govService

Host Compliance

Chester

Kester Bonsu
June 2022

Monitoring Short-Term Rentals (STRs) presents both widely known and underappreciated challenges

Getting **visibility** into STR data is **nearly impossible**

Manual processes weigh on my team and **drain our budget**

Our **internal alignment** is ineffective and **suffers**

So much of my **time is wasted** on **finding more room in the budget**

🕐 **<10%**
Of STR owners voluntarily get registered and pay all of their taxes

🕐 **20-30%**
Issues with STRs growing at an alarming rate year over year

The Short-Term Rental Market is Exploding

Many communities are struggling to define and enforce regulations that preserve community character and keep communities safe while ensuring revenue collection.

15x
the # of short-term rental listings since 2011

27
global markets have seen home rentals outperform hotels in the last year

100s
of different platforms make it nearly impossible to manually track STR property listings

239%
Increase in STR related party complaints in the last year

Without compliance, local government knows STRs bring significant challenges

» Lost economic opportunities

» Diminished neighborhood character

» Impact on housing affordability

» Wasted time and money

The New York Times

The Coronavirus Outbreak › | **LIVE** Latest Updates | Maps and Cases | Vaccine Information | Timeline | Wuhan, One Year Later

The Future of Airbnb

Home-sharing's challenges aren't only about social distancing and hygiene. Overtourism, racial bias, fee transparency and controlling the party crowd are also in the mix.

The Case that Short-Term Rentals Actually Make Our Neighborhoods Stronger

Kea Wilson · September 25, 2019

News | Technology

Tech challenges (and coronavirus) were the focus for rental managers in 2020

By Linda Fox | December 22, 2020

The New York Times

Airbnb Fights Its 'Party House Problem'

Noise. Damages. Safety questions. Airbnb is racing to address the risks posed by partying guests before it goes public.
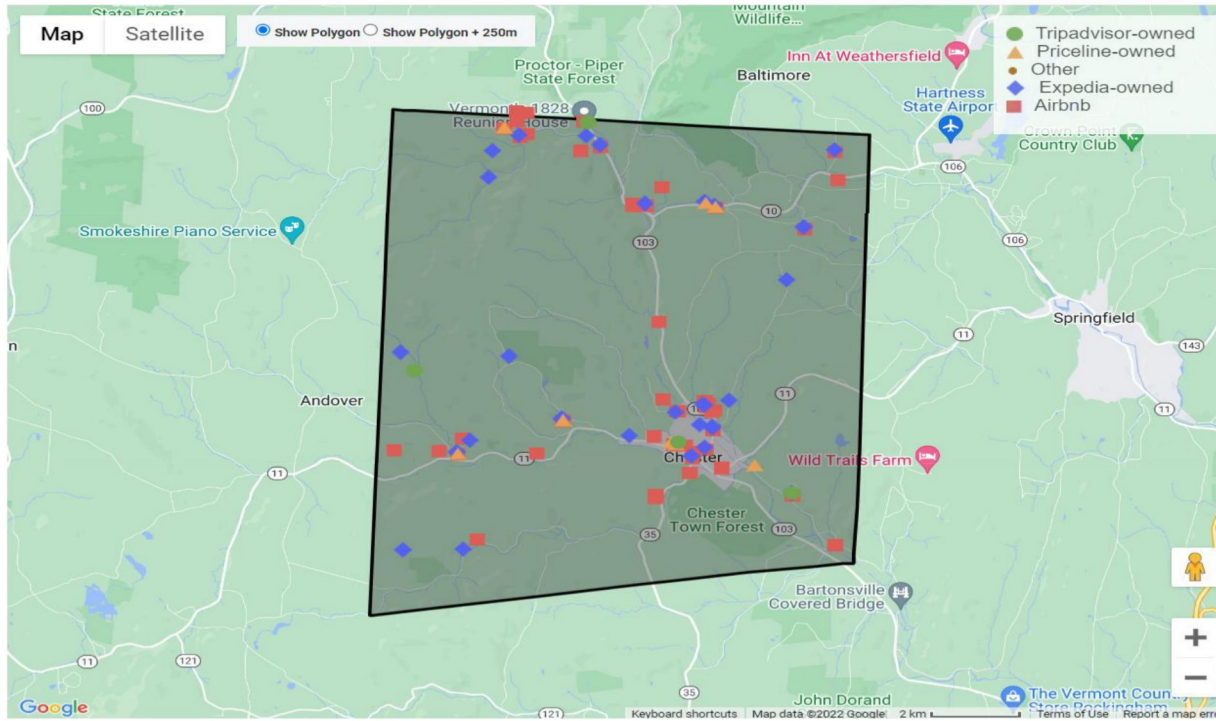

Forbes

Dec 2, 2020, 11:20am EST | 511 views

The Growth And Challenges Of Vacation Rentals In The Age Of Covid

…and in Chester we have identified 99 listings, representing 79 unique rental units*

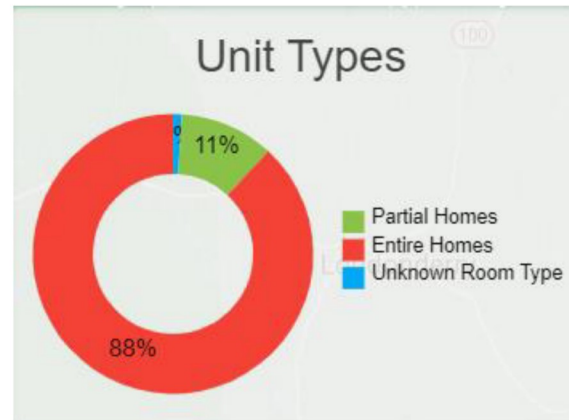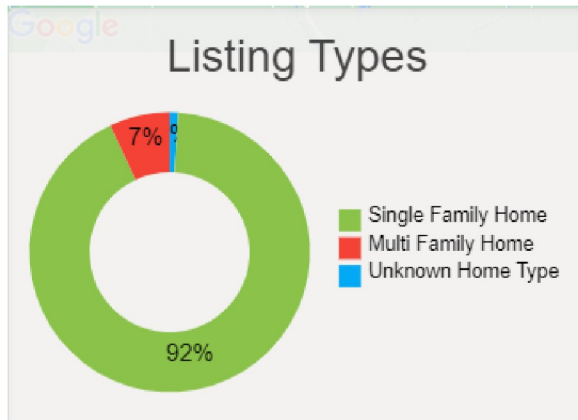**Short-term rentals in Chester as of June 2022**

