



City Manager
707-822-5953

Environmental Services
707-822-8184

Police
707-822-2428

Recreation
707-822-7091

Community Development
707-822-5955

Finance
707-822-5951

Engineering
707-825-2128

Transportation
707-822-3775

736 F Street
Arcata CA 95521

July 17, 2025

Assemblymember Chris Rogers
1036 5th Street, Suite D
Eureka, CA 95501

Re: SB 346 (Durazo) Local agencies: transient occupancy taxes: short-term rental facilitator. Notice of SUPPORT (as amended on May 8, 2025)

Dear Assemblymember Rogers,

The City of Arcata supports SB 346, which would better equip cities to enforce local ordinances related short-term rentals, including the collection and remittance of transient occupancy taxes (TOT).

Short-term rentals are regulated exclusively at the local level via the adoption of an ordinance that often includes regulations on permitting, tax compliance, noise, parking, occupancy, as well as other responsibilities for hosts and short-term rental facilitators. In some instances, ordinances limit the number of short-term rentals allowed to operate lawfully, other ordinances ban short-term rentals entirely.

Short-term rentals can present numerous challenges to neighborhoods and adjacent property owners. They may create additional noise, traffic, parking, and public safety issues, decrease available housing stock, and in some cases turn residential neighborhoods into de-facto hotel rows, collectively creating additional demands on local public service providers.

Unfortunately, the enforcement of TOT ordinances and the collection and remittance of these taxes from short-term rentals can be inconsistent, even when voluntary collection agreements are in place with a short-term rental facilitator. Cities lack access to property addresses or other property-related information, even under these agreements, resulting in a difficult choice to either accept tax payments without any way to verify their accuracy and legality or attempt to collect taxes directly from property owners—a costly and time-consuming process. Meanwhile, short-term rental facilitators have full knowledge of these properties' locations and resist disclosing this information. Cities can only compel short-term rental facilitators to disclose this critical information through certain legal action, such as subpoenas. This is not how oversight of public dollars should work.

SB 346 would address the above issues by providing cities with the physical address of each short-term rental listed on the facilitator's website and full audit authority of TOT dollars. These

changes would ensure the correct amount of TOT is being collected and remitted and would allow for more efficient enforcement against unlicensed units.

For these reasons, the City of Arcata supports SB 346.

Sincerely,



Alexandra Stillman
Mayor
City of Arcata

cc.

Mike McGuire, State Senator, District 2,
Jared Huffman, Congressman, District 2,
Chris Rogers, State Assemblymember, District 2,
Sara Sanders, Regional Public Affairs Manager, sanders@calcities.org
League of California Cities, cityletters@calcities.org