



CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

Office of the Mayor

300 Sixth Street

605-394-4110

E-mail: mayorsoffice@rcgov.org

October 11, 2016

Rapid City Common Council
300 6th Street
Rapid City, SD 57701

Re: Short-term Rental Properties

Dear Council Member:

Following the last Council Meeting, and your subsequent denial of a proposed ordinance regulating short term rentals in Rapid City, I have taken matters into my own hands, so to speak.

I have arranged to have a meeting this week with key staff members where we will re-organize the understanding of the problem and try to find a proposed path for solutions. I must tell you that I dispute the notion that simple enforcement of a conditional use permit is the correct or only approach in this instance.

The issue is that Airbnb, and other similar organizations, have tapped into a market traditionally held by large commercial hotel and motel companies. There are several dozen such accommodations in Rapid City and among of all of them, one complaint has been registered with the City. That complaint, having mainly to do with improper parking and unusual appearances of strangers in the neighborhood led to a hearing in front of the City Council during which a conditional use permit for the Airbnb at 3414 Hall Street was denied. The homeowner/business owner has since thumbed her nose at the City and has continued operations despite the judgment of the Council. This has been particularly frustrating for some of the neighbors on Hall Street as they came to the City for help and did not get it. Even more frustrating, is the perception that the City is now ignoring the issue entirely.

First and foremost, I characterize this as a failed communication between us (the City) and the citizens. I take responsibility for my part in this failed communication as I briefly pointed out at the last Council Meeting. This issue has followed a fairly typical process whereby the City Council desires action on an issue, directs staff to propose a solution, City staff does the work and sends the product back to the City Council, where the ultimate outcome is the problem is not solved. I refer back to the issue of regulating abandoned houses, which through this same type of process, somehow turned into an attack on snowbirds. The above process has not

worked efficiently, at least lately. As for my part, I have mostly been out of the loop on the Airbnb issue, by my own choice, and possibly at the expense of the failed outcome. From this point forward, I will take a more active role related to future problem-solving attempts that result in the creation of City ordinances. I believe I can help us improve this process.

During the meeting this week concerning short-term rental regulation, I will do my best and I will attempt to keep an open mind during the process. I do have a bit of a philosophical problem trying to address short term rentals in Rapid City generally, when a single complaint has been received. Furthermore, I cannot understand the unusual priority this issue has been given, especially when it is common knowledge that long-term rentals are a major problem. I last attempted to address the issue of long-term rentals in about 2011 when I was Chief of Police. A committee was formed, a good deal of research was done, some suggestions were made and at the end of it all, the mayor at that time put an end to the effort. Rapid City has been painfully aware for decades that slumlords get rich at the expense of the low-income folks needing housing. All this is done behind the shield of "free enterprise" or some other gutless reasoning.

As I have previously stated, I am trying to reconcile in my mind how we can divert so much attention and priority to short-term rentals when we have a slumlord epidemic in our city. I will, as promised keep an open mind, and I will report any significant findings to you.

If you have any questions about this, or would like to talk about it in person, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Steve Allender". The signature is fluid and cursive, with a long horizontal line extending to the right.

Steve Allender, Mayor
Rapid City, South Dakota