

June 19, 2023

Dear Aldermen and Elected Officials:

As we all know from media headlines, short-term rental units (STRs) have been a major source of crime and disorder in Downtown and many neighborhoods for years. Large fights, shootings, and other disturbances are associated with STRs. In addition, as more people purchase properties and turn them into short term rentals, it has taken homes off the market, contributing to the housing shortage in the City. On the 900 block of Locust St., there are now at least 40 STRs in two large apartment buildings that could otherwise be rented to permanent residents of our city.

While I generally support Board Bills 33 and 34 that provide for some regulation of STRs in the City, I have several serious concerns relating to the effectiveness and enforceability of these proposed ordinances. Fortunately, I think my concerns and those of many of us who have worked on this issue for years can be addressed by amending the proposal with the following suggestions:

- Rentals should be for a minimum of two nights. In other cities, that has served as a deterrent for single-night parties.
- Require that rentals be listed only on a permitted platform. As the bill is currently written, STRs and booking platforms are both permitted, but there is not a requirement that an STR be listed on a permitted platform. That is a major omission, since many of the offending STRs are listed on social media, or on platforms that are not managed responsibly. Those STRs will be hard to find and track.
- Asking the Building Division to track thousands of individual STRs is not efficient and it will take years to create new systems and hire more staff. Linking STRs to booking platforms would place much of the responsibility (remitting taxes, requiring evidence of compliance with ordinances, etc.) with the booking platform. So instead of monitoring thousands of STRs, the Building Division can rely on systems maintained by a limited number of booking platforms. This will dramatically improve the immediate enforceability of the ordinances.
- Owners and related corporate entities should be restricted from owning more than four STRs. Currently, dozens of STRs can be in the hands of a single owner or related corporate entity. This is leading to the creations of “ghost hotels” and destroying the value of many multifamily properties.
- The definition of a security incident needs to be broadened to include a variety of offenses including any incident that results in a disturbance affecting surrounding properties, criminal harm, discharging of firearms, violation of city code, etc. The security and revocation provisions as written will not be effective since they rely almost solely on police citations for ordinance violations. For example, if a guest fires a gun out of a window of an STR and then flees, is the owner cited for an ordinance violation? In the dozens of problematic events at STR’s in the City, the police have issued few, if any, citations for ordinance violations.

Again, I support the work you are doing to address the serious problem of unregulated STRs in the City, but I believe that the proposed ordinances could be made far more effective and enforceable if the suggestions listed above can be incorporated into BB33 and 34. Thank you for considering this request.

Sincerely,

A handwritten signature in blue ink, appearing to read "Les Sterman". The signature is fluid and cursive, with the first name "Les" written in a larger, more prominent script than the last name "Sterman".

Les Sterman
1121 Locust St. #402
St. Louis, MO 63101