

SHORT-TERM RENTALS

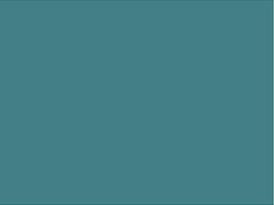
City of Columbia Public Information Meetings

Objectives

- Review Previous Meetings
- Give Clarifications and Answers to Frequently Asked Questions
- Review Tourism in Columbia & The CVB's Role
- Cover Next Steps in the Process
- Questions and Discussion

Recap of Previous Meetings

- Reviewed current Short-Term Rental climate in Columbia, including local statistics from AirBnB
- Reviewed information from Community Development regarding Zoning and Code Enforcement information
- Talked about next steps
- Answered questions and took feedback from attendees
- Previous presentation and notes available online



Clarifications & Answers

What is a Short-Term Rental?

- A short-term rental, or vacation rental, is the renting out of a furnished home, apartment or condominium for a short-term stay. The owner of the property usually will rent out on a weekly basis, but some vacation rentals offer nightly rates.
- A dwelling rented out on an online platform via websites including, but not limited to, AirBnB.com or VRBO.com. Short-Term Rentals are increasingly being used around the world as the lodging-of-choice for many travelers.

What STRs are in Columbia?

- There are currently hundreds of active Short-Term Rentals in Columbia, ranging from single room to full house accommodations
- Short-Term Rental openings and demand tend to spike during peak occupancy times
- Short-Term Rentals are already booking out for May graduations and fall football games
- Total AirBnB revenue for 2017 was \$2,821,971

Property Maintenance Inspections

- Could be rolled into City's existing rental inspection program
- Many short-term rentals already comply
- Inspections are interior and exterior
- Registration and inspection fees are \$86 for a three-year certificate
- Renewable after three years for \$43
- Occupancy definitions vary among cities

Cities in Missouri - Regulations

- Hazelwood & Chesterfield – Short-Term Rentals are prohibited in single family homes
- City of St. Charles – Conditional Use Permit required, limited to some areas of the city, annual inspection
- Maplewood – Conditional Use Permit and business license required
- City of St. Louis – Inspection required

Taxes & Collection

- Any sales or lodging tax placed on short-term rentals *is not* charged to the host.
- Taxes on short-term rentals, just like with hotels, are collected *from the visitor* and remitted to the City or State

Platform Agreements

- Whether at the State or Local level, tax collection by the online platform on short-term rentals requires an agreement between the individual platform and the government entity.
- Any local regulations for taxation on short-term rentals that are listed online would not be collected by the platform until an agreement was reached with the platform for collection and remittance.
- The government entities do not have to enter agreements with all platforms for tax collection to begin.



The Convention & Visitors Bureau

What is Tourism? Who is a Tourist?

- Simply put, tourism is someone choosing to travel, whether it's for work, pleasure, an event or even medical treatment
- Travelers (for the most part) choose a destination first, and then consider their lodging options
- Anyone who is in Columbia for a short-term stay qualifies as a tourist. This includes:
 - ▣ Traveling for leisure
 - ▣ Traveling for a conference
 - ▣ Traveling for a sports event
 - ▣ Traveling for your job
 - ▣ Visiting a college or university
 - ▣ Visiting friends or family

How the CVB Operates

- The CVB is fully funded by 4% of the 5% tax on hotel room stays. The 4% tax is paid by the visitors, collected by the hotels, and remitted to the City
- The CVB promotes Columbia as a destination through a robust marketing program and a strong sales team to bring in visitors of all kinds to our destination
- The CVB also supports the destination through its Tourism Development Program, which supports new and growing festivals, sporting events and attractions

How Short-Term Rentals Benefit

- If you are currently the host of a short-term rental, you are already benefitting from the work of the Convention and Visitors Bureau
- The marketing efforts of the CVB reach millions of potential visitors each year, resulting in hundreds of thousands of room nights, some of which are spent in short-term rentals

How Short-Term Rentals Benefit

- Attendees for conferences or sporting events often use short-term rentals during their event or on return visits to Columbia. Many of these events are the result of efforts by the CVB team
- The CVB supports industry partners throughout the destination, ensuring increased overnight visitors

Tourism's Local Impact

- Over 12,000 jobs in Boone County rely on the tourism industry
- Last year, there was over \$420 million in tourism-related spending in Boone County
- The spending by visitors to our destination not only supports local jobs and business, but also contributes to citizens' quality of life throughout the year



Next Steps



Compiling Feedback & Report

- City staff will combine survey results, open comments and feedback from both rounds of meetings
- In addition to feedback, research regarding short-term rentals in other destinations will be considered
- A report weighing all options, including recommendations, will be presented to City Council for feedback and guidance

QUESTIONS & DISCUSSION

Thank you for coming!