



SHORT-TERM RENTAL ORDINANCE IMPLEMENTATION WORK GROUP AGENDA

Tuesday, August 20, 2019 - 1:00 PM

City Hall, Conference Room A, 169 SW Coast Hwy, Newport, OR 97365

The meeting location is accessible to persons with disabilities. A request for an interpreter for the DEAF AND HARD OF HEARING, or for other accommodations for persons with disabilities, should be made at least 48 hours in advance of the meeting to Peggy Hawker, City Recorder at 541.574.0613.

The agenda may be amended during the meeting to add or delete items, change the order of agenda items, or discuss any other business deemed necessary at the time of the meeting.

1. INTRODUCTIONS
2. REVIEW AND AMEND AGENDA AS NEEDED
3. COMMITTEE SCOPE OF RESPONSIBILITIES
- 3.A Resolution Establishing Work Group
[Resolution No. 3857.pdf](#)
4. SHORT-TERM RENTAL ORDINANCE Q&A
- 4.A Short Term Rental Municipal Code Provisions
[NMC Chapter 4.25 - Short Term Rental Business License Endorsements.pdf](#)
[NMC Chapter 14.25 - Short Term Rental Land Use Regulations.pdf](#)
[Vacation Rentals Outside Overlay - Subject to Phase Out.pdf](#)
[Vacation Rental Zoning Overlay - Partial.pdf](#)

[Resolution No. 3850 Vacation Rental License Cap.pdf](#)
[ResolutionNo. 3849 - Short-Term Rental Fees.pdf](#)

5. STAFF ROLES AND RESPONSIBILITIES
6. RENEWALS UPDATE
7. STATUS OF THIRD PARTY ENFORCEMENT IMPLEMENTATION
- 7.A Background Information on LODGINGREVs
 - [Personal Service Contract - MUNIRevs - Final.pdf](#)
 - [LODGINGRevs - City of Newport - Proposal with References.pdf](#)
 - [LODGINGRevs - City of Newport - Follow-up Information.pdf](#)
- 7.B Progress Report
 - [Staff Cover Memo.pdf](#)
8. COMPLAINT RESOLUTION
9. FREQUENCY OF MEETINGS
10. PUBLIC COMMENT
11. ADJORN

CITY OF NEWPORT
RESOLUTION NO. 3857

RESOLUTION ESTABLISHING
A SHORT-TERM RENTAL ORDINANCE
IMPLEMENTATION WORK GROUP

WHEREAS, City of Newport adopted Ordinance No. 2144, effective May 6, 2019, relating to the regulation of short-term rentals within the city limits; and

WHEREAS, Ordinance No. 2144 puts in place a new administrative framework for licensing short-term rentals, establishes siting and safety standards, and imposes limitations on the total number and location where vacation rental dwellings are permitted; and

WHEREAS, Effective implementation of Ordinance No. 2144 will require close coordination between the City’s Finance, Community Development, Police and Fire Departments to ensure the new requirements are followed and enforced; and

WHEREAS, City is further working to secure the services of a third party vendor to supplement its short-term rental enforcement resources and that vendor’s activities will need to be integrated into City’s short-term rental program; and

WHEREAS, Considering complexities inherent to this new regulatory program, and community interest in its successful implementation, it is both appropriate and necessary to establish a work group to evaluate the program for a period of time to determine if desired policy objectives are being achieved.

THE CITY OF NEWPORT RESOLVES AS FOLLOWS:

Section 1. Short-Term Rental Ordinance Implementation Work Group Established. There is hereby established a Short-Term Rental Ordinance Implementation Work Group. Members shall be appointed by the Mayor and confirmed by the City Council. The Work Group shall be comprised of:

- A. Two members of the Newport City Council; and
- B. One member of the Planning Commission; and
- C. The City Manager of the City of Newport; and
- D. One representative of the short-term rental industry; and
- E. Two citizens at-large.

Section 2. Work Group Responsibilities. The Short-Term Rental Ordinance Implementation Work Group shall have the following powers, duties, and functions:

- A. Collect and evaluate information related to implementation of Ordinance No. 2144, including administrative steps taken by the City to carry out the provisions of the ordinance, legal decisions that may influence implementation, reports on permits issued, status of the waitlist, resolution of complaints, and enforcement actions undertaken by the City; and

- B. Provide recommendations to city administration on how implementation of the ordinance, as written, could be improved; and
- C. Prepare and present reports to the Planning Commission and City Council summarizing the group's observations related to the effectiveness of Ordinance No. 2144 in achieving policy objectives. Status reports shall be provided on a quarterly basis, with a final report of the Work Group's findings being issued by the end of September 2020. The final report may include recommendations for administrative changes or revisions to the ordinance that the Work Group believes are necessary to better achieve policy objectives.

Section 3. Administrative Support. The Community Development Department shall perform administrative functions for the Short-Term Rental Ordinance Implementation Work Group, with assistance from the City Attorney, Finance, Fire, and Police Departments on an as needed basis.

Section 4. Meeting Schedule and Duration. The Short-Term Rental Work Group shall conduct its first meeting no later than September 30, 2019 and shall meet on at least a quarterly basis thereafter for the period of time the work group is empaneled. The Work Group shall complete its work by December 31, 2020.

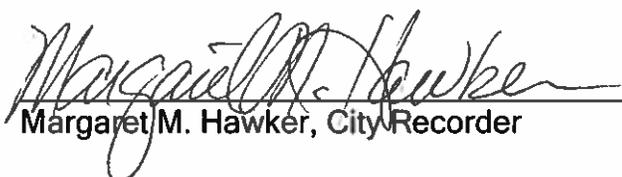
Section 5. Effective Date. This resolution shall be effective immediately upon passage.

Adopted by the City Council of the City of Newport on June 3, 2019.



 Dean H. Sawyer, Mayor

ATTEST:



 Margaret M. Hawker, City Recorder

CHAPTER 4.25 SHORT-TERM RENTAL BUSINESS LICENSE ENDORSEMENTS

4.25.005 Purpose

A short-term rental business license endorsement is a permission to operate a short-term rental on property within the City of Newport. This chapter provides an administrative framework for licensing the annual operation of a short-term rental, in order to ensure the safety and convenience of renters, owners, and neighboring property owners; protect the character of residential neighborhoods; protect the City's supply of needed housing; and address potential negative effects such as excessive noise, overcrowding, illegal parking, and nuisances (e.g. accumulation of refuse, light pollution, etc.).

It is the intent of these regulations to strike a reasonable balance between the need to limit short-term rental options within neighborhoods to ensure compatibility, while also recognizing the benefits of short-term rentals in providing recreation and employment opportunities, as well as transitional housing for tourists, employees of businesses, and others who are in need of housing for a limited duration.

4.25.010 Definitions

The following definitions apply in this chapter.

- A. Authorized Agent. A property management company or other entity or person who has been designated by the owner to act on their behalf. An authorized agent may or may not be the designated point of contact for complaints.
- B. Bed and Breakfast Facility. A short-term rental where the operator resides on the premises and meals are provided for a fee.
- C. Bedroom. A habitable room that (a) is intended to be used primarily for sleeping purposes; (b) contains at least 70-square feet; and (c) is configured so as to take the need for a fire exit into account.
- D. Dwelling Unit. A single unit providing complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation.

- E. Home share. A short-term rental, other than a bed and breakfast facility, where a portion of a dwelling unit is rented while the homeowner is present. For the purposes of this definition, “present” means the homeowner is staying in the dwelling overnight for the duration of the rental.
- F. Owner. Means the natural person(s) or legal entity that owns and holds legal or equitable title to the property.
- G. Short-Term Rental. A dwelling unit, or portion thereof, that is rented to any person for a period of less than thirty (30) consecutive nights.
- H. Sale or Transfer. Means any change of ownership during the period of time that a license is valid, whether or not there is consideration, except:
 - 1. A change of ownership in real property where title is transferred pursuant to a declaration of right of survivorship as recognized in ORS 93.180.
 - 2. A transfer of ownership in real property to a trust, a limited liability company, a corporation, a partnership, a limited partnership, a limited liability partnership, or other similar entity so long as the conveyance does not result in any new individuals possessing titled or equitable interest in the property.
 - 3. A transfer of ownership between titled interest holders.
 - 4. A transfer of ownership between, or to include spouses, domestic partners, or children.

Examples: The following scenarios serve as examples of some, but not all, of the types of transactions that will or will not constitute a sale or transfer as defined in this chapter:

- Title is held by a married couple or domestic partnership at the time the license is obtained. Partner dies and survivor retains license? This would not constitute a sale or transfer (Exception H.1).

- An individual owns a parcel subject to a declaration of right-of-survivorship to their children at the time a license is obtained. The individual dies and title is transferred pursuant to that provision? This would not constitute a sale or transfer (Exception H.1).
- Married couple possesses title to property at time license is obtained. They later elect to convey property into an irrevocable trust and retain a life estate in the deed? This would not constitute a sale or transfer (Exception H.2).
- A corporation consisting of three shareholders owns a parcel at the time a license is obtained. They later convert the corporation to a limited liability company controlled by two of the original three shareholders? This would not constitute a sale or transfer (Exceptions H.2. and H.3).
- A limited liability company is formed with four individuals possessing ownership interest at the time a license is obtained. A fifth person later obtains an ownership interest in the company? This would constitute a sale or transfer.
- Four tenants in common own a parcel at time license is obtained. An owner sells their 1/4 interest to one of the other existing owners? This would not constitute a sale or transfer (Exception H.3.) Alternatively, what if they sell their 1/4 interest to a new person? That would constitute a sale or transfer.
- Title is held by a married couple at time license is obtained. They later acquire a home equity line of credit to repair the home, which lender secures with a deed of trust. Lender subsequently forecloses after a default under the term(s) of the security agreement? The instrument the lender uses to obtain possessory interest is a sale or transfer.
- Two married couples possess ownership interest in an LLC at the time a license is obtained. One of the couple's divorces and one of the partners drops off the title. Remaining partner remarries and the new spouse is added to the LLC? This is not a sale or transfer (Exception H.4).

- Property is held by an individual at time license is obtained. The individual dies and children inherit property (no right of survivorship)? This would not constitute a sale or transfer (Exception H.4).
- An individual possesses title to the property at the time a license is obtained. He/she later adds their domestic partner to the title to the property? This would not constitute a sale or transfer (Exception H.4).

I. Vacation Rental. A short-term rental where the entire dwelling unit is rented.

4.25.015 Annual Short-Term Rental Business License Endorsement Required

No owner of property within the Newport city limits may advertise, offer, operate, rent or otherwise make available for occupancy or use a short-term rental without a business license with a short-term rental endorsement. Advertise or offer includes through any media, whether written, electronic, web-based, digital, mobile or otherwise.

4.25.020 Application Information and Filing Fee

- A. Applications for short-term rental business license endorsements are to be on forms provided by the City, and shall include the following:
1. Owner Information. Owner's name, permanent residence address, telephone number, email address (if available) and short-term rental address and telephone number. In circumstances where the owner is a legal entity, a copy of the articles of organization or equivalent shall be provided identifying ownership interest holders in the short-term rental property.
 2. Authorized Agent. The name, telephone number, mailing address and email of a property management company or other entity or person who has been designated by the owner to act on their behalf.
 3. Representative Information. The name, telephone number, mailing address and email of a local representative who can be contacted concerning use of the property or complaints related to operation of the

short-term rental. For the purposes of this requirement, local means the representative's address is within 30 minutes travel time of the subject property.

4. Liability Insurance. Letter of intent to insure (for new applications) or certificate of insurance (for renewals) establishing that the owner will have, or has, liability insurance which expressly covers the vacation rental operations on the subject property in the amount of \$1,000,000 combined single limit for bodily injury and property damage. Where letters of intent to insure are provided, certificate of insurance shall be submitted to the city prior to use of the unit as a short-term rental.
5. Land Use Authorization. A land use compatibility statement, signed by the Community Development Director or designee and that is current within 90-days, indicating that the short-term rental satisfies the land use standards for short-term rentals listed in NMC Chapter 14.25.
6. Occupancy. Occupancy limits and number of bedrooms (as specified in the Land Use Authorization).
7. Parking. Statement that required off-street parking spaces are available, with a photo(s), dated within the last 90 days, of interior and exterior parking spaces. A site plan including a parking diagram of the parking spaces shall also be provided.
8. Proof of Residential Use (for Home shares and Bed and Breakfast Facilities). At least two of the following items shall be submitted as evidence that the dwelling is the primary residence of the owner.
 - a. A copy of the voter registration
 - b. A copy of an Oregon Driver's License or Oregon Identification Card
 - c. A copy of federal income tax return from last tax year (page one only and financial data should be redacted)
9. Good Neighbor Guidelines. Written acknowledgement that a copy of the good neighbor guidelines has been reviewed and relayed to short-term rental tenants, by incorporating it into the rental contract, including it in the rental booklet, posting it online, providing it in a

conspicuous place in the dwelling unit, or a similar method.

10. Listing Number. For renewals, the listing numbers or website addresses of where the short-term rental advertises.
11. Fire Safety. Completed checklist identifying that the unit complies with the fire safety standards listed in NMC 4.25.030(C)(5).
12. Structural Safety. Completed checklist identifying that the unit complies with the Structural safety standards listed in NMC 4.25.030(C)(6).
13. Waste Management. Proof of garbage service as required in NMC 4.25.030(D)(10).
14. Other Requirements. Such other information as the City Manager or designee deems reasonably necessary to administer this chapter.

B. Incomplete Application. If a license application does not include all required materials, the application will be considered incomplete and the City will notify the applicant, in writing, explaining the information required. If the applicant provides the missing required information within 30 calendar days of the date of the notice, the application will be reviewed. If the applicant does not provide the required information, the application will be deemed withdrawn and the City will refund the application fee.

C. License Fee. The fee for the application of a short-term rental business license endorsement, and any of its components requiring city action, shall be established by resolution of the City Council.

4.25.025 Term of Annual Business License Endorsement and Transferability

A. Term. A short-term rental business license endorsement shall be issued for a period of 12-months, effective July 1st of each year, and may be renewed annually by the owner provided all applicable standards of this chapter are met.

- B. Transferability. The business license endorsement shall be issued in the name of the owner(s) and is not transferable.

4.25.030 Business License Endorsement and Endorsement Renewal

- A. Endorsement Must Be Obtained. An endorsement to a business license for a short-term rental shall be obtained and renewed as required in this section. The ability to operate a short-term rental in the City of Newport shall be discontinued for failure to obtain or renew an endorsement to operate as provided in this chapter.
- B. Application and Renewal Application Process. A person engaging in a short-term rental who has not yet obtained a business license endorsement, or who is required to renew an existing endorsement, shall do so as follows:
 - 1. Time of Application.
 - a. Existing Non-Conforming Short-Term Rentals. A business license endorsement renewal application completed in accordance with the provisions of NMC 4.25.020, is due on July 1, 2019 and annually every year thereafter.
 - b. New Short-Term Rentals. A business license endorsement for a short-term rental shall be obtained before beginning operations. Endorsement applications, completed in accordance with the provisions of NMC 4.25.020, may be submitted and issued at any time. The endorsement may be renewed annually thereafter on July 1st of each year.
 - 2. Notice. On or about July 1 of each year, the City shall send notice to owners of property with short-term rental endorsements informing them that the endorsement must be renewed no later than August 15 of each year and that failure to do so will result in expiration of the endorsement. Notice shall be sent by first-class mail to the address the owner provided with the endorsement on file with the City.
 - 3. Expiration of Endorsement. Failure of an owner to renew an endorsement by August 15 shall result in expiration of the endorsement, and the ability of the

owner to operate shall be conclusively presumed to be discontinued with no further action by the City.

C. Approval Standards.

The owner or authorized agent has the burden of proof to demonstrate compliance with standards for the approval or renewal of an endorsement. The approval standards also serve as continuing code compliance obligations of the owner. To receive approval, an owner or authorized agent must demonstrate that the approval standards listed below have been satisfied:

1. Zoning. The property is in compliance with requirements of NMC Chapter 14.25.
2. Contact Information. The owner or authorized agent has provided information sufficient to verify a qualified person will be available to be contacted about use of the short-term rental during and after business hours. The qualified person shall be available to be contacted by telephone to ensure a response to the short-term rental address at all hours (24 hours a day, seven days a week) while the dwelling unit is occupied for rent. The qualified person must be able to reach the premises within 30 minutes. The individual identified as the “qualified person” may be changed from time to time throughout the term of a license. To do so, the license information shall be revised with the city at least 14-days prior to the date the change takes effect, except when the failure to do so is beyond the owner or authorized agent’s control. In an emergency or absence, contact forwarding information to a qualified person should be provided by the owner or authorized agent. In the case of home shares, the contact person shall be the permanent resident who will be hosting the transient accommodations.
3. Notice to Neighbors. The owner or authorized agent shall post a non-illuminated sign on the premises, between 1 and 2 square feet in size, containing the owner and/or representatives contact information. Such sign shall be placed in a location clearly visible from the adjacent street. In the event the City establishes a 24/7 hotline for dispatching calls to operators of short-term rentals, then the contact

information contained on the placard or sign shall be that of the firm providing the dispatch service.

4. Electronic Availability. The City will make a database electronically accessible within which any person can enter in an address of a short-term rental and obtain the owner, authorized agent, and/or representative's name, telephone number, and email address.
5. Fire and Emergency Safety. A completed checklist for fire safety (fire extinguishers, smoke alarms, carbon monoxide detectors, unobstructed exits, etc.) shall be required with each new endorsement and renewal. The owner or authorized agent shall be responsible for completing the fire safety checklist and ensuring continued compliance. Verification by the City of Newport Fire Marshall shall be required prior to issuance of a new endorsement and may be required for renewals at the City Manager's discretion.
6. Structural Safety. A completed checklist, signed by the City of Newport Building Official, indicating that the short-term rental has been inspected and complies with the building safety standards listed below. Such checklist shall be completed prior to issuance of a new endorsement and may be required for renewals at the City Manager's discretion.
 - a. Bedrooms shall have an operable emergency escape window or exterior door with a minimum opening size of 5.7 sq. ft. (5.0 sq. ft. at grade floor), with minimum net clear dimensions of 20-inches in width and 24-inches in height and having a sill height not more than 44-inches above the finished floor.
 - b. All stairs with 4 or more risers shall have a handrail on at least one side. Handrails shall be secure, continuous, and have returns at each end.
 - c. The open sides of stairs, decks, porches or other walking surfaces more than 30-inches above grade or the floor below shall have guardrails configured such that a 4-inch sphere cannot pass through.

- d. Windows within a 24-inch arc of doors and glass within bathtub or shower enclosures shall be safety glazed, or have an equivalent means of protection.
- e. Wood frame decks shall be structurally sound. In cases where a deck supports a hot tub or other features of a similar size and weight, engineering analysis of the supports may be required.
- f. Electrical plug-ins and light switches shall have faceplates.
- g. Electrical breaker boxes shall have all circuits labeled, and empty breaker spaces must be plugged.
- h. GFCI (Ground Fault Circuit Interrupter) protection shall be provided for exterior outlets, kitchens, garages, laundry areas, and bathroom receptacles.
- i. Functioning smoke detectors shall be installed in all bedrooms and outside each bedroom in hallways or other rooms providing access to bedrooms, and on each story including basements. Such alarms shall be installed in compliance with State Fire Marshal Rules and any applicable requirements of the State Building Code, and there shall be available in the premises a written notice containing instructions for testing the alarms.
- j. Functioning carbon monoxide alarms shall be installed if the unit (a) contains a heater, fireplace, appliance or cooking source that uses coal, kerosene, petroleum products, wood or other fuels that emit carbon monoxide as a by-product of combustion; or (b) includes an attached garage with an opening that communicates directly with a living space. Such alarms shall be installed in compliance with State Fire Marshal Rules and any applicable requirements of the State Building Code, and there shall be available in the premises a written notice containing instructions for testing the alarms.
- k. Water heaters shall be strapped and secured in accordance with seismic protection standards, with a TEP (Temperature and Pressure Relief) line that is run to an approved location.

