MCLEOD, RENATA

From:

MILLER, KIKI

Sent:

Tuesday, February 21, 2023 11:55 AM

To:

MCLEOD, RENATA; PATTERSON, HILARY

Subject:

Letter

Attached is the letter referenced (photo). I will get the original to city hall as soon as I'm able.



	Membership Application and Agreement
COR VACATION	NAME:PHONE:
	Mailing Address:
	Email Address:
	Membership Classifications
	ber \$50 STR Address(es):
This members	hip class requires that you must be an Owner of an STR incide the City Limits of Coeur d'Alene that complies with all STR regulations in local, state and federal jurisdictions. This membership has voting privileges.
Fo like to li	rr Upgrade to Add STR Listing(s) on CDA Vacation Rental Alliance Website \$100 ea* t # of properties on the CDAVRA website at a cost of \$100 eath, for a total of \$
Address(es)	of listing (if different than above):
OAffiliate Memb	er \$40 This membership class is non-vating and does not require STR Ownership.
The second second	** *** **** ***** **** **** *** **** *
☐Business Memb	
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Business Memb This membership Complete Membership Agreement: By signing below, ta Alliance (CDAVRA) a understand that my urther understand in ajority vote) does inderstand that my nat memberships ar e prorated.	er \$250 Business Name: a class is non-voting and includes a one-week per year advertisement posted on the CDAVRA website. Ad design provided by member. benefits are posted on the website at: www.cdavacationrentalalliance.org and may be updated from time to time. gree to comply with membership requirements and to also support the Coeur d'Alene Vacation Rental and its efforts to further its mission to protect property rights as they relate to short term rentals (STRs). I membership may be denied for any reason and that my application fee will be refunded if denied. I hat my approved membership may be revoked at any time if the CDAVRA Board of Directors (by a simple not believe that I act in the best interests of the CDAVRA. Should my membership be revoked, I membership fee(s) will not be refunded and that I will no longer receive member benefits. I understand e annual and commence on April 1 of each year and membership fees received after March 31 st will not
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This membership This membership Agreement: By signing below, to a linderstand that my urther understand that my urther understand that my nat memberships are prorated.	er \$250 Business Name: a class is non-voting and includes a one-week per year advertisement posted on the CDAVRA website. Ad design provided by member. benefits are posted on the website at: www.cdavacationrentalalliance.org and may be updated from time to time. gree to comply with membership requirements and to also support the Coeur d'Alene Vacation Rental and its efforts to further its mission to protect property rights as they relate to short term rentals (STRs). I membership may be denied for any reason and that my application fee will be refunded if denied. I hat my approved membership may be revoked at any time if the CDAVRA Board of Directors (by a simple not believe that I act in the best interests of the CDAVRA. Should my membership be revoked, I membership fee(s) will not be refunded and that I will no longer receive member benefits. I understand e annual and commence on April 1 of each year and membership fees received after March 31 st will not
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February 14, 2023

We are writing to give you an update on the work being done by the CDA Vacation Rental Alliance over the past several months. We are working hard to preserve your rights to rent your property as a Short Term Rental (STR) and ask you become a member of the CDA Vacation Rental Alliance or simply make a donation to support our cause and cover expenses such as legal fees.

A small but mighty group of local STR owners in Coeur d'Alene have put in hundreds of hours and hundreds of dollars of their own money on the following pursuits:

- 1. Non-profit corporation formed on November 30, 2023
- 2. Board of Directors appointed and biweekly meetings taking place
- 3. Bank account opened and Quickbooks subscription purchased
- Significant presence in CDA City Council Meetings and heavy letter writing campaign, causing a pause on changes to the STR ordinance
- 5. Outreach to State Level Agencies and politicians
- 6. Directors & Officers Insurance obtained
- 7. Legal representation retained
- 8. Website under construction- estimated completion February 21, 2023
- 9. Facebook group formed with 455 members and counting
- 10. Local education campaign, including 4 public Q&A meetings held and video campaign
- 11. Alliance memberships developed and membership campaign initiated
- 12. Networking with national STR Alliances to share concerns, ideas and resources

We hope we can count on your support to further the mission to preserve property rights for STR owners by joining the CDA Vacation Rental Alliance (see membership form enclosed). To join:

- Email the completed form enclosed to <u>cdavacationrentalalliance@gmail.com</u> or,
- Mail to CDA Vacation Rental Alliance at PO Box 700, Coeur d'Alene, ID 83816,
- Send your membership fees via mail with your application or via Venmo at: @cdavra
- Or simply make a donation via any of the payment methods!

