses in other areas. Use current B&B taxes and regulations for STRs to "level the playing field." This includes having STRs pay the same hotel taxes that B&Bs pay, having the same Fire Code compliance as B&Bs, limiting density like B&Bs, requiring proof of owner occupancy (via homestead exemption and tax records indicating full time residency in Louisiana), and prohibiting absentee operation by requiring all STRs be owner-occupied, just like B&Bs. If STR operators are just trying to make extra money there should be no problem limiting the scope and scale of their commercial activity while also upholding the integrity of full-time residency that contributes to the wellbeing of neighborhoods and communities. With the owner present at all times neighbors who have experienced bad behavior with visitors renting short-term just to party have someone truly responsible available at all times to take complaints and handle bad behavior. This applies to whether a STR is a spare bedroom, a small dependency, half of a double or a unit in a building.

Quantify and Define

Define "short-term rental" as "a rental for any period less than 30 days," and limit the size and density in residential districts. Just as B&Bs are limited, STRs should also be limited to one (1) per block face, and not in addition to existing B&Bs. If a B&B is already operating on a block face a STR should not be permitted on the same block face. Units should be limited to one (1) per STR and guests should be limited to two (2) per room, or four (4) per other unit type. Restricting the number of visitors and number of units helps preserve housing stock for full time residents and limits the disruption visitors can cause to communities, including taking up parking spaces.

Permitting and Neighbor's Right of Action

Require annual permitting for STRs and require permit certificates be displayed next to the front door of the house. This provides neighbors with proof that a STR is certified and the activity taking place is legal and contributing to community. Further, include in the certification process the ways in which a permit may be revoked and provide neighbors with an avenue to submit complaints. Issues including noise, trash, parking, and guest behavior should be defined as to what is acceptable and

unacceptable. An annual permit renewal should consider if and the number of complaints made, their resolution or non-resolution, and whether the STR is operating within established guidelines. This protects the neighborhood from bad operators who disregard the quality of life and rights of neighbors. Furthermore, residents must have a private right of action against permit violators and illegal operators (those who do not have permits to operate). Empower neighborhood associations to file suit against unlicensed STRs to assist with the enforcement of the law. Very often residents have little recourse but to ask for help from their neighborhood associations and benefit from the resources and experience within these organizations. In this way the enforcement mechanism is not pitting neighbor against neighbor and the community is self-policing.

Test first

Before diving into the deep end, test the waters with a Short-Term Rental (STR) pilot program. Just like the City of New Orleans conducted a pilot program with PediCabs the STR industry should be tried in a controlled environment to see if the intended results are being achieved, to work out any kinks, and to fully develop the enforcement mechanism. Before granting a land use, which cannot easily be retracted or diminished, study it through controlled experimentation, refine it as necessary, and design it for ultimate success. As for choosing a neighborhood or neighborhoods to serve as test subjects we suggest the zones identified in the 3rd and 4th clauses of M-15-391 as permitted and conditional uses, respectively.

Accountability

Lastly, and most importantly, the internet platforms responsible for widespread use of STRs must be accountable and report locations, sales figures, days of operation and earnings so that tax revenues are based upon quantified data. Without this piece the city is relying upon self-reporting, which is subject to error and suspect without verifiable information. Non-compliance should incur serious and meaningful fines and those platforms should be prohibited from operating in the city.

Conclusion

The rising costs of homes and rents reflects the creep of commercialism as properties are valued more for their earning potential as STRs than as homes for full-time residents. A proliferation of investor-owned, commercial "rogue hotel" operations remove housing stock and forever alter the residential character of our neighborhoods. And the bottom line is we are faced with loss of full-time residents through loss of available housing. Cities such as San Francisco, Austin and Los Angeles have reported displacement of residents and loss of housing stock due to absentee short-term landlords. If there is a compromise it must not come at the expense of the people who live here and make this city one of the most unique and beloved cities in the world. Without New Orleanians what is New Orleans?

Thank you.

Sincerely,

Carol Gniady 910 St. Roch New Orleans, LA 70117

From: Jcarrere@aol.com

Sent: Monday, January 18, 2016 4:47 PM

To: CPCinfo

Cc: Susan G. Guidry; Stacy S. Head; James A. Gray; Jared C. Brossett; DistrictC; LaToya

Cantrell; Jason R. Williams; Istirling@stirlingprop.com; Enrico J. Sterling;

johnlafargue@aol.com

Subject: City Council Motion M-15-391 re Short Term Rentals

Dear Sir:

Please consider my comments below regarding the above subject:

- 1) CZO Use Standards (Article 20.3.I.1) re Bed and Breakfast General Standards -- (b.) Bed and breakfasts are prohibited with the following areas: add a new paragraph "iv" as follows: "The area referred to as the Upper Audubon area, bounded by the centerline of St. Charles Avenue, Walnut Street, Magazine Street and Broadway Street."
- 2) Generally, any Short Term Rental in a residential neighborhood should be limited to single bedroom per lot of record.

Thanks for your consideration.

Sincerely,

John F. Carrere, Jr. 555 Audubon Street New Orleans, LA 70118 Cell: 504-421-2698

From:

Joseph Biniek < JPB1225@YAHOO.COM>

Sent:

Monday, January 18, 2016 4:49 PM

To:

CPCinfo

Subject:

This is my home sharing story

Dear Executive Director Robert Rivers,

Home sharing has been both the incentive and means by which I am able to up keep my 106 year old house. It was considered by some as a tear down house. My vision of what the house could become and the income from Home Sharing has brought forth a gift to the city of New Orleans and all those after me who will live in it. I live in the house so there is always interaction with the guests. Airbnb has given a way of responsible sharing and an easy way to report income on my taxes. I urge you at city hall to support this cottage industry right here in our city of New Orleans

Sincerely,

Joseph Biniek

From: Matt Jones <mjjonesey@hotmail.com>
Sent: Monday, January 18, 2016 2:45 PM

To: CPCinfo

Subject: STR Policy Letter from Marigny Homeowners

Attachments: STR Policy Letter.docx

I have attached and pasted in comments for the CPC's STR report.

Thank you, Matt

Dear Mr. Rivers,

As the CPC examines STR policies it should draw a sharp line between absentee landlords and ordinary live-in homeowners.

The problems STRs bring to neighborhoods are the product of those absentee landlords who operate homes as de facto hotels, not by the homeowners who occasionally let out their extra rooms. There is a world of difference between the two practices, and any proposed regulations should address what is causing these problems.

As Marigny homeowners who care about our neighbors and the character and historic preservation of our neighborhood, we view the use of properties solely as STRs as the central problem in the larger debate over short-term rental practices. Concerns about increasing rents that drive out local residents, excess noise, property damage, and the loss of neighborhood character, in our discussions with other residents, stem entirely from this practice.

Homeowners who rent out rooms now and then are often incidentally lumped together with de facto hotels under the umbrella of the "AirBNB" issue. Yet local residents tend to draw a sharp line between absentee owners who reel in profits while removing housing stock from full-time residents and homeowners who live on site full time and occasionally rent out their extra spaces. We urge the City Council to adopt that clear distinction as well.

Most homeowners who rent out rooms use the extra money to contribute to upkeep, preservation, and renovation costs, which in historic properties regularly top \$10,000 per year. Their STR guests are little different than

out-of-town friends and family visitors; they contribute economically to the neighborhood businesses while visiting, but they also are watched, guided, and selected by the families that host them. These are homeowners who are taking people into their homes, where they sleep and work and where their children play.

That said, we also recognize that properties run as STRs by remote owners are a problem in neighborhoods like ours.

Neighborhood groups have offered some proposals for addressing STRs that do not make the distinction between on-site homeowners and absentee landlords. The differences between the two types of STRs should be incorporated into any action that the City Council considers. Some proposals offered to the CPC, such as allowing only one STR building per block face, appear to be directed at absentee-landlord STRs, but would also unfairly impact homeowners who have a stake in improving their properties and their neighborhoods.

If the CPC's goal is to tackle problems that residents see with STRs then it should address the cause — STRs run by absentee landlords — and not the on-site homeowners who love their neighborhoods and struggle to keep up with rising costs.

Thank you for your consideration.

Jenelle Boucher and Matt Jones

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Thank you for your consideration.

Jenelle Boucher and Matt Jones

From: Sent: To: Subject: Attachments:	Laura Spanjian <laura.spanjian@airbnb.com> Monday, January 18, 2016 3:57 PM CPCinfo Short Term Rental Study: Airbnb Comment Letter and Information Airbnb_PublicCommentSTR_Jan2016.pdf</laura.spanjian@airbnb.com>
January 18, 2016	
Robert D. Rivers	
Executive Director	
New Orleans City Planning Co	ommission
1300 Perdido Street, 7 th Floor	
New Orleans, Louisiana 70112	2
Re: Short Term Rental Study	
Dear Director Rivers:	
In a place celebrated for its vibrancy and hospitality, it is no surprise that so many in the Crescent City have embraced home sharing. For hosts, home sharing has helped thousands of middle class residents take what typically one of their greatest expenses – the cost of their housing – and turn it into a way to generate supplemental income. For guests, home sharing has democratized travel and facilitated a more authentic experience closer to local and small businesses that haven't always benefitted from tourism and hospitality.	
The collective impact of this activity makes New Orleans stronger. Guests spent \$140 million in New Orleans neighborhoods in the past twelve months alone.	
In recent months, community leaders in New Orleans have been discussing the best way to regulate home sharing. We welcome these discussions and are committed to being constructive partners with regulatory agencies and policymakers. Our community wants to pay their fair share. We want home sharing to help people stay in their homes. And we want to equip policymakers and the public with the information they need to craft fair, progressive rules for home sharing in New Orleans.	

To help meet these goals, Airbnb recently released the <u>Airbnb Community Compact</u> .
We have also released some initial data to give people more information about our community.
 Responsible home sharing is creating a new economic engine for New Orleans. Guests spent \$140 million in the past year. This happened in part because 99% of New Orleans hosts recommend local businesses to their guests. In addition, 70% of the money these guests save by using Airbnb is spent in New Orleans businesses.
 Airbnb hosts are long-time residents committed to the community. The average Airbnb host is 41 years old and has lived in New Orleans for 21 years.
 Hosts are occasionally sharing their home to generate modest but impactful supplemental income. 92% of listings in New Orleans are rented for less than 180 days a year. A typical host annually earns \$10,900 dollars and 69% of hosts use the income generated from Airbnb to pay things such as their rent or mortgage.
• Airbnb guests travel in small groups, looking for a unique travel experience. 88% of trips booked to New Orleans on Airbnb include 4 or fewer guests. 96% of active listings in New Orleans have three or fewer bedrooms. In addition, 94% of guests who choose to stay on Airbnb do so because they want to "live like a local."
See the full report <u>here</u> .
Cities across the country have successfully adopted and implemented clear and enforceable home sharing rules. Additionally, Airbnb has worked with civic leaders around the world to collect and remit tourist and other hotel taxes as a promising new source of revenue. As the dialogue in New Orleans about home sharing moves forward, Airbnb would welcome the opportunity to discuss these best practices in further detail with City

Airbnb welcomes fair regulations and we encourage you to develop clear, common sense home sharing rules.

leaders.

hank you again for your consideration.	
Sincerely,	٠
aura Spanjian	
Public Policy	
Airbnb	

January 18, 2016

Robert D. Rivers
Executive Director
New Orleans City Planning Commission
1300 Perdido Street, 7th Floor
New Orleans, Louisiana 70112

Re: Short Term Rental Study

Dear Director Rivers:

In a place celebrated for its vibrancy and hospitality, it is no surprise that so many in the Crescent City have embraced home sharing. For hosts, home sharing has helped thousands of middle class residents take what is typically one of their greatest expenses – the cost of their housing – and turn it into a way to generate supplemental income. For guests, home sharing has democratized travel and facilitated a more authentic experience closer to local and small businesses that haven't always benefitted from tourism and hospitality.