3. Mandatory Postings. The short-term rental business license endorsement issued by the City shall be displayed in a prominent location within the interior of the dwelling adjacent to the front door. The endorsement will contain the following information:
 - a. A number or other identifying mark unique to the short-term rental endorsement which indicates that it was issued by the City of Newport, with date of expiration.
 - b. The name of the owner and authorized agent and a telephone number where the owner and authorized agent may be contacted.
 - c. The property address.
 - d. The number of approved parking spaces.
 - e. The maximum occupancy permitted for the short-term rental.
 - f. Any required information or conditions specific to the operating license.
 - g. The City of Newport official logo.
4. Emergency Information. Owner or designee shall provide information within the dwelling unit to inform and assist renters in the event of a natural disaster, power outage, or other emergency. Required information includes, but is not limited to:
 - a. A tsunami evacuation map produced by Lincoln County Emergency Services, Oregon Department of Geology and Mineral Industries or other agency with similar authority.
 - b. Phone numbers and addresses for emergency responders and utility providers.
 - c. Other information as established by resolution of the City Council.
5. Noise. Noise levels shall conform to the requirements of Chapter 8.15 of the Newport Municipal Code.

6. Nuisance. The short-term rental shall not be used in a manner that creates a public nuisance as defined in Chapter 8.10 of the Newport Municipal Code.
7. Required Parking. Off-street parking spaces approved for short-term rental use shall be available and are to be used by tenants at all times that the unit is rented. A parking diagram illustrating the location of the approved parking spaces shall be provided to tenants and be available in a prominent location within the short-term rental dwelling.
8. Occupancy. Maximum occupancy shall be limited to that which is specified in the Land Use Authorization.
9. Landscaping. Where the Land Use Authorization indicates landscaping is such landscaping shall be maintained. Changes may be made to the type and location of required landscaping as long as 50% of the front yard, and 40% of the total lot area remains landscaped.
10. Solid Waste Management. Weekly solid waste disposal service shall be provided while the dwelling is occupied as a short-term rental. The owner or authorized agent shall provide for regular garbage removal from the premises, and trash receptacles shall be stored or screened out of plain view of the street. City may require that an owner or authorized agent utilize solid waste collection valet service in circumstances where there have been verified complaints that a short-term rental is not adhering to these requirements. For the purpose of this section, valet service means the collection driver retrieves the cart from where it is stored, rolls it out for service, and then places it back in its original location.
11. Liability Insurance. Liability insurance is required that expressly covers vacation rental operations on the subject property in the amount of \$1,000,000 combined single limit for bodily injury and property damage.
12. Group Events. Company retreats, weddings, rehearsal dinners, family reunions and similar gatherings are permitted on the premises of a short-term rental during periods of transient use provided the total number of

individuals does not exceed occupancy limits at any time during the rental period.

4.25.035 Inspections

Dwelling units for which a short-term rental business license endorsement is being sought, or has been obtained, shall be subject to initial inspection, and periodic re-inspection, by the City to ensure compliance with the provisions of this chapter. The timeframe for such inspections is subject to the City's discretion and available resources.

4.25.040 Appeals

A decision on a new short-term rental business license endorsement application, renewal of an endorsement, or the revocation of an endorsement may be appealed as provided in NMC 4.05.075.

4.25.045 Violations

Penalties, as specified in section 4.25.050, shall be imposed for one or more of the following violations:

- A. Advertising; renting; using; or offering for use, occupancy or rent; a short-term rental where the owner does not hold a valid endorsement issued pursuant to this section.
- B. Advertising; renting; using; or offering for use, occupancy or rent; a short-term rental in a manner that does not comply with the endorsement requirements of NMC Chapter 4.25.
- C. Failure to comply with the endorsement standards and operational requirements of NMC Chapter 4.25.
- D. Failure by the owner to pay the transient room tax required by NMC Chapter 3.05.
- E. Failure of the owner or owner's representative to respond to tenant, citizen or City complaints or inquiries. "Failure to respond" occurs if City staff is unable to reach the owner or designated representative after three attempts within a 48-hour period, using the information that the owner or designee has on file with the City.

4.25.050 Penalties

Penalties for a violation of subsection 4.25.045(A) shall be a civil infraction to be enforced pursuant to the provisions listed in NMC Chapter 2.15. Where the owner possesses a valid short-term rental endorsement, the penalties for violations of subsections 4.25.045(B-E) shall be as follows:

- A. For the first violation within a 12-month period, City shall issue a written warning to owner.
- B. For the second violation within a 12 month period, City shall suspend owner's short-term rental endorsement for 30 days.
- C. For the third violation within a 12-month period: 1) City shall revoke owner's short-term rental endorsement; and 2) where an endorsement includes a Conditional Use Permit, city shall also initiate the revocation procedure as outlined under section 14.52.150.

(Chapter 4.25 was enacted by Ordinance No. 2144, adopted on May 6, 2019: effective May 7, 2019.)

CHAPTER 14.25 SHORT-TERM RENTAL LAND USE REGULATIONS

14.25.010 Purpose

This chapter establishes criteria by which short-term rental uses may be permitted in order to ensure the safety and convenience of renters, owners, and neighboring property owners; protect the character of residential neighborhoods; protect the City's supply of needed housing; and address potential negative effects such as excessive noise, overcrowding, illegal parking, and nuisances (e.g. accumulation of refuse, light pollution, etc.).

It is the intent of these regulations to strike a reasonable balance between the need to limit short-term rental options within neighborhoods to ensure compatibility, while also recognizing the benefits of short-term rentals in providing recreation and employment opportunities, as well as transitional housing for tourists, employees of businesses, and others who are in need of housing for a limited duration.

14.25.010 Approval Authority

- A. Upon receipt of a request by an owner or authorized agent to complete a land use compatibility statement for a short-term rental the Community Development Director, or designee, shall determine if the request satisfies the standards of section 14.25.030. If the request satisfies the standards, then the Director shall sign the statement confirming that short-term rental is a permitted use. Such action is ministerial and, as a non-discretionary act, is not subject to appeal.
- B. In the event that the Community Development Director or designee, determines that an application does not meet one or more of the standards of section 14.25.030, then the land use compatibility statement shall not be signed.
- C. If one or more of the standards under section 14.25.030 cannot be met, an owner may seek relief from those standards through a conditional use permitting process, pursuant to section 14.34.010. Such an application is subject to review by the Planning Commission via a Type III decision making process, consistent with section 14.52.010, and is to be limited in scope to those standards that cannot be satisfied.

- D. A Conditional Use Permit may authorize more than one vacation rental use on street segments in R-1 and R-2 zones where ten or more lots front the street. In such cases, no more than one vacation rental may be permitted for every five lots fronting the street.
- E. An approved Conditional Use Permit that grants relief from, or provides alternative requirements to, one or more of the standards of section 14.25.030 shall serve as evidence that standards have been satisfied so that the Director can sign the land use compatibility statement.

14.25.015 Submittal Requirements

Land use compatibility statements shall be submitted on a form provided by the Community Development Department, and shall include the following:

- A. Site plan, drawn to scale, showing the dimensions, property lines, existing buildings, landscaped area, and off-street parking locations.
- B. Floorplan of the dwelling unit that identifies the rooms dedicated to short-term rental use.
- C. If the dwelling unit is within a residential zone, a calculation of the percentage of front yard and total lot area maintained in landscaping.
- D. If the dwelling unit relies upon shared parking areas, a copy of a covenant or other binding legal instrument detailing unit owner rights and responsibilities related to the parking areas.

14.25.020 Establishment of a Vacation Rental Overlay Zone

A Vacation Rental Overlay Zone is hereby established to identify areas within the city limits where vacation rentals are compatible uses and, by exclusion from the overlay, areas where vacation rentals are prohibited in order to protect the City's supply of needed housing and character of its residential neighborhoods. The sole purpose of the Vacation Rental Overlay Zone is to identify where vacation rentals are permitted uses and does not alleviate a vacation rental from having to satisfy requirements that are otherwise applicable under the Newport Municipal Code.

The Vacation Rental Overlay Zone shall be indicated on the Zoning Map of the City of Newport with the letters VROZ and is the area described as follows:

Real property lying within the corporate limits of the City of Newport beginning at the southwest corner of the intersection of NW 12th Street and US 101; thence west along the south line of NW 12th Street to the statutory beach line of the Pacific Ocean; thence southerly along the statutory beach line of the Pacific Ocean to the north line of SW 95th Street; thence east along the north line of SW 95th Street to its intersection with US 101; thence south along the west line of US 101 to a point opposite the south line of SE 98th Street; thence east across US 101 to the southeast corner of the intersection of US 101 and SE 98th Street, such point being coterminous with the Wolf Tree Destination Resort Site incorporated into the Newport Urban Growth Boundary pursuant to City of Newport Ordinance No. 1520; thence southerly, easterly, northerly, and westerly around the perimeter of the Wolf Tree Destination Resort Site to a point at the northeast corner of the intersection of SE 98th Street and US 101; thence north along the east line of US 101 to its intersection with SW Naterlin Drive; thence north and east along the south line of SW Naterlin Drive to SW Bay Street; thence south and east along the south line of SW Bay Street to the Mean Higher High Water(MHHW) line of Yaquina Bay; thence easterly and northerly along the MHHW line to its intersection with the Newport Urban Growth Boundary; thence northerly along the Urban Growth Boundary line to the south line of the Yaquina Bay Road; thence west along the south line of the Yaquina Bay Road to the point where it transitions into SE Bay Boulevard; thence west along the south line of SE Bay Boulevard to SE Moore Drive; thence north and west along the east line of SE More Drive to US 20; thence west along the south line of US 20 to the west line of SE Grant Street; thence north across US 20 to the west line of NE Grant Street; thence north along the west line of NE Grant Street to NE 1st Street; thence west along the north line of NE 1st Street to US 101; thence north along the east line of US 101 to the north line of NE 12th Street; thence west across US 101 to the point of beginning.

14.25.025 Allowed Locations

- A. Home share and bed & breakfast facility use of a dwelling unit is permitted in all residential and commercial zone districts.

- B. Vacation rental use of a dwelling unit is permitted within the Vacation Rental Overlay Zone.

14.25.030 Approval Standards

- A. Density. The total number of vacation rentals within the Vacation Rental Overlay shall be capped at a level not to exceed 200 dwelling units.
 - 1. A specific cap number shall be established by City Council resolution and that number shall serve as the maximum number of business license endorsements the City will issue for vacation rentals.
 - 2. In the event the cap number established by City Council is reached, the City shall establish a waiting list for the issuance of business license endorsements as they become available on a first come, first served basis.
- B. Spacing. Vacation rental use shall be limited to a single building on a lot, or group of lots, that abut a street segment. All dwelling units contained within the building are eligible for vacation rental use. For buildings on corner lots, this standard applies to both street segments.
- C. Occupancy. Maximum occupancy for a short-term rental shall be two (2) persons per bedroom, plus two additional persons per property.
- D. Guestroom Limitations. The following limitations apply to the number of bedrooms within a dwelling unit that may be occupied by guests staying at a short-term rental.
 - 1. Vacation Rentals and Bed and Breakfast Facilities. A maximum of five (5) bedrooms.
 - 2. Home shares. A maximum of two (2) bedrooms.
- E. Parking Standards. One (1) off-street parking space per bedroom that is dedicated to short-term rental use, unless the dwelling unit is within a parking district as defined in section 14.14.100, in which case on-street parking may be used to meet the one (1) space per bedroom requirement provided the parking is allocated in accordance with the requirements of the parking district. Parking spaces shall comply with the dimensional standards of subsection

14.14.090(A). Off-street parking on driveways that extend into underdeveloped rights-of-way may be used to satisfy this requirement provided a stipulation is placed on the endorsement that the authorization may be revoked if the street is improved and driveway shortened.

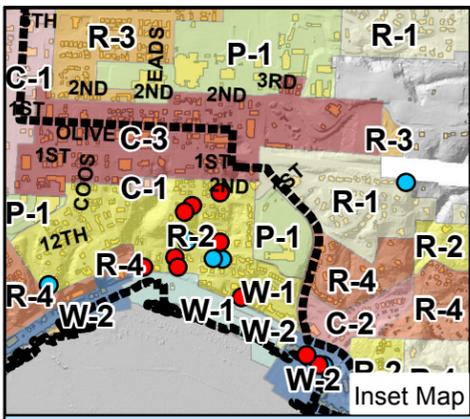
- F. Shared Access. Short-term rentals that rely upon use of shared access and parking areas may only be permitted if a covenant or other binding legal instrument establishes that the owner of the unit maintains exclusive use of the required parking space(s).
- G. Landscaping. For short-term rentals situated on individual lots or parcels in residential zones, at least 50% of the front yard and 40% of the total area shall be landscaped. No more than 50% of the front yard landscaping may be impervious surfaces, such as patios and decks. Driveway and parking areas shall not satisfy any portion of these landscaping requirements.

14.25.035 Non-Conforming Short-Term Rentals

- A. The non-conforming use provisions of NMC Chapter 14.32 shall apply to all short-term rentals licensed prior to the effective date of this ordinance, except:
 - 1. Vacation rentals located inside the Vacation Rental Overlay Zone within, or adjacent to, a commercial or water-related zone shall count towards the specific cap number established pursuant to NMC 14.25.030(A)(1), but are not subject to the density limitation of NMC 14.25.030(A), and may be sold or transferred notwithstanding the waiting list provisions of NMC 14.25.030(A)(2).
 - 2. All other vacation rentals located inside the Vacation Rental Overlay Zone shall count towards the specific cap number established pursuant to NMC 14.25.030(A)(1) and, upon sale or transfer, shall be subject to the density limitation of NMC 14.25.030(A) and the spacing standards of NMC 14.25.030(B).
 - 3. Vacation rental use of dwelling units located outside of the Vacation Rental Overlay Zone shall cease upon sale or transfer of the units.
- B. In the event that a property owner believes they can establish that imposition of these regulations results in a

demonstrable reduction in the property's fair market value, such owner may apply to the City for compensation and/or relief from the regulation under ORS 195.310 to 195.314. If the property owner demonstrates with credible evidence a reduction in fair market value the City may provide compensation and/or regulatory relief in a form and amount of its choosing. The property owner may appeal any such final determination pursuant to ORS 195.318.

(Chapter 4.25 was repealed and replaced by Ordinance No. 2144, adopted on May 6, 2019, effective May 7, 2019.)



Legend

VRD Permissible Area (PC Recommendation)

Vacation Rentals

Pending Vacation Rentals

Zoning

- C-1 Retail and Service
- C-2 Tourist
- C-3 Heavy
- I-1 Light
- I-2 Medium
- I-3 Heavy
- P-1 Public Structures
- P-2 Public Parks
- P-3 Public Open Space
- R-1 Low Density Single-Family
- R-2 Medium Density Single-Family
- R-3 Medium Density Multi-Family
- R-4 High Density Multi-Family
- W-1 Water Dependent
- W-2 Water Related

Units Subject to 5-Year Phase Out:
61 (55 Existing, 6 Pending)

Unit Type

Condo/Apt, Duplex: 7 (11%)

Single Family Dwelling: 54 (89%)

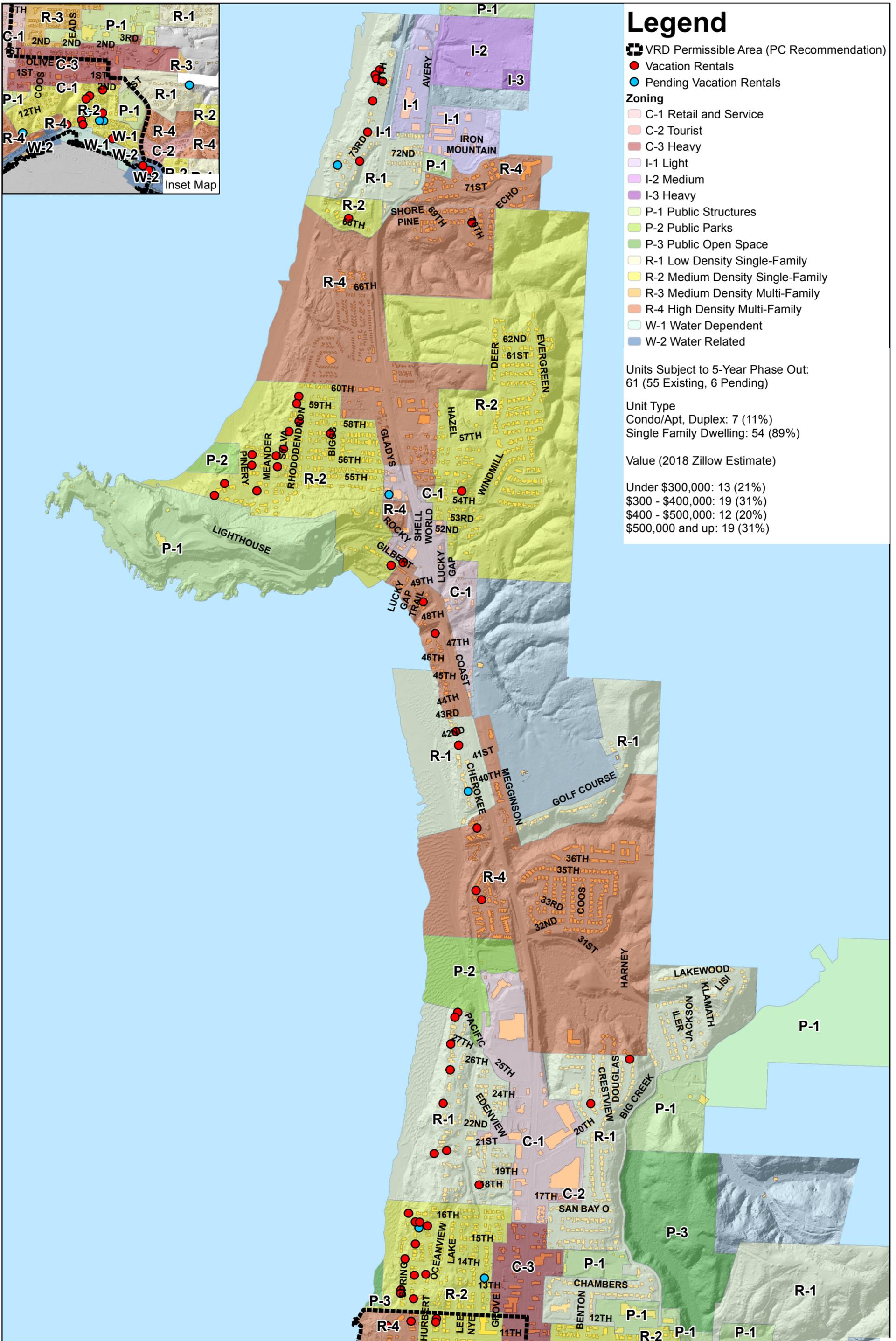
Value (2018 Zillow Estimate)