Thank you for your support!

CDA Vacation Rental Alliance

https://www.facebook.com/groups/1193507341213680

cdavacationrentalalliance.org

process of completing or preparing their properties in anticipation of permitting them. Moratoriums in the state of Idaho require imminent peril under the law. The City has failed to demonstrate how new STR permits pose imminent peril on the community.

Equally as unjust and seemingly without proper procedure, the City disabled the STR Permit Renewal portal on its website and is not accepting any permit renewals until the Council has the opportunity on February 21st to vote for fee increases. This is in essence a moratorium placed on permit renewals without just cause for a moratorium to be enacted, again, where is the imminent peril? The City code requires that permits be renewed by March 1st or they will expire, but they withhold the ability to renew at this time.

This Issue of major government overreach is so much larger than how each of us is impacted individually. These regulations will keep coming and they will impact everyone if we don't act as a collective force against these unjust moves. If these new restrictions concern you, and the City's intentions to incorporate many more illegal ordinance changes over the next six months to one year, here is the information for sending a letter and/or email to City Council BEFORE the Council meeting on February 21st, 2023 and ask them withhold voting on these changes until they receive the data they've ordered and stakeholders are invited to the table. Also, please attend the meeting on February 21st if you can, and provide public comment.

City Hall: Attn: Mayor and City Council 710 E. Mullan Ave., CdA, ID 83814

The email addresses are:

Mayor: Jim Hammond- jhammond@cdaid.org

Council Members:

Gookin, Dan: dgookin@cdaid.org English, Dan: denglish@cdaid.org Christie Wood: cwood@cdaid.org Amy Evans: aevans@cdaid.org

Woody McEvers: wmcevers@cdaid.org

Kiki Miller: kmiller@cdaid.org

Thank you and we look forward to having our voices heard,

CDA Vacation Rental Alliance

https://www.facebook.com/groups/1193507341213680

www.cdavacationrentalalliance.org

February 15, 2023

Dear Fellow Vacation Rental Owner in CDA,



We are writing to give you an update on proposals up for a City Council vote on February 21st, and the work done by the CDA Vacation Rental Alliance, a newly formed non-profit organization whose mission, in short, is to educate the public and local leaders on the many positive impacts short term rentals (STRs) have on our community, concisely highlight the minimal negative impact STRs have on neighborhoods with fact based data, and challenge the City government of CDA that is actively working to place unnecessary and unconstitutional regulations on STRs

The work of this group and other local STR owners who have sent letters and attended public meetings have successfully caused the City of Coeur d'Alene to pause on some of the major restrictions that the CDA Planning Department proposed late last year to stifle Short Term Rentals in Coeur d'Alene.

However, in conflict with promises made in public meetings to involve STR owners as stakeholders in the ongoing conversation, and receive real data from their hired contractor Granicus, prior to asking Council to vote on these matters, the Planning Committee has recommended that the Planning Department take the following proposal to a vote of the City Council on February 21, 2023:

- "Fees: A fee increase to the annual renewal of \$84.00 for a total of \$180.00, and violation fees for operating without a permit as follows: \$1,000.00 for the first offense, \$2,000 for the second and \$5,000 for the third will be proposed at the February 21, 2023. City Council meeting." "Internal process: The current permit holders will be allowed to renew their permit for one year, with no new applications taken during this year. This will give the City and the property owners time to
- discuss additional code changes in hopes of completing any needed code changes within six months. "Code amendment: Recommendation to repeal code section 17.08.1030 (G.) which allows for a 14-

day exemption, as it cannot be easily monitored.

