The background of the slide features a blurred image of hands typing on a laptop keyboard. Overlaid on this are several digital graphics: a line graph with circular data points in the upper left, a network diagram with nodes and connecting lines in the upper right, and a series of horizontal bars of varying lengths on the far right. At the bottom, there are white, wavy, abstract shapes.

govService

# Host Compliance

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City of Hollywood



Cost-effective solutions to Hollywood's short-term rental registration, compliance monitoring, fraud, audit and enforcement challenges



# Granicus Overview



4,500+

## Government Agencies

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



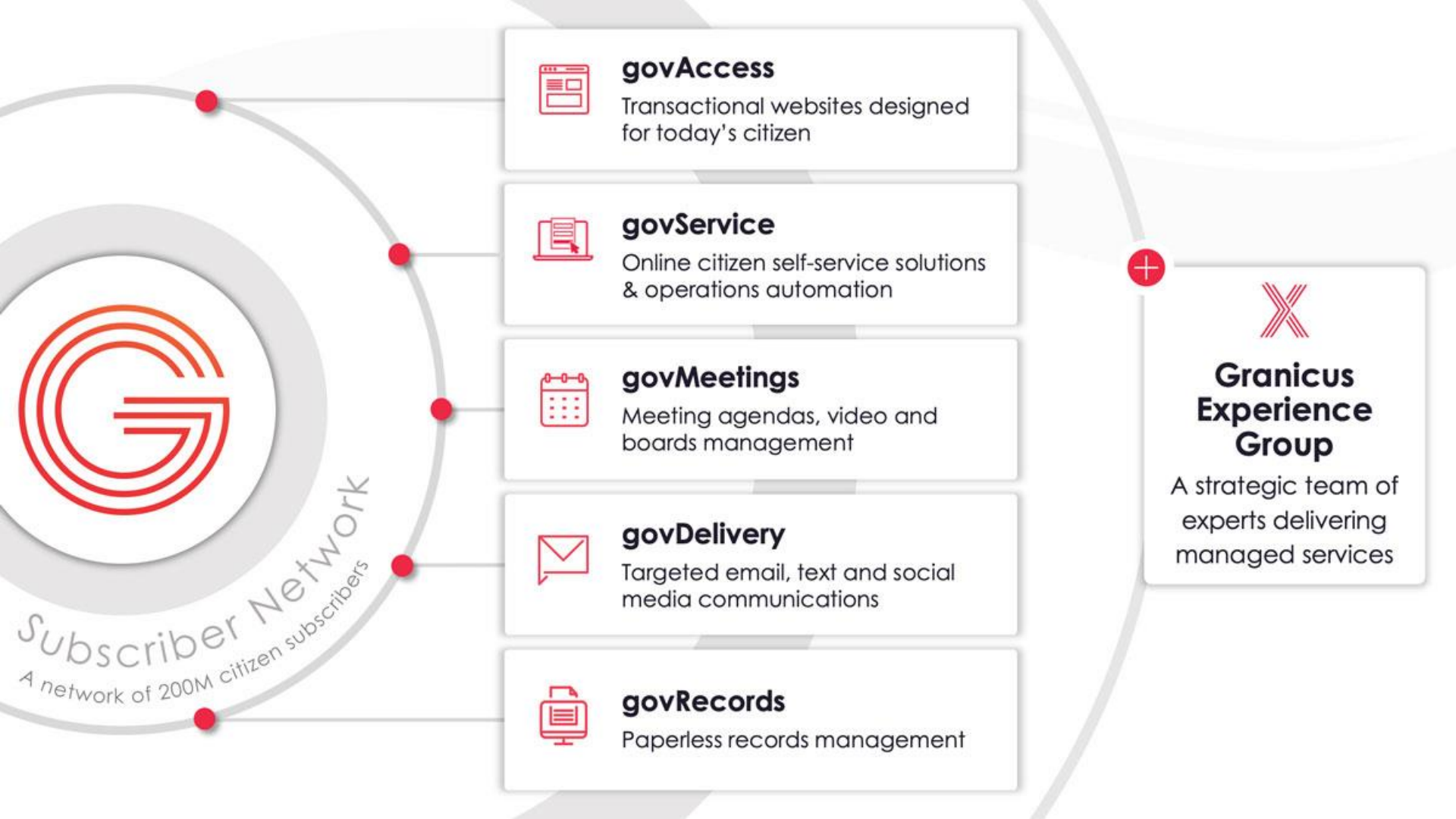
## Seamless Digital Solutions

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

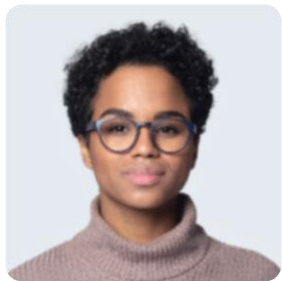


## Short-Term Rental Software & Services

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



# 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



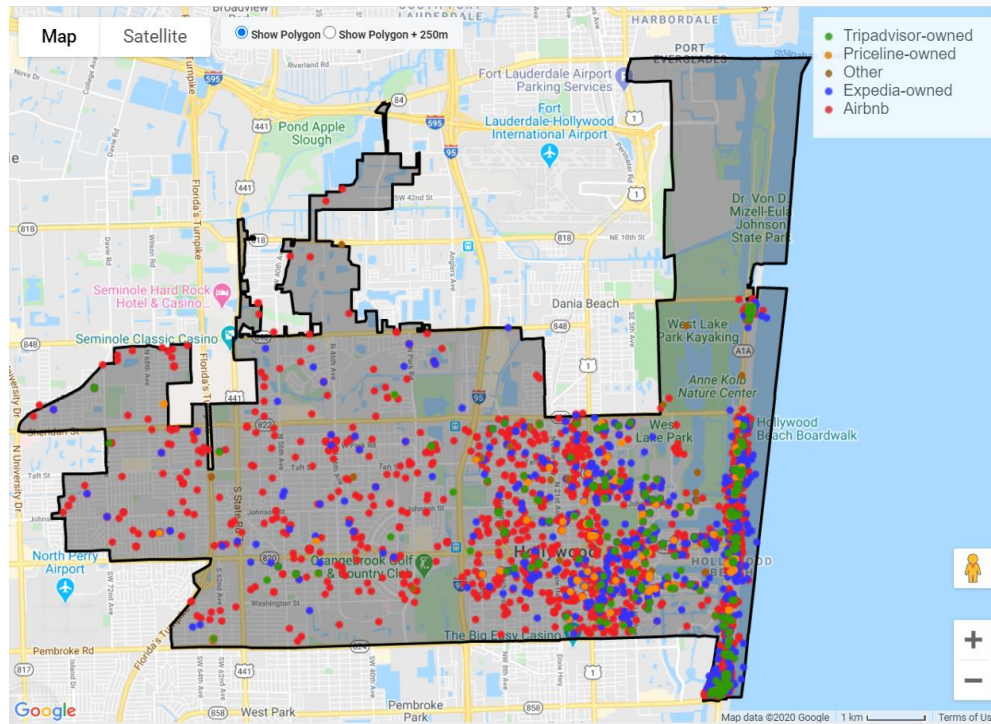