* Granicus Host Compliance's pricing is based on the count of listings and rental units that would need be to analyzed and monitored for compliance. In terms of listings, this number is 101 as we will expand our search area by several hundred yards beyond the borders of Chester to capture all relevant listings. Source: Granicus Host Compliance Proprietary Data

Chester STR Market Details

Median Nightly Rate (USD)

$270

Listing Types

- Single Family Home
- Multi Family Home
- Unknown Home Type

7% 0
92%

Unit Types

- Partial Homes
- Entire Homes
- Unknown Room Type

11%
0
88%

The number of short-term rental listings has grown
36% in Chester over the last year

YoY Growth

36%
YoY Listing Growth

Source: Granicus Host Compliance Proprietary Data
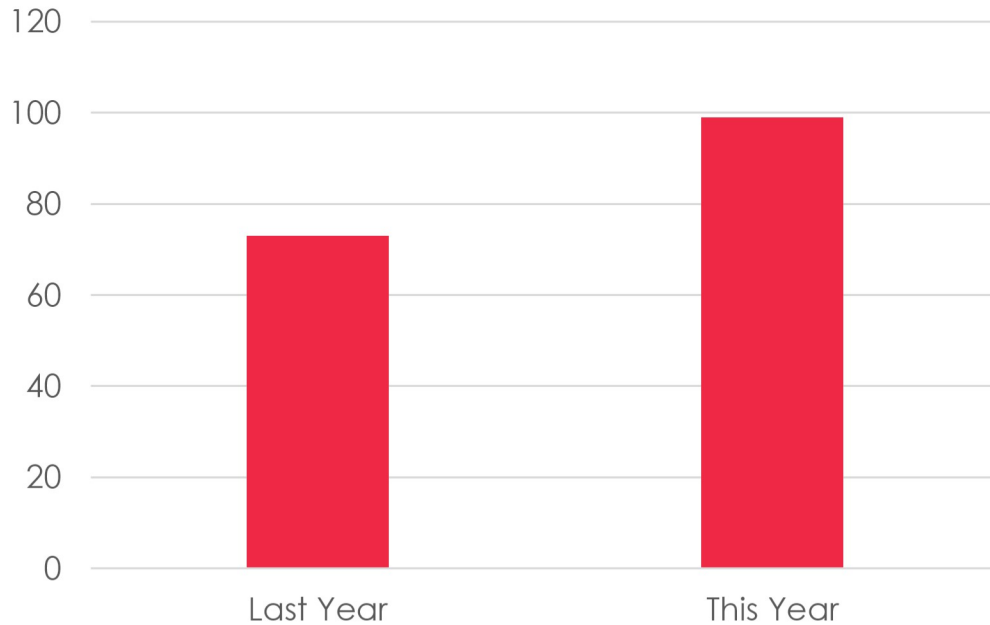
Counting only unique rental units, Chester has seen
58% growth since last year

YoY Growth
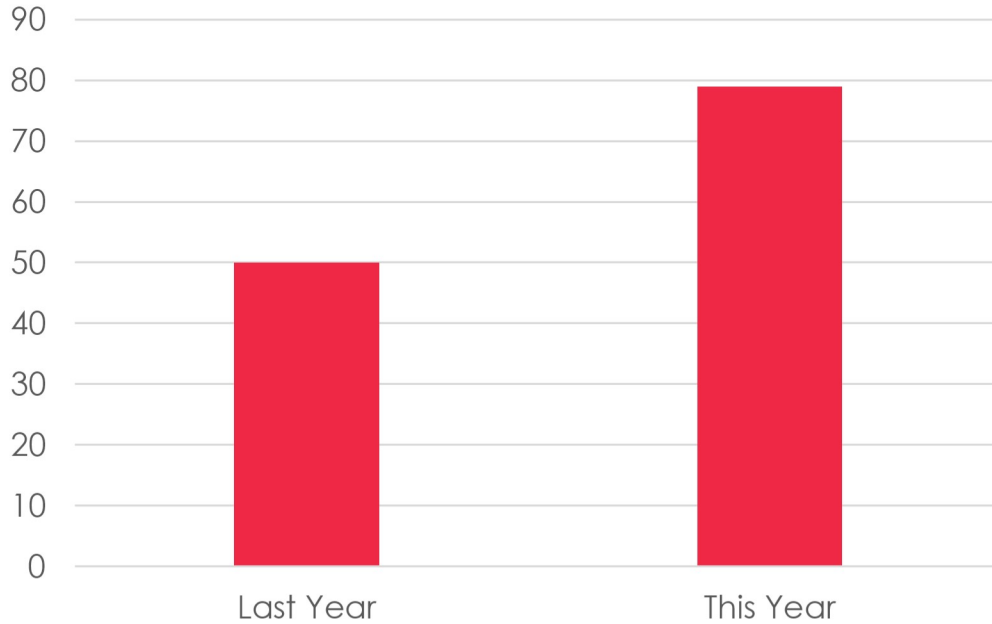
58% *YoY Rental Unit Growth*

Source: Granicus Host Compliance Proprietary Data

True Compliance Requires a Holistic Approach

Identifying STRs alone isn't enough. You need to...