No opportunity for stakeholder participation has been given for input on how any new regulations on STRs could strangle the STR community, in fact, the city formed an ad hoc committee with members of the City Council, Planning Committee, Planning Department, and some municipal services representatives, to come up with the current recommendations. STR stakeholders have been entirely excluded from this committee. These are broken, publicly made promises.

The Planning Department is requesting that these regulations and fees, if approved, be enacted immediately. While these regulations are a major walk back from the original proposal that was based on loosely estimated data and/or no data at all, these are major infringements on property rights without fact-based reasons for needing these restrictions. The renewal fee increases above are proposed as a way to have the permitted STR owners pay for the City to hire Granicus to identify the unpermitted, they've admitted this much. Furthermore, a oneyear moratorium on new applications will cause serious financial harm to individuals in the



Coeur d'Alene:

1900 Northwest Boulevard, Suite 200 Coeur d'Alene, Idaho 83814

Spokane:

505 W. Riverside Avenue, Suite 215 Spokane, Washington 99201

www.BristolGeorge.com 866-511-1500

February 21, 2023

Via E-Mail Only to: renata@cdaid.org City of Coeur d'Alene City Council 710 East Mullan Avenue Coeur d'Alene, Idaho 83814

RE: Written Comment on Behalf of the CDA Vacation Rental Alliance Regarding Proposed Amendments to the Municipal Code for Short-term Rentals

City Council Members,

This letter is written to provide a written statement regarding the proposed amendments to Municipal Code Chapter 17.08, Article X, entitled "Short-Term Rentals." This statement is being provided on behalf of the CDA Vacation Rental Alliance. Specifically, this letter is written to address Council Bill No. 23-1003 repealing M.C. § 17.08.1030(G) which provides a permit exemption for short-term rentals rented fewer than 14 days in a year, and proposed Resolution No. 23-016, which would prevent any new permits from being issued for a year after the vote. This letter also addresses the City's current moratorium on renewals of short-term rental permits, whereby the City has thus far declined to process renewal applications for the 2023-2024 permit year on the ostensible basis that permit fees are being increased. Additionally, this statement addresses some of the further actions that Council Members have proposed to limit short-term rentals, such as a lottery system, a density limitation, and a cap on the number of permits held by an individual, among others. Last, while the CDA Vacation Rental Alliance believes the ad hoc subcommittee meetings may have violated open-meeting law, it is the CDA Vacation Rental Alliance's understanding that such issue is being reviewed by the City Attorney, and therefore the CDA Vacation Rental Alliance will reserve this argument at this time.

1. Repealing M.C. § 17.08.1030(G) Would Cause Immediate Economic Harm to Many Short-Term Rental Owners.

Many short-term rental owners within Coeur d'Alene rely on the existing exemption in M.C. § 17.08.1030(G) to legally list their home as a short-term rental without the need to receive

a permit from the City. These owners are currently able to list their homes on short-term rental websites and thereby accept short-term rental bookings in advance based on this exemption.

If M.C. § 17.08.1030(G) is repealed, these short-term rental owners would be required to receive a permit to legally act as a short-term rental. However, because the City Council is also considering passing a moratorium on the issuance of any new short-term rental permits, which is analyzed below, the short-term rental owners operating under the current exemption are placed in immediate peril of economic harm.

Without an exemption, and without the ability to receive a short-term rental permit, the short-term rental owners operating under the current exemption would be faced with a choice to either operate their short-term rental unpermitted, or cancel their future reservations. This is an impossible choice to make, since it exposes the short-term rental owner to economic harm, regardless of their choice. If they operate their short-term rental without a permit, they are exposed to liability from the City, and if they cancel their existing reservations, they are liable to their short-term rental marketplaces for cancellation fees and penalties.

