

November 17, 2020

Honorable Mayor and Members of the City Council City Council Chambers 240 Water Street, Henderson, NV 89015

Dear Mayor March and Honorable Members of the City Council,

On behalf of Airbnb, thank you for the opportunity to provide input on the City of Henderson's draft amendments to the Short-Term Vacation Rental (STVR) Ordinance. We appreciate your willingness to allow us to share our expertise in creating short-term rental regulations, and we look forward to working with the City of Henderson as it considers an ordinance.

Since 2008, Airbnb has worked closely with hundreds of cities around the world to help communities realize the key benefits of STVRs for residents, visitors, and local economies through fair, balanced regulations. Our mission is to create a world where people can belong through healthy travel that is local, authentic, diverse, inclusive and sustainable. Our accommodation marketplace provides access to 7 million unique places to stay in more than 100,000 cities and more than 220 countries and regions, including the City of Henderson. In 2019, Airbnb hosts in Henderson earned a cumulative total of approximately \$5 million, and hosted over 30,000 guests which help support the local economy through transient lodging tax, sales tax, and local business activity.

We appreciate the City's efforts to address the unintended consequences of STVRs on neighborhoods and communities, but are concerned that the proposed ordinance would introduce new obstacles to hosting with adverse economic impacts to the city and its residents We have outlined our concerns below, and provided information about alternative ways to address these concerns.

# **Separation Requirements**

The proposed 1000 foot radial separation requirement on all STVRs is both unprecedented and overly restrictive. In our experience, few cities have sought to impose so-called "density" limits, and among those that have, a more common and balanced approach is a required separation of 100-200 linear (block face) feet in order to address concerns around neighborhood character and housing supply. Another approach is to establish a cap on STVRs as a percentage of the housing

stock, typically 1-2%. We ask that the City reconsider the arbitrary 1000 radial foot separation requirement and instead consider one of the alternatives mentioned here.

# Monthly Cap on Non-Owner Occupied STVRs

We appreciate that the City has allowed both owner-occupied and non-owned occupied STVRs, to help maximize their economic benefits. However, the intention of the proposed 21-day per month cap on non-owner occupied STVRs is unclear. Not only would this limit the amount of TOT revenues generated for the city, but it would also harm local residents. The COVID-19 pandemic has had a disproportionate impact on the travel industry, including short-term rental hosts and small businesses who rely on economic activity generated by tourism in their communities. Limiting STVRs will have a detrimental impact on those residents who have come to rely on hosting to supplement their income, particularly at a time when the pandemic has created widespread economic uncertainty. This cap is also incredibly complex to enforce and creates a system inherently designed to fail. We encourage the City to either remove this provision from the draft amendments, or alternatively consider adding an amendment that allows non-owner occupied STVRs to operate 252 nights a year, rather than 21 nights a month. The latter allows significant more flexibility to operators overall, particularly important during peak seasons and creates less administrative burden for hosts and compliance staff.

## **Street-Facing Security Cameras**

Airbnb's <u>security camera policy</u> requires STVR hosts to disclose all security cameras and other recording devices in their listings, and we prohibit any security cameras and other recording devices that are in or that observe the interior of certain private spaces (such as bedrooms and bathrooms), regardless of whether they have been disclosed. While front-facing cameras would not violate this policy, we strongly recommend that the City require all hosts to disclose any security cameras on listing advertisements in order to protect guest safety and privacy.

### **Hosting Platform Responsibilities**

We are committed to working with the City on an ordinance and enforcement mechanism that meets the City's goals. As written, hosting platforms will need to verify a registration number against a city registry before completing a booking. This would require the City to continuously maintain a list of permitted units that is updated daily, and ideally in real time. In our experience, this compliance method has been difficult for cities, even large cities with a large tourism base, to implement. And more importantly, this implementation scheme could be unduly burdensome for City staff and could result in some hosts being denied the opportunity to list their property on a hosting platform if the City is unable to maintain a registry in real time, which raises the possibility of a due process legal challenge brought by hosts and hosting platforms.

