

# Beachside Rentals Inc

December 16, 2020

Dear LOCAC & CHAMBER OF COMMERCE

This letter is to offer some perspective to the BOS approval of the Los Osos Amendments to the STR Ordinance.

Our company has been managing Vacation Rentals since 2003 and have operated under the existing ordinance since 2004. We have witnessed a vacuum in Code Enforcement efforts since then, especially with the growth of Online Rental Platforms like Airbnb which have contributed to an unmitigated growth in unlicensed rentals, leaving residents and Local Management companies disgruntled and upset.

This may appear to be a victory right now. . . yet, please Note the following fun facts:

1. The county has an agreement with Airbnb to collect TOT taxes on all STRS rented in Unincorporated SLO, yet the county DOES NOT require Airbnb or any other online rental platform to verify if a listing is legally licensed. In addition, they are not required to report TOT by community and have immunity from the same auditing requirements local Managers are under. They just give the County one big lump sum Check on a regular basis.
2. The growth in TOT dollars collected from Airbnb is the fastest growing percentage of TOT collected in the Unincorporated area of SLO- it beats locally managed homes and hotels. This information is public information from the Tax Collector and has been provided to the the Local Area Fund Boards of the CBID.
3. The County did not renew a contract with Host Compliance this year, which has been touted as the silver bullet to identify and solve the Online Unlicensed issues.

With the above information, I ask you how motivated you think the County is to enforce the Ordinance regarding unlicensed activity. Do the math. Our experience and requests for more code enforcement efforts have fallen on deaf ears over the years, even as the public workshops have consistently identified lack of Code Enforcement and the proliferation of unlicensed rentals on Online Platforms as the main source of complaints.

We have consistently been told by D2 Supervisor that this is a “Complaint Driven” ordinance. Translation: **You, the neighbors, are the code enforcers and must call or file a complaint before the county takes Action.**

So if you do a little research on the City of Carmel, which has had a ban on vacation rentals for many years you will find there are still many listings on the Online Platforms and the City of Carmel spends a small fortune tracking them down, several resulting in costly lawsuits. The difference in Carmel, though, is that they are committed to enforcing their rules and are committed to allocating funds to do so. Even so, they have a continual challenge with this.

In addition, you will also find that Carmel has one of the Highest vacancy rates for Single family homes because it is a Second home enclave. Bans on vacation rentals do not result in new inventory for affordable housing. Only building new properties, perhaps with use restrictions, designed for this purpose will serve this purpose.

Our past experience has shown SLO County is not committed to allocating funds to code enforcement efforts. Putting a law on the books without a plan or commitment to allocate funds for implementation will do little to protect your community from unlicensed activity.

That said, I enjoy the community feeling of Los Osos very much. It is a wonderful place and do hope it retains its historical nature.

I have been following these concerns for years and have data I would be happy to share with anyone interested. Just contact me at [vacation@beachsiderentals.com](mailto:vacation@beachsiderentals.com).

Wishing you the best of luck,

Toni LeGras

Beachside Rentals Inc.