



govService

Host Compliance

White Salmon

Kester Bonsu
August 2021

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



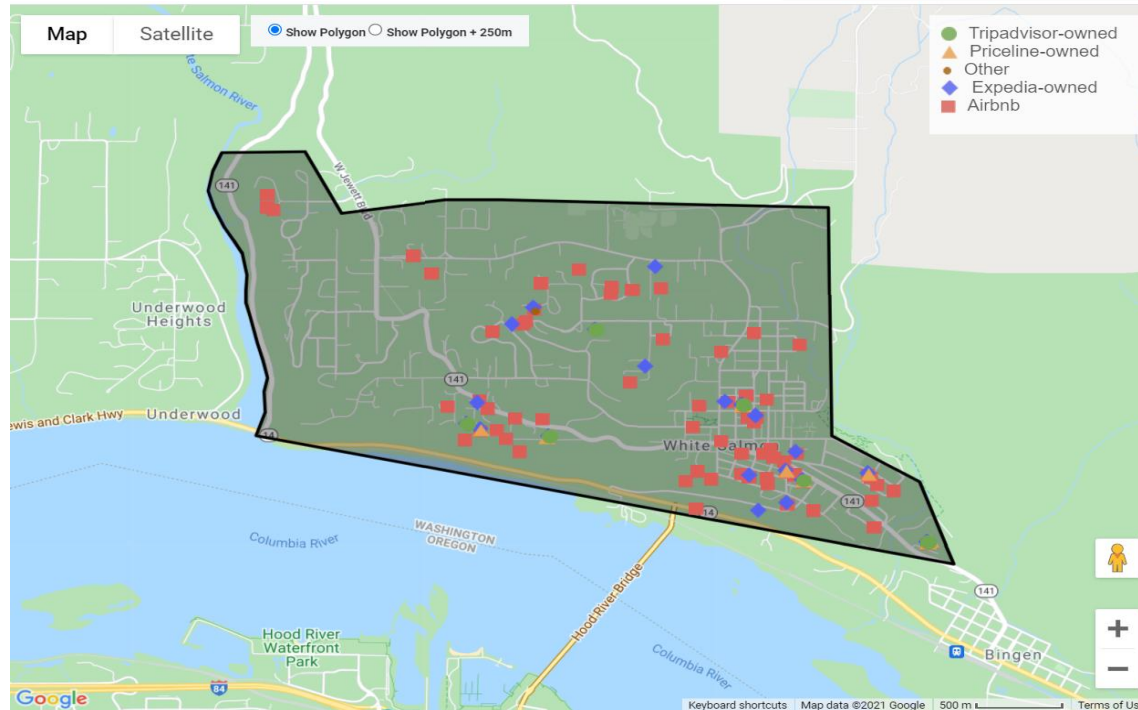


What Are Your Top Priorities?

- Reduce noise, parking, traffic and trash-problems
- Eliminate party houses
- Reduce STR impact on neighborhood character
- Ensure building safety
- Improve responsiveness to neighbor complaints
- Stem STR impact on affordable housing availability
- Improve permit and tax compliance to increase tax revenue
- Ensure a level playing field between law abiding traditional lodging providers and illegal STRs
- Reduce tension between short-term rental property owners and their neighbors
- Make citizens aware that STR problems are taken seriously

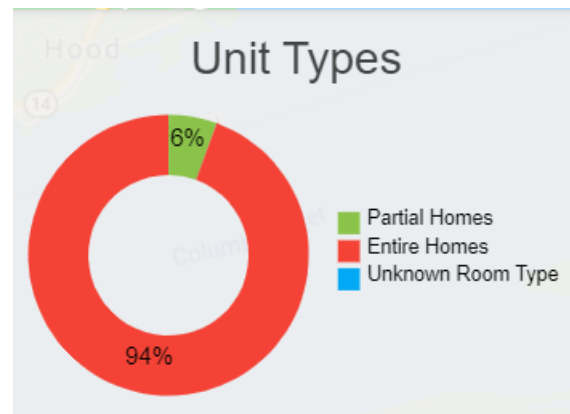
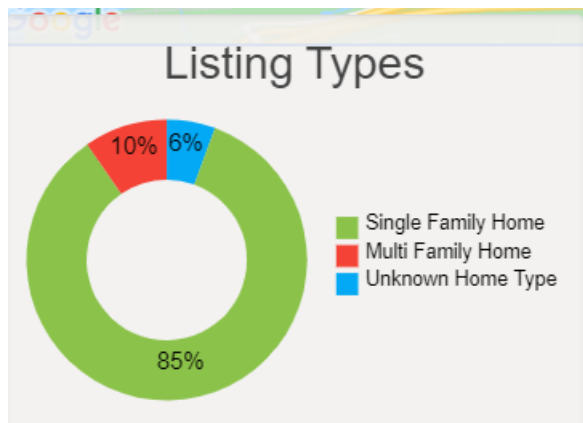
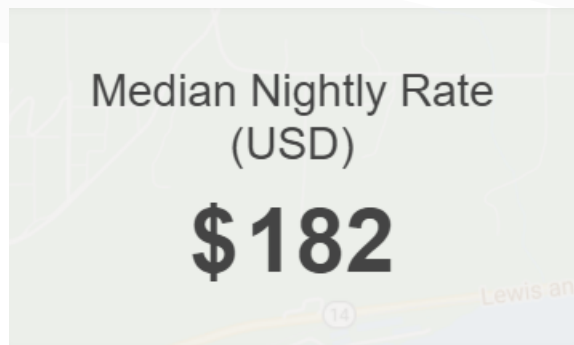
...and in White Salmon we have identified 119 listings, representing 0 unique rental units*

Short-term rentals in White Salmon as of August 2021



* Granicus Host Compliance's pricing is based on the count of listings and rental units that would need to be analyzed and monitored for compliance. In terms of listings, this number is 125 as we will expand our search area by several hundred yards beyond the borders of White Salmon to capture all relevant listings. Source: Granicus Host Compliance Proprietary Data

White Salmon STR Market Details



The number of short-term rental listings has grown 20% in White Salmon over the last year

