### **APPROVED**

### Lincoln Board of Selectmen's Meeting Minutes

### MARCH 31, 2022 - 3:30 PM

### LINCOLN TOWN HALL-148 MAIN STREET, LINCOLN, NH

Board of Selectmen Present via Zoom: Chairman OJ Robinson, Vice Chair, Tamra Ham and

Selectman Jack Daly

Public/Staff Present via Zoom: Sam Dean - GovOS, Garrett Lundberg - GovOS, Fire Chief, Ron Beard,

Planning Asst., Lisa Peluso

### I. CALL TO ORDER

Chairman Robinson called the meeting to order at 3:30 pm.

### II. DISCUSSION WITH GOVOS – SHORT TERM RENTALS

Chairman Robinson provided some background information on the Town of Lincoln's Short-Term Rental (STR) Ordinance and registration process as well as some of the key issues that have come up concerning STR's in the community.

Garrett Lundberg provided a brief presentation to the Board of Selectmen explaining GovOS's Short-Term Rental Monitoring and Enforcement Services (see attached). Some of the key data points that GovOS populates with its' software program are the following:

- Property & address identification technology
- Completing initial census and identification
- Determining property compliance status
- Targeted outreach and notifications
- Code enforcement activities
- Non-compliant property reporting tools
- Listing tracker feature report
- Mobile-enabled complaint form
- Town Administrator's approval process
- Capabilities for other licenses

Robinson questioned if the Town was to purchase the GovOS software program, what part of the process is the Town staff expected to do, and what part of the process does GovOS handle. Garrett explained that GovOS handles the initial census and ongoing property review, and the town utilizes this information to drive compliance. GovOS would be creating notification templates for letters that the town staff would be responsible for mailing out to the STR owners. Garrett also noted that GovOS can send the letters out on behalf of the town, however, this would entail additional costs to the town. Garrett added that town staff would also be responsible for approving the licenses as they come in.

The Board had several questions for GovOS and thanked them for their comprehensive presentation.

### III. ADJOURNMENT

With no further business to attend to, the meeting adjourned at 4:35 p.m.

Respectfully Submitted,

Jane Leslie

Approval Date: April 11, 2022

Chairman O.J. Robinson

MARCH 34, 2022 – MEETING MINUTES

Jack Daly

# Short-Term Rental Monitoring & Enforcement Services

Services Presented by:

Govos

A Kofile Company

PROPRIETARY AND CONFIDENTIAL

# **Scope of Services**

Summary of Scope of Services Available				
Ø	Online STR registration and Lodging Tax payment portal			
8	Comprehensive STR inventory and integrated compliance dashboard			
$\bigcirc$	Centralized online complaint management system to support online form complaints and option to add 24/7 live operated hotline module			
<b>Ø</b>	Robust reporting across entire database to provide dynamic reports for every department			
Ø	Dedicated support staff and account managers for city staff and business users			

### A Dedicated Account Manager & Unlimited Support

The Short-Term Rental Solution stands out amongst our competitors because we are the "customer-centric company"; our number one priority is to foster strong relationships and productive collaboration with our clients. In addition to offering the highest performing and user-friendly cloud-based platform, our solution includes the best client engagement and support in the industry. Our clients will attest to this. Implementing a new short-term rental management solution is a complicated task with many variables that requires carefully executed planning. When a city partners with GovOS, they have a dedicated Account Manager and a team of experts to guide them to success from beginning to end.

### Your Account Manager

Your Account Manager is your City's primary point of contact. They are STR experts with a constant finger on the pulse of the STR markets and ordinances nationwide. They oversee the entire process, from the kickoff meeting to strategy development to the first months of launch and onward. Your Account Manager will be available to you for both support and advisory services. Managers can be contacted directly by email, phone, or even Zoom to enable screen sharing. The City can schedule periodic meetings with the Account Manager to review reports and discuss status updates. The City will also have unlimited access to live reporting and up-to-date online data through the database.

### **Unlimited Support**

Our support team provides responsive and thorough training and resolution on all support inquiries from City staff <u>and</u> business users. In the past month, our support team's average resolution time for city and business users has been under 5 hours, and city staffs' inquiries are always given high priority.

