



CITY COUNCIL AGENDA REPORT

Meeting Date: November 18, 2021

From: John Swiecki, Community Development Director

Subject: Contract Renewal with Granicus (Host Compliance)- Short Term Rental Monitoring and Permitting

Community Goal/Result

Safe Community - Residents and visitors will experience a sense of safety

Economic Development - Brisbane will work with the businesses and residents to provide for economic vitality/diversity

Purpose

For the City Council to consider a one-year renewal of the City's current agreement with Granicus (Host Compliance) to provide short term rental (STR) monitoring and permitting services.

Recommendation

That the City Council authorize the City Manager to execute a one-year extension with Granicus to continue providing STR monitoring and permitting services.

Background

In 2020 the City adopted its STR ordinance which took effect in summer 2020 permitting short term rentals subject to a number of operational and performance standards. In early 2021 the City entered into a contract with a vendor (Host Compliance, now Granicus) to automate the STR permit process and monitor STR activity on multiple listing sites, allowing the City to initiate code enforcement as needed and pursue the collection of transient occupancy tax (TOT).

Discussion

The current agreement with Granicus ends in December 2021 and it is proposed the agreement be extended for an additional 12 months, through December 2022. Staff is supportive of extending the agreement an additional year. There was a substantial investment of staff time working with the vendor to develop the City's platform and training in using the system, which did not go live until June 2021. While the system has only been in place a short time, staff is generally satisfied with its performance based upon the limited usage to date. As expected there have been minor implementation issues and staff continues to work with the vendor to improve its ease of use. Extending the agreement another year will allow for staff to more fully familiarize itself with and utilize the system through the upcoming year. This will enable the

city to make a more informed decision at the end of 2022 regarding the continued use of the system. Choosing not to extend the agreement at this juncture would set back the City's STR permitting procedures, enforcement and TOT collection efforts. City staff does not have the resources or tools to effectively undertake a comprehensive proactive approach to STR enforcement, and would by necessity rely on complaints to initiate enforcement.

Fiscal Impact

The cost of renewing the service agreement through December 2022 will be \$11,247.00. The agreement cost for 2021 was \$10,511.

Measure of Success

Successful implementation of the City's STR Ordinance by permitting STRs consistent with the City's ordinance, eliminating unpermitted STRs and generating and collecting TOT.

Attachments

Granicus Proposal-STR rental permitting and Monitoring



John Swiecki, Community Development Director



Clay Holstine, City Manager



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THIS IS NOT AN INVOICE

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Order Form
Prepared for
Brisbane, CA

Granicus Proposal for Brisbane, CA

ORDER DETAILS

Prepared By: John Watkins
Phone: (323) 909-5189
Email: john.watkins@granicus.com
Order #: Q-159273
Prepared On: 09/30/2021
Expires On: 12/28/2021

ORDER TERMS

Currency: USD
Payment Terms: Net 30 (Payments for subscriptions are due at the beginning of the period of performance.)
Current Subscription
End Date: 12/28/2021
Period of Performance: 12/29/2021 - 12/28/2022

ATTACHMENT

PRICING SUMMARY

The pricing and terms within this Proposal are specific to the products and volumes contained within this Proposal.

Renewing Subscription Fees			
Solution	Billing Frequency	Quantity/Unit	Annual Fee
Address Identification	Annual	62 Rental Listings	\$2,985.30
Mobile Permitting & Registration	Annual	1 Each	\$5,350.00
24/7 Hotline	Annual	44 Rental Units	\$564.96
Compliance Monitoring	Annual	43 Rental Units	\$1,035.44
Rental Activity Monitoring	Annual	43 Rental Units	\$1,311.50
Tax Collection	Annual	1 Each	\$0.00
SUBTOTAL:			\$11,247.20