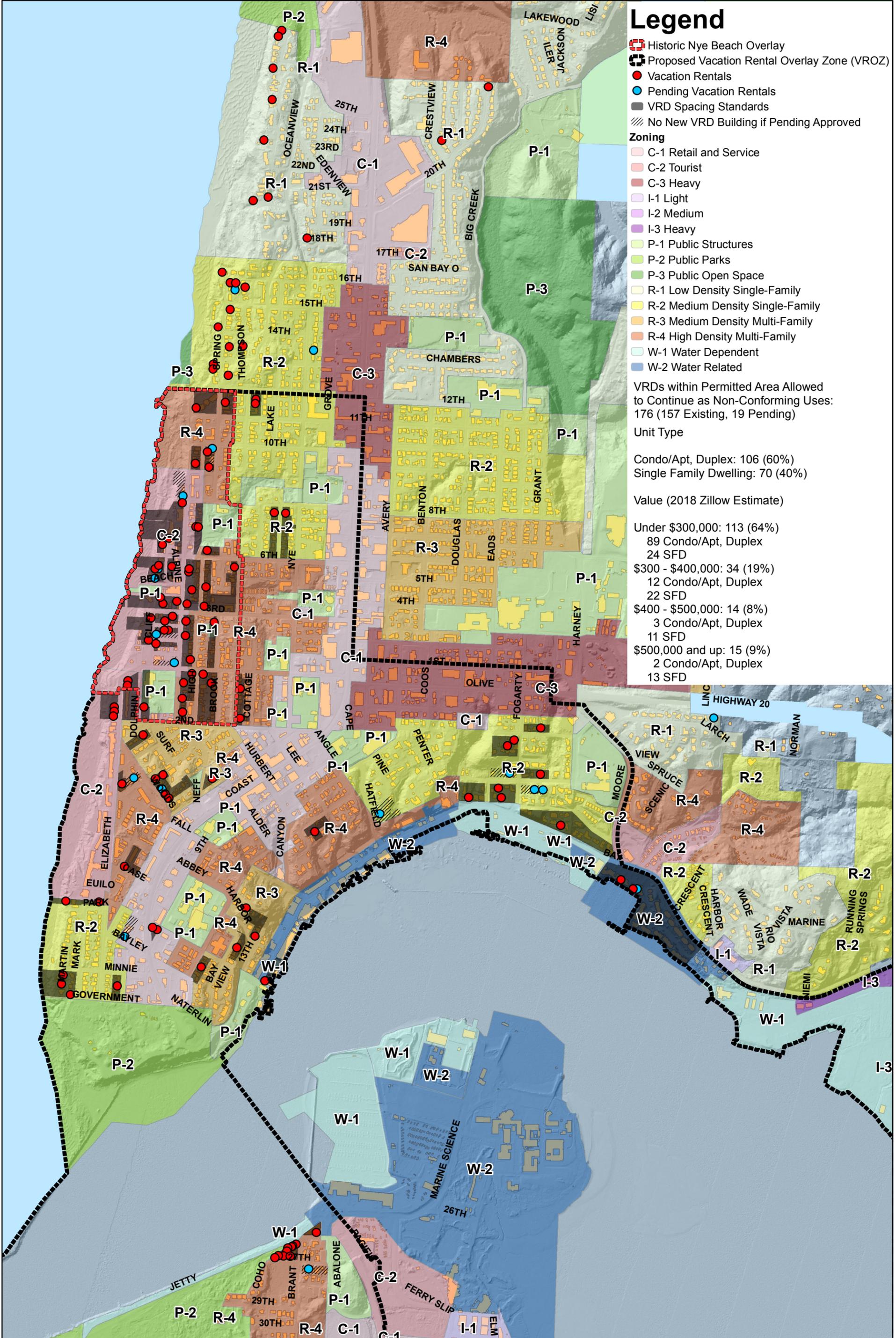
Under \$300,000: 13 (21%)

\$300 - \$400,000: 19 (31%)

\$400 - \$500,000: 12 (20%)

\$500,000 and up: 19 (31%)





Legend

- Historic Nye Beach Overlay
- Proposed Vacation Rental Overlay Zone (VROZ)
- Vacation Rentals
- Pending Vacation Rentals
- VRD Spacing Standards
- No New VRD Building if Pending Approved

Zoning

- C-1 Retail and Service
- C-2 Tourist
- C-3 Heavy
- I-1 Light
- I-2 Medium
- I-3 Heavy
- P-1 Public Structures
- P-2 Public Parks
- P-3 Public Open Space
- R-1 Low Density Single-Family
- R-2 Medium Density Single-Family
- R-3 Medium Density Multi-Family
- R-4 High Density Multi-Family
- W-1 Water Dependent
- W-2 Water Related

VRDs within Permitted Area Allowed to Continue as Non-Conforming Uses: 176 (157 Existing, 19 Pending)

Unit Type

Condo/Apt, Duplex: 106 (60%)
Single Family Dwelling: 70 (40%)

Value (2018 Zillow Estimate)

Under \$300,000: 113 (64%)
89 Condo/Apt, Duplex
24 SFD
\$300 - \$400,000: 34 (19%)
12 Condo/Apt, Duplex
22 SFD
\$400 - \$500,000: 14 (8%)
3 Condo/Apt, Duplex
11 SFD
\$500,000 and up: 15 (9%)
2 Condo/Apt, Duplex
13 SFD

**CITY OF NEWPORT
RESOLUTION NO. 3850**

**A RESOLUTION CAPPING
THE TOTAL NUMBER OF VACATION RENTAL
BUSINESS LICENSES IN THE CITY**

WHEREAS, City of Newport adopted Ordinance No. 2144, effective May 6, 2019, relating to the regulation of short-term rentals within the city limits, including vacation rentals; and

WHEREAS, Ordinance No. 2144 limits the number of vacation rentals in areas where they are permitted to not more than 200 dwelling units, such restriction being necessary to ensure the safety and convenience of renters, owners, and neighboring property owners; protect the character of residential neighborhoods; protect the City's supply of needed housing; and address potential negative effects such as excessive noise, overcrowding, illegal parking, and nuisances (e.g. accumulation of refuse, light pollution, etc.); and

WHEREAS, Ordinance No. 2144 provides that a specific cap number is to be established by City Council resolution, and that number shall serve as the maximum number of business license endorsements the City will issue for vacation rentals.

THE CITY OF NEWPORT RESOLVES AS FOLLOWS:

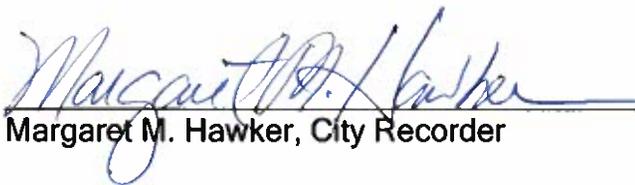
Section 1. License Cap. The maximum number of business license endorsements the City will issue for vacation rentals is 176.

Section 2. Effective Date. The effective date of this resolution is May 6, 2019.



Dean H. Sawyer, Mayor

ATTEST:



Margaret M. Hawker, City Recorder

**CITY OF NEWPORT
RESOLUTION NO. 3849**

**RESOLUTION SETTING
SHORT-TERM RENTAL LICENSING FEES**

WHEREAS, City of Newport adopted Ordinance No. 2144, effective May 6, 2019, relating to the regulation of short-term rentals within the city limits; and

WHEREAS, Ordinance No. 2144 puts in place a framework for licensing the annual operation of short-term rentals, in order to ensure the safety and convenience of renters, owners, and neighboring property owners; protect the character of residential neighborhoods; protect the City's supply of needed housing; and address potential negative effects such as excessive noise, overcrowding, illegal parking, and nuisances (e.g. accumulation of refuse, light pollution, etc.); and

WHEREAS, City will incur costs to administer the licensing program, including the review of license applications for compliance with land use requirements, building and fire safety inspections, and enforcement to ensure that rules are being followed; and

WHEREAS, it is reasonable that a portion of City's costs be borne by applicants in the form of a filing fee when applications are initially submitted, and for subsequent license renewals; and

WHEREAS, Ordinance No. 2144 requires that such fees be determined by resolution of the City Council.

THE CITY OF NEWPORT RESOLVES AS FOLLOWS:

Section 1. Initial Application Fee. The filing fee for an initial application for a short-term rental business license endorsement is \$300.00 per unit. Said fee includes the cost of one inspection by the Newport Building Official, or designee. The fee for re-inspections, if required, shall be \$80.00.

Section 2. Endorsement Renewal. The fee to renew a short-term rental business license endorsement is \$230 per unit.

Section 3. Special Parking Area Fees. Short-term rentals within special parking areas as defined in NMC 14.14.100 shall be subject to fees or assessments applicable to commercial uses in those areas.

Section 4. Relationship to Business License. Fees for a business license endorsement and special parking areas, set forth in Section 1 through 3 above, are in addition to business license fees collected pursuant to NMC Chapter 4.05.

Section 5. Annual Fee Adjustments. The fees established herein shall be reviewed annually and adjusted as needed on January 1st of each year to account for inflation using the Bureau of Labor Statistics Consumer Price Index for Urban Consumers (CPI-U).

Section 6. Repeal of Existing Fees. Previously adopted fees related to the licensing of short-term rentals are hereby repealed.

Section 7. Effective Date. The effective date of this resolution is May 6, 2019.



Dean H. Sawyer, Mayor

ATTEST:



Margaret M. Hawker, City Recorder

**CITY OF NEWPORT, OREGON
PERSONAL SERVICES CONTRACT
SHORT-TERM RENTAL COMPLIANCE SUPPORT**

This Agreement is between the City of Newport, an Oregon municipal corporation (“City”) and MUNIRevs, Inc., a Colorado limited liability company (“Contractor”), for the MUNIRevs Short-Term Rental Compliance Module, LODGINGRevs.

RECITALS

- A. City adopted Ordinance No. 2144, effective May 6, 2019, relating to the regulation of short-term rentals within the city limits; and
- B. Ordinance No. 2144 puts in place a framework for licensing the annual operation of short-term rentals in order to ensure the safety and convenience of renters, owners, and neighboring property owners; protect the character or residential neighborhoods; protect the City’s supply of needed housing; and address potential negative effects such as excessive noise, overcrowding, illegal parking, and nuisances (e.g. accumulation of refuse, light pollution, etc.); and
- C. City desires to support enforcement of Ordinance No. 2144 with contract services, including (a) short-term rental detection, monitoring, and compliance assistance; (b) a 24/7 bilingual complaint phone hotline and online complaint reporting form; (c) a centralized online complaint database for dispatch and enforcement; (d) tax remittance compliance and support, including an online reporting tool for short-term rental owners; and
- D. Consistent with ORS 279A.055, City selected Contractor using provisions in the public contracting rules that govern personal service contracts other than those related to Architect, Engineer, and Surveying services, and this agreement is structured to comply with the requirements for public contracting set forth in statute, administrative rule, and the Newport Municipal Code.

TERMS OF AGREEMENT

1. **Headings.** Headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
2. **Services to be Provided.** Contractor shall provide short-term rental compliance services to City, as follows:
 - a. **Short-Term Rental Auditing Module.** This Agreement provides City access to a proprietary short-term rental audit module which integrates to an online marketplace booking reporting system and a revenue database (“MUNIRevs”). All Services of Contractor, including but not limited to consulting, shall be governed by and subject to the terms and conditions of this Agreement, whether or not provided pursuant to one or more orders of City.

b. **Short-Term Rental Detection, Monitoring and Compliance.** Contractor to perform initial census of short-term rentals operating in the City of Newport, reconcile results with City's list of licensed rentals, and issue compliance notices to non-licensed units. This initial implementation step includes training of City staff on utilizing the LODGINGRevs platform and reports. Service further includes:

- i. Ongoing short-term rental census monitoring and discovery with reconciliation and updates to compliance database.
- ii. Capture and storage of evidence of non-compliant use (e.g. screenshots of rental advertisements).
- iii. Listing tracker that captures evidence every five (5) minutes on non-compliant properties.

c. **24/7 Complaint Hotline, Dispatch, and Centralized Complaint Database.** Contractor to provide 24/7 bilingual phone hotline and online bilingual complaint form integrated with the LODGINGRevs platform and database. Complaints will be promptly dispatched to the short-term rental operator and all complaint protocols will be documented and made readily available to the City via LODGINGRevs Complaints Dashboard. Complaint protocols and procedures to be developed specific to the City's requests. City staff shall be afforded access to the LODGINGRevs system to identify, maintain, and manage all aspects of enforcement.

d. **Tax Remittance Compliance and Support.** Contractor to compare booked short-term rental activity from listing data against actual tax remittance data, report results, and provide City access to LODGINGRevs Audit Workflow interface to facilitate audit of individual units. Under this agreement the City will provide tax remittance data via CSV on a monthly basis, which LODGINGRevs will upload into the system.

e. **Marketplace Booking Report.** Contractor to provide and coordinate with City to integrate, an online reporting module for short-term rental owners to declare actual booking activity, by listing platform.

f. **Technical Support.** Contractor to provide unlimited email and phone support, unlimited user logins, and 365x7x24 maintenance of host server and IT infrastructure. Contractor to further perform daily data backups and provide City LODGINGRevs software enhancements, when released.

3. Use of Service.

a. **Short-Term Rental Listing Integration.** LODGINGRevs locates short-term rental listings on 30+ sites (Exhibit A), via the combined data processing that Contractor provides from intermediaries such as Airbnb.com, Craigslist,

Flipkey, Invited Home, Luxury Retreats, Home Away, One Fine Stay, Tripz and VRBO. Some of these sites are aggregator sites that pull listings from other platforms, and by that mechanism we are pulling data from the 30+ sites. Contractor monitors new listing platforms and adds data processing capability as new platforms emerge that may have new, unique listings that are not also listed on the other platforms. Through automation and the work of a review team, Contractor reviews each listing and performs the following:

- i. identifies and updates the compliance status of listings;
- ii. for non-compliant listings, creates Notifications via a Notification Module. The City can have an unlimited number of notifications for the various states of compliance.
- iii. The Notification module automatically emails any notifications that have an email address available (via the MUNIRevs system or other data on the account). City staff can print and mail, via a single PDF document, any notifications that either do not have an email address or the City would like to deliver via official mail. City can review all notifications, email delivery and email opens on every property.
- iv. LODGINGRevs integrates to the MUNIRevs system. When a new non-compliant property is discovered, an account is generated (if necessary) and required compliance related workflows are generated. For example, when a new listing is discovered, an account in MUNIRevs is created and Contractor assigns the workflows for licensing (if possible). In the MUNIRevs system, City users can link to the actual advertisements for advertising rentals.
- v. LODGINGRevs includes a dashboard that assists the City in monitoring Contractors compliance efforts and the City's compliance rates.

b. **Contractor Support and Responsibilities.** Notifications from the LODGINGRevs portal will include contact information for Contractors support team and Contractor will provide City support for the services as detailed herein.

c. **Third Party Contractor Use.** City may allow its third party contractors to use the Service solely on behalf of and for the benefit of City and only in compliance with the terms and conditions of this Agreement. City is responsible for compliance with the terms of this Agreement by its third party contractors.

4. **Term.** This Agreement shall expire, unless otherwise extended or terminated, on July 1, 2022.

5. **Compensation.** Payment for all Contractor fees shall be as specified in Exhibit B which is incorporated herein and made a part of this Agreement. Unless

otherwise provided in Exhibit B, all Contractor invoices for services rendered shall be due and payable within 30 days of the date of the invoice. Interest shall accrue at the rate of one percent (1%) per month, from the date of the invoice, on any payments not received when due.

6. Mutual Confidentiality.

a. **Definition of Confidential Information.** Confidential Information means all confidential information disclosed by a party (“Discloser”) to the other party (“Recipient”), whether orally or in writing, that is designated as confidential (“Confidential Information”). Contractor’s Confidential Information includes without limitation the Service, Licensed Documentation (defined in section 7.c. below), and City’s Confidential Information, which includes without limitation, the City Data.

b. **Protection of Confidential Information.** The Recipient must use the same degree of care that it uses to protect the confidentiality of its own Confidential Information (but in no event less than reasonable care) not to disclose or use any Confidential Information of the Discloser for any purpose outside the Service under this Agreement. The Recipient must make all commercially reasonable efforts to limit access to Confidential Information of Discloser to those of its employees and third party Contractors who need such access for purposes consistent with this Agreement and who have signed confidentiality agreements with Recipient no less restrictive than the confidentiality terms of this Agreement.

c. **Exclusions.** Confidential Information *excludes* information that: (i) is or becomes generally known to the public without breach of any obligation owed to Discloser, (ii) was known to the Recipient prior to its disclosure by the Discloser without breach of any obligation owed to the Discloser, (iii) is received from a third party without breach of any obligation owed to Discloser, or (iv) was independently developed by the Recipient without use or access to the Confidential Information of the Discloser. The Recipient may disclose Confidential Information to the extent required by law, including an Oregon Public Records request. The parties acknowledge that an Oregon Public Records Request may seek information about Contractor’s proprietary computer software programs and that computer software is not included in the definition of “Public Records” pursuant to O.R.S. 192.005(5); thus, making requests related to the computer software exempt from an Oregon Public Records Request.

d. If Contractor’s data system crashes or otherwise becomes disabled, Contractor shall use good faith and reasonable efforts to immediately recover the system and all City Data and shall be fully responsible for all costs incurred in the recovery of such data, with no additional costs to be borne by the City.

7. Proprietary Rights.

a. **Reservation of Rights by Contractor.** The software, workflow processes, user interface, designs, know-how and other technologies provided by Contractor as part of the Service are the sole property of Contractor, and all right, title and interest in and to such items, including all associated intellectual property rights, are and shall remain only with Contractor. Contractor reserves all rights not expressly granted in this Agreement.

b. **City Restrictions.** City *may not*:

- i. Use the Service or the Licensed Documentation beyond its internal operations;
- ii. Reverse engineer the Service, the Licensed Documentation, the software or any other technology or Confidential Information associated therewith;
- iii. Remove or modify any proprietary marking or restrictive legends in the Service and Licensed Documentation; or
- iv. Access the Service or the Licensed Documentation to build a competitive product or service; or copy or derive any feature, function or graphic of the Service for competitive purposes.

c. **Licensed Documentation.** Any Service user guides, sample data, marketing, training and other items provided through the Service or by Contractor, are licensed to City as follows:

Contractor grants City a non-exclusive, license for the duration of the Service to such items for City's internal use solely with the Service, with the right to make additional copies of the material for the duration and purpose of the Service ("Licensed Documentation").

8. **Exclusion of Damages and Limitation of Liability.** Except as otherwise provided in this agreement and other than for gross negligence or intentional misconduct, neither party is liable for any indirect, special, incidental or consequential damages arising out of or related to this Agreement (including without limitation, costs of delay, loss of data or information, and any failure of delivery of the service).

9. **Cooperation.** The parties shall reasonably cooperate to ensure timely and accurate delivery of service. Specifically, City agrees to provide complete and accurate information to Contractor when and as requested. Contractor shall not be responsible or liable for delays resulting from City's failure to provide timely or accurate information. Payment of Contractor's fees set forth in Exhibit B shall not be reduced, delayed or modified as a result of City's failure to provide timely or accurate information.

10. Insurance. Contractor and its subcontractors shall maintain insurance acceptable to City in full force and effect throughout the term of this contract. The insurance shall cover all activities of the contractor arising directly or indirectly out of Contractor's work performed hereunder, including the operations of its subcontractors of any tier. The policy or policies of insurance maintained by the Contractor and its subcontractor shall provide at least the following limits and coverages:

a. **Commercial General Liability Insurance.** Contractor shall obtain, at contractor's expense, and keep in effect during the term of this contract, Comprehensive General Liability Insurance covering Bodily Injury and Property Damage on an "occurrence" form (1996 ISO or equivalent). This coverage shall include Contractual Liability insurance for the indemnity provided under this contract. The following insurance will be carried:

| <u>Coverage</u> | <u>Limit</u> |
|--|--------------|
| General Aggregate | \$1,000,000 |
| Products-Completed Operations Aggregate | \$1,000,000 |
| Personal & Advertising Injury | \$1,000,000 |
| Each Occurrence | \$1,000,000 |
| Errors and Omissions (or equivalent) Aggregate | \$500,000 |
| Each Occurrence | \$500,000 |

b. **Workers' Compensation Insurance.** The Contractor, its subcontractors, if any, and all employers providing work, labor or materials under this Agreement that are either subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide workers' compensation coverage that satisfies Oregon law for all their subject workers or employers that are exempt under ORS 656.126. Out-of-state employers must provide Oregon workers' compensation coverage for their workers who work at a single location within Oregon for more than 30 days in a calendar year. Contractors who perform work without the assistance or labor of any employee need not obtain such coverage. This shall include Employer's Liability Insurance with coverage limits of not less than \$500,000 each accident.

c. **Additional Insured Provision.** The Commercial General Liability Insurance policies and other policies the City deems necessary shall include the City as an additional insured with respect to this contract.

d. **Notice of Cancellation.** There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 30 days written notice to the City. Any failure to comply with this provision will not affect the insurance coverage provided to the City. The certificates of insurance provided to the City shall state that the insurer shall endeavor to provide 30 days' notice of cancellation to the City.

e. **Certificates of Insurance.** As evidence of the insurance coverage required by the contract, the Contractor shall furnish a Certificate of Insurance to the City. No Agreement shall be effected until the required certificates have been received and approved by the City. The certificate will specify and document all provisions within this contract. A renewal certificate will be sent to the above address 10 days prior to coverage expiration.

f. **Primary Coverage Clarification.** The parties agree that Contractor's coverage shall be primary to the extent permitted by law. The parties further agree that other insurance maintained by the City is excess and not contributory insurance with the insurance required in this section.