**239%**

Increase in STR  
related party  
complaints in the  
last year



# ...and in Hollywood we have identified 5,349 listings, representing 3,892 unique rental units\*

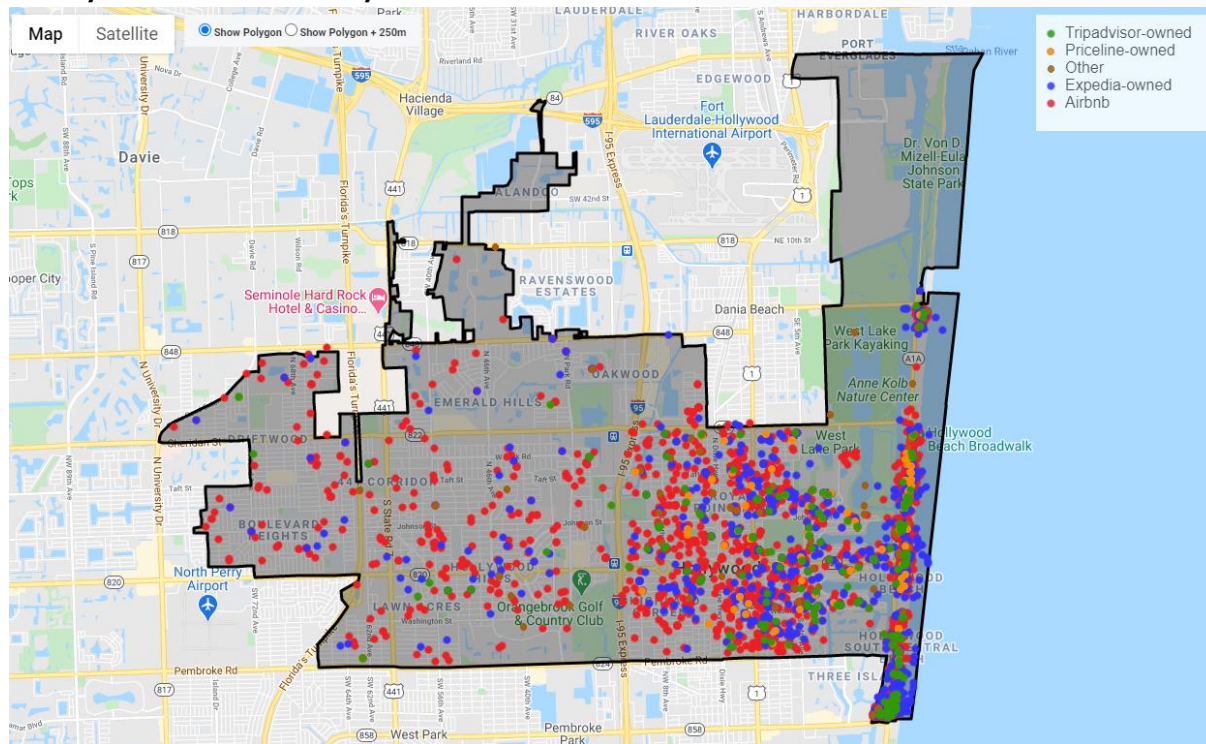
Short-term rentals in Hollywood as of August 2020



\* 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 5,949 as we will expand our search area by several hundred yards beyond the borders of Hollywood to capture all relevant listings. Source: Granicus Host Compliance Proprietary Data

# Currently we have identified 6,539 listings, representing 4,876 unique rental units\*

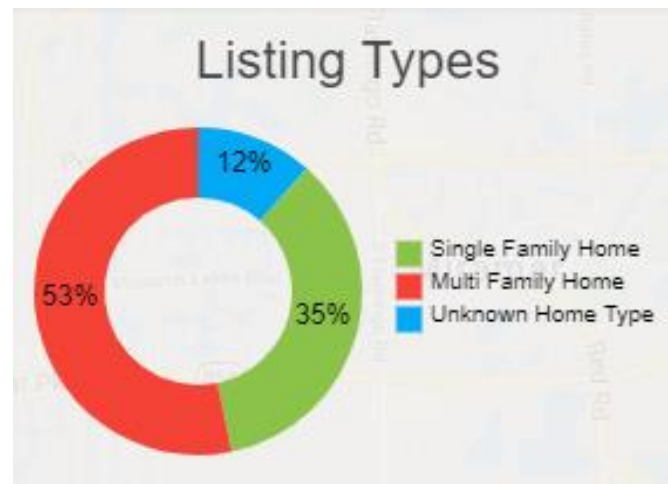
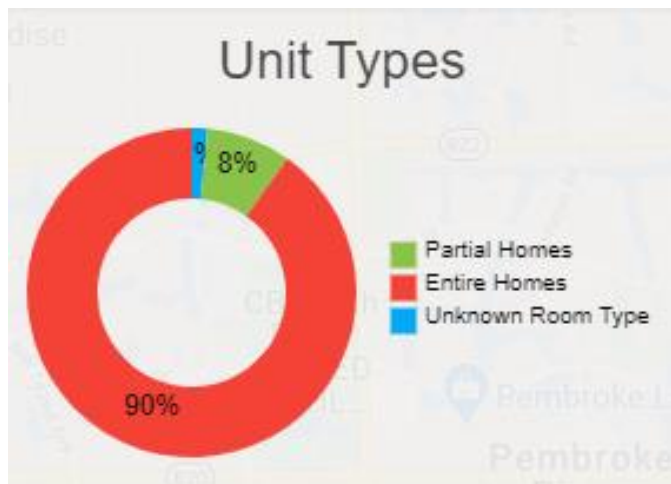
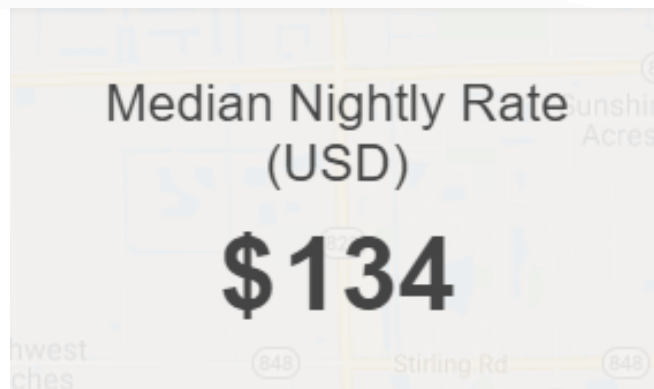
Short-term rentals in Hollywood as of February 2021



\* 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 5,949 as we will expand our search area by several hundred yards beyond the borders of Hollywood to capture all relevant listings. Source: Granicus Host Compliance Proprietary Data



