

# ORLEANS PARISH ASSESSOR'S OFFICE ERROLL G. WILLIAMS, ASSESSOR

1300 Perdido Street | City Hall-Room 4E01 | New Orleans, Louisiana 70112 July 11, 201

Mr. Robert Rivers Executive Director City Planning Commission City Hall - 7<sup>th</sup> Floor 1300 Perdido Street New Orleans, La. 70112

### **RE:** Request for Tax Roll Information

Dear Mr. Rivers:

The assessor's office acknowledges receipt of your May 21, 2018 as well as your June 25, 2018 e-mail requesting extensive information from the Orleans Parish assessment system to develop proposed rules and regulations for short term rentals in our parish. Since we have had the opportunity to meet on several occasions to clarify the details of information you are seeking, I must view your request within our policy for providing information from our assessment system.

Each year the assessor's office sells public data from our annual tax rolls for a fee to several vendors who in turn resell it to the public for a fee on a per record basis. Our policy and practice past and present is anyone can buy the public data however, this office does not give away our data files.

The cost of the data is as follows:

\$500.00 programming fee and \$.025 per record. There are approximately 167,500 properties which consist of three separate information records.

While I understand that we have a mutual interest in the development of a short term rental rules and regulations in our city, it is not likely that my office will turn over the volume of data your agency is seeking without compensation. Please be reminded that, the tax roll is prepared and delivered to the City's Finance Department annually for tax collection purposes as required by law. Each tax year stands on its own because the character of real estate continues to change. Annually, my office struggles trying to pull together building permit data, subdivision changes, ownership changes, changes of use and condominium creations to prepare a tax roll that is intended to represent fair market values of each property. Mr. Robert Rivers July 11, 2018 Page 2

This has taught us that real estate fair market value is not a constant variable because it is influenced by too many changes that occur each year. This data does not lend itself to other users without detailed explanation of changes to prevent its misinterpretation. The assessor's office is aware that, the economy, gentrification, the green way development, restoration tax abatement incentives, new neighborhood schools, out-of-town investors have all contributed to the increase in property values in our city. To rely on the tax roll without knowledge of its preparation and our assessment neighborhood system of valuation will lead to misleading conclusions.

My staff and I have reviewed your request and also reviewed other short term rental policies and research reports and are convinced that STR is not the driving force alone which has caused real estate values to increase.

Enclosed is the current record of all permitted short term rental units with the assessment information for current cycle and past cycle. This is based upon the short term rental permit information given to us by the city. We have also included a few time share condominium locations who have been in the short term rental market for years and may not be viewed or permitted as such.

We are hopeful that this data will be of some help to you in preparing your rules and regulations for the city's short term rental market.

Sincerely,

Conelly atter

Erroll G. Williams, Assessor Parish of Orleans

EGW:wn

From: Sent: To: Subject: CPCinfo Monday, July 30, 2018 2:19 PM Paul Cramer; Brooke Perry FW: Home sharing changed my life. Here's my story.

From: Richard Drysdae [mailto:ashleyfairleydfw@gmail.com]
Sent: Monday, July 30, 2018 1:14 PM
To: CPCinfo <CPCinfo@nola.gov>
Subject: Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

We have been operating on VRBO & ABB since before their were proper regulations and have continued since permits were required.

Both of these services have been very integral in the keeping up of our property in New Orleans. As many know, the weather has a significant wear and tear on the homes in New Orleans. It is extremely expensive to keep up with painting and many of the plumbing and A/C issues that plague the older homes and most don't have the extra income to put into this. Being able to rent our second home on the weekends gave us the ability to completely renovate both the inside and outside of our home, making it a beautiful sight to see! The tourists love to feel like locals and our home now gives them the ability to do so.

We really feel that as long as we are operating under the proper rules and regulations, there shouldn't be a problem with letting others use our home to enjoy the city!

Please take these considerations seriously and think of the homeowners who pay very high taxes to keep the city pumping with life!

Sincerely, Richard Drysdae

From: Sent: To: Subject: CPCinfo Thursday, July 26, 2018 9:22 AM Brooke Perry; Paul Cramer FW: Airbnb

-----Original Message-----From: Meghan Garhan [mailto:meghan.garhan@gmail.com] Sent: Thursday, July 26, 2018 9:06 AM To: CPCinfo <CPCinfo@nola.gov> Subject: Airbnb

Hello,

I am a home owner in mid city and I think that whole house Airbnb's are probably not a good idea for this city. I don't know if banning them abruptly is a good move, but they truly do destroy communities. Whether the community is a neighborhood or just a block, it is incredibly sad and unwelcoming to have whole house/party house on your block, let alone multiple. I think having a homestead exemption and being able to rent out a room, or a house when you leave town is completely fine and should still be allowed. Thank you.

Meghan Garhan

Sent from my iPhone

From: Sent: To: Subject: CPCinfo Monday, July 30, 2018 3:38 PM Paul Cramer; Brooke Perry FW: Home sharing changed my life. Here's my story.

-----Original Message-----From: Michelle Bushey [mailto:micivy@msn.com] Sent: Monday, July 30, 2018 12:56 PM To: CPCinfo <CPCinfo@nola.gov> Subject: Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

My husband and I are retired and live in a traditional shotgun double in Mid-city. The income from the occasional guests we host in our home helps us pay our taxes and insurance, and has had a huge impact on the quality of our lives. We also like to think of ourselves as Ambassadors for our beloved city, helping people find wonderful food, great music, and enjoy the parts of New Orleans that we love best. Taking away this opportunity from us will undermine both of these from us. We ask you to consider us and those situated as we are, and reconsider the ban on short term rentals. We consider ourselves an asset to the community!

Sincerely,

Michelle Bushey <a href="http://admin.phone2action.com/email/open/leg/82859/41503542">http://admin.phone2action.com/email/open/leg/82859/41503542</a>

From: Sent: To: Subject: CPCinfo Thursday, August 2, 2018 2:51 PM Brooke Perry; Paul Cramer FW: Home sharing changed my life. Here's my story.

From: Jeanne Cimino [mailto:jeannecimino@gmail.com]
Sent: Thursday, August 2, 2018 2:16 PM
To: CPCinfo <CPCinfo@nola.gov>
Subject: Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

I am on a fixed income and cannot afford living in my home without

Airbnb guests. I have over one hundred 5 star reviews and do my very best to represent New Orleans and my Carrollton neighborhood in the best possible light. The guests in our home (2 maximum) have contributed to the neighborhood and have in no way taken a full apartment away from a potential local rentor. There are many available rental apartments in Carrollton for locals to rent. I am against making available rentals solely for Airbnb guests and should strictly be a home sharing situation as we do here at 8118 Birch Street.

Sincerely, Jeanne Cimino

From: Sent: To: Subject: CPCinfo Tuesday, July 31, 2018 12:23 PM Paul Cramer; Brooke Perry FW: Home sharing changed my life. Here's my story.

From: Kaylen Eckert [mailto:kayleneckert@me.com]
Sent: Tuesday, July 31, 2018 12:00 PM
To: CPCinfo <CPCinfo@nola.gov>
Subject: Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

I am a New Orleans resident who has primarily works based out of New York City for the last five years. During much of this time, I have been able to make additional income by short term renting my home to vacationers. I also typically stay at short term rental homes when I am on vacation since I prefer the more authentic experience that it offers.

I do understand that if left uncontrolled, short term renting can significantly affect the affordability of housing which we saw in New Orleans. I do feel that the restrictions placed in the prior administration addresses that negative impact. I also feel that if more stringent restrictions are placed on short term rentals, there will be much less official and regulated short term rentals occurring.

Short Term renting of homes offers home owners more flexibility in where they are able to work and how long they can afford to travel. This is not going away and will probably continue to grow in popularity. I don't believe that fighting and creating stifling restrictions will provide the best result for the citizens of New Orleans.

Sincerely, Kaylen Eckert

From: Sent: To: Subject: CPCinfo Friday, July 27, 2018 1:05 PM Brooke Perry; Paul Cramer FW: Home sharing changed my life. Here's my story.

-----Original Message-----From: Andrew Feldman [mailto:andrewfeldman@yahoo.com] Sent: Thursday, July 26, 2018 4:58 PM To: CPCinfo <CPCinfo@nola.gov> Subject: Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

I was very upset to hear the City's latest decision on Short Term Rentals. My wife and I are school teachers, so we don't earn very much, but we do have our summers off. During these summers while we visit our families in neighboring states, we are able to supplement our meager incomes with revenues from the rental of our home via Airbnb. The costs for maintaining this home and the mortgage are substantial, so being able to use this asset is our right, but the City's latest decision has prohibited this right, and we regret that. We ask that the Mayor and the NOLA Planning Commission immediately reconsider and think about voting citizens like us--and to draft future legislation that would allow us to rent our own property as a STR. Doing so will not change our neighborhood! Quite the contrary it will allow us to keep owning our home instead of losing it, enjoying, and serving the New Orleans community as school teachers instead of becoming weary of this highly intrusive legislation and taking our tax dollars elsewhere where our city government will make us feel at home and welcome.

Thank you,

Andrew

Sincerely,

Andrew Feldman <http://admin.phone2action.com/email/open/leg/82859/41505587>

From: Sent: To: Subject: CPCinfo Tuesday, July 31, 2018 1:23 PM Brooke Perry; Paul Cramer FW: Home sharing changed my life. Here's my story.

From: Frank Lopiccolo [mailto:flopiccolo4@gmail.com]
Sent: Tuesday, July 31, 2018 12:27 PM
To: CPCinfo <CPCinfo@nola.gov>
Subject: Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

I am a responsible airbnb host in the city and do not rent my entire home out to people. I love and respect my neighborhood and without airbnb I would not have become a home owner this year. I personally feel it is not the governments business to tell me what I can or cannot do with my PRIVATE PROPERTY. By trying to eliminate airbnb in this city you putting private citizens at a disadvantage. If the hotels want more guests I suggest they lower their prices and become more competitive. It not my fault the hotel industry has become antiquated.

Sincerely, Frank Lopiccolo

From: Sent: To: Subject: CPCinfo Wednesday, August 8, 2018 8:27 AM Paul Cramer; Brooke Perry FW: I support

From: Andrew Craig [mailto:craigelectric7@gmail.com]
Sent: Tuesday, August 7, 2018 4:16 PM
To: CPCinfo <CPCinfo@nola.gov>
Subject: I support

Common sense cominity oriented short term rentals

# KAI CRAIG PROPERTIES

421 Pelican Ave New Orleans, La 70114 Cell 504 539 2861

From: Sent: To: Subject: CPCinfo Wednesday, August 1, 2018 8:15 AM Brooke Perry; Paul Cramer FW: Letter to Kristin Palmer about Blight vs. STR

From: donya knudsen [mailto:ibudonya@hotmail.com]
Sent: Tuesday, July 31, 2018 7:23 PM
To: CPCinfo <CPCinfo@nola.gov>; CouncilDistrictD <CouncilDistrictD@nola.gov>; Jay H. Banks <jay.h.banks@nola.gov>; Jason R. Williams <jarwilliams@nola.gov>; cindi.nguyen@nola.gov; Joseph I. Giarrusso <Joseph.Giarrusso@nola.gov>
Subject: Letter to Kristin Palmer about Blight vs. STR

Ms. Palmer:

I took the liberty of taking a thirty minute drive through a part of your district. I found the following:

2526 North Prieur (for sale but blighted) 2549 North Prieur 2553 North Prieur 2555 North Prieur

2127 Franklin

2139 Franklin

- 2141 Franklin
- 2222 Franklin 2224 Franklin
- 2233 Franklin
- 2255114114111

2658 North Tonti

2815 Comus Court 2817 Comus Court 2827 Comus Court 2829 Comus Court

2110 Eads

1943 Almonaster

I will point out that all of these properties are in historical neighborhoods in the seventh, eighth, and ninth wards. Ms. Palmer you will recognize this as your district.