G. **Cross-Liability Clause.** A cross-liability clause or separation of insureds clause will be included in all general liability, professional liability, pollution, and errors and omissions policies required by this contract.

The procuring of required insurance shall not be construed to limit contractor's liability under this agreement. Notwithstanding said insurance, Contractor shall be obligated for the total amount of any damage, injury, or loss caused by negligence or neglect connected with this contract.

11. **Independent Contractor.** It is understood that Contractor is an independent professional contractor and that Contractor will not in any event be construed as or hold themselves to be employees of City. It is also agreed that Contractor, as an independent contractor, is not restricted to working exclusively for City during the Term of the Agreement. Contractor and any persons employed by Contractor for the performance of the Service hereunder shall be independent contractors and not agents of the City. As an independent contractor, Contractor is not entitled to workers' compensation benefits except as may be provided by the independent contractor nor to unemployment insurance benefits. Contractor is obligated to pay all federal and state income tax on any moneys earned or paid pursuant to this Agreement.

12. **Method and Place of Submitting Notice, Bills and Payments.** All notices, bills and payments shall be made in writing and may be given by personal delivery or mail. Payments may be made by personal delivery, mail, or electronic transfer. The following addresses shall be used to transmit notices and other information:

City:

City of Newport
 Attn: Community Development Director
 169 SW Coast Highway
 Newport, Oregon 97365
 Business Phone: 541-574-0626

Contractor:

MUNIREvs, Inc.
 Attn: Manager
 27696 Highway 145
 Dolores, Colorado 81323
 Business Phone: 970-769-4121

Notices mailed to the address provided for notice in this section shall be deemed given upon deposit in the United States mail, postage prepaid. In all other instances, notices, bills and payments shall be deemed given at the time of actual delivery.

13. Termination Without Cause. At any time and without cause, City or Contractor shall have the right to terminate this Agreement by giving written notice to the other party 120-days prior to the termination date.

14. Termination with Cause.

a. City may terminate this Agreement effective upon delivery of written notice to Contractor, or at such later date as may be established by City, under any of the following conditions:

i. If City funding from federal, state, local, or other sources is not obtained and continued at levels sufficient to allow for the purchase of the indicated quantity of services. This Agreement may be modified to accommodate a reduction in funds.

ii. If federal or state regulations or guidelines are modified, changed, or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this Agreement.

iii. If any license or certificate required by law or regulation to be held by Contractor, its subcontractors, agents, and employees to provide the services required by this Agreement is for any reason denied, revoked, or not renewed.

iv. If Contractor becomes insolvent, if voluntary or involuntary petition in bankruptcy is filed by or against Contractor, if a receiver or trustee is appointed for Contractor, or if there is an assignment for the benefit of creditors of Contractor.

Any such termination of this agreement under paragraph (a) shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination.

b. City, by written notice of default (including breach of contract) to Contractor, may terminate the whole or any part of this Agreement:

i. If Contractor fails to provide services called for by this agreement within the time specified herein or any extension thereof, or

ii. If Contractor fails to perform any of the other provisions of this Agreement, or so fails to pursue the work as to endanger performance of this agreement in accordance with its terms, and after receipt of written notice from City, fails to correct such failures within ten (10) days or such other period as City may authorize.

iii. If Contractor fails to eliminate a conflict as described in Section 11 of this agreement.

The rights and remedies of City provided in the above clause related to defaults (including breach of contract) by Contractor shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

If City terminates this Agreement under paragraph (b), Contractor shall be entitled to receive as full payment for all services satisfactorily rendered and expenses incurred, an amount which bears the same ratio to the total fees specified in this Agreement as the services satisfactorily rendered by Contractor bear to the total services otherwise required to be performed for such total fee; provided, that there shall be deducted from such amount the amount of damages, if any, sustained by City due to breach of contract by Contractor. Damages for breach of contract shall be those allowed by Oregon law, reasonable and necessary attorney fees, and other costs of litigation at trial and upon appeal.

15. Final Payment and Return of Data and Suspension of Service.

a. Upon termination by right by City for any reason or no reason, City shall pay any unpaid fees through the date of termination, and shall return or destroy all Contractor property. City upon request will confirm that it has complied with these requirements.

b. Within 30-days after termination of this Agreement, Contractor shall export to City all City Data from within the Service only in CSV format. Contractor does not ensure the availability of all of City Data for export after such 30-day period and Contractor shall have no obligation to store the City Data and may destroy such data without further notice to City.

16. Access to Records. City shall have access to books, documents, papers and records of Contractor as are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts and transcripts.

17. Merger. This writing is intended both as a final expression of the Agreement between the parties with respect to the included terms and as a complete and

exclusive statement of the terms of the Agreement. No modification of this Agreement shall be effective unless and until it is made in writing and signed by both parties.

18. Force Majeure. Neither City nor Contractor shall be considered in default because of any delays in completion and responsibilities hereunder due to causes beyond the control and without fault or negligence on the part of the parties so disenabled, including but not restricted to, an act of nature or of a public enemy, civil unrest, volcano, earthquake, fire, flood, epidemic, quarantine restriction, area-wide strike, freight embargo, unusually severe weather or delay of subcontractor or supplies due to such cause; provided that the parties so disenabled shall within 10 days from the beginning of the delay, notify the other party in writing of the cause of delay and its probable extent. The notification shall not be the basis for a claim for additional compensation. Each party shall, however, make all reasonable efforts to remove or eliminate the cause of delay or default and shall, upon cessation of the cause, diligently pursue performance of its obligation under the Agreement.

19. Non-Waiver. The failure of City to insist upon or enforce strict performance by Contractor of any of the terms of this Agreement or to exercise any rights hereunder should not be construed as a waiver or relinquishment to any extent of its rights to assert or rely upon such terms or rights on any future occasion.

20. Non-Discrimination. Contractor agrees to comply with all applicable requirements of federal and state civil rights and rehabilitation statues, rules, and regulations. Contractor also shall comply with the Americans with Disabilities Act of 1990, ORS 659.425, and all regulations and administrative rules established pursuant to those laws.

21. Errors. Contractor shall perform such additional work as may be necessary to correct errors in the work required under this Agreement without undue delay and without additional cost.

22. Indemnification. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor warrants that all its work will be performed in accordance with generally accepted professional practices and standards as well as the requirements of applicable federal, state and local laws. Acceptance of contractor's work by City shall not operate as a waiver or release. Contractor agrees to indemnify and defend the City, its officers, agents, employees and volunteers and hold them harmless from any and all liability, causes of action, claims, losses, damages, judgments or other costs or expenses including attorney's fees and witness costs and (at both trial and appeal level, whether or not a trial or appeal ever takes place) that may be asserted by any person or entity which in any way arise from, during or in connection with the performance of the work described in this contract, except to the extent that the liability arises out of the negligence of the City and its employees. Contractor's indemnification shall also cover claims brought against the City under state or federal workers' compensation laws. If any aspect of this

indemnity shall be found to be illegal or invalid for any reason whatsoever, the illegality or invalidity shall not affect the validity of the remainder of this indemnification.

23. Attorney's Fees. In case suit or action is instituted to enforce the provisions of this contract, the parties agree that the losing party shall pay such sum as the court may adjudge reasonable attorney fees and court costs, including attorney's fees and court costs on appeal.

24. Governing Law. The provisions of this Agreement shall be construed in accordance with the provisions of the laws of the State of Oregon. Any action or suits involving any question arising under this Agreement must be brought in the appropriate court of the State of Oregon.

25. Compliance with State and Federal Laws/Rules. Contractor shall comply with all applicable federal, state and local laws, rules and regulations, including, but not limited to, the requirements concerning working hours, overtime, medical care, workers compensation insurance, health care payments, payments to employees and subcontractors and income tax withholding contained in ORS Chapter 279B, the provisions of which are hereby made a part of this agreement. (See Exhibit C.)

26. Severability. The invalidity or enforceability of a particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

27. Counterparts Facsimiles; E-Mail. This Agreement may be signed in any number of counterparts, which together shall constitute one and the same instrument. Original signatures of the parties hereto on copies of this Agreement transmitted by facsimile or electronically/scanned and e-mailed copies shall be deemed originals for all purposes hereunder, and such copies shall be binding on all parties hereto.

28. Effective Date. This Agreement shall be effective upon execution by both parties.

CITY OF NEWPORT



By: Spencer Nebel, City Manager

07-16-19

Date



By: President, MUNIRevs, Inc.

7/16/19

Date

| Exhibit A | | | | |
|--|----------------------|------------------------------|----------------------------------|--|
| LODGINGRevs Short Term Rental Site Inventory | | | | |
| | Listing Platform | Included in All Destinations | Included in Certain Destinations | Excluded: Non-USA Listing Platforms |
| 1 | Abritel | x | | France |
| 2 | Agoda | | | Japan |
| 3 | Airbnb | x | | |
| 4 | AlugeTemporada | | | Brazil |
| 5 | Belvilla | | | Europe |
| 6 | Bookabach | | | New Zealand |
| 7 | Booking.com | x | | |
| 8 | CanadaStays | x | | |
| 9 | Casamundo | x | | |
| 10 | Cofman | | | United Kingdom |
| 11 | Craigslist | x | | |
| 12 | CyberRentals | x | | |
| 13 | Dobovo | | | Ukraine |
| 14 | Dream Exotic Rentals | x | | |
| 15 | e-Domizil | | | Europe |
| 16 | Evolve | x | | |
| 17 | Expedia | x | | |
| 18 | Flat4Day | | | Turkey, Europe, Middle East |
| 19 | Flipkey | | | |
| 20 | GreatRentals | x | | |
| 21 | HolidayLettings | x | | |
| 22 | HomeAway.co.uk | | | United Kingdom |
| 23 | HomeAway.com | | | |
| 24 | HomeAway.com.au | | | Australia |
| 25 | HomeAway.de | | | Germany |
| 26 | HomeAway.es | | | Spain |
| 27 | Homelidays.com | x | | |
| 28 | HomeLike | | | European |
| 29 | HouseTrip | x | | |
| 30 | HRS Holidays | | | European |
| 31 | Kozaza | | | Korea |
| 32 | LuxuryRetreats | | | |
| 33 | MountainSkiTrips | | Ski Destinations | |
| 34 | Niumba | | | Spain |
| 35 | Novasol | | | Denmark, Norway, France, Croatia, Italy and other European countries |
| 36 | OneFineStay | | | |
| 37 | Orbitz | x | | |
| 38 | OwnersDirect | x | | |
| 39 | PerfectPlaces | x | | |
| 40 | Stayz.com.au | | | Australia |
| 41 | Toprural.es | | | Spain |
| 42 | Travelmob | x | | |
| 43 | TravelStaytion | | | Europe |
| 44 | Tripadvisor | x | | |
| 45 | Tripping.com | x | | |
| 46 | Tripz | x | | |
| 47 | VacationRentals | x | | |
| 48 | Villas.com | x | | |
| 49 | VRBO | x | | |
| 50 | WeNeedAVacation | | Martha's Vineyard & Cape Cod | |

EXHIBIT B**Contractor Charge Rates for Services**

| Item | One-Time Implementation Cost | Monthly Cost |
|--|-------------------------------------|------------------------|
| Initial census of short-term rentals operating in the City of Newport, reconcile results with City's list of licensed rentals, and issue compliance notices to non-licensed units. | \$ 2000 | |
| Ongoing short-term rental census monitoring and discovery, with reconciliation and updates to compliance database. | N/A | \$650 / Month |
| Non-compliant evidence capture | Included | Included |
| Listing tracker that captures evidence every five (5) minutes on non-compliant properties. | Included | Included |
| Online bilingual complaint form and call center during business hours | Included | Included |
| 24/7 bilingual complaint hotline with dashboard integration | \$500 | \$300 / Month |
| Remittance audit tool with audit workflow | \$500 | \$450 / Month |
| Marketplace booking reporting | \$500 | \$200 / Month |
| Notification module, including unlimited notification templates, targeted and customized notices by compliance status | Included | Included |
| Total | \$3,500 | \$1,600 / Month |

EXHIBIT C**PERSONAL SERVICES CONTRACT
BUILDING INSPECTION SERVICES****RELEVANT PROVISIONS OF ORS CHAPTER 279B**

279B.220 Conditions concerning payment, contributions, liens, withholding. Every public contract shall contain a condition that the contractor shall:

- (1) Make payment promptly, as due, to all persons supplying to the contractor labor or material for the performance of the work provided for in the contract.
- (2) Pay all contributions or amounts due the Industrial Accident Fund from the contractor or subcontractor incurred in the performance of the contract.
- (3) Not permit any lien or claim to be filed or prosecuted against the state or a county, school district, municipality, municipal corporation or subdivision thereof, on account of any labor or material furnished.
- (4) Pay to the Department of Revenue all sums withheld from employees under ORS 316.167

279B.230 Condition concerning payment for medical care and providing workers' compensation.

- (1) Every public contract shall contain a condition that the contractor shall promptly, as due, make payment to any person, co-partnership, association or corporation furnishing medical, surgical and hospital care services or other needed care and attention, incident to sickness or injury, to the employees of the contractor, of all sums that the contractor agrees to pay for the services and all moneys and sums that the contractor collected or deducted from the wages of employees under any law, contract or agreement for the purpose of providing or paying for the services.
- (2) Every public contract shall contain a clause or condition that all subject employers working under the contract are either employers that will comply with ORS 656.017 (Employer required to pay compensation and perform other duties) or employers that are exempt under ORS 656.126.

279B.235 Condition concerning hours of labor; compliance with pay equity provisions; employee discussions of rate of pay or benefits.

- (1) Except as provided in subsections (3) to (6) of this section, every public contract subject to this chapter must provide that:
 - (a) A contractor may not employ an employee for more than 10 hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency or when the public policy absolutely requires otherwise, and in such cases, except in cases of

contracts for personal services designated under ORS 279A.055, the contractor shall pay the employee at least time and a half pay for:

(A)(i) All overtime in excess of eight hours in any one day or 40 hours in any one week if the work week is five consecutive days, Monday through Friday; or

(ii) All overtime in excess of 10 hours in any one day or 40 hours in any one week if the work week is four consecutive days, Monday through Friday; and

(B) All work the employee performs on Saturday and on any legal holiday specified in ORS 279B.020.

- (b) The contractor shall comply with the prohibition set forth in ORS 652.220, that compliance is a material element of the contract and that a failure to comply is a breach that entitles the contracting agency to terminate the contract for cause.
 - (c) The contractor may not prohibit any of the contractor's employees from discussing the employee's rate of wage, salary, benefits or other compensation with another employee or another person and may not retaliate against an employee who discusses the employee's rate of wage, salary, benefits or other compensation with another employee or another person.
- (2) A contractor shall give notice in writing to employees who work on a public contract, either at the time of hire or before work begins on the contract, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the contractor may require the employees to work.
 - (3) A public contract for personal services, as described in ORS 279A.055, must provide that the contractor shall pay the contractor's employees who work under the public contract at least time and a half for all overtime the employees work in excess of 40 hours in any one week, except for employees under a personal services public contract who are excluded under ORS 653.010 to 653.261 or under 29 U.S.C. 201 to 209 from receiving overtime.
 - (4) A public contract for services at a county fair, or for another event that a county fair board authorizes, must provide that the contractor shall pay employees who work under the public contract at least time and a half for work in excess of 10 hours in any one day or 40 hours in any one week. A contractor shall notify employees who work under the public contract, either at the time of hire or before work begins on the public contract, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the contractor may require the employees to work.
 - (5)(a) Except as provided in subsection (4) of this section, a public contract for services must provide that the contractor shall pay employees at least time and a half pay for work the employees perform under the public contract on the legal holidays specified in a collective bargaining agreement or in ORS 279B.020 (1)(b)(B) to (G) and for all time the employee works in excess of 10 hours in any one day or in excess of 40 hours in any one week, whichever is greater.

(b) A contractor shall notify in writing employees who work on a public contract for services, either at the time of hire or before work begins on the public contract, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the contractor may require the employees to work.

(6) This section does not apply to public contracts:

(a) With financial institutions as defined in ORS 706.008.

(b) Made pursuant to the authority of the State Forester or the State Board of Forestry under ORS 477.406 for labor performed in the prevention or suppression of fire.

(c) For goods or personal property.

City of Newport



City of Newport

Confidential
Proposal

Short Term Rental
Compliance, 24/7 Hotline, and Tax Collection Support Systems
Cloud-Based Online Solutions

Tyler Fischer, *Community Partnership Manager at LODGINGRevs*
Durango, CO 81301
Phone: (970) 769-4121
Support: (888) 751-1911
Email: tyler@lodgingrevs.com



Delivering proven rental compliance since 2011.

To: City of Newport
169 SW Coast Hwy
Newport, OR 97365

Dear Derrick:

Thank you for the opportunity to propose LOGGINGRevs, our Short Term Rental Compliance System. The needs of the City of Newport align directly with the features of our product and expertise of our team.

Our company, MUNIRevs, was founded in 2011, and we serve clients all over the country, including Texas, Hawaii, Colorado and Montana. We pioneered the vacation rental compliance process, when in 2011 we began “manual audits” for our Colorado clients. Having started from that perspective almost a decade ago, we know compliance and vacation rental data inside and out. Our team reconciles 99% of ad listings to property data, and we reach out to the jurisdiction for assistance on only about 1% of the listings. Our clients enjoy an over 90% compliance rate. Because of this excellent compliance rate and the support we provide City staff and property owners, LOGGINGRevs has a 100% client renewal rate.

The enclosed document details the following proposed services:

- Ongoing discovery of The City of Newport short-term rental ad listings posted on all 30+ sites (See Exhibit A)
- Maintain a City of Newport ad listing database in our system of all relevant ad data
- Reconciliation of all The City of Newport’s ad listings to property records (including owner contact information)
- Delivery of a non-compliant and/or unlicensed operator reports to the City’s code enforcement officer
- 24/7 complaint phone hotline and online web-form with a centralized database with dashboard
- Notifications, our integrated system offers the City the ability to create batch notifications for enforcement
- Online room tax remittance audit reporting tool with booking frequency and predictive revenue

We encourage you to visit our [website \(www.lodgingrevs.com\)](http://www.lodgingrevs.com) where you can read more, and watch our demo videos.

The LOGGINGRevs team is excited with the prospect of collaborating with The City of Newport to achieve the desired community outcome and to implement the best solution to achieve the City’s compliance goals and increased revenues. We are looking forward to our scheduled discussion & demo with the City of Newport team.

Again, thank you for the opportunity to propose our solution which we are confident can best meet the City’s needs.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tyler Fischer", with a stylized flourish at the end.

Tyler Fischer
Community Partnership Manager at LOGGINGRevs

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CONFIDENTIAL – DO NOT DISSEMINATE. This proposal contains confidential, trade-secret information and is shared only with the understanding that it will be viewed only by City employees. City employees will not share its contents or ideas with third parties without the express written consent of LODGINGRevs and MUNIRevs Inc. In addition, this proposal, in its entirety is considered proprietary under statutory open records acts.

City of Newport Short Term Rental Insight

The internal dashboard below maps The City of Newport short term rental ad listings and also visualizes aggregated data for the Short Term Rental market in The City of Newport. Each dot represents a clickable ad listing. The depicted data is prior to the implementation of our automated compliance jobs and our expert team review. As of 5/29 The City of Newport has a total of 526 short term rental ad listings on the top four ad platforms. To determine this number of ad listings we conducted an initial sweep of AirBnB, the HomeAway sites (including VRBO), Flipkey, and Craigslist. A complete list of the ad listing sites that we would deploy discovery and monitoring services for is available in Exhibit A. As part of our initial census our system and team identify all ad listings, reconcile these ads to City property and permitting data, determine registration & tax compliance, and send out custom targeted notifications to non-compliant property owners/manager.