As the City begins to conduct outreach to STRs through the GovOS Short-Term Rental Solution, our support team will provide unlimited direct support to business users with questions regarding notifications, the new process, and any issues. This will save your staff hundreds of hours of labor. Unlimited, high-quality support is the cornerstone of our solution.

### Welcome to the GovOS Portal

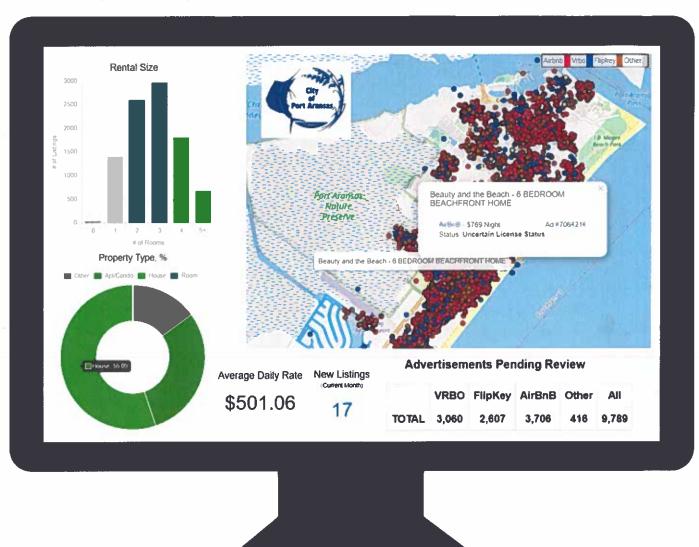
When GovOS partners with your community, we will create a customized portal for the City. The portal is the cloud-based platform that both our team and your staff will utilize for short-term rental monitoring, enforcement, notifications, registration/permitting, and tax remittances. City users will receive individual login credentials and be able to access the system 24/7/365.



# **Short-Term Rental Compliance Module**

### **Short-Term Rental Solution Dashboard**

The image below is an example of what the Portal's dashboard ("Home Page") for the city will look like. From the dashboard, a city user can easily access all the tools and resources that GovOS has to offer.



The Dashboard Map is a search engine that tells you everything you want to know about every STR in the city. It shows the aggregated data that our proprietary programs consolidate from the short-term rental market in and near yourcity. Each dot represents a clickable STR ad listing. The dot's color represents the ad platform (i.e., Airbnb, Vrbo, etc.) on which the listing is hosted. From the dashboard, a user has a live view of the:

- Total number of STR ads
- Number of ads in each ad platform
- Compliance/non-compliance status in the city
- Breakdown of property types and number of bedrooms
- Number of new listings per month
- Average daily pricing of STR listings



### **Property & Address Identification Technology**

GovOS' proprietary automated data mining technology monitors and scrapes 30 major short-term rental platforms to identify all the STR ads in your area, de-duplicate listings, and compile them into our database. This process is performed <u>twice a week</u>. The property identification program pulls all the text from each listing. Once STR ad listings and associated information have been compiled, our Property Review team will do weekly investigations into each new STR ad to verify the STR property address and associated information. The team also verifies that permit numbers are listed on the advertisement. During this process, our software and Property Review team will accurately identify:

In/Not In Jurisdiction Limits
Parcel Record/GIS Data
Owner Mailing Address
STR Compliance Status
Entire Unit vs. Room for Rent
Advertised vs. Maximum Occupancy
Minimum/Maximum Stay Limits
Estimated Calendar Booking Activity
Cross Reference City Permit Data

GovOS can add additional STR Ad Platforms to our automated monitoring and scraping software at an additional cost if the client city has other platforms they would like to monitor. However, ongoing analysis of the STR marketplace shows that nearly all STR bookings take place on just the top 10 platforms, all of which we actively monitor.