YoY Growth

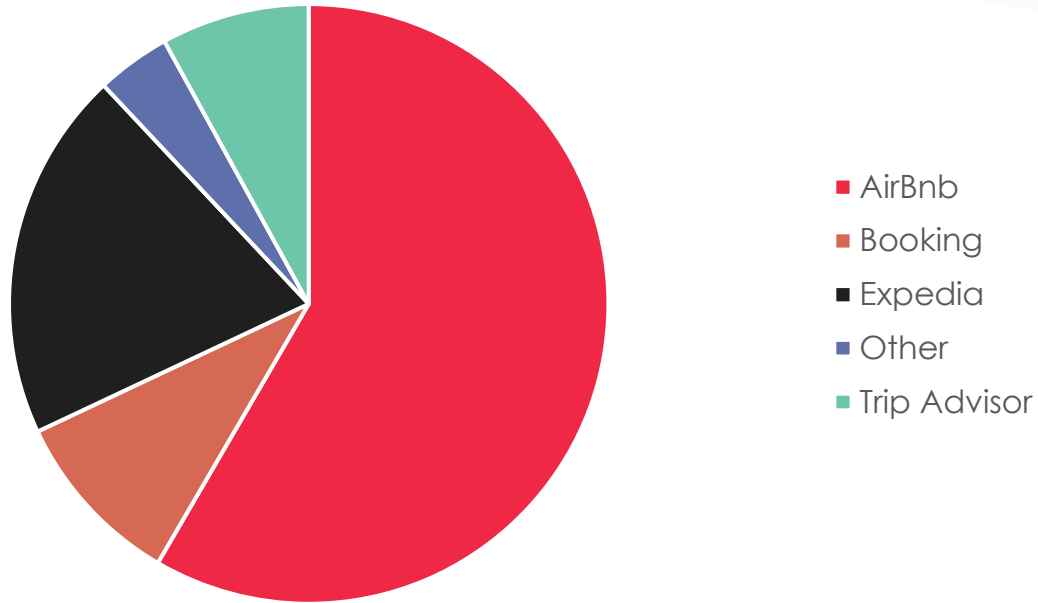


20%
YoY Listing Growth



White Salmon's short-term rental listings are spread across a number of online platforms

