

November 11, 2022

Mayor & Members of the City Council City of Columbia, Missouri P.O. Box 6015 Columbia, MO 65202-6015

VIA: EMAIL

Re: Short-Term Rental Code Amendments to the UDC

Dear Mayor & Members of the City Council:

The Columbia Board of REALTORS® is following the process of the City of Columbia reconsidering establishing an addition to the Unified Development Code (UDC) to regulate short-term rentals (STR). From previous public hearings, draft ordinances, and an inability of the Planning and Zoning Commission and City Council to agree on basic principles of a short-term rental ordinance, it seems the initial intent of the idea has been lost during the past four years. The Planning and Zoning Commission is proposing the addition of cumbersome regulations that unnecessarily complicate the issue and the community's basic needs. CBOR is advocating City Leaders focus on an STR ordinance that:

- 1) Defines and establishes STRs as a legal use in the UDC
- 2) Allows lodging tax to be collected on STRs
- 3) Creates parity with current rental regulations
- 4) Does not restrict property rights.

The original intent of creating a short-term rental ordinance in 2017 was to establish a means to collect the 5% lodging tax on short-term rental guests and to level the playing field between STR operators and the hotel industry in Columbia when accommodating transient guests to Columbia. The City Attorney has indicated that this can only proceed if STRs are established as a legal use. It has been estimated the City has lost over \$800k in lodging tax revenue since the STR discussions began.

The City already has a well-established code in the *Rental Unit Conservation Law*. This law requires registration and regular inspections of any residential property used as a rental within the City. This ordinance is understood by landlords, and enforcement by the City is straightforward. STRs could easily be accommodated within the existing processes for registration, administration, and inspection without the need of:

- Distinguishing between a multi-tier system
- 2) Calculating the number of days a property is used as an STR
- 3) Requiring a separate approval process.

The Columbia Board of REALTORS® has a concern that the ideas still being considered for an STR ordinance will have a stifling effect on a property owner's rights. Those rights include the right of disposition, which translates to the title holder being able to sell, rent, or transfer ownership or use of their real property at will. This would include short-term rentals for residential use, no matter the length of tenancy. In addition, it has been proposed at times that operators of STRs would be forced to undergo an additional approval process to obtain a certificate of compliance. The proposed approval process has the potential to become a political decision as opposed to a ministerial act by either the Planning and Zoning Commission and/or City Council.

The CBOR is confident that adopting an ordinance that addresses the four (4) items addressed above will best serve the needs of the citizens of Columbia.

Sincerely,

Monica Hansman 2022 President

Columbia Board of REALTORS®