### **Completing Initial Census & Identification**

Through automated property identification technology and our expert property review analysts, GovOS produces the highest property identification rates in the industry. On average, our system and team accurately match 98% of STR ads to properties after an initial 6-week census. Generally, our team can also match 99% of new ad listings, which our system scrapes and adds to the database twice a week. Some key examples of our proprietary property identification technology and processes that we use to achieve these results include:

- Reverse Geocoding: This software program uses the location bubble that shows the general vicinity of STR
  properties on sites like Airbnb to determine the approximate address of all STR properties and adds the addresses
  to our database to be reviewed by our Property Review team.
- Photo Recognition: This software program accurately matches interior and exterior pictures in STR ads with
  pictures from real estate websites to confirm matching addresses. This is particularly helpful for identifying units
  in multiplexes.
- The Human-Element: After our suite of programs scrape and identify STR properties, our specialized in-house team of Property Review Analysts perform additional research to confirm the exact address and owner information of each STR. This team uses advanced investigative methods that we have been refining for over a decade to ensure their results are highly accurate and time efficient. This team collaborates on investigations and works closely with Account Managers to ensure they are aligned with the city's goals and new ordinances.

### Examples of Success

After we completed the initial census for the City of New Braunfels, TX, we only had to reach out to city staff for assistance with 3% of listings. Even with major tourist destinations with continually evolving STR markets, like Telluride, CO and Big Sky, MT, we are able to achieve 99% property matching rates. With the speed and accuracy of GovOS' ad



listing to verified address identification rates, clients can rest assured that the right letter/e-notification with the right compliance status is sent to the correct property owner/manager every time.



### **Determining Property Compliance Status**

The Account Manager will work with City staff to develop compliance strategies that incorporate the City's local ordinances, compliance policies, and community goals. From this plan, we design logic that is built into our Automated Compliance Designation software, which automatically assigns a compliance status to every new ad listing/property in the database. GovOS will monitor and scrape ad listings in your area twice a week. With this program, the city can also upload its permit database so the GovOS database can continuously cross-reference active permits with property addresses to determine every property's permit status accurately. Lodging tax data can also be uploaded, and the system will cross reference estimated Lodging tax owed based on calendar booking activity against actual Lodging tax reported to identify large variances and under-reporting properties.

GovOS will develop fully customizable compliance statuses with the City that will perfectly align with thespecific details of local ordinances, GIS zoning database(s), corresponding zoning regulations, and outreach type.

Examples of common and potential compliance statuses:

Compliant	Outreach – New Property. Permit Required.
Outreach – Non-Compliant Coastal Zone/Property Type	Outreach – Advertised Occupancy Exceeds Property Occupancy Limit
Property Manger Outreach – Expired Permit	Excluded – Long-Term Rental, >30 days
Exempt – HOA/Private Community	Tent/RV/Tiny Home
Hotel/Motel	• ADU



### **Targeted Outreach and Notifications**

GovOS will create fully customizable notification templates and instructions for owners to come into compliance depending on their status. Our templates can be multi-paged. Our outreach methods are fast, simple, and effective.

The City can issue batched (bulk) notifications based on compliance status, suspension notices, zoning, property type, specific owner/manager, etc. The property/listing details for each STR in the GovOS database will auto-populate the smart

fields (i.e., full name, address, phone number, etc.) within each notification. Then the city can issue e-notifications and track when they are opened or print letters to physically mail\*. Copies of notifications sent are saved in the database.

The City can create an unlimited amount of notification templates to use in any number of STR-related situations. Common examples of notification templates include:

- Information about new or current STR regulations
- Instructions on how to come into compliance with the city
- Description of a violation (i.e., illegal STR type) and the consequences if a property continues to advertise
- Reminder(s) to remit taxes after STR owner has registered the STR or prior to filing due dates

GovOS processes advertisement data twice a week from all 30+ platforms. We time this frequency to ensure that data is processed no longer than three days apart. All listing compliance statuses are updated weekly, so the city has the most up-to-date STR marketplace data. We can issue timely notifications as often as weekly.

### **Code Enforcement Activities**

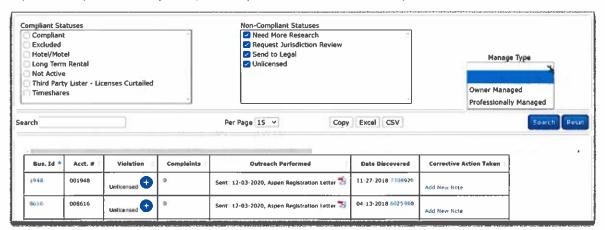
Efficiently organized documents and enforcement of non-compliance offenses contribute to the highest compliance rates, and our solution will help manage enforcement activities. The GovOS Listing Tracker feature tracks the removal and reactivation of all non-compliant STR listings every ten minutes. Simultaneously, our Evidence Tracker documents each non-



compliant ad listing instance via high-resolution screenshots of the entire ad listing with our Evidence Capture tool. By clicking a compliance status group in the dashboard, our team or City staff can access reports specific to each compliance status group. From here, a user can send batched (bulk) non-compliance notifications or address issues with individual STR properties. The City's Account Manager and the rest of our team are experts at executing these tasks and are always here as a resource for the City's Code Compliance Division. They will assist with strategy development, using the system's resources, and best practices.

