

Nancy Batchelder

From: Kathy Hubbell <kathy@adscripts.com>
Sent: Thursday, July 09, 2015 11:02 AM
To: City Hall
Subject: Comments for today's public hearing on the bed tax - please print and give out during the hearing

Importance: High

Hello, Nancy and City Council Members,

I would like these comments to be printed and included in the public hearing today concerning a possible increase in the bed tax. If I were able to be there in person, as originally planned, my oral comments would be included, so I am sending these in the good faith that of course my written comments, sent hours before the hearing, can be printed and included. – And thank you very much.

I am extremely concerned about this proposed increase in the local bed tax, and wonder if you have really investigated and thought through the issues here. It will affect tourism, and I can't imagine that the effect will be small. The economy has still not entirely recovered; I happen to be teaching a marketing class right now at Marylhurst University, and much of the current research shows that people are still being extremely frugal with the dollars they spend. The recession has made everyone much more cautious. Given that state of affairs, if I were to be a tourist in Yachats and found the bed tax there was much higher than in surrounding areas, I would certainly find lodging in one of those surrounding areas instead. I might even skip Yachats altogether, except perhaps to have lunch there on my way north or south.

As you can see, the first effect would be an overall reduction in bed tax funds to the city. Tourists are not so loyal to Yachats that they don't care how much more expensive it is than other places.

The second effect would be an overall reduction in the city's general fund, 70 percent of which comes from bed tax funds.

The third effect would be a growing reputation for Yachats as being unfriendly to tourism.

The fourth effect – here's the long-term kicker - would be a reduction in the already-depleted Yachats economy, because there is no commercial development large enough to replace the bed tax funds. Nor do we want a Walmart or box stores or cheesy tourism attractions in Yachats; and special events aren't going to make up the year-round difference, as fun as they are.

One big piece of information missing from this is where the supposedly-increased funds will go; why are they needed, what are they intended for, where will they go? I certainly haven't received any information as a vacation rental owner, and I certainly don't see one word about it in the July newsletter.

Finally – it's puzzling how the city council has expressed a resentment of vacation rentals over and over again, and has openly feared that they are ruining the character of the community, and yet now wants more money from them. You can't have it both ways, folks. You won't do well demanding more funds from people who already provide substantial funds to the city, and openly resenting them and working against them at the same time.

Don't pass this increase. It will end up doing exactly the opposite of what you think it will do.

Sincerely,
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cc: Vacation rental homeowners