

To: The City Councilors of the City of Newburyport

From: Robert M. Currier

Date: 4/25/2023

RE: City of Newburyport 6% tax on short term rentals

Charging a 6% tax on short-term rentals in Newburyport would generate income that can be used to develop and build affordable housing in the city. The popularity of short-term rentals negatively impacts the inventory of affordable housing opportunities, because "hosts" are enjoying income from renting their homes at hotel prices. Tourism is popular in Newburyport, and with the absence of a hotel, short term rentals are an obvious lodging option. The proposed 6% tax would be "added" and would not interfere with the landlord's profit. Many cities charge service or hotel taxes. It is not a new concept.

The revenue that the City of Newburyport would collect can be directed towards funding much needed affordable housing in our community.

The City of Newburyport needs to provide equitable housing opportunities for folks who want to live here. Current rental prices are prohibitive to so many people who would like to call Newburyport home. In addition, many long-term citizens of our city have been "priced out" of their housing. I am not suggesting that we discourage the use of short-term rentals. I am insisting that Newburyport has a civic obligation to develop funding streams and begin to tackle its affordable housing crisis.

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