Understand the market

Understand the size and scope of short-term rentals in your community

Identify revenue loss

Ensure your community has identified every opportunity for revenue capture, creating an even playing field for all types of providers and residents

Automate and save

Support greater staff efficiency with impactful tools and process automation to help implement and enforce fair regulations

Protect the community

Ensure all lodging providers meet health and safety standards; develop short- and long-term plans to create, grow, or revitalize a community or area

01

02

03

04
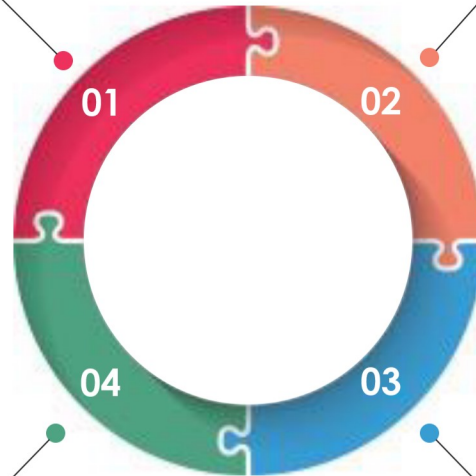
Subscriber Network
A network of 250M citizen subscribers

govAccess
Transactional websites designed for today's citizen

govService
Online citizen self-service solutions and process automation

govMeetings
Meeting agendas, video, and boards management

govDelivery
Targeted email, text, and social media communications

govRecords
Paperless records management

Granicus Experience Group
A strategic team of experts delivering managed services

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govService **Host Compliance**

Compliance Monitoring

Permitting & Registration

Tax Collection

24/7 Hotline

Rental Activity Monitoring

Consulting Services

Address Identification

Communications

- Resident
- Visitor
- Business

Data & Analytics | Professional Services

Address Identification technology and processes make it possible to easily monitor the STR market and find the addresses and owners of all identifiable STRs

1

Scan

We scan the world's 60+ largest STR websites for all listings

2

Extract

We identify each listing and extract as much information as possible to allow our AI models to narrow down the list of possible address/owner matches

3

Combine

We combine AI and human analysts to identify the exact addresses and owner information for each identifiable STR

Address Identification monitors the STR market and finds the addresses and owners of all identifiable STRs
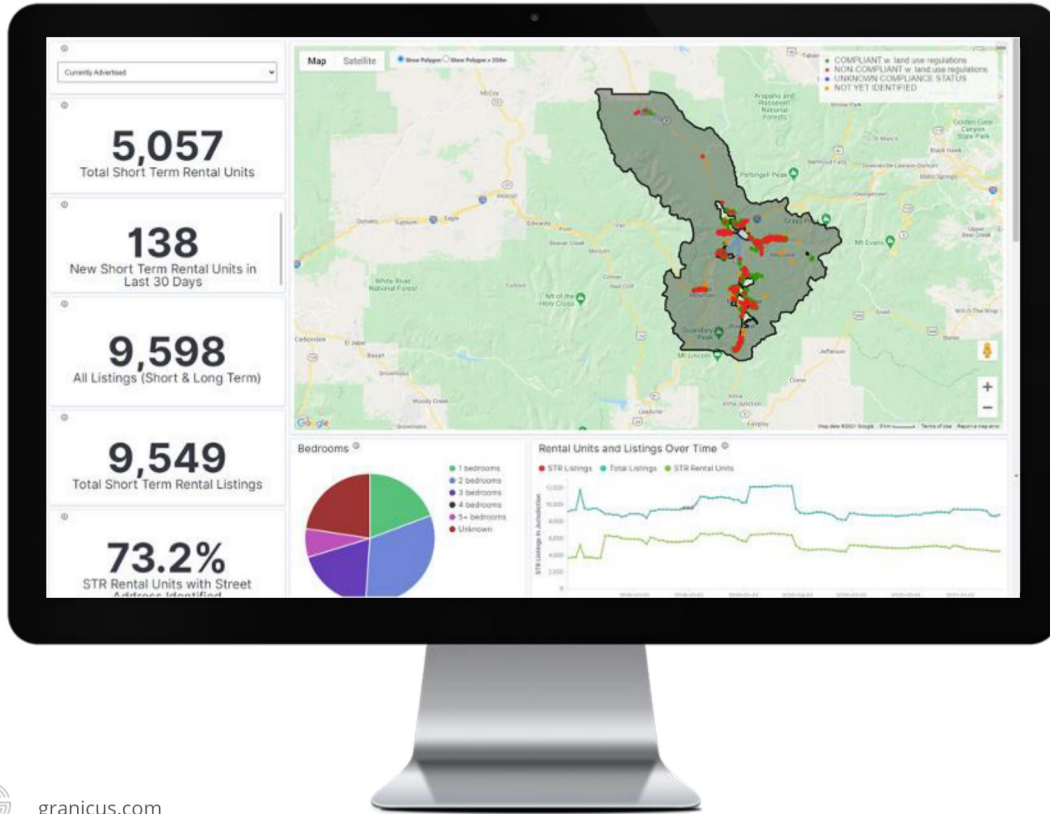
The data and screenshots are made available to authorized users in an easy-to-use online dashboard and records management system and easily exported in Excel/CSV format