You will of course understand that the above represents seventeen single family units that are not available because the owners and the city enforcement groups have allowed them to become un-livable. These

properties could be affordable housing if the owners were incentivized to do so using interest free loans under written by funding provided by short term housing licensing fees and taxation. The owner would be required to pay back the loan prior becoming the controlling landlord. That is to say that no profit could be realized until the loan is paid in full. The city holds the lien with the right to foreclose in the event of delinquency. The advantage to the owner is future profits to be realized through accepting an interest free loan for the purpose of renovation with strict re-payment rules. Do not dismiss ideas like this. I concede that it is undeveloped, but not without merit. There are no doubt details that would make this a workable concept legally and financially

Rather than attack the short term housing market and the employment if offers, the income it generates on a number of levels (both private and public), and the neighborhood improvement effect it introduces through well maintained or handsomely renovated property--you should use the short term rental market to assist you in eliminating your blight problem and in turn improve your affordable housing stock.

Your concerns about the quality of neighborhood life pale in importance when it comes to solving your affordable housing issues. These concerns are selfish and in no way benefit the city as a whole. Rather than viewing short term rental as the culprit consider short term rental as being a way forward.

Please take an hour to walk the neighborhoods you represent and take a real close look at what they look like. Homeowners and renters in the Marigny, Bywater, Ninth Ward, and Seventh Ward are not being impacted negatively by short term rentals to the degree that the deterioration of their infrastructure and specifically their livable properties is.

You will be well aware that the small inventory of short term rental locations have the ability to generate a large amount of income. Income that can be dedicated to helping people who need places to live in proximity to places they work. I continue to urge you to enact legislation that is helpful to the city at large. Specifically this should include an environment that allows people to operate their units as short term rentals. The revenue generated for the city via fees and taxes is too important to eliminate.

Regards, Gordon Causey

From:CPCinfoSent:Friday, July 27, 2018 10:20 AMTo:Brooke Perry; Paul CramerSubject:FW: Orleans Parish STRs - Allow Homestead Exemption owners to operate STRs

From: courtney egan [mailto:courtney@courtneyegan.net]
Sent: Friday, July 27, 2018 10:07 AM
To: CPCinfo <CPCinfo@nola.gov>
Subject: Orleans Parish STRs - Allow Homestead Exemption owners to operate STRs

Dear Council,

My husband and I are long term residents of the Irish Channel. We have owned our home for 23 years. We have a homeowners exemption. Last year we decided to renovate a part of our property, a "mother in law" cottage, for my mother to stay in when she visits, since she cannot climb the stairs to our living quarters. When my mother is not here, we short term rent.

This is our only STR. This is valuable income for us, that we cannot replace, and at the same time it allows my mother to visit.

Since we first purchased our house in 1995, our homeowners insurance has increased from roughly \$800/year to \$6000/year, an increase of 650%.

Our property taxes, which were low in 1995 at \$50/year, are now roughly \$3000/year, an increase of nearly 6000%.

My salary as a teacher from 1995 to 2018 increased roughly 100%, doubling.

I am now retired. My salary did not keep up with the cost of housing in Orleans Parish, even with our mortgage paid off.

The STR has become key in our ability to continue owning a home in Orleans Parish.

In this way, I support STRs if the owners are residents, and possibly only if they have a homestead exemption.

I DO NOT support out-of-state owners of STRs.

I DO NOT support operations that own and manage many, many STRs in our city and operate as corporations (see "Sonder", etc.)

# I feel that STR licenses should be re-evaluated, and that only residents with homestead exemptions should be allowed to operate an STR.

Courtney Egan David Sullivan

From: Sent: To: Subject: CPCinfo Wednesday, August 8, 2018 8:26 AM Paul Cramer; Brooke Perry FW: Short term rental

From: munroe198@aol.com [mailto:munroe198@aol.com]
Sent: Wednesday, August 8, 2018 5:10 AM
To: CPCinfo <CPCinfo@nola.gov>
Subject: Short term rental

I think it was terrible what was done to me.....\$3500 in fines plus I can't rent short term any longer. I inherited that property and my husband and I are retired senior citizens and tried to meet the payment which I also inherited. Now I can no longer use the property as we had to lease it long term. And to add insult to injury my taxes doubled last year. For what? pot holes, flooding and daily shootings. Sewage and water personnel should be fired.

# Linda Munroe

From: Sent: To: Subject: CPCinfo Monday, July 30, 2018 8:42 AM Brooke Perry; Paul Cramer FW: Short term rentals

-----Original Message-----From: Dave Cunningham [mailto:dmichaelcunningham@gmail.com] Sent: Sunday, July 29, 2018 10:58 AM To: CPCinfo <CPCinfo@nola.gov> Subject: Short term rentals

To whom it may concern,

I'm contacting you to relay a recent interaction that I had with a neighbor. She runs an Airbnb across the street and received notice of some violations that could put her in a position to sell the properties.

As a homeowner, I've been very pleased with the rebounding of the housing market in my zip code over the past several years. However, knowing that Airbnb owners are present in the market and that you have a large influence on how long people hang on to these properties, is there any thought about how this report you're generating could introduce instability into a housing market that is really starting to generate a head of steam?

Thanks,

Dave Cunningham 1425 Gallier Street New Orleans, LA 70117 (860) 558-4902 Sent from my iPhone

From: Sent: To: Subject: CPCinfo Wednesday, August 8, 2018 12:01 PM Brooke Perry; Paul Cramer FW: Short Term Rentals

From: David Spencer [mailto:davidbspencer1948@gmail.com]
Sent: Wednesday, August 8, 2018 11:41 AM
To: CPCinfo <CPCinfo@nola.gov>
Subject: Short Term Rentals

We are long-time French Quarter residents and business owners and very much opposed to short term rentals, especially in the French Quarter but also city-wide. It is so unfair to hotels and residents. We must protect our crown jewel and all of our historic neighborhoods and tourism. Short-term rental is anathema. David and Debi Spencer

David B. Spencer

--

From: Sent: To: Subject: CPCinfo Tuesday, July 31, 2018 3:30 PM Paul Cramer; Brooke Perry FW: STRs comment

-----Original Message-----From: Vera Conrad [mailto:dearv@sbcglobal.net] Sent: Tuesday, July 31, 2018 4:49 PM To: CPCinfo <CPCinfo@nola.gov> Subject: STRs comment

Hello, Planning Commision:

I am very concerned about the STR issue in New Orleans. I am against them – with the exception of legitimate owner occupied rentals. I have moved here recently from San Francisco; my home town was negatively affected by ubiquitous STRs. Airbnbs removed affordable housing from the market, so local residence were forced to move out of the city. And neighborhoods became no longer neighborly. The sound of wheeled suitcases replaced long term residences. We, here in New Orleans, are at a pivotal crossroads. Save the longterm culture of New Orleans! The short term gain of STRs is not worth it. We have a vibrant hotel economy here and it should be protected. The benefits of STRs are like a snake eating its tail. Please take this matter seriously. I just watched investors purchase a home on my block and despite living in California they were able to get a STR permit (homestead exemption?) and list the place on Airbinb. There is currently supposedly a moratorium on whole home STRs, but still they got it to go through. They list for \$500. per night for the whole home. I'd so much rather have permanent neighbors.

Sincerely,

Vera Conrad

From:	Gabnic Group <gabnichouse@gmail.com></gabnichouse@gmail.com>
Sent:	Wednesday, August 8, 2018 11:04 AM
To:	CPCinfo; Robert D. Rivers; governmentrelations@homeaway.com
Subject:	Fwd: Short Term Rental Vote
Attachments:	Mid-City Property.pdf

To Whom It May Concern,

Please see message below that we sent to our City Councilman earlier this year.

Thanks

------ Forwarded message -----From: **Gabnic Group** <<u>gabnichouse@gmail.com</u>> Date: Fri, May 25, 2018 at 11:37 AM Subject: Short Term Rental Vote To: <u>Joseph.Giarrusso@nola.gov</u>

Mr. Giarrusso,

We are writing to express our strong objection to your position on the STR issue. We own two properties in Mid-City, one our family residence and another our rental property. The rental property provides what I believe to be a perfect illustration of why STR is good for our communities, not bad. Don't be fooled by the housing advocate argument about renters being priced out of the market!

When we purchased the house two years ago it was owned by a slum-lord that had not touched the property in 30 years. Due to an active termite infestation throughout the structure, the property was at risk of collapse. It was the only property like this in the neighborhood, all others were well maintained. The house was rented at well below market rates because it was a dump...a total disaster that the neighborhood had to endure. It was rented to tenants that lived like animals (see attached photos) and had zero regard for the neighborhood or neighbors. Police were called for disturbances, trash was everywhere and the smell of animal feces (one tenant had 13 animals, including a pig, living in the unit) permeated from the house.

Essentially, we rescued the property and the neighbors rejoiced at not having to live next to a rat infested eyesore inhabited by neighbors who didn't have any regard for their own dignity, much less their neighbors. We have increased the value of surrounding properties as a result. We were able to make the deal work because STR provided a slight premium over market rental rates. The flip side is that we have to keep the property in tip-top shape in order to be successful. This is yet another win for the neighborhood.

If you asked our neighbors, which they would prefer, us or the old landlord/tenants, they would laugh in your face.

We urge you to review your decisions and take immediate action to reverse the license moratorium.

The Gabnic Group

George Hutchinson and Monica Lepretre

From:	KJ Attia <kjattia@gmail.com></kjattia@gmail.com>
Sent:	Thursday, July 26, 2018 5:03 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

I bought my home and invested in New Orleans in 2007 when it's future was still uncertain following hurricane Katrina. Don't punish homeowners like myself that helped turn NOLA around.

Sincerely, KJ Attia

From:	Tara Cox <starlingbuilt@gmail.com></starlingbuilt@gmail.com>
Sent:	Monday, July 30, 2018 12:44 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

I have had many rewarding experiences through sharing my home, I have complied to city ordinances and intend to continue to do so. I do believe we the everyday people should be able to profit from tourism as well as the large businesses & hotel groups. I feel it unfair that large corporations get tax breaks from the city for the minimum wage jobs they provide. Home sharing provides a little extra income to the people whom work those minimum wage jobs.