PRODUCT DESCRIPTIONS

Solution	Description
Address Identification	Ongoing monitoring of 60+ Short Term Rental websites including major platforms Airbnb, VRBO, HomeAway, Booking.com, FlipKey, & Expedia. Our machine learning will deduplicate all known Listings into unique Rental Units, where our identification team will provide owner contact information for further enforcement. This product includes:- Ongoing monitoring of all listings in your jurisdiction <ul style="list-style-type: none"> - Updating listing activity and details every 3-5 days - Screenshot activity of every listing - Deduplication of listings into unique Rental Units - Activity dashboard and map to monitor trends and breakdown of compliance
Mobile Permitting & Registration	Mobile-enabled online forms and back-end systems for streamlining the registration/licensing/permitting of individual short-term rental hosts. These registration forms and workflows include:- Parcel Number lookup and validation <ul style="list-style-type: none"> - E-Signatures - ACH, Debit, and Credit Payments exclusively powered by Stripe.com - Registration Number & Certificate creation - Document Upload - Renewals - Email confirmation - Admin approval & denial
24/7 Hotline	24/7 web and phone hotline for your community to report short term rental complaints such as parking, trash, noise disturbances, and illegal short term rentals. This product include:- Mobile-enabled online web form for citizens to submit tips or complaints (text, videos, and photos) <ul style="list-style-type: none"> - 24/7 call center for citizens to contact and report complaints verbally - Recordings for all call center complaints - Email notifications to your team when complaints are logged - Automatic outbound IVR calls and SMS messages to permit emergency contacts notifying them of the complaint - SMS support for emergency contacts to mark a complaint as acknowledged or resolved with the ability to send resolution notes - Hotline Dashboard for tracking complaint volumes, trends, and categories - Ability to upload Notes/Comments to each complaint

Solution	Description
Compliance Monitoring	Compliance monitoring provides up-to-date information for each identified Rental Unit and its compliance status. We configure your compliance definition specific to your jurisdiction rules and ordinances in order to provide up-to-date compliance status of each identified Rental Unit. Additionally, this product will:- Allow your team to send letters to non-compliant properties 24/7 - Configure letter templates with your branding and letterhead - Add as many letter sequences as you need for escalation - Monitor properties that become compliant after letter enforcement
Rental Activity Monitoring	Ongoing monitoring of Short Term Rental listings for signs of rental activity including historical revenue estimates & occupancy. Coupled with our Tax Collection product, users can also compare historical revenue estimates to actual reported revenue to identify those that may be underreporting and underpaying sales tax (i.e. TOT).
Tax Collection	Tax Collection can be built as a separate mobile-enabled form or coupled with Mobile Permitting & Registration in one single portal allowing your users to:- Report revenue monthly, quarterly, or annually and pay sales tax due (i.e TOT) - Remind users when they are registering for a permit/license to also report any back taxes - Collect ACH, Debit, and Credit Payments exclusively powered by Stripe.com

TERMS & CONDITIONS

- The terms and conditions set forth in the Agreement effective 12-29-2020 are incorporated herein by reference.
- This quote is exclusive of applicable state, local, and federal taxes, which, if any, will be included in the invoice. It is the responsibility of Brisbane, CA to provide applicable exemption certificate(s).
- Granicus certifies that it will not sell, retain, use, or disclose any personal information provided by Client for any purpose other than the specific purpose of performing the services outlined within this Agreement.
- Any lapse in payment may result in suspension of service and will require the payment of a setup fee to reinstate the subscription.
- Notwithstanding anything to the contrary, Granicus reserves the right to adjust pricing at any renewal in which the volume has changed from the prior term without regard to the prior term's per-unit pricing.
- Renewal pricing for Address Identification, Compliance Monitoring, Rental Activity Monitoring, 24/7 Hotline, Tax Collection, and Mobile Permitting & Registration is based on the average volume of rental listings or units for the preceding 10-12 months and is subject to volume-based pricing adjustments as described herein.

BILLING INFORMATION

Billing Contact:		Purchase Order Required?	<input type="checkbox"/> - No <input type="checkbox"/> - Yes
Billing Address:		PO Number: <i>If PO required</i>	
Billing Email:		Billing Phone:	

If submitting a Purchase Order, please include the following language:

The pricing, terms, and conditions of quote Q-159273 dated 09/30/2021 are incorporated into this Purchase Order by reference and shall take precedence over any terms and conditions included in this Purchase Order.

AGREEMENT AND ACCEPTANCE

By signing this document, the undersigned certifies they have authority to enter the agreement. The undersigned also understands the services and terms.

Brisbane, CA	
Signature:	
Name:	
Title:	
Date:	