### **Non-Compliant Property Reporting Tool**

The Non-Compliant Property Reporting Tool is a code-enforcement command center. This reporting tool aggregates and sorts non-compliant properties according to non-compliance status twice a week. The report contains all STR property information, violations, links to complaints, links to prior outreach notifications, and action notes.

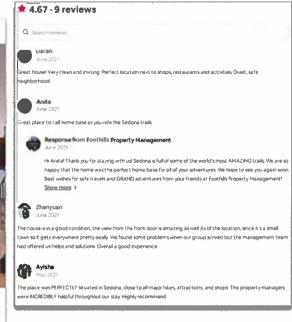


### **Evidence Capture Tool**

The Evidence Capture Tool runs on all listings in your community twice a week. The evidence captured includes all text on an ad listing page (including text under "show more" links), all reviews, and high-resolution screenshots of <u>every</u> photo in the listing's photo gallery. Your team can export an entire batch of PDFs for a single property or date range to provide to your attorney's office or for other compliance uses outside of our system. All data is backed up to our servers twice daily.

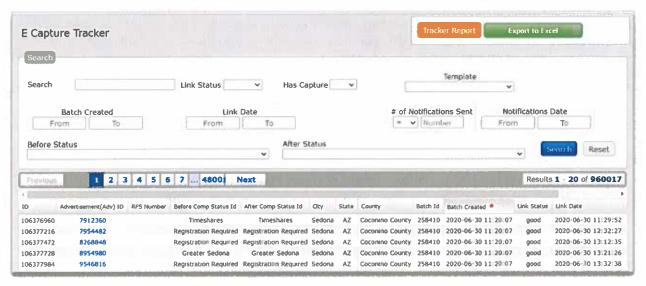






### **Listing Tracker Feature Report**

The Listing Tracker is a reporting tool that leverages the Evidence Capture Tool to discover STR owners that may be actively evading STR compliance. Using machine learning, it can track and record when non-compliant ad listings are removed from a listing site and become active again. Listing Tracker runs every 10 minutes on all non-compliant properties to capture evidence as soon as one of the property's listings becomes active again. A user can filter this report to include notifications previously sent. Our clients find this feature to be beneficial if a property has been sent a "Cease & Desist" letter to stop renting, but the city has evidence to prove that the property owner is still advertising.



### **Mobile-Enabled Complaint Form**

The mobile-enabled online complaint form is made available to the public to submit STR-related complaints. This form can be embedded into the City's website. When a complaint form is submitted, it enters the centralized online complaint database. This database is a code enforcement dashboard and offers additional reporting functions. All complaint form information is uploaded to the GovOS database. From the database, city staff can track complaint information and compliance actions taken in response. The database tracks the following information:

- Date, time, and reported concern (trash, noise, etc.) for any complaints lodged against an STR property
- Description of the complaint
- Name and contact information for persons lodging complaints against a short-term rental property
- Full documentation of incidents/complaints, including uploaded documents, photos, audio/video recordings
- Copies of any correspondence with short-term rental operators
- Copies of all notifications and notices





