



For Smaller Cities, the Airbnb Backlash Can Be Even Bigger

In communities that rely on a handful of special events each year, the sharing economy is complicated.

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Kevin Flynn has worked in law enforcement for more than 20 years in Ashland, Oregon. Six months ago, though, he was recruited to crack down on an issue that's cropped up in not just his city but similarly sized communities nationwide: short-term home rentals.

The idea of residents turning over all or part of their dwellings to a temporary guest is far from new. But thanks to [Airbnb](#) and other Internet-based brokers like [VRBO.com](#) and [HomeAway](#), this practice has spread like wildfire and turned into a burgeoning new industry. And in many smaller cities like Ashland, residents unused to such a high volume of tourist turnover are voicing major concerns about the arrangement.

Their complaints range from not being able to find parking in their own neighborhoods, to feeling unsafe not knowing who's coming and going, to disruptions from loud partying. At the same time, city officials are struggling with how to classify these new-school vacation rentals and to what degree to regulate them without killing the tourism boost that they can bring.

Ashland's claim to fame has long been its annual [Shakespeare festival](#) and picturesque setting surrounded by mountains. Altogether, an estimated 350,000 tourists make the trek annually, and in recent years it's evolved into a year-round destination. According to Flynn, many Ashland homeowners rent out their entire houses during peak tourism season. Others take their garage, remodel it, and turn it into a livable space as side income. Still other families let guests stay in a single room of the residence while they occupy the rest of the dwelling. They use Airbnb, Craigslist, essentially every digital vehicle that's out there to advertise and book deals.

The problem comes when residents try to rent under the radar. Rules vary by city, but in Ashland, anyone renting out a dwelling is required to obtain a business license and pay what's known as a transient occupancy tax — the same as what hotels, motels, and bed and breakfasts pay. Certain residentially zoned areas of the city are also off-limits, or require neighbors to agree to allow short-term rentals. Complaints have surfaced when non-sanctioned rentals pop up in single-family residential zones, and especially in non owner-occupied rentals so "they're not there to supervise," he says.

A big part of Flynn's role is to figure out who can and cannot rent out their homes, issuing 10-day cease and abate orders, explaining what residents must do to be compliant and, if all else

fails, fining them. It's akin to a health inspector role. He estimates he's reached out to close to 200 properties so far. A watchdog group of citizens tips him off to rule-breakers, and he also trolls rental sites on his own to keep up with the phenomenon.

"It's noise, it's traffic, it's parking, it's sanitation."

"With some, I'm able to say, 'You can do this legally and you just have to go through this process.' Then they do that. It's hard when I have to tell them that, currently under the law, you can't operate," he says. "In the beginning it was chipping away one at a time; now as soon as (a short-term rental) pops up, that day or the next day I'm contacting the owner. It gives you an idea of how closely monitored this is."

In Savannah, Georgia, a major tourist destination, the issue isn't quite as settled. Problems surfaced when it became more noticeable that mansion owners downtown were renting out their properties to short-term visitors, and neighbors logged complaints about who was staying there.

"It wasn't like families showing up for vacations. These were wedding parties using these houses as venues for a weekend blowout," Assistant City Manager Peter Shonka says. "We're talking about young people with money and alcohol. We got complaints of improper urination, littering. They were cramming 20 people inside the mansions, and this was putting a lot of stress on the neighbors."

Between Airbnb and other online operators, the total number of short-term rentals has soared in Savannah. Beyond the historic downtown sector, in neighborhoods with driveways and lawns, more homes and portions of homes are being rented out, too. A "few bad apples" have prompted the city to examine the overall issue more closely, says Bridget Lidy, of the city's Tourism Management and Ambassadorship department.

It's much the same story in smaller cities with distinctive tourism draws around the country. In Austin, Texas, which hosts massive annual events like South by Southwest, the short-term rental market has exploded over the past five years. To balance regulation and allow Airbnb and other online services to thrive, two years ago the city [created a licensing system](#). Short-term rentals owners have to secure a license from a specially created government unit that deals with these properties. Austin officials also limit the number of homes that can be rented per building and per area of the city, in an effort to prevent any single neighborhood from becoming overrun by temporary visitors.

And in Fort Lauderdale, Florida, a 2011 law prohibited local governments from regulating, banning, or creating new rules about vacation rentals. But the Florida state legislature is currently working to change this through bills proposed this spring. Fort Lauderdale City Manager Lee Feldman [told the Sun-Sentinel newspaper](#), for locals, the problem is "noise, it's traffic, it's parking, it's sanitation. Basically it's the commercialization of residential property."