# Hollywood Data Details



# The number of short-term rental listings has grown 24% in Hollywood over the last year



**24%**  
*YoY Listing  
Growth*



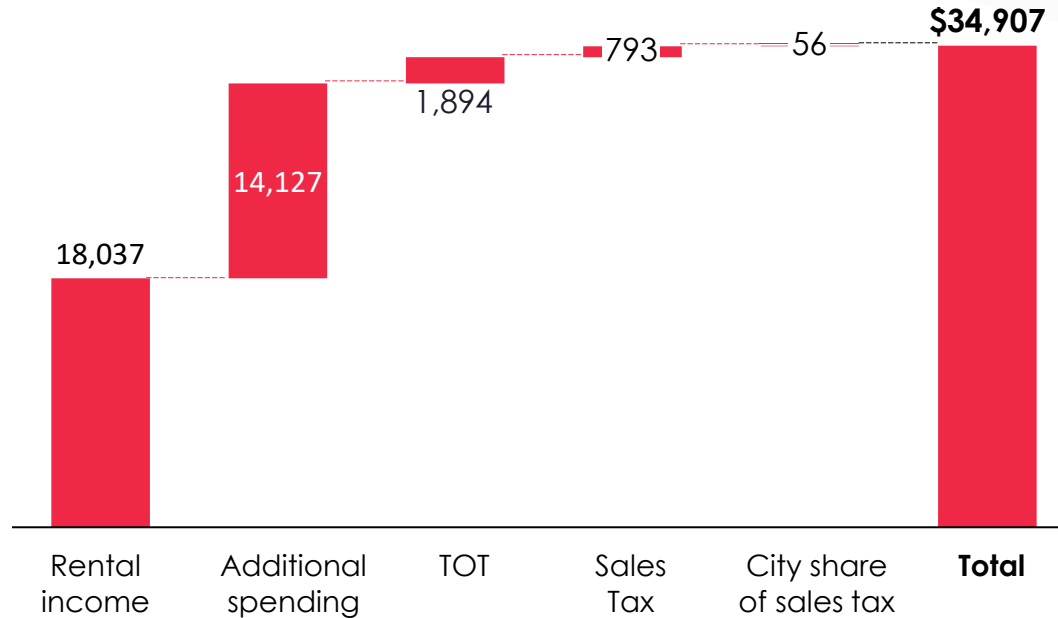
**Counting only unique rental units,** Hollywood has seen 70% growth since last year



**70%** YoY Rental  
Unit Growth

# The Good: Short-term rentals can drive significant economic growth.

Estimated Annual Economic Impact per STR in the City of San Diego



# **The Bad:** Short-term rentals can displace long-term tenants, alter the neighborhood character and raise parking, noise, safety, trash and fairness concerns



Conversion of long-term rentals into STRs can affect housing availability



Increased tourism can change the neighborhood character



Visitors don't always know (or follow) local rules



Short-term renters may not care about keeping good neighborly relations



Increased occupancy can have negative trash related side-effects



Unfair competition from VRBOs can cause conflicts and hotel job losses

# In some communities, short-term rentals have caused significant neighborhood tension



*"It is loud, and there is live music and karaoke stuff, and it's all done outside because of the pool. They're out in front at 4 in the afternoon waiting for their Uber to come, drunk on the front lawn."* – Emmy J

*"We did not buy our house to be living next to a hotel. Would you buy a home if you knew a hotel like this was operating next door, if you wanted to set your life up and raise a family?"* – Jessica C



*"Sometimes, when they are outside, they're playing beer pong just wearing their underwear"* - Hazel, Age 11



**The explosive growth of short-term rentals** has pushed local governments to rein in the practice and made it the single most controversial local issue in decades

SANTA MONICA

## Santa Monica Just Banned Airbnb's Biggest Moneymakers

By Bianca Barragan

f t SHAR



Waiting for lax1-ibadnes.com...

## Airbnb San Francisco backlash: thousands petition for more oversight

More than  
offer visito  
ones most



February 9, 2017 · 5:00 PM  
Heard on All Things

WADE GOOD

Kristen Hotopp  
has lived for the  
two-story home -

"There are two u  
smaller and a ho  
buying up a lot o

Like many fast-g

## In Austin, A Boom In Short-Term Rentals Brings A Backlash

## Political contests erupt as cities and hotel industry struggle to curb Airbnb

By Robert McCartney

October 15, 2018 at 5:04 PM



In the last 12 month's

**9,189**

**NEWS STORIES**

have covered this  
issue across the U.S.



**Without proper enforcement,** only a fraction of short-term rentals will get registered and pay their fair share of taxes

In General Less Than 10% Of STR Owners Voluntarily  
Get Registered And Pay All Of Their Taxes



Large potential for increasing  
permit/license/registration fee income and tax  
revenues

# Manual compliance monitoring and enforcement is ineffective and expensive

- ✓ Rental property listings are spread across 100s of different websites
- ✓ Manually monitoring 100s of properties is practically impossible as listings are constantly added, changed or removed
- ✓ Address data is hidden from listings making it time-consuming or impossible to locate the exact properties and identify owners
- ✓ It is practically impossible to collect taxes as there is no easy way to find out how often the properties are rented and for how much
- ✓ The vacation rental platforms refuse to provide the detailed data necessary for enforcing local ordinances
- ✓ Manual compliance monitoring and complaint-based enforcement often leads to claims of selective enforcement

# The Granicus Host Compliance solution can address all Hollywood's short-term rental related challenges



## **Address Identification:**

Automated monitoring of 50+ STR websites and online dashboard with complete address information and screenshots of all identifiable STRs in Hollywood's jurisdiction



## **Compliance Monitoring:**

Ongoing monitoring of STRs for zoning and permit compliance coupled with systematic outreach to illegal short-term rental operators (using Hollywood's form letters)



## **Rental Activity Monitoring and Tax Calculation Support:**

Ongoing monitoring of Hollywood's STR listings for signs of rental activity. Enables data-informed tax compliance monitoring and other enforcement practices that require knowledge of STR activity level



## **Dedicated Hotline:**

24/7 staffed telephone hotline and online platform for neighbors to report non-emergency STR problems, submit evidence and initiate automatic follow-up activities

# Address Identification

Technology and processes make it possible to easily monitor Hollywood's STR market and find the addresses and owners of all identifiable STRs

1

## Scan

We scan the world's 50+ largest STR websites for all listings in Hollywood

2

## Extract

We geocode 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

4406  
STR Rental Units in or near  
Jurisdiction

84  
STR Rental Units Added Last  
Month

90.2%  
STR Rental Units with Street  
Address Identified

Listings and Rental Units  
Funnel

Map Satellite

COMPLIANT w/ land use regulations  
NON-COMPLIANT w/ land use regulations  
UNKNOWN COMPLIANCE STATUS  
NOT YET IDENTIFIED