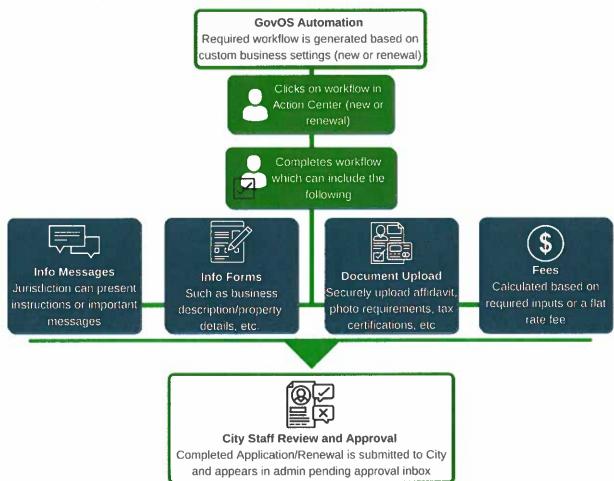
# **Registration/Permitting Module**

GovOS' online registration and tax collection modules are conveniently located in the same cloud-based portal. Business users will create an account in the City's custom portal (ex: www.City.GovOS.com) to register or renew an STR business permit/license.

GovOS' STR Registration and Tax Collection Portal is a user-friendly platform that business users will use to register STRs and remit Lodging Tax. City staff will collaborate with the Account Manager to design customizable sets of tasks, referred to as "Dynamic Workflows", in the portal. Workflows have the necessary features to replicate and optimize the City's prior registration and remittance processes, including custom form building, auto- calculations, dropdown menus, e-signatures, document uploads, review & approval mechanisms, and more.

The registration module includes:

- Customizable online registration forms that can include text fields, checkboxes, informational messages, document uploads, city logos, auto-calculated fees, and a payment processor.
- Automated renewal reminder notifications and easily customizable notification templates.
- Custom application approval workflows, capable of interdepartmental collaboration for one approval.
- Customizable and printable licenses that will auto-populate with business users' information.
- All reporting of license data can be exported in Excel/CSV format at any time.
- Forms and portal can be accessed via mobile devices.





### **City Administration's Approval Process**

Our approval process allows City staff to review submitted documentation and enables easy-to-use cross-departmental collaboration (including inspections, account edits, and customized business owner outreach). Once staff approves an application, the details are auto-populated in the business' profile. The approval also activates the underlying automated renewal settings associated with the registration.

### **Capabilities for Other Licenses**

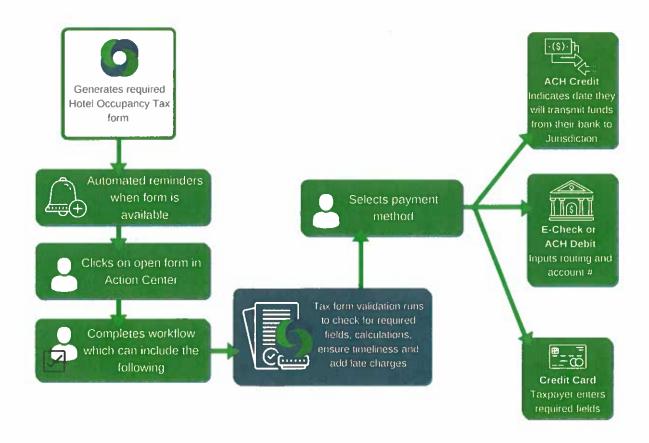
Our team has reviewed the requirements of each of these licenses and confirmed that a custom workflow will be designed for each to automate and streamline the entire process. There will be specific tasks within each workflow including info messages, document uploads, information forms and auto-calculated fees.

- Alcohol and Beverage
- Special Events
- Vehicle for Hire: Tow Truck Services
- Vehicle for Hire Cab Taxi, Tour Bus

## **LODGING TAX Collection Module**

The GovOS online tax remittance system offers efficient user task management, simple online auto-calculating tax forms, online payment collection, payment due reminders, and access to robust reporting tools. Our solution creates one system of record for the city that improves staff efficiency while offering an intuitive online experience for business users. Our tax remittance system processes and transfers \$300 million per month in taxes and fees to our clients.

The tax collection module's automation functions are similar to the registration module. Based on the business settings determined upon registration, business users are automatically notified of any outstanding tasks every time they log in.





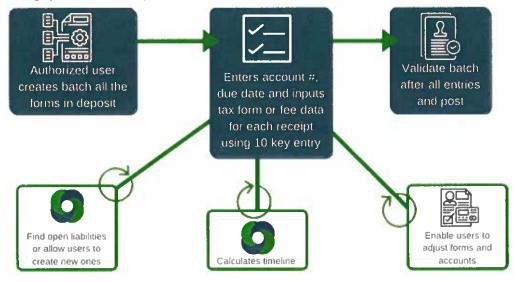
### **Custom Tax Forms**

Your Account Manager will work closely with City staff to design the layout and logic of tax form(s) for business users. All auto-calculations, penalty and interest fees, and exemption explanations will align with the City's tax form requirements. Tax forms are designed to be accessible via mobile devices.

