

TOWN COUNCIL STAFF REPORT

Subject: Authorize a professional services agreement with Deckard Technologies for the Town of Mammoth Lakes short-term rental monitoring program.

Meeting Date: October 20, 2021

Written By: Rob Patterson, Administrative Services / Finance Director

RECOMMENDATION:

Authorize the professional services agreement with Deckard Technologies, subject to the Town Attorney's approval and finalization of the agreement, for short-term rental monitoring and identification as described in Exhibit A of the agreement.

BACKGROUND:

The Town of Mammoth Lakes has put a great deal of effort into our enforcement of short-term rental businesses within the Town. The goal is to ensure the Town is receiving all Transient Occupancy Tax (TOT) that is being generated from rental activity. It is also to ensure that all operators are aware of the laws, regulations, and health orders, that govern our rental activity. These efforts are important to the Town, both as revenue and quality of life, as well as other businesses who do all they can to understand and stay within the laws of the Town. These efforts and strict adherence to these laws are important for all involved.

The Town has relied on technology companies to provide the tools necessary for effective monitoring. Since January of 2018, the Town has relied on Host Compliance to provide these services and their contract will expire in October of 2021. While Host Compliance and later Granicus have served us well, Staff has a desire to engage with a different service provider who may provide a broader benefit.

ANALYSIS/DISCUSSION:

The short-term rental monitoring business has been robust and as new technology emerges more tools are available. Deckard Technologies has developed a program called Rentalscape that pushes the boundaries of data capture and analysis for this industry. The program will not only identify the advertisement and general location within the Town, but they will also use their own teams to research and identify actual property addresses that are intentionally obscured. This is a function currently performed by our team and we believe their knowledge and expertise will help identify most of the remaining unidentified properties.

Rentalscape also has a specific process that will help identify activity on each operator's rental calendar. Having this additional information will reduce the complexity of our enforcement of illegal rentals as well as help with our audits. Currently the staff relies on calendars provided by operators as well as corroborating data that will confirm those calendars. This process is long and tedious for both enforcement team and operator.

The services provided by Deckard Technologies seem to be superior to our existing provider as well as providing these services at a reduced price.

OPTIONS ANALYSIS

Option 1: Authorize the professional services agreement with Deckard Technologies, subject to the Town Attorney's approval and finalization of the agreement, for short-term rental monitoring and identification as described in Exhibit A of the agreement.

Option 2: Do not authorize the execution of the consulting agreement with Deckard Technologies.

FINANCIAL CONSIDERATIONS:

The total cost of services from the new provider will provide a savings to the Town over the existing provider. Rather than an overall contract price with annual price increases, Deckard Technologies provides a cost per unit pricing model. This may provide the Town with the opportunity to include the monitoring costs as a part of the annual cost for a short-term rental business license.