Use software to **automate the systematic capture of listing screenshots**

Full Screen →

Listing status, metadata and full-screen screenshots are time stamped and made available in real time on the **rental unit record**
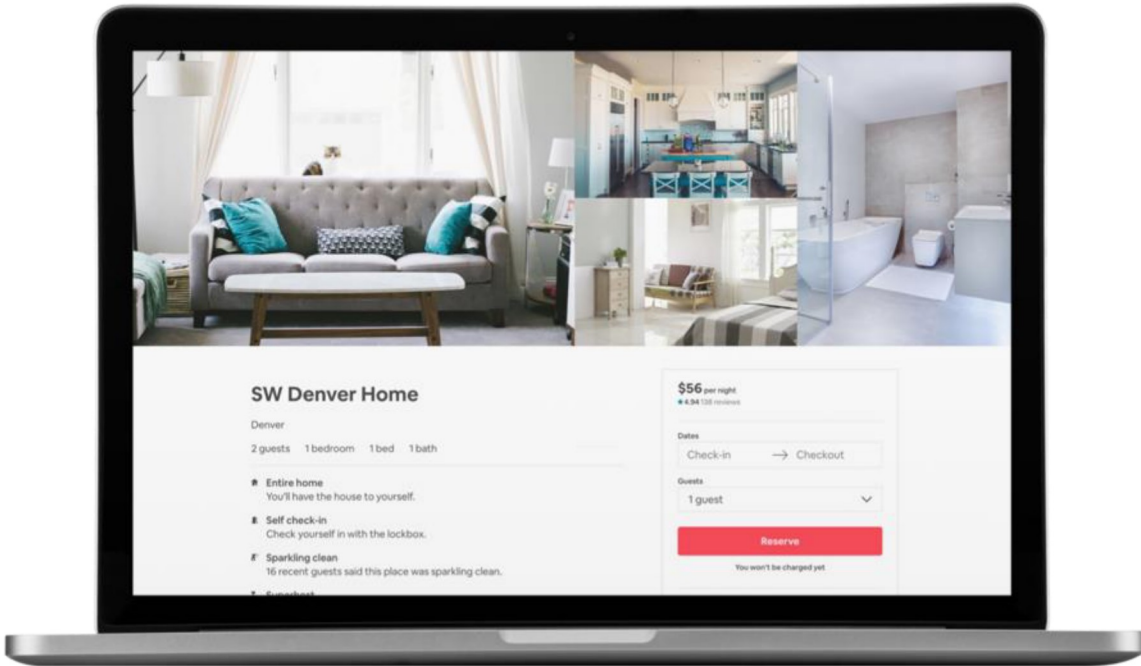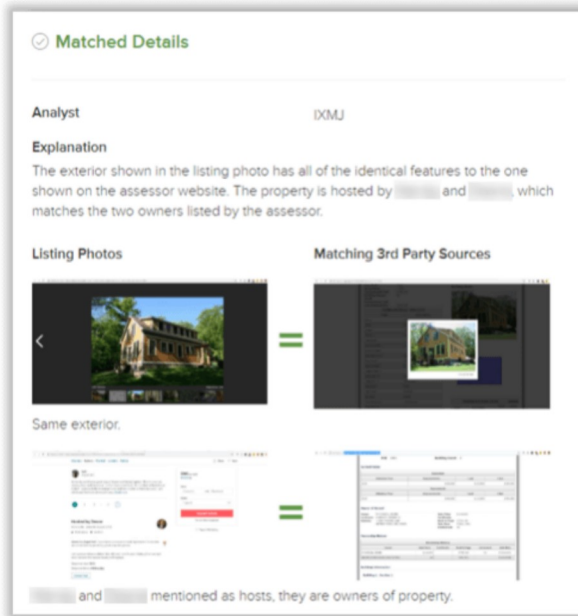
Provide documented evidence of every address match to support all of Chester's enforcement efforts

Example of Searchable Evidence
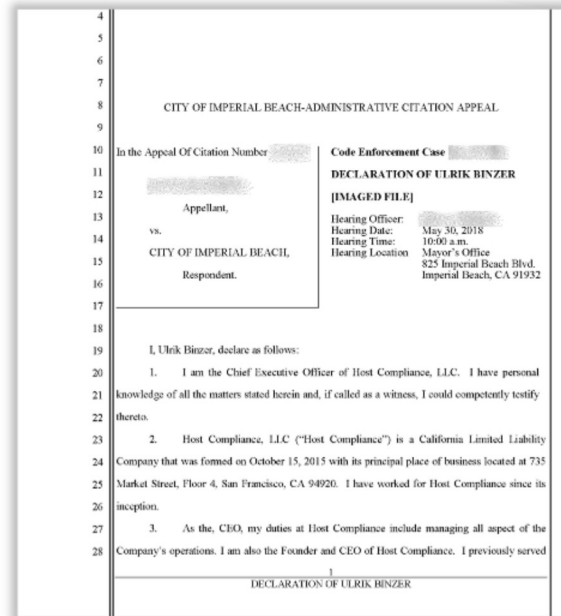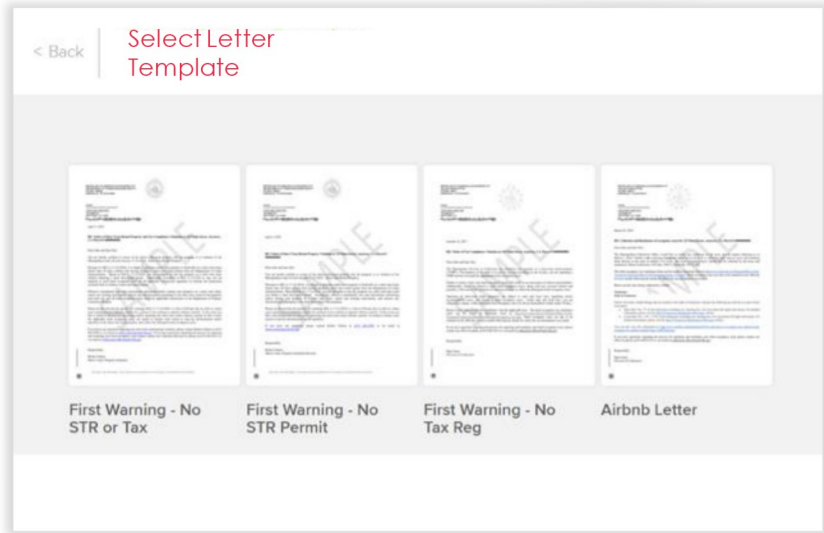
Example of Legal Declaration

