

November 6, 2024

Eau Claire City Council
City Hall
203 S. Farwell Street
Eau Claire, WI 54701

Dear Council Members,

On behalf of the Visit Eau Claire Board of Directors, I am writing to express our concerns about the proposed changes to the city's short-term rental policy, particularly the 7-night minimum stay requirement. This change could negatively impact Eau Claire's tourism economy and visitor experience, and we would encourage the Council to consider the broader visitor and economic implications for our community as you craft the new policy.

In particular, we respectfully request the City Council consider the proposed 7-night minimum stay requirement's impact on the following areas:

- **Visitor Flexibility:** A majority of visitors to our region seek shorter stays given their desire to attend special events, weekend getaways, or business trips. A 7-night minimum stay would restrict their lodging options and likely deter them from choosing Eau Claire for their hospitality needs. Over 90% of short-term rentals in our city this year were booked for less than 7 nights, highlighting the strong demand for shorter-term accommodations.
- **Economic Impact:** Visitors may seek alternatives to hotels for a variety of reasons. Short-term visitors contribute significantly to the vitality of local businesses, including restaurants, shops, and attractions. Limiting our tourists' lodging options could significantly reduce this crucial economic activity within the city of Eau Claire while advantaging less-restrictive nearby cities and eroding Eau Claire's competitive edge in attracting overnight travelers for all types and sizes of events.
- **Event and Market Competitiveness:** Our city hosts numerous festivals, conferences, and sporting events that draw visitors for just a few days. Imposing a 7-night minimum stay could reduce event attendance and weaken the overall success of these important gatherings. Surrounding markets with more flexible

VISIT EAU CLAIRE

short-term rental policies will attract travelers who prefer shorter stays, putting Eau Claire's distinctive events at a competitive disadvantage.

- **Capacity Constraints in Visitor Accommodation:** Short-term rental operators offer diverse accommodation options that meet a range of visitor preferences, and more flexible policies would allow them to continue supporting Eau Claire's tourism growth. As local hotels would not be subject to this proposed restriction, the 7-night minimum would create an unfair competitive environment for short-term rental operators whose properties provide needed capacity at times when hotels are fully booked.

We recognize the need for appropriate licensing and regulatory oversight, and support the proposal for annual licensure, including proper health department inspections. We have sought clarification on the six-month maximum time period during which short-term rentals would be allowed to operate, and would encourage policy language which helps Eau Claire maintain a robust array of overnight room options year-round.

A more flexible approach to short-term rentals will ensure Eau Claire remains a welcoming, competitive, and thriving destination. Visit Eau Claire would welcome the opportunity to provide insights from a tourism and economic perspective as you, or relevant commissions or work groups, consider the implications of this proposed policy. Additional resources showcasing the potential benefits of an appropriately regulated short-term rental sector are attached.

Thank you for your time and consideration. We are committed to working with the City Council to design a balanced policy that addresses community concerns and supports a thriving tourism economy.

Sincerely,



Kenzi Havlicek, Executive Director
Visit Eau Claire

CC: Stephanie Hirsch, City Manager

Harvard Business Review: What Does Banning Short-Term Rentals Really Accomplish?

<https://hbr.org/2024/02/what-does-banning-short-term-rentals-really-accomplish>

Strong Towns: Going After Corporate Homebuyers is Good Politics but Ineffective Policy

<https://www.strongtowns.org/journal/2024/2/21-going-after-corporate-homebuyers-good-politics-ineffective-policy>

Strong Towns: The Case that Short-Term Rentals Actually Make Our Neighborhoods Stronger

<https://www.strongtowns.org/journal/2019/9/24/the-case-that-short-term-rentals-actually-make-our-neighborhoods-stronger>

Todd Davis, SME, CCO: How Short Term Rentals Benefit Your Community and Tourism In Your Area

<https://www.linkedin.com/pulse/how-short-term-rentals-benefit-your-community-tourism-todd/>

Forbes: Housing Scapegoat: Short Term Rentals Aren't The Problem

<https://www.forbes.com/sites/rogervaldez/2022/10/06/housing-scapegoat-short-term-rentals-arent-the-problem/?sh=48fdcae86abb>