Sincerely, Tara Cox

From:	Arletta DeLevee <adelevee@cox.net></adelevee@cox.net>
Sent:	Thursday, August 2, 2018 2:07 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

Having a short term rental has been a godsend for me. For 5 1/2 years I have been caring for my now 93 year old mother and myself. My home is a double shotgun that in the fifties was turned into 3 apartments. When I bought it there had been breakins and one of the walls had been broken so I removed it giving me an L shaped living area. I set up the smaller apartment for a Licensed STR a year and a couple of months ago. This addition to my mother's SS and mine helps me afford to be at home more to care for her. I am a 72 year old artist and this income is my retirement.

When my mother passes away I hope to use her bedroom and living area as another STR as the extra income will assist me in maintaining this home. I will continue to live in my home as long as possible in my lifetime. I am very careful of whom I invite to my home and I keep my neighbors advised of my guests as well as offer them an area for their families to stay while visiting.

I see this as being an ambassador to many who come to New Orleans, to attend conferences, or to just enjoy our city. I have had many repeat guests who grew up in this neighborhood and come home to visit. I & my mother have also developed friendships with international guests. Some sho have returned with parts of their family. These guests have made my mother's life more full and enjoyeable as her extended family is in Idaho . There are so many wonderful reasons to consider STRs as long as the owner is included within the home. I hope you will honor our request to continue licensed STRs.

Sincerely, Arletta DeLevee

From:	Connie Diniz <ccdiniz@dinizdesign.com></ccdiniz@dinizdesign.com>
Sent:	Wednesday, August 1, 2018 5:13 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

An open letter to the City of New Orleans

My husband and I are 65-year-old retirees who are facing increasing taxes every year on our properties. We are fortunate to own one double (under our homestead exemption) and one triple next door. We short-term the other side of our double, and also short-term one of 3 apartments in our triple. Thanks to the short-term income from the triple, my two long-term tenants have NOT had a rent increase since they moved in (12 years ago, 8 years ago). One tenant pays \$600/month. The other \$850/month. Which is WAY below market rate in the Marigny Triangle. THIS is called affordable housing, subsidized by AirBNB rentals.

I suggest you allow short term rentals ONLY by New Orleans residents. I live right next door to both of my short term rentals. I have 5 pages of instructions as to house rules and behavior.

And yet you want to allow OUT OF TOWN developers to rent apartments all year. Oh but they contribute to politicians campaigns, right???

ALLOW New Orleans RESIDENTS to have multiple short-term rentals. WE LIVE HERE!!! We have a vested interest in the community. BAN all out of state owners from short term rentals. And to restrict a second rental to 90-days a year is ridiculous. Either short-term it 365 or not. For apartments to sit dormant makes no sense.

I also hope you realize that the anti str crowd is loud but a MINORITY in my community. Like a cat, they puff themselves up to appear bigger than they are. I do hope you realize many of them are hypocrite B and B owners who don't like the competition.

We need sensible rules that protect NEW ORLEANS RESIDENTS and dismiss out of town developers.

Sincerely, Connie Diniz

From:	Denise Eiser <denise.gass@gmail.com></denise.gass@gmail.com>
Sent:	Thursday, July 26, 2018 4:49 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

I'm a single mom who lost her job in January. Add to that, in February I was struggling to find tenants for my rental unit. Income from Air Bnb allowed me to make my mortgage payments and earn a little bit of income while finding longterm tenants.

The economic impact was shared with my neighborhood as well. Because Air BnB guests seek out authentic experiences, many of my guests took my recommendations for shopping and eating at small local businesses.

Because of the unique way hosts interact with travelers, I think many travelers leave with a more favorable view of NOLA, and are more likely to consider returning and/or relocating here.

Sincerely, Denise Eiser

From:	Josephine Faulk <jfaulk@esacadiana.com></jfaulk@esacadiana.com>
Sent:	Monday, July 30, 2018 12:53 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

Hello,

I am a retired teacher and Airbnb income allows me to keep and stay in my home. Without Airbnb income I would have to sell.

Sincerely, Josephine Faulk Whole-Home, Whole-Community

### Short-term Rental Policy Solutions

HomeAway believes that fair and effective short-term rental policies are achieved through compromise and collaboration, not by bans or onerous restrictions. Over the last few months the HomeAway team has met with our local homeowners and managers, local housing affordability voices, policymakers and neighbors to hear concerns and understand what local community members feel a fair compromise could look like. We believe New Orleans can move forward with the following comprehensive and enforceable policies:

### I. Preserving Neighborhood Character and Continuity

#### Nuisance

- ✓ Require response by responsible party within one hour of notification
- ✓ Require responsible party reside/office in Orleans Parish or immediately adjacent parish
- ✓ Increase fines for non-compliance

#### Out-of-Town Owners

- ✓ Cap the number of Temporary permits at two per owner
- $\checkmark$  Give advantage to residents by allowing individuals to obtain more than one Accessory permit for units on the same lot

### II. Protecting Neighborhoods from Over Saturation of Short-term Rentals

### Density/ Clustering

- ✓ Limit Temporary STRs to two per block-face
- $\checkmark$  Limit the number of Temporary STRs per census tract/zip code to 3% of overall housing units
- $\checkmark$  Lift the ban in French Quarter to alleviate demand in adjacent neighborhoods

#### Proliferation

 $\checkmark$  Cap Temporary permits at 6,000, or 3% of overall housing units citywide

### III. Helping Address Community Affordable Housing Challenges

#### Dedicated Fee

- ✓ Increase per night fee
- $\checkmark$  Expand fee to apply to all lodging accommodations

### • Streamline Collection and Remittance

- ✓ Make fee easier to remit by providing an online payment option
- $\checkmark$  Dedicate 100% of NHIF funds to affordable housing new construction and rehab

### IV. Blight to Bright – Supporting Sustainable, Long-term Growth

### Special Blighted Property Permit

- $\checkmark$  Exempt blighted, uninhabited properties from STR limitations to incentivize investment
- $\checkmark$  Establish expiration for blighted property permit after three years or specified timeframe

From:	Phyllis Funches <funchesgirls@hotmail.com></funchesgirls@hotmail.com>
Sent:	Thursday, August 2, 2018 1:58 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

Hello, I would like to share with you how Air B n B has literally saved my home from foreclosure or "fire sale". About 6 years ago I was diagnosed with a connective tissue disorder requiring many surgeries. I've had 19 surgeries since then and have not been able to work consistently. I have two daughters whose father passed in 2010 leaving me as their only parent. We have a tiny cottage connected to our home that had been used for a studio and guesthouse for visiting friends and family. Without being able to work I desperately needed to rent the cottage on Air B n B to keep us afloat. Although opening our home was a bit unsettling at first we welcomed our new guests with joy. We now look forward to sharing our neighborhood and New Orleans culture with each and every visitor. Our guests come from far and wide and almost all could not afford to stay in a hotel in town near all the attractions. By renting on Air B n B lower income guests can afford to stay here in the city. So, it has really been a win win for me and my guests. I adore sharing our culture and traditions with visitors and recommend tours and restaurants and other attractions. My visitors love staying with us and experiencing a real New Orleans lifestyle and I am ever thankful for their patronage.

In closing, I do want to express my support for regulating those who are turning homes and blocks into hotels. For me that is not the spirit of Air B n B. I think it is important to weed out those who are being bad neighbors and neglectful hosts. But not permitting any home sharing would reduce visitors to our wonderful city which would impact our tourist revenue.

I do want to reiterate that Air B n B has literally saved my home and family from financial ruin. For that I am ever thankful and I pray that we can continue to share our home with people from around the world.

Sincerely, Phyllis Funches

From:	Rebecca Hutchings <medsnoopy@yahoo.com></medsnoopy@yahoo.com>
Sent:	Thursday, July 26, 2018 5:07 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

I currently operate a short term rental out of a mixed residential and commercial building. I manage one of the businesses in the building (my yoga studio) and the apartment in back. The apartment has carried my yoga business through the slow summer months, when volume is down. Because the building is on Magazine street, and surrounded by other businesses, it does not really change the makeup of the block. There are a few apartments and a few businesses.

As an aside, when I travel, I always stay in an Airbnb. I do not like to take my children to hotels, because I want more space, and a kitchen to cook for my family some nights (children can't always tolerate having three meals out a day on vacation).

Sincerely, Rebecca Hutchings

From:	Matthew James <toledojames.mj@gmail.com></toledojames.mj@gmail.com>
Sent:	Tuesday, July 31, 2018 12:09 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

Please be reasonable with your legislation. Using your property to provide short term rentals should not be a complicated process or banned. I lost my job 6 months ago and having the short term rental income from my property has helped us survive. In addition, we have contributed tax revenue from the rental, the property tax and had visitors from all of the world stay that spent money across the city who preferred the cost of AIRBNB versus the cost of hotels.

How much revenue will you get from the alternative? Nothing

Some revenue> nothing

Sincerely, Matthew James

From:	Matthew La Rose <xanadu1973@gmail.com></xanadu1973@gmail.com>
Sent:	Thursday, July 26, 2018 5:34 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

I am writing to express my support for a regulated STR policy for New Orleans. I only purchased my property to rent out when not home for work and enjoy my primary residence when back home. Without STR income I wouldn't have bought at all. Many others I speak to state similar stories how STR allows them to own at all. New Orleans is a low wage/high expense city and always has been. I'm a local and know nothing else. When STR's were banned in the French Quarter it created an instant glut of inventory and prices are falling with many unable to sell. No one can paint that as a positive outcome. Expanding this ban will only create a similar spill over effect. The economic consequences are obviously not being considered. I also have strong concerns how the PRC has moved beyond a preservationist non profit and into a de facto lobbying firm where what they say or recommend the City Council, almost without exception, votes in that same manner. I did NOT elect the PRC. I elected the City Council. Requesting commentary about a local issue is one item. A virtual rubber stamp from unelected individuals is another. I see it. I notice. This is a problem. Please call if you wish to discuss further. How this plays out will determine the local real estate market for the next few years. Proceed cautiously with voters' livelihoods. Thank you. 504.452.5282

Sincerely, Matthew La Rose

From:	Lisa Liggett <lisaeliggett@gmail.com></lisaeliggett@gmail.com>
Sent:	Wednesday, August 1, 2018 5:31 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

Please do not take away AIRBNB.... my guests that stay at my home love the experience that they have by staying in a great neighborhood. My neighbors love it as well. They have new people to befriend. AIRBNB is very important to my livelihood as well.

thank you for listening

Sincerely, Lisa Liggett

From:	Kim Long <teksizgurl@gmail.com></teksizgurl@gmail.com>
Sent:	Thursday, July 26, 2018 4:45 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

Hello, I would like to strongly encourage the city not to make a bad decision regarding short-term rentals. They provide visitors to the city and residents a valuable resource. They allow residents to supplement their incomes and encourage improvements to properties, and they do provide taxes to the city. Many people who stay in Air BnB's do so for reasons related to a more personal experience, and they do not want to opt for hotels. Conversely, many people who do stay in hotels would not consider a more personal option. There is room for both in our city. I encourage you to keep this important economic driver alive and well in NOLA.

Sincerely, Kim Long

From:	Robert Matthews <bobmatthews@suddenlink.net></bobmatthews@suddenlink.net>
Sent:	Thursday, July 26, 2018 4:40 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

I am a retiree that benefits a little from short term rental. I'm definitely not getting rich doing it but it is a major help in paying my taxes and insurance. I can't help but think that CORPORATIONS are beating up on us little guys far too much already and we need your protection so that we're not driven into poverty by them.