Easily track the status of individual rentals and create case notes on the unit's record
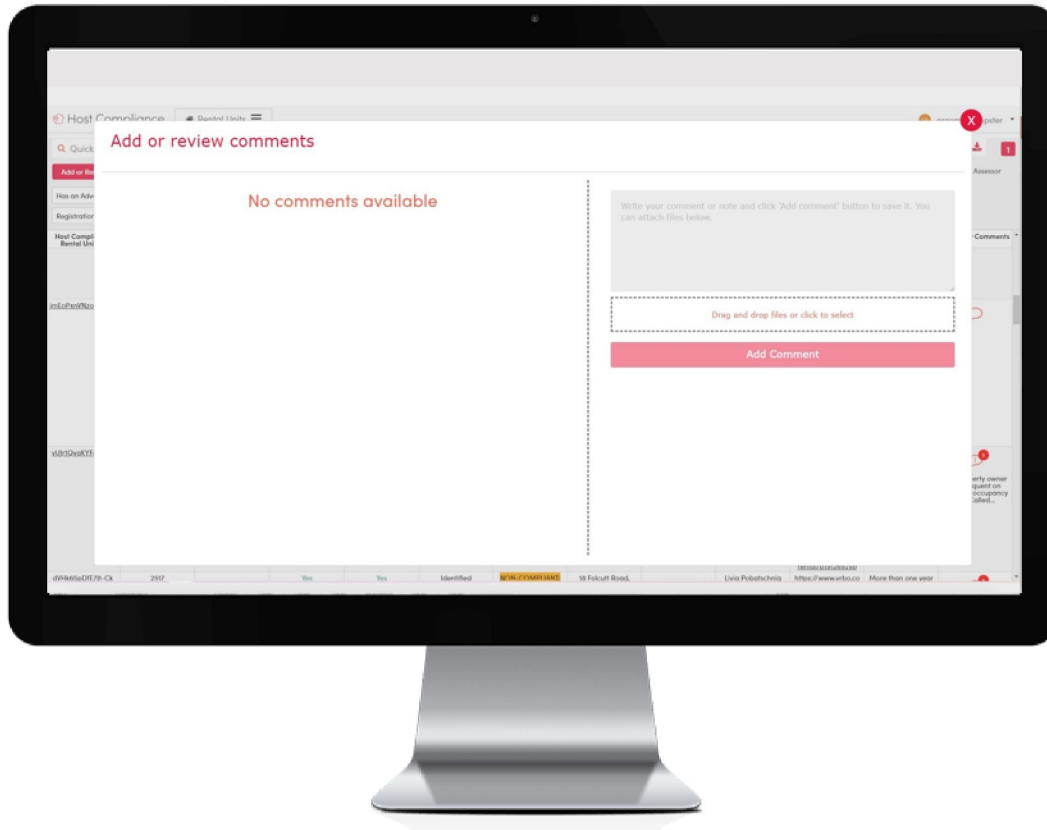
Compliance Monitoring allows you to stay in control and save time by sending your enforcement letters with the click of a button

Increase your outreach effectiveness and efficiency by automatically adding evidence to communications
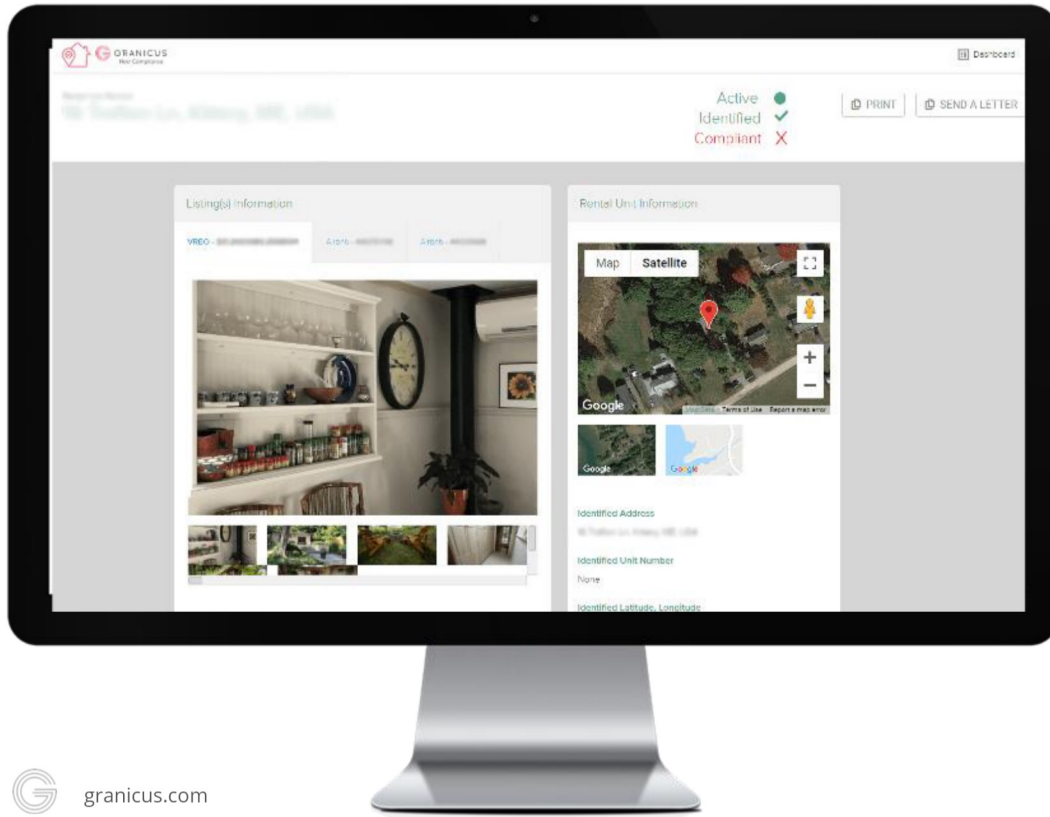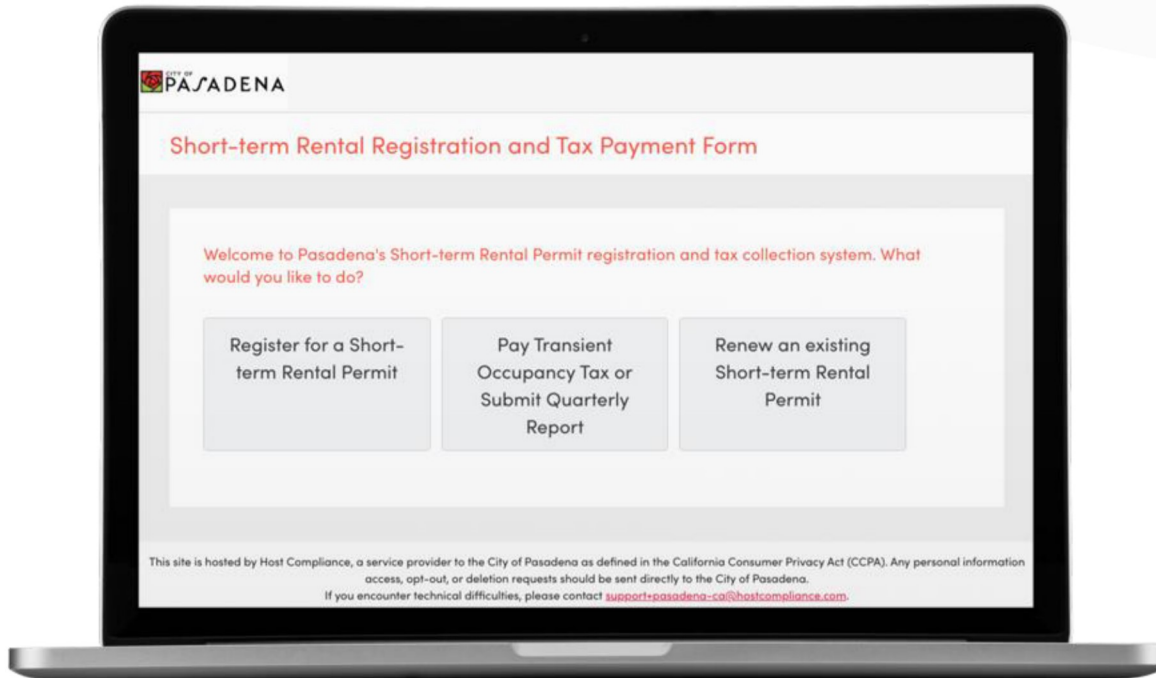
Mobile Permitting & Registration

