



Good evening,

My name is Kenzi Havlicek, and I am the Executive Director of Visit Eau Claire, the destination marketing organization for Eau Claire. I am here tonight on behalf of the Visit Eau Claire Board of Directors to express our concerns regarding the proposed ordinance for short-term rentals in our community. In order to provide context, I would like to share a little about our organization.

As the local destination marketing organization, our mission is to attract visitors to Eau Claire in order to strengthen the local economy. In 2023, Eau Claire County tourism reached historic heights, generating a record-breaking \$459 million in **total economic impact**, surpassing the previous record of \$434 million set in 2022. **Direct visitor spending** alone hit an all-time high of \$284.5 million, representing a 5.4% increase over 2022. These numbers underscore the critical role tourism plays in our community.

Because the influx of visitors is important to these efforts, we have a direct interest in the changes being proposed in the short-term rental ordinance. One concern is the requirement that short-term rentals mandate a minimum 7-night stay. Our second concern is the requirement to limit their availability to 180 days per year. Visit Eau Claire understands and supports the need for appropriate regulations that address health, safety and neighborhood vibrancy concerns; however, the proposed restrictions will significantly alter the landscape of short-term rental availability in Eau Claire.

Currently, over 90% of short-term rental bookings in Eau Claire are for stays of less than 7 nights, highlighting the strong demand for shorter-term accommodations. In fact, today's travelers increasingly seek diverse lodging options, including non-traditional accommodations such as short-term rentals. Additionally, the city's current lodging options without short-term rentals would not be able to accommodate the large influx of visitors drawn to community events and festivals. Short-term rentals have been a vital resource, providing much-needed lodging for our guests. Because events typically span 2-3 days, the proposed ordinance would eliminate these non-traditional lodging options that are in high demand; and in turn, force visitors to seek accommodations in neighboring communities that offer more flexible lodging options.

This ordinance would put Eau Claire at a competitive disadvantage and sharply reduce the collected room tax revenue for our city. Short-term rentals contribute approximately \$80,000 annually in lodging tax revenue, with \$24,000 going directly to the City's budget. All short term rental properties are remitting lodging tax funds to the city regardless of whether they hold a license. Currently, there are approximately 66 active short-term rental properties in Eau Claire, with 23 that are licensed. With exemptions on the ordinance for these licensed properties, the city would be losing tax funds on the other unlicensed 43 properties that no longer are able to provide stays shorter than 7 days. Providers like Airbnb and VRBO collect and remit lodging taxes on behalf



of ALL properties, whether licensed or not. By limiting availability through this ordinance, we risk losing these revenue streams and displacing travelers who would otherwise choose Eau Claire.

Regarding the 180-day limit, Visit Eau Claire has additional reservations. While summer is undeniably our busiest season, Eau Claire thrives as a vibrant four-season destination, drawing visitors year-round. Our city is proudly recognized as a Wintermission City—a designation highlighting our commitment to being a winter-friendly destination that fosters outdoor activity and reduces social isolation during the colder months. Our community has a need for a variety of lodging options year-round as opposed to 6 months out of the year.

On behalf of Visit Eau Claire and its board of directors, I strongly request you to reconsider the proposed time limitations for short term rentals. Striking a balance between regulation and accessibility is essential to maintaining Eau Claire's appeal as a destination and preserving the economic benefits that tourism provides to our community.

Thank you for your time and consideration.