



## SHORT-TERM RENTALS (STRs) UPDATE

Finance Department

**Land Use, Sustainability, and Resilience Committee**

August 14, 2023

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## BACKGROUND

Short-term rentals (STRs) defined in the Riverside Municipal Code (19.910.200) and regulated in Title 5.

“The rental of a dwelling, or a portion thereof, by the owner to another person or group of persons for occupancy, dwelling, lodging or sleeping purposes for a period of less than 30 consecutive calendar days. The rental of units within city-approved hotels, motels, and bed-and-breakfast inns shall not be considered to be a short-term rental.”



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## DISCUSSION

1. 10/2018: Council approved VCA for Airbnb to collect Transient Occupancy Tax (TOT).
2. 5/2019: Airbnb amended VCA requiring City to ensure collection enforcement of TOT.
3. 11/2020: City terminated VCA and contracted with HdL to provide TOT Management and STR services.
  - During transition process City collected TOT.
4. 7/2021: HdL started STR services and collection of TOT.



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## AIRDNA DATA

AirDNA data not a true reflection of STR landscape.

Zip Code Area	Entire Home			Private Room			Shared Room			Total		
	2019	2021	2023	2019	2021	2023	2019	2021	2023	2019	2021	2023
<b>92501</b>	27	27	63	13	5	13	0	1	0	40	33	76
<b>92503</b>	8	10	41	12	16	38	7	4	0	27	30	79
<b>92504</b>	8	7	31	11	15	10	0	0	0	19	22	41
<b>92505</b>	8	10	27	18	8	8	0	0	0	26	18	35
<b>92506</b>	13	13	52	31	22	22	2	2	0	46	37	74
<b>92507</b>	17	16	60	25	27	48	2	2	1	44	45	109
<b>92508</b>	2	10	26	19	12	14	0	0	0	21	22	40
<b>Citywide</b>	<b>83</b>	<b>93</b>	<b>300</b>	<b>129</b>	<b>105</b>	<b>153</b>	<b>11</b>	<b>9</b>	<b>1</b>	<b>223</b>	<b>207</b>	<b>454</b>



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## AIRDNA DATA VS. HdL DATA

AirDNA	HdL
Data inflated due to tracking listings that may be advertised on multiple online platforms.	Data is tracked by property.
Data may not filter out STR's over 30 days.	Data is filtered to only include 30 days or less as defined by RMC.
Self-reporting aspect is solely at discretion of renter (advertising entire home on one platform vs. private room on another).	
Data can be very fluid as homeowners have discretion to list and remove advertisements on any given month.	



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## HdL DATA

Comprehensive STR platform by Deckard Technologies. Identifies, tracks, and reports STR registrations, booking activities, licenses, and TOT.

Zip Code Area	Current	Balance Due	Delinquent	Pending	Account w/ Client	Closed	Inactive	Total
92501	28		2	8		7	9	54
92503	15	1		4	1	4	7	32
92504	9		1	2	1	3	4	20
92505	6		1	1		5	6	19
92506	26		3	9		13	14	65
92507	19		1	4	1	6	11	42
92508	7	1	1	4		1	5	19
Citywide	110	2	9	32	3	39	56	251



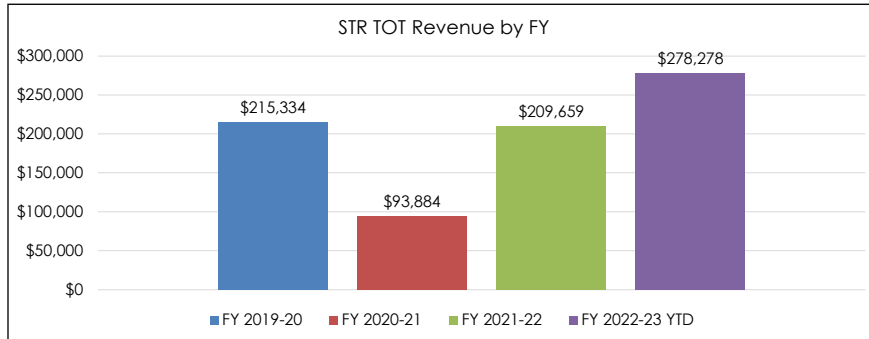
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## REVENUE DATA AND FISCAL IMPACT

1. Prior to FY 19-20, revenue reported with all City TOT.
2. Beginning FY 19-20, Hotel TOT and STR TOT separated.
3. Current FY projected increase of 52% from last FY.



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## STRATEGIC PLAN ALIGNMENT

### Strategic Priority 5 – High Performing Government

**Goal 5.2** – Utilize technology, data and process improvement strategies to increase efficiencies, guide decision making and ensure services are accessible and distributed equitably throughout all geographic areas of the city.

### Cross-Cutting Threads



Community Trust



Fiscal Responsibility



Sustainability &amp; Resiliency



Equity



Innovation



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## RECOMMENDATIONS

That the Land Use, Sustainability, and Resilience Committee receive and file a report on the status of STRs operating in the City of Riverside.



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