Sincerely, Robert Matthews

From:	Steve Nelson <snels638@gmail.com></snels638@gmail.com>
Sent:	Thursday, July 26, 2018 5:25 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

Short term renting has allowed me and my family to pay our bills. I would have had to go into bankruptcy otherwise: we've met so many incredible people renting our place out. Two have even moved to New Orleans after experiencing residential life in our city!

Sincerely, Steve Nelson

From:	Agustin Rega <agustinrega@gmail.com></agustinrega@gmail.com>
Sent:	Wednesday, August 1, 2018 5:22 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

I would like for you to reconsider the STR and take into account the opinions of those residents who abide by laws imposed by the STR commission. Being able to share my double shotgun home has allowed me to show our city to visitors in a more personal way. By doing so, not only is it inviting for visitors to come and enjoy the city in a truly particular style, but it also creates revenue for the city. I always am available and require guests to act in an acceptable manner to conserve the neighborhoods identity and charm. I have had no issues by being an active property manager and ask that you at least lift all holds imposed on STR, to those property owners who have a homestead exemption and are presently living and hosting visitors. By doing so, you will require residents to be active, on-site, and require hosts to take care of our city as any of our residents would.

Sincerely, Agustin Rega

From:	Rod rideau <rodrideau@gmail.com></rodrideau@gmail.com>
Sent:	Thursday, July 26, 2018 5:16 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

Airbnb has helped increase my income. A little extra money in your pocket goes a long way. I have met wonderful people from around the world and made new friends and new connections. Home Sharing is a wonderful idea and very helpful a lot of people want to visit the locals meet local people and go where the locals go this gives Travelers that opportunity to see genuine New Orleans.

Sincerely, Rod rideau

From:	Benjamin Saper <bensaper@gmail.com></bensaper@gmail.com>
Sent:	Tuesday, July 31, 2018 12:18 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

I started airbnbing out the other half of my shotgun double in June 2016. When the regulations came out, I got an accessory permit. This helped me pay my mortgage as a first time homeowner. In the fall of 2016 I switched from a career as an employment lawyer to an immigration lawyer with Catholic Charities of New Orleans representing unaccompanied children in deportation proceedings. I was only allowed to to this, because I had recently bought a commercially zoned property on St. Claude and received commercial STR permits. My new house is on a commercial block where very few people actually live. I have followed all of the Airbnb permitting rules and my guests are never detriments to the city - they come visiting with open minds and I give them great recommendations for where to spend their money, both in my neighborhood in Bayou St. John, and in the growing St. Claude corridor where my second house is. If I lost my permits on either of my airbnbs, I would not be able to make ends meet with my Catholic Charities salary (which is about what a first year preschool teacher (who are also underpaid) makes).

All that said, I think the ban on whole house rentals in fully residential neighborhoods should be enforced. My biggest fear, is that the city will continue it's lax enforcement against banned whole house rentals , and in order to make it look like it's doing something to fight Airbnbs, it will ban commercial airbnb's as well. Instead, I urge the city to actually enforce the rules it already has. When enforcement is at a reasonable level (it is no where close now, there are still bunches of whole house rentals operating in my neighborhood and throughout the city), then reevaluate if the balance is met. But I see no excuse for banning commercial STR permits, because the whole point of commercial zoning is to bring in commercial development and business, which is exactly what these out of town visitors bring, just like a hotel.

Please reach out with any questions.

Sincerely, Benjamin Saper

From:	Pamela Tuebner <sugah511@yahoo.com></sugah511@yahoo.com>
Sent:	Thursday, July 26, 2018 5:21 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

Dear mayor, I fully understand corporate owned air bnb s are reshaping the city in a negative way. My grandmother, Martha Gilmore Robibson, was instrumental in developing the historic commission and saving the French quarter from a highway so I understand the love and feel of the city staying in tact. I think homeowners like myself, that don't qualify for homestead exemption should be allowed to keep one home. I think corporate ownership should be banned. Make a law that an air bnb host can only have 1 or 2 rentals maximum. That would take care of corporations blighting neighborhoods. I look forward to your thoughts. Thank you.

Sincerely, Pamela Tuebner

From:	Jules Veros <digitalmuck@hotmail.com></digitalmuck@hotmail.com>
Sent:	Monday, July 30, 2018 1:05 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

Hi, my home in New Orleans is the only home I own, I am thankful I was able to buy it but I don't always find much work in New Orleans so i travel a lot. I'm scared to leave my home empty and I can't afford to pay someone to check on it. I do short term rentals because the cleaning fee affords me the luxury of having someone go in the all the time to check on things and keep the house up.

Sincerely, Jules Veros

From:	Brittney Werner <brittney.werner@gmail.com></brittney.werner@gmail.com>
Sent:	Wednesday, August 1, 2018 5:40 PM
То:	CPCinfo
Subject:	Home sharing changed my life. Here's my story.

Dear New Orleans Planning Commission,

My name is Brittney Werner. My family ran Bruning's Restaurant in New Orleans from 1859 to 2005. 146 years. I know, as all native New Orleanians know, just how vital tourism is to our little city. It's our bread and butter. STR's are a wonderful and unique opportunity for me to have my own little slice of hospitality after my family lost EVERYTHING. I get to show so many visitors what I love about my community. Times are changing so fast, we cannot let our city fall behind. We are able to connect in so many new ways with visitors via these platforms. I live in the Garden District, the neighborhood I have wanted to live in since I was a little girl. I am only able to afford our mortgage and restore our home from the 1870s because of the income we receive from our STR. We are owner occupied, we are good neighbors, and I make sure that my guests are good neighbors. (Mind you on a block where many of my "neighbors" use their place for their second home. And aren't there for most of the year.)

I do think we need regulations. I don't think any one person should be able to make a monopoly on housing within our small city. However, opening up our own homes should absolutely be within our right.

I urge you to make thoughtful decisions for our citizens. And to let me keep my little airbnb.

Sincerely, Brittney Werner

# SHORT-TERM RENTAL PROPERTIES **Help Our Communities**



**NEW ORLEANS STRS SUPPORT:** 

10,200 LOCAL JOBS

STR guests in New Orleans generated \$899.2 million in direct spending, including \$546.4 million in lodging and \$352.8 million in additional expenditures

## VISITOR SPENDING TRENDS



spent an additional:

\$268 Dining



**Retail Shopping** 



595K TOTAL VISITORS STAYING IN STRS

**STR VISITOR** 

SPENDING LED TO: \$64M

In expected tax revenue for the state and local governments

In 2017, New Orleans homeowners earned \$263 million in renting their home to visitors.







Source: "Short Term Rentals: 2017 Profile and Economic Impact Analysis," The University Of New Orleans Hospitality Research Center, May 2018.



### PAUL AND NAN HOPKINS 1100 Island Point Drive Lake Providence, LA 71254 (318) 282-7566

July 17, 2018

Robert Steeg City Planning Commission City of New Orleans, Louisiana 1300 Perdido Street, 7<sup>th</sup> Floor One Stop Shop New Orleans, LA 70112

Via Email: cpcinfo@nola.gov

Dear Commission Members:

In January, 2017, my husband and I purchase a home at 1121 Valence Street, New Orleans, LA 70115 as our second home until such time as we are able to retire. We absolutely love New Orleans, the people, the history and, of course, The New Orleans Saints and The New Orleans Pelicans.

Only by being able to use our home for short term rentals were we able to make this investment. Without the ability to generate supplemental income from the short term rentals, we would have to sell our house and forget about our dream of becoming a New Orleans resident in our retirement years.

We keep our property immaculate, vet our guests thoroughly and do not rent to those under the age of 35. We are very responsible hosts.

The guests we have hosted write wonderful things in our guest book. Most of the comments are how wonderful it is to be able to stay in a neighborhood and get a feel for how the locals live. They eat at our local restaurants, shop at our local retail establishments and use our public as well as private transportation.

If you remove the ability to have visitors stay in our neighborhoods and be immersed in the local culture, how will you attract those who may also want to retire or move to New Orleans. Staying downtown or in the French Quarters in a hotel is not the same and doesn't really give visitors a true picture of what New Orleans is really all about. We attended the public hearing you held on July 10. We can see both sides of this issue. However, for those of us who have invested a lot of money based on the passage of the short term rental laws in 2016, we feel it would be unfair to literally "pull the rug out from under us". To our knowledge there was no temporary "trial period" language contained in that law.

There has to be a solution that will be equitable for all concerned. Perhaps some of the ideas set forth below will help you with your recommendations to the City Council.

- 1. Limit the number of short term rental licenses issued in each section of the city and for those who hold licenses now, let them continue. Let attrition take care of any excess.
- 2. If termination of the short term rental laws is imminent, set a date in the future to have this termination be effective. This will at least give those of us who have invested in New Orleans an opportunity to prepare for the reduction of income the short term rentals have provided. It may help prevent a sudden drop in the market value of homes if hosts have more time to regroup.

Please think about the benefits short term rentals provide. The sales tax revenue alone is substantial, not to mention the additional jobs that have been created due to this law passage.

We invested in New Orleans in good faith. Please treat us with that same good faith by allowing us to continue welcoming guests to the City. New Orleans is very unique and has so much to offer. It's the City of "yes we can". Don't stagnate it by penalizing those of us who want to promote it while having a means to enjoy it ourselves.

We thank you for your consideration and would be happy to discuss the issues. We realize this is not an easy task for the Commission. However, we sincerely hope you look at all sides before making your recommendation.

Sincerely,

faul Lophens Non Lopkens

Paul and Nan Hopkins



### Housing and Tourism in New Orleans: Correcting the Record on Short-Term Rentals

The following analysis has been created in response to the 2018 <u>report</u> by Jane Place Neighborhood Sustainability Initiative entitled, "Short-term Rentals, Long-term Impacts: The Corrosion of Housing Access and Affordability in New Orleans."

It is important to note that HomeAway and many in the New Orleans short-term rental community agree with some of the statements and recommendations made in this report. HomeAway sincerely appreciated Jane Place's willingness to meet with us to provide additional information on their findings and vital context to our understanding of New Orleans' housing challenges. We applaud their work to support sustainable and economically just neighborhoods, and we in no way seek to undermine the organization's broader goals to effect positive change in the Crescent City. New Orleans faces unique challenges with affordable housing and sustainable economic development. However, we disagree with the premise of this report and several key conclusions.

### **Executive Summary: Key Findings**

- The Jane Place report is premised on the idea that short-term rentals (STRs) are, for a fact, exacerbating housing issues in New Orleans. The first sentence of the report reveals its intention to "expose" short-term rentals, rather than engage in an objective analysis. Unfortunately, we believe this bias ultimately colors many of the conclusions in the report.
- The second paragraph states that the city only and exclusively requires Airbnb to contribute to affordable housing funds. In fact, the ordinance subjects *all* short-term rental *operators* to the same fee per night, regardless of the platforms on which they are listing or transacting.