Simplify Chester's permitting and registration processes and significantly reduce the administrative costs on the back-end

Tax Collection

Simplify Chester's tax collection process and significantly reduce the administrative costs on the back-end

Please enter the taxable reciepts for listing 1/2: https://www.airbnb.com/rooms/XXXXXXXX.
If you have had $0 taxable reciepts for a given quarter, please enter $0.

Taxable receipts INCLUDE, but are not limited to, nightly rents, weekly rents, standard cleaning fees, pet fees, internet charges, late check-out fees, extra person fees, and resort fees. Taxable receipts EXCLUDE refundable deposits and any additional items included in a special package rate, such as ski passes, or other recreational activity or additional service subject to sales tax.

January 2019 to March 2019
Taxable receipts e.g. $2000 | No. of nights occupied e.g. 22
$2,000 | 30

April 2019 to June 2019
Taxable receipts e.g. $2000 | No. of nights occupied e.g. 22
$1,000 | 15

July 2019 to September 2019
Taxable receipts e.g. $2000 | No. of nights occupied e.g. 22
$3,000 | 45

October 2019 to Decemeber 2019
Taxable receipts e.g. $2000 | No. of nights occupied e.g. 22
$10,000 | 200

24/7 Hotline makes it easy for neighbors to report, substantiate and resolve non-emergency STR incidents in real-time

1 — **2** — **3** — **4**

Report
Concerned neighbor calls 24/7 short-term rental hotline or reports incident online

Proof
Complainant provides info on alleged incident and is asked to submit photos, videos or other proof of the alleged violation

Resolution
If property is registered, Granicus Host Compliance immediately calls and texts host/emergency contact to seek acknowledgement & resolution

Complete
Problem solved – complaints & resolution notes saved in database so serial offenders can be held accountable