Platform Breakdown



True Compliance Requires a Holistic Approach

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

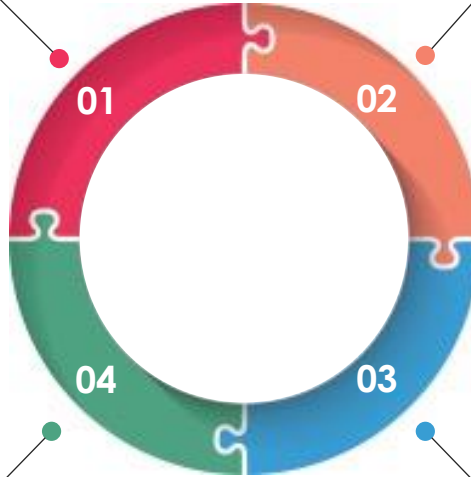
Understand the market

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



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

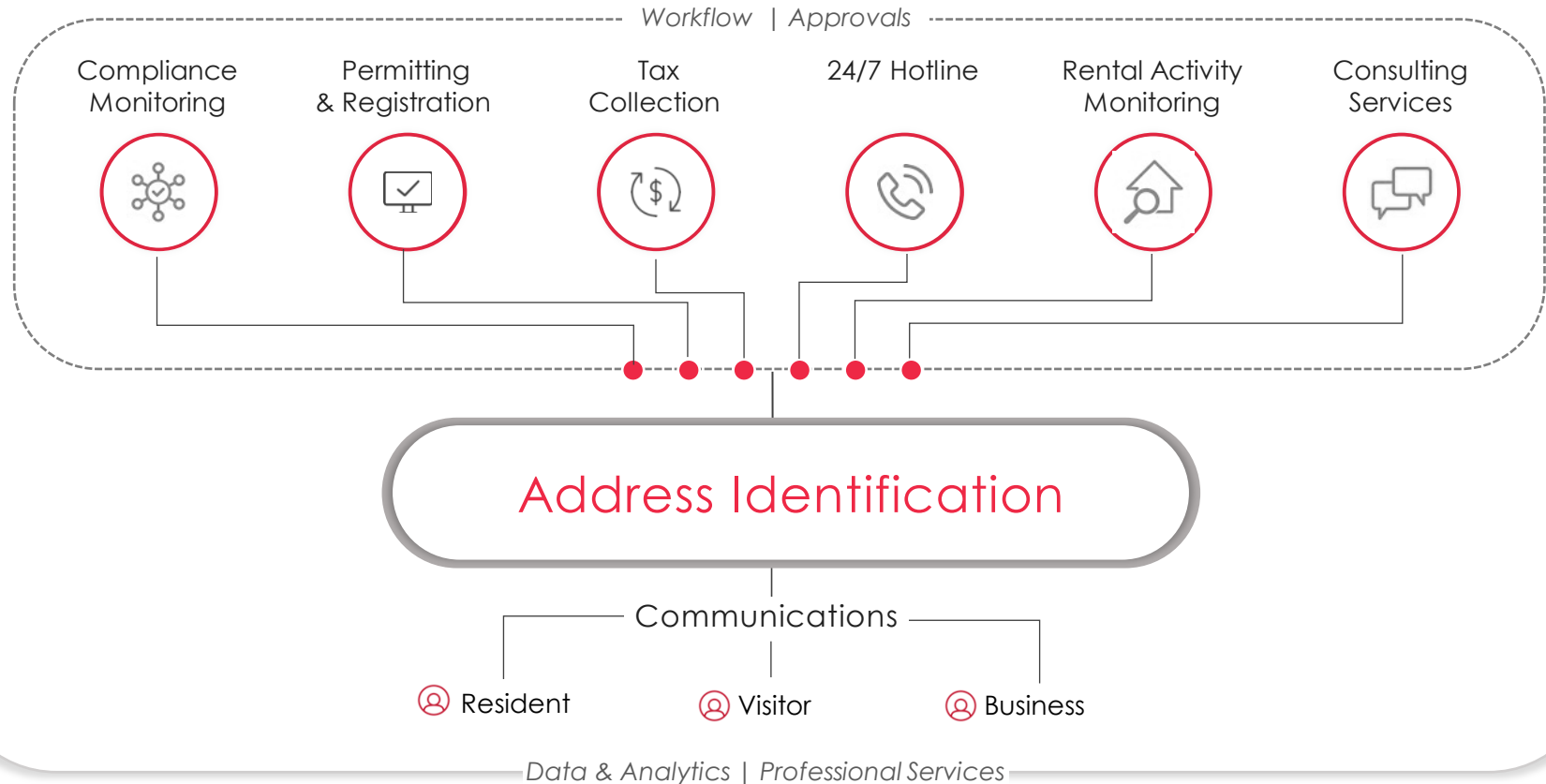
Paperless records management



Granicus Experience Group

A strategic team of experts delivering managed services

govService **Host Compliance**



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

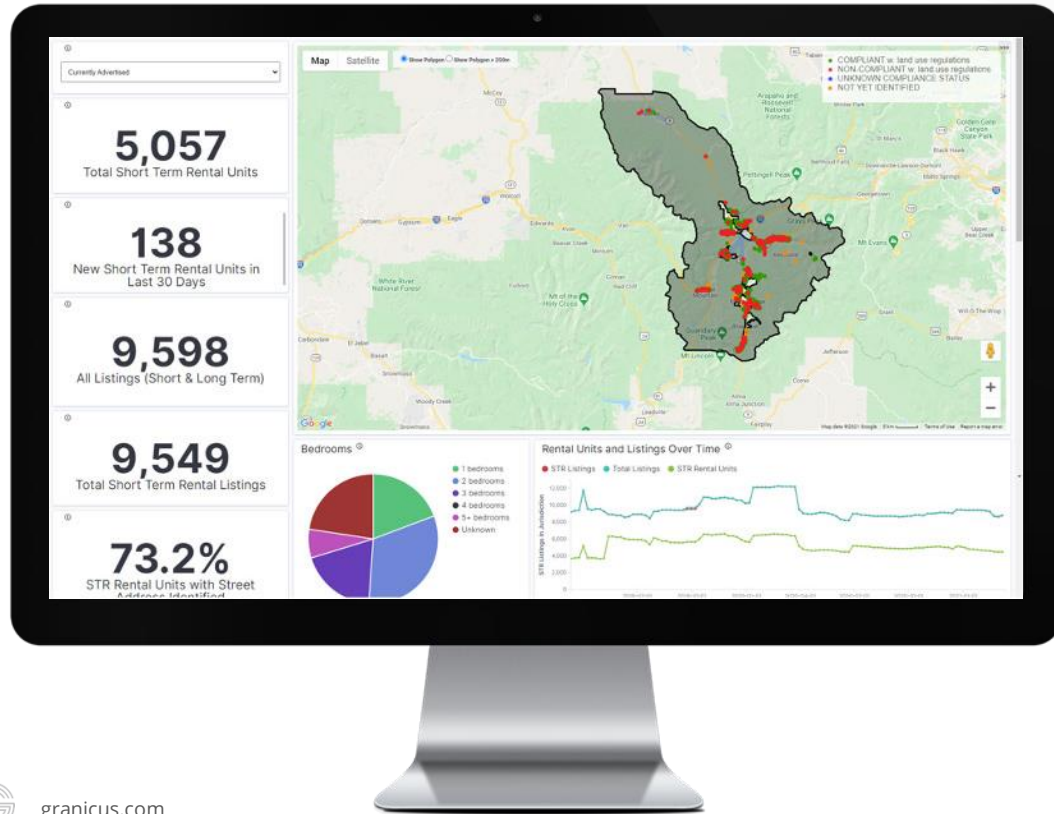
We identify each listing and extract as much information as possible to allow our AI models to narrow down the list of possible address/owner matches

3

Combine

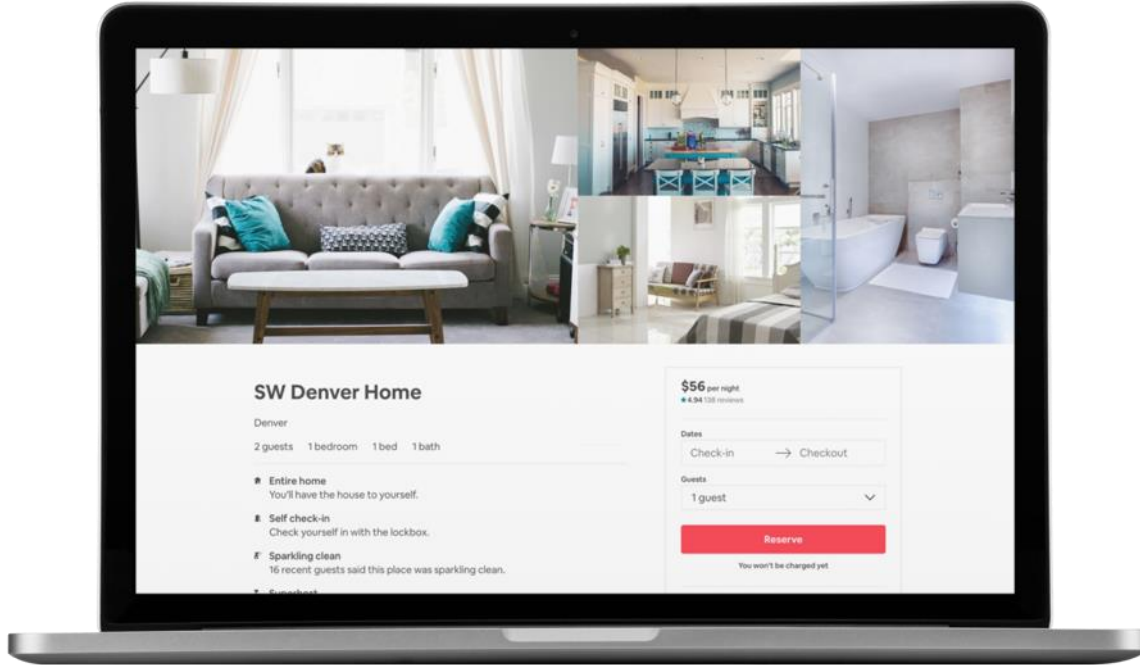
We combine AI and human analysts to identify the exact addresses and owner information for each identifiable STR

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**

The screenshot displays the Granicus Rental Unit Record interface, divided into three main sections:

- Listing Information:** Shows a large photo of a resort-style pool area with a wooden deck and a hot tub. Below the main photo are four smaller thumbnail images showing different interior views of the unit.
- Rental Unit Information:** Includes a Google Street View map of the property, a list of identified addresses, unit numbers, and coordinates. The address shown is 1750 Aspen Court Rd, Steamboat, CO 80486, USA.
- Listing Details:** A table of listing metadata including:
 - Listing URL: <https://www.airbnb.com/rooms/445098760>
 - Listing Status: Active
 - Host Compliance Listing ID: [REDACTED]
 - Listing Title: Copper Slopeside 2 Story Penthouse, 4 Bdrm 10 Beds
 - Property type: Condominium
 - Room type: Entire home/apt
 - Listing Info Last Captured: Mar 17, 2021
 - Screenshot Last Captured: Mar 17, 2021
 - Price: \$250/night
 - Cleaning Fee: \$150
- Information Provided on Listing:** A table of listing attributes:
 - Contact Name: Pocz
 - Latitude, Longitude: [REDACTED]
 - Minimum Stay (# of Nights): 3
 - Max Sleeping Capacity (# of People): 10
 - Max Number of People per Bedroom: 2.5
 - Number of Reviews: 7
 - Last Documented Stay: 03/2021
- Timeline of Activity:** A vertical list of events with icons and dates:
 - 1 Documented Stay: March, 2021
 - 3 Documented Stays: February, 2021
 - Listing air45098760 Reposted: February 15th, 2021
 - Listing [REDACTED] Removed: February 13th, 2021
 - 2 Documented Stays: January, 2021
 - Listing [REDACTED] Reposted: January 6th, 2021
 - Listing air45098760 Removed: January 3rd, 2021
 - 1 Documented Stay: December, 2020
 - Listing air45098760 Identified: September 26th, 2020
 - Listing [REDACTED] First Crawled: August 27th, 2020
 - Listing [REDACTED] First Activity: August 27th, 2020
- Listing Screenshot History:** A bar chart showing the number of screenshots taken per month:
 - January: 4
 - February: 6
 - March: 5