Compliance Dashboard - Newport

Import Data Run Jobs

Newport ▼ Newport, OR ▼ Filter City Listing Property Compliance Status ▼



Average Daily Rate

\$311.19

Advertisements Pending Review

| | VRBO | FlipKey | AirBnB | Other | All | | |
|-------|------|---------|--------|-------|-----|--|--|
| TOTAL | 181 | 84 | 237 | 24 | 526 | | |

New Listings
(Current Month)

520

Compliant, Managed and Revenue Neutral



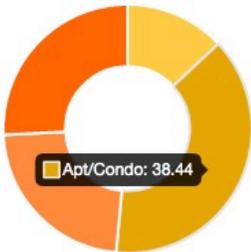
Outreach and Review Status

| | VRBO | FlipKey | AirBnB | Other | All | % | Properties |
|---|----------|----------|----------|----------|----------|-------------|------------|
| Compliant | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 |
| Exempt | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 |
| Management Company | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 |
| Individuals - License Not Posted | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 |
| Subtotal Compliant, Managed or Revenue Neutral | 0 | 0 | 0 | 0 | 0 | 0.00 | |
| Request Jurisdiction Review | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 |
| Non-Compliant | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 |
| Needs More Research | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 |
| Subtotal Non-Compliant | 0 | 0 | 0 | 0 | 0 | 0.00 | |
| TOTAL | 0 | 0 | 0 | 0 | 0 | 0.00 | |
| No compliance status | 0 | 0 | 0 | 0 | 0 | 0.00 | |
| Removed | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 |

Inventory Summary

| | April | | | | May | | | | |
|-------------------------------|--------|------|-------|-------|--------|---------|------|-------|-------|
| | AirBnB | VRBO | Other | Total | AirBnB | FlipKey | VRBO | Other | Total |
| Total Advertisements | 1 | 4 | 1 | 6 | 237 | 84 | 181 | 24 | 526 |
| Unique Properties | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| New Advertisements | 0 | 2 | 0 | 2 | 236 | 84 | 177 | 23 | 520 |
| New Properties | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Removed Advertisements | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Removed Properties | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Property Type, %



The compliance status dashboard above would provide City staff with live insight into each compliance stage and property identification percentages. Each stage is customized to the City’s requirements and would be populated with the respective ads/properties that the staff can click into. All 526 ad listings and any other ongoing identified ads will be reconciled to property and licensing data to determine compliance.

The following information is an image of the internal page for the Flipkey listing mapped above. The internal ad page below is generated within the system for each ad listing, and each listing is then matched to a property. The ad page breakdown will be described in detail throughout this document. Automated jobs and expert compliance review have not begun on the City of Newport listings; this is just the listing data. Even though there is a lot of information on the ad page, you can see how intuitive the user interface is.

- Details
- Rental Activity
- Notifications(0)
- Notes
- Complaints
- Evidence
- System Logs
- Audit Log

Editing Advertisement for A perfect Newport house with fantastic bay views & sleeping for 20 guests!

Save

Add Notification

Run Job

Checklist

Basic Info

Site: [Link to Listing](#)

Advertisement ID:

Case (RFS) Number:

Status

Compliance Status:

Manage Type:

Start Date:

Date Removal Confirmed:

Most Recent Capture Date:

Capture Dates Past 6 Months:

Property

Search for a business:

Advertisement Details

Advertisement Title:

Property Description:

Business License Info

License Name from Automation Check:

Advertised License #:

State License #:

Confirmed Business:

Search for a business (by name, dba, account) to connect to this user:

Owner / Manager:

Location

Bedroom:

People S:

Advertised Street Address:

Advertised City: Advertised Postal Code: Advertised State:

Geo Code City:

Business Address (if Business is Confirmed):

Latitude, Longitude:

Show Map Show Street View



Assessor Info

Assessor Account Number:

Assessor Address:

Assessor Owner Name:

Assessor Mailing Street Address:

Assessor Mailing City, State, Zip:

Business Mailing Info

Business Mailing Street Address:

Business City, State, Zip:

LODGINGRevs Deliverables and Pricing

LODGINGRevs Short Term Rental Service Deliverables:

1. Short Term Rental Discovery

- The LODGINGRevs system will discover all available City of Newport short-term rental ad listings posted on all 30+ sites (See Exhibit A)

2. Short Term Rental Identification

- LODGINGRevs will maintain a City of Newport ad listing and property database in our system of all relevant ad and property data that is discovered
- All aspects of the system and the databases are accessible online by City staff with unlimited licenses.

3. Ad Listing and Property Reconciliation

- The system and our expert review team will analyze all City of Newport ad listings, connect the ad listings to property record data, and determine compliance & licensing status.

4. Data Reporting

- The LODGINGRevs system has extensive reporting and filtering functionality to provide City users with readily available short-term rental owner/manager contact data and compliance status
- City staff can access the compliance data via our online system and/or we can generate weekly reports for the code compliance staff.

5. Complaint Hotline

- 24/7 complaint phone hotline and online complain reporting form
- Code Compliance centralized online complaint database with dashboard

6. Notifications

- The City may choose to use our simple integrated notification system
- The notifications module enables the City to easily create custom batch notifications using our data “smart fields”

7. Room Tax Auditing Tool

- Online room tax remittance audit reporting tool with booking frequency
- Estimated revenue reporting using revenue generating night agreed upon assumptions
- Audit tool that can query imported tax data to flag accounts to audit (optional API live data interface)

The disclosed fee structure below includes your one-time advertisement census, which consist of compliance reconciliation and noticing for all existing ad listings on the platforms referenced in exhibit A. **Our team does the compliance reconciling for you**, and at the end of this census; registration letters for the integrated registration system are ready to mail.

| LODGINGRevs Pricing Schedule | | |
|---|----------------------------|------------------------|
| Item | Implementation Cost | Monthly Cost |
| Short Term Rental Detection, Monitoring, and Compliance | | |
| Initial Census, including reconciliation, by our team of experts, to each registration and initial registration compliance notices. Also includes training of City staff on utilizing the platform and accessing reports. | \$2,000 | N/A |
| Vacation Rental Census Monitoring & Discovery, and Ongoing Compliance Database. Includes reconciliation by our team of experts. | N/A | \$650 / Month |
| Non-Compliant Evidence Capture | Included | Included |
| Listing Tracker – Evidence Capture Every 5 Minutes on Non-Compliant Properties | Included | Included |
| Online Complaint Form and Call Center During Business Hours | Included | Included |
| 24/7 Compliant Hotline | \$500 | \$300 / Month |
| Tax Remittance Compliance & Support | | |
| Remittance Audit Tool Audit Workflow | \$500 | \$450 / Month |
| Notifications Module – Unlimited Notification Templates, Targeted & Customized Notices by Compliance Status | Included | Included |
| Total, Without Optional Services | \$3,000 | \$1,400 / Month |
| Optional Services | | |
| Registration and Permitting | \$1000 | \$500 / Month |
| Marketplace Booking Reporting | \$500 | \$200 / Month |

How We Deliver Compliance

Collaborate -> Identify -> Notify -> Gain Compliance Creating Increased Safety & Revenue

The entire expert LODGINGRevs team is available as a resource for City staff. We couple our experience with our powerful solution to deliver short term rental regulation compliance rates above 90%, creating responsive & safer communities and assisting in closing revenue gaps.

Implementing the LODGINGRevs solution provides City staff with readily available live data dashboards and property status insight. The community gains proactive engagement and adherence to policies & regulations. Our identification, reconciliation, and notifications are leveraged for targeted enforcement. The processes and systems that are deployed to track compliance statuses and manage property owner/manager tasks create the greatest opportunity to increase compliance and result in compliance rates as high as 98.5%.

The LODGINGRevs solutions would be completely customized to the needs and regulations of the City of Newport. The following features are specific Newport solution examples:

Documentation

- Effective documentation and enforcement of non-compliance offences contribute to high compliance rates, and our solution will help the City of Newport manage these offences. In line with your outlined penalties, our system will provide the proactive tools to identify, monitor, and document these offences. Our listing tracker feature (page 15) tracks the removal and re-activation of all non-compliant listings every five minutes, and we document each non-compliant ad listing instance with our evidence capture (page 14).

Enforcement

- By clicking a compliance status in the dashboard or our advertisement filer, our team or City staff can send notifications directly to the property owner/manager regarding this specific compliance status to bring them into compliance. On these notifications, all relevant ad listings are aggregated onto one property notification.

STR Contact Info/Business Listing – Online Directory

- The City can deploy a directory, similar to our “business directory” used by the Town of Mountain Village ([link here](#)) to provide public access to property information. Upon contract execution, we would include this item in our Kickoff Meeting agenda to discuss the desired fields the City would like to include in this public facing site. As noted in your ordinance, the “24 Hour Emergency Contact” can be included in the online directory so that the public can contact that person day or night if there is a problem with the property.

Custom Business Licensing

- An optional service in this document is the LODGINGRevs business licensing module. The custom online licensing module enables the city to digitally capture all licensing processes; including the good neighbor agreement and collecting all fees. As we will discuss during the demo, our compliance system seamlessly interfaces automatically with our permitting module, but in the event you choose to maintain your existing permitting system, we can import your permitting data or deploy an optional API interface to create a live data exchange.

LODGINGRevs Discovery and Monitoring Process Overview

Web Listing Processing

Our platform processes listings from 30 different sites, including the elusive Craigslist. While there are another ~25 major sites available on the internet that offer vacation rental bookings, these sites are international listings exclusively and as our focus is currently on compliance in the United States, we do not currently process these sites. LODGINGRevs processes data twice each week, and all listing compliance statuses are updated each week so that we can issue timely Notifications as often as weekly, if desired.

Compliance Process Insight

LODGINGRevs utilizes proprietary data mining technology to extract all relevant data from short-term rental listings from listing platforms and populate the data as listing records within the LODGINGRevs system. We reverse geocode the address from each listing across all major STR websites and cross-reference that with our records and City records to ensure the address of the property is accurate as well as the contact information for the owner/manager of that property (new listing sample to the right).

Our identification rate for listings with our existing clients is 99%. For that remaining 1% we work with the jurisdiction to use utility records and other means to identify contact information for the owner of the property for each listing.

All listings have their own page in our system where you can view audit logs, notes, compliance status, notifications sent and click through to the property associated with that listing.

Your dashboard will be on a customized URL with all of the data and functions you need to monitor compliance (sample to the right), and send notifications. With a filterable map, you can see properties and/or listings by various compliance types and click through to the page for each listing or property. Reports are all there for you to view and customize.

You will have access to the database of all short term rental ads and the connected property data via a login to the system to use our intuitive click through design to view and pull any reports, including click through capability to read audit logging, notes, photos, maps, links to listings, etc. We will also be providing the City a list of all short term rental property addresses and owner/manager contact information. Optional outreach to all properties can be done through our customized notification system with The City of Newport branded notifications (no additional charge).

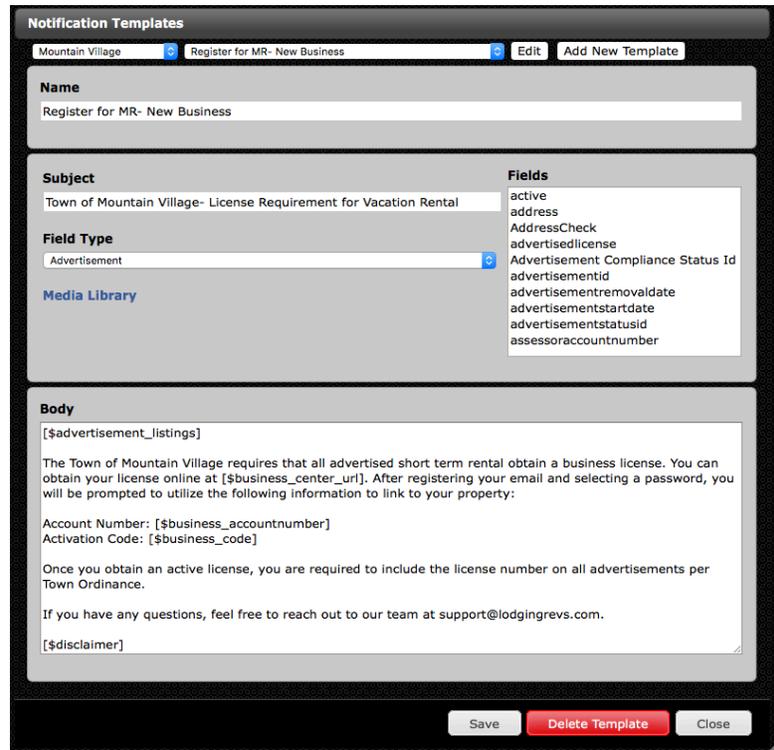
| | April | | | | |
|-------------------------------|--------|---------|------|-------|------------|
| | AirBnB | FlipKey | VRBO | Other | Total |
| Total Advertisements | 135 | 33 | 59 | 20 | 247 |
| Unique Properties | 63 | 23 | 48 | 18 | 152 |
| New Advertisements | 3 | 8 | 4 | 16 | 31 |
| New Properties | 2 | 6 | 4 | 11 | 22 |
| Removed Advertisements | 16 | 0 | 12 | 14 | 42 |
| Removed Properties | 9 | 0 | 3 | 9 | 19 |

Outreach and Review Status

| | VRBO | FlipKey | AirBnB | Other | All | % | Properties |
|---|------------|------------|------------|--------------|--------------|---------------|------------|
| Compliant | 860 | 600 | 496 | 1,221 | 3,177 | 83.72 | 788 |
| Management Company | 73 | 55 | 187 | 32 | 347 | 9.14 | 144 |
| Individuals - License Not Posted | 5 | 6 | 21 | 83 | 115 | 3.03 | 103 |
| Subtotal Compliant, Managed or Revenue Neutral | 938 | 661 | 704 | 1,336 | 3,639 | 95.89 | |
| Fractional (Single License) | 8 | 6 | 4 | 8 | 26 | 0.69 | 0 |
| Request Jurisdiction Review | 2 | 0 | 25 | 0 | 27 | 0.71 | 1 |
| Other Outreach | 38 | 3 | 56 | 6 | 103 | 2.71 | 29 |
| Subtotal Non-Compliant | 48 | 9 | 85 | 14 | 156 | 4.11 | |
| TOTAL | 986 | 670 | 789 | 1,350 | 3,795 | 100.00 | |
| No compliance status | 0 | 0 | 0 | 0 | 0 | 0.00 | |
| Removed | 11 | 0 | 6 | 6 | 23 | 0.61 | 6 |

Notification Module: Our Notification System allows each destination to have an unlimited number of Notification Templates. The tool provides an easy to use way to write notices, much like any word processing application and allows you to insert our “smart fields” where appropriate. Don’t worry though – our team creates the Notification templates for you, but the tool is easy to use if you ever want to make an adjustment yourself.

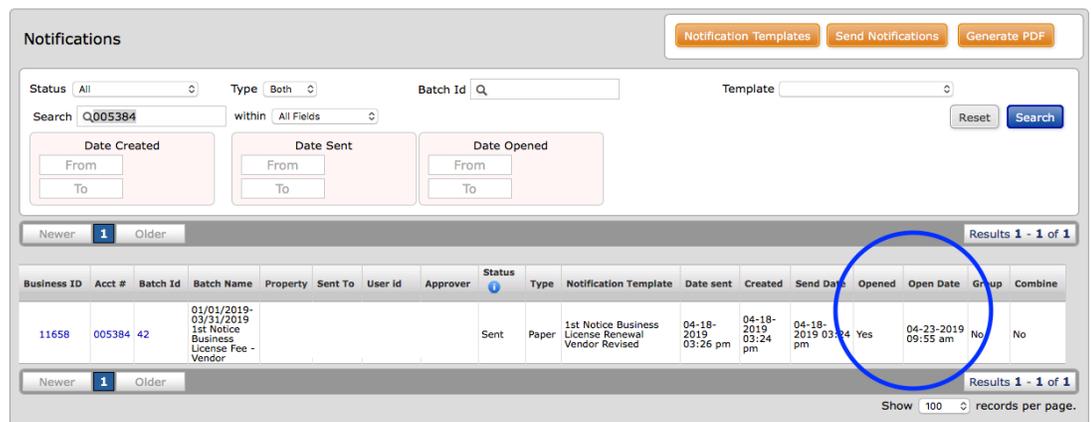
The combined power of our unique compliance statuses and Notification Templates allows our team to generate notifications, on your desired frequency, with custom language specific to the deficiency for each property. So, if a property is only missing the Business License, they can receive a Notification that provides that deficiency and instructions on how to become licensed. If another property is advertising 1 night minimum stays and are in a zone that requires a minimum of 3 night turnovers, their letter can include those specific issues.



Paper Delivery: Notices can be mailed. Simply print the single batch of PDF’s that our system produces. We can also help you utilize a third party mailing house by transmitting the PDF to them for printing & mailing.

Notice Delivery Methods: Notifications can be delivered via email.

Email Delivery: Emails are delivered automatically by our integrated email system. The Notifications Archive can be viewed 1) by property, 2) by listing or 3) in aggregate on the Notifications report. All views allow you to see not only when the email was delivered but also when the email user opened the email.



Email notices can also be delivered to more than one user per property.

Note that with our integrated registration, permitting and tax collection system, every user first enters an email address in order to gain access to the system. This provides us with a valid email for every property user for notification delivery.

Complaints

Our complaints module aggregates all complaints received on a property from any source. Whether the complaint is logged via our complaint form (that can be embedded on the City’s site), through our support ticketing system during business hours, or through the 24x7 phone support, all complaints are logged on each property within the system.

Our system’s automation allows us to automate the routing of complaints with the following options:

- City Staff
- Notification when 5 Complaints Have Been Logged in 30 days (quantity and frequency can be customized by destination)
- Update to Compliance Status when the above quantity and frequency of Complaints occurs
- Option to send a Notification automatically to the property owner when the above quantity and frequency occurs.

Incidents or complaints can be reported by the public through a simple online form or through our support line during business hours. Both the form and hotline update our database immediately so that reporting and outreach can happen in real-time. In addition to the incident complaints, we provide phone support to both your staff and the public on how to use the LODGINGRevs platform and become / remain compliant.

| Complaint ID | Advertisement ID | Business ID | Complaint Type | Complaint Status | Created |
|--------------|------------------|-------------|------------------------------|------------------|--------------------------|
| 220 | 0 | 0 | Noise | Open | Apr 11, 2019 2:07 pm MDT |
| 218 | 7615114 | 23892 | Illegal Rental | Open | Apr 10, 2019 2:00 pm MDT |
| 216 | 7319186 | 8378 | Noise | Open | Apr 6, 2019 1:39 pm MDT |
| 214 | 0 | 88 | Trash | Open | Apr 3, 2019 1:06 pm MDT |
| 212 | 7619824 | 88 | Trash | Open | Apr 3, 2019 1:04 pm MDT |
| 210 | 0 | 88 | Occupancy / Number of Guests | Open | Apr 2, 2019 10:43 am MDT |
| 208 | 7298174 | 0 | Parking | Open | Apr 2, 2019 10:01 am MDT |
| 206 | 2615786 | 9314 | Parking | Open | Apr 2, 2019 9:59 am MDT |

Evidence Capture

Our system runs evidence capture on all non-compliant listings for your community each week. The evidence includes all text on the page (including items under “show more” links), every single page of reviews and every single photo. Evidence is archived on our server, and is easily accessible through our archive menu. You can even export an entire batch of PDF’s for a single property or date range to provide to your attorney’s office or for other compliance use outside our system. [See an example of our evidence capture documentation here.](#)

Our system runs evidence capture on all non-compliant listings for your community each week.

