

I have outlined a clear and pressing issue regarding the financial impact of illegal short-term rentals in Cottonwood Heights. My points also highlight feasible solutions and underscore the importance of government accountability. Personally, I did not invest \$1.5M in my home to live next door to Motel 6! Here's a summary and some strategic recommendations for addressing this situation:

Summary of Key Points

1. Current Situation:

- **Legal Short-Term Rentals:** 110-120
- **Illegal Short-Term Rentals:** Approximately 400
- **Estimated Annual Property Tax Loss:** \$3,400,000 due to primary residence deductions being improperly claimed. Receiving the primary residence deduction of 45% from Salt Lake Co is simply stealing. Not only from the County but also the cities and most of all US, your constituents

2. Challenges:

- **Lack of Zoning Enforcement:** Short-term rentals are simply not permitted in single-family residential areas.
- **Enforcement Difficulty:** Tracking and managing illegal rentals is currently a significant challenge but not difficult to fix.
- **Additional Fees and Taxes:** Hard to quantify but also contribute to revenue loss. More taxes are being lost

3. Existing Solutions:

- **Software Tools:** Platforms like Host Compliance, Harmari STR, Zencity, and GovOS are used in other cities (Salt Lake City, Park City, Moab) to manage and monitor short-term rentals effectively.

4. Legal and Ethical Obligations:

- **Public Trust and Accountability:** The city has a duty to enforce laws and regulations to maintain public trust and avoid legal repercussions.

Strategic Recommendations

1. Adopt Technology Solutions:

- **Evaluate and Implement Software:** Consider investing in and implementing software solutions similar to those used by Salt Lake City, Park City, and Moab. These tools can help identify, manage, and enforce regulations on short-term rentals.
- **Integrate Systems:** Ensure that the chosen system integrates well with existing city management tools and processes.

2. Strengthen Enforcement:

- **Increase Inspections and Monitoring:** Use data from the software to target inspections and enforcement actions more effectively.
 - **Develop a Compliance Team:** Establish a dedicated team to handle short-term rental violations, manage software tools, and coordinate with other city departments.
3. **Revise and Enforce Zoning Laws:**
- **Create Meaningful Zoning Regulations:** Develop zoning laws to regulate short-term rentals, providing clear guidelines on where they can operate legally.
 - **Public Consultations:** Engage with YOUR community to ensure that new zoning laws address residents' concerns and expectations.
4. **Address Tax Revenue Loss:**
- **Audit and Recover Back Taxes:** Conduct an audit to identify properties that owe back taxes and take steps to recover those funds.
 - **Adjust Tax Policies:** Review and adjust tax policies to close loopholes and ensure fair tax collection.
5. **Improve Public Communication and Education:**
- **Awareness Campaigns:** Educate property owners about legal requirements for short-term rentals and the consequences of non-compliance.
 - **Transparency:** Clearly communicate the impact of illegal short-term rentals on city finances and services to the public.
6. **Legal and Ethical Accountability:**
- **Ensure Compliance:** Actively enforce current laws and regulations to uphold the city's legal and ethical obligations.
 - **Monitor Public Trust:** Regularly assess and address community concerns to maintain public trust and support.

Conclusion

Addressing the issue of illegal short-term rentals in Cottonwood Heights is crucial for protecting city revenue and maintaining public trust. By adopting technology solutions, strengthening enforcement, revising zoning laws, and improving public communication, the city can better manage this challenge. Ensuring accountability and transparency will not only help recover lost revenue but also reinforce the city's commitment to its residents.