Similarly, the report does not account for the differences in business models between online platforms. Expedia Group websites HomeAway and VRBO, for example, historically functioned differently than those such as Booking.com, FlipKey and Airbnb. At the time the first STR ordinance passed in New Orleans, some platforms were transactional in nature (meaning, the booking and transaction took place through their website). Other platforms operating in New Orleans were not transactional in nature, but rather were advertising platforms that only hosted listings; any booking or transaction would take place directly between the property owner/manager and the traveler. Advertising websites and websites that are not fully transactional did not and in some cases still do not have access to the type of data both the ordinance and the report aims to gather. This is important to recognize in order to ensure any new STR regulations are fully informed and enforcible.

• Many of the data used in the report rely on *Inside Airbnb*, which has well known and documented <u>methodological problems</u>, including duplication in counting listings. Most of the remaining data are dated and presented without the full and appropriate context. And many statements about the impacts of STRs are not sourced at all. To better understand the conclusions reached in this



report, we need to see what data were used, how they were gathered, and how they were analyzed.

• The conclusion of the first paragraph, and a central pillar of Jane Place's opposition to wholehome vacation rentals, is that legalizing STRs has accelerated gentrification, but the way in which the report measures gentrification is misleading as it uses an incongruent time period. Furthermore, the report does not demonstrate exactly *how* STRs have caused gentrification in New Orleans, simply that they *are*.

### • "The Dominance of Whole Home Rentals"

This section (page 4) points out that the majority of STRs are whole-home rentals available for rent multiple nights a year. It fails to demonstrate how whole-home rentals are a determining factor on the local housing market. Traditional vacation rentals are whole-home, secondary short-term rentals. If the argument is that legalizing them has had a negative impact, how does the number of days they are rented become relevant? This conclusion also does not take into account that many homes are used interchangeably as long- and short-term rentals. For the time the home is not being used as an STR, it may be rented for 30 days or more, several times a year. They are also used by the owners themselves, and to host visiting family and friends. But again, none of this affects the *number* of houses available for sale.

### • "Single Operators with Multiple Listings"

This paragraph (page 4) states that 18% of operators control nearly half of all permitted STRs. Many different homeowners use the same property manager (operator) to list their homes. That doesn't mean that one person *owns* multiple homes. Rather, it means the operator is managing them on behalf of individual homeowners. A property manager may manage 10 homes, but each of those 10 may (and commonly are) owned by individual, local homeowners. If the policy goal is to prohibit "large-scale investors" from buying housing units and using them as STRs, looking at the number of *operators* is an inaccurate way of addressing that concern.

### • "The Oversaturation of STRs in Residential Neighborhoods"

It's true that the current ordinance uses day limitations to control STR activity, rather than limitations on the number homes themselves (page 4). This has created the opportunity for higher STR concentrations in popular tourist areas versus others. Jane Place also states that day limitations are unenforceable. While HomeAway remains eager to work with the city on enforcement solutions for this policy, Jane Place points out (page 11) that "STR operators... can manipulate the current licensing system by using multiple platforms to list the same units of housing." And an operator might engage in transactions off a platform, too. This is a good illustration of why attempting to regulate the activity through day caps and through the platforms should not be the city's primary tool in administering its ordinance. There is no enforcement mechanism that can regulate transactions taking place offline, or platforms that decline to work with the city longterm.



The report fails to mention , however, that the clustering of STRs is also likely a consequence of prohibiting STRs in the French Quarter. Because the <u>overwhelming</u> <u>majority</u> of visitors to New Orleans want to visit the French Quarter, this policy incentivizes supply to rise in adjacent neighborhoods in order to meet demand. These neighborhoods may benefit from a policy that controls for density, rather than nights booked.

### • "Inflation of Overall Housing Costs"

- Jane Place also claims that STRs are taking housing options away from residents, causing overall housing prices to rise, but they make no attempt to explain *how* that is the case. There is no evidence presented here that STRs are a contributing factor to an increase in cost, and they provide no data to support the claim that available units are being impacted by STRs.
- The report states, "Rent has increased in the nine neighborhoods with the highest 0 concentration of STRs, including rent increases of 30% for a two-bedroom unit in the Seventh Ward, a 27.95% increase in a two-bedroom in MidCity, and a 71.93% increase for a three-bedroom unit in Bywater." But, the data they use (Figure 3.2, page 22) is from 2009-2015. STRs did not grow most in number and were not allowed until two years *later*. It's disingenuous to ignore the context in which we must view any trend from this time period--the impact of Hurricane Katrina. In that time period, housing prices rose and rents went up after so many units both on and off the market were destroyed. This is, again, years before STRs were allowed. It's important to recognize that correlation does not equal causation. The neighborhoods highlighted here are some of the most popular neighborhoods in the city for both residents and visitors. Furthermore, in 2009 the nation began its recovery from the Great Recession--is it not reasonable to expect that as the population, housing, and economy continued to heal after Katrina, New Orleans would have also been influenced by the broader national trend of increased housing costs that accompanied a nationwide economic recovery?

This report also tries to inflate the impact and growth of STRs by making statements like (page 17) there has been "...a rapid increase in STRs in the CBD, with a 691% increase over the last two years." This tells us nothing, as short-term rentals were not allowed and tracked until two years ago. If there was one STR in an area last year, and seven more were added this year, it would result in a 700% increase. Similarly, claims such as (page 6) "...STRs in New Orleans are having a pervasive and corrosive effect on a housing market already in crisis" are, again, not sourced, nor is there any detailed explanation given to demonstrate its basis in fact.

- Current, publicly available, and reliable data paints a different picture when it comes to New Orleans' recent housing trends:
  - Average rental rates have actually decreased in New Orleans by 1.5% since last year (May 2017 May 2018). (Source: <u>RentCafe.com</u>). Median rents have decreased 3.6% since last year (April 2017 April 2018). (Source: <u>Zillow.com</u>) This is the exact time period during which STRs became allowed and increased most dramatically in number.



- Average home values in New Orleans have been rising steadily post-Katrina, and the rate of growth has not accelerated since the legalization of STRs. The rate of growth even dropped in 2017 (7.8%) compared to 2016 (10.5%) (Source: Zillow.com)
- A <u>recent report</u> says "...New Orleans, LA [is] among the top 5 in the U.S. with the most significant year-over-year rent decreases in May." It also demonstrates that New Orleans is actually the *number one* slowest growing rental market for midsize cities in the country at -1.5%.
- The national average rent was \$1,381 in May 2018, having increased by 2% year over year, but New Orleans average rent price for May 2018 is \$1,098, and continues to decline. (Source: <u>Yardi Matrix</u> and <u>RentCafe.com</u>)
- However, the below average rent price is still unaffordable for many in New Orleans as average wages are low, and the local unemployment rate is high at 4%, ranking 247 among all MSAs (Source: <u>US Bureau of Labor Statistics</u>). And, <u>this isn't a new problem</u>. Many of this population are also dependent on minimum wage jobs. A <u>recent report</u> indicated that 2.3 full time jobs at minimum wage are needed to afford a two bedroom apartment at fair market rate in New Orleans.
- The number of available housing units for sale has increased in the time STRs have been allowed in New Orleans, and at a rate that is higher than the rate of population growth. (Source: <u>US Census</u>)
- The roughly 4,400 temporary short-term rentals (non-owner occupied homes) represent just 2.2% of overall housing units in New Orleans. (Source: City of New Orleans Department of Safety and Permits and <u>US Census</u>), an insignificant percentage for a market that has <u>a 20 percent vacancy rate</u>, or, over 37,000 vacant units. This is an extremely high number, and there is no clear trend in vacancy rates for the greater New Orleans area over the time period during which STRs experienced rapid growth. (Source: <u>American Community Survey 2016</u>).

### • "The Prioritization of Tourists Over Residents"

- Again, the report claims that the affordable housing fee is only being "exacted" from Airbnb. This is untrue, as the fee applies to the short-term rental home, not the platform. Airbnb and other platforms are not responsible for collecting and remitting the fee.
  - If the amounts received by the city remains low, it is likely due to the fact that
    many owners find it difficult to physically remit the fee to the city. To our
    understanding, this fee must be remitted on paper; there is no online option for
    homeowners and managers to remit at the same time they are paying their taxes.
    Many have been unable to identify city staff members that can assist them with
    doing so. Removing these barriers to compliance will go a long way in collecting
    what is due.
- New Orleans' Housing Crisis



In this section (pages 6 and 7), Jane Place lists nine major issues that impact housing- they do not comment on how STRs impact any of these factors.

They also compare the number of STRs to public housing units. Existing law rightfully prohibits publicly funded or affordable (Section 8) housing units from being used as STRs. Existing STRs, if banned, would not suddenly enter the market at an average sale price or rental rate because the value of traditional vacation rentals is typically higher than the average home, and they wouldn't be converted to public housing. So, the correlation being made is unclear.

As referenced before, Jane Place claims that thousands of homes have been removed from the housing market because of the increase in STRs. Not only do they not provide data or detail on how this is happening, but they also do not seem to account for the number of properties that were never part of the housing market to begin with. There are hundreds if not thousands of blighted properties that were uninhabitable even years after Katrina, and needed heavy financial investment to bring the home back into commerce. Short-term rentals have allowed these units to become livable again, and once more, they can be used interchangeably as a long-term rentals. And new livable spaces that might not have otherwise been available will reenter the market upon turnover in ownership.

### Gentrification

Jane Place identifies four ways they claim STRs are contributing to gentrification, but these points do not line up with their ultimate recommendations:

- 1. Single operators with multiple listings.
- 2. Oversaturation of STRs in residential neighborhoods
- 3. Spillover effects from the monetization of residential housing inflating overall costs for renters and homeowners.
- 4. The prioritization of tourists over residents.

### • And yet, their recommendations are as follows:

- 1. Require permits for STR platforms.
  - This will not address the impacts of bad, unenforceable policy, and has no relevance to address affordable housing.
- 2. Streamline data sharing process across platforms.
  - As mentioned previously, platforms employ different business models. In fact, many are not transactional, and do not have access to the kind of data that this suggests they share. Even so, much of this information is federally protected (18 U.S.C. §§2701–2712), and platforms are limited in their ability to respond without proper legal process.
  - It should be noted that compliance by the HomeAway and VRBO platforms, and newer platforms like Airbnb, does not cover the entire universe of internet platforms advertising short-term rentals. Once listings start migrating to other



platforms, how will the city enforce against the hundreds of websites in existence, including those based outside the U.S.?

- 3. One host, one home.
  - Requiring an STR to be someone's primary residence (i.e. requiring a homestead exemption) is tantamount to a ban and would have significant consequences. Because most STRs are whole, secondary homes, this policy would put the City of New Orleans back into the same boat it was in before the ordinance was passed: Attempting to grapple with a marketplace that is unnessesarily driven underground, and failing to collect the necessary data, tax dollars, and fees critical to its ability to regulate.
- 4. Ease into compliance.
  - Any policy that creates new or sweeping changes to an existing system should, yes, be allowed a grace period in which to achieve compliance. We agree.
- 5. Expand support for affordable housing.
  - We too support raising the affordable housing fee and moving the collection and remittance functionality for this fee online to streamline the process and increase compliance.

