

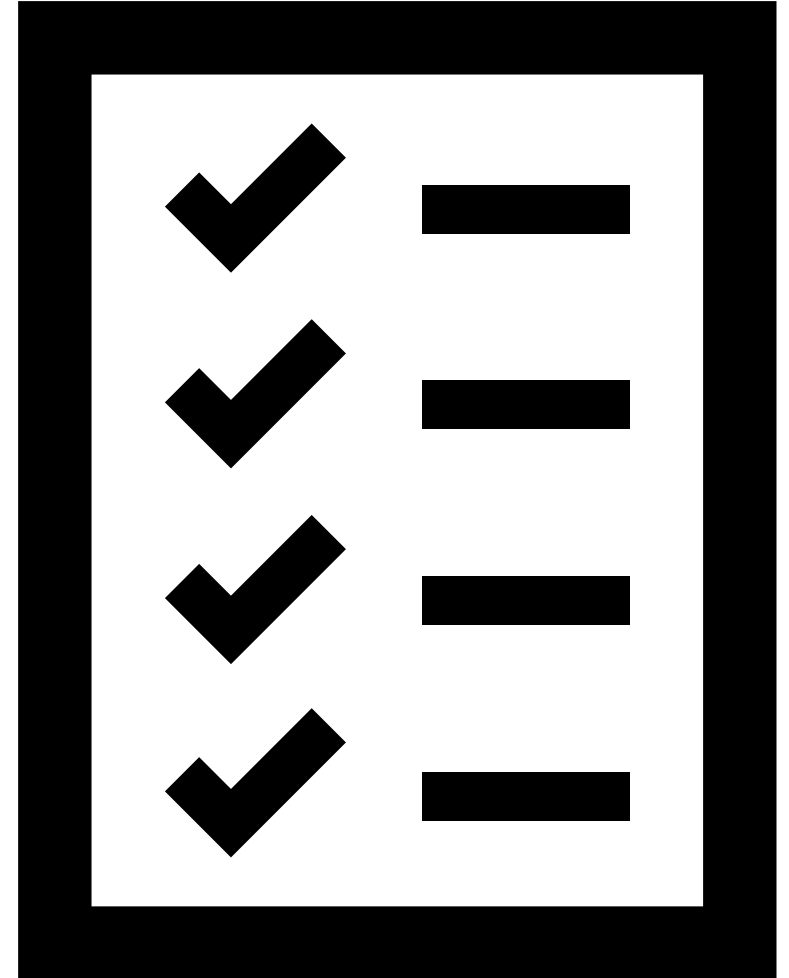
Denver Short Term Rental Advisory Committee

July 9, 2019

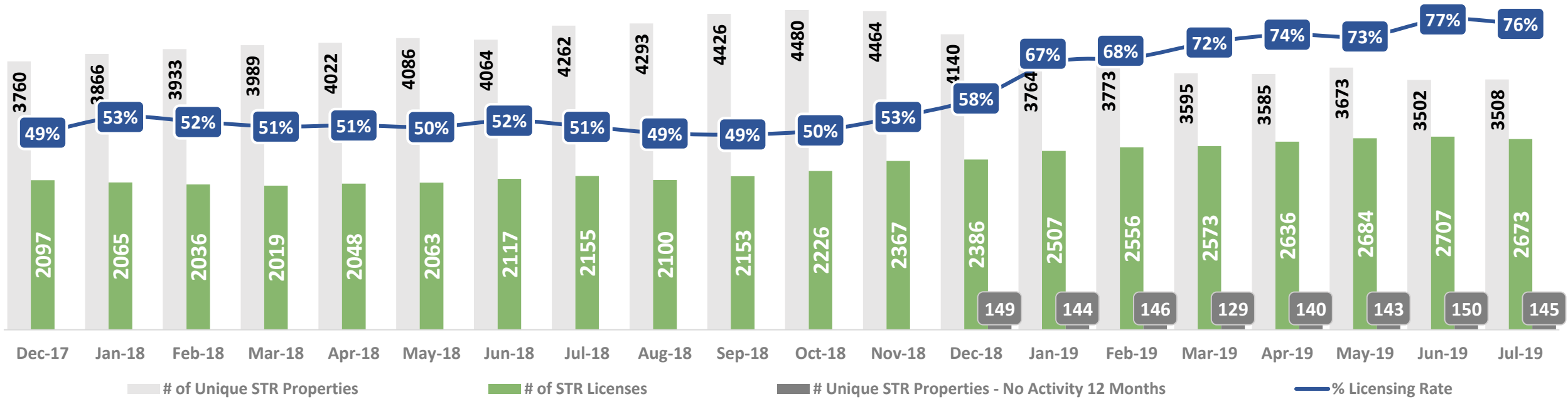
Excise and Licenses

Agenda

1. Old Business
 - a. Airbnb update
 - b. Compliance update
 - c. Primary Residence definition
2. New Business
 - a. Fine structure
3. Public Comment
4. Other items/Adjourn



STR Compliance/Trends



	Jul-18	Jun-19	Jul-19	MoM	YoY
# of Unique STR Properties - Active	4,262	3,502	3,508	0%	-15%
# Unique STR Properties - No Activity 12 Months	-	150	145	-3%	-
# of STR Licenses	2,155	2,673	2,673	0%	24%
% of Units Identified	70%	86%	86%	0%	24%
% Licensing Rate	51%	76%	76%	0%	51%

STR Current Events (7.9.19)