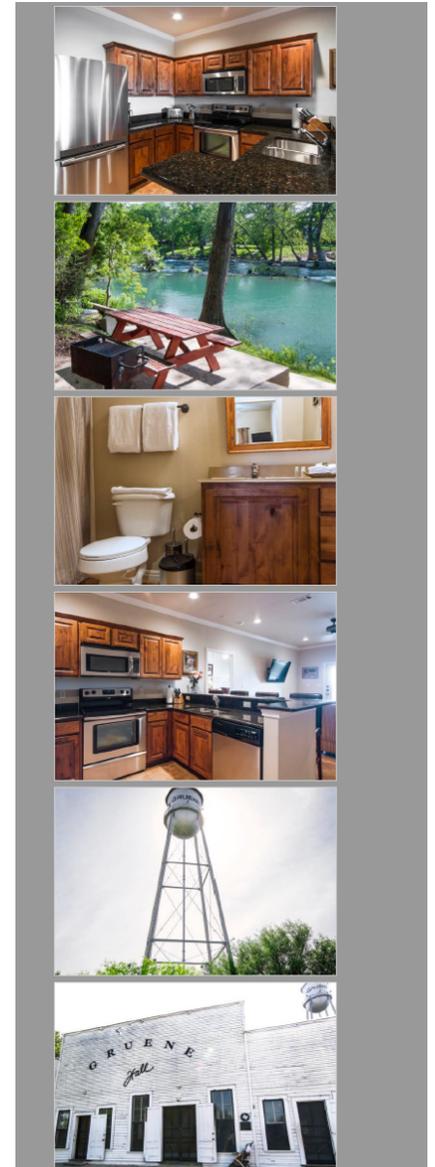
The time and date stamp on each evidence PDF allows you to determine the dates their advertisement was active. You can also filter to a particular property and export all evidence for that property into a single PDF.

The evidence includes all text on the page (including items under “show more” links), every single page of reviews and every single photo.

To the left, you can see an excerpt of 5 of the photos we captured in the PDF Evidence Capture for a particular property on May 7th, 2019 at 7:22:18 PM. All of the 15 photos are archived in a single PDF for proof of rental if ever needed by your staff.

Below, you’ll see an excerpt for the same property of the reviews that we capture in the PDF of the evidence capture. The PDF contains all 45 reviews in this single PDF, again for use for proof of rental activity.

All evidence is archived on our server, and is easily accessible through our archive menu. You can even export an entire batch of PDF’s for a single property or date range to provide to your attorney’s office or for other compliance use outside our system.



Listing Tracker

In addition, our Listing Tracker runs every five minutes on non-compliant property. This automated tool finds those problematic property owners who may list their advertisement on Friday night to capture a booking, and removes it by Monday morning when your staff is in the office. The minute our Listing Tracker sees the listing is active, the system captures evidence on the listing and store it in our system as a PDF. The evidence includes all text on the page (including items under “show more” links), every single page of reviews and every single photo. This evidence, coupled with the Listing Tracker to the minute technology, is a crucial tool in identifying, monitoring, notifying and documenting court evidence for problematic properties that claim they are not renting their home.

Listing Tracker – Evidence Automation for “Sneaky” Properties

The screenshot shows the 'E Capture Tracker' interface. At the top right, there are buttons for 'Tracker Report' and 'Export to Excel'. Below these are search filters: 'Search' (text input), 'Link Status' (dropdown set to 'Good'), 'Has Capture' (dropdown set to 'YES'), and 'Template' (dropdown). There are also date range pickers for 'Batch Created', 'Link Date', and 'Notifications Date'. A '# of Notifications Sent' dropdown menu is open, showing options like '>', '<', '<=', and '>='. 'Before Status' and 'After Status' dropdowns are also present. A 'Search' button and a 'Reset' button are at the bottom right of the filter area. Below the filters is a pagination bar with 'Previous', '1', '2', '3', '4', '5', '6', '7', '...', '87', and 'Next'. To the right of the pagination bar, it says 'Results 1 - 20 of 1738'. The main table has the following columns: ID, Advertisement(Adv) ID, RFS Number, Before Comp Status Id, After Comp Status Id, City, State, County, Batch Id, Batch Created, Link Status, Link Date, and ECapture Process Id. The table contains 7 rows of data.

| ID | Advertisement(Adv) ID | RFS Number | Before Comp Status Id | After Comp Status Id | City | State | County | Batch Id | Batch Created | Link Status | Link Date | ECapture Process Id |
|---------|-----------------------|------------|-----------------------|----------------------|---------|-------|-------------|----------|---------------------|-------------|---------------------|---------------------|
| 2389060 | 6037302 | 18-0002129 | Listing Removed | Listing Reactivated | Hana | HI | Maui County | 2507 | 2019-04-21 22:10:03 | good | 2019-04-21 22:15:46 | 3646 |
| 2389072 | 6038038 | 18-0002179 | Listing Removed | Listing Reactivated | Lahaina | HI | Maui County | 2507 | 2019-04-21 22:10:03 | good | 2019-04-21 22:16:45 | 3647 |
| 2389118 | 6052008 | 18-0001667 | Listing Removed | Listing Reactivated | Lahaina | HI | Maui County | 2507 | 2019-04-21 22:10:03 | good | 2019-04-21 22:20:48 | 3648 |
| 2389128 | 6052674 | 18-0001882 | Listing Removed | Listing Reactivated | Wailuku | HI | Maui County | 2507 | 2019-04-21 22:10:03 | good | 2019-04-21 22:22:09 | 3649 |
| 2388100 | 6009366 | 18-0001882 | Listing Removed | Listing Reactivated | Wailuku | HI | Maui County | 2506 | 2019-04-21 21:10:03 | good | 2019-04-21 21:13:27 | 3642 |
| 2388170 | 6038848 | 18-0001783 | Listina Removed | Listino Reactivated | Lahaina | HI | Maui Countv | 2506 | 2019-04-21 21:10:03 | ood | 2019-04-21 21:18:08 | 3643 |

Other

In addition to the Core Services itemized above, our system and reports can provide you with any other information necessary to pursue violations or respond to complaints. We are always happy to provide any assistance your team requires, including agreed-upon reports, market analysis and documentation at the request of City staff. From time to time, a reporting request may result in programming time, but we would communicate such possible costs as we discuss your team’s need together.

Room Tax Auditing

Our Remittance Audit Tool allows your team to compare booked activity from listing data with actual tax remittances. In addition, you can send notifications or utilize our Audit Workflow to track entities that you decide to audit. (Details continue on following page).

Sites

- AirBnB
- Booking
- CanadaStays
- Casamundo
- Craigslist
- DreamExoticRentals
- FlipKey

Variance %

Include ads that are no longer active

Booked

2019 TO 2019

Has Bookings

Manage Type

Search Per Page

| Reported Tax Remittance | Tax Receipts Variance \$ |
|-------------------------|--------------------------|
| \$0 | \$3,128 |
| \$42 | \$2,255 |
| \$80 | \$3,577 |
| \$32 | \$5,116 |
| \$62 | \$7,819 |
| \$23 | \$4,829 |
| \$15 | \$14,835 |
| \$0 | \$47,520 |
| \$0 | \$2,970 |
| \$94 | \$3,695 |
| \$102 | \$7,363 |
| \$58 | \$-58 |
| \$87 | \$5,827 |

| Bus. Id | Acct. # | Property Name | Area | Booked Nights | ADR For Date Period | Gross Receipts | Revenue Night % | Est. Gross Receipts |
|---------|---------|---------------|------|---------------|---------------------|----------------|-----------------|---------------------|
| | | | | 30 | \$79 | \$2,370 | 33 | \$782 |
| | | | | 30 | \$58 | \$1,740 | 33 | \$574 |
| | | | | 30 | \$92 | \$2,770 | 33 | \$914 |
| | | | | 30 | \$130 | \$3,900 | 33 | \$1,287 |
| | | | | 30 | \$199 | \$5,970 | 33 | \$1,970 |
| | | | | 30 | \$120 | \$3,600 | 33 | \$1,188 |
| | | | | 30 | \$375 | \$11,250 | 33 | \$3,713 |
| | | | | 30 | \$1,200 | \$36,000 | 33 | \$11,880 |
| | | | | 30 | \$75 | \$2,250 | 33 | \$743 |
| | | | | 29 | \$99 | \$2,871 | 33 | \$947 |
| | | | | 29 | \$195 | \$5,655 | 33 | \$1,866 |

Confidential Taxpayer Data

| Tax Rate | Est. Tax Revenue For Each Property | Reported Gross Receipts | Gross Receipts Variance \$ |
|----------|------------------------------------|-------------------------|----------------------------|
| 4 | \$3,128 | \$0 | \$782 |
| 4 | \$2,297 | \$2,090 | \$-1,516 |
| 4 | \$3,656 | \$3,988 | \$-3,074 |
| 4 | \$5,148 | \$1,601 | \$-314 |
| 4 | \$7,880 | \$3,093 | \$-1,123 |
| 4 | \$4,752 | \$1,150 | \$38 |
| 4 | \$14,850 | \$770 | \$2,943 |
| 4 | \$47,520 | \$0 | \$11,880 |
| 4 | \$2,970 | \$0 | \$743 |
| 4 | \$3,790 | \$4,721 | \$-3,774 |
| 4 | \$7,465 | \$5,098 | \$-3,232 |
| 4 | \$0 | \$2,905 | \$-2,905 |
| 4 | \$5,914 | \$4,325 | \$-2,846 |

Gross Receipts Variance

Audit Workflow

You can also insert an audit record and utilize our Audit Workflow for any properties that you wish to audit. The Audit Workflow includes:

1. Audit Period
2. Audit Commencement & Completion Date
3. Data from the Audit Period that triggered the Audit (i.e. Estimated Tax Revenue vs Reported Tax Revenue)
4. Workpaper documentation & Upload within the Audit to store your workpapers for the audit and any correspondence with the property owner.

Details
People / Users
Workflows
Collections (1)
Transactions
Audits
Notes(13)
System Logs (151)

Notifications(11)
Settings
Documents
Audit Log (16)

Editing [888888] Business: Support Testing Account
Save

Upload Document

Choose File
no file selected
Upload

Document Repository for Audit & Other
 Property Correspondence

Filter

Q
Date From

To

Search

| Name | Document | Created | Action |
|---------------------------|--|---------------------|---|
| Reservation System Export | Reservation System Export.xlsx | 2019-05-08 12:35:17 | Download Delete |
| | Screen Shot 2018-10-25 at 7.26.17 PM.png | 2018-10-25 19:50:15 | Download Delete |

Editing [888888] Business: Support Testing Account
Save

Optional: Marketplace Booking Reporting

To provide the best data for auditing under or non-reporting properties, our Tax Remittance Compliance tools include an online reporting module through which properties declare their actual booking activity, by listing platform. This fills the gap that Cities experience when they receive tax remittances from listing platforms, like Airbnb, but do not receive the corresponding nightly stays or nightly rates by property.

| Occupied Nights | | | |
|-----------------|--------------------------------|--|-------|
| A | Airbnb Nights * | | 10.00 |
| B | VRBO Nights * | | 1.00 |
| C | Flipkey Nights * | | 1.00 |
| D | Other Nights * | | |
| E | Total Occupied Nights * | | |

| Marketplace Remitted Taxes | | | |
|----------------------------|---|--|---------|
| 6 | Less Airbnb Gross Rentals (Remitted directly by Airbnb) | | 1000.00 |
| 7 | Total Marketplace Remitted | | 1000.00 |

| Gross Rental Revenue | | | |
|----------------------|---------------------------------|--|--|
| 1 | Airbnb Gross Rentals * | | |
| 2 | VRBO / HomeAway Gross Rentals * | | |
| 3 | Flipkey Gross Rentals * | | |
| 4 | All Other Gross Rentals * | | |
| 5 | Gross Rental Revenue | | |

| Occupancy Tax Exemptions | | | |
|--------------------------|--|--|--------|
| 8 | Exemptions - Guests of 30 Days or More | | |
| 9 | Exemptions - Tax Exempt Certificate | | 500.00 |
| 10 | Exemptions - Other | | |
| 10 | Total Exemptions | | 500.00 |

| Tax Form Calculations | | | |
|-----------------------|---|--|---------|
| 11 | Net Taxable Rental Activity | | 1000.00 |
| 12 | Amount of Occupancy Tax Due (4% x Line 11) * | | 40.00 |
| 13 | Add Excess Tax Collected | | 0.00 |
| 14 | TOTAL TAX DUE * | | 40.00 |

Optional: Registration and Permitting System

A crucial aspect of any vacation rental compliance effort includes an easy to use, but effective registration and permitting system. Currently, over 50,000 properties, managers and businesses manage their compliance online through our system and find it so easy to use. "I just want to compliment the Town of Carbondale for making it **extremely easy** to do business with you. I love the munirevs.com site. If only it were as easy to do business with the rest of the municipalities! Thank you for leading the way!" - Anonymous property owner in Carbondale, Colorado.

Registration

Our dynamic workflows allow the customized registration requirements based on business type, and also allow for nimble changes in the future. They system manages and stores the necessary short term rental tasks.

- It is easy to collect a copy of their required document, whether it is liability insurance, parking plan, and or affidavit using our document upload task to present that requirement and store it for City staff access.
- Whether it is an internal inspection form, calculating fee or new form, a document upload or just an informational message, our workflow tools allow the creation and adjustment of workflows as needed.
- And, our automatic reminders will email property owners to remind them of their next task to keep them moving through the process! This ensures that they become compliant as soon as possible AND that your team always has complete applications to review in our approval process.



Account Center

Demo > Account Center

Action Center

MESSAGES

NEED ASSISTANCE? Our support team is here to help! Just email us at support@munirevs.com or call 888-751-1911.

Click [HERE](#) for FAQ's.

MESSAGES

ALERTS

You have 4 Tasks to complete.

OPEN TASKS past due tasks.

Animas Riverview Cottage
This account has an **Account Balance**. Click here to remit or use your balance.
Business License - Home Occupation - New
▶ Read Business License - Avon Code Provided 5/2015 (new)

Beachfront Condo
Tourism Occupancy Tax (March 2019)
▶ Submit Accommodations Tax (Dec 2018) (new)

Mountain Chalet by the Sea
Business License - Fixed Location
▶ Read Business License - Avon Code Provided 5/2015 (new)

Oceanside Breeze Condo
Short Term Rental License
▶ Submit Address Confirmation (new)

Manage Your Account(s)

Print your License/Permit, or make account changes by clicking on your account(s) below.

| Name | DBA | Acct# | Code |
|----------------------------|---------|--------|--------|
| Animas Riverview Cottage | N/A | 001064 | H3W4UN |
| Beachfront Condo | Unit #2 | 014210 | 1WL7N7 |
| Mountain Chalet by the Sea | N/A | 012636 | 3RFE3U |
| Oceanside Breeze Condo | N/A | 008076 | VCCPWT |

▶ Add or remove accounts from your user login by clicking here.
✂ Need a Contractor's License? Click here.

Action Center 1

Clear Creek County > Business Center > Task

✔ Document Received.
✔ Next Task: Liability Insurance for Short Term Rental.

Any Town USA
Liability Insurance for Short Term Rental
999998
LODGINGRevs Testing Property Manager

Document Uploader

Upload required: Liability Insurance for Short Term Rental*

All STR owners shall maintain appropriate liability insurance. Please provide a copy of your Certificate of Liability Insurance. Liability insurance information can be found here.
If you have any questions, please use the contact information below.
Email: planning@anytownusa.org
Phone: 111-111-1111

Upload in any file format (i.e. Excel, Word, PDF, jpg, etc.) *

No file chosen
(max size 10MB)

NOTE: All uploaded files are strictly confidential and are encrypted upon upload.

Sample Property Task 1

Approvals & Permitting

Our approval process allows for easy to use inter-departmental collaboration, including inspections, account edits and customized business owner outreach.

| | | |
|---|----------------------|-------------------|
| Info Message: New Short Term Rental Property Instructions | Period 10/07/2018 | Due 11/07/2018 |
| Submission Type ID: <input type="text"/> | | |
| Status: Complete | | |
| Form: Short Term Rental Permit Information | Period 10/07/2018 | Due 11/07/2018 |
| Submission Type ID: <input type="text"/> | | |
| Status: Complete | | |
| Form: Local Contact for Short Term Rentals | Period 10/07/2018 | Due 11/07/2018 |
| Submission Type ID: <input type="text"/> | | |
| Status: Complete | | |
| Info Message: Required Submissions | Period 10/07/2018 | Due 11/07/2018 |
| Submission Type ID: <input type="text"/> | | |
| Status: Complete | | |
| Document: Well Permit or description of Water Supply | Period 10/07/2018 | Due 11/07/2018 |
| Submission Type ID: <input type="text"/> | | |
| Status: Complete | | |

| | |
|---------------------------------------|--|
| Document: Onsite Wastewater Treatm | Submission Type ID: <input type="text"/> |
| Status: Complete | |
| Document: Scaled Site Plan | Submission Type ID: <input type="text"/> |
| Status: Complete | |
| Document: Liability Insurance for Shc | Submission Type ID: <input type="text"/> |
| Status: Complete | |

Workflow Example 1

| | | | |
|--|---|---|---|
| Approvals | Notes | Inspection Report Sent | Audit Log |
| Any Town USA Home Occupied Business Permit | | | Santa's Workshop 005696 450 Any Street North Pole, USA Santa Claus |
| | | | <input type="button" value="Append a Business Workflow"/> <input type="button" value="Final Approval"/> |
| Business Info | | | |
| Business Name Santa's Workshop | <input type="button" value="edit"/> | Account Owner Santa Claus santa@me.com | <input type="button" value="edit"/> |
| Type: Architect Area: In Town Entity: Sole Proprietor | | Task Due Date 01/17/2018 | |
| Business Address 401 Elk Ave Crested Butte, CO 81224 | | Mailing Address PO Box 555 Crested butte, CO 81224 | |
| Approval Routing Occupancy Group: <input type="text"/> | | | |
| <input type="button" value="Approve"/> Sales Tax & Licensing New Business Approval | <input type="button" value="Approve"/> Community Deve opment Home Occupation Permit | <input type="button" value="Approve"/> Building Official Home Occupation Permit | |
| <input type="button" value="Form: New Business Application"/> | <input type="button" value="Approval: New Business Approval"/> | <input type="button" value="Approval: Home Occupation Permit View"/> | |

Staff Approval Workflow Example 2

Forward Looking Review, Analysis and Updating

Since 2011, we have been committed to pioneering best practices in vacation rental compliance, and more than delivering reports or data, we actually deliver compliance and tax revenues. To that end, we are continually working with our clients to determine if we could recommend any adjustments to policies, or, to workflows or automation within our integrated permitting system. The ability for us to help you adjust communications, required tasks, documents and information that you are collecting from your properties is virtually endless.

Achieve Results with LODGINGRevs!

Again, thank you for the opportunity to propose our solution, LODGINGRevs, which, we are confident, can best meet The City of Newport's needs.