Provide documented evidence of every address match to support all of White Salmon's enforcement efforts

Example of Searchable Evidence

Matched Details

Analyst [REDACTED] (X) MJ

Explanation
The exterior shown in the listing photo has all of the identical features to the one shown on the assessor website. The property is hosted by [REDACTED] and [REDACTED], which matches the two owners listed by the assessor.

Listing Photos **Matching 3rd Party Sources**

Same exterior.

[REDACTED] and [REDACTED] mentioned as hosts, they are owners of property.

Example of Legal Declaration

4
5
6
7
8
9

CITY OF IMPERIAL BEACH-ADMINISTRATIVE CITATION APPEAL

10 In the Appeal Of Citation Number [REDACTED] **Code Enforcement Case [REDACTED]**

11 [REDACTED] **DECLARATION OF ULRIK BINZER**
12 [REDACTED] **[IMAGED FILE]**

13 Appellant,
14 vs. Hearing Officer: [REDACTED]
15 CITY OF IMPERIAL BEACH, Hearing Date: May 30, 2018
16 Respondent. Hearing Time: 10:00 a.m.
17 Hearing Location: Mayor's Office
18 325 Imperial Beach Blvd.
19 Imperial Beach, CA 91932

20 I, Ulrik Binzer, declare as follows:

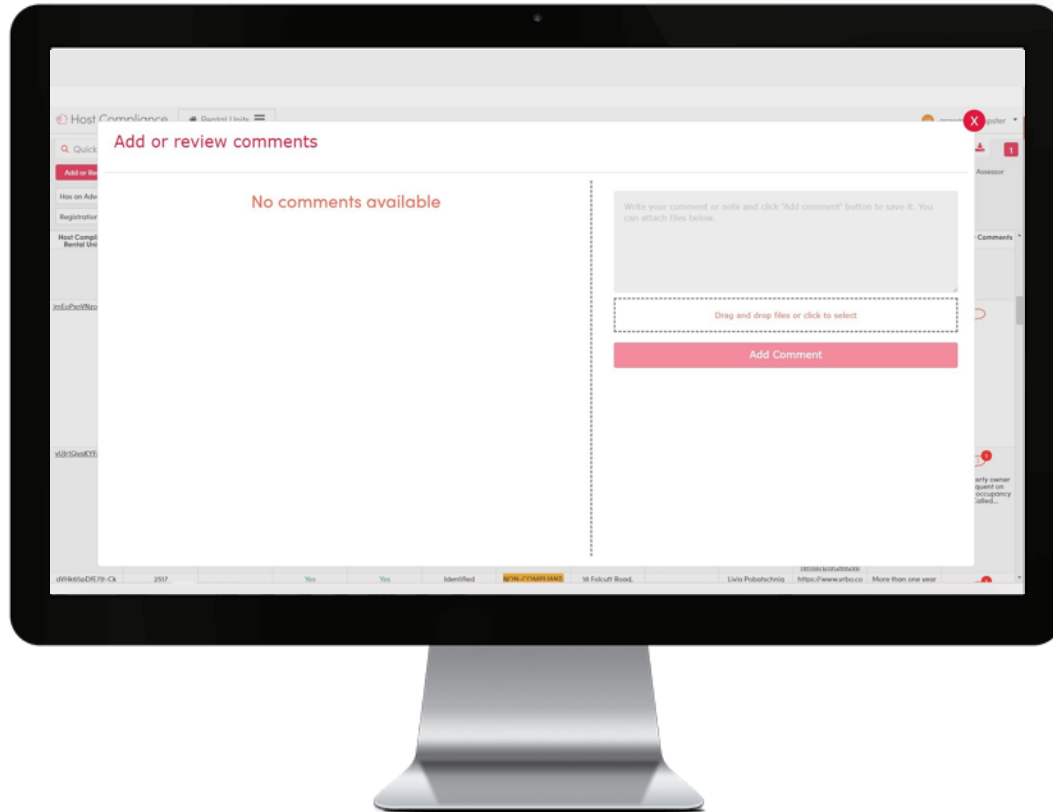
21 1. I am the Chief Executive Officer of Host Compliance, LLC. I have personal
22 knowledge of all the matters stated herein and, if called as a witness, I could competently testify
23 thereto.

24 2. Host Compliance, LLC ("Host Compliance") is a California Limited Liability
25 Company that was formed on October 15, 2015 with its principal place of business located at 735
26 Market Street, Floor 4, San Francisco, CA 94920. I have worked for Host Compliance since its
27 inception.