Unfortunately, recommendations 1-3 demonstrate a fundamental misunderstanding of not only the nature of short-term rentals, but the functionality of internet platforms, and their role in assisting owners to book and/or market their properties.

Regarding gentrification, Jane Place states (page 19), "Black neighborhoods with access to downtown job centers and amenities have experienced a significant loss of black households between the years 2000 and 2016." Again, this predates the city's allowing STRs.

How did Jane Place measure and adjust their analysis to account for other factors? Why
has none of this data been qualified by factors such as inflation, population growth,
tourism demand, and the lasting impacts of Katrina? We need to understand these
impacts before labeling STRs as a contributing factor to either gentrification or as having
a negative impact on New Orleans housing.

### In Conclusion

New Orleans residents and homeowners deserve policy solutions that address real issues based on real data and objective facts.

We understand the importance of protecting neighborhood character and continuity, and we have heard from some residents that STRs are proliferating in popular tourist areas. New Orleans' current STR ordinance doesn't solve for this, and it illustrates why attempting to regulate the number of days a home can be rented versus the number of homes overall has the potential to be problematic.

• **Policy Solution:** Remove the day limitation, and instead use a stricter policy that establishes a percentage cap on non-owner occupied STRs homes per census tract or block face. This policy



ensures both the overall number and density of STRs does not exceed a set amount in any given area.

The clustering of STRs that many are reporting in Marigny, Bywater and Treme, for example, may be a direct consequence of prohibiting STRs in the French Quarter. Again, because the overwhelming majority of visitors to New Orleans want to visit the French Quarter, this policy incentivizes greater concentrations of STRs in adjacent neighborhoods.

• **Policy Solution:** Allow STRs in the French Quarter, subject to the same limitations as elsewhere in the city. This will both address demand, and relieve some of the pressure in neighboring communities.

Preliminary reports indicate that the nightly fee charged for booking an STR in New Orleans has not resulted in adequate funding for the Neighborhood Housing Improvement Fund (NHIF).

- **Policy Solution:** Apply the fee more broadly to all lodging accommodations, including hotels. Concerns that the city "prioritizes tourists over residents" could be answered if more than one type of accommodation was responsible for funding the NHIF.
- **Policy Solution:** Double the nightly fee from \$1.00 to \$2.00 per night booked.
- **Policy Solution:** Again, making the fee easier to collect and remit by moving its functionality online will remove administrative barriers, and the city will naturally achieve greater compliance with the program.

Short-term rentals, if regulated appropriately, are *good* for New Orleans. They absorb tourism demand, reduce blight, facilitate homeownership, provide high-wage jobs, bolster small business, contribute to tax revenue, and foster a <u>\$900 million local economic impact</u>. Temporary (non-owner occupied) STR licenses currently represent only about 2.2% of overall housing units in New Orleans. With effective regulation that encourages compliance by allowing a pathway for secondary homeowners to participate, the city can work to address bad actors and actual issues if they arise. New Orleans needs policies that work, not arbitrary bans that have the potential to cripple work and homeownership opportunities for thousands of New Orleans' citizens. HomeAway stands ready to continue discussions with City Planning Commission, Council, the Mayor's office, our homeowners and managers, and the greater New Orleans community to find a solution that works.

###

From:	CPCinfo
Sent:	Tuesday, August 7, 2018 8:34 AM
То:	Paul Cramer; Brooke Perry
Subject:	FW: short-term rentals - miami takes the platform accountability approach

From: Meg Lousteau [mailto:meglousteau@gmail.com] Sent: Monday, August 6, 2018 3:03 PM

To: CPCinfo <CPCinfo@nola.gov>; Robert D. Rivers <rdrivers@nola.gov>; Leslie T. Alley <ltalley@nola.gov>; Kristin G. Palmer <Kristin.Palmer@nola.gov>; Joseph I. Giarrusso <Joseph.Giarrusso@nola.gov>; Moreno Council Shared <morenocouncil@nola.gov>; Jason R. Williams <jarwilliams@nola.gov>; CouncilDistrictD <CouncilDistrictD@nola.gov>; Jay H. Banks <jay.h.banks@nola.gov>; Cyndi Nguyen <Cyndi.Nguyen@nola.gov>

**Cc:** Brian Furness <str.brf@gmail.com>; Rick Normand <rnormand9@gmail.com>; VCPORA <info@vcpora.org>; Allen Johnson <hajohnson@cox.net>; Bill Sawiki <sawicki.bill@gmail.com>; Jenna D. Burke <Jenna.Burke@nola.gov>; Darryl Durham <dsdurham2002@yahoo.com>

Subject: short-term rentals - miami takes the platform accountability approach

Greetings, all - I came across this article today and thought it might be of interest to those of you working on reworking New Orleans' short-term rental regulations.

The city of Miami has recognized that their current model of only penalizing illegal operators is creating more work for them, and not putting a dent in the overall problem of vast numbers of illegal STRs. So they've decided to go after the platforms themselves.

# https://www.miaminewtimes.com/news/miami-beach-will-now-fine-airbnb-other-platforms-for-illegal-short-term-rentals-10589888

Under the new rules, which passed on first reading last Wednesday, short-term rental listings would be required to display a city-issued business tax receipt number and the resort tax certificate number. Platforms like Airbnb wouldn't be allowed to list properties without that information. A first-time violation would cost a platform \$1,000. Subsequent violations would net fines of up to \$5,000, though that amount could go up.

I hope that the City Planning Commission staff report, and any future legislation, will take such an approach into consideration. Without platform accountability, we will forever be playing whack-a-mole with thousands and thousands of STRs, and continuing to put the enforcement burden on city staffers and neighbors, rather than on those who could immediately put an end to illegal listings.

On a related note, state law only permits municipalities to levy fines of \$500 on a first municipal offense, and \$1000 on a second (or third, or fourth, etc.). This limitation severely handicaps cities' abilities to set fines based on what they think are fair financial deterrents for a given offense. We hope to get the law changed during the next legislative session, which would give New Orleans (and all cities in the state) the flexibility to set their own fines.

Regards, Meg Lousteau

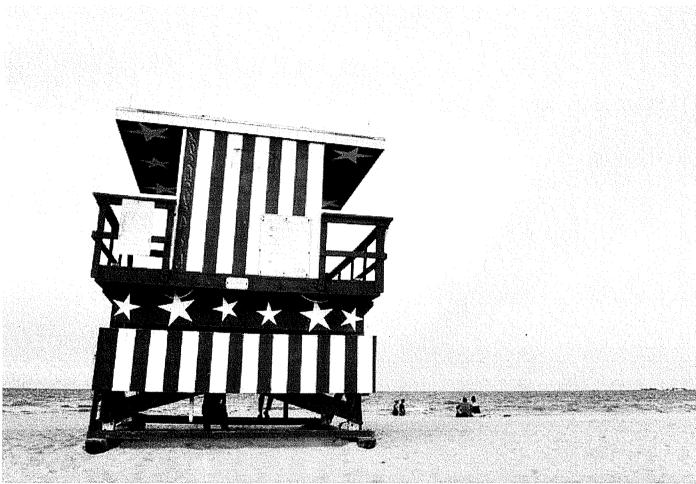


Photo by Eric Duquenoy / Flickr

# Miami Beach Might Fine Airbnb and Other Platforms for Illegal Short-Term Rentals

BRITTANY SHAMMAS | AUGUST 6, 2018 | 8:30AM

Miami Beach has established itself as one of the most anti-Airbnb cities in the country, banning short-term rentals across much of the island and issuing \$20,000 fines for illegal listings. But so far, those fines have been aimed at property owners, not platforms like Airbnb.

Last week, city commissioners moved to change that. After collecting just over \$100,000 of the more than \$1 million in fines it has handed out, the city is now looking to go after Airbnb, VRBO, HomeAway, and other companies that list rentals that are operating illegally.

### **RELATED STORIES**

- Broward County Now Chasing HomeAway, VRBO Users for Unpaid Taxes
- <u>Miami Beach Has Collected Only 2 Percent of \$5 Million in Short-Term-Rental</u>
   Fines
- Unlike Miami Beach Mayor Levine, 94 Percent of South Floridians Want Legal
   <u>Airbnb</u>

"To the platforms, this is a huge deal that all the sudden they're on the line about this," Mayor Dan Gelber said during last Wednesday's commission meeting. "And we haven't touched them. We've been only going after the landlords."

Indeed, Airbnb spokesman Ben Breit says the company has "serious concerns with the proposal." However, he adds, "we have initiated conversations with the administration, and we look forward to working towards a solution that mutually benefits the city, residents, and hosts."

Under the <u>new rules</u>, which passed on first reading last Wednesday, short-term rental listings would be required to display a city-issued business tax receipt number and the resort tax certificate number. Platforms like Airbnb wouldn't be allowed to list properties without that information. A first-time violation would cost a platform \$1,000. Subsequent violations would net fines of up to \$5,000, though that amount could go up.

"It may be advantageous to increase the fine to make sure that it's not something that's the cost of doing business," Chief Deputy City Attorney Alek Boksner said at the meeting.

# IF YOU LIKE THIS STORY, CONSIDER SIGNING UP FOR OUR EMAIL NEWSLETTERS.

Gelber said he expects the city will get into litigation "at some point" over the new rules. But he said it's worth doing anyway because he doesn't think Miami Beach's previous approach, in which legal rentals are required to go through a licensing process and illegal rentals net harsh fines, was enough of a deterrent. If it were at least 60 percent effective, he said, he wouldn't be pushing the new rules.

"I don't feel like we've been giving our citizens enough protection as is," Gelber said. "So this is that next step."

A public hearing on the ordinance is set for September 12. Different polls have found varying levels of support for short-term renting in South Florida. <u>One</u> <u>concluded that 94 percent</u> of southeast Floridians want Airbnb and other companies to be allowed to operate legally in their hometowns.

But <u>another</u> (conducted by a lobbyist who represents the Greater Miami and the Beaches Hotel Association in the Florida Legislature) found that 49 percent of Miami-Dade voters did not think their neighbors should be allowed to rent out their properties on a short-term basis.

**Brittany Shammas** is a staff writer at *Miami New Times*. She covered education in Naples before taking a job at the South Florida *Sun Sentinel*. She joined *New Times* in 2016.

- CONTACT:
- Brittany Shammas
- FOLLOW:
- Twitter: @britsham

**RECOMMENDED FOR YOU** 

From:	Mavis Early <mavisearly@gnohla.com></mavisearly@gnohla.com>
Sent:	Thursday, August 9, 2018 12:05 PM
То:	Brooke Perry
Cc:	Robert D. Rivers; Leslie T. Alley; Paul Cramer
Subject:	STRs-New York City legislates stiff data sharing regs by STR platforms
Attachments:	NYC_Bill.doc; ATT00001.htm

All, On Monday, New York City Mayor Bill de Blasio signed landmark legislation requiring STR platforms to report addresses and other beneficial data points about their STR host listings to the Mayor's Office of Special Enforcement. The bill also institutes sizeable monetary fines for violations of these requirements. Notably, 45 of 51 City Council members co-sponsored the bill.