REFERENCES

Town of Telluride, CO

Vacation Rental Compliance and Online Registration Systems Since 2011

668 Short Term Rentals, 98.02% Compliant

Tiffany Kavanaugh, Town Clerk

tkavanaugh@telluride-co.gov

970-728-2157

P.O. Box 397 Telluride, Co 81435

Town of Mountain Village, CO

Vacation Rental Compliance, Online Registration, and Tax Collection Since 2011

418 Short Term Rentals, 94.15% Compliant

Kevin Swain, Finance Director

KSwain@mtnvillage.org

970-369-6407

455 Mountain Village Blvd. Suite A

Mountain Village, CO 81435

County of Maui, HI

Vacation Rental Compliance Since July, 2018

28,841 Active Listings, 99.21% Compliant

Ana Lillis, Zoning Administration and Enforcement Division

Ana.Lillis@co.maui.hi.us

808-270-7253

2200 Main St. Suite 335, Wailuku, HI 96793

Town of Avon, CO

Vacation Rental Compliance, Online Registration, and Tax Collection Since 2013

217 Short Term Rentals, 89.22% Compliant

Former Host Compliance Client

Martha Anderson, Finance Manager

manderson@avon.org

970-748-4445

100 Mikaela Way P.O. Box 975 Avon, CO 81620

Big Sky Resort Area District, MT

Vacation Rental Compliance Services, Online Registration, and Tax Collection since 2017

477 Short Term Rentals, 95.75% Compliant

Former STR Helper (now Host Compliance) Client

Whitney Brunner, Administrative Officer

whitney@resorttax.org

406-995-3234

11 Lone Peak Drive Suite 204 Big Sky, MT 59716

New Braunfels, TX

Vacation Rental Compliance Services, Online Registration, and Tax Collection since 2019

540 Short Term Rentals, Compliance Process Commenced in May 2019

Former Host Compliance Client

Awarded in Competitive Bid Process in January, 2019

Melinda Slusser, Senior Accountant

Mslusser@nbtexas.org

830-221-4386

City of Dallas, TX

Vacation Rental Compliance Services, Online Registration, and Tax Collection

Initial Census Underway of over 6,300 Listings

Awarded in Competitive Bid Process in January, 2019

***** System Conversion Currently in Process***

| Exhibit A | | | | |
|--|----------------------|------------------------------|----------------------------------|--|
| LODGINGRevs Short Term Rental Site Inventory | | | | |
| | Listing Platform | Included in All Destinations | Included in Certain Destinations | Excluded: Non-USA Listing Platforms |
| 1 | Abritel | x | | France |
| 2 | Agoda | | | Japan |
| 3 | Airbnb | x | | |
| 4 | AlugeTemporada | | | Brazil |
| 5 | Belvilla | | | Europe |
| 6 | Bookabach | | | New Zealand |
| 7 | Booking.com | x | | |
| 8 | CanadaStays | x | | |
| 9 | Casamundo | x | | |
| 10 | Cofman | | | United Kingdom |
| 11 | Craigslist | x | | |
| 12 | CyberRentals | x | | |
| 13 | Dobovo | | | Ukraine |
| 14 | Dream Exotic Rentals | x | | |
| 15 | e-Domizil | | | Europe |
| 16 | Evolve | x | | |
| 17 | Expedia | x | | |
| 18 | Flat4Day | | | Turkey, Europe, Middle East |
| 19 | Flipkey | | | |
| 20 | GreatRentals | x | | |
| 21 | HolidayLettings | x | | |
| 22 | HomeAway.co.uk | | | United Kingdom |
| 23 | HomeAway.com | | | |
| 24 | HomeAway.com.au | | | Australia |
| 25 | HomeAway.de | | | Germany |
| 26 | HomeAway.es | | | Spain |
| 27 | Homelidays.com | x | | |
| 28 | HomeLike | | | European |
| 29 | HouseTrip | x | | |
| 30 | HRS Holidays | | | European |
| 31 | Kozaza | | | Korea |
| 32 | LuxuryRetreats | | | |
| 33 | MountainSkiTrips | | Ski Destinations | |
| 34 | Niumba | | | Spain |
| 35 | Novasol | | | Denmark, Norway, France, Croatia, Italy and other European countries |
| 36 | OneFineStay | | | |
| 37 | Orbitz | x | | |
| 38 | OwnersDirect | x | | |
| 39 | PerfectPlaces | x | | |
| 40 | Stayz.com.au | | | Australia |
| 41 | Toprural.es | | | Spain |
| 42 | Travelmob | x | | |
| 43 | TravelStaytion | | | Europe |
| 44 | Tripadvisor | x | | |
| 45 | Tripping.com | x | | |
| 46 | Tripz | x | | |
| 47 | VacationRentals | x | | |
| 48 | Villas.com | x | | |
| 49 | VRBO | x | | |
| 50 | WeNeedAVacation | | Martha's Vineyard & Cape Cod | |



City of Newport

Confidential

Follow-up Information

Short Term Rental

Compliance, 24/7 Bilingual Hotline, and Tax Collection Support Systems
Cloud-Based Online Solutions

Tyler Fischer, *Community Partnership Manager at LODGINGRevs*

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Updated LODGINGRevs Deliverables and Pricing

LODGINGRevs Short Term Rental Service Deliverables:

1. Short Term Rental Discovery

- The LODGINGRevs system will discover all available City of Newport short-term rental ad listings posted on all 30+ sites (See Exhibit A)

2. Short Term Rental Identification

- LODGINGRevs will maintain a City of Newport ad listing and property database in our system of all relevant ad and property data that is discovered
- All aspects of the system and the databases are accessible online by City staff with unlimited licenses.

3. Ad Listing and Property Reconciliation

- The system and our expert review team will analyze all City of Newport ad listings, connect the ad listings to property parcel data (inclusive of the zoning overlay flagging), and determine compliance & licensing status.

4. Data Reporting

- The LODGINGRevs system has extensive reporting and filtering functionality to provide City users with readily available short-term rental owner/manager contact data and compliance status
- City staff can access the compliance data via our online system and/or we can generate weekly reports for the code compliance staff.

5. Complaint Hotline

- 24/7 **Bilingual** complaint phone hotline and **bilingual** online complain reporting form
- Code Compliance centralized online complaint database with dashboard

6. Notifications

- The City may choose to use our simple integrated notification system
- The notifications module enables the City to easily create custom batch notifications using our data “smart fields”

7. Room Tax Auditing Tool

- Online room tax remittance audit reporting tool with booking frequency
- Estimated revenue reporting using revenue generating night agreed upon assumptions
- Audit tool that can query imported tax data to flag accounts to audit (optional API live data interface)

8. Marketplace Booking Reporting

- Property owner/manager login portal
- Task generation and management
- Online property owner/manager form to capture revenue generating books on separate ad platforms.

9. Compliance Officer Command Center

The disclosed fee structure below includes your one-time advertisement census, which consist of compliance reconciliation and noticing for all existing ad listings on the platforms referenced in exhibit A. **Our team does the compliance reconciling for you**, and at the end of this census; registration letters for the integrated registration system are ready to mail.

| LODGINGRevs Pricing Schedule | | |
|---|----------------------------|------------------------|
| Item | Implementation Cost | Monthly Cost |
| Short Term Rental Detection, Monitoring, and Compliance | | |
| Initial Census, including reconciliation, by our team of experts, to each registration and initial registration compliance notices. Also includes training of City staff on utilizing the platform and accessing reports. | \$2,000 | N/A |
| Vacation Rental Census Monitoring & Discovery, and Ongoing Compliance Database. Includes reconciliation by our team of experts. | N/A | \$650 / Month |
| Non-Compliant Evidence Capture | Included | Included |
| Listing Tracker – Evidence Capture Every 5 Minutes on Non-Compliant Properties | Included | Included |
| Online Complaint Form and Call Center During Business Hours | Included | Included |
| 24/7 Bilingual Compliant Hotline w/ dashboard integration | \$500 | \$300 / Month |
| Tax Remittance Compliance & Support | | |
| Remittance Audit Tool Audit Workflow | \$500 | \$450 / Month |
| Marketplace Booking Reporting | \$500 | \$200 / Month |
| Notifications Module – Unlimited Notification Templates, Targeted & Customized Notices by Compliance Status | Included | Included |
| Total | \$3,500 | \$1,600 / Month |

How We Will Deliver Newport Compliance

Approach to Identifying Operating Properties and Non-Compliance

LODGINGRevs has a proven track record of matching advertisements to parcel numbers, street addresses, unit numbers and owners' contact information. Matching ad listing to the correct parcel data is the key to successful identification, compliance evaluation, and effective notification. We implement our discovery process based off parcel data to ensure the highest degree of accuracy. Integrating zoning information into the parcel data is the most effective way to determine zoning compliance. If a zoning overlay is placed on ad listing latitude and longitude data then we would be reliant on the property owner's location pin drop. By connecting the ad listings to exact City parcel data we are able to determine compliance to the City's zoning ordinances. As discussed with Derrick, through the integration of the zoning overlay into the parcel data, we can flag properties against the zoning requirements of the ordinance. Our system and team also determine the different stages of compliance by determining the permit status of the property. We import the permit records into our system and reconcile against this data set, update the compliance status, and then targeted notifications can be sent.

Our proven process has been validated with all our clients; for instance, the County of Maui had 18,000 ad listings when our initial census commenced, and now they have around 25,000 listings. The County of Maui adds zoning parameters to the parcel data to flag different districts and compliance location-based compliance requirements. The County of Maui is at a 99% compliance rate. During the initial census, our system and team are able to match 98% of the ad listings to the required data, and we would reach out to Newport for matching assistance on only about 2% of the listings.

In our implementation of a compliance solution for the City, we will identify, monitor and enforce short-term vacation rental compliance in the City of Newport. Our compliance service will continually search, aggregate and identify duplicate listings from over 30 sites that we monitor. The LODGINGRevs system processes data twice a week. During our initial compliance process, the system extracts listing data and builds a cloud-based database of listings and properties for the City. In our listing data analysis, LODGINGRevs uses a combination of automated jobs and manual review to match advertisements to properties. The automated jobs are customized to the City of Newport's compliance rules and regulations. For instance, in the automated process, our system can perform jobs that analyze the short-term vacation rental listing data against the specific sets of parcel and permit data. Per the City's ordinance (4.25.030 D8), the system will automatically flag non-compliant ads/properties that exceed required occupancy limits. The occupancy limits are stored in the ad listing's data file and detail tab in the system's user interface. The City's dashboard can have a specific compliance status for "occupancy limit exceeded" so that targeted notification can be sent to these owners/managers. All automated processes are implemented immediately following the import of the City supplied data sets.

As we are implementing property matching and determining compliance statuses, City staff have access and reporting to monitor every step of the way. Staff can view the customized dashboard and click into reports within the compliance statuses. We work with our clients to ensure that we are delivering the right solution for their specific needs. Our proven ability to match ad listings to properties and determine compliance status enables our clients to send out targeted notifications, and these notices provide direct insight into the property owner/manager's next steps. So, whether a property is missing their certificate number on their advertisement, or have another deficiency entirely, our Notifications Module allows the compliance officer to have a unique notice for each deficiency, to document it and to have it easily accessible. This allows the compliance officer make certain that property owners understand exactly what actions are required for their specific deficiency, rather than a blanket or universal letter that may confuse the property owner/manager.

When it comes to sending notifications, we will work with the City and Compliance Officer to create custom branded notifications that can be sent through our automated batch email notification module or printed as PDFs and mailed by City staff (local postmark). In our ongoing compliance property identification, monitoring, reconciliation, and notification, we work with your team all the way; we respond to your needs as they evolve.

In collaboration with our clients, we achieve desired compliance results right away, and benchmark compliance rates have continuously tracked above 90% in the first year.

Accurately Identify Parcels for Each Ad Listing

Through a blend of automation and expert review, LODGINGRevs has the tools and knowledge to accurately match advertisements to properties. We will use the parcel data with integrated GIS overlay information to identify STR rentals that are operating in the prohibited land use zone. These operators would have their own compliance status and can receive a cease renting notice and a waitlist notice; which would be a different notice than those who need to obtain a permit.

LODGINGRevs staff have experience with the tough to identify properties. In Maui, we frequently see advertisements with just a few photos, and only one of them being of the outside of the house. Our first step in tackling the property matching, and is something that we do on all listings, is to review the reverse geocode address. When the property owner creates their listing, they make a “pinpoint” where they say their property is located. When we bring the listing into our system, we take the longitude and latitude of that pinpoint and come up with an address of where we think the property is located. On the screenshot below, the Advertised Street Address is the reverse geo code address (from the property owner), and the Business Address is the confirmed address (confirmed by our team.) The reverse geocode address and confirmed address are just a few houses off:

The 'Location' form contains the following fields:

- Advertised Street Address:** 3237 Keha Dr
- Advertised City:** Kihei
- Advertised Postal Code:** 96753
- Advertised State:** HI
- Geo Code City:** Kihei
- Business Address (If Business is Confirmed):** 3254 KEHA DR
- Latitude, Longitude:** 20.69969, -156.42446

The 'Basic Info' and 'Profile' forms contain the following fields:

- Basic Info:**
 - Owner Name:** Kihei Shores
 - DBA (Property Address):** [Empty]
 - Description:** [Empty]
- Profile:**
 - Business Type:** [15] Complex / Master TMK
 - District (Area):** 39
 - Section:** 9
 - Zone:** 3

On the difficult to locate properties, we search for the reverse geocode address on the City Assessor website and use Pictometry to confirm the property. We are familiar with using the various layering on Pictometry, including Streets and Place Names, Parcel, and Permits. Pictometry allows use to identify the difficult to find properties without requiring City staff assistance.

An important thing to consider is that in addition to identifying the correct property, the ownership records need to be up to date so that the correct owner is notified. LODGINGRevs updates ownership records monthly, and we do so with no City staff time. The monthly update ensures that no time is wasted by incorrectly notifying the previous owner.

The project will be assigned full time property review specialists. They will be responsible for the manual review required on the difficult properties, and will set up the automated jobs. The project will be assigned a conversion manager who will work with City staff on the data and compliance requirements. There is no learning curve with our team as we have extensive experience to expedite compliance determinations.

Specific Newport Solution Examples

The LODGINGRevs solutions would be completely customized to the needs and regulations of the City of Newport.

Compliance Documentation

- Effective documentation and enforcement of non-compliance offences contribute to high compliance rates, and our solution will help the Compliance Officer manage these offences. In line with your outlined penalties, our system will provide the proactive tools to identify, monitor, and document these offences. Our listing tracker feature tracks the removal and re-activation of all non-compliant listings every five minutes, and we document each non-compliant ad listing instance with our evidence capture.

Enforcement

- The Compliance Officer has access to the compliance status in the dashboard or our advertisement filer, to easily filter to the different compliance statuses and send notifications directly to the property owner/manager regarding this specific compliance status. On these notifications, all relevant ad listings are aggregated onto one property notification.

STR Contact Info/Business Listing – Online Directory Ordinance (4.25.030 C4)

- The City can deploy a directory, similar to our “business directory” used by the Town of Mountain Village ([link here](#)) to provide public access to property information. Upon contract execution, we would include this item in our Kickoff Meeting agenda to discuss the desired fields the City would like to include in this public facing site. As noted in your ordinance, the “24 Hour Emergency Contact” can be included in the online directory so that the public can contact that person day or night if there is a problem with the property.

Complaints & 24/7 Hotline (4.25.030 C2 & D1)

- The integrated LODGINGRevs 24/7 Complaint Solution will meet all objectives of the city as the hotline solution is seamlessly integrated into our system.
 - Online Bilingual Compliant Form
 - During Business Hours Bilingual Hotline
 - 24/7 Bilingual Hotline
- All complaint methods will trigger an immediate call to the emergency contact listed for the property and all of the complaint protocols will be documented and readily available for the Compliance Officer in the LODGINGRevs Complaints Dashboard.
- The protocol and procedures are ad developed specific to the City’s requests.
- Within the LODGINGRevs system the Compliance officer can identify, maintain, and manage all aspects of enforcement.

Initially Requested City Documentation for the Kick-Off Meeting

City Parcel Records

- Adding a column identifying the STR zoning GIS overlay by inputting field data to flag overlay boundaries

Permit Records

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Master Subscription Service Agreement

This Master Subscription Service Agreement (“**Agreement**”) is entered between MUNIRevs, Inc., a Colorado limited liability company (**MR**), and _____, a home rule municipal corporation and political subdivision of the State of Colorado (“**Customer**”) for the MUNIRevs Vacation Rental Compliance Module, LODGINGRevs.

- 1) **VACATION RENTAL AUDITING MODULE.** This Agreement provides Customer access to a proprietary vacation rental audit module which integrates to the MUNIRevs online revenue collection system (“LODGINGRevs”). All Services of MR, including but not limited to consulting, shall be governed by and subject to the terms and conditions of this Agreement, whether or not provided pursuant to one or more orders of Customer.
- 2) **USE OF SERVICE.**
 - a). **Vacation Rental Listing Integration.** LODGINGRevs locates vacation rental listings on 18+ sites, via the combined data processing that we provide from Airbnb.com, Craigslist, Flipkey, Invited Home, Luxury Retreats, Mountain Ski Trips, One Fine Stay, Tripz and VRBO / Homeaway. Note that some of these sites are aggregator sites that pull listings from other platforms, and by that mechanism we are pulling data from the 18+ sites. Our team continues to monitor new listing platforms and adds data processing capability as new platforms emerge that may have new, unique listings that are not also listed on the other platforms we already process.

Through our automated jobs and our property review team, we review each listing and perform the following:

- 1) review and update the compliance status;
- 2) for non-compliant listings, create the Notifications via our Notification Module. The Customer can have an unlimited number of notifications for the various states of compliance.
- 3) The Notifications module automatically emails any notifications that have an email address available (via the MUNIRevs system or other data on the account). Customer staff will print and mail, via a single PDF document, any notifications that either do not have an email address or the Customer would like to deliver via official mail. Customer staff can review all notifications, email delivery and email opens on every property.
- 4) LODGINGRevs integrates to the MUNIRevs system as follows:
 - a) When a new non-compliant property is discovered, an account (if necessary) and the required workflows for compliance are generated. For example, if a new listing is discovered, an account in MUNIRevs is created by our team and we assign the workflows for licensing and any tax forms due (hotel & sales tax) for all periods of rental.

b) In the MUNIRevs system, Customer users can link to the actual advertisements for advertising rentals.

5) LODGINGRevs includes a dashboard that assists the Customer in monitoring our compliance efforts, the Customer's compliance rates, and the ability to see the details and our teams notes and audit efforts for every advertisement and property.

- b). **MR Support and Responsibilities.** As with the MUNIRevs system, notifications from the LODGINGRevs portal can include MUNIRevs support contact and our support and property review team will provide customer support for the Services as further detailed in **Exhibit A** which terms are incorporated into this Agreement for all purposes.
- c). Reserved
- d). Reserved
- e). **Third Party Contractor Use.** Customer may allow its third party contractors to use the Service solely on behalf of and for the benefit of Customer and only in compliance with the terms and conditions of this Agreement. Customer is responsible for compliance with the terms of this Agreement by its third party contractors.
- 3) **PAYMENT TERMS.** Payment for all MR fees shall be as specified in **Exhibit A** which is incorporated herein and made a part of this Agreement. Unless otherwise provided in Exhibit A, all MR invoices shall be due and payable within 30 days of the date of the invoice. Customer must provide proof of its exemption from sales tax (if applicable), otherwise the Customer is responsible for all sales, use and similar taxes. Interest shall accrue at the rate of one percent (1%) per month, from the date of the invoice, on any payments not received when due.
- 4) **MUTUAL CONFIDENTIALITY.**
- a). **Definition of Confidential Information.** Confidential Information means all confidential information disclosed by a party ("**Discloser**") to the other party ("**Recipient**"), whether orally or in writing, that is designated as confidential ("**Confidential Information**"). MR's Confidential Information includes without limitation the Service, Licensed Documentation (defined in section 6.d. below), and Customer's Confidential Information, which includes without limitation, the Customer Data.
- b). **Protection of Confidential Information.** The Recipient must use the same degree of care that it uses to protect the confidentiality of its own Confidential Information (but in no event less than reasonable care) not to disclose or use any Confidential Information of the Discloser for any purpose outside the Service under this Agreement. The Recipient must make all commercially reasonable efforts to limit access to Confidential Information of Discloser to those of its employees and third party contractors who need such access for purposes consistent with this Agreement and who have signed 78 confidentiality agreements with Recipient no less restrictive than the confidentiality terms of this Agreement.