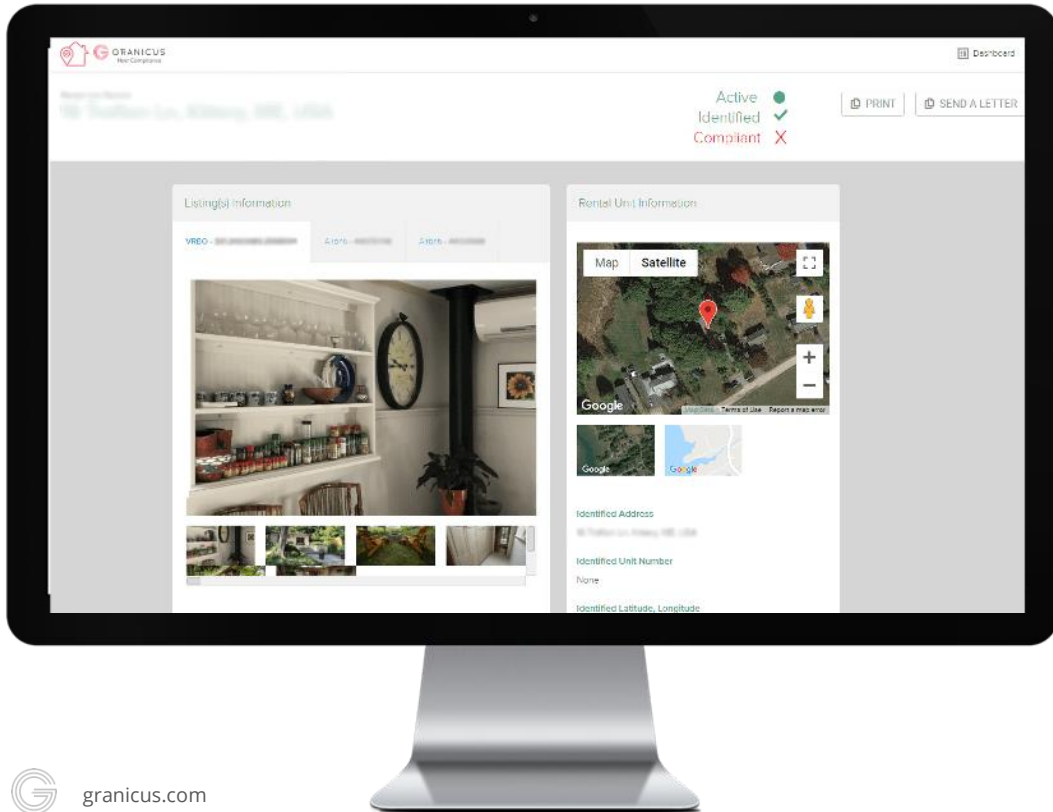
28 3. As the, CEO, my duties at Host Compliance include managing all aspect of the
Company's operations. I am also the Founder and CEO of Host Compliance. I previously served

1
DECLARATION OF ULRIK BINZER

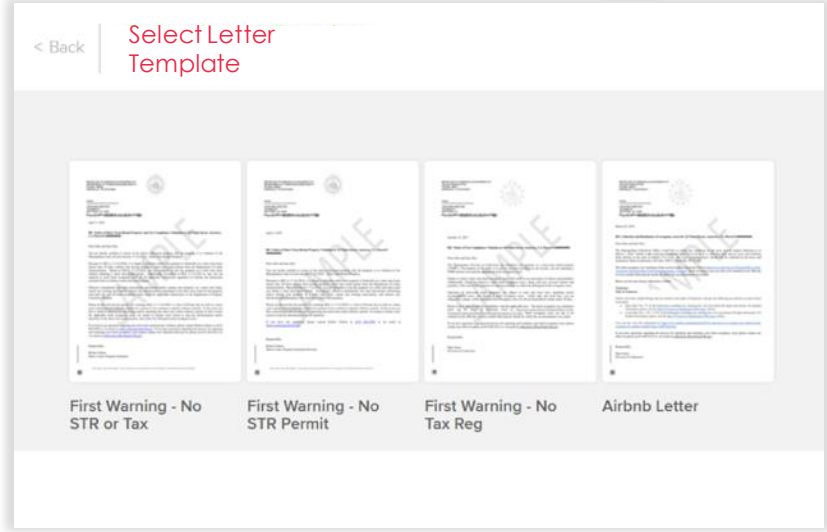
Easily track the status of individual rentals and create case notes on the unit's record



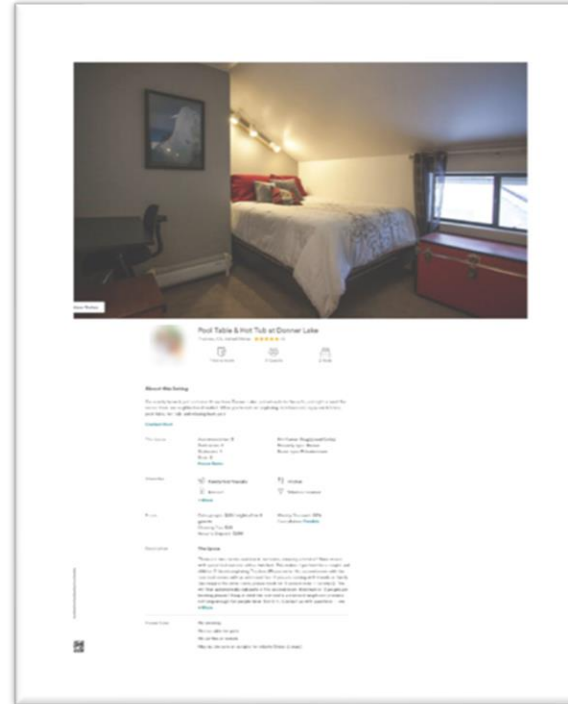
Compliance Monitoring allows you to stay in control and save time by sending your enforcement letters with the click of a button



 SEND A LETTER

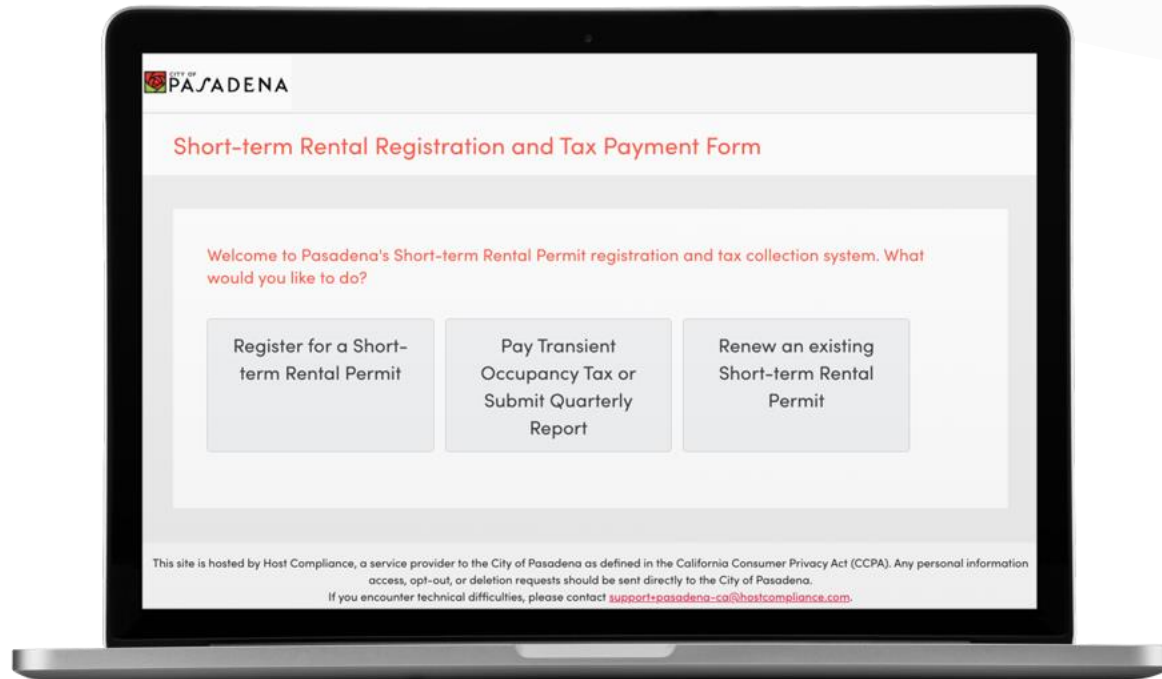


Increase your outreach effectiveness and efficiency by automatically adding evidence to communications