Because of the clear economic harm that would be suffered by the short-term rental owners operating under the exemption in M.C. § 17.08.1030(G), the exemption cannot be repealed at this time. The immediate economic harm that would be brought on by such a change would prejudice the lawfully operating short-term rentals using the exemption. This change would likely obstruct existing short-term rental bookings. Correspondingly, it would violate Article I, Section 16 of the Idaho Constitution, which prohibits any "law impairing the obligation of contracts" from being enacted. For the same reason, it would also violate the Contracts Clause at Article I, Section 10 of the United States Constitution.

2. The Procedural Requirements of Idaho Code §§ 67-6523 and 67-6524 Have Not Been Satisfied.

Idaho Code §§ 67-6523 and 67-6524 are very clear regarding the requirements that must be satisfied before a governing board imposes any moratorium, whether emergency or interim, on the issuance of permits. Here, the statutory preconditions have not been met for the proposed moratorium on the issuance of short-term rental permits (Resolution No. 23-016) or for the current moratorium on the renewal of existing short-term rental permits.

A. Idaho Code § 67-6523

The issuance of an emergency moratorium is addressed in Idaho Code § 67-6523, which states:

If a governing board finds that an imminent peril to the public health, safety, or welfare requires adoption of ordinances as required or authorized under this chapter, or adoption of a moratorium upon the issuance of selected classes of permits, or both, it shall state in writing its reasons for that finding. The governing board may then proceed without recommendation of a commission, upon any abbreviated notice of hearing that it finds practical, to adopt the ordinance or moratorium. An emergency ordinance or moratorium may be effective for a period of not longer than one hundred eighty-two (182) days. Restrictions established by an emergency ordinance or moratorium may not be imposed for consecutive periods. Further, an intervening period of not less than one (1) year shall exist between an emergency ordinance or moratorium and reinstatement of the same. To sustain restrictions established by an emergency ordinance or moratorium beyond the one hundred eighty-two (182) day period, a governing board must adopt an interim or regular ordinance, following the notice and hearing procedures provided in section 67-6509, Idaho Code.

The City Council has failed to provide any written finding outlining its reasons to place a moratorium on issuing short-term rental permits as proposed in Resolution No. 23-016. To the extent there is any written statement about why the moratorium is necessary, the reasoning is simply that the City Council wishes to engage with current short-term rental owners regarding what amendments should be made to Municipal Code Chapter 17.08, Article X. However, that reasoning clearly fails to state that there is "an imminent peril to the public health, safety, or welfare." Without a written finding of imminent peril being produced, the City Council clearly cannot enact an emergency moratorium under Idaho Code § 67-6523.

Additionally, even if the City Council were able to produce a satisfactory writing under Idaho Code § 67-6523, an emergency moratorium would still fail. The proposed moratorium is for an entire year. Such a timeline blatantly violates Idaho Code § 67-6523, which only allows for an emergency moratorium to be enacted for a maximum of 182 days. Therefore, the City Council cannot rely on Idaho Code § 67-6523 for its proposed moratorium on new short-term rental permits.

Idaho Code § 67-6523 similarly does not justify the current moratorium on the renewal of existing short-term rental permits. No imminent peril regarding health and safety can be shown to

prevent current permit holders from renewing their permits. The City has stated that the current moratorium is to prevent the permits from being renewed in case the renewal fee increases based on the City Council decision on February 21, 2023. However, that clearly has nothing to do with public safety, and only relates to the City wanting the City Council to approve an increase of the fee to renew short-term rental permits. The permitted short-term rental owners who wanted to expeditiously renew their permits should not be stopped from doing so because of a potential later fee increase.