The collective impact of this activity makes New Orleans stronger. Guests spent \$140 million in New Orleans neighborhoods in the past twelve months alone.

In recent months, community leaders in New Orleans have been discussing the best way to regulate home sharing. We welcome these discussions and are committed to being constructive partners with regulatory agencies and policymakers. Our community wants to pay their fair share. We want home sharing to help people stay in their homes. And we want to equip policymakers and the public with the information they need to craft fair, progressive rules for home sharing in New Orleans.

To help meet these goals, Airbnb recently released the Airbnb Community Compact.

We have also released some initial data to give people more information about our community.

Here are some highlights from the report:

- Responsible home sharing is creating a new economic engine for New Orleans.

 Guests spent \$140 million in the past year. This happened in part because 99% of New Orleans hosts recommend local businesses to their guests. In addition, 70% of the money these guests save by using Airbnb is spent in New Orleans businesses.
- Airbnb hosts are long-time residents committed to the community. The average Airbnb host is 41 years old and has lived in New Orleans for 21 years.
- Hosts are occasionally sharing their home to generate modest but impactful supplemental income. 92% of listings in New Orleans are rented for less than 180 days a year. A typical host annually earns \$10,900 dollars and 69% of hosts use the income generated from Airbnb to pay things such as their rent or mortgage.
- Airbnb guests travel in small groups, looking for a unique travel experience. 88% of trips booked to New Orleans on Airbnb include 4 or fewer guests. 96% of active listings in

New Orleans have three or fewer bedrooms. In addition, 94% of guests who choose to stay on Airbnb do so because they want to "live like a local."

See the full report here.

Cities across the country have successfully adopted and implemented clear and enforceable home sharing rules. Additionally, Airbnb has worked with civic leaders around the world to collect and remit tourist and other hotel taxes as a promising new source of revenue. As the dialogue in New Orleans about home sharing moves forward, Airbnb would welcome the opportunity to discuss these best practices in further detail with City leaders.

Airbnb welcomes fair regulations and we encourage you to develop clear, common sense home sharing rules.

Thank you again for your consideration.

Sincerely,

Laura Spanjian Public Policy Airbnb Overview of the Airland Community in

New Orleans, Louisiana

Introduction

Since 2009, New Orleans residents have been welcoming guests into their homes on Airbnb.

In a place celebrated for its vibrancy and hospitality, it's no surprise that so many in the Crescent City have embraced home sharing. For hosts, home sharing has helped thousands of middle class residents to take what is typically one of their greatest expenses – the cost of their housing – and turn it into a way to generate supplemental income. For guests, home sharing has democratized travel and facilitated a more authentic experience, closer to local and small businesses that haven't always benefited from tourism and hospitality.

The collective impact of this activity makes New Orleans stronger: guests spent \$140 million in the past twelve months alone.

As we move forward, we are 100 percent committed to being constructive partners with regulatory agencies and policymakers. Our community wants to pay their fair share. We want home sharing to help people stay in their homes. And we want to equip policymakers and the public with the information they need to craft fair, progressive rules for home sharing in New Orleans.

To help meet these goals, we've recently released the <u>Airbnb Community Compact</u>. In the Compact, we pledge to:

- Treat every city personally and help ensure our community pays its fair share of hotel and tourist taxes
- Build on open and transparent community
- · Promote responsible home sharing to make cities stronger

In that spirit, we have prepared the enclosed report to provide a snapshot of our current home sharing community. This report is one of our first steps and we look forward to releasing additional information about our community in the future.

Thank you for reading this report.

We look forward to further discussions on how best to ensure home sharing makes New Orleans a better place to live, work, and visit.

Airbnb

Airbnb Community in New Orleans: Fact Sheet

The following summarizes key trends for the 2,400 hosts who hosted in New Orleans in the past year and the 171,000 guests who visited New Orleans on Airbnb in the past year.

Responsible home sharing is creating a new economic engine for New Orleans.

DIRECT GUEST SPENDING AT NEW ORLEANS BUSINESSES

HOSTS WHO RECOMMEND LOCAL BUSINESSES TO THEIR GUESTS

GUESTS WHO SPENT THE MONEY THEY SAVED BY STAYING ON AIRBNB ON FOOD, SHOPPING, ETC. IN NEW ORLEANS

\$140 million

99%

70%

Airbnb hosts are long-time residents committed to the community.

AVERAGE NUMBER OF YEARS A HOST HAS LIVED IN NEW ORLEANS

AVERAGE HOST AGE

HOSTS OVER AGE 50

21 years

41

24%

Most Airbnb hosts share their primary home on an occasional basis to generate modest but significant supplemental income.

LISTINGS RENTED FEWER THAN 180 DAYS IN THE PAST YEAR ANNUAL EARNINGS FOR A TYPICAL HOST

AIRBNB INCOME USED FOR TYPICAL HOUSEHOLD EXPENSES LIKE RENT/ MORTGAGE, BILLS, & SAVINGS

92%

\$10,900

69%

Airbnb guests travel in small groups and stay in small properties.

ACTIVE LISTINGS THAT HAVE 3 OR FEWER BEDROOMS

PERCENT OF TRIPS THAT INVOLVES
4 OR FEWER GUESTS

96%

88%

Guests stay with Airbnb for a more localized and accommodating experience.

GUESTS WHO CHOSE AIRBNB BECAUSE OF THE AMENITIES

GUESTS WHO CHOSE AIRBNB SO THEY CAN "LIVE LIKE A LOCAL"

GUESTS FOR WHOM AIRBNB DEFINITELY MAKES THEM MORE LIKELY TO RETURN TO NEW ORLEANS

81%

94%

77%

Responsible home sharing: a new engine for the New Orleans economy

Airbnb guests and hosts contribute to local economic health. Airbnb grows the tourism pie, attracting many guests who might otherwise not have come or been able to stay as long. Much of this economic activity goes towards supporting local resident hosts and local businesses that don't typically benefit from tourism spending.

GROWING TOURISM

GUESTS WHO WOULD NOT HAVE COME OR NOT HAVE STAYED AS LONG WITHOUT AIRBNB

35%

GUESTS WHO SPENT THE MONEY THEY SAVED BY STAYING ON AIRBNB ON FOOD, SHOPPING, ETC.

70%

GUESTS FOR WHOM AIRBNB DEFINITELY MAKES THEM MORE LIKELY TO RETURN TO NEW ORLEANS

74%

GUEST SPENDING

TOTAL GUEST SPENDING AT NEW ORLEANS BUSINESSES

\$140 million

GUEST SPENDING THAT STAYS IN THE LOCAL NEIGHBORHOOD WHERE THE GUEST STAYED



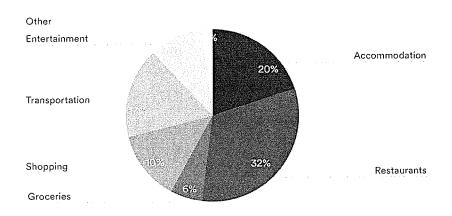
40%

HOSTS WHO RECOMMEND LOCAL BUSINESSES TO THEIR GUESTS



99%

VISITOR SPENDING PATTERNS



The average Airbnb guest spends \$1,100 per trip.

Host Snapshot

The vast majority of Airbnb hosts are long-time residents who rent their primary homes on occasion to generate modest but significant supplemental income.

HOST DEMOGRAPHIC PROFILE

AVERAGE HOST AGE

HOSTS OVER AGE 50

AVERAGE NUMBER OF YEARS A HOST HAS LIVED IN NEW ORLEANS

41

24%

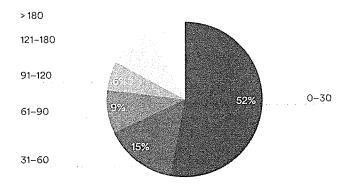
21 years

HOSTING BEHAVIOR

ANNUAL EARNINGS FOR A TYPICAL HOST

\$10,900

NIGHTS HOSTED PER LISTING IN THE PAST YEAR



Over 90% of all listings are rented for fewer than 180 days of the year.

ECONOMIC BENEFIT TO HOSTS

HOSTS WHO USE AIRBNB INCOME TO MAKE ENDS MEET

HOSTS FOR WHOM RENT/MORTGAGE IS THE LARGEST MONTHLY EXPENSE

AIRBNB INCOME USED FOR TYPICAL HOUSEHOLD EXPENSES LIKE RENT/MORT-GAGE, BILLS, & SAVINGS

60%

76%

69%



We have a mother-in-law suite that we rent on airbnb - it does not have a kitchen so it can't be rented to a long-term tenant. The rents in our neighborhood are extremely high (the French Quarter) - if we did not have the Airbnb income we would not be able to afford to live here. -- Airbnb Host in New Orleans, age 41

Note: All data above is drawn from Airbnb proprietary bookings data or based on a survey of hosts and guests in New Orleans.



Guest Profile

Airbnb guests come from all over to visit New Orleans for work, leisure, and family and friends. Guests choose to stay in Airbnb properties because they are looking for an authentic, local, and amenity-rich experience.

GUEST PROFILE

AVERAGE GROUP SIZE

AVERAGE AGE OF BOOKING

GUEST

GUESTS WHO CHOSE AIRBNB SO THEY CAN "LIVE LIKE A LOCAL"

2.7 people

37

94%

BOOKED LISTINGS

TRIPS THAT ARE BOOKED IN LISTINGS WITH ONLY 1 OR 2 BEDROOMS

ACTIVE LISTINGS THAT HAVE 3 OR **FEWER BEDROOMS**

92%

4.7

96%

GUEST EXPERIENCES

AVERAGE HOST RATING (OUT OF 5)

81%

GUESTS WHO CHOSE AIRBNB BECAUSE OF THE AMENITIES AMENITIES PROVIDED BY HOSTS

Internet access

Kitchen access

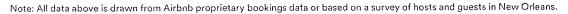
Laundry

Family-friendly

Pet-friendly



Airbnb is my absolute favorite way to travel. We have always had incredible stays. I love staying in neighborhoods and getting to know the local haunts. It's also much nicer to kick back and relax in our Airbnb when we are in between all of the sightseeing! -- Airbnb Guest in New Orleans, Beth W., age 32





All Definitions

Annual Earnings (Typical Host) Median value of total income earned by host during the one-year study period.

Annual earnings are presented for typical hosts.

Average Length of Stay

The average length of stay per guest, rather than per trip.

Guest

Airbnb community members who stay in Airbnb listings.

Host

Airbnb community members who rent space on Airbnb.

Inbound Guest

All guests visiting a particular location. Inbound guests includes guests who live in

the same location they may have stayed in.

Listing (Active)

A property listed on Airbnb. Listings may include entire homes or apartments, private rooms or shared spaces. Active listings are all listings that appear on the website during a search. Active listings do not necessarily have availability on a

particular date or at all.

Nights Hosted (By Listing) Total number of nights a given listing is rented through Airbnb in the study period.

Primary Residence

A home in which someone lives.

Typical Host

The median host for all hosts who had at least one active listing as of the start of the study period and at least one booking during the study period. Typical host definitions are used to calculate Annual Earnings and Nights Hosted. Presenting the median value for all hosts who were active as of the start of the study period provides the most representative values for the Airbnb host community.

The Airbnb Community Compact

Airbnb is a people-to-people platform—of the people, by the people and for the people—that was created during the Great Recession to help people around the world use what is typically their greatest expense, their home, to generate supplemental income.

Airbnb creates economic opportunity. The typical middle-income host in the United States can earn the equivalent of a 14 percent annual raise sharing only the home in which they live at a time when economic inequality is a major challenge. Airbnb democratizes travel so anyone can belong anywhere—35 percent of the people who travel on Airbnb say they would not have traveled or stayed as long but for Airbnb.