- Spain:
 - In June 2018, Barcelona reached a new agreement with Airbnb that required Airbnb to remove listings if they were found to be operating without a city-approved license and allowed city officials access to data about what was being listed on Airbnb, including details on the listing location and the registered host.
 - [Barcelona Finds a Way to Control Its Airbnb Market](#)
 - In October 2018, Airbnb announced that only short-term rentals in the Andalucía region of Spain that comply with the regulations and have a valid registration number are able to be posted on their site. 18,000 postings were removed, leaving 40,800 postings.
 - [Airbnb deletes 18,000 unregistered Andalusian holiday rentals from its site](#)
- Amsterdam-‘Fairbnb’:
 - A new project that aims to alter the home-sharing model to be more sustainable and community-friendly. One-half of the commission percentage will be fed back into the local community of the rental and the company has made a public commitment to follow every local law on short-term rentals.
 - [‘Fairbnb’ Wants to Be the Unproblematic Alternative to Airbnb](#)
- Amsterdam- European Union:
 - Amsterdam and 9 other European cities have joined together to request support from the European Union in their push to work with short-term rental platforms to comply with local regulations.
 - [Amsterdam Calls For EU Support](#)

STRAC Values, Goals, and Plans

Value	Goals	Suggested Tasks
Protect the fabric and character of Denver neighborhoods and the residents who live there	<ul style="list-style-type: none"> Ensure that regulations are enforceable Pursue consistent enforcement against non-compliant hosts and hosting platforms 	<ul style="list-style-type: none"> Adopt compliance requirements/guidelines for hosting platforms <ul style="list-style-type: none"> Requirements for transparency in tax collection + remittance Requirements for data sharing/reporting Consequences for advertising unlicensed properties Consequences for failure to comply with local laws and rules Issue more orders to show cause against non-compliant operators and address back log of primary residence complaints Adopt compliance requirements/guidelines for property management companies Adopt stricter consequences and increase fines for non-compliance
Ensure STRs do not negatively impact the housing stock for permanent residents	<ul style="list-style-type: none"> Bolster “primary residence” requirement 	<ul style="list-style-type: none"> Clarify definition of “primary residence” and/or “place of normal return for housing” by updating the STR ordinance and/or zoning code Address different problems faced by non-compliant hosts in single family dwellings vs. multi-unit properties
Foster innovation and new business models by encouraging voluntary compliance	<ul style="list-style-type: none"> Improve technology and user friendliness of process Clarify requirements for compliance 	<ul style="list-style-type: none"> Update the online application and renewal process Engage in community outreach by hosting workshops for hosts and real estate agents to explain laws and rules and answer questions Pursue strategies for more clarity and transparency in tax and licensure documentation available to hosts from City and hosting platforms

Primary Residence Requirement



Primary Residence

Current language:

Primary residence means a residence is the usual place of return for housing as documented by at least two of the following: motor vehicle registration, driver's license, Colorado state identification card, voter registration, tax documents, or a utility bill. A person can only have one primary residence.

Other features to consider:

Primary residence would mean a residence in which an individual dwells and meets the following requirements:

1. the individual uses the residence for personal residential purposes, including, but not limited to, overnight slumber and preparation of meals.
2. The individual uses the residence for legal, billing, and/or licensure purposes, including, but not limited to, voter registration, vehicle registration and insurance, state identification and/or driver's licensure, federal and state tax return filings, and utility bills.
3. The individual claims no other primary residence for domestic, legal, billing, and/or licensure purposes.
4. The individual, whenever absent, has the intention of returning to use the residence as a household for personal residential purposes after a departure or absence therefrom, regardless of the duration of the absence.
5. The individual is physically present and using the residence as a household for personal residential purposes for at least 183 days per year.
6. The Denver County Assessor lists a mailing address that is the same as the address for the licensee or applicant of the short-term rental

Fine Structure



Host Fines – Colorado jurisdictions

City	1 st	2 nd	3 rd	Sub.	
Boulder	\$150 / \$500	\$300 / \$750	\$1,000		Per violation of the same provision
Breckenridge	30-day suspension or \$200 fine	60-day suspension or \$500 fine	90-day suspension or \$999 fine	Up to 1-year suspension or revocation	No fine in lieu for 4 or more violations per 12-month period
Denver	\$150	\$500	\$999	\$999	
Georgetown	\$999 minimum	\$2,650 minimum	\$2,650 minimum	\$2,650 minimum	Per violation at the same property
Golden	\$150	\$300	\$1,000		Per violation of the same provision
Vail	\$500	\$1,500	\$2,500	STR prohibited for 2 years	Per violation at the same property within a 12-month period

Host Fines – other jurisdictions

City	1 st	2 nd	3 rd	Sub.	
Boston, MA	\$300	\$300	\$300	\$300	Per violation per day; +\$100 per violation per day non-compliance
Miami Beach, FL	\$20,000	\$40,000	\$60,000	4 th - \$80,000 5 th and sub - \$100,000	Per offender within an 18- month period
New York, NY	\$1,000 max	\$5,000 max	\$7,500 max	\$7,500 max	
Nashville, TN	\$50	\$50	\$50	\$50	\$50 fine per day per property
Palm Springs, CA	\$250 / \$500	\$500 / \$1,000	2 year suspension		
Portland, OR	\$1,000	\$3,000	\$5,000	max fine allowed by city	Each day can be considered separate violation
Washington, DC	\$500	\$2,000	\$6,000 and revocation of license		

Host Fines – Overview

Average* fine for 1st offense = \$1,740

Average* fine for 2nd offense = \$3,857

Average* fine for 3rd offense = \$5,867

- Lowest fines: Nashville, TN
- Highest fines: Miami Beach, FL
- 4 jurisdictions include suspension and/or revocation of a license as a penalty
- *Averages based on cities on these slides

Next STRAC meeting: Tuesday, August 13, 2019

Remaining 2019 Meetings:

9/10/19*

10/8/19

12/10/19

*new addition