



# How Short-Term Rentals can Fund Marketing for Tourism

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Presented by Granicus and Civitas Advisors

# Agenda Today

- 1 **Welcome and Introductions**
- 2 Tourism Improvement Districts
- 3 Ontario, California Case Study
- 4 Short-term rental compliance
- 5 Questions

# Granicus Introduction



5,500+

## Government Agencies

have chosen Granicus to modernize their online services, web presence, and communications strategies.



## Seamless Digital Solutions

that help government: improve the customer experience, simplify/automate workflows, and enable strategic community development



## Short-Term Rental Software & Services

Compliance and Monitoring Software  
Proprietary and Updated Data  
Consulting and Advising Services

# Today's Speakers



**John Lambeth**

President/CEO Civitas  
Advisors

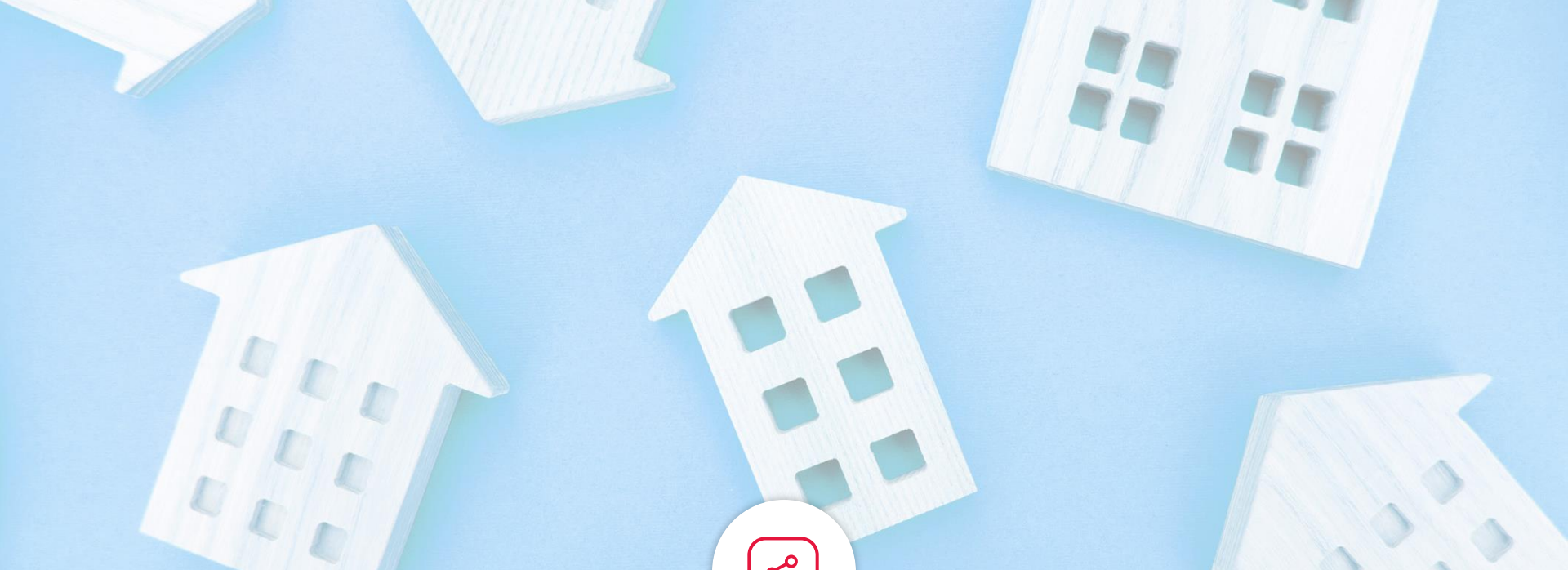


**Olivia Fiocchi**

Marketing Specialist  
Granicus

# Agenda

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# Tourism Improvement Districts

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## Short-term Rental Compliance



# What is a short-term rental?



Rental of a residential dwelling unit usually for periods of **less than a month**. Commonly booked through one of the many online marketplaces available, such as Airbnb, VRBO, and more.

