

Item L-2 Public Comment - Browne, Rich

Mary Sponhaltz

From: Katie Banister
Sent: Monday, December 4, 2023 5:31 PM
To: City Clerk
Subject: FW: Concern on the STR Permit Ordinance

Categories: City Council

Sincerely,
Katie Banister
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From: Rich Browne <[REDACTED]>
Sent: Monday, December 4, 2023 4:43 PM
To: Planning <planning@prcity.com>
Subject: Concern on the STR Permit Ordinance

[EXTERNAL EMAIL]

Subject: Concerns and Recommendations on the Short-Term Rental Permit Ordinance Transferability

Dear Council Members,

I am writing to express my concerns about unforeseen consequences arising from Paso's Short-Term Rental Permit Ordinance, particularly regarding the transferability of permits in the non-R1 Zones. This aspect of the ordinance has inadvertently created significant value disparities in our community. Since the permits have reached capacity, Realtors estimate that a transferable permit can increase a home's value by approximately \$100,000 here in Paso. It's common advice for homeowners to have a permit purely to augment their property value, regardless of their intent to engage in short-term rental activities. In fact, it would be interesting to see how many STR permits have generated \$0 tax revenue over the life of their permit.

This unintentional consequence not only undermines the ordinance's intent but also creates an unfair advantage in the property market. With a yearly fee of just \$184 for a permit potentially increasing

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property value by \$100,000, the incentive here is clear. Additionally, this is also leading to a problematic scenario where, once the number of permits in the R1 district falls below 75, the remaining permits will effectively be locked to the 325 properties currently holding them, as very few permit holders will ever give up their permit (and why would they). At that point, it will exclude any other Paso homeowner who may wish to obtain an STR permit from ever obtaining one unless changes are made.

The original intent of this ordinance, which aims to regulate the number of short-term rentals and generate tax revenue for the city, is widely supported. However, using it as a mechanism to artificially inflate property values, especially for homes not intended for short-term rental use, is problematic. In my discussions with city staff, planning commissioners, and numerous residents, I have yet to find someone who sees the transferability of short-term rental (STR) permits as appropriate.

Therefore, I urge the City Council as they consider amendments to the ordinance to eliminate the transferability of STR permits. Such a change would ensure fairness for all homeowners in Paso Robles who wish to apply for an STR permit and align the ordinance more closely with its original objectives.

Thank you for your attention to this matter.

Sincerely,

Richard Browne