In lieu of this administratively burdensome compliance framework and potential City exposure to litigation, the intent of the ordinance — to prevent illegal listings from operating in the city — can be better met by requiring hosting platforms to remove illegal listings upon notice from the City. This notice and takedown framework is what Airbnb has agreed to in Santa Monica, San

Francisco, Los Angeles and Seattle, as well as in other jurisdictions like, Sacramento, Cupertino, and El Segundo. We have found that this compliance framework is more transparent, addresses the City's desire to address bad-actor listings, and allows the City and hosting platforms to jointly engage in implementing an enforceable short-term regulatory framework.

As discussed, to make notice and takedown easy for the City to implement, hosting platforms can make sure that hosts input a permit number with their listings. The City can then check the listings against their permit records and notify a hosting platform of any violations, which the hosting platform then removes within a predetermined amount of time. In addition to having a permit number listed on its short-term rental advertisements, hosting platforms can also provide the City a list of all short-term rental advertisements and their corresponding permit numbers.

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We appreciate the City's work to create short-term rental rules that protect public safety and neighborhood integrity, and stand ready to support your efforts to achieve this goal. We have dedicated significant resources to developing trust and safety tools and policies to address neighborhood nuisance, party houses, and other concerns that may arise. Outlined below are a few of these tools and policies to ensure that the City is not alone in its enforcement of its short-term vacation rental rules and that we stand ready to assist in any way we can.

# Addressing Neighborhood Nuisances

We have long standing policies, protocols, and procedures addressing safety and the potential misuse of Airbnb properties. In 2019, we built upon existing policies we already had in place to address the more serious trust and safety issues that result in immediate removal from the platform. We are also enhancing our system to better monitor for guests who disturb the community through situations involving excessive noise, major cleanliness concerns, unauthorized guests, unauthorized parking, or unauthorized smoking as well as hosts who allow such situations to continue once it's been brought to their attention. We will educate and take appropriate action against guests and hosts when we identify violations of our <u>Community</u> <u>Standards</u>.

To demonstrate our commitment to helping your community address problematic short-term vacation rentals in your community, we want to share our Airbnb Neighbors Tool (airbnb.com/neighbors) and 24/7 phone hotline (855-635-7754). It empowers your constituents, regardless of whether they have an Airbnb account, to report concerns regarding noise, parties and other nuisances directly to Airbnb, allowing us to take appropriate action to address the issue. If the concerned neighbor provides the listing's web address, an Airbnb team member will follow up personally with the neighbor. Constituents can also make inquiries or provide feedback anonymously. We encourage you to share this tool with your constituents, local neighborhood groups, Homeowners Associations and anyone else who you believe will benefit from the tool.

In addition, we have a full-time team committed to engaging with our law enforcement partners to assist with investigations of criminal activity and ensure the safety of our community. Law enforcement officials can submit both standard and emergency requests via our Law Enforcement Portal.

## Party House Ban

We have zero tolerance for unauthorized parties that create public safety risks and disturb neighbors, and have had a party ban in place since 2019. When the pandemic was declared earlier this year, and social distancing became an important element in promoting public health and responsible travel, we updated our policies. We started by removing both the "event-friendly" search filter from our platform as well as "parties and events allowed" House Rules from any event-friendly listings. Most importantly, we introduced a new policy requiring all users to adhere to local COVID-19 public health mandates. At the time, most local governments were imposing strict limits on gatherings, which effectively created a form-fitting, patchwork ban on parties and events.

Since then, public health mandates on gatherings have changed – and in some places swung back and forth in response to the changing rates of COVID cases – as have regulations on bars, clubs and pubs. Some have chosen to take bar and club behavior to homes, sometimes rented through our platform. We think such conduct is incredibly irresponsible. We do not want that type of business, and anyone engaged in or allowing that behavior does not belong on our platform.

Based on these developments, we instituted a global ban on parties and events, and capped occupancy at Airbnb listings at 16 people. To further reduce the number of unauthorized gatherings, we've launched an anti-party policy in the U.S. that restricts some guests under the age of 25 - those without a history of positive reviews - from booking entire home listings locally.

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Thank you for your consideration of the issues that we have raised regarding the proposed amendments to Henderson's STVR ordinance. We would like to reiterate our willingness to collaborate with the city in developing a fair, balanced regulatory framework, and our comments here are offered in that spirit.

Sincerely,

John Choi Policy Manager