Listing types

Rental Units and Listings / Week

20

# Address Identification

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Listing types

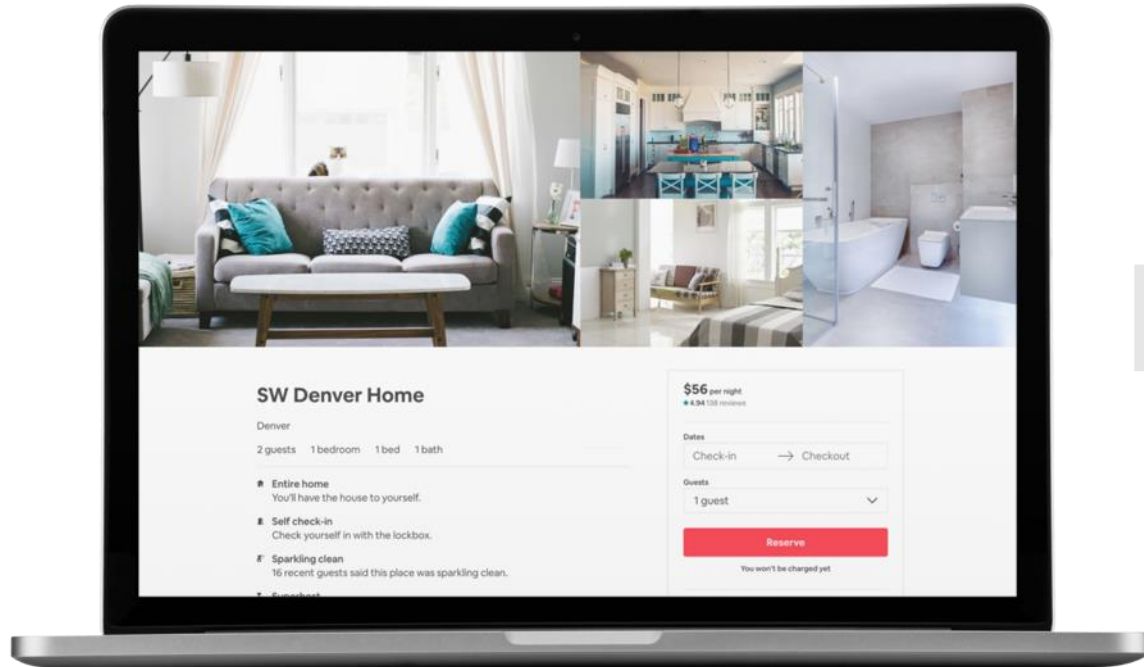
Rental Units and Listings / Week

20



# Address Identification

While scanning each STR platform every 3 days, Granicus Host Compliance captures listing status, metadata and full-screen screenshots which are time-stamped and made available to our clients in real time

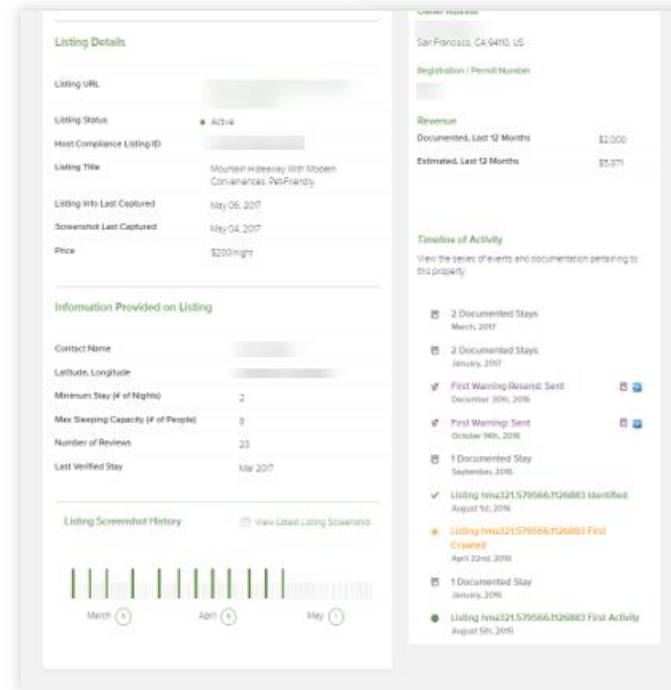
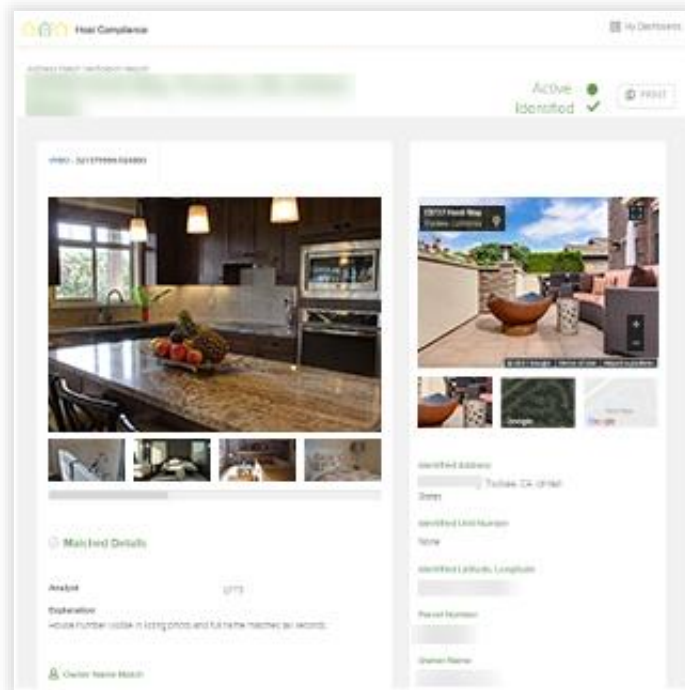


Full  
screen



# Address Identification

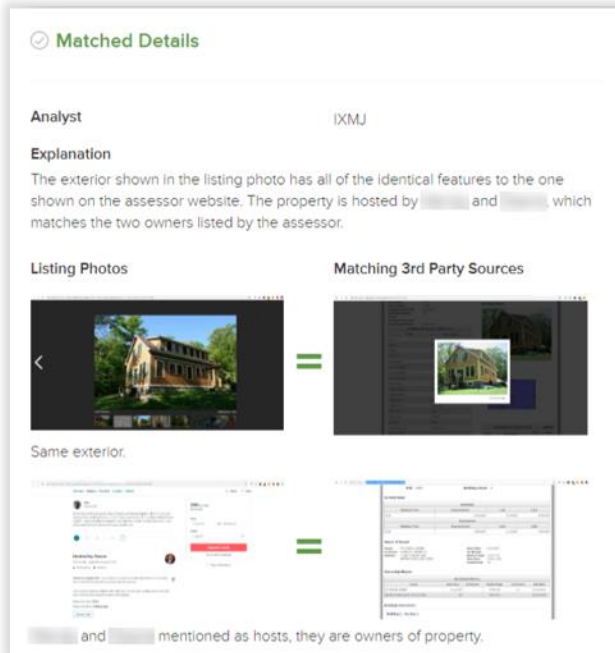
The data and screenshots we collect are made available to authorized city personnel in an easy to use online dashboard and records management system



# Address Identification

Our system supports all Hollywood's enforcement efforts with evidence of every address match and signed declarations, affidavits and expert testimony whenever needed

