



House Bill 2006 - Oppose

To: House Committee on Human Services and Housing
From: Sunriver Owners Association
Date: March 9, 2017
Re: **Opposition to HB 2006**

Madam Chair, members of the committee: the Sunriver Owners Association represents over 4,200 owners in Sunriver, some of which live in Sunriver but who reside across the State and in every single Legislative district. We urge a no vote on House Bill 2006.

Although Sunriver is described as a resort, the residents and owners are similar in their demographics to many of your constituents (and in fact in many cases are your constituents!).

For many second homeowners in Sunriver, their purchase represents years of hard work and financial discipline in order to carve out their special piece of Central Oregon. By maintaining their homes as viable rental spaces for portions of the year, they represent the backbone of Deschutes County's tourism economy — Sunriver's second homes make up almost two out of every three transient room tax dollars in the county.

Many of our members bought into the business plan of second-home ownership with this deduction in mind. And while some Sunriver owners are more financially secure, a dip in rental revenue would be ruinous for many; the removal of this deduction from their originally conceived ownership and business plans may represent the "straw that may break the camel's back".

Even worse, since many destination resorts in the region are required to provide a certain amount of overnight lodging stock, individuals who have previously purchased such property (while considering the calculation of this deduction into their overall business plan) may not have the opportunity to extricate themselves from these holdings if overnight rental requirements have been applied to these homes.

In essence, these individuals have purchased a home that cannot be converted to a standard residential unit due to destination resort lodging requirements, and — should HB 2006 pass — could be trapped into an ownership model that no longer affords them the deduction that they had counted on upon in the beginning.

In the interests of fair play and maintaining a stable source of dollars for Central Oregon's public services, we urge a no vote on House Bill 2006.