

# Denver Short Term Rental Advisory Committee

## April Update 2020

Excise and Licenses

# April STRAC Update

We know things look a little different this month as we're all adjusting to new and different workloads and lifestyles.

We've put together the following slides with a bit more commentary than usual in order to provide the STRAC with some standard updates on evergreen topics.

We look forward to seeing you (virtually if necessary) in June to continue our work on making the Denver short-term rental licensing program one of the best in the nation!

Please let us know if you have any questions or would like to schedule a phone call or virtual meeting.

Welcome, new  
STRAC Members!



# Welcome to the four new STRAC members

Normally, we'd kick off our April meeting by having the four new STRAC members introduce themselves. We'll be sure to do this in June, but in the mean time, feel free to reach out to the new members and get to know them.

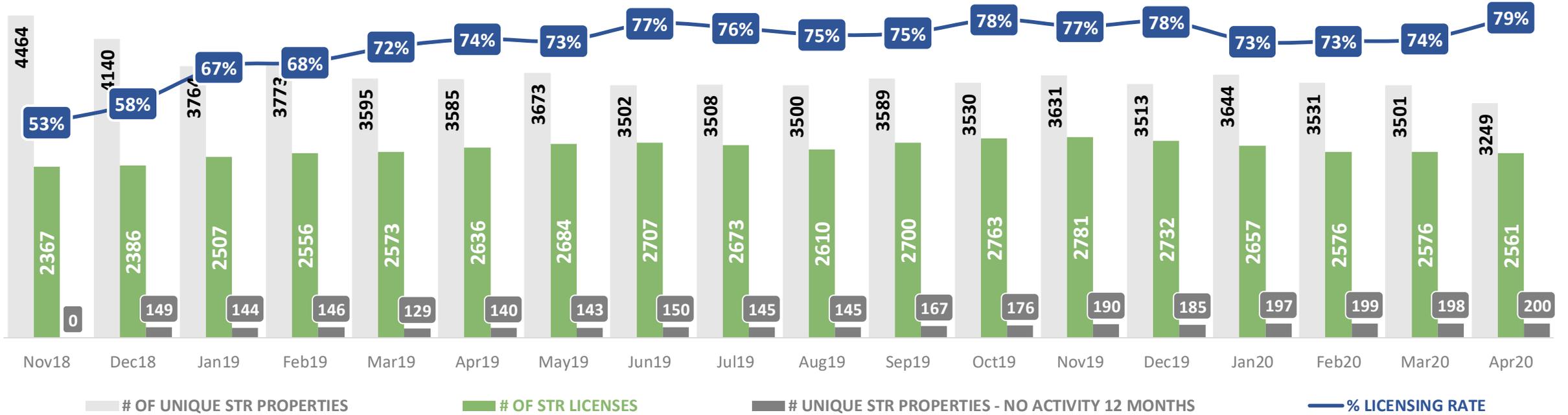
They bring a wide range of experience to the committee, working as advocates on homelessness and housing issues, property managers and liaisons to our host community, insurance professionals, and creators of new, emerging lodging models here in Denver. We look forward to your input!

Name	Category	Representation
Carrie Atiyeh	Professional Association	Visit Denver
Susan Bailey	Community Advocate	STR Host
Daniel Cohen	STR Industry	Daydream Apartments
William Dewey	Community Advocate	Non-Host
Mary Lou Fenili	Community Advocate	Non-Host
Kevin Flynn	Elected Official	City Council District 2
Erin Ganser	Community Advocate	STR Host
Buffy Gilfoil	Community Advocate	STR Host
Lisa Kerrin-Welch	STR Industry	Equity Insurance Group
Dana Lubner	Professional Association	Property Manager / Mile High Hosts
Amie Mayhew	Professional Association	Colorado Hotel & Lodging Association
George Mayl	Community Advocate	Non-Host / Inter-Neighborhood Cooperation
Monisha Merchant	STR Industry	Airbnb
Michael Murphy	Community Advocate	STR Host
David Pardo	STR Industry	Property Manager
Amanda Sawyer	Elected Official	City Council District 5
Cindy Sestrich	Community Advocate	Non-Host
Cindy Wagstaff	Community Advocate	STR Host
Charlotte Winzenburg	Community Advocate	Non-Host
Sabrina Zunker	Professional Association	Denver Metro Association of Realtors

# Licensing & Enforcement Updates



# STR Licensing Rate



	Apr19	Mar20	Apr20	MoM	YoY
# of Unique STR Properties - Active	3,585	3,501	3,249	-7%	-9%
# Unique STR Properties - No Activity 12 Months	140	198	200	1%	43%
# of STR Licenses	2,636	2,576	2,561	-1%	-3%
% of Units Identified	86%	80%	83%	4%	-3%
% Licensing Rate	74%	74%	79%	7%	7%

# What does the licensing rate show?

In April 2020, we saw the highest rate of STR licensure in the last 18 months, with 79% of unique STR properties advertised being licensed. What contributed to this rate?