Example of Searchable Evidence



**Matched Details**

**Analyst** IXMJ

**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**

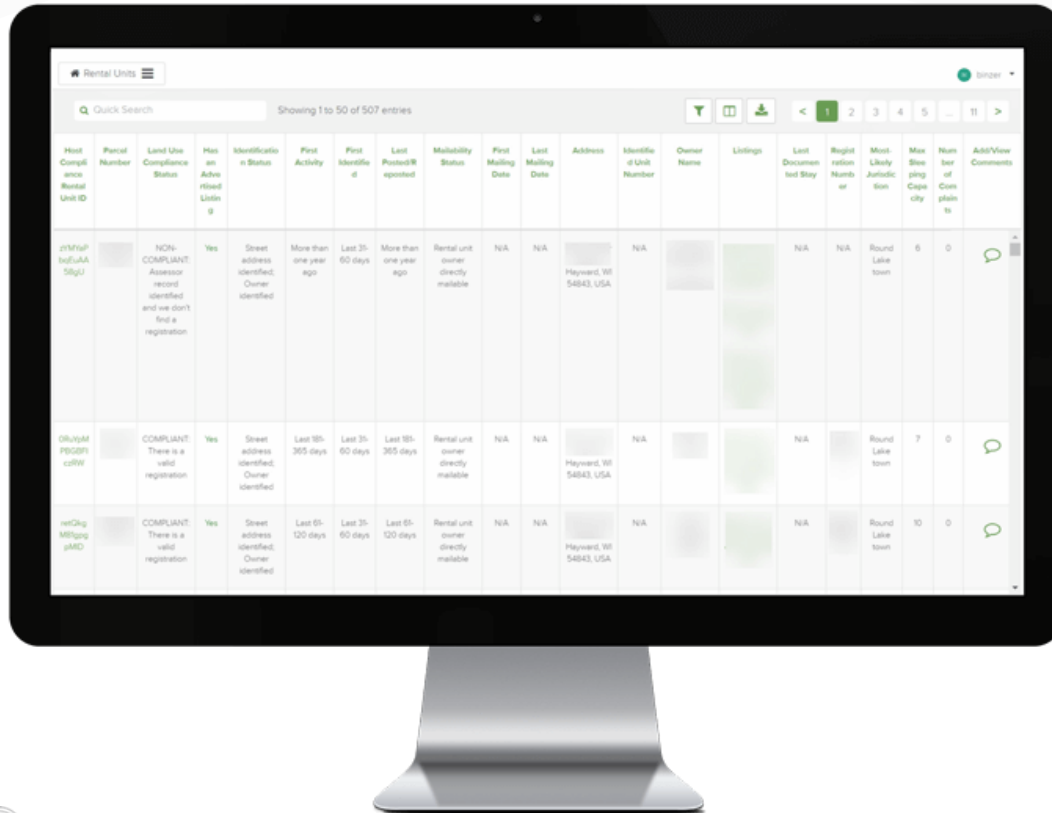
Same exterior.

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

Example of Legal Declaration

4	
5	
6	
7	
8	CITY OF IMPERIAL BEACH-ADMINISTRATIVE CITATION APPEAL
9	
10	In the Appeal Of Citation Number [REDACTED] <b>Code Enforcement Case</b> [REDACTED]
11	[REDACTED] <b>DECLARATION OF ULRİK BINZER</b>
12	[IMAGED FILE]
13	<b>Appellant,</b>
14	vs.
15	CITY OF IMPERIAL BEACH,
16	<b>Respondent.</b>
17	
18	
19	I, Ulrik Binzer, declare as follows:
20	1. I am the Chief Executive Officer of Host Compliance, LLC. I have personal
21	knowledge of all the matters stated herein and, if called as a witness, I could competently testify
22	thereto.
23	2. Host Compliance, LLC ("Host Compliance") is a California Limited Liability
24	Company that was formed on October 15, 2015 with its principal place of business located at 735
25	Market Street, Floor 4, San Francisco, CA 94920. I have worked for Host Compliance since its
26	inception.
27	3. As the, CEO, my duties at Host Compliance include managing all aspect of the
28	Company's operations. I am also the Founder and CEO of Host Compliance. I previously served
	1
	DECLARATION OF ULRİK BINZER

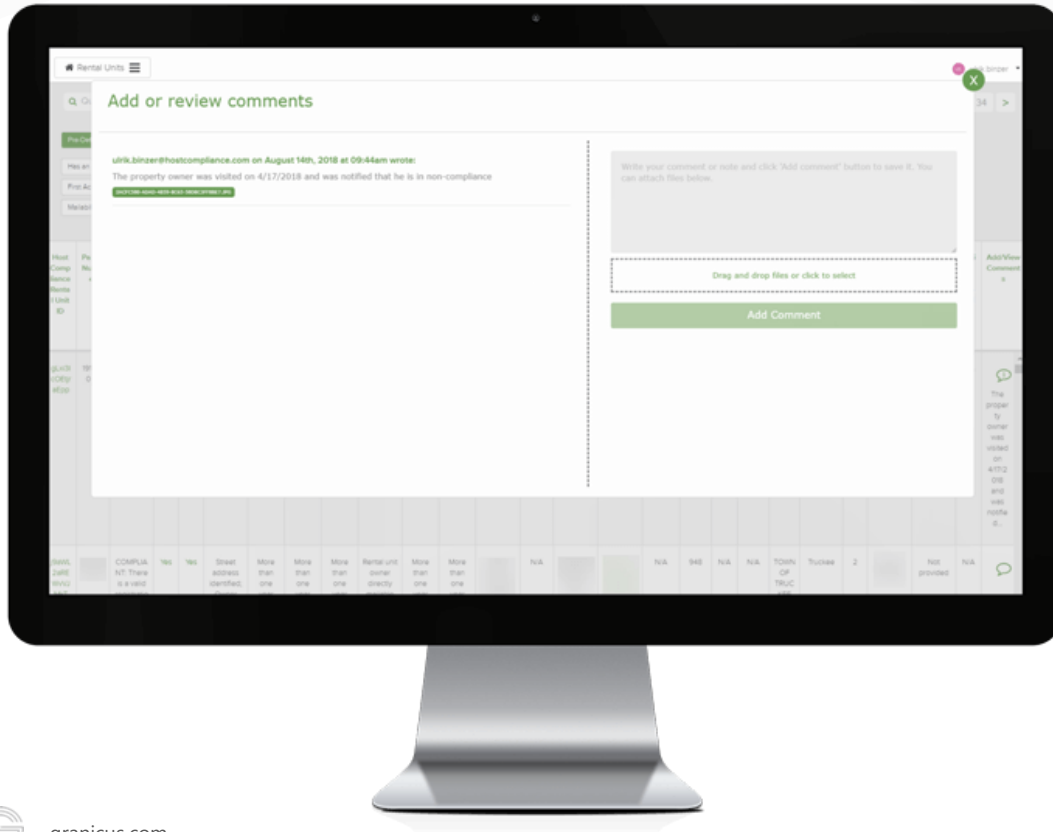
# Address Identification



Host Compliance Rental Unit ID	Parcel Number	Land Use Compliance Status	Has an Addressed Listing	Identification Status	First Activity	First Identified	Last Posted/Reported	Multitenancy Status	First Mailing Date	Last Mailing Date	Address	Identified Unit Number	Owner Name	Listings	Last Documented Story	Registration Number	Most Likely Jurisdiction	Max Sleeping Capacity	Number of Complaints	Add/View Comments
21M7aP h3jUAA 58gU		NON-COMPLIANT: Assessor record identified and we don't find a registration	Yes	Street address identified. Owner identified	More than one year ago	Last 31-60 days	More than one year ago	Rental unit owner directly reachable	N/A	N/A	Hayward, HI 54843, USA	N/A			N/A	N/A	Round Lake town	6	0	
01uYtM P8G8P c3RW		COMPLIANT: There is a valid registration	Yes	Street address identified. Owner identified	Last 31-365 days	Last 31-60 days	Last 31-365 days	Rental unit owner directly reachable	N/A	N/A	Hayward, HI 54843, USA	N/A			N/A		Round Lake town	7	0	
vtQ2g M8fmg pMD		COMPLIANT: There is a valid registration	Yes	Street address identified. Owner identified	Last 61-120 days	Last 31-60 days	Last 61-120 days	Rental unit owner directly reachable	N/A	N/A	Hayward, HI 54843, USA	N/A			N/A		Round Lake town	10	0	

