

Cannon Beach rejects tax deal with Airbnb

City concerned about fairness, transparency

By Brenna Visser
Cannon Beach Gazette



COLIN MURPHEY/EO MEDIA GROUP

Vacation rentals, including many listed on Airbnb, are common in Cannon Beach.

Bucking a growing trend, the City Council has decided not to pursue a voluntary tax agreement with Airbnb where the vacation rental giant would have paid the city a quarterly lump sum of lodging taxes.

The responsibility for paying the tax is with the property manager of a vacation rental. With more and more transactions happening online, cities often have difficulty keeping track of whether rentals that use Airbnb are registered and paying their fair share.

To help address that concern, Airbnb has contracted with more than 360 jurisdictions around the world in voluntary tax agreements, which promise to pay cities

100 percent of the lodging tax owed, including from vacation rentals not registered with the city, under the condition that the vacation rental owners remain anonymous. If the agreement were in place last year, 150 rentals the company has on record would have paid \$110,000 to Cannon Beach. Unlike other lodging in-

termediaries like Travelocity or Expedia, Airbnb only pays lodging taxes directly to cities through these volunteer agreements. Seaside entered into an agreement with Airbnb last summer, joining more than 20 other cities and counties in Oregon.

While the possibility of receiving previously untapped

revenue was attractive, city councilors ultimately took issue with the lack of transparency, which would make it impossible for the city's finance director Laurie Sawrey to track whether Airbnb is accurately reporting all of its revenue.

Sawrey said the agreement would also restrict her ability to audit Airbnb to only once every four years, impeding the city from enforcing other codes related to safety.

"In Cannon Beach, auditing is a practice we've always employed. Our last audit showed inconsistencies with gross rents, and we were able to change an ordinance to address it," Sawrey said. "The ability to audit is also a council priority."

Airbnb spokeswoman Laura Rillos said these agreements make it easier for hosts to comply with local tax laws, help create an even playing field for short-term rentals and hotels and streamline the tax

collection process while allowing for audits.

"We remain willing to discuss the possibility of an agreement with the city of Cannon Beach, so the city can receive the full economic benefits of short-term rentals," Rillos said.

Cannon Beach has joined an emerging skepticism about these agreements in the past year. Astoria has been hesitant to allow Airbnb to collect lodging taxes on the city's behalf, even as city staff struggle to enforce city rules and collect all the taxes owed. At a work session in December, staff brought up concerns about not knowing who is operating these types of vacation rentals.

Hoteliers like Cynthia and Stephen Malkowski of the Arch Cape Inn came out against Seaside's agreement because of what they saw as unfair treatment.

Jason Brandt, president and CEO of the Oregon Restaurant

& Lodging Association, said he dissuades cities from entering these agreements. There should be an equal playing field in the marketplace, and that all lodging should be held to the same standard to ensure cities have accurate information, he added.

"We consider ourselves a partner with cities to make sure revenue is collected so cities can promote tourism," Brandt said.

Seaside, however, saw the agreement as a way to collect money the city otherwise would have never received, said Public Information Officer Jon Rahl.

"Previously, if you booked a room through Airbnb, you'd get a notice of a state lodging tax, but no notice of the local. You were just paying \$1.80 on a \$100 rental," Rahl said. "It was really left up to the host to collect the local tax separately and charge the person after the fact or take it out of their own pockets."

Literary figure, Cannon Beach resident Ursula K. Le Guin dies

Le Guin from Page 1A

Early in her literary career, a frustrating period of rejections gave way to a venture into a new genre.

The author's success was immediate. Science fiction opened Le Guin up to writing not only about aliens but from "alien" points of view, The New Yorker wrote in a 2017 profile.

From 'Searoad' to Cannon Beach

Le Guin's literary output — poems, short stories, children's books, novels — often depicts futuristic worlds, using fantasy settings and tropes to confront serious human issues: politics, spirituality, environmentalism, then-Cannon Beach Gazette reporter Erick Bengel wrote in a 2014 profile.

She often incorporated Cannon Beach into her poems, sometimes by name and other times through coastal imagery.

"I loved it from the start," Le Guin said in a 2017 interview. "Way, way back, in the '60s. It was a little artists' hideaway town. The sculptor Joe Police was mayor. There were no mega-mansions owned by out-of-state millionaires, no big ugly cement walls on North Beach, it had its own hardware stores and indie drugstore and Osborne's excellent grocery. It was more self-contained and a good deal, well, gnarlier. But it's still pretty gnarly, thank goodness."

Her 1991 novel, "Searoad: Chronicles of Klatsand," portrayed a community that resembled Cannon Beach. The novel is chock-a-block with familiar imagery: the kite shop, the year-round Christmas store, Tom's Grill and the volunteer library.

"I mentioned Cannon Beach in one of the stories so that people would know that Klatsand is NOT (quite) CB," Le Guin wrote in a 2017 email. "Klatsand has a lot of elements of CB, but it also has bits of Seaside and Manzanita and Nehalem."

Rex and Diane Amos of Cannon Beach met the Le Guins when they visited their house in Northwest Portland to share a mutual love of music.