B. Idaho Code § 67-6524

The City Council cannot rely on Idaho Code § 67-6524, the interim moratorium statute, for Resolution No. 23-016, the proposed moratorium on short-term rentals. Idaho Code § 67-6524 states:

If a governing board finds that a plan, a plan component, or an amendment to a plan is being prepared for its jurisdiction, it may adopt interim ordinances as required or authorized under this chapter, following the notice and hearing procedures provided in section 67-6509, Idaho Code. The governing board may also adopt an interim moratorium upon the issuance of selected classes of permits if, **in addition to the foregoing**, the governing board finds and states in writing that an imminent peril to the public health, safety, or welfare requires the adoption of an interim moratorium. An interim ordinance or moratorium shall state a definite period of time, not to exceed one (1) calendar year, when it shall be in full force and effect. To sustain restrictions established by an interim ordinance or moratorium, a governing board must adopt a regular ordinance, following the notice and hearing procedures provided in section 67-6509, Idaho Code.

(Emphasis added). These requirements are not met here. First, the City has not made any written finding that a plan, plan component, or plan amendment is being prepared for its jurisdiction to justify enacting an interim ordinance.

Second, to reiterate, the City has presented no satisfactory writing showing an "imminent peril to the public health, safety, or welfare" to justify the proposed moratorium. All the reasons advanced to support the proposed moratorium are unrelated to public health and safety. Instead, the only reason provided in writing is that the City Council wants to have time to engage with current short-term rental owners to determine what amendments should be made to the Municipal Code, as it relates to short-term rentals. This desire does not constitute an "imminent peril."

Further, the City has failed to provide the full and complete data from Granicus. This data is the main support the City Council is using to justify the need to overregulate short-term rentals. But the City has not provided any documentation of the completed Granicus report since the final data is not yet available. Without receiving a copy of the data, stakeholders cannot verify the information the City Council is providing. This lack of verification further demonstrates the lack of legal authority the City Council has to impose the proposed moratorium.

Without a satisfactory writing, the City Council cannot implement any form of moratorium on the issuance of short-term rental permits. Any moratorium would clearly violate Idaho Code §§ 67-6523 and 67-6524.

The same reasoning applies to the current moratorium on the renewal of short-term rental permits. The current moratorium is based on the idea that the renewal fees may be increased. As explained above, however, there is no satisfactory writing to demonstrate that short-term rental permit renewals are a danger to public health and safety. As such, the current moratorium on such renewals must be lifted.

2. Many of the Proposed Restrictions on Short-term Rentals are Illegal.

For the reasons discussed above, the City Council cannot impose any form of moratorium on the issuance or renewal of short-term rental permits. Moreover, many of the proposed short-term rental restrictions the City Council is considering violate the Idaho Code.

Idaho Code § 67-6539 describes the limitations on a city's ability to regulate short-term rentals, and states:

(1) Neither a county nor a city may enact or enforce any ordinance that has the express or practical effect of prohibiting short-term rentals or vacation rentals in the county or city. A county or city may implement such reasonable regulations as it deems necessary to safeguard the public health, safety and general welfare in order to protect the integrity of residential neighborhoods in which short-term rentals or vacation rentals operate. A short-term rental or vacation rental shall be classified as a residential land use for zoning purposes subject to all zoning requirements applicable thereto. (2) Neither a county nor a city can regulate the operation of a short-term rental marketplace.

A city cannot impose any regulations that would act as a practical prohibition on shortterm rentals. The proposed ideas of having a lottery for short-term rental permits, limiting the number of short-term rental permits that a person or entity may have, and a density limitation on the amount of short-term rentals in a certain geographic area, among other proposals, would clearly exceed the City Council's authority. None of those restrictions relate to the "public health, safety [or] general welfare." Those restrictions simply place an artificial cap on the amount of short-term rentals located within Coeur d'Alene's city limits. Such restrictions are clearly beyond the regulatory powers the Idaho Legislature provided to municipalities, as it relates to regulating short-term rentals.

The scope of regulatory powers the Idaho Legislature provided to municipalities is set forth in Idaho Code § 63-1802. While this statute specifically relates to municipalities taxing short-term rental marketplaces, it also clearly describes the Legislature's intent on the limit of governmental authority. The Legislature intended to "promote access to short-term rentals and vacation rentals by limiting local governmental authority to prohibit these beneficial property uses, or to specifically target them for regulation, except in circumstances necessary to safeguard public health and welfare." (Emphasis added). Thus, the Legislature has made it clear that municipalities are not to regulate the short-term rental market except when necessary to protect the health and welfare of the municipality's residents. No such reason exists here, so the proposed actions by the City Council are invalid and cannot be passed.