Airbnb is home to good travelers and good neighbors who contribute to their communities. 97 percent of the price of a listing, set by the Airbnb host, stays with the host. Airbnb hosts and guests have also made clear in conversations, town halls, responses to surveys, and thousands of individual discussions that they want to do right by the cities where they live, work and visit.



Based on our core principles to help make cities stronger, Airbnb is committed to working with cities where our community has a significant presence and where there is support for the right of people to share their homes, both when they are present and when they are out of town. As we work with cities around the world, we will:

Treat Every City Personally and Help Ensure Our Community Pays its Fair Share of Hotel and Tourist Taxes

Cities have unique home sharing policy needs—a dense, urban city may have different concerns than a historic vacation town or a non-traditional travel destination. Airbnb will partner with cities to address their individual policy needs.

In those places that respect the right of people to share their home, we will work to ensure that the Airbnb community pays its fair share of taxes while honoring our commitment to protect our hosts' and guests' privacy. This includes helping to ensure the efficient collection of tourist and/or hotel taxes in cities that have such taxes. We will work to implement this initiative in as many communities as possible.

Build an Open and Transparent Community

Cities can make the best policy decisions about home sharing when important data is available. Airbnb will provide cities with the information they need to make informed decisions about home sharing policies.

While protecting our hosts' and guests' privacy, Airbnb will provide anonymized information regarding hosts and guests in our community to city officials to help inform the development of home sharing policies. We will work with individual cities to identify the specific types of data they need to craft fair, progressive rules.



On an annual basis, Airbnb will also release Home Sharing Activity Reports in cities where our community has a significant presence. These reports will include:

- The total annual economic activity generated by the Airbnb community.
- The amount of income earned by a typical Airbnb host.
- The geographic distribution of Airbnb listings.
- The number of hosts who avoided eviction or foreclosure by sharing their home on Airbnb.
- The percentage of Airbnb hosts who are sharing their permanent home.
- The number of days a typical listing is rented on Airbnb.
- The total number of Airbnb guests who visited a city.
- The average number of guests per listing by city.
- The average number of days the average guest stayed in a city.
- The safety record of Airbnb listings.

Promote Responsible Home Sharing To Make Cities Stronger

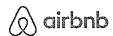
Cities succeed when their citizens are actively empowered to help determine their own destiny. Airbnb will work to educate hosts and guests about the home sharing needs and rules in cities so they are empowered to engage in home sharing practices that are in the best interests of the cities they call home.

In particular, there are some cities that have a significant number of Airbnb listings but do not have a comprehensive policy approach to home sharing. In some of these places, community leaders have identified a shortage of long-term rental housing as a critical issue. In these cities, we will work with our community to prevent short-term rentals from impacting the availability of long-term rental housing by ensuring hosts agree to a policy of



listing only permanent homes on a short-term basis. We will also continue to work with cities that have established home sharing policies as they evaluate these matters.

Additionally, we will work with cities to determine whether non-permanent homes that would otherwise not be on the market as long-term rentals (such as a second home that is occasionally used) can be made available for short-term rentals consistent with the policy needs of a particular city. Finally, we will continue to support hosts who provide long-term accommodations like corporate housing, as well as certain standard hospitality venues like traditional bed & breakfasts that use Airbnb and provide unique, local experiences to guests.



From: Walter Gallas <wgallas@louisianalandmarks.org>

Sent: Monday, January 18, 2016 4:06 PM

To: CPCinfo

Cc: Leslie T. Alley; Sandra Stokes

Subject: Short Term Rental Comments - Louisiana Landmarks Society **Attachments:** La Landmarks Scoeity - Short Term Rental Comments.pdf

Attached please find comments from Louisiana Landmarks Society regarding short term rentals.

Thanks.

Walter W. Gallas, AICP Executive Director, Louisiana Landmarks Society 1440 Moss Street, New Orleans, LA 70119 Ph. 504-482-0312

Applications are being accepted for the 2016 Awards for Excellence in Historic Preservation. Projects in rehabilitation, restoration and new construction in historic neighborhoods completed in 2015 in Orleans Parish outside of the Vieux Carre are eligible for consideration. Go to: http://louisianalandmarks.org/awards-excellence-historic-preservation



Louisiana Landmarks Society & Pitot House

1440 Moss Street, New Orleans, LA 70119 Ph. 504-482-0312. www.louisianalandmarks.org

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EXECUTIVE DIRECTOR
Walter W. Gallas, AICP

January 18, 2016

Robert Rivers, Executive Director City Planning Commission 1600 Perdido St. – 7th Floor New Orleans, LA 70112

VIA EMAIL: CPCinfo@nola.gov

RE: Short Term Rentals

Dear Mr. Rivers:

Louisiana Landmarks Society appreciates the opportunity to submit comments to the City Planning Commission concerning short term rentals.

Short term rentals negatively impact neighborhoods. They deplete available housing stock and so drive up housing costs. Long term residents are forced to move further from the heart of the city, and further from their jobs. These rentals are not sufficiently regulated, don't pay business taxes, and don't conform to life safety codes required for what are essentially commercial operations. There are problems created by a steady flow of strangers with noise, trash, parking, overcrowding and unregulated events. They replace long term residents invested in the neighborhood with a stream of transients, eroding the community.

If short term rentals are allowed, they must be limited, and regulations need to be established, including how many units in a given area, size, number of rental nights, number of occupants, parties, parking, noise, etc. Owners must register their short term rental business and be required to comply with the same regulations as similar businesses such as bed and breakfasts and hotels. This would include declaring income, paying taxes, having appropriate business insurance and complying with safety codes like other comparable businesses. This would also level the playing field for compliant businesses. Finally, there must be monitoring and enforcement of these regulations.

Louisiana Landmarks Society understands that the issue of short term rentals is complicated. We feel that promoting residential communities and preserving the quality of life in neighborhoods should be the priority in New Orleans, because it is this very character that attracts visitors and businesses over the long-term.

Sincerely yours,

Walter W. Gallas, Executive Director

Walter W. Fallas

Sandra Stokes, 2nd VP, Advocacy Chair

Sardra L Stokes

From: brfurness@aol.com

Sent: Monday, January 18, 2016 4:51 PM

To: CPCinfo

Subject: Short-Term Rental Study: Submission by the Short-Term Rental Committee

Attachments: Memo CPC re study process 2016-01-18.docx

Mr. Rivers:

Attached is a further submission by the Short-Term Rental Committee on the short-term rental study mandated by the City Council.

We appreciate the efforts of Nick Kindel and the other members of the CPC staff in this effort, and look forward to seeing the results soon.

Regards,

Brian R. Furness Chair, Short-Term Rental Committee

bcc: STRC Committee

Short-Term Rental Committee New Orleans, Louisiana info@noshort-term.org

January 18, 2016

MEMORANDUM

TO:

Robert Rivers

Executive Director, City Planning Commission

FROM:

Brian R. Furness

Chair, Short-Term Rental Committee (STRC)

SUBJECT: Short-Term Rentals (STRs): Study Required by Council Motion M-15-391

Short-term rentals are an issue important to New Orleans's residents and neighborhoods, just as to the residents of cities around the world. The proliferation of STRs arouses strong feelings and concerns that have been expressed by residents and neighborhood representatives to the CPC, as reflected in the voluminous submissions posted to the CPC website.

The Council mandated the CPC to study STR issues and make recommendations to the Council. Using the framework set out in the Council Motion, the STRC's recommendations as to what the CPC should recommend to the Council are as follows (and set out in more detail in the "attachment," pps 3–8). Accordingly, we believe the <u>CPC should recommend</u>:

- 1. Leaving intact the current STR definition approved by the Council in 2013;
- 2. Enacting limitations on usage that could be covered under General, Primary, and/or Accessory Use standards. Those particularly important include requiring that the owner be on-site during the rental and limitations on density and intensity of use;
- 3. Not expanding STRs as a "permitted" use in residential and mixed-use districts; cautious consideration as a "conditional" use in any non-residential area; and no change in prohibitions in areas of particular stress (e.g., French Quarter, Garden District);
- 4. Considering that "supplementary use standards" applicable to specific districts be discussed after consideration of General, Principal, and Accessory Uses;
- 5. Advocating strongly that any permitting regime allow only "temporary" annual permits only to specific, identified individuals and convey no "right" that runs with the property (as with "conditional" use);
- 6. Learning from the experience of other jurisdictions; especially with respect to the impact on housing availability and cost, program compliance, the need for effective enforcement that includes internet platform participation, and realistic tax and revenue expectations.

- The CPC report should further transmit an understanding of the situation in New Orleans, which has been described in *independent* studies; and
- 7. Endorsing strongly the proposition that there should be a "level playing field," and that permitting and conditions should not differ between activities of similar size, scale, and location.

Land use issues, of course, to not exhaust STR issues. The STRC recommends further that the CPC recommend to the Council full consideration of the following issues:

- Resident displacement, housing availability, and housing affordability; issues supremely important to the preservation of New Orleans's neighborhoods;
- Enforceability and enforcement, especially in view of the City's unwillingness or inability to enforce current short-term rental law and regulation;
- Role of internet platforms, especially recognizing that internet platforms facilitate the use and fuel the expansion of short-term rentals, and must thus be responsible for divulging information designed to help City authorities identify, monitor, and discipline short-term rentals.

In conclusion, the CPC study can, we believe, make an important contribution to the discussion of short-term rental issues. We ask that the CPC study reflect the basic fact that STRs are a commercial, not residential, activity and that the rising costs of homes and rents underline the creep of commercialism as properties are valued more for their earning potential as STRs than as homes for full-time residents. A proliferation of investor-owned, commercial "rogue hotel" operations remove housing stock and forever alter the residential character of our neighborhoods. This faces New Orleans with loss of full-time residents through loss of available housing as has happened in cities such as San Francisco, Austin and Los Angeles that have reported displacement of residents and loss of housing stock due to absentee short-term landlords. If there is a compromise, it must not come at the expense of the people who live here and make this city one of the most unique and beloved cities in the world.

If STR operators are just trying to make extra money there should be no problem limiting the scope and scale of their commercial activity while also upholding the integrity of full-time residency that contributes to the wellbeing of neighborhoods and communities.

Without New Orleanians what is New Orleans?

Attachment – as noted

ATTACHMENT

SHORT-TERM RENTALS

KEY ISSUES

Short-term rentals (STRs) pose many concerns for residents, especially when operated as businesses by absentee landlords, many of whom are corporate investors with no stake in the neighborhood beyond profit. Amplified through internet platforms such as AirBnB, HomeAway, and VRBO, STRs have proliferated to the point where they threaten housing availability and affordability, the quality-of-life in existing neighborhoods, licensed hospitality providers, and enforcement capability of laws and institutions.

The Council mandate identifies issues, including the desirability of consistency between the City Code and the CZO, and directs the CPC to include in its report recommendations as to:

1. Whether there could be a more appropriate definition of "Short-Term Rentals":

The STRC believes that <u>CPC</u> should recommend retaining unchanged the current <u>definition</u>, which the City Council considered and approved in 2013. The definition is appropriately broad, generally consistent with Federal practice¹, and consistent with the definition used in elsewhere in the City's ordinances.

2. Whether such definition should include a limitation on the size ... such as a limitation on the number of bedrooms or dwelling units.

The CZO establishes use standards for many categories. B&Bs, for instance, have General (applied to all B&Bs), Principal (large B&Bs) and Accessory Use (smaller B&Bs) standards, which provide limitations specifically geared to each category.

Short-term rentals, however, currently have no defined use standards. The STRC believes the CPC might well recommend applying use standards to short-term rentals.² Keeping in mind that land use regulation is particularly aimed at preserving and protecting neighborhood character and quality-of-life, particularly relevant use standards include owner-occupancy, limitations on the number of units available for overnight occupancy, density (i.e., number permitted per block face or other measurement of the number of lodging establishments in a particular area), intensity of use (including the number of nights allowed, occupancy), traffic and parking, and other conditions

¹ The U.S. Department of Housing and Urban Development, citing Sec. 513(a) of the National Housing Act, defines "transient or hotel purposes" to be "any rental for a period less than 30 days." Form HUD-92561.