	Period: 10/31/2020 Due: 11/20/2020 C	Current Time: 01/21/2021	Late: YES Months Late: 3
Hotel C	ocupancy Tax		and the same
1	Average Daily Rate *		249.00
2	Occupancy Rate (%) *		95.00
3	Gross Room Receipts *		6225.00
4A	Exemptions - Permanent Guests		
4B	Exemptions - Guest Stays of 30 Days or More		
	Deduct any guest stays that were long term which is defined as more than 30 consecutive days.		
4C	Exemptions - All Others		
4D	Total Deductions		0.00
5	Net Taxable		6225.00
6	Hotel Occupancy Tax (7%)		435.75
7	Add Excess Tax Collected		0.00
8	Total Tax		435.75
9	Penalty 10% (Minimum of \$15)		43.58
10	Interest .0833% per month or part thereof		10.85
11	Total Tax, Penalty & Interest Due		490.18
16	Total Due and Payable		490.18

### **Batch Processing/Cashiering System**

The GovOS system is a fully integrated accounting system that allows administrative access to the batch processing/cashiering system. Our best practice is for clients to utilize this integrated cashiering system.





### **Generating Reports**

The GovOS database allows city users to instantly generate one-click real-time reports with filtering functions. Reports can view data since the beginning of our services or be isolated within specific time periods (i.e., May 2020-May 2021). Reports that can be generated include but are not limited to:

- STR Owner/Manager Contact Data
- Under-reporting Property Report
- Marketplace Booking Activity
- STR Lodging Revenue Report
- Active/Expired License Report
- Compliance Status Reports
- STR Registration Revenue Reports
- STR Lodging Revenue Report

City staff can independently access the real-time compliance, permitting, and tax remittance data at any time and we can generate weekly reports for the code compliance staff. City users can export all reports to Excel/CSV.

### Tax Fraud Detection: The Remittance Audit Tool

The Remittance Audit Tool enables cities to detect large under-reported STR tax remittances. To do this, the tool will collect all data from the Marketplace Booking Report, which displays all STR booking data pulled in from the publicly available booking calendar activity, average daily pricing, and reviews on STR listing platforms like Airbnb or VRBO. This step will create accurate estimations of the Lodging tax for individual STRs. Then the City can upload its Lodging tax data with actual tax remittances, and the tool will generate a report that compares the estimated Lodging tax amounts with the actualdata to uncover large under-reported variances for individual STR properties.

When under-reporting taxpayers are discovered through the use of our advanced tax compliance tools, the suspected under-reporting properties/operators can be placed in the audit tracking workflow. The audit tracking function helps the City to monitor the audit's progress and maintain an open line of communication to help streamline the Lodging tax audit process and collection.

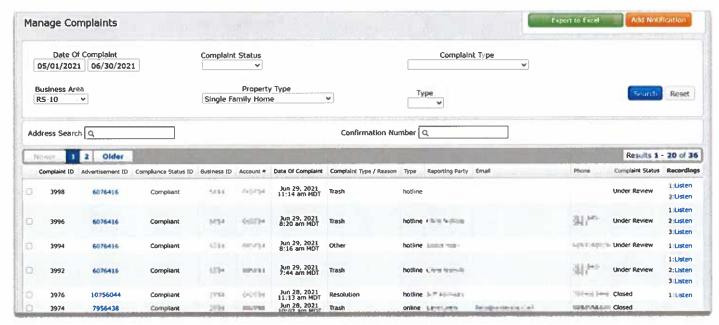


# Value Added 24/7 Complaint Hotline Module

### 24/7/365 Live-Operated Bilingual Complaint Hotline

With GovOS, the City will have the option to include a 24/7 STR complaint hotline. Below is an overview of the hotline functionality. This will help the City's team determine whether a complaint hotline would benefit the STR compliance program and add value to the enforcement efforts. Prior to selecting this module our team will work closely with the City to gain a thorough understanding of the city's scope and requirements for a hotline to provide pricing and function details.