"Diane brought her upstairs to meet me and to give her a tour of the house," Amos recalled. "When we met, Ursula asked me about my art. I told her that many people found my stuff radical and provoking. She laughed and said, 'Good, we need more of that. Keep it up.' Of course, for that bit of encouragement I liked her immediately."

'Strong values'

Le Guin became a part of Ayres' life after Le Guin moved into the same neighborhood as her grandparents decades ago.

For Ayres, Le Guin's poignant sense of humor paired with a "clear, uncompromising voice," impacted the literary community and communi-

LeGuin's "No Time to Spare," released in December.
HOUGHTON MIFFLIN HARCOURT



ty at large in "a giant way." "She spoke her truth," Ayres said. "I would say it was her and Terry Brooks: Those were our two literary luminaries from Cannon Beach."

Ayres said Le Guin's voice when it came to writing about women offered clarity in her own life.

Cannon Beach resident Rainmar Bartl remembers Le Guin and her husband stopping by a weekly community coffee that happens at Cheri's

Cafe whenever she was in town.

Bartl remembers her as a "very unassuming person" with "very strong values."

Though she didn't live on the coast, she cared about Cannon Beach and took an interest in city affairs, Bartl said. "She was very generous with her time, especially as someone at this level of world renown. I remember she would come and give talks, read from her books. She would make herself available for these community events when she could."

Le Guin publicly supported an immigrant inclusivity resolution that ultimately was presented and passed by the city in 2017.

"It is unfortunate that our current federal government, by attempting to enforce pol-

itics that deny the very principles our republic is founded on, makes such a resolution necessary," Le Guin said in an interview with the Cannon Beach Gazette.

'Freedom'

In later years, Le Guin's work became increasingly political.

At 85, she was the surprise star of the National Book Awards in 2014 with a speech that encouraged people to be masters of their own destiny, like a Le Guin character whose dreams can alter reality.

Le Guin was given the Medal for Distinguished Contribution to American Letters. She accepted the medal on behalf of her fellow writers of fantasy and science fiction, who, she said, had been "excluded from literature for so long" while literary honors went to the "so-called realists."

Her most recent book, "No Time to Spare: Thinking About What Matters," was released to widespread acclaim in December.

It is Le Guin's message to future generations of writers and readers that will be remembered by her many fans.

In the National Book Awards speech, she called upon her fellow artists to resist the temptation to kowtow to corporate pressures.

Freedom, she said, will be their reward.

The author received a standing ovation.

the Local Grill & Scoop

Experience Family Dining in a Relaxed & Friendly Environment

Serving Seafood, Pizza, Sandwiches, Espressos, Beer, Wine, Ice Cream and our Homemade Desserts

We have a fabulous patio where you can enjoy the weather and your meal.

"TO-GO" Orders Welcome

156 N. Hemlock • Cannon Beach
503.436.9551
Owned and Operated by the Cleary Family

Congratulations, North Coast!

Thank you to the following Blue Sky business partners who helped lead the way:

- | | |
|---|--|
| <p>ASTORIA</p> <ul style="list-style-type: none"> A Gypsy's Whimsy Astoria Co-op Grocery Astoria Vintage Hardware Bikes and Beyond Blue Scorcher Bakery Cafe Bowpicker Fish & Chips Buoy Beer Company City of Astoria Columbia River Coffee Roaster Columbia River Maritime Museum Eleventh Street Barber Fort George Brewery & Public House Frite & Scoop Hashtoria Homespun Quilts & Yarn Josephson's Specialty Seafood Old Town Framing Company Pilot House Distilling Purple Cow Toys RiversZen Yoga Sea Gypsy Gifts The Fox & The Fawn Boutique The Healing Circle U.S. National Park Service | <p>CANNON BEACH*</p> <ul style="list-style-type: none"> City of Cannon Beach Dragonfire Gallery Dragonheart Herbs & Natural Medicine Haystack Gardens Jupiter's Books Martin North Corporate Office Public Coast Brewing Co. Sea Level Bakery & Coffee Seasons Cafe Stephanie Inn Surfsand Resort Suzu's Scoops Wayfarer Restaurant & Lounge |
| <p>CLATSOP COUNTY*</p> <ul style="list-style-type: none"> Clatsop County | <p>GEARHART*</p> <ul style="list-style-type: none"> City of Gearhart |
| <p>SEASIDE</p> <ul style="list-style-type: none"> Cleanline Surf Co. Lucky Dog Tattoo Sopko Welding Inc. Zinger's Homemade Ice Cream | |

* EPA Green Power Partner

You surpassed the North Coast Challenge goal!

Local Clatsop County community members banded together in 2017 to increase support for renewable energy through Pacific Power's Blue Sky program — surpassing the North Coast Challenge goal by 86% with more than 900 new Blue Sky participants! In fact, the magnitude of renewable energy supported in Clatsop County qualifies Oregon's North Coast for national recognition as the first county in Oregon to earn EPA Green Power Community Designation and only the second in the nation!

Pacific Power's Blue Sky program will award the Clatsop County community a 1-kilowatt solar installation for exceeding the North Coast Challenge goal.

It's not too late to join your community in making a difference! Enroll your home or business in Blue Sky, visit pacificpower.net/bluesky or call 1-800-769-3717.

© 2018 Pacific Power