² The STRC hopes that the CPC will at least address the possibility that use standards for short-term rentals are unnecessary. Short-term rentals, in many cases, are inseparable from B&Bs and we see no per se reason that possible use standards would be markedly different.

The Short-Term Rental Committee is composed of people from across New Orleans who advocate for the protection of neighborhoods from the intrusion of illegal short-term rentals, which introduce commercial uses into residential areas, displace actual residents, and undermine the very building blocks of our city.

designed to mitigate the impact of short-term rentals on residential and mixed-use districts. Account must also be taken of the need to minimize resident displacement and preserve housing affordability, as set out in more detail below.

Owner-occupancy. The STRC believes that owner-occupancy is a key issue. Evidence points to occupancy as a key factor in mitigating the impact of short-term rentals on neighbor/neighborhood quality-of-life and indeed, owner presence is required for currently permitted B&Bs and other lodging establishments. Simple availability, such as having an on-call presence and/or defining a response time, is completely and demonstrably inadequate. The STRC strongly supports that the CPC recommend short-term rentals must have an on-site presence.

Density of use. Neighbor/neighborhood concerns regarding degradation of neighborhood comity and quality-of-life sharply increase with density of use — as with other commercial usages. Neighborhood character is undermined when streets and sidewalks are frequented by non-residents with no stake in the neighborhood, or in being neighborly. The STRC believes the <u>CPC should recommend that any permitting system must limit density</u>. The number of units available per block face (the limitation currently in the CZO for B&Bs), is particularly important. Just as B&Bs are limited, STRs should also be limited to one (1) per block face, and not in addition to existing B&Bs. If a B&B is already operating on a block face a STR should not be permitted on the same block face.

Intensity of use. The impact of short-term rentals also depends on the frequency of commercial usage, the number of guests accommodated, and the number of nights occupied. These issues can, and should be, addressed in use standards, and include verifiable limitations on the number of days in revenue service. The STRC believes the CPC should recommend limiting units to no more than one (1) per STR and guests should be limited to numbers appropriate in view of neighborhood (e.g., single family, multi-family) character and fire, safety, and occupancy limits. Particularly of concern are dormitory- or hostel-like accommodations, which we note have particularly strict licensing and usage requirements.

Permitting. The STRC advocates that the <u>CPC</u> should recommend permitting only specific, named individuals (no LLCs or similar) to operate an STR, and limiting that individual (and family, etc.) to one holding. The STRC further recommends annual permitting, with the permit certificates (that list conditions and requirements) displayed next to the front door and visible from the street. This provides neighbors with proof that a STR is certified and the activity taking place is legal. Further, the CPC should recommend that the certification process include the ways in which a permit may be revoked and provide neighbors with an avenue to submit complaints. Issues including noise, trash, parking, and guest behavior should be defined as to what is acceptable and unacceptable. An annual permit renewal should consider complaints made: number, resolution or non-resolution, and whether the STR is operating within established guidelines. This helps protect the neighborhood from bad operators who disregard the quality of life and rights of neighbors.

The Short-Term Rental Committee is composed of people from across New Orleans who advocate for the protection of neighborhoods from the intrusion of illegal short-term rentals, which introduce commercial uses into residential areas, displace actual residents, and undermine the very building blocks of our city.

3. Where the use should be prohibited, a conditional use, or a permitted use.

The primary purpose of zoning is to segregate different usages, particularly those that are thought to be incompatible. Most relevant in the case of short-term rentals is the difference between commercial and residential, and, in mixed-use districts, maintaining a balance between the two. The CPC report must be clear that short-term rental is a *commercial* use, as is any activity in which services are provided for remuneration. This is consistent with federal, state, and city tax and other laws regarding commercial activity, and with any commonsense consideration.

In New Orleans, short-term rentals are currently permitted as a matter of right only in a limited number of districts generally consistent with their commercial character. They are a conditional use in a small number of districts, and thus subject to a review process.

B&Bs, by contrast, are permitted in some residential and commercial districts as a matter of right, and as a conditional use in others. B&Bs, however, are subject to General Standards, and to Accessory or Principal Use standards.

The STRC strongly believes the CPC should recommend AGAINST expanding the coverage of short-term rentals as a permitted or conditional use in residential and in mixed-use commercial/residential districts (most historic districts, such as those in the Faubourg Marigny where B&Bs are either a permitted or conditional use). This applies especially in the absence of standards as applied to B&Bs with similar lodging capacity (including the owner-occupancy requirement) and in the absence of a review mechanism (as applied to conditional uses) that mandates notification of neighbors and establishes a public review process. Moreover, the STRC believes the CPC should recommend opposing any permitting process that conveys any "right" that runs with the property (as with "conditional" use).

The STRC supports a <u>CPC recommendation continuing to ban short-term rentals in areas under particular stress</u>, including those areas in which B&Bs are currently prohibited in the CZO (e.g., French Quarter and Garden District).

The STRC notes, but takes no position, on the possibility of a pilot project applying a revised permitting regime. If the CPC and subsequently the Council deem this idea desirable, we suggest the zones identified in the 3rd and 4th clauses of M-15-391 as permitted and conditional uses, respectively.

4. Whether any supplemental use standards are necessary.

The STRC suggests the CPC recommend that consideration of supplementary standards is premature. Most necessary restrictions can likely be included in general, principal, and accessory use standards. Supplemental use standards may appropriately reflect particular

The Short-Term Rental Committee is composed of people from across New Orleans who advocate for the protection of neighborhoods from the intrusion of illegal short-term rentals, which introduce commercial uses into residential areas, displace actual residents, and undermine the very building blocks of our city.

conditions in particular districts, and should grow out of the dialog on a district-bydistrict basis.

5. If it is appropriate to create a temporary use or any additional specific requirements.

Temporary use. The STRC strongly recommends that the CPC recommend against any permitting process that creates a "right" that runs with the property. Thus, a "temporary" use is preferred to a "conditional" use that runs with the property. The STRC continues to advocate that any permitting process provide for neighbor/neighborhood notification and a public hearing prior to the granting (or renewal) of any permit.

One-time or exceptional usage. The STRC would be prepared to consider an interpretation of "temporary use" if such would encompass some kind of one-time or occasional, extraordinary occasion permit (similar, perhaps, to the use of Mayoralty Permits to permit the one-time sale of goods at special events), provided that the issuance is subject to stringent conditions, including limitations on the frequency and consultation with/notification of neighbors.

6. Best practices based on a study of recently enacted regulations elsewhere in the United States.

The Council appropriately mandated that the CPC's recommendations take into account the experience of other jurisdictions. The STRC has suggested that this begin with a better understanding of the extent of short-term rentals in New Orleans that can be gleaned from *independent* studies — we urge caution in the use or citation of studies commissioned by stakeholders — of the effect of short-term rentals. Submissions to the CPC website include studies and commentary on the experience in other cities; particularly important we believe include Austin, San Francisco, Portland, San Antonio, New York, and Key West. A lodging industry website (www.skift.com) has commissioned several studies on AirBnB's practices and penetration. Councilmember Head has mentioned Charleston's short-term rental policies as a model for the French Quarter. The STRC believes that the CPC should recommend that the Council take into account the negative impact on housing availability and affordability (San Francisco), program compliance (Portland, San Francisco), the need for effective enforcement that includes internet platform participation (New York, all), and realistic revenue expectations (Portland).

7. Amendment of the City's bed-and-breakfast regulations.

The STRC has long maintained that there should be a "level playing field"; that is, that short-term rentals be subject to permitting and regulation substantially similar to permitted/licensed B&Bs and other like uses. The STRC would support a CPC recommendation to treat STRs just like B&Bs, in appropriately zoned areas. Use current B&B taxes and regulations for STRs to "level the playing field." This includes having STRs pay the same hotel taxes that B&Bs pay, having the same Fire Code compliance as

B&Bs, limiting density like B&Bs, requiring proof of owner occupancy (via homestead exemption and tax records indicating full time residency in Louisiana), and prohibiting absentee operation by requiring all STRs be owner-occupied, just like B&Bs.

The STRC is open-minded on the issue of whether changes, if any and with the exception of the owner-occupied requirement, should reduce the burden on establishments permitted under current law and regulation as long as any short-term rentals permitted under any changes be subject to substantially the same requirements. We note that many of the use standards contain provisions particularly aimed at the safety of visitors.

Other issues

The STRC further recommends that the CPC's consideration of short-term rental land use issues include:

- 1. Resident Displacement, Housing Availability, Housing Affordability. The STRC strongly advocates that the CPC recommend prohibition of whole house short-term rentals in residential and in mixed-use districts. As stated by the Office of Economic Analysis, Office of the Controller, City and County of San Francisco in May 2015: "If short-term renting results in the withdrawal of a housing unit from the residential market, then the reduced supply would lead to higher housing costs. The citywide economic harms associated with higher housing costs are fairly severe. . . [It] exceeds the annual total economic benefit from visitor spending, host income, and hotel tax, given prevailing short-term rental rates. On a net basis, then, a housing unit withdrawn from the market to be used for short-term rentals produces a negative economic impact on the city, even if the unit generates host income, visitor spending, and hotel tax every day of the year." (emphasis added)
- 2. Enforceability. The STRC believes strongly that the CPC must recommend addressing the issue of enforcement; that is, will any proposed change be enforceable or enforced. The existing enforcement mechanism is, apparently, fatally flawed. The defendants in Page vs the City of New Orleans raised Constitutional due process and administrative issues, casting into doubt both short-term rental enforcement actions and all CZO enforcement actions. Although the judge denied the request for a temporary restraining order, the City continued the pending cases and has proffered neither a rationale for its refusal to proceed or a cure for the legal issues identified. The STRC believes strongly that redress for violations must be quick, cheap, easy and effective, and that any changes to existing rules must adhere to these criteria.

Some posit that City ordinances already address many quality-of-life effects (noise, unruly behavior, public safety, public urination, etc.) on neighbors and neighborhoods. Even if City authorities actively enforced quality-of-life ordinances — which they do not do now and give no indication that they will in the future —, such enforcement occurs only *after* the neighborhood-damaging event has already occurred.

The STRC advocates that residents have a private right of action against permit violators and illegal operators (e.g., those who do not have permits to operate) and that neighborhood associations be empowered to file suit against unlicensed STRs and to assist with the enforcement of the law. Very often residents have little recourse but to ask for help from their neighborhood associations and benefit from the resources and experience within these organizations. This helps ensure that the enforcement mechanism is not pitting neighbor against neighbor, and that the community is self-policing. Some argue that Louisiana state law prohibits local legislation establishing a private right of action; the STRC believes that the CPC should strongly recommend that the Council endorse a private right of action to spur legislative consideration and adoption.

3. Internet Platforms. Key to the recent expansion of short-term rentals is the internet, which greatly facilitates contacts between renter and property owner/manager. Specialized internet platforms, such as VRBO, AirBnB, Craig's List and HomeAway, serve as intermediaries or agents (AirBnB). Thus far, however, internet platforms have declined (except in some cases under court order) to provide information on rentals that would help city taxing and assessment authorities identify and monitor short-term rentals. The STRC believes strongly that the CPC should recommend the Council require internet platforms to provide full and timely information to City authorities with respect to beneficial ownership, property location, and usage (sales figures, days of operation, and earnings) so that tax revenues are based upon quantified data and at least on a par with the requirements on permitted/licensed establishments that report such usage monthly (Form 8010, which collects applicable sales and occupancy taxes). The STRC further agrees with those who believe that listings, such as those on the internet, include the City permit number (keeping in mind that City ordinance, currently unenforced, makes illegal the act of offering accommodations contrary to the 30- and 60-day rules).