# 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**

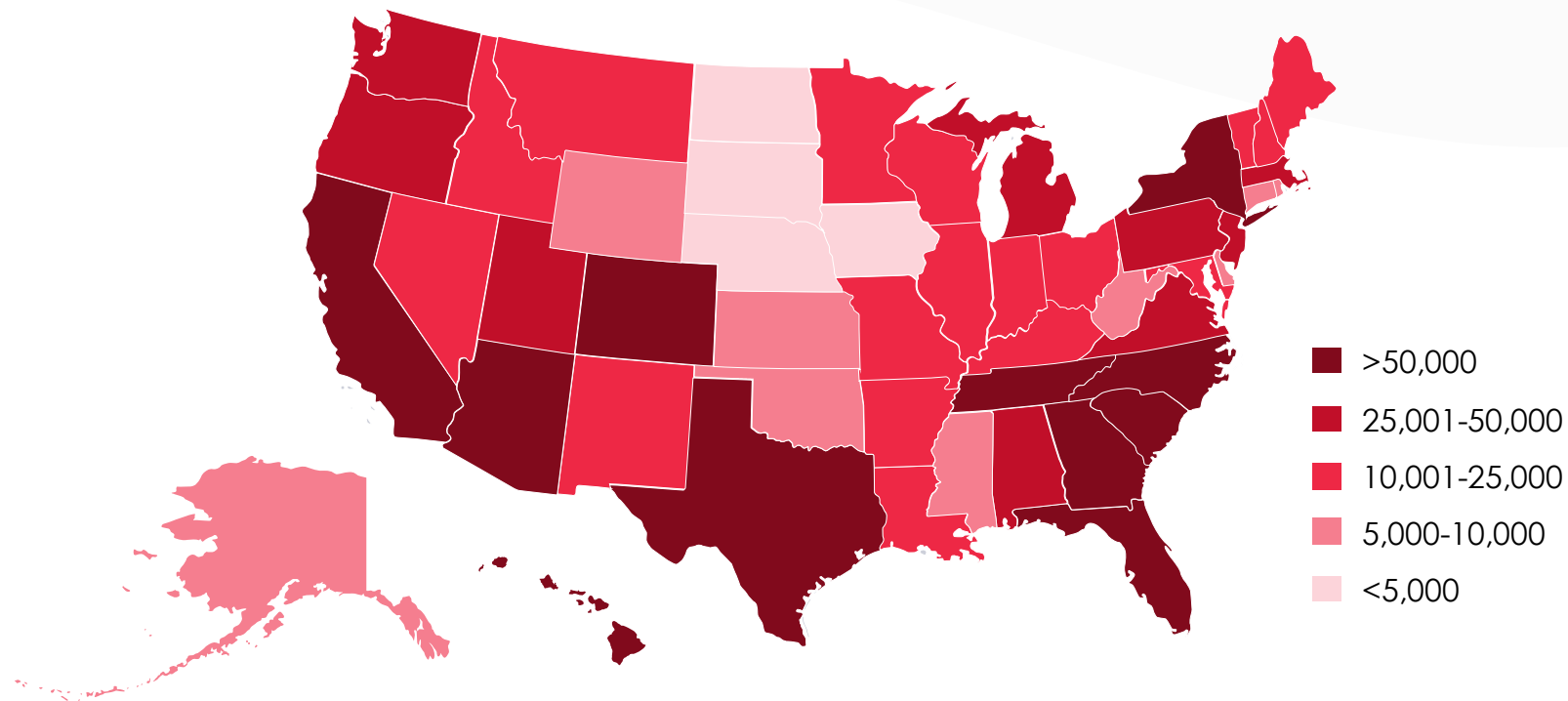
of different platforms make it nearly impossible to manually track STR property listings