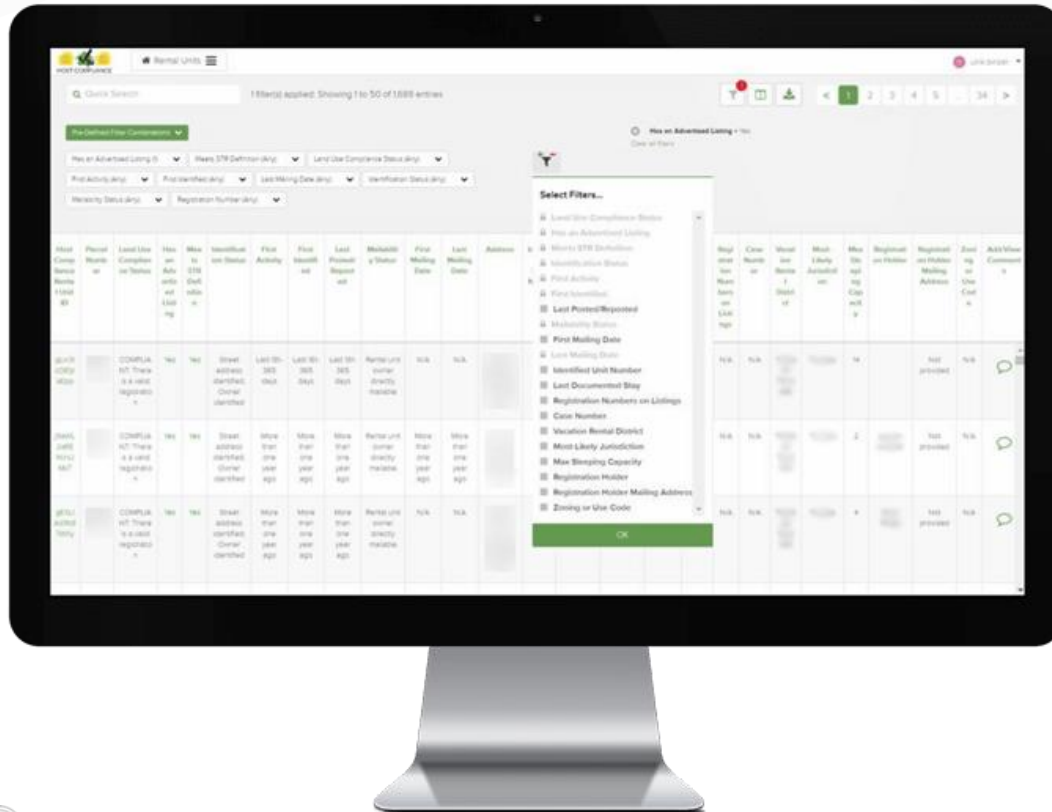
All data is made available in detailed data reports that can be customized to Hollywood's exact needs and easily downloaded into Excel/CSV format

# Address Identification



Granicus Host Compliance makes it easy to track the status of individual rentals and create case notes as needed

# Address Identification

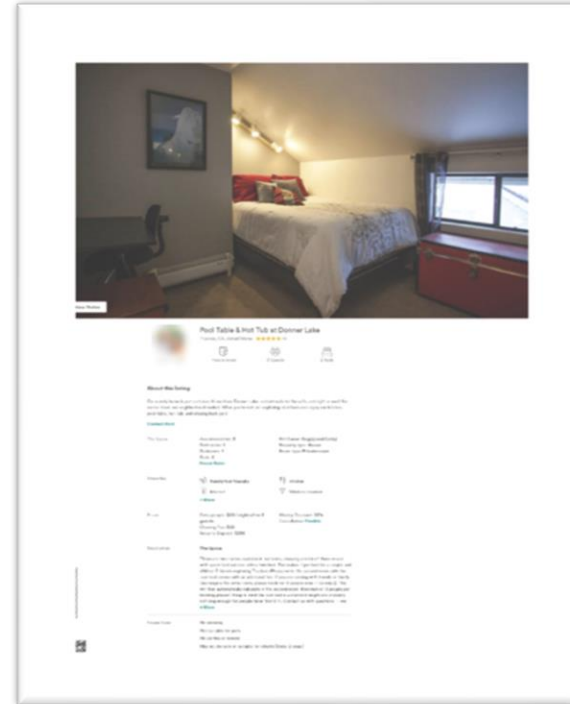


All our data can be easily filtered, sorted and grouped in real-time



# Compliance Monitoring

Put Hollywood's compliance monitoring and outreach efforts on auto-pilot by automating the mailing of notices to non-compliant short-term rental operators



# Compliance Monitoring

Automate the entire mailing and follow-up process and track the status and outcome of each letter in real-time

## Permit Compliance Mailing Sequence



customer.success+nashville-tn

Showing 1 to 50 of 7,674 entries

No filters have been applied.

Letter ID	Letter	Mailing Date	Recipient Status	USPS Delivery Status	Parcel Number	Unit Number	Recipient Name	Recipient Address	Property Address	Has an Advertised Listing	Meets STR Definition	Land Use Compliance Status	Estimated Tax Base	Returned	Letter was sent to correct recipient	Property is now in compliance	Rental Unit Record(s)	Registration Type	Report Issue	Add/View Comments
58691	First Warning - No STR or Tax	2019-08-04	Delivered	Delivered	15007001100	N/A				No	Yes	COMPLIANT: No longer advertised	estimated_revenue_upper_bound	No	Yes	Yes	Rental Unit Record	N/A	Report issue	1 Tim, Below is basically the process you'll need to follow...
58690	First Warning - No STR or Tax	2019-08-04	Delivered	Delivered	14905018900	N/A				No	Yes	COMPLIANT: No longer advertised	estimated_revenue_upper_bound	No	Yes	Yes	Rental Unit Record	N/A	Report issue	
58689	First Warning - No STR or Tax	2019-08-04	Delivered	Delivered	14815013500	N/A				No	Yes	COMPLIANT: No longer advertised	estimated_revenue_upper_bound	No	Yes	Yes	Rental Unit Record	N/A	Report issue	

# Compliance Monitoring

Stay in control but save time by having us send your enforcement letters with the click of a button

The screenshot displays the Granicus Compliance Monitoring interface. At the top, a 'Rental Unit Record' for '15 Palm Ave, Nashville, TN 37203, USA' is shown with status 'Active', 'Identified', and 'Compliant'. A red arrow points from a 'SEND A LETTER' button in this record to a larger, highlighted 'SEND A LETTER' button on the right. Below the record, the 'Listing(s) Information' section shows 'Airbnb - 24645873' and a photo of a kitchen. The 'Rental Unit Information' section is partially visible. A 'Select Letter Template' modal is open, showing four templates: 'First Warning - No STR or Tax', 'First Warning - No STR Permit', 'First Warning - No Tax Reg', and 'Airbnb Letter'. The modal also includes a '< Back' button and a 'Matched Details' section with 'Analyst: QZ4P' and an 'Explanation'.