Without properly quantified data, the city must rely on self-reporting, which is subject to error and suspect without verifiable information. Non-compliance should incur serious and meaningful fines and those platforms should be prohibited from operating in the city.

From:

Dan and Diane harrislease@yahoo.com

Sent:

Monday, January 18, 2016 5:00 PM

To:

CPCinfo

Subject:

Vote against short term rentals

Dear City Planning:

Almost 20 years ago we bought our home in Faubourg Marigny, a diverse and historic neighborhood. More than anything else, it was the neighborhood quality that attracted us. Today, we are watching with growing alarm as that quality disappears. We are hemorrhaging neighbors, and in the process, losing the security of having people we know close by in times of need. We are also losing businesses than supply the needs of residents, and gaining businesses that cater to tourists. Airbnb and other kinds of illegal Short-Term Rentals are turning our neighborhood into a kind of colony for visitors. This is the so-called "sharing economy" -- though we have yet to see any benefit to us or our neighbors (and just what is our "share" of their business activity?)

Please act to enforce the laws against short-term rentals.

Thank you for your attention to this matter.

Sincerely,

Dan Harris & Diane Lease

From: Sent: Calvin A Lopes <clopesea@gmail.com> Monday, January 18, 2016 4:59 PM

To:

CPCinfo

Subject:

STR Study Comments 'Make No Changes Without Equitable Enforcement'

Flagrant illegal advertisements have always been easy to find for New Orleans short-term rentals online, in print, and word-of-mouth.

These "hosts" have not tried to keep these operations secret, though often we do see attempts to disguise or misrepresent the quality and/or locations of these rentals.

In public hearings, and in written comments as part of this Study, there have been hundreds of persons who proudly state they are violating the law and will continue to do so.

While it may be excusable to grant some minimal immunity to gather more information, this can not be tolerated going forward.

When recommendations are finalized, I expect to see some definite provisions for enforcement. Any law without enforcement has no value. To ignore documented violations sends a signal the law in reality does not exist.

Enforce the law retroactively. Lawlessness breeds more disregard for rules, regulations, procedures, etcetera.

Calvin A. Lopes east New Orleans Council District-E



This email has been sent from a virus-free computer protected by Avast. www.avast.com

From: Lewis Stirling < lstirling@stirlingprop.com>
Sent: Monday, January 18, 2016 11:06 PM

To: CPCinfo

Cc: Stacy S. Head; Susan G. Guidry; BruceT@Teco-Inc.com; Lafargue, John; 'Richard

McCormack'; Bill_Hicks@cox.net; Michael.Butterworth@Phelps.com; NBarrett2@cox.net;

'Bush Barbara'; Semmes, Yvette; Sanford, Karen; Lewis Stirling

Subject: Short-Term Rental Comments: Upper Audubon Association **Attachments:** Upper audubon page 1.pdf; Upper audubon page 2.pdf

Dear Mr. Rivers,

Attached please the Upper Audubon Association Comment Letter regarding the Short-Term Rental problem in New Orleans.

We will also hand deliver a copy to your office tomorrow as requested.

Sincerely,

Lewis Stirling President Upper Audubon Association

Lewis Stirling, III

504-620-8136 / Cell 504-975-4481 / eFax 504-262-5136 / <u>lstirling@stirlingprop.com</u> vCard

UPPER AUDUBON ASSOCIATION

Officers & Board
Lewis W. Stirling III*President
Karen Sanford*Vice President
Yvette Semmes*Treasurer
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Nancy Barrett
Michael Butterworth
William Hicks
Bruce Thompson
Richard McCormack
John Lafargue

January 17, 2016

Mr. Robert David Rivers, Executive Director City of New Orleans City Planning Commission 1300 Perdido Street, 7th Floor New Orleans, LA 70112

Re: Short Term Rentals

Dear Mr. Rivers:

As President of the Upper Audubon Association (UAA) I am submitting the comments of our Association regarding Short-Term Rentals in the City of New Orleans. For reference, UAA boundaries extend from St. Charles Avenue to the Mississippi River and from Audubon Park to Broadway. The majority of the UAA area is zoned HU-RS with only a few blocks closer to the river being zoned HU-RD2.

In a meeting held January 18, 2016, the UAA Board voted to oppose Short-Term Rentals in HU-RS zoned neighborhoods. Our recommendation is to make STR in HU-RS zoned areas a non-permitted use. Members of our Association and I have met with our Councilmembers and attended community meetings regarding this matter. Some of our members have personally written detailed letters making suggestions about legislation and enforcement. We understand the complexity of the situation. While we understand that enforcement is difficult, we feel it is not impossible and worth the effort. However, our position has unanimous support of our board and represents a broad consensus of the 375 property owners in the UAA area.

Restricting Short-Term Rentals from HU-RS zoned neighborhoods is a logical conclusion. Neighborhoods that are zoned HU-RD and greater (two-family and multi-family residential) not only allow for greater density, but assume that there will be a commercially driven housing component. The nature of rentals is to accommodate a slightly different resident than that of a single-family homeowner. A single-family zoned neighborhood

contemplates no commercial aspect and prohibition of Short-Term Rentals in single family neighborhoods is consistent with that concept.

Thank you for your consideration.

Sincerely,

Lewis W. Stirling III

President

Upper Audubon Association

Cc: Councilmember-At-Large Stacey Head Councilmember District A Susan Guidry Upper Audubon Association Board Members

From: Shawn McKee <s.h.mckee@icloud.com>
Sent: Tuesday, January 19, 2016 10:18 AM

To: CPCinfo

Subject: Short-Term Rentals

I support short-term rentals. Short-term rentals offer not only opportunity for property owners but for visitors as well. I live near Tulane University, and I believe that visiting parents and families might prefer to stay in a home nearby than in a hotel miles away.

Thank you, Shawn McKee 70118

1420 Euterpe Street New Orleans, Louisiana 70130

January 18, 2016

JAN19'16 12:00PM

City Planning Commission City of New Orleans

Dear Commissioners:

As a resident of the Lower Garden District for more than 40 years, I wish to register my concerns regarding the regulations of **Short-term Rentals** currently under consideration for presentation to the City Council.

In 1971, when we purchased our home there were more than 50 individual rental units on our block alone; only two houses were owner occupied. Our home was purchased from an absentee landlord who owned five houses in the area — all of which had a per structure average of 10 units — each with a kitchen yet many shared baths. We learned over time that a majority of the rents were equal to the public welfare dollars received by the renter and that many of the residents made ends meet by panhandling or prostitution. Throughout the area **the average real estate value was \$7 per square foot or less**. The area was so heavily blighted and considered so undesirable that is was threatened with wholesale demolition to make way for a Mississippi River bridge at Felicity Street (later defeated and moved to its current location).

After years of working successfully with the City Planning Commission, the City Council and other concerned new neighbors on multiple master plans and zoning changes, the Lower Garden District is now considered one of the most desirable neighborhoods in the city with an average residential real estate value of \$200 or more per square foot with the resulting increase in property taxes that benefits the City of New Orleans.

My block, between Prytania and Coliseum Square, now has 11 owner occupied homes (several have rental units) and two condo structures. Prytania is zoned commercial and we are within earshot of two legal Bed & Breakfast facilities and on the walking path of several legal B&Bs on Magazine St. We appreciate the activity with its added safety factor that these B&Bs have added to the block.

We support the rental of individual bedrooms for the financial benefit of <u>owner occupied</u> facilities as long as they are governed by and restricted to the same rules and regulations that currently governed Bed and Breakfasts citywide. We are not in support of short-term rental of any unit within a facility with an absentee landlord and/or that also includes a kitchen. We strongly feel that this defines the unit as an apartment and as such should be obligated to the same regulations and taxes that govern long-term rentals.

Thank you for consideration of our position. We look forward to further discussion on January 26.

Louis Costa and Mary Len Costa

CC: The Honorable Mitch Landrieu, Mayor, City of New Orleans Members of the City Council

GARDEN DISTRICT ASSOCIATION

P.O. BOX 50836 New Orleans, LA 70150

JAN19'16 12:30PM

January 19, 2016

Mr. Robert Rivers
Executive Director
City Planning Commission
1300 Perdido Street, 7th Floor
New Orleans, LA 70112

Re: Short Term Rental Study

Additional comments regarding owner occupancy and taxes

Dear Mr. Rivers:

This letter supplements the Garden District Association's previous letters of September 29 and December 4, 2015, copies of which are enclosed.

If the City adopts a temporary or conditional use regime for short term rental operations ("STRs"), the Association offers the following recommendations relating to owner occupancy and taxes. Specifically, the Association proposes that "owner occupancy" require the STR owner to occupy their home when rented. And, to prevent STRs from cannibalizing hotel and B&B city tax revenues and cover enforcement and administrative costs, the Association proposes that annual STR application fees be at least \$600 plus additional taxes and fees for operations with three or more rooms.

Other municipalities have adopted similar measures. For example, San Francisco Ordinance No. 218-14 requires STR hosts to register and obtain a permit and city business license, obtain at least \$500,000 in liability insurance, and pay a 14% hotel tax and a \$50 biennial fee.¹

I. STRs should be prohibited in highly touristed neighborhoods, such as the Garden District and French Quarter.

Before turning to these recommendations, the Association reiterates its strong belief that STRs should be subject to the same density and location limitations that currently apply to bed & breakfast operations ("B&Bs"), which protect some of the most highly touristed neighborhoods in the City. Specifically, under the current zoning rules, new B&Bs are prohibited in the Garden District, French Quarter, and portions of the Lower Garden District. B&Bs are limited to one per block face elsewhere.

¹ Office of Short-Term Rental Registry & FAQs, City and County of San Francisco, http://www.sf-planning.org/index.aspx?page=4004 (last visited Jan. 4, 2016).

And if the CPC requires objective criteria to identify neighborhoods under the most pressure from investors seeking to operate commercial STRs, several options are available. For example, STRs could be banned in areas subject to the authority of either the Vieux Carre Commission or the Historic District Landmarks Commission. Or they could be banned in neighborhoods with more than a certain number of average annual visitors, say 500,000, as determined by official sources, such as the New Orleans Tourism Marketing Corporation. Either approach would cover the entire Garden District and the French Quarter.

II. STR "owner occupancy" must require the owner to occupy their home.

Allowing a homestead exemption to serve as a proxy for "owner occupancy," as some STR proponents have proposed, is inadequate for three reasons. *First*, although homestead exemptions are supposed be allowed only for a person's primary residence, the misdemeanor penalties for making a false application are weak. *See* La. R.S. § 47:1703(C) (imposing a fine of \$100 - \$500 or 1 to 6 months imprisonment). Indeed, the Association could not find a single prosecution in Orleans Parish for claiming an unlawful homestead exception, an unsurprising fact considering the City's limited resources to prosecute even violent crimes. In any event, if the City's failure to prosecute unlawful STR activity serves as any measure, it seems likely that false homestead exemption claims will continue to go uncorrected and unpunished.

Second, other than self-certification, the Orleans Parish assessor does not require any tangible proof that the homestead address is the applicant's primary residence. While the application does require a utility bill showing the homestead address, this requirement is virtually meaningless because most utilities offer paperless billing and accept online payments.

Third, once a homestead exemption is claimed, it renews automatically. See La.R.S. § 47:1703.1. Although homeowners are supposed to notify the assessor within 60 days if they no longer qualify for the exemption, the penalties for failure to do so are the same as those for submitting a false application. Likewise, the Association could not find a single prosecution for such failure to submit such a notification.