Other potential short-term rental restrictions—not on the agenda for the Council's February 21, 2023 meeting but understood to be considered for future action—must be briefly addressed here. These potential restrictions include the ideas of granting short-term rental permits via a lottery system, limiting the density of properties that can obtain short-term rental permits, and capping the number of permits that an individual can hold. Such policies would violate property owners' rights under the federal and Idaho constitutions. Specifically, and without excluding other legal issues, these policies would be arbitrary and capricious, lack any rational basis, deprive property owners of constitutional due process, and constitute regulatory takings of property requiring just compensation.

CONCLUSION

The repeal of M.C. § 17.08.1030(G) would immediately prejudice the short-term rental owners legally operating under that provision. Without an exemption, and without the ability to receive a new permit, under the proposed moratorium, those owners would be faced with a choice to operate illegally or face cancellation fees and penalties from their short-term rental marketplace.

As such, M.C. § 17.08.1030(G) cannot be repealed and must remain in force, to avoid law-abiding citizens from facing great economic harm due to the actions of unpermitted short-term rentals.

It is also abundantly clear, based on Idaho Code §§ 67-6523 and 67-6524, that the City Council does not have the authority to impose any moratorium on the renewal of existing short-term rental permits and the issuance of new permits. No written finding has been provided that outlines any immediate or imminent peril to public health, safety, or welfare. Additionally, the Granicus data the City Council authorized regarding short-term rentals still has not been provided to the public. Accordingly, there is no documented reason for the proposed moratoriums to be passed.

Additionally, the actions the City Council is considering passing in the future, such as a lottery for the short-term rental permits, a short-term rental density maximum, and a limitation on the number of short-term rental permits for an individual or entity, are similarly invalid. The Idaho Legislature has provided a clear legislative intent that municipalities are not to overregulate short-term rentals, and that access to short-term rentals is a benefit to be enjoyed, not removed. The power of municipalities to regulate short-term rentals only provides for regulations for health and safety, neither of which is invoked in the proposed courses of action.

Regards,

Cody T. Ross Attorney at Law Bristol George

Cales Reeds

BADERTSCHER, SHERRIE

Subject: FW: Letter for Tonight's Council Meeting Agenda Item 0-1-23, Amendments to

Municipal code Chapter 17.08, Article X, Entitled Short-Term Rentals

Attachments: CDA CC Letter #2 Feb 2023.pdf

From: Laurie Reinhart < reinhartlaurie@gmail.com >

Sent: Tuesday, February 21, 2023 2:24 PM

To: HAMMOND, JIM < ihammond@cdaid.org >; GOOKIN, DAN < dgookin@cdaid.org >; ENGLISH, DAN

<denglish@cdaid.org>; WOOD, CHRISTIE <cwood@cdaid.org>; EVANS, AMY <aevans@cdaid.org>; MCEVERS, WOODY

<wmcevers@cdaid.org>; MILLER, KIKI <kmiller@cdaid.org>

Cc: MCLEOD, RENATA < cityclerk@cdaid.org; PATTERSON, HILARY < hpatterson@cdaid.org; rmcleod@cdaid.org; <a href="mailto:rmcle

Subject: Letter for Tonight's Council Meeting Agenda Item 0-1-23, Amendments to Municipal code Chapter 17.08, Article

X, Entitled Short-Term Rentals

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Please see attached letter concerning tonight's agenda item

Laurie Reinhart 714-393-8041 reinhartlaurie@gmail.com

David & Laurie Reinhart

12000 W. Deep Canyon Drive Star, ID 83669 2089-860-5587 reinhartlaurie@gmail.com

February 21, 2023

Mayor Jim Hammond City of Coeur d'Alene 710 E. Mullan Ave. Coeur d'Alene, ID 83814

Dear Mayor Hammond and Members of the City Council:

We are owners of a highly rated, legally permitted and compliant short term vacation rental in the City of Coeur d'Alene. We wrote to you on October 14, 2022 to detail our concerns with the City's proposed regulations, which were largely based upon erroneous or no data. In that letter, we addressed a number of false assumptions which were being bandied about by City staff and Council members (see attached). Today, we are writing to you a second time concerning the City Council's dealings with and toward the short term rental (STR) community, as you have a significant item concerning STR's on tonight's City Council Agenda.