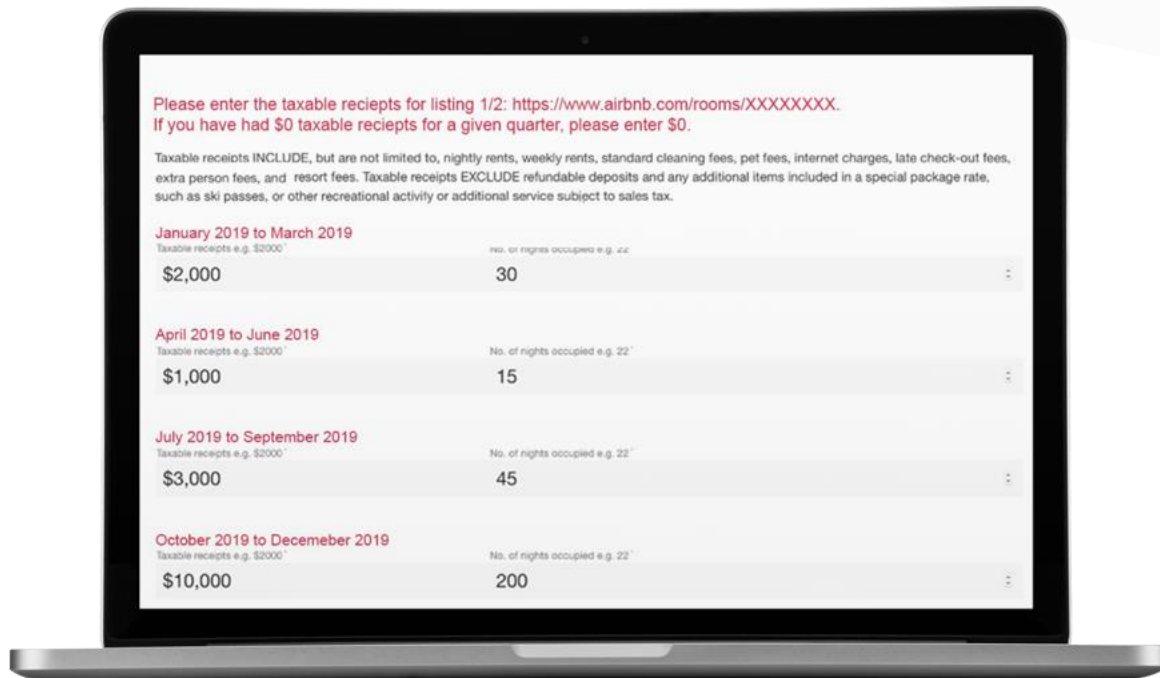
Mobile Permitting & Registration

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



Tax Collection

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



Please enter the taxable receipts for listing 1/2: <https://www.airbnb.com/rooms/XXXXXXXX>.
If you have had \$0 taxable receipts 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

Report

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

2

Proof

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

3

Resolution

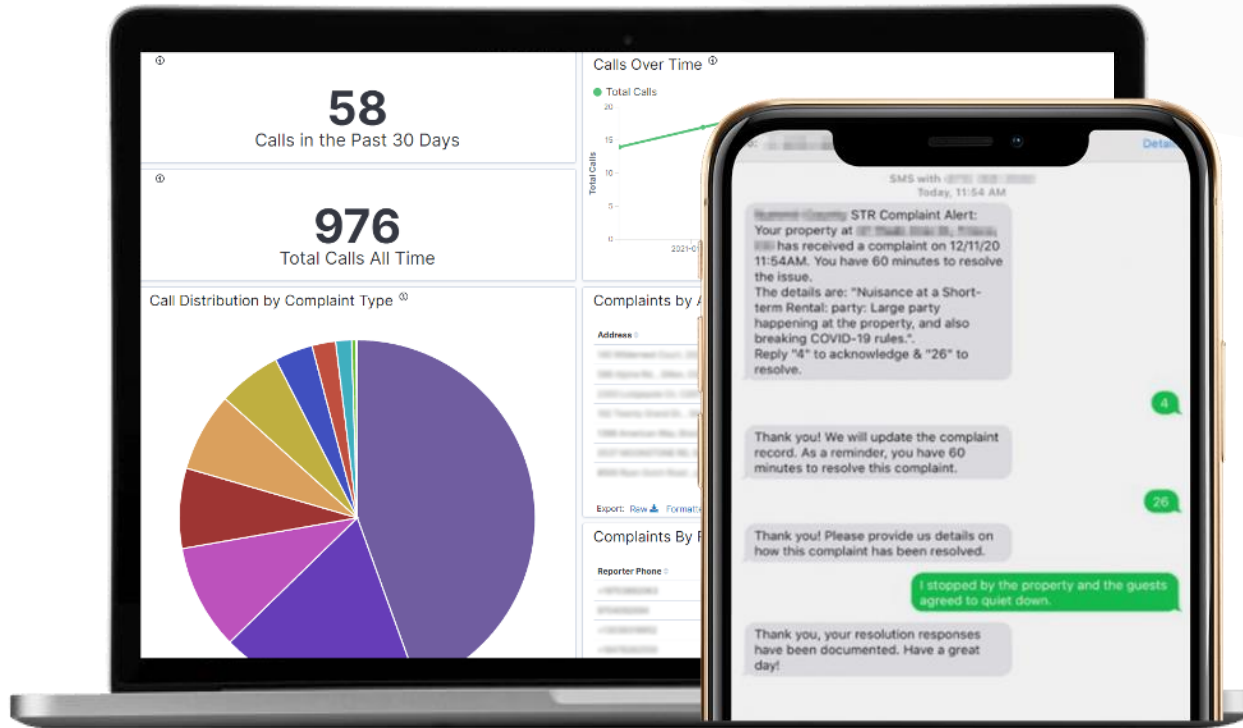
If property is registered, Granicus Host Compliance immediately calls and texts host/emergency contact to seek acknowledgement & resolution

