



Members of Richmond City Council,

Thank you for asking for comments from the public on the Short Term Rental (STR) regulations. This letter is a follow up to comments and suggestions that I and others have made over the last year, most of them in reaction to a specific proposed STR at 1412 Grove Avenue. Also, I followed up with an email to the Land Use Committee in January. Having referred to 1412 Grove Avenue, **to a certain extent these same issues exist regardless of the location.**

Many of the owner occupied residents have made the same comments before as it relates to the proposed regulations. **Some are very specific issues and some are more general in their scope and this list is not all inclusive.** As a long term Fan resident at 1501 Grove Avenue, I am opposed to the STR regulations as proposed. As a real estate professional with over 45 years of experience selling homes in the Fan, I think having a multi bedroom STR as a neighbor will have a negative impact on an owner's value. **In fact, the STR really has little, if any positive value, for the immediate neighbors.**

A substantial number of existing owner occupied property residents feel like the comments we have expressed have been brushed aside in the interests of a few vocal STR operators. There seems to be a rush to "copy cat" the STR's in other locations without regard to the unique circumstances in Richmond and specifically The Fan District.

First, the regulations in whatever form they are approved can always be made less restrictive in the future versus more restrictive. For example, limiting the number of days (like Los Angeles and Washington, DC) or making STR's applicable to only primary residences (like Boston and Washington, DC) and variable hosting requirements (like San Francisco and Chicago) may offset the negative impacts of traffic, noise and general safety concerns. If they are in place when adopted, then the impact can be determined after a reasonable time. If it turns out that a lessening of any of the restrictions would not have a negative impact, then appropriate action can be taken. If it turns out that a more restrictive environment is needed, the subsequent legislation and enforcement would be hard to both pass and enforce. **If the City has unilaterally chosen to not enforce the regulations knowing the uses are illegal, how can we be assured they will enforce them in the future?**

Second, this is a commercial enterprise and should be regulated, licensed and taxed just like any other profit based entity. The proposed biennial fee of \$300 is insignificant compared to both the income potential, quoted estimates apparently average \$129.00 per night, for the operator and the hard costs to the City of thorough and comprehensive administration. **At a minimum, the fee needs to cover all costs of regulation and enforcement.** The fines for noncompliance need to be significant enough to prevent violations. Cities like Chicago have fines that range from \$1,500 to \$3,000 per day while Boston is at the low end with fines of \$100 to \$300 per day. **Are there any fines proposed?** Violations of density and use have the direct impact on the adjoining neighbors and have the potential to diminish their quality of life and enjoyment of their homes. **The Five (5) Bedroom double occupancy is higher than almost all other localities.** As much as I am an advocate of property rights, they stop when they infringe on bordering owners and their right to enjoy their property. It should be an annual fee and it should be calculated according to the number of bedrooms available, say using \$500 per bedroom per year which has a cap of \$2,500. Also, every operator should pay the eight per cent (8%) transient occupancy tax. For the most part, the fees are passed on to someone that is not a taxpayer in Richmond. **In a City starved for revenue, now is the time to set the fees.**

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Third, in areas like the Fan, where there are parking overlay restrictions in place and parking is already at a premium, there needs to be a reasonable and enforceable parking requirement such that the existing homeowners and residents are not forced to park blocks away. Nothing will have a more chilling impact on quality of life than coming home on a Friday night only to find the house next door with five, six or even more cars taking up a significant percentage of the street parking. That quality of life for the existing owners and residents, the ones that are largely responsible for creating the strength and vitality of the neighborhood and the tax base for the City, needs to take precedence over the needs of a transient user. **Parking in areas where there are parking restrictions is an absolute priority and it has been conveniently and purposely overlooked by the proponents and the City.**

Fourth, the abandonment of any regulations in terms of number of days will have a negative impact not only on existing residents, but on affordable housing. This removes rental housing stock in favor of the high cash flow from STR's. If the number of days were limited, then owners of qualified rental property might evaluate the annual lease versus the weekend cash flow. The 180 day limit proposed earlier still allows the operator to have three days every weekend of the year and then some. It is no more difficult to enforce than any other regulation. **If the STR truly is not a commercial operation, then a limit on the days should not create any inconvenience.** If the STR truly is not a commercial operation, then at a minimum the designated STR premises should be the owner's primary residence and not a legal ancillary rental unit on said property. The proposed regulation would allow the user to stay in a legal efficiency on premises 185 days of the year and leave the multi bedroom house as an STR everyday.

Fifth, the City is effectively subsidizing the non competitive nature of an owner who is paying residential rates for utilities and insurance while running a business. Why should they be rewarded at the expense of legitimate hotel, Tourist Home or Bed & Breakfast operators? Will they be required to obtain a Certificate of Insurance? Will the Certificate of Zoning Compliance mean a physical inspection that confirms appropriate fire and safety precautions?

It seems that a regulated STR environment, where there are limits on the provider, such that it is an owner occupied residence during the year in some form, a limited number of nights and effective parking accommodations will minimize the negative impact on the neighbors and satisfy the needs of the non commercial STR operator. From a constituency viewpoint, the resident takes priority over the transient.

Thank you for your consideration and your thoughtful examination, balancing the long term implications against the immediacy of the proposed STR regulations.



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