**239%**

Increase in STR related party complaints in the last year

There are more than **2M** STR listings in the US,  
representing **1.6M** unique rental units





**The STR market is nearly impossible to track manually as STR property listings are spread across 100s of different websites**



# Problems governments and DMOs face with STRs



- ⚠️ No time to browse all platforms, especially if there are thousands of units
- ⚠️ Can't get exact address from listing
- ⚠️ Hard to communicate with hosts without knowing who is non-compliant
- ⚠️ No manual way to find how often properties are rented and for how much
  - Can't tell how much they should owe in taxes

# More than ever, STRs can be an **opportunity** for governments and DMOs



Proactive enforcement is necessary for the pandemic, and beyond

- Shut-downs related to COVID-19 demonstrated cracks in reactive STR enforcement
- Focus on those who have or are generating income and not claiming it



Minimal negative impact in administrative tasks while maximizing returns and efficiency

- Few initiatives offer so much with such little investment
- Continues to provide benefits with less upkeep over time



Untapped revenue potential in the thousands, or millions

- Many communities use additional revenue for affordable housing, tourism activities, and more.
- Nashville generated an additional \$2.8 million in STR related taxes in their first year

# Short-term rental tax compliance: The solutions

Solution 1: Be clear about what rules are



- » Non-compliance is usually because people don't know about the regulations
- » State the purpose of the regulations
  - Taxes, licenses, fire inspection, pool inspection

# Short-term rental tax compliance: The solutions

## Solution 2: Get to know the local market



- » New listings enter and leave the market daily
- » 90% of hosts generate 40% of the revenue
- » Audit "big fish" for best ROI potential
  - Tracking number of nights stayed
  - Up-to-date list of biggest suspected hosts underreporting



# Short-term rental tax compliance: The solutions

## Solution 3: Make it easy to register



- » Make it as easy as listing a short-term rental
- » Take payments online

# Short-term rental compliance: the solution

## Solution 4: Monitor compliance



- » How much did you make last year?
- » Provide staff support for hosts to get compliant.
- » Which hosts have received which letters and have they gotten compliant?