**Rental Unit Record**  
15 Palm Ave, Nashville, TN 37203, USA  
Active  
Identified  
Compliant  
PRINT  
SEND A LETTER

**Listing(s) Information**  
Airbnb - 24645873  
VRBO - 3212066937757469  
View on Google Maps  
Google  
Identified Address  
Identified Unit Number  
Identified Latitude  
Parcel Number  
Owner Name  
Owner Address

**Rental Unit Information**

**Select Letter Template**  
< Back  
First Warning - No STR or Tax  
First Warning - No STR Permit  
First Warning - No Tax Reg  
Airbnb Letter

**Matched Details**  
Analyst: QZ4P  
Explanation  
The property was successfully identified after finding a picture of the short term rental permit on the listing then validating the address on the Nashville short term rental permit site, then pulling the parcel up on the tax assessor site thus getting all other information.

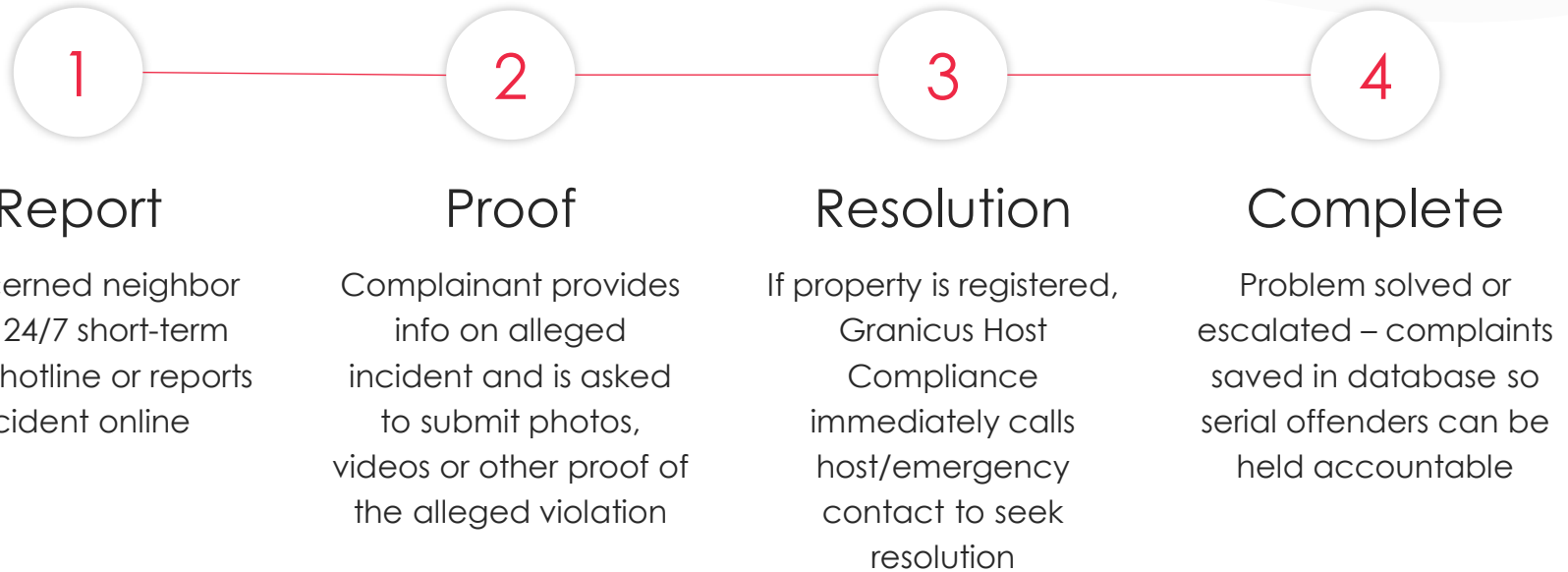
# Rental Activity Monitoring

Host Compliance Rental Unit ID	Unit Permit/Registration Numbers	Address	Parcel Number	Unit Number	Estimated Gross Revenue (USD)	Estimated Net Airbnb Gross Revenue (USD)	Reported Revenue (USD)	Owner Name
BqM8pGQgTmZ5	901			N/A	\$74,294	\$0	\$691,061	
glx3x0E9wEg	7			N/A	\$17,118	\$0	\$408,777	
NWCF38MABMfm	1219			N/A	\$89,211	\$36,722	\$291,640	
LBP5G3E3MhCv0g	849			N/A	\$1,761	\$0	\$254,385	
W3a3kRCg0n	849			N/A	\$4,765	\$0	\$254,385	
w8MwCf9ToQZ	849			N/A	\$21,201	\$0	\$254,385	
x368mxxvq2Wng	335			N/A	\$66,119	\$20,056	\$165,504	
co3DhH2Tg0m2	19			N/A	\$0	\$0	\$105,349	
qPy1TRQc0HnQm	472			N/A	\$108,349	\$75,349	\$161,019	
m85f9p0KvAMM	881			N/A	\$71,809	\$71,809	\$145,360	
Y08kA9v5GNNkP	773-3			N/A	\$60,226	\$43,740	\$126,523	
VQmRfQ2HqT0	37-20			N/A	\$33,643	\$0	\$118,237	
qPL0m9w0J2N+	STR0000-00-20-51			N/A	\$15,600	\$15,600	\$113,632	
w0TVJP4P3ET2M	052			N/A	\$56,049	\$10,824	\$105,499	
4u0QNh+00HfG2	1293, 37-26			N/A	\$41,334	\$19,270	\$106,636	
W3wLk4R9wZ	565			N/A	\$39,370	\$19,567	\$102,797	
Nq9kN9k9gH	1153			N/A	\$40,146	\$0,336	\$96,414	
4u0QNh+00HfG2	42-37			N/A	\$36,161	\$26,763	\$96,064	
w0QNG32GfCTnd	1229			N/A	\$60,063	\$14,983	\$96,385	
T8d4k3H4y++n	281			N/A	\$40,275	\$40,275	\$95,575	
p88553Wm02nd	827			N/A	\$68,749	\$26,169	\$94,901	
H6-gy04EMhufS	255-17, 409-2			N/A	\$37,369	\$26,573	\$95,140	
lAQ-0h9y38v0P	1234			N/A	\$37,761	\$0	\$87,965	
g9wG9F C5h2y0	409-118			N/A	\$36,813	\$22,314	\$87,600	
8AuV9yM0K0AB95	STR0000-00-20-92			N/A	\$37,687	\$26,584	\$87,822	
g9wG9F C5h2y0	436			N/A	\$34,878	\$20,600	\$86,584	