Get detailed reports and dashboards to track all short-term rental related complaints in real-time
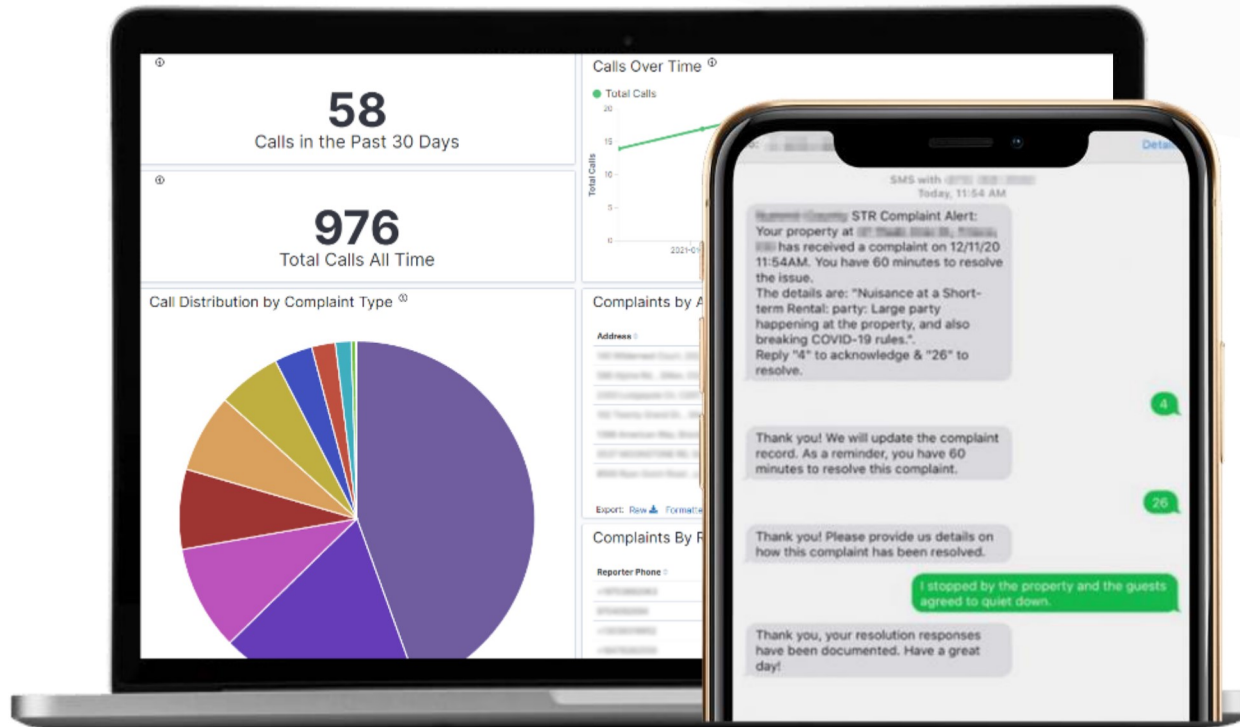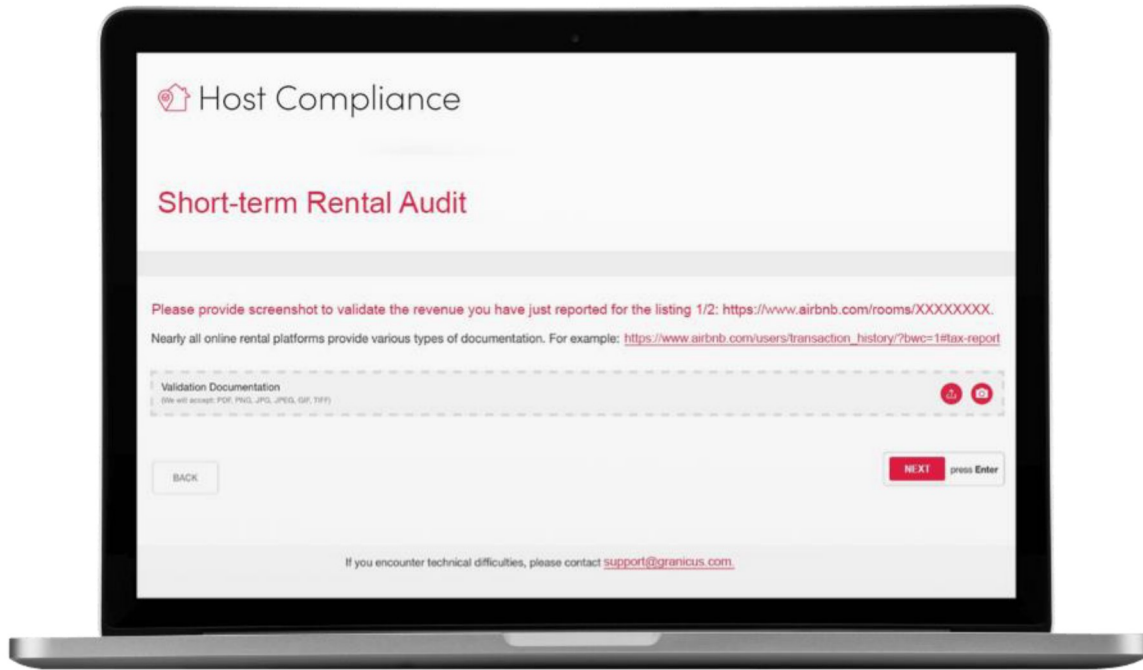
Rental Activity Monitoring automates the selection of audit candidates to maximize the impact of audit efforts

Identifying tax fraud and occupancy/rental frequency violations by STR listings for signs of rental activity

Streamline the audit process by **requesting all backup information through simple, interactive online forms**

Hosts can easily **upload** STR revenue statements to verify rental activity

Consulting Services

Short-Term Rental regulation creation, updates, and guidance from planning experts

✓ Experience with hundreds of communities including 1) access to proprietary regulations data that is the most trusted by government and 2) support on hundreds of regulations.

✓ Custom public outreach strategy and messaging framing.

✓ Complete draft of a custom short-term rental ordinance.

✓ Compliance monitoring and enforcement plan for staff and legal counsel to refine and adopt.

How can you make sure **all voices are heard** while considering short-term rental regulations?

Neighborhoods

- Organized neighborhood groups (including HOAs, etc.)
- Individual homeowners
- Renters
- Housing advocacy groups

Government

- Code Enforcement
- Planning & Zoning
- Public Safety
- Assessor

Lodging

- Existing STR host groups
- Individual STR hosts
- Realtors
- Current lodging providers
- Tourism Board

With **Bang The Table** community engagement in Chester just got easier

bangthetable.

Choose the right mix of online feedback tools for your community engagement objectives

Foster meaningful connections and build trust with your community

Deliver a seamless, closed-loop communication experiences for your citizens

Reach targeted audiences and use data to measure effectiveness

Why Government Leaders Choose Granicus

Trusted by thousands of government agencies at all levels

Secure

Security-First

FedRAMP authorized; Tier III, DOD-approved data centers; Private vs. Public cloud.

Supported

1 Team, 24/7

Around-the-clock support and training for your entire team; three types of support available – technical, success, adoption.

Simplified

One Platform

Streamline digital services by consolidating to a single platform vs. multiple vendors and applications.

Innovation Leader

First-to-Market Technology

$20M Invested Annually in R&D, Foremost innovator of government SaaS technology, with 5 first-to-market solutions.