- Live, bilingual, fluent English-speaking operators who receive complete training on the City workflow
- Supports customized scripts and progressions for operators that can be updated as necessary
- Fully integrated into the compliance dashboard so complaints are accurately matched to identified properties
- Digital recordings and written summaries of all calls
- A local City phone number will be created



The complaints module aggregates all complaints received on a property from any source. Whether the complaint is logged via our online complaint form or through the 24/7/365 bilingual (English/Spanish) phone hotline, all complaints for each property are logged within the system.

The hotline's staff are fluent English speakers and operators who receive training on the call script and custom progression/escalations designed by City staff. For example, after an inbound noise complaint, the operator might make three outreach calls and texts to the property owner. If there is no response from the property owner, the operator can notify the on-call code enforcement member or Police Department.



# CASE STUDY How the Town of North Elba, NY Works With Short-Term Rentals on the Shores of Lake Placid

The Town of North Elba is about 300 miles north of New York City. While you may not have heard of North Elba before, there's a good chance you've heard of its most famous lake: Lake Placid. Yes, nestled in this quiet town within Essex County is the site of the 1932 and 1980 Olympics, which is still the home of several US Olympic training facilities.

During and after the pandemic of 2020, it also became home to many residents who decided to leave the crowded confines of larger cities to seek permanent and supplement income properties on the bucolic shores of take Placid.

We sat down to talk with Michael A. Orticelle, MPA, who is the Building Inspector/Code Enforcement Official for the Lake Placid/North Elba Building Department about what this rise in short-term rentals (STRs) has meant for the community, and how his team is using GovOS to better work with property owners.

### What got your STR project started?

In 2020, the Town of North Elba initiated a law to curb the impact of short-term rentals. At that time, the number of short-term rentals was rising rapidly, so the Town made it mandatory for anyone wanting to rent their property to get a permit and start paying a bed tax, determined by the number of bedrooms being rented at the residence.

### **NORTH ELBA, NY**

GovOS Solution: Short-Term Rental (STR)

Population: ~7,500

**STR Ads:** ~1,700

STR Properties: +415

### **RESULTS**

Annual STR Permit Fee Revenue: +\$90,200

**Current Compliance Rate: 76%** 

**Average Daily Rate** 

for STRs in Jurisdiction: \$427.29

**STR Permits Issued** 

Final Approval Since Go-Live: 275



Permit costs are based on the number of bedrooms you wish to rent and are good for two years. After the second year we reevaluate and factor in complaints or other issues. In addition to acquiring a permit, the property owner is required to provide a 24-hour point of contact who must be available to respond any time, day or night.

# How did your team respond to accommodate this new law?

We started by trying to roll out Host Compliance from Granicus, but we had a lot of issues with their customer service. Sometimes it would take three or more weeks for them to reply to an email from us.

When we found GovOS, your products had more bells and whistles at a better price point.

### What's been the result of using GovOS?

We started with GovOS Business Licensing to give our property owners an online portal where they could quickly and easily apply for their permits and provide their primary point of contact. These submissions were stored in our Business Licensing portal giving us a sortable and searchable database of every property owner and their primary contact person at each property.

On top of Business Licensing, we began using GovOS STR to solve two main problems: monitoring rental dates and handling complaints.

# How are you using GovOS STR to monitor rental dates?

Short-term rentals in North Elba can only be made available a certain number of days of a calendar year. Using GovOS STR, we can scrape the calendars of rental properties to see how many days they are making the property available. We can't tell if those dates are actual rentals, so it's not 100% enforceable, but we can still reach out to a property owner if we see they're offering more than their allotted number of rental dates in a given year.

# How are you using GovOS STR to handle complaints?

Collecting and reviewing citizen complaints has been the most beneficial feature of GovOS STR.

Every complaint first goes through the STR platform, then comes to my team via email. We review each one and decide whether it requires attention from the property owner, the town, or local law enforcement. At the very least, we and the property owner can help put eyes on the situation and determine how serious it is.

Since implementing this new system, we've had very few serious complaints, and we've only had to fine one property owner that didn't comply over time and didn't vet clients very well.