It is our conviction, based upon both research of the facts and observations of the City staff's and Council members' actions with regard to these proposed regulations in the time since October 2022, that the City is recklessly pushing forward an agenda of big government overreach to implement regulations that are damaging, violate property owners' constitutional rights, and are STILL based upon false and missing data. These actions and broken promises are a simple and straightforward demonstration of bad faith toward property owners (not just current STR owners, but all Coeur d'Alene property owners, whose future rights are being similarly violated). Specifically:

- Contrary to promises made in public meetings to involve STR owners as stakeholders
 in an ongoing dialog, and to base decisions upon real data from the City's hired
 contractor Granicus prior to a vote, the City Council and staff have excluded STR
 owners from this process and have recommended that tonight's proposed regulations
 be approved without first obtaining and analyzing data from Granicus.
- The ad-hoc committee formed includes City Council members, Planning Committee members, Planning Department staff, and various municipal services representatives -

but notably, not a single voice from STR property owners or owners of other private businesses whose livelihoods will also be adversely affected by damaging impacts upon the STR businesses in town.

• Without ANY dialog with STR property owners, the City is proposing to enact new fees, effective immediately - while at the same time, shutting down property owners' ability to renew their permits until AFTER the fees are increased. The City has admitted that the proposed increase (more than doubling the cost of an annual permit) is intended to pay for the City's enforcement of un-permitted STR's. Fining the law abiding in order to carry out its heretofore neglected obligation to enforce City code is distasteful and unjust at best, but perhaps more significantly, it places current permit holders in a position of being unable to renew their permits by the deadline imposed by the City's own code.

Given the City Council and City staff's track record on this issue, detailed above, you can perhaps understand why we have reached our conclusions. The City Council and City staff are not unaware of their broken promises, their exclusion of voices from STR owners in the ad hoc committee, or the fact that you are pushing ahead with tonight's agenda item despite having no data yet from Granicus to analyze. Bad faith and governmental overreach (government will always seek to exert power and control) are the only conclusions we can draw from these current circumstances.

If you have ANY desire to demonstrate respect toward your constituents in the STR community by including our voices in matters which directly concern us, to do the right thing by acknowledging and making good your broken promises, to base your decisions on factual data and not political spin, and to restore any faith that property owners may have in you as elected officials individually and as the City corporately, we urge you to pull this item from tonight's agenda, and withhold voting until you have actual data to inform your decisions and you have involved impacted stakeholders in this important process. Anything less is unacceptable.

Thank you,

David S. Reinhart

Attachment: Letter of October 14, 2022

Laurie J. Reinhart

David & Laurie Reinhart

12000 W. Deep Canyon Drive Star. ID 83669 208-860-5587 reinhartlaurie@gmail.com

October 14, 2022

Mayor Jim Hammond City of Coeur d'Alene 710 E. Mullan Ave. Coeur d'Alene, ID 83814

Dear Mayor Hammond:

We are writing to you regarding the current issues being discussed and considered by the City Council concerning short term rentals (STR's). Our names are David and Laurie Reinhart, and we own a short term rental (STR) house in this beautiful city of Coeur d'Alene. We chose to purchase a house here because we love the area and this city. We and our extended family vacation here regularly. When we are not here, our house is an STR that is professionally managed.

I will begin by saying that I (Laurie) have worked in local government for most of my adult life, and so I know the difficult balance that you as elected officials must sometimes find between competing interests in your city. I also understand and appreciate the amount of time and effort that goes into your position as elected officials.