This is an example of yet another city getting tough and demanding what it needs to enforce illegal STRs and another example for how New Orleans could address the accountability and "data transparency". This legislation builds on the strength of San Francisco as the overall "gold standard" ordinance), along with hefty penalties for noncompliance.

If I may be of further service, please let me know.

### Int. No. 981-A

By Council Members Rivera, Cumbo, Rosenthal, the Speaker (Council Member Johnson), Adams, Ampry-Samuel, Ayala, Brannan, Chin, Cohen, Constantinides, Deutsch, Diaz, Dromm, Espinal, Eugene, Gjonaj, Grodenchik, Kallos, King, Koslowitz, Lancman, Lander, Levine, Maisel, Menchaca, Moya, Powers, Reynoso, Richards, Rodriguez, Rose, Salamanca, Torres, Treyger, Williams, Cabrera, Van Bramer, Holden, Koo, Miller, Cornegy, Gibson, Perkins and Levin

A Local Law to amend the administrative code of the city of New York, in relation to the regulation of short-term residential rentals

#### Be it enacted by the Council as follows:

Section 1. Title 26 of the administrative code of the city of New York is amended to add

a new chapter 21 to read as follows:

### <u>CHAPTER 21</u> <u>SHORT-TERM RESIDENTIAL RENTALS</u>

§ 26-2101 Definitions.
§ 26-2102 Requirements for booking services.
§ 26-2103 Exemptions for certain class B multiple dwellings.
§ 26-2104 Penalties.

§ 26-2101 Definitions. As used in this chapter:

Administering agency. The term "administering agency" means the office of special enforcement, as established under executive order number 96 for the year 2006, or such other agency as the mayor may designate by executive order.

Booking service. The term "booking service" means a person who, directly or indirectly:

1. Provides one or more online, computer or application-based platforms that individually or collectively can be used to (i) list or advertise offers for short-term rentals, and (ii) either accept such offers, or reserve or pay for such rentals; and

2. Charges, collects or receives a fee for the use of such a platform or for provision of any service in connection with a short-term rental.

A booking service shall not be construed to include a platform that solely lists or advertises offers for short-term rentals.

Building. The term "building" means a building as defined in the New York city building code that is located in the city.

<u>Class B multiple dwelling. The term "class B multiple dwelling" shall have the meaning</u> ascribed to such term in the housing maintenance code.

Directly or indirectly. The term "directly or indirectly" means a person acting directly or indirectly through any subsidiary or affiliate thereof to perform the activity described in the definition of booking service.

Dwelling unit. The term "dwelling unit" means a dwelling unit, as such term is defined in the housing maintenance code, that is located in a building within the city.

Host. The term "host" means a person other than a booking service, including a co-host, who uses a booking service to offer, manage or administer a short-term rental.

Short-term rental. The term "short-term rental" means a rental for occupancy of fewer than 30 consecutive days of (i) a dwelling unit or part thereof or (ii) housing accommodations within a building.

§ 26-2102 Requirements for booking services. a. A booking service shall periodically submit to the administering agency a report of transactions for which the booking service charged, collected or received a fee, directly or indirectly, for activity described in the definition of booking service. Each short-term rental associated with such fee is considered to be a separate transaction. The report shall be submitted in a time, manner and form established by such agency, including but not limited to, electronic submission in a format established by such agency. The report shall be submitted on a monthly basis, or less frequently as determined by such agency. Such report shall include the following information for each such transaction or, in instances where such information is unavailable to the booking service, an explanation of why such information is unavailable:

(1) The physical address of the short-term rental associated with such transaction, including the street name, street number, apartment or unit number, borough or county, and zip code;

(2) The full legal name, physical address, phone number and email address of the host of such short-term rental and the uniform resource locator (URL) and the individualized name and number of such host on such booking service's platform;

(3) The individualized name and number and the URL of such advertisement or listing;

(4) A statement as to whether such short-term rental transaction involved (i) short-term rental of the entirety of a dwelling unit or housing accommodations in a building or (ii) short-term rental of part of such unit or housing accommodations;

(5) The total number of days that the dwelling unit, part thereof or housing accommodations in a building were rented as a short-term rental through such booking service's platform;

(6) The total amount of fees received by such booking service for such short-term rental; and

(7) If such booking service collects rent for short-term rentals on behalf of such host, (i) the total amount of such rent received by such booking service and transmitted to such host and (ii) the account name and consistently anonymized identifier for the account number for the account used by such host to receive payments from such booking service or, if such booking

3

service provides an explanation why such anonymized identifiers are unavailable, the account name and account number for such account.

b. A booking service shall obtain, from each host using such booking service to offer, manage or administer a short-term rental, lawful consent to provide the information described in subdivision a to the administering agency. Obtaining lawful consent may include, but is not limited to, advising or providing notice to a user of the booking service that new or continuing use of such booking service as a host constitutes consent to such disclosure. It shall not be a defense to a violation of subdivision a that the booking service did not obtain consent.

§ 26-2103 Exemptions for certain class B multiple dwellings. The administering agency shall publish a list of class B multiple dwellings lawfully used for transient occupancy, as compiled by such agency. The provisions of subdivisions a and b of section 26-2102 shall not apply to short-term rental of a dwelling unit or part thereof or of housing accommodations within a building in a class B multiple dwelling on such published list. Such agency shall promulgate rules that (i) establish a process for an owner of a class B multiple dwelling to have such multiple dwelling included on such list and (ii) provide for the review and updating of such list no less than every six months. The administering agency shall revise such list when notified of an error by the department of buildings or other agency.

§ 26-2104 Penalties. A booking service that fails to submit a report in compliance with subdivision a of section 26-2102 shall be liable for a civil penalty, to be assessed once per reporting period for each set of records corresponding to a listing which is missing, incomplete or inaccurate. The civil penalty shall not be more than the greater of \$1,500 or the total fees collected during the preceding year by the booking service for transactions related to the listing.

4

The civil penalties established by this section may be recovered in a proceeding before the office of administrative trials and hearings or a court of competent jurisdiction.

<u>§ 26-2105 Privacy. a. Information reported pursuant to section 26-2102 shall be available</u> for public review only to the extent required by federal, state and local law.

b. The administering agency shall establish rules governing retention and disposal of information obtained pursuant to this chapter.

§ 2. This local law takes effect 180 days after it becomes law, except that (i) the head of the administering agency, as such term is defined in section 26-2101 of the administrative code of the city of New York, as added by this local law, may take such measures as are necessary for its implementation, including the promulgation of rules, before such effective date and (ii) the mayor may designate an administering agency, as such term is defined in such section, before such effective date.

7/10/18 11:05PM

# Correcting the Record on Short-Term Rentals in New Orleans

**MYTH:** STRs remove vast amounts of housing stock from the market and drive up rental prices

**FACT:** There is no data that demonstrates STRs are either the cause of or a contributor to a lack of affordable or publicly funded housing units. Overall, average rent prices in New Orleans decreased by 1.5% from May 2017 to May 2018. Median rents decreased 3.6% from April 2017 to April 2018. This is the time period during which STRs became legal.

RentCafe; Zillow.

MYTH: Out of town investors are taking over neighborhoods

**FACT:** Licensed Temporary STR homes (non-owner occupied homes) represent just 2.2% of overall housing units in New Orleans. The vast majority of HomeAway vacation rental owners own just one vacation rental. Areas of New Orleans that may have a disproportionate number of STRs would benefit from a policy that controls for density.

City of New Orleans Department of Safety and Permits; US Census

MYTH: If STRs were banned, visitors would stay in legal hotels

**FACT:** STRs provide guests with greater privacy, choice, and flexibility when it comes to visiting New Orleans. If rentals were banned, renting activity could continue, only in an unsecure, untaxed, and underground environment. Many travelers would choose to visit another city. In a 2015 study, one in three Americans indicated they would be less inclined to visit a city if it banned short-term rentals.

The Travel Technology Association 2015 National Short-term Rental Survey

For more information or questions, please reach out to GovernmentRelations@HomeAway.com



# Correcting the Record on Short-Term Rentals in New Orleans

MYTH: STRs are party houses and disturb neighborhoods

**FACT:** A 2017 NoiseAware study found vacation rentals emitted the same amount of noise over a week-long period as did longterm rentals. HomeAway vacation rental owners seek out renters who are respectful to the home and community that they love, and often work to mitigate these issues before they can even arise.

NoiseAware Noise Audit 2017 | www.NoiseAware.io

MYTH: STRs are killing local businesses

**FACT:** STRs provide traffic to the businesses in their communities, and help small business owners thrive. A survey of local New Orleans STR homeowners and managers revealed that individuals working for STRs are paid a higher wage than the average wage in their communities. STRs support local small business owners and the broader economy.

Hear one local small business story here: http://bit.ly/NOLASmallBiz

MYTH: STRs cause gentrification and displacement

**FACT:** While there are many causes and influences on gentrification and displacement in communities, there is no data to suggest causality between the steady growth of short-term rentals and gentrification or displacement. This dynamic and complex issue should be studied more closely, and measures should be taken to ensure all residents have access to safe and affordable housing.



From:	John deMahy <mojobayou@gmail.com></mojobayou@gmail.com>
Sent:	Wednesday, August 8, 2018 12:44 PM
То:	CPCinfo
Subject:	Short term rental

I am in favor of the ordinance to limit short-term rental to those with homestead exemptions.

1. It can help support home ownership by aiding in affording a mortgage.

2. The owner is present in the house and can handle any problem.

3. The owner is a member of the neighborhood thus has a vested interest in neighborhood quality standards.

I am opposed to multi-property short-term rentals.

1. It causes an overabundance of STRs effecting property and rental values

2. Lack of an in-house manager can lead to unhandled neighborhood disturbances.

Thank you

John deMahy

From:	
Sent:	
To:	
Subject:	

Judy Maranto <jrmaranto21@gmail.com> Tuesday, August 7, 2018 5:05 PM CPCinfo Short Term Rental

As a home owner in this wonderful city, I wanted to thank you for allowing us to continue Short Term Rental.

My job takes me all over the state and I would like to rent out my place from time to time when I am away.

Please let me know what I can do to keep this option open. My place is in a renovated building where there are several condo's being rented out on Airbnb and VRBO, I do not object to my neighbors renting their space and I would also like to do the same thing.

Thank you,

Gabe Maranto 318-505-4888

From:	Robert White <robwhite@robwhiterealtyllc.com></robwhite@robwhiterealtyllc.com>
Sent:	Tuesday, August 7, 2018 6:00 PM
То:	CPCinfo; Robert D. Rivers; Carla White
Subject:	short term rentals

As the owners of short term rentals in New Orleans, and also as Licensed Real Estate Brokers in Lousiana, my wife and I strongly support the the HomeAway policy framework. Rather than reiterating its points, with which you are undoubtedly familiar, we would like to suggest to you an additional perspective. Our real estate brokerage is in the foreclosure business. We represent most of the major banks and the Veterans Administration in the securing and disposition of their distressed properties. Very few of these properties are located in areas where short term rentals are made available. Most are in New Orleans East or on the West Bank. The reasons are obvious. In the short term rental areas, supply is limited and demand is high. In the East and on the West Bank ,the opposite it true.