4

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



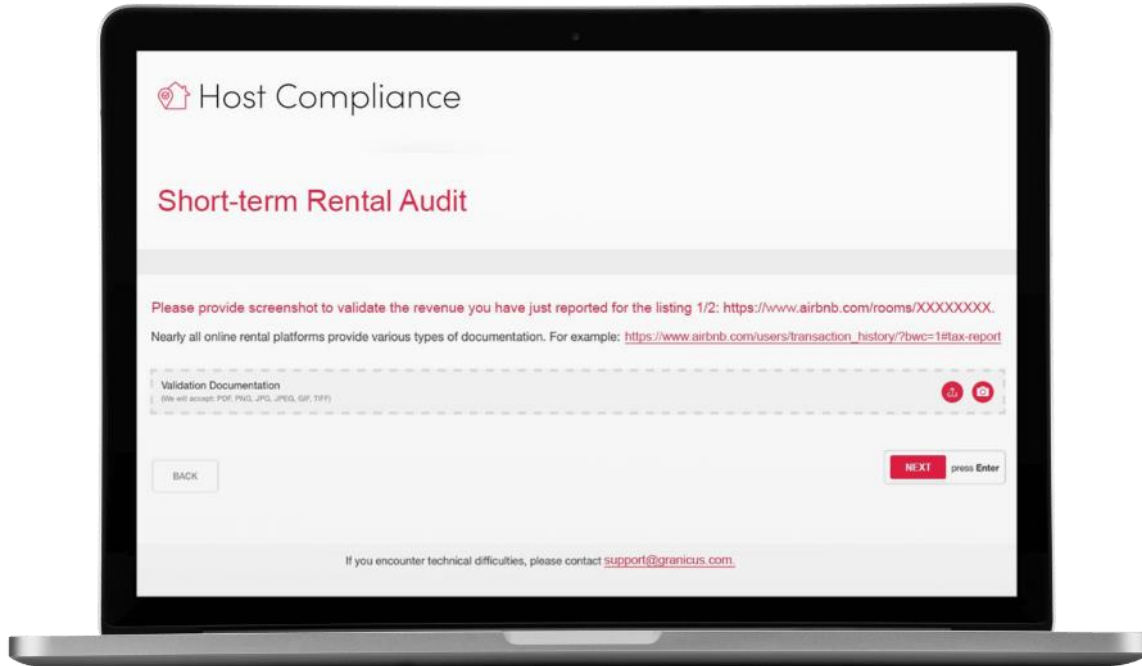
Rental Activity Monitoring automates the selection of audit candidates to maximize the impact of audit efforts

The screenshot shows a software interface titled "Host Compliance" with a sub-header "Revenue Estimate by Rental Unit". It features a search bar, filter options, and a table of rental units. A magnifying glass highlights a specific row in the table.

Host Compliance Rental Unit ID	Unit Permit/Registration Numbers	Address	Parcel Number	Unit Number	Estimated Gross Revenue (USD)	Reported Revenue (USD)	Reported Revenue less than Documented Revenue
Zq9zKZcuYutM3fZ	TEST19-0007	60 Thompson Blvd, New York, NY 10008, USA	1646		\$124,350.91	\$23,400.00	Yes
Uw8HeREuub54pLZK	TEST20-0047	60 Thompson Blvd, New York, NY 10008, USA	2716		\$74,916.85	\$16,400.00	Yes
Htc-ERE4-8f9Wspe	TEST20-0001	1 East 42nd Street, New York, NY 10017, USA	6914E		\$21,532.06	\$6,010.00	Yes
e35A0w8EocpZEc	TEST19-0011	60 Thompson Blvd, New York, NY 10008, USA	3117		\$27,650.38	\$6,000.00	Yes
Chu7BY13--yWMM8H	TEST20-0036	14 Thompson St, New York, NY 10003, USA	6421		\$9,148.17	\$500.00	Yes
J0Hm8q2k7UjDir	TEST20-0048	14 Thompson St, New York, NY 10003, USA	3430		\$84,484.36	\$6,000.00	Yes
5s5fZ4P4QKZ2MO3I	TEST20-0044	60 Thompson Blvd, New York, NY 10008, USA	1091		\$88,762.22	\$6,010.00	Yes
Bu0wms8BQMGBxK3	TEST19-0016	1 East 42nd Street, New York, NY 10017, USA	3121		\$34,973.34	\$6,010.00	Yes
4RXcUuJ9RT6L14f	TEST19-0004, TEST19-0010	14 Thompson St, New York, NY 10003, USA	6918		\$22,311.92	\$6,000.00	Yes
Apf8eB3focyc8zhH	TEST19-0017	60 Thompson Blvd, New York, NY 10008, USA	539		\$28,080.00	\$6,000.00	Yes

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 White Salmon just got easier



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

Nelson, British Columbia

Goal: Achieve full STR compliance with new laws that preserved affordable housing.

Number of STRs:



39%

of Nelson housing are rentals



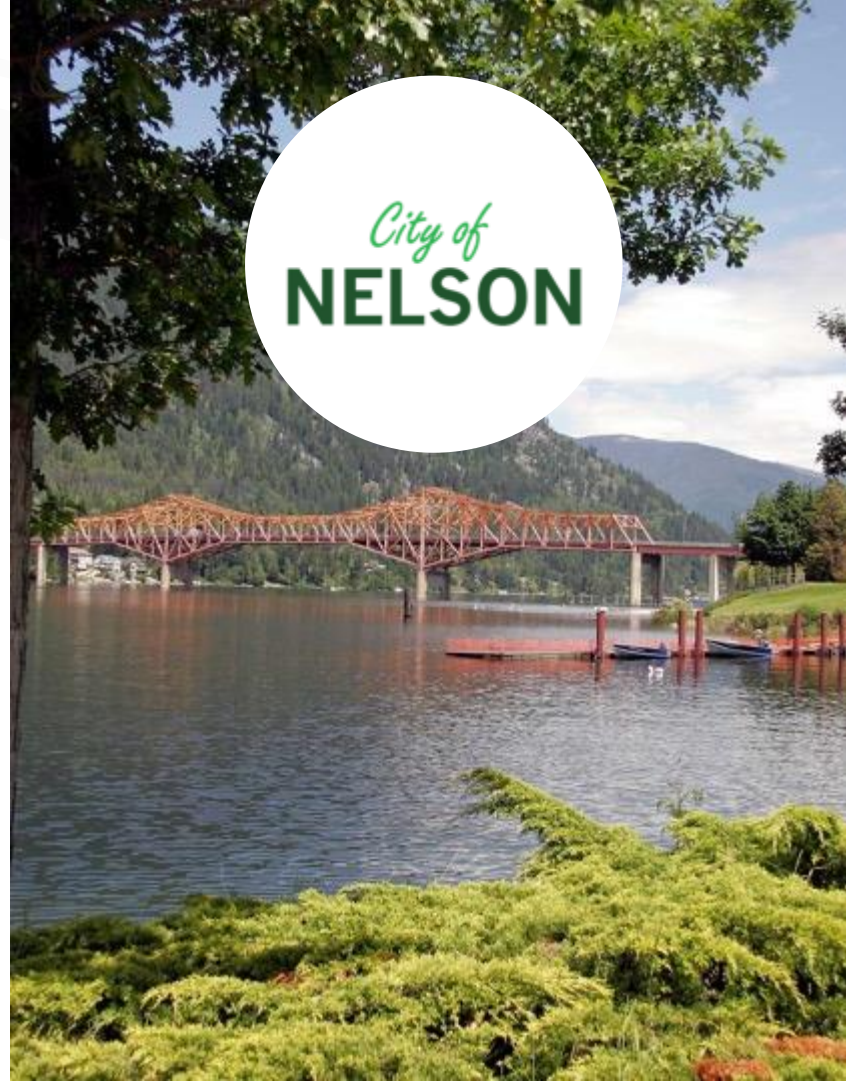
3

Team members are able to effectively monitor STRs



100%

Compliance with local laws



Nashville, Tennessee

Goal: Increase fair tax collection from STRs.

Number of STRs: 5700



\$2.8M

More Taxes Collected

Within the first year



>90%

Permits Held By STRs within the city



10x

ROI Increase in taxes pays for HC 10x over



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.



Simplified

One Platform

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



Supported

1 Team, 24/7

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



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 the broader Far West we are already serving 131 forward-thinking local government agencies

- Nevada County CA
- Hood River County OR
- Chula Vista, CA
- Indian Wells, CA
- Penticton, BC
- Nelson, BC
- Albany, CA
- Daly City CA
- Redwood City, CA
- Coronado CA
- El Paso de Robles CA
- Marina CA
- Long Beach CA
- Marin County CA
- Milpitas CA
- Roseville CA
- Union City CA
- Fullerton, CA
- Benicia CA
- Riverside CA
- Sacramento, CA
- San Mateo County CA
- El Dorado County CA
- Berkeley CA
- Las Vegas NV
- Kelowna, BC
- Mariposa County CA
- Santa Cruz County CA
- Washoe County NV
- Douglas County NV
- Lake County CA
- Ucluelet, BC
- Alpine County CA
- Calaveras County CA
- Del Norte County CA
- Inyo County CA
- Irvine, CA
- Seattle, WA
- Powell River, BC
- Hood River, OR

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

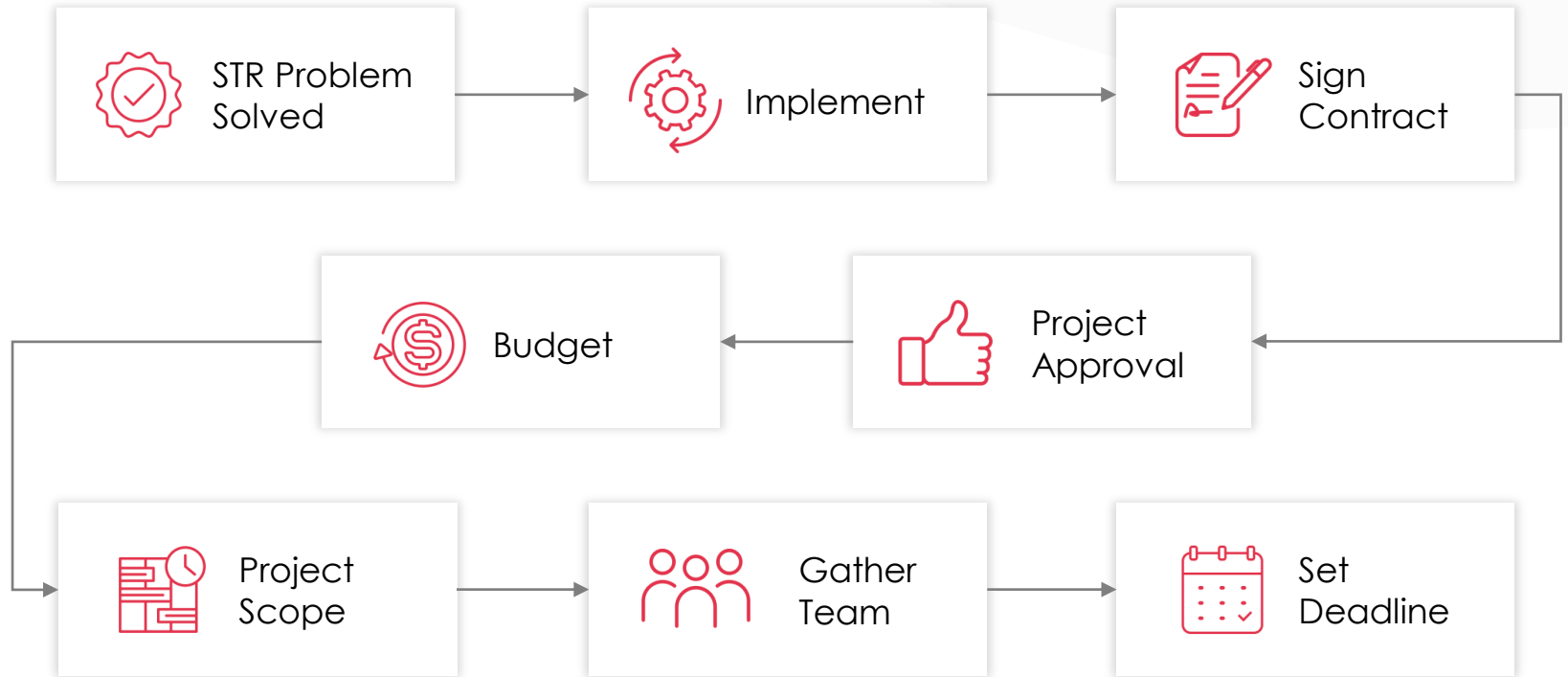
Make it easy for neighbors to report, prove, and resolve non-emergency short-term rental related problems in real-time, any day, at any hour.



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.

Working backwards to a solution to address White Salmon'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 White Salmon'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

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

kester.bonsu@granicus.com