So it is from this perspective that we are writing to you as business owners here in your City. Our short term rental is certainly an investment for us, but it is important to understand that it is also an investment in and an asset to the City of Coeur d'Alene. As a business, we treat our STR very seriously. Our neighbors have the contact information for both our professional management company and for us directly. Our professional management company (another local business) does an outstanding job of maintaining the property, handling the business details of STR's (including marketing, reservations and guest relations), and responding in minutes when a guest might have a question or concern. Our STR appears on various websites and regularly receives five star reviews. Our property is maintained in top notch condition (in better condition than many owner-occupied residences in the surrounding neighborhood). We have off-street parking for up to 5 vehicles. Our marketing materials let

our renters know at the time of booking that the house is in a quiet residential neighborhood and noise disturbances will not be tolerated. We went through all of the steps necessary to have the home permitted by the City before we started making it available as an STR.

As a local business, we pay property taxes and other permit fees and taxes. We utilize other local businesses whenever we need them, including home cleaning services, appliance repair, and contractors. We purchase our supplies from local businesses. Our guests vacationers eat at local restaurants, shop at local stores, go to local events, participate in the annual Iron Man competition, charter fishing and hunting expeditions, float the rivers, ski at local resorts, and contribute substantially to Coeur d'Alene's tourism-driven economy. Most importantly, people who rent from us tend to be families with children who simply want a wonderful vacation in a beautiful place where they can make family memories.

Finally, it is important that you as Mayor and the members of the City Council have accurate information if you are to make well-informed decisions. Unfortunately, much of the information that we understand has been presented to the City as "reality" with regard to STR's is inaccurate at best. The following issues are examples of some of the misinformation that is circulating:

- The perception that STR's are "overwhelming neighborhoods" This assertion is demonstrably false. At present, there are 381 legally compliant STR's which are permitted by the City, out of a total of 22,000 residential units in the City (or a total of 1.7%).*
- The perception that STR's are a "problem" for neighbors and police This belief is not based upon reality. Permitted STR's over the last 2.25 years have generated 1.6% of police complaints approximately one per month across the entire City. Another way to put this into context is that only 11 permitted STR's have had complaints over a 27 month period (representing less than 3% of permitted STR's).*
- The perception that STR's are contributing to the area's lack of affordable housing In fact, only 5% of home sales have resulted in the home being turned into permitted STR's.* Blaming STR's for the surge in home prices is overly simplistic. The lack of affordable housing is a national issue with many complex causes.
- * Note: The above information is compiled from U.S. Census data, City records, and real estate data by the CDA Vacation Rental Alliance. You have likely heard these corrected statistics from other STR owners as well.

We are not suggesting that some local residents who have brought concerns forward have had not bad experiences with a nearby short term rental; no doubt, some have had negative experiences. What we are saying is that these experiences are not representative

of the City-wide STR story.

It is imperative that, as the policy making body for the City of Coeur d'Alene, you make well informed decisions, based upon the facts, that balance the interests of all constituent groups in the City. It is your responsibility to adopt well-considered responses to real problems, not over-react to perceived problems. At present, some of the proposed solutions constitute a government overreach of questionable constitutionality which will have significantly adverse impacts upon business owners and the City's tourism-drive economy.

The bottom line is that permitted STR's are not a problem for the City of Coeur d'Alene, and in fact, the opposite is true: permitted STR's are an asset and represent a significant contribution to the local economy. Finally, you already have the tools at your disposal to address non-permitted STR's: noise ordinances, enforcing the permit process to ensure safety, parking plans, fee structures, and neighbor notification, and fining non-compliant operators. Committing to using these tools will raise the bar for local STR owners and enhance the quality of life for all residents.

We have attached copies of reviews of our short-term rental home for your review, and the link for our property is here: https://www.vacasa.com/unit/65550

Thank you for the work you do and for your consideration of this information.

Sincerely yours.

David Reinhart

Laurie Reinhart

Heure Kurhert