The Association proposes that "owner occupancy" require the STR owner to occupy their home. Specifically, as explained in the Association's letter of September 29, 2015, STR applications should require two years of Louisiana tax returns (showing that the applicant is paying Louisiana income taxes at the STR address) and a certification that applicants both (i) occupy their home at least 11 months out of the year and (ii) will be sleeping at the home at all times the STR is rented. These certifications should be included on annual renewal applications, so aggrieved neighbors may request a conditional use hearing to challenge false certifications.

III. STRs conditional use fees should cover administrative costs plus taxes that would have been collected if visitors had stayed in a hotel or B&B.

Fees for STR operations should at least be sufficient to fund enforcement efforts plus be equal to or greater than any cannibalized hotel or B&B tax revenue. Because the Association lacks information to predict enforcement and administrative costs, this section focuses on the tax regimes currently in effect for hotels and B&Bs in Orleans Parish.

Under current rules, several B&B taxes and fees are collected by the City of New Orleans. Depending on the number of rooms available for rent, B&B operators pay annual fees of either \$200 (for one or two rooms) or \$600 plus \$0.50 per room per 24 hour period (for three to five rooms), but B&B operators with five or less rooms are not required to pay state or city sales taxes. The annual fee for B&Bs with six or more sleeping rooms is \$2 per room but they are subject to state and city sales taxes, 2% and 4% respectively (see below). B&Bs are not allowed to have more than nine units.

Hotel taxes are collected by the State and the City. For example, taxes and fees owed for a room in a small to medium sized hotel (i.e., with between 10-299 rooms) include:

State taxes and fees

- 4% state occupancy fee (for Super Dome)
- 3% state occupancy fee (for Convention Center)
- \$0.50 per room per day state fee (for Convention Center)
- 2% state sales tax

City taxes and fees²

- 4% city sales tax
- \$0.50 per room per 24 hour period city fee

For example, assuming a rent of \$200 per night, the state and city would expect to collect \$18.50 and \$8.50 in hotel taxes and fees, respectively. At an occupancy rate of 73%, the City would collect on average about \$2,250 per room per year from the small to medium sized hotel and slightly less from a B&B with 6-9 rooms (about \$2,130 per room per year). As noted above, the City collects \$600 from B&Bs with 3-5 rooms (plus a \$0.50 per room per 24 hour period tax) and only \$200 from B&Bs with 1-2 rooms.

To prevent STRs from cannibalizing hotel and B&B tax revenues, and to cover likely enforcement and administrative costs, annual STR application fees for STRs with one or two rooms should be at least \$600. If the STR has three or more rooms, they should also pay the

² See N.O. Code of Ord. §§ 150-441 (defining hotel) and 150-576 (imposing sales and use tax); see also N.O. Code of Ord. § 15-1002 (imposing occupancy fee).

³ See http://www.nola.com/business/index.ssf/2015/06/new_orleans_hotel_tax
hits hig.html (last visited January 18, 2016).

January 19, 2016 Page 4

\$0.50 fee per room per 24 hour period. And if the STR has six or more rooms,⁴ it should additionally pay 4% city and 2% state sales taxes.

IV. Conclusion

We look forward to continue working with the Commission and City Council as they continue to study this complicated issue.

With regards,

Micah J. Fincher

Member, Short Term Rental Task Force

Garden District Association

⁴ It is the Association's position that STRs should not be allowed to have six or more units, because such an STR would effectively act as a hotel in a residential neighborhood, with attendant parking, noise, and safety problems.

GARDEN DISTRICT ASSOCIATION

Post Office Box 50836 New Orleans, LA 70150

December 4, 2015

Mr. Robert Rivers
Executive Director
City Planning Commission
1300 Perdido Street, 7th Floor
New Orleans, LA 70112

RE: Short Term Rental Study

Supplemental Garden District Association Comments

Dear Bob:

We are writing to supplement our September 29, 2015 comment letter (a copy of which is attached) in support of the City Planning Commission's study of land-use and regulatory issues relating to short term rentals ("STRs"). This letter offers further thoughts on the issue of how to enforce whatever new regulatory regime the City adopts.

I. The moratorium on Bed and Breakfasts in the French Quarter, Garden District, and other highly touristed neighborhoods should apply to STRs.

As you know, the Garden District Association strongly believes that STRs should be subject to the same density and location rules that apply to bed & breakfast operations, which are essentially simply another form of STR that the City has long regulated. In most neighborhoods, bed & breakfasts are limited to one per block face, and, in other neighborhoods, such as the Garden District, the French Quarter, and portions of the Lower Garden District, bed & breakfasts are prohibited entirely (although there are various grandfathered bed & breakfast operations in those moratorium neighborhoods). Otherwise, the historic neighborhoods of our city will be inundated with STRs, most operating as unregulated and uninspected hotels. Our primary recommendation is to continue the STR moratorium in the most highly touristed neighborhoods, such as the French Quarter and Garden District. Strong consideration should also be given to extending the geographic scope of the moratorium to protect the Marigny and Treme.

II. Law suits by neighborhood associations are likely to be the most effective enforcement mechanism.

Regardless, however, of the extent to which the City partially legalizes STR operations, the critical question remains of whether and how the new rules will be enforced. To call the City's current enforcement program moribund would be a gross understatement. The City has only rarely followed through with STR enforcement actions in recent years. If the City maintains the same "no enforcement" strategy after adopting new STR rules, then approving new STR rules is worse than pointless; the new rules would be absolutely counterproductive. The

City would legalize a portion of the currently illegal STR operations while leaving the remaining illegal STR operations to continue unimpeded in their illegal operations.

In response to this enforcement concern, STR proponents have argued that licensing fees from legalized STRs will be used to fund enforcement actions against the remaining illegal STR operators. They concede, however, that the licensing fees would be in no way legally dedicated to this purpose, and, given the City's many pressing financial needs relating to more vital issues (such as the crime crisis), rational citizens have good reason to fear that the STR licensing fees (the amount of which are currently unascertainable) will be used for other purposes. There is also no convincing answer to the more fundamental question of how citizens can trust the City to reverse its no STR enforcement policy, only saying that that they have been promised a change in enforcement policy if new STR rules are adopted. As to how such a change in policy would bind future City administrations, there is no answer, not even an unconvincing answer, because no one can bind the enforcement policies of a future administration.

This situation results in citizens relying on private parties to enforce the STR rules. This option, often called a private right of action, has met fierce resistance from STR proponents. Perhaps this fierce opposition is directly motivated by the STR proponents' belief that the City will never effectively enforce STR rules, whatever those rules may be. Those who currently flout the STR rules would benefit from partial legalization accompanied by continued non-enforcement against the remaining illegal STR operators.

Taking, however, the STR proponents at face value, they advance multiple, sometimes inconsistent, arguments against a private right of action to enforce STR rules:

- 1. Private enforcement amounts to "vigilante justice;"
- 2. Wealthy homeowners will file frivolous suits against virtuous STR operators;
- 3. There will be an avalanche of suits (possibly a concern about overburdening our court system?);
- 4. Because poor people will not be able to afford private suits, egalitarian concerns demand that nobody be allowed to bring private suits against STR operators;
- 5. Private suits will cause neighbors to "spy" on each other, creating a totalitarian atmosphere (a prominent albeit ludicrous argument in the recent San Francisco STR ordinance election in which Airbnb spent \$8 million defending its lucrative business from regulation); and
- 6. No one, rich or poor, will actually incur the expense and endure the personal conflict necessary to sue STR operators, and thus all should be prohibited (presumably for their own good) from bringing such suits.

Of all of these arguments, only the last is partially convincing. The Garden District Association's experience is that very few residents, regardless of their wealth, are willing to initiate lawsuits. Instead, residents ask their neighborhood associations to act on their behalf to stop violations of the law.

III. Citizens and the Garden District Association have standing to bring actions to enforce zoning rules.

The Garden District Association believes that under current law, individual citizens clearly have the right to sue to shut down illegal STR operations in the vicinity of their homes as a violation of the City's zoning ordinances. Numerous cases have found that directly affected neighbors can sue to enforce zoning law violations. In *Redfearn v. Creppel*, 436 So.2d 1210 (La.App. 4th Cir.), *affirmed in part and reversed in part on other grounds*, 455 So.2d 1356 (La. 1984), the Louisiana Fourth Circuit found that "[t]he courts have recognized an individual's right to seek injunctive relief where he has made a showing that he would be materially and adversely affected in the enjoyment of his home as a result of his neighbor's violation of the zoning ordinances." *See also Wright v. DeFatta*, 152 So.2d 10 (La. 1963).

Louisiana courts also recognize that, if a suit can be brought by individuals, an organization representing those individuals can bring its own suit in the proper circumstances. As the Louisiana Supreme Court explained in Ramsey River Road Property Owners Association, Inc. v. Reeves, 396 So.2d 873 (La. 1981), the standing of a property owners' association requires satisfaction of a three prong test: (1) its members would otherwise be able to bring the suit in their own right, (2) the interests the association seeks to protect are pertinent to its purpose, and (3) neither the claim asserted by the association nor the relief sought requires participation of individual members in the lawsuit.

The Garden District Association has repeatedly been recognized by the courts as having the standing to enforce zoning law violations on behalf of its members. See, for example, Garden District Association v. Koerner, No. 2004-CA-0630 (La. App. 4th Cir. 04/13/2005), 897 So.2d 920, writ denied 922 So.2d 1183 (La. 02/03/2006); City of New Orleans v. Elms, 498 So.2d 773 (La.App. 4th Cir. 1986), reversed on other grounds, 566 So.2d 626 (La. 1990); Garden District Association v. City of New Orleans, 238 So.2d 267 (La.App. 4th Cir. 1970); Garden District Property Owners Association v. City of New Orleans, 98 So.2d 922 (La.App. 4th Cir. 1957).

The Garden District Association and citizens currently have a private right of action to enjoin illegal STR operators from violating the City's zoning ordinance. While resort to civil litigation is never the ideal method to enforce municipal ordinances, the Commission should resist any effort to jeoparize the right of neighborhood associations and citizens to hold illegal STR operators accountable in court.

Our recommendation is that any new STR ordinance continue, to the maximum extent possible, to regulate STRs through the zoning code and, above all, STRs should not be converted into permitted uses under the zoning code.

To the extent that any new STR regulations are created outside the zoning code, those regulations should expressly reserve to citizens and neighborhood associations the right of action to enjoin violations of the regulations. This would include a provision stating that nothing in the

regulations should be construed or interpreted to limit a private party from suing to enjoin violation of the regulations in court. 1

IV. STR booking agents should be required to register and be directly regulated.

In addition to preserving the private right of action to seek injunctions against illegal STRs, the City must also find a means to force internet listing services, which are the fulcrum of the illegal STR industry, to cooperate with enforcement of the new rules. If the listing services will not share information with the City about operators flouting the new STR rules and continue to serve as the booking agents for these scofflaws, not much will change for the better under the new rules. If, on the other hand, the internet booking services refuse to serve as booking agents for illegal operators, this cooperation will, regardless of the City's efforts (or lack thereof), effectively shut down the illegal STR operators.

Some officials have raised enforcement concerns in light of the limited protections granted to internet providers under the Communications Decency Act of 1996, 47 U.S.C. § 230. We believe that the new STR rules could be enforced if drafted "consistent with this section." § 230(e)(3).²

The CDA provides that "[n]o provider or user of an interactive computer service shall be treated as the publisher or speaker of any information provided by another information content provider." § 230(c)(1). "What § 230(c)(1) says is that an online information system must not 'be treated as the publisher or speaker of any information provided by' someone else." *Chi. Lawyers' Comm. for Civ. Rights Under Law, Inc. v. Craigslist, Inc.*, 519 F.3d 666, 671 (7th Cir. 2008). In other words, state and local law "may hold liable the person who creates or develops unlawful content, but not the interactive computer service provider who merely enables that content to be posted online." *Nemet Chevrolet, Ltd. v. Consumeraffairs.com, Inc.*, 591 F.3d 250, 254 (4th Cir. 2009) (citations omitted).³

Here, the City's regulations or land use rules should not impose liability for merely hosting a website to which users may post notices of their STR availability (e.g., Craigslist). Rather, they could be narrowly tailored to cover any "booking agent" that acts as, or is appointed to be, an STR host's payment collection agent to accept accommodation fees from STR guests.