1. A lower than average number of STR advertisements. Though we have no hard data, we suspect this decline may be attributable to COVID-19.
2. A fairly stable rate of licensure.

# STR Application Data

## Pending Applications

- As of April 6, we had **175 total pending applications**
  - 71 pending applications are awaiting applicant action
  - 69 pending applications are under review by EXL
  - 35 pending applications are under review by another city agency

## New Applications

- We received **70 total applications** during the week of March 1:
  - 27 applications for new STRs
  - 43 STR license renewal applications
- We received **55 total applications** during the week of March 8:
  - 32 applications for new STRs
  - 23 STR license renewal applications
- We received **38 total applications** during the week of March 15:
  - 18 applications for new STRs
  - 20 STR license renewal applications
- We received **26 total applications** during the week of March 22:
  - 8 applications for new STRs
  - 18 STR license renewal applications

# What does the application data show?

1. Of the 129 pending applications, a small portion are awaiting review by other agencies, such as Community Planning and Development or the City Attorney's Office. The rest are either being processed by EXL or are awaiting action from the applicant.
2. We've seen a decline in the number of both new and renewal applications received during the month of March. We speculate this might be due to the spread of COVID-19 even though STR applications can be completed online. We've been using this time to focus on processing pending applications.

# Airbnb Update



We asked Airbnb for an update on their plan for removing unlicensed listings in Denver, how they are responding to COVID-19, any new information regarding party house policies.

They are providing the [latest information on COVID-19 response](#), from Airbnb policy updates to resources for hosts and guests.

They are providing regular communication to hosts regarding [STR COVID-19 public health orders](#) and Covid-19 prevention [disinfection guidelines](#)

They launched their [Frontline Stays](#) program, where they are partnering with hosts to connect healthcare providers, relief workers, and first responders with places to stay at a safe distance from their families.

No update provided regarding the removal of unlicensed Airbnb listings in Denver or party house policies.

# Policy Updates



# Where are we in our policy goals?

1. Phase 1. The policy recommendations for Phase 1 have been completed and approved by council. On Tuesday, March 31, 2020, City Council unanimously voted in favor of [Council Bill 20-0240](#), which contained updates to the **Primary Residence Requirement** and **licensing fees**, as well as necessary **technical and grammatical changes**.
2. Phase 2. The City Attorney's Office has been conducting the research to present ideas for moving forward with Phase 2. We'll have an update at the June meeting.
3. 2020 Goal Setting. We know that the global pandemic has changed the landscape for all business endeavors. Thanks to those who have already submitted feedback on how COVID-19 is affecting the STR industry specifically. We'll be checking in with STRAC at our June meeting to re-visit our 2020 goals in light of the new landscape.

# Policy Recommendations

## Phase 1

Update current language

Primary Residence

Fees

Update definition and standards for issuance

that should be considered to determine PR

Initial application fee \$50

Annual license fee \$100

## Phase 2

Add new language

Property Management Requirements

Platform Accountability Provisions

Research best practices and legal parameters

Draft provisions that protect guests, hosts, and neighbors

Research cost of litigation and legal arguments

Work with other cities to draft effective language

# New Complaint Notification System and 311 data



# What does the new system look like?

1. We've provided a more robust set of tools for our 311 operators to use when fielding calls about short-term rentals. They will have a better process for classifying calls as inquiries vs. complaints, and will have a step-by-step process for documenting complaints in a uniform fashion.
2. Whenever 311 logs a complaint about a short-term rental, it will be classified according to complaint type and a notification email will be automatically generated and sent to the host.
3. As a result of the new complaint logging and notification system, EXL will be better able to provide meaningful data on the types of complaints we are receiving. This in turn will foster more tailored discussions about appropriate solutions and how to measure improvement. Thanks to the hosts who brought this great idea forward!

# 2020 STRAC Meetings

We are planning to hold the remainder of our regularly scheduled 2020 meetings as planned, on the following days:

- June 9
- August 11
- October 13
- December 8

If needed, we will adapt meetings to allow for virtual participation. Any updates will be announced through the Denver short-term rental bulletin. If you're not already receiving the bulletin, you can sign up to receive it [here](#).



Stay safe!