In Vermont we are currently partnering with 1 local agencies to address their STR related challenges

- Burlington VT

In the broader New England we are already serving 17 forward-thinking local government agencies

- South Hadley, MA
- Madison, NH
- Kennebunkport, ME
- Lincoln, NH
- Portsmouth, RI
- Falmouth ME
- Boston MA
- Burlington VT
- Quincy, MA
- Cambridge, MA

- Revere, MA
- Somerville, MA
- Portland ME
- South Portland, ME
- Bangor, ME
- Newport, RI
- Barnstable Town MA

govService **Host Compliance**

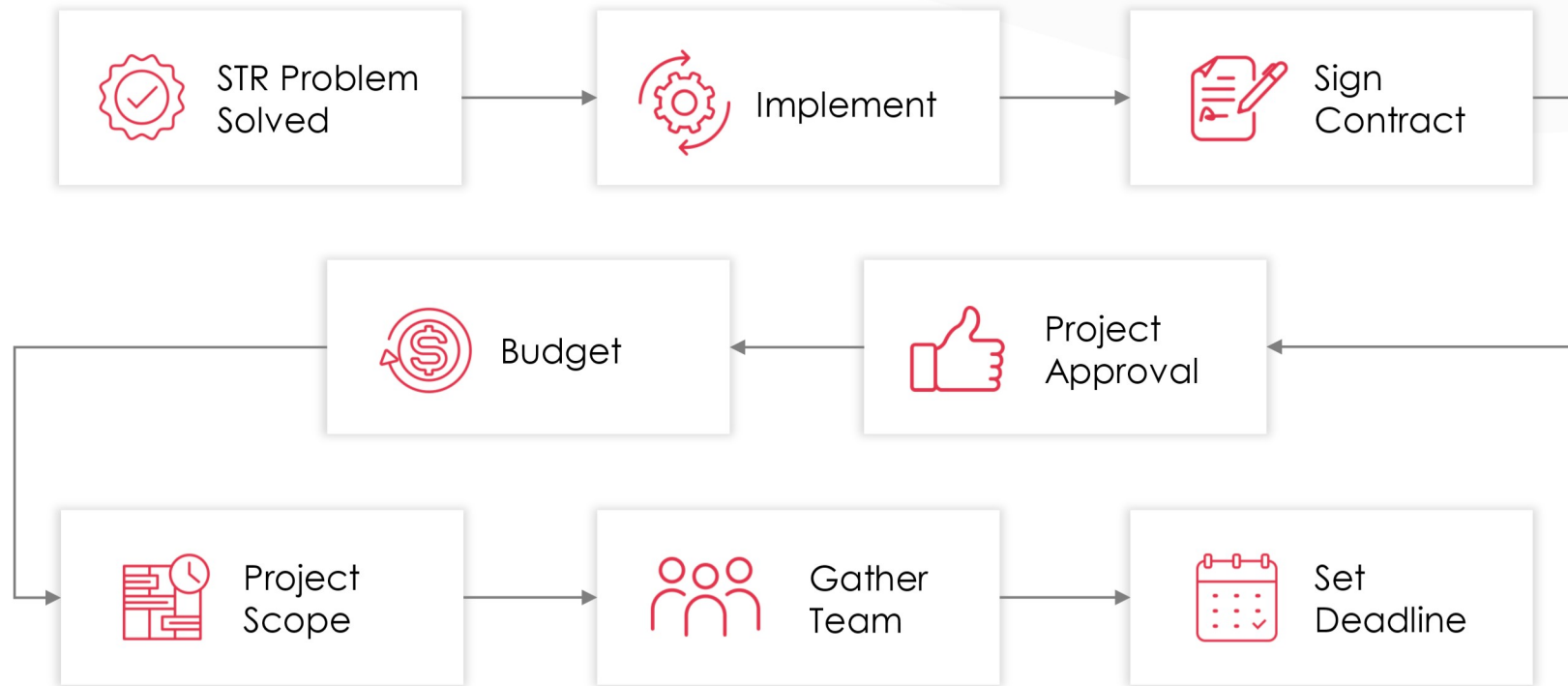|		
📍	Address Identification	Automated monitoring of 60+ STR websites and online dashboard with complete address information and screenshots of all identifiable short-term rentals.
	Compliance Monitoring	Ongoing monitoring of STRs for zoning and permit compliance coupled with systematic outreach to illegal short-term rental operators.
	Permitting & Registration	Online forms and back-end systems to streamline the registration process and capture required documentation, signatures and payments electronically.
	Tax Collection	Make tax reporting and collection easy for hosts and staff to submit and review online.
	24/7 Hotline	Make it easy for neighbors to report, prove, and resolve non-emergency short-term rental related problems in real-time, any day, at any hour.
	Rental Activity Monitoring	Estimate occupancy or rental revenue for each property and identify audit candidates who are under-reporting on taxes or exceeding occupancy regulations.

Modular pricing tailored to Chester's short-term rental needs

📍	Address Identification	$4,545 Per Year
⚙️	Compliance Monitoring	$1,778 Per Year
☑️	Permitting & Registration	$5,000 Per Year
💲	Tax Collection	$5,000 Per Year
📞	24/7 Hotline	$948 Per Year
🏠	Rental Activity Monitoring	$2,370 Per Year

Note: the pricing reflected is direct, list pricing in USD. The exact scope can be adjusted to meet Chester's exact monitoring needs in terms of geography, listing sites, listing types and other variables.

Working backwards to a solution to address Chester's STR challenges

Next Steps

I. **Send Meeting Summary & Presentation**

II. **Schedule All Team Value Meeting**

Participant: Administration, Finance, Planning, Code Enforcement, Elected Officials

III. **Confirm Performance Goals & Metrics**

Participant: Administration, Finance, Planning, Code Enforcement, Elected Officials

   a) Return on Investment Experienced by Peer Governments
   b) Alignment on Success Metrics/KPIs

IV. **Develop Joint Action Plan for addressing Chester's needs**

Participant: Administration, Finance, Planning, Code Enforcement, Elected Officials

   a) Set appropriate expectations
   b) Efficiently utilize staff time
   c) Address requirements, fit, and value
   d) Optimize time to completion while ensuring highest quality

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Contact Info

Please feel free to contact us anytime if you have any questions about short-term rental compliance and how to best address the associated monitoring and enforcement challenges.

Kester Bonsu

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