

July 13, 2018

TO: Baltimore City Council
FROM: Al Hutchinson, President and CEO, Visit Baltimore
RE: **COUNCIL BILL 18-0189--** Short-Term Residential Rentals – Regulation and Taxation
POSITION: **Support**

Honorable Council President Young and members of the Baltimore City Council:

Visit Baltimore supports the adoption of fair, safe, and relevant regulation and taxation standards for short-term rentals (STRs) providing overnight accommodations to visitors in Baltimore City.

STRs accessed through online platforms (e.g. Airbnb and others online providers) are a reality in the global travel marketplace and providing various lodging options is an important ingredient to the attraction of visitors to any city. Recognizing STRs in local codes provides an opportunity to acknowledge the unique role that STRs play in our destination as well as to help legitimize and support responsible local hosts participating in the city's tourism economy. For example, by extending the city's hotel tax (a 9.5% tax levied on the rate of sleeping accommodations *paid by all transient visitors*) to stays in STR units, Council Bill 18-0189 will not only fuel important city services; but also, it will raise additional revenues for destination promotion through Visit Baltimore – activities driving visitation that in turn will benefit all accommodation providers.

Baltimore is not the first destination to address STRs; however, there are very few consistent, industry-wide standards that dictate provisions and/or restrictions that should be included in our own STR laws. What does seem to be consistent is the remittance of occupancy (*aka 'hotel'*) taxes by STR guests. In fact, online platforms, including Airbnb, are not only collecting and remitting occupancy taxes elsewhere – they have pledged their company's commitment to ensuring the "STR community pays its fair share of hotel and tourist taxes."

Ultimately, Baltimore's policies should meet the evolving needs of the industry; provide standard protections for occupants; legitimize local hosts while eliminating illegal hotels; be cost-effective and efficient for the city to implement and enforce; and, minimize any potential adverse impacts on our neighborhoods and communities. Visit Baltimore believes Council Bill 18-0189 is a step in this direction and encourages continued dialogue among all stakeholder groups –the local host community, the hotel industry, the broader tourism community and city agencies – around the proposed legislation.

Submitted respectfully,

A handwritten signature in black ink, appearing to be "Al Hutchinson", written over a light blue horizontal line.

Al Hutchinson
President & CEO