¹ We understand that there is a confidential memorandum from the City Attorney stating that the City cannot confer a private right of action due to Article VI, Section 9 of the Louisiana Constitution. We have read every case decided under that article, none of which address conferring private rights of action to enforce municipal regulations. The text of the article also seems to have no bearing on conferring a private right to enforce a municipal regulation. We are more than happy to further address this memorandum if we can see a copy of this document.

² "Nothing in this section shall be construed to prevent any State from enforcing any State law that is consistent with this section. No cause of action may be brought and no liability may be imposed under any State or local law that is inconsistent with this section." § 230(e)(3).

³ For example, courts have interpreted § 230(c)(1) to apply "only if the interactive computer service provider is not also an 'information content provider,' which is defined as someone who is 'responsible, in whole or in part, for the creation or development of' the offending content." See, e.g., Fair Hous. Council v. Roommates.com, LLC, 521 F.3d 1157, 1162 (9th Cir. 2008). A website can be both an "interactive computer service provider" and an "information content provider" depending on the context of the claim at issue. See Fraley v. Facebook, Inc., 830 F. Supp. 785, 801-02 (N.D. Cal. 2011). In Fraley, the court refused to grant Facebook immunity (which would typically be considered a interactive comunter service) where the plaintiffs alleged transformation of user content into a commercial endorsement. Id. at 802.

This is what online booking services do. See, e.g., https://www.airbnb.com/terms ("Each Host hereby appoints Airbnb Payments as the Host's limited payment collection agent solely for the purpose of accepting the Accommodation Fees from Guests.") (last visited November 30, 2015).

Booking agents like Airbnb are clearly subject to the City's regulatory power, if only the City were willing to exercise that power. The City could, for example, require that any booking agent doing business in Orleans Parish register with the City or provide information that any other New Orleans business may be expected to provide. The City could also ban booking agents from collecting fees for illegal STR operations and require publication of the permitted STR's license number and other identification.

The Garden District Association understands that the City is reluctant to litigate with a wealthy corporation like Airbnb, but, if a corporation can simply defy the law by virtue of its wealth, how can the City plausibly argue that the City can enforce whatever new regulatory regime is adopted?

We thank you for your efforts on this complicated issue, and we look forward to working with the City further to reach a reasonable solution to the STR issue.

With best regards,

F. Rivers Lelong, Jr.

Chair, Short Term Rental Task Force

Garden District Association

Garden District Association

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September 29, 2015

Mr. Robert Rivers
Executive Director
City Planning Commission
1300 Perdido Street, 7th Floor
New Orleans, LA 70112

RE: Short Term Rental Study

Dear Mr. Rivers:

The City Council has asked the City Planning Commission to study a land-use and regulatory issue facing many cities across the country: short term rentals ("STRs"). This letter summarizes proposals by the Garden District Association (the "Association") for balancing the interests of STR lessors and their neighbors by defining and limiting STRs while also recognizing a place for STRs within the existing bed-and-breakfast land-use regime under the Comprehensive Zoning Ordinance ("CZO").

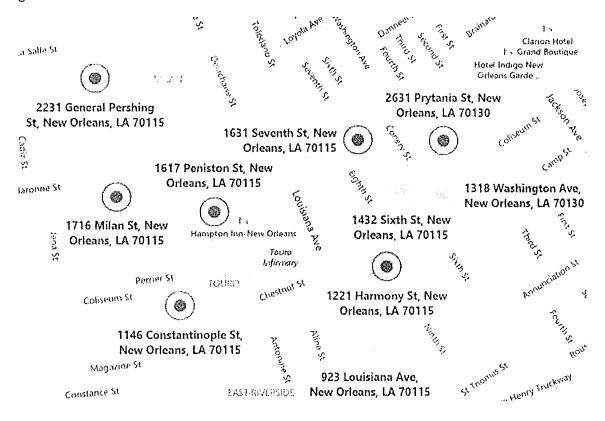
1.BACKGROUND

This is not the first time the City has been asked to balance such competing interests. Although STRs have proliferated in recent years with the advent of online reservation websites, such as VRBO.com and AirBnB.com, the City Council first began regulating leases in private homes to short term visitors in the mid-1990s. These visitors' hosts came to be known as bed-and-breakfasts ("B&Bs").

There were many concerns that led the City to define and limit B&Bs in the '90s, all of which also apply to STRs today. Neighbors complained about noise, trash, and parking. There were safety concerns. Neighbors worried about the rising costs of homes, with prices escalating beyond the reach of families unwilling or unable to operate B&Bs. Larger houses were being subdivided into de facto hotels, introducing commerce into formerly residential neighborhoods and threatening to drive out permanent residents. Neighborhoods with the greatest tourist traffic, such as the Garden District and Vieux Carré, found themselves under the greatest pressure from B&Bs. And as the number of B&Bs grew, neighbors worried that the very nature of their neighborhood would change, losing much of their residential character.

Beginning in 1990 the City Council responded by adopting several ordinances, including one "grandfathering" almost 30 B&Bs around the City. Later ordinances prohibited new B&Bs in certain neighborhoods and streets, including the Garden District and the Vieux Carré.²

The following map shows almost ten B&Bs in or near the Garden District that were grandfathered in 1990:



Just a few months ago, the City retained and recodified in the current CZO the prohibition on new B&Bs in the Garden District, a portion of the Lower Garden District, and the Vieux Carré. In the recodification, an additional requirement was added for all Garden District B&Bs requiring them to have been in continuous use to retain their legal non-conforming status. The relevant section states:³

Bed and breakfasts are prohibited within the following areas:

i. The area bounded by the centerlines of Prytania Street, Pontchartrain Expressway, Magazine Street, and the downtown side of Felicity Street from Coliseum Street to Prytania Street.

¹ Ord. No. 14,168 (adopted 11/12/1990).

² See, e.g., Ord. Nos. 18,374 (adopted 08/12/1997) and 19,033 (adopted 12/17/1998). These ordinances were codified in former CZO arts. 4.5.8(3) and 4.10.9 (2014).

³ CZO art. 20.3(I)(1)(b) (2015) (emphasis added).

- ii. The area referred to as the Garden District, bounded by the centerline of St. Charles Avenue, the downtown side of Jackson Avenue, the centerline of Magazine Street, and the downtown side of Louisiana Avenue, with the exception of those bed and breakfasts grandfathered pursuant to Ordinance No. 14,168 M.C.S., November 12, 1990, subject to confirmation of continuous use and legal non-conforming status. [emphasis added.]
- iii. In all Vieux Carré Districts.

2. ASSOCIATION RECOMMENDATIONS

I. Prohibit Garden District STRs

The Association proposes that STRs be prohibited in the same locations that B&Bs are currently prohibited, including the Garden District, much of the Lower Garden District, and Vieux Carré. One of the Association's chief concerns is that STRs are, and will be, nothing more than an end-run around the decades old prohibition on new Garden District B&Bs. If B&Bs are generally prohibited in the Garden District—and even those with "grandfathered" status are highly restricted—it makes no sense to permit unfettered STRs in our neighborhood. Prohibiting Garden District STRs would protect the moratorium on Garden District B&Bs and protect those B&Bs that have played by the rules for the past twenty-plus years.

Prohibition would also protect our historic neighborhood. Because of its historic significance and high tourist traffic, the Garden District faces immense pressure from STRs. The Garden District has been featured on AirBnB's travel blog,⁴ and travel websites routinely rank the Garden District near or ahead of the French Quarter as a neighborhood destination for tourists, including Trip Advisor,⁵ The Travel Channel,⁶ and others.⁷

Data regarding tourist traffic in the Garden District is found in the "Private Home Rentals" study prepared by the Hospitality Research Center of the University of New Orleans. The study, prepared for the STR advocacy group Alliance for Neighborhood Prosperity ("ANP"), estimated in 2013 that approximately 100,000 visitors came to the New Orleans area and stayed in private home rentals. Based on survey results, over 70% or 70,200 of those visitors were

⁴ See http://blog.airbnb.com/new-orleans-family-garden-district/ (last visited September 21, 2015) ("The Garden District is generally considered the best place in the city for kids to participate in Mardi Gras...").

⁵ See http://www.tripadvisor.com/Attractions-g60864-Activities-c47-New Orleans Louisiana.html (last visited September 21, 2015) (Garden District ranked 5th, French Quarter 6th).

⁶ See http://www.travelchannel.com/destinations/us/la/new-orleans/travel-guides/the-big-easy-travel-guide (last visited September 21, 2015).

^{1.7} See, e.g., http://www.viator.com/New-Orleans/d675-top-ttd (last visited September 21, 2015); http://www.hop-on-hop-off-bus.com/new-orleans-hop-on-hop-off-tour_23369 (last visited September 21, 2015).

estimated to visit the Garden District in 2013. Further, the study estimated 70% of the visitors were repeat visitors to the Garden District.⁸

Adding to the significance of the Garden District as a destination for visitors, the 2013 study prepared for the ANP specifically performed physical surveys of visitors in the Garden District. The French Quarter was the only other neighborhood in which intercept surveys of visitors were performed. All other physical locations were commercial areas or attractions such as Bourbon Street, the Aquarium, the Convention Center, etc.

More astonishing is data obtained from The New Orleans Tourism Marketing Corporation (TMC). According to the TMC, New Orleans experienced 9.5 million visitors in 2014. Of that total number of visitors, it was estimated that 51% or 4.8 million people visited the Garden District. Accordingly, the Garden District averaged over 13 thousand daily visitors in 2014. The 2014 New Orleans Area Visitor Profile further reports that 46% of the visitors to the Garden District were repeat visitors while 56% of the visitors were first time to the Garden District. Included in the estimated 4.8 million visitors to the Garden District are daily walking, bicycle and van tours as well as large city-wide bus tours that traverse the Garden District. These tours converge on the Garden District at regularly scheduled hours and in large groups.

Just as in the 1990s, today the Association receives complaints about STRs regarding noise, trash, and parking. Our neighbors are worried about the rising costs of homes, with prices escalating beyond the reach of young families unwilling or unable to operate STRs. Our neighbors are worried that the historic residential character of the Garden District will be lost, with permanent residents being replaced with investor-owned, commercial hotel-type operations coordinated through internet listing services.

Accordingly, STRs should be prohibited in the same locations that B&Bs are currently prohibited, including the Garden District, much of the Lower Garden District, and Vieux Carré. Other historic neighborhoods likely merit the same approach. For example, the Marigny has among the highest numbers of illegal STRs. ¹⁰ It seems logical that the Marigny and the entirety of the Lower Garden District deserves similar protection.

II. Following B&B Rules

The Association believes that every neighborhood should be given the choice to ban STRs or treat them as conditional uses. If, however, the City believes that STRs should be accommodated in some residential neighborhoods, the most logical approach outside the moratorium neighborhoods is to track the existing treatment of B&Bs, to the extent reasonably possible.

This approach should treat both B&Bs and STRs as conditional uses in certain areas and as permitted uses in other areas upon similar terms.

⁸ Source: Private Home Rentals, Visitor Survey Results and Economic Impact Analysis 2013, Prepared for: Alliance for Neighborhood Prosperity, Prepared by: The University of New Orleans, Hospitality Research Center.

⁹ Excerpt from "2014 New Orleans Visitor Profile", Prepared by: The University of New Orleans, Hospitality Research Center.

¹⁰Available at http://nolarentalreport.com (last visited September 21, 2015).