- c). **Exclusions.** Confidential Information *excludes* information that: (i) is or becomes generally known to the public without breach of any obligation owed to Discloser, (ii) was known to the Recipient prior to its disclosure by the Discloser without breach of any obligation owed to the Discloser, (iii) is received from a third party without breach of any obligation owed to Discloser, or (iv) was independently developed by the Recipient without use or access to the Confidential Information of the Discloser. The Recipient may disclose Confidential Information to the extent required by law, including a Colorado Open Records request. The parties acknowledge that a Colorado Open Records Request may seek information about MR's proprietary computer software programs and that computer software is not included in the definition of "Public Records" pursuant to C.R.S. 24-72-202(7) as computer software is specifically excluded from the definition of "Writings"; thus, making requests related to the computer software exempt from an Colorado Open Records Request.
- d). If MR's data system crashes or otherwise becomes disabled, MR shall use good faith and reasonable efforts to immediately recover the system and all Customer Data and shall be fully responsible for all costs incurred in the recovery of such data, with no additional costs to be borne by the Customer.
- 5) **PROPRIETARY RIGHTS.**
- a). **Reservation of Rights by MR.** The software, workflow processes, user interface, designs, know-how and other technologies provided by MR as part of the Service are the sole property of MR, and all right, title and interest in and to such items, including all associated intellectual property rights, are and shall remain only with MR. MR reserves all rights not expressly granted in this Agreement.
- b). **Customer Restrictions.** Customer *may not*:
- i. Use the Service or the Licensed Documentation beyond its internal operations;
 - ii. Reverse engineer the Service, the Licensed Documentation, the software or any other technology or Confidential Information associated therewith;
 - iii. Remove or modify any proprietary marking or restrictive legends in the Service and Licensed Documentation; or
 - iv. Access the Service or the Licensed Documentation to build a competitive product or service; or copy or derive any feature, function or graphic of the Service for competitive purposes.
- c). Reserved
- d). **Licensed Documentation.** Any Service user guides, sample data, marketing, training and other items provided through the Service or by MR, are licensed to Customer as follows: MR grants Customer a non-exclusive, license for the duration of the Service to such items for Customer's internal use solely with the Service, with the right to make additional copies of the material for the duration and purpose of the Service ("**Licensed Documentation**").

6) **EXCLUSION OF DAMAGES AND LIMITATION OF LIABILITY.**

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT AND OTHER THAN FOR GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT, NEITHER PARTY IS LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT (INCLUDING, WITHOUT LIMITATION, COSTS OF DELAY, LOSS OF DATA OR INFORMATION, AND ANY FAILURE OF DELIVERY OF THE SERVICE).

7) **EFFECTIVE DATE, TERM, TERMINATION, RETURN OF DATA AND SUSPENSION OF SERVICE.**

This Agreement shall be effective upon execution by both parties. The term of this Agreement shall be for the period of time set forth in Exhibit A ("**Term**").

- a). Upon termination by right by Customer for any reason or no reason, Customer shall pay any unpaid fees through the date of termination, and shall return or destroy all MR property. Customer upon request will confirm that it has complied with these requirements.
 - b). Within 30-days after termination of this Agreement, MR shall export to Customer all Customer Data from within the Service only in CSV format. MR does not ensure the availability of all of Customer Data for export after such 30-day period and MR shall have no obligation to store the Customer Data and may destroy such data without further notice to Customer.
 - c). **Annual Appropriation.** This Agreement is subject to annual appropriations by the Customer Council (the "**Council**").
 - d). **Termination for Material Breach.** Notwithstanding the provisions of subparagraph a) of this section, if either party is in material breach of any term of this Agreement, the other party may terminate this Agreement effective at the end of a written 30-day notice/cure period, if the breach has not been cured.
- 8) **COOPERATION.** The parties shall reasonably cooperate to ensure timely and accurate delivery of Service. Specifically, Customer agrees to provide complete and accurate information to MR when and as requested. MR shall not be responsible or liable for delays resulting from Customer's failure to provide timely or accurate information. Payment of MR's fees set forth in **Exhibit A** shall not be reduced, delayed or modified as a result of Customer's failure to provide timely or accurate information.

9) **MISCELLANEOUS.**

a). **Governing Law.** This Agreement is governed by the law of the State of Colorado without regard to conflicts of law principles. Venue and jurisdiction is proper in the state courts sitting in San Miguel County, Colorado.

- b). **Attorney Fees and Costs.** The prevailing party in any litigation or other legal proceeding shall recover its reasonable attorneys' fees and costs from the other party.
- c). **Money Damages Insufficient.** Any breach by a party of this Agreement or violation of the other party's intellectual property rights could cause irreparable injury or harm to the other party. The other party may seek a court order to stop any breach or avoid any future breach.
- d). **Entire Agreement and Changes.** This Agreement and **Exhibit A** constitute the entire agreement between the parties, and supersede all prior or contemporaneous negotiations, agreements and representations, whether oral or written, related to this subject matter. No modification or waiver of any term of this Agreement is effective unless in a written instrument signed by both parties.
- e). **No Assignment.** Neither party may assign or transfer this Agreement to a third party.
- g). **Enforceability.** If any term of this Agreement is invalid or unenforceable, the other terms remain in effect.
- h). **No Additional Terms.** MR rejects additional or conflicting terms of any Customer form-purchasing document. i). **Order of Precedence.** If there is an inconsistency between this Agreement and **Exhibit A**, **Exhibit A** prevails.
- j). **Survival of Terms.** Any terms that by their nature survive termination or expiration of this Agreement, will survive.
- k). **Headings.** Headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
- l). **Notices.** Any notices permitted or required under this Agreement shall be deemed given upon the date of personal delivery or 72 hours after deposit in the United States mail, postage fully prepaid, addressed to the recipient address as set forth below their signature or at any other address as any party may, from time to time, designate by notice given in compliance with this section.
- m). **Counterparts Facsimiles; E-Mail.** This Agreement may be signed in any number of counterparts, which together shall constitute one and the same instrument. Original signatures of the parties hereto on copies of this Agreement transmitted by facsimile or electronically/scanned and e-mailed copies shall be deemed originals for all purposes hereunder, and such copies shall be binding on all parties hereto.
- n). **Independent Contractor.** It is understood that MR is an independent professional contractor and that MR will not in any event be construed as or hold themselves to be employees of Customer. It is also agreed that MR, as an independent contractor, is not restricted to working exclusively for Customer during the Term of the Agreement. MR and any persons employed by MR for the performance of the Service hereunder shall be independent contractors and not agents of the Customer. As an independent contractor, MR is not entitled to workers' compensation benefits except as may be provided by the independent contractor nor to unemployment insurance benefits.. MR is obligated to pay all federal and state income tax on any moneys earned or paid pursuant to this Agreement.
- o). **Sharing Data.** MR understands that the information from the Customer is strictly protected under Colorado Law as confidential data. If MR shares any data from its services employed

under this Agreement such data shall only be in the aggregate form and shall not identify, in any way, a specific business along with confidential data of such specific business.

p) **Insurance.** MR shall procure and maintain, and shall cause any subcontractor of the MR to procure and maintain, the minimum insurance coverages listed below. Such coverages shall be procured and maintained with forms and insurers acceptable to Customer. All coverages shall be continuously maintained to cover all liability, claims, demands, and other obligations assumed by the MR. In the case of any claims made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage.

1) Worker's compensation insurance to cover obligations imposed by applicable laws for any employee engaged in the performance of Services under this Agreement, and Employers' Liability insurance with minimum limits of five hundred thousand dollars (\$500,000) each accident, five hundred thousand dollars (\$500,000) disease - policy limit, and five hundred thousand dollars (\$500,000) disease - each employee.

2) Commercial General Liability insurance with minimum single limits of one million dollars (\$1,000,000) each occurrence and two million dollars (\$2,000,000) aggregate. The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, independent contractors, products, and completed operations. The policy shall include coverage for explosion, collapse, and underground hazards. The policy shall contain a severability of interests provision.

3) Comprehensive Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than one million dollars (\$1,000,000) each occurrence and one million dollars (\$1,000,000) aggregate with respect to each of MR's owned, hired, and non-owned vehicles assigned to or used in performance of the Services. The policy shall contain a severability of interest provision. If the MR has no owned automobiles, the requirements of this paragraph 3) shall be met by each employee of MR providing Services to the Customer under this Agreement.

The policies referenced above, with the exception of Worker's Compensation, shall be endorsed to include Customer and Customer's officers and employees as additional insureds. Every policy required above shall be primary insurance, and any insurance carried by Customer, its officers, or its employees, or carried by or provided through any insurance pool of Customer, shall be excess and not contributory insurance to that provided by MR. MR shall be solely responsible for any deductible losses under any policy required above.

MR shall procure insurance via the MRs online payment system Master Subscription Service Agreement and no additional coverage is required for this additional product contract.

This Section Intentionally Left Blank. Please See Next Page for Exhibit A, followed by the Signature Page.

SAMPLE

Exhibit A

MUNIREvs Hosting Support Order Form and Terms Vacation Rental Audit Module

Renewals of this Support Order: This annual Application Hosting Order (“**Support Order**”) renews annually, automatically on the contract anniversary of each year unless either Customer or MR provides the other with written notice of non-renewal at least 120 days prior to termination of the Agreement.

Terms: This Support Order is governed by the terms of the Master Subscription Services Agreement (“**Agreement**”) between the parties, which terms are fully incorporated into this Support Order for all purposes. If there is a conflict between the terms of this **Exhibit A** and the Agreement, this **Exhibit A** governs. This **Exhibit A** and the Agreement are the entire agreement between the parties, and they supersede and replace all prior and contemporaneous negotiations, agreements, representations and discussions regarding this subject matter. MR expressly rejects any additional or differing terms of Customer not agreed to in a written instrument signed by MR and Customer.

Due Dates: MR’s monthly fees for LODGINGRevs are billed at the beginning of each month and can be added to the Customer’s current monthly ACH payment to MUNIREvs, Inc.

Support Terms:

Support Hours: 8 am to 5 pm, MST (Monday – Friday), excluding Federal

Holidays Support Phone: 888-751-1911

Support E-mail: support@munirevs.com

Included Components

- Phone & E-mail support to property owners from compliance notifications.
- Hosted server, including daily & weekly back up
 - Maximum data loss of 24 hours
- Unlimited logins by Customer and Customer’s Business Owners

Excluded Services. The following shall not be provided unless otherwise agreed:

- Revenue Auditing Reporting & Services for Under Reporting

From the initial implementation through any future month, our automated compliance includes the following:

1. Ongoing monitoring of property listings, following this process:
 - a. **Identify:** Initial load of property advertisements from major rental sites into MRs system (i.e. vrbo.com, flipkey.com, airbnb.com).
 - b. **Reconcile:** Reconciliation of property advertisements with existing business records to isolate noncompliant listings.
 - c. **Notify:** Generation of noncompliant property registration letters. Letters include MRs registration instructions and MRs support contact information **so our team can start helping them right away!**
 - d. **Automate:** Creation of required tasks for noncompliant properties to complete once registered. For example, license application & fees, prior period tax forms
2. **Unlimited** email & phone **support** for all businesses.
3. **Unlimited** user logins for both businesses and jurisdiction users
4. **Unlimited** phone & email support to business and administrative users
5. Software hosting & license fees for compliance module
6. Server & IT Infrastructure, including 365x7x24 maintenance and support
7. **Daily data backup**, managed by our expert IT team
8. Enhancements released to all similar MRs versions

Automated Rental Compliance Pricing Schedule

| Item | Initial Implementation Cost | Ongoing Monthly Cost |
|---|--|--|
| One Time Implementation Fee | \$2,500 | N/A |
| New Listing Discovery of Compliant Listings | N/A | \$50 / Month Flat Rate |
| New Listing Discovery of Non-Compliant Listings | N/A | \$50 / Month Flat Rate |
| Vacation Rental Census Monitoring and Ongoing Compliance database. This includes reconciliation by our automation and team of experts | N/A | \$600 / Month This is the minimum until the Customer exceeds 350 properties |
| Integrated Automated License & Tax Remittance System | \$500 Additional fees if custom programming forms are required. | Currently No Additional Cost Included in Existing MUNIRevs Pricing Schedule |
| Total | \$3,000 | \$700 / Month |

Customer

By: _____

Name

Title

Date

MUNIREvs, Inc

By: _____

Name

Title

Date

27696 Highway 145
Dolores, CO 81323

SAMPLE

Memorandum

To: Short-Term Rental Ordinance Implementation Work Group
From: Derrick I. Tokos, AICP, Community Development Director
Date: August 16, 2019
Re: Third-Party Enforcement Contract Implementation

On July 16, 2019, the city executed a contract with MUNIREvs Inc. for their package of short-term rental compliance services known as “LODGINGREVs.” A kick-off meeting was held on July 25, 2019 at which we discussed the data they needed, and steps that would be taken to ramp up the program. Lincoln County Assessment data and City short-term rental records were transferred to the vendor and have been loaded into their online database. The vendor is now matching advertisements to property records. That work should be completed by August 23, 2019. Staff training will occur the week of August 26, 2019.

LODGINGREVs will send warning letters, on behalf of the City, to persons identified as operating short-term rentals without a license. The boilerplate for those letters is enclosed as is the City’s flowchart of handling violations. These warning letters will be issued once per landowner. Any subsequent issues will go straight to a citation. Compliance issues with licensed short-term rental operators will be handled by a Newport Community Service Officer as those letters cannot be boilerplated.

The 24/7 complaint hotline is setup, as is an online complaint form. Here is a link to the form: <https://lodging.munirevs.com/complaint/?cityid=572>. There are English and Spanish versions. A link to the form will be posted to the city website and the hotline number will be distributed to the public once the staff training is complete.

Attachments

Violation Notification Templates
Enforcement Flowchart

POLICE DEPARTMENT
P.O. BOX 2260
NEWPORT, OREGON 97365-0167

COAST GUARD CITY, USA



169 SW COAST HWY
541.574.3348
www.newportpolice.net

COAST GUARD CITY, USA

[DATE]

[OWNER NAME]

[STREET ADDRESS]

[CITY, STATE ZIPCODE]

Re: Vacation Rental at [STREET ADDRESS].

Dear Property Owner:

The City of Newport has evidence that your property at [STREET ADDRESS] is being operated as a vacation rental, which is a type of short-term rental regulated by the City of Newport. Per Newport Municipal Code (NMC) Section 4.25.015, an owner of property within the city limits may not advertise, offer, operate, rent or otherwise make available for occupancy or use a short-term rental without a business license with a short-term rental endorsement. Our records indicate that you do not possess a business license with the required endorsement. Further, business licenses and endorsements for new vacation rentals are no longer available in the portion of the City where your property is located.

Newport Municipal Code Section 4.25.045(A) stipulates that advertising; renting; using; or offering for use, occupancy or rent; a short-term rental where the owner does not hold a valid endorsement is a code violation.

This correspondence serves as a warning letter, and you are hereby advised to cease advertising and operating the listed property as a short-term rental upon receipt of this letter. Violation of NMC 4.25.045(A) is subject to a civil penalty of \$500.00 per violation. Each day of violation constitutes a separate violation. If the violations have not been corrected by **[DATE PLUS 2-WEEKS]**, you will be subject to a civil penalty(s).

If you feel you have received this letter in error and are NOT operating a short-term rental, please email me at j.folmar@newportpolice.net or call me at 541.265.4854. Your immediate attention to this letter is appreciated.

Sincerely,

Jim Folmar
Community Service Officer
Newport Police Department



POLICE DEPARTMENT
P.O. BOX 2260
NEWPORT, OREGON 97365-0167

COAST GUARD CITY, USA



169 SW COAST HWY
541.574.3348
www.newportpolice.net

COAST GUARD CITY, USA

[DATE]

[OWNER NAME]

[STREET ADDRESS]

[CITY, STATE ZIPCODE]

Re: Short-Term Rental at [STREET ADDRESS].

Dear Property Owner:

The City of Newport has evidence that your property at [STREET ADDRESS] is being operated as a short-term rental. Per Newport Municipal Code (NMC) Section 4.25.015, an owner of property within the city limits may not advertise, offer, operate, rent or otherwise make available for occupancy or use a short-term rental without a business license with a short-term rental endorsement. Our records indicate that you do not possess a business license with the required endorsement.

Newport Municipal Code Section 4.25.045(A) stipulates that advertising; renting; using; or offering for use, occupancy or rent; a short-term rental where the owner does not hold a valid endorsement is a code violation.

This correspondence serves as a warning letter, and you are hereby advised to cease advertising and operating the listed property as a short-term rental upon receipt of this letter. Violation of NMC 4.25.045(A) is subject to a civil penalty of \$500.00 per violation. Each day of violation constitutes a separate violation. If the violations have not been corrected by **[DATE PLUS 2-WEEKS]**, you will be subject to a civil penalty(s).

You may contact the City of Newport Community Development Department at 541.574.0629, or visit their office at 169 SW Coast Highway, Newport, OR 97365, to discuss options available for obtaining a business license and endorsement for your short-term rental.

If you feel you have received this letter in error and are NOT operating a short-term rental, please email me at j.folmar@newportpolice.net or call me at 541.265.4854. Your immediate attention to this letter is appreciated.

Sincerely,

Jim Folmar
Community Service Officer
Newport Police Department





What Constitutes a Violation?

- A violation exists when the city has direct evidence that a short-term rental is being operated in a manner prohibited by NMC 4.25.045(A-E)
- Direct evidence includes, but is not limited to, copies of advertisements listing occupancy above approved limits, photographs showing required off-street spaces are not available, fire department identifies smoke detectors are inoperable upon inspection, etc.
- City may become aware of a violation as a result of the efforts of its own staff, a third party-vendor hired to assist with enforcement, or a citizen complaint
- A complaint registered with the City of Newport or its third-party vendor is not in and of itself evidence of a violation. A violation only exists if there is direct evidence that it occurred.
- Heresay evidence may supplement direct evidence but shall not be sufficient in itself to support a determination that a violation exists (ref: NMC 2.15.055(B))
- For licensed short-term rentals, circumstances where one or more violations are determined to exist at a given point in time are to be viewed as a single occurrence for purpose of applying progressive enforcement steps outlined in NMC 4.25.050

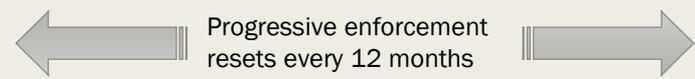


- Advertising; renting; using; or offering for use, occupancy or rent; a short-term rental where the owner does not hold a valid endorsement (NMC 4.25.045(A))
- Enforced as a civil infraction pursuant to NMC Chapter 2.15

- Cease and desist letter with evidence attached. Service by first class and certified mail. Two (2) weeks to correct or face citation
- May be issued by third-party vendor (on behalf of city)
- Licensing as corrective step is only an option if lot is within overlay, licenses are available under cap, and standards can be met
- Will issue one of these per owner. Repeat offenders to go straight to citation

- To be provided in writing with date, time, and place the alleged infraction occurred and other information per NMC 2.15.030(B)
- Includes a municipal code summons
- Service by first class and certified mail (NMC 2.15.035)
- Fine of \$500 per violation per day (NMC 1.50.010)
- Municipal Court judge decides if alleged infraction was committed and if fine is to be imposed

- Option if property is non-compliant after Municipal Court judgement is issued confirming violation exists
- City Attorney files petition seeking injunction and penalties
- Hearing(s) held before circuit court judge followed by court order
- Enforcement by Circuit Court, which could include fines and, if necessary contempt order and possible jail time



- Advertising; renting; using; or offering for use, occupancy or rent; a short-term rental that does not comply with the endorsement requirements of NMC Chapter 4.25
- Failure to comply with ongoing operational requirements (NMC 4.25.030(D))
- Failure of owner to pay room taxes per NMC 3.05
- Failure of owner or owners representative to respond to complaints or inquiries (i.e. city cannot reach in 3 attempts in 48-hours) NMC 4.25.045(E)

- For first violation in a 12-month period
- Will be issued, in writing, to the owner, listing the specific section or sections of the ordinance at issue and the evidence being relied upon to establish that a violation occurred
- The letter will further indicate that it serves as a warning letter, will provide a timeframe for correcting the violation, and will advise that failure by the owner to resolve the violation within the specified timeframe will result suspension of license

- Second violation in a 12-month period
- Will be issued, in writing, to owner under City Manager authority. Is to list specific section(s) of the ordinance at issue and the evidence being relied upon to establish a violation occurred
- The letter will further indicate that the license is suspended for 30-days and that violation is to be corrected
- Temporary revocation may be appealed to City Council (NMC 4.05.075)
- Short-term rental use during this period subject to citation

- Third violation in a 12-monthly period
- Will be issued, in writing, to the owner, listing the specific section or sections of the ordinance at issue and the evidence being relied upon to establish that a violation occurred
- Revocation will be by the City Manger and is subject to appeal to the City Council (NMC 4.05.075)
- Cannot reapply for 2 years (NMC 4.25.030(C)(9))
- Owners that operate with revoked license will be subject to a citation