Real estate is no different than any other commodity. Ultimately the market will go where the best value is available. If rents and sales prices are too high in the Garden District, but affordable in Algiers, the properties in Algiers will then become attractive to buyers and tenants. This will reduce the supply in the affordable areas, causing prices to increase. The beneficiaries of this increase are the hardworking citizens who live in these neighborhoods, who pay taxes and for whom their home is their major investment. If the prices increase in Algiers and the East,, foreclosures go down, sheriff's evictions go down, the number of blighted properties goes down and the community as a whole benefits.

If government intervenes and distorts this market by imposing rent controls of the sort envisioned by the short term rental ban, the beneficiaries are special interest groups such as the Hotel Association, and the community as a whole suffers.

Please do what is right for the working citizens of our community and do not hinder their ability to market their homes.

Sincerely

Rob White CRS, CCIM, Managing Broker

Rob White Realty, LLC 5500 Prytania St # 102 New Orleans, La 70115 Fax: (888) 647-6523 Email: robwhite@robwhiterealtyllc.com www.robwhiterealtyllc.com

Date:	July23, 2018
То:	<b>New Orleans Planning Commission</b>
From:	Michael P. DOLAN, M.D.
	<b>2730 Saint Charles Avenue</b>
	New Orleans, Louisiana, 70130

Subj: Short Term Rentals

### **THOUGHTS AND COMMENTS OF JULY 10 MEETING**

**SUMMARY:** The Short-Term Rental Phenomena is a major problem for all Destination Cities. It distorts Rents, Housing Prices and forces many local residents out of the Rental and Purchase Market. It pressures cities to invest in Affordable Housing at tax payer expense and in effect is a subsidy for Short Term Properties owners and market. It impacts the Hotel Industry and their workers. It is ripe with cheating because of the non-cooperation of the on-line Operators.

I spoke toward the end of the meeting on July 10th and had hearing aid problems thus my comments were brief and not particular coherent. Here they are in writing.

1. It appears that this is a <u>contentious subject</u> and I do not envy the council that has to make the final decision.

2. There is an <u>incredible amount of money</u> in this battle and a significant amount of change in the offing for the city that we all love so very much. So, let's get it right!

3. Some background: Several years ago I served as support staff for a Congressional Delegation that was visiting Paris. I had the unusual opportunity to spend a full day with several members of the French Assembly touring Paris and discussing with them the problems of maintaining such a beautiful city. Medical services, public safety, health and sanitation were the subjects that we were discussing, when at one point during the afternoon, we drove down the Champs Élyseés; I asked "How do you keep this street and most of the others in your city so beautiful and clean?" The answer, ..." *Easy, we live here!*"

That answer stuck in my mind for years and makes it hard not to apply the significance of its impact to the issue that we in New Orleans are now facing with the explosion of Short Term Rentals in our city and the distortions to the cost of housing, the employment of our citizens, the impact on the Hotel Industry, and the cost to our Tax Payers; who will be asked to subsidize more and more Affordable Housing as those who 'don't live here" (out of town groups and their agents) buy up multiple units of OUR NEW ORLEANS for their business model. They care nothing about our city and are interested only in making money while they can, with very little coming back to the city. They are costing us money in building "affordable housing" to replace the properties they are taking out of that market.

4 Of recent date I have noted that whole complexes in our City are being <u>built and sold with the cavate</u>..."CLEARED FOR SHORT TERM LICENSES"...<u>let the visitors to NOLA help you</u> <u>pay your note and CONDO FEES!!!</u> What kind of a deal is this? Subsidizing condominium owners and builders while our people are looking for affordable housing?

5. Last JAZZ FEST our hotels were not filled? Short term rentals siphoned off huge numbers of rooms from our Hotel and <u>Guest Industry</u>. Besides subsidizing the investment of "OUT OF TOWNERS" they were cutting the working hours of our hotel and restaurant employees. We do not owe anything to the <u>out of town</u> <u>Real Estate Entities</u> who own multiple units (in effect nonconforming hotels) in our town. If they want to own multi-units, they can build us a new hotel or two, we can use the investment and jobs<sub>7</sub>.

My point: our citizens are the ones who keep the gutters clean, 6. they are the ones that keep our neighborhoods safe and clean, they call the Police, they call the Firemen etc.. They pay the taxes, they are New Orleans.... Please keep then and the character and future of our city in mind as you work over the SHORT-TERM RENTAL LICENSE ISSUE one more time, after all, "They live here!"

Finally, be aware that a number of people who testified at the 8. 12 July meeting were not candid in their comments relative to paying taxes to the city and their residence in the city. I am aware too, that a number of operators have been collecting the city's hotel tax from guests in addition to rent for years and never turning it over to the city. If the City does not find a way to get this money going forward, they should enter into legal action against the online perpetrators, Airbnb, etc. If I am aware of this in my small circle, imagine the numbers that are most assuredly spread over the city, and the loss of tax to the city. I would urge you to push the City Council to ensure the entities who are given license to operate are indeed locals and that they have a Homestead Exemption vote in our elections, have a business license and pay their proper taxes to the city!

Thank you,

Michael P. Dolan, M.D.

895.3101

From: Sent:	Ashley Hodgini <ahodgini@homeaway.com> Tuesday, July 24, 2018 11:39 AM</ahodgini@homeaway.com>
То:	rsteeg@steeglaw.com
Cc:	Robert D. Rivers; Leslie T. Alley; Paul Cramer; Paige Sensenbrenner; Lee Reid; James Moffett
Subject:	STR Information from HomeAway
Attachments:	Whole Home Whole Community Policy Solutions.pdf; Jane Place Response_ HomeAway July 2018.pdf; HomeAway New Orleans El One Pager.pdf; NOLA STR Myth.Fact-June 2018.pdf

### Good morning, Chairman Steeg.

I am writing to provide additional information and data related to short-term rentals (STRs) and housing for your consideration following the recent Planning Commission meeting. I'd like to thank you again for your time and consideration in reviewing this issue, and I sincerely appreciate all the hard work Planning staff have contributed to the STR discussion in New Orleans. Would you have time for a meeting with me between August 9 - 17 to discuss this information? I'd be happy to meet at a time convenient to you, and answer any questions you may have related to short-term rentals and our family of online platforms. Alternatively, I'd be happy to schedule a call prior to that time frame in order to accommodate your availability.

HomeAway supports efforts to revise and enhance the current short-term rental ordinance, as we believe there are fundamental flaws with the regulations currently in effect, and we welcome ways in which we can work collaboratively towards a solution that works for all. We hope that you are able to review this information and ultimately support providing legal and responsible whole-home STR homeowners a pathway towards keeping their livelihoods and their homes. Moving forward with policies such as a homestead exemption requirement will all but eliminate STRs in New Orleans, and effectively place the city back where it was prior to the passage of the first ordinance-- grappling with a ban that cannot be enforced, and tourism demand that cannot be met by hotels alone. There exist many other solutions that will address the concerns you've heard, and still allow whole-home STRs to benefit New Orleans and its many diverse neighborhoods.

Attached for your review are some alternative policy considerations and information focused on:

- Restricting the proliferation and clustering of STRs;
- Achieving compliance with regulation;
- Facilitating enforcement with fewer staff hours and increased revenue; and
- Addressing affordable housing concerns.

I've also attached for your consideration:

- HomeAway's analysis of the recent Jane Place report on short-term rentals;
- One-pager highlighting recent economic impact of STRs in New Orleans; and
- Short-term rentals: Myth v. Fact.

As you may know, the University of New Orleans <u>has demonstrated</u> that STRs support a massive and critical component of the New Orleans tourism ecosystem and local economy—and they've done so only comprising a small percentage of housing units (currently, Temporary STR licenses represent only 2.2% of overall housing units in New Orleans). As included in our analysis of the Jane Place report, recent data does not indicate a correlation between whole-home STRs and New Orleans' housing challenges. It's undeniable that many New Orleanians cannot afford average market rate rent; but we do those individuals a disservice by labeling STRs as the reason instead of providing them with real answers and real solutions. What HomeAway is suggesting is a regulatory system that is altogether more restrictive, that will achieve greater compliance with fewer staff hours, and that will create more revenue for the city and for the NHIF. HomeAway understands and believes that it's crucial to preserve and protect the quality and fabric of the many different communities of New Orleans, and we remain committed to working with you to ensure short-term rentals are regulated effectively.

Finally, I must reiterate that New Orleans' HomeAway STR homeowners and managers are dedicated and responsible members of their communities. Please take a moment to listen to <u>their stories</u> and the <u>stories of the local businesses</u> that depend on them. Please take the time to review the facts and understand their experiences before any new policy is put forward by the Planning Commission.

HomeAway is eager to work with the city on short-term rental regulations, and I look forward to hearing from you about scheduling a time to speak. Thank you again for your consideration of this information, and please do not hesitate to contact me with any questions or concerns.

Best regards, Ashley Hodgini

Ashley Hodgini Government Affairs Manager, Southeast Region HomeAway 1011 W. 5th Street | Suite 300 | Austin, TX 78703 (512) 592-4505 ahodgini@homeaway.com



From:	R Facundus <rfacundus@yahoo.com></rfacundus@yahoo.com>
Sent:	Tuesday, August 7, 2018 7:03 PM
То:	CPCinfo; Robert D. Rivers
Subject:	Support for Short Term Rental Plan

Dear CPC -

I'm emailing in support of allowing short term rentals in a regulated environment. I currently live in another state, but own one property uptown that my family uses for 2 to 3 months each year. Being from the area, it provides my children (5 and 3 years old) a way to stay connected to their Louisiana roots for more than just a holiday weekend with the grandparents. I'm also an adjunct professor at Tulane and this home allows me to teach unpaid and to bring my family when I teach. Without the additional income provided by short term rentals, owning the property would not be feasible. Accordingly, I occasionally rent to friends, family, and visitors to New Orleans to help defray the costs of maintaining this home.

I'm sympathetic to the neighborhoods that have been over populated with property owners that are only concerned with maximizing profit by essentially running hotels with a blatant disregard for their neighbors. As such, I believe three proposed restrictions that make sense are capping permits on a per person basis, capping the number of nights a unit can be rented, and imposing a reasonable tax or fee on short term rentals. These regulations would still allow people, like me, to invest in and support economic growth in the city, while restricting those that are taking advantage of an unregulated system.

I urge you to consider the perhaps unintended impact of the ban on short term rentals on families like mine. Short term rentals allow families like mine the opportunity, that they would otherwise not have, to remain connected to the city that they love and will forever call home, regardless of where they live.

Sincerely, Roberto Facundus

From: Sent: To: Subject: Nancy H. White <tourdenance@gmail.com> Wednesday, August 8, 2018 12:09 PM CPCinfo Support for STRs

Hello

I wanted to write in support of homeowner owned short term rentals. My daughter and I live in the Treme and have an accessory license. Please support owner operated short term rentals. This income is vital to our survival and goes towards paying our incredibly high property taxes and insurance.

We do not support giant companies operating STRs that impact neighborhoods and displace affordable residential housing.

Thanks Nancy H White 2000 Saint Philip Street New Orleans 70116

Sent from Gmail Mobile