From: Alex Wilson [mailto:alex@atwilson.com] **Sent:** Wednesday, March 28, 2018 8:45 PM

Subject: Opposition to bill regulating short-term rentals

I'm writing to express opposition to the bill seeking to regulate short-term rentals. While this bill, S. 204, has already passed the Senate, I am not sure of its status in the House.

In short, S. 204 is a solution in search of a problem. It will be an impediment to what is arguably the most significant shot-in-the-arm for Vermont tourism in recent decades. In some towns, Airbnb and VRBO (Vacation Rentals by Owners) represent the only hospitality that is available, and it is certainly the fastest growing segment of the hospitality industry in Vermont and elsewhere. It is bringing tens of millions of dollars into the Vermont economy.

I can't speak from experience about VRBO, but Airbnb is already self policed—though an exhaustive reviewing and vetting process. That is one of the beauties of it. If a rental does not meet general cleanliness and maintenance standards, reviewers will rate it lower and rentals will suffer.

A voluntary agreement with Airbnb was already reached with the state of Vermont a year or two ago in which room taxes are collected on Airbnb rentals. It is not clear to me what the proposed new fee, \$130 per year, would pay for, but it will likely depress participation in these rentals by ordinary Vermonters—residents who rent out a room in their house or an apartment above the garage on an occasional basis.

While the regulatory burdens will just be an annoyance for most Airbnb hosts, it will remove a wide assortment of unique rentals from the market altogether: places like remote cabins, yurts, and treehouses that offer unique lodging, but likely don't comply with the sort of health and safety standards that hotels must meet. It may also remove many rentals in towns not served by municipal wastewater systems, due to burdens of inspections and septic system upgrades.

I should note that my wife and I own a house in Brattleboro that my mother-in-law lives in during the summer months and we rent on Airbnb during the winter. That house is on municipal sewer and meets all the necessary safety standards—and we will grudgingly pay the annual fee. But we have considered renting an empty apartment above our garage in Dummerston. The new regulations might dissuade us from doing so, given the burden of septic system inspections and new layers of permitting. And we have considered building a writer's cabin on our farm that we could occasionally rent out for weekend stays; but that would be more like a camping place, served by an outhouse. I'm sure it would not comply with the proposed standards.

I also note that I am vice-president of the Board of The Landmark Trust, which rents out five houses in Dummerston and Whitingham. We have complied with new permitting requirements in Dummerston, but adding another layer of review and permitting, and significant new fees, would further challenge our business model of providing short-term vacation stays in historic properties. Our organization operates on very tight margins already, and this new law would add significant burden, especially if septic systems had to be upgraded to comply with hotel standards.

Like it or not, our region depends on tourism to support our downtown restaurants and stores. Every regulatory obstacle we put up will make it harder for those businesses to succeed. I urge you not to add further burdens.

Sincerely,

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