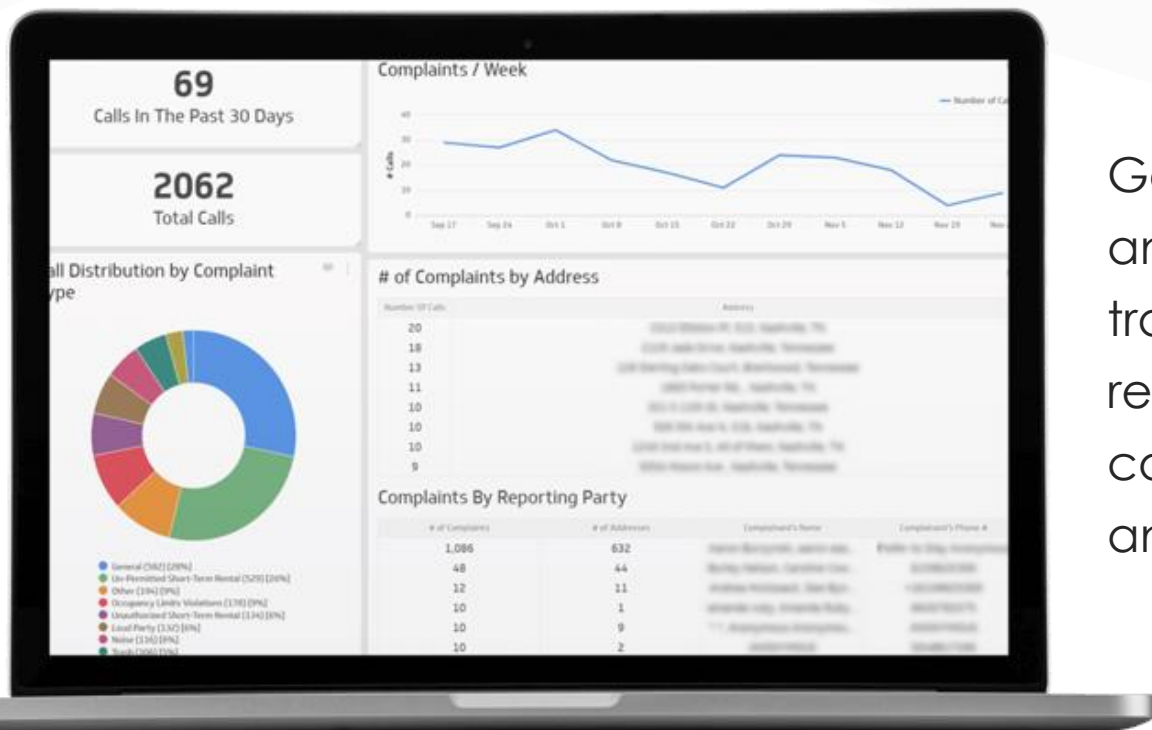
Easily identify occupancy/rental frequency violations by monitoring Hollywood's STR listings for signs of rental activity

# 24/7 STR Hotline

Make it easy for neighbors to report, substantiate and resolve non-emergency STR related incidents in real-time



# 24/7 STR Hotline



Get detailed reports and dashboards to track all short-term rental related complaints in real-time and over time



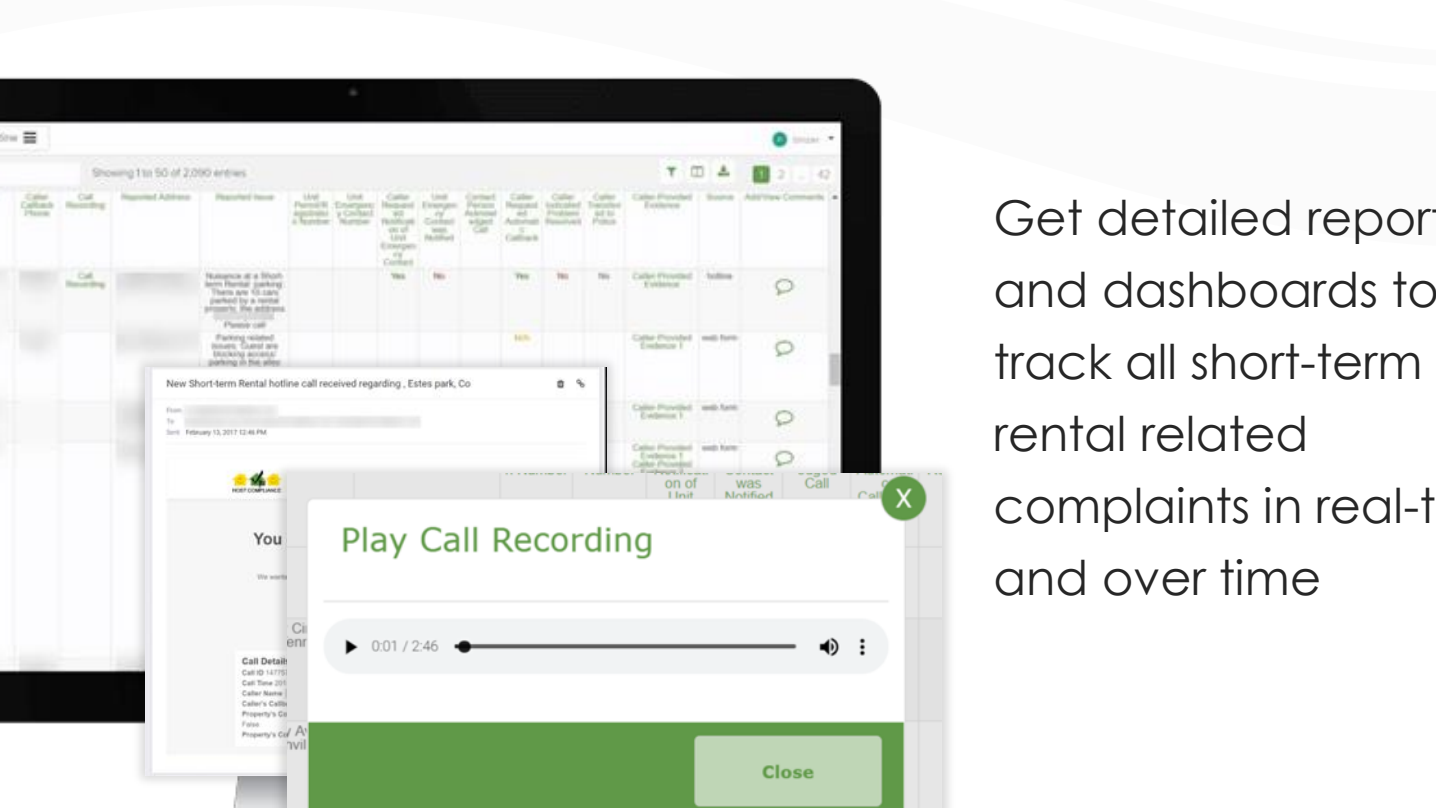
# 24/7 STR Hotline

Get detailed reports and dashboards to track all short-term rental related complaints in real-time and over time


granicus.com

33

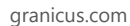
# 24/7 STR Hotline



Get detailed reports and dashboards to track all short-term rental related complaints in real-time and over time

 granicus.com

33



# Benefits to using the Host Compliance solution

- ✓ Ensures fair, continuous and consistent compliance monitoring and enforcement
- ✓ Frees up valuable staff time that can be focused on higher-value added activities
- ✓ Minimizes noise, parking and trash violations
- ✓ Minimizes the impact on local law and code enforcement agencies as complaints are first handled by our 24/7 hotline and routed to the appropriate property owner before further enforcement actions are triggered
- ✓ Maximizes Hollywood's tax and permit fee collections
- ✓ REVENUE POSITIVE – in most cases, the additional registration fees alone pays for the Granicus Host Compliance solution several times over
- ✓ Requires NO up-front investment or complicated IT integration

# Contact

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

Jean Chavannes, Account Executive

[jean.chavannes@granicus.com](mailto:jean.chavannes@granicus.com)

(415) 278-7590