The City Planning Commission should recognize, however, that, in various material respects STR operators are seeking and will likely obtain more lenient operational rules than B&Bs enjoy. The first draft ordinance to regulate STRs circulated in January 2015, for example, exempted STRs from City hotel taxes applicable to B&Bs, allowed STR applicants to self-certify Fire Code compliance, contained no density limitations applicable to STRs, and allowed absentee operation through third party management companies. While some STR proponents purport to advocate equal treatment for B&Bs and STRs, this position is conditioned on the City substantially abandoning its current B&B taxes and regulations. If the City declines to do so, the STR proponents seek a different and far more lenient regulatory regime for STRs. When asked to justify this different tax and regulatory approach, STR proponents often argue that STRs are different than B&Bs because the STR is the operator's true home rather than a commercial investment like a B&B and the STR rental activity is merely a homeowner making ends meet by renting extra bedrooms periodically.

The commercial reality is, however, that many STR operators are investing on a purely commercial basis, acquire their properties for STR purposes and not for personal residency reasons, and do not wish to reside in the same home as transient guests. Other STR operators do reside in the STR location but travel or own second homes and wish to run hotel-type operations through third party management companies while out-of-town on vacation or business.

In considering land use rules, the City Planning Commission should consider the different types of STR operators and, to the extent land use rules are modified to accommodate STRs, the planning objective should be to accommodate true full-time residents who acquired their homes not for STR operations but for personal residency, and who are renting to short term renters while in personal residency.

III. Other Resulting Recommendations

A. Defining "short term rental"

A "short term rental" should be defined as "a rental for any period less than 30 days." Thirty days is a standard used at all levels of government. It is the standard other municipalities use to define STRs. The Louisiana Civil Code provides the default term for leases of immovables or residences "shall be from month to month." La. Civ. Code. Art. 2680. Thirty days is also the standard used by federal agencies, including the Department of Housing and Urban Development. Accordingly, this definition is widely accepted and suitable for purposes of regulating STRs.

B. Minimum Proof of Owner Residency

Proof of occupancy requirements should apply to STRs, because the principal justification for STRs being allowed to evade many of the numerous B&B requirements (such as city hotel taxes) is to allow actual residents to rent a spare bedroom or two to earn extra money to make mortgage payments or to meet basic living expenses, not to establish a commercial enterprise on the order of a full B&B or, worse yet, hotel. Proposed rules for STRs require proof

¹¹ See 24 CFR § 203.16 (barring certain homes from being used for "transient or hotel purposes," where "transient" is defined as "rental for any period less than 30 days"); and § 266.205 (same).

of "owner occupancy," by proof of a homestead exemption, ¹² but qualifying for a homestead exemption requires little more than a Louisiana driver's license and a utility bill. ¹³ The Orleans Parish tax assessor routinely mails tax bills to out of state billing addressees for homeowners claiming homestead exemption. Those with second homes or who are able to travel several months out of the year are not the struggling homeowner used to justify STRs. In addition to providing proof of a homestead exemption, the Association believes that an STR applicant should be required to submit copies of two years of the applicant's Louisiana income tax returns. If the STR applicant is a resident making ends meet by renting spare bedrooms, the STR applicant will be paying Louisiana taxes, at the STR address, not claiming state income tax free residence in Texas or Florida. Further, if the STR applicant is paying Louisiana taxes at another address in Louisiana, this fact also disproves any claim of residency at the STR location. ¹⁴

C. Owner Presence Must Be Required

In addition to providing proof of a homestead exemption and two years of Louisiana tax returns at the STR location, the Association proposes that homeowners who offer STRs should certify that they not only (i) occupy their home at least 11 months out of the year but also (ii) that the owner will be sleeping at the home at all the times the STR is rented.

Fundamentally, neighbors finding their driveways blocked by STR visitors or trying to address a late-night party by STR guests do not want a management company answering service; they want their neighbor - the STR owner - to be on hand to address, or better yet to prevent, the problem. B&B operators are required to bed on the premises or to have an on-premises manager. STRs are being allowed far greater freedom than B&B operators from B&B requirements such as fire code inspections on the grounds that these STR operators are true residents renting spare bedrooms to make ends meet, not commercial investors operating hotels through management companies or wealthy residents paying for ski trips or beach vacations by renting their homes out for Mardi Gras, leaving their neighbors to suffer the consequences.

D. Size and Density Limitations

The Association proposes that STRs in all neighborhoods allowing STRs, whether as conditional or permitted uses, share the same size and density limitations that exist for B&Bs. Under the current CZO, B&Bs may not allow more than nine visitors overnight, 15 and they have

¹² CZO art. 20.3(I)(3)(a) (2015).

¹³ See http://nolaassessor.com/faq.html#About:32the:32Homestead:32Exemption (last visited September 21, 2015).

¹⁴ The Association anticipates that STR proponents will criticize the two-year Louisiana tax return requirement by citing the example of a homeowner who has moved to town, purchased a home and proposes to commence STR operations. The Association believes, however, that this is exactly the type of investment driven activity that land use regulations should discourage in residential neighborhoods. STR proponents constantly cite the beleaguered homeowner driven to renting rooms to make ends meet like a character in a Tennessee Williams play operating a boarding house. No doubt such persons exist. They are, however, far outnumbered by real estate investors purchasing properties for the express purpose of commencing STR operations for commercial gain. There is nothing wrong with allowing such investment in properly zoned commercial districts, but such investment is destructive in residential neighborhoods. The needy divorcee or Tennessee Williams widow driven to take in short-term renters will have the necessary tax returns listing the proposed STR location as her address; the real estate investor may not, which is, of course, why STR proponents will resist the requirement.

¹⁵ CZO art. 20.3(I)(3)(d) (2015).

strict density limitations: "In any residential district, only one (1) bed and breakfast, whether accessory or principal, is permitted per blockface." Hence, if there is a licensed B&B already on a blockface, an STR should not also be permitted on the same blockface.

The Association notes one important issue relating to this density limitation: in a condominium complex, conversion of a single unit to STR operations will be possible in neighborhoods where STRs are allowed (subject to the condominium association's rules) but conversion of multiple units to condominium operations will exceed the density limitation. If the entire complex is treated as a single STR for density purposes, de facto hotels will operate out of condominium complexes. This situation already exists illegally at certain locations in the City.

E. The Common Door

Related to the condominium problem is the question of duplexes, triplexes, fourplexes, and larger complexes. In STR mythology, the needy homeowner is welcoming short term guests into his home's spare bedrooms, and both homeowner and guests share a common entrance and common social spaces. In reality, most STR demand is for rental of entirely separate housing units where STR owner and guests occupy entirely separate spaces. Relatively few STR operators and short term renters appear comfortable with the security and privacy issues involved in truly sharing a common residence, which one STR proponent described as "creepy." This reality means that STR operators generally wish to convert separate units that would otherwise be long-term rentals to STRs. This conversion obviously adversely affects the availability of long term rentals, which is purportedly a concern to the City Council.

The Association would prefer that STRs be defined as units in which the owner-operator shares the same "common door" with his renters, sharing living space with the renters, thus protecting existing long term rental units and giving the owner-operator the greatest incentive to control STR renter behavior that is adversely affecting the neighborhood. The Association recognizes, however, the reality that STRs inherently involve the removal of long term rental units from the market to create the STR units and does not believe that more than a negligible number of STR operators will accept a requirement that the STR operator share a common entrance or common living space with short term renters.

Reluctantly accepting this reality, the Association believes that duplexes should, in neighborhoods allowing STRs, be available for STR conversion with the owner residing on one side and the renters residing, from time to time, on the other side. The Association equally believes that the density limitation should be written to count each separately accessed STR unit in the density calculation. This approach would prevent the conversion of triplexes and larger complexes to STR status, partially protecting the long term rental market and thereby partially protecting the residential character of the neighborhoods allowing STRs.

F. Parking

The Association believes that many blocks have adequate parking to accommodate an STR, while many other blocks already lack sufficient parking to accommodate their existing residents, let alone additional STR parking. The Association recognizes the administrative

¹⁶ CZO art. 20.3(I)(1)(a) (2015).

burden of requiring every STR applicant in neighborhoods allowing STRs to prove adequate parking on premises or on the street. The Association proposes, however, that, in neighborhoods where STRs are allowed, each STR applicant must certify that the STR premises or on the street parking on the same block can reasonably be expected to accommodate anticipated STR parking needs on a continuous basis assuming that one car will be parked by STR visitors for each two bedrooms available to rent without displacing full-time resident parking on the block.

By "continuous," the Association is rejecting the STR proponents' argument that it is acceptable to overload the parking in residential neighborhoods from time to time, so long as the parking overload is not continuous. STR proponents also argue without clear evidence that many visitors will take cabs or use Uber in lieu of driving and therefore STRs could "improve" parking conditions by displacing permanent residents who would themselves have cars. The Association certainly acknowledges that some visitors use cabs or the Uber service, but, common sense and daily observation indicates that many visitors still drive. A parking need cannot be solved by assuming that all visitors will take taxis or use the Uber service. Instead, the more common sense (and still very lenient) approach is to assume that for every two bedrooms allocated for STR use, there will be days in which a visitor car will be associated with those bedrooms.

G. Neighborhood Participation.

For purposes of administrative simplicity, the Association proposes accepting an STR applicant's self-certification of personal occupancy while STR rental activity is occurring and parking adequacy. However, some avenue must be provided for challenging false certifications. To accommodate such challenges, an STR applicant should be required to provide a copy of his STR application to all neighbors on the block contemporaneously with the filing of the STR application. If two or more neighbors on the block or any neighborhood association challenges the accuracy of the STR applicant's self-certifications by written notice to the City within 30 days, such challenge should be considered at the conditional use hearing for such STR application if the STR application is for a site in a conditional use district or, if the STR application is for a site in a permitted use district, the challenge should be heard at a special hearing before the City Planning Commission.

Further, renewal of STR rights should require annual recertification by the STR operator of owner occupancy during STR rentals and parking adequacy, with an opportunity for neighbors to challenge a false self-certification.

H. Enforcement Generally

The Association strongly believes that, in addition to the neighbors' right to challenge false certifications of occupancy and adequate parking, the rules governing STRs must allow a path for neighbors to stop STR operations that disrupt neighborhoods with noise, trash, and unruly behavior. While STR proponents argue that neighbors should rely on nuisance law, these proponents are well aware that nuisance suits are difficult to successfully prosecute, particularly when the nuisance behavior is periodic rather than continual. STR proponents also contend that neighbors should rely on the City to enforce quality of life issues, although again the proponents are well aware that the City rarely enforces quality of life regulations. The Association believes that, if STRs are allowed in a neighborhood, each STR permit should be subject to annual renewal and that each annual renewal should include an opportunity for neighbor objections to renewal based upon quality of life complaints. If such neighbor renewal objections are received by the City, a hearing should be required to address those complaints before renewal can occur and that the STR operator's repeated involvement in quality of life problems like excessive noise, trash, and unruly renters should preclude renewal.

A final enforcement issue concerns the question of what the City intends to do to stop illegal STRs that continue to operate in violation of whatever new STR rules the City adopts. The City currently has a broad prohibition of STRs in place but refuses to enforce the prohibition. If the City legalizes a portion of the STRs but continues to refuse to enforce its rules against the remaining illegal STRs, what is the purpose of the new STR rules? Some mechanism beyond trusting the City to reform its moribund enforcement program must be provided to shut down those STR operators who flout whatever new rules are adopted. Part of the answer to this issue, the Association believes, is to empower neighborhood associations to file suit against unlicensed STR operators to enjoin those illegal operations.

3. CONCLUSION

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The Association intends to submit further commentary and proposals to the City Planning Commission prior to November 30^{th} .

On behalf of the Garden District Association, representing hundreds of families in New Orleans' historic Garden District, we thank the City Planning Commission for its time and consideration.

Andre Gaudin

President

Rivers Lelong Rivers Lelong

Chair, Short Term Rental Committee