# Short-term Rental Management



Property Address Identification



Compliance Monitoring



Mobile Permitting and Tax Collection



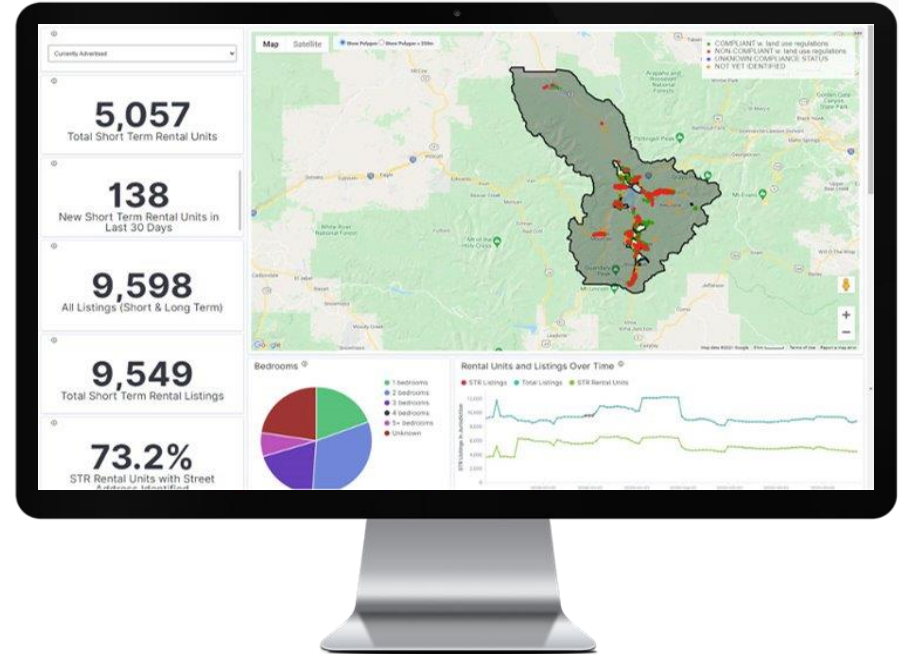
24/7 Hotline



Rental Activity Monitoring



Consulting Services





**Questions?**

## Contact Info

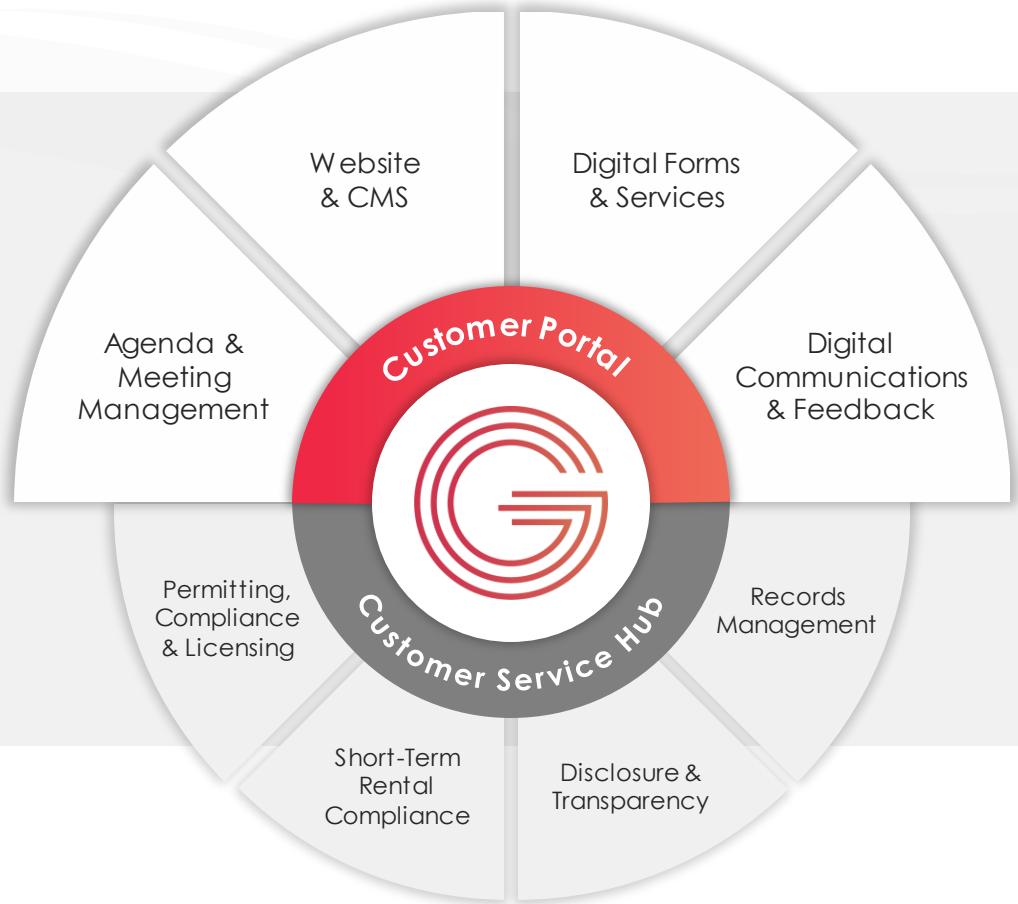
Please feel free to contact us anytime if you have any questions about short-term rental regulation and learn how to best address the associated monitoring and enforcement challenges. Visit us at [granicus.com/str-consult](https://www.granicus.com/str-consult)

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# Granicus Civic Engagement Platform



Granicus Experience Group: Digital Agency and Consulting Services

Professional Services

Best Practice Sharing

24/7 Support

Government Grade Security