

Report

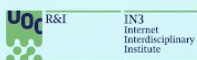
# SHORT-TERM RENTALS: DATA, NEGOTIATION AND COLLABORATION STRATEGIES FOR CITIES

June 2020



**SHARING  
CITIES ACTION**

**CITIES ACTION ON CHALLENGES AND  
OPPORTUNITIES OF PLATFORM ECONOMY**



Creative Commons Attribution Sharealike NonCommercial



Authors: Murray Cox (Inside Airbnb), Nuria Valero Esteban (Sharing Cities Action, Dimmons - UOC), Malikia Johnson (Inside Airbnb) and Monica Bernardi (University of Milano-Bicocca, Dimmons - UOC).

Research project direction: Mayo Fuster Morell (Sharing Cities Action, Dimmons - UOC)

We would like to express our deepest appreciation to all the cities that have participated in the research through both the survey, interviews and the working meeting at the Sharing Cities Encounter 2019: Amsterdam, Athens, Barcelona, Berlin, Bologna, Bordeaux, Gothenburg, Grenoble, Krakow, Maribor, Montreal, Munich, Neapoli-Sykies, New York City, Paris, Porto, Rotterdam, San Francisco, Taipei, Tallinn, Thessaloniki, Umea, Valencia and Vienna.

This report is part of the Sharing Cities Action task force, a program promoted by Barcelona City Council and the Open University of Catalonia, and has been developed under the direction of Dimmons IN3 UOC. For more information: [www.sharingcitiesaction.net](http://www.sharingcitiesaction.net)

# Contents

<b>Preface</b>	<b>5</b>
<b>Executive summary</b>	<b>6</b>
<b>1. Introduction</b>	<b>12</b>
<b>2. Methodology and Scope</b>	<b>14</b>
2.1. Research Methodology	14
2.2. Cities participation	15
<b>3. Background on Short-Term Rentals</b>	<b>19</b>
3.1. The Challenge of Short-Term Rentals Platforms	20
3.2. The Sharing Cities Summits and Short-Term Rentals	21
3.3. Regional Policy Context	23
3.3.1. Europe	23
3.3.2. North America	24
3.3.3. Asia	25
3.3. Highlights: Amsterdam, Barcelona, Bordeaux, Grenoble, San Francisco, Vienna.	28
<b>4. Short-Term Rental Regulations and Compliance</b>	<b>33</b>
4.1. Short-Term Rental Classifications according to local Regulation	34
4.2. Regulatory responses to control STR	38
4.3. Data and Compliance	39
4.4. Data Sources and Services	42
4.5. Collaborative Data Supply	44
<b>5. Regulatory Approaches to Data Access and Compliance</b>	<b>45</b>
5.1. Mandatory Registration Systems	45

5.2. Platform Compliance	46
5.3. Platform Data Disclosure	46
5.4. Case: The City of San Francisco	46
5.5. Case: French Laws for Short-Term Rentals	47
<b>6. Negotiation with Short-Term Rental Platforms</b>	<b>49</b>
6.1. Results of Negotiations with Platforms for Supply of Data, Enforcement of Regulations and Collection of Taxes	49
6.2. Summary of Negotiation Attempts and Cities' Views	53
6.3. A Collaborative Negotiation	54
<b>7. Recommended Data Policies and Strategies</b>	<b>56</b>
<b>8. Collaboration between Cities: Information Systematization and Sharing Resources</b>	<b>59</b>
8.1. A Data Commons Portal for Short-Term Rentals	59
8.1.1. Data for Short-Term Rentals	60
8.1.2. Research registry	61
8.2. Short-Term Rental Impact Reports	61
8.3. Shared information	62
8.4. Short-Term Rental Scraping	63
<b>9. Future Work</b>	<b>64</b>
<b>10. Conclusions</b>	<b>67</b>
<b>References</b>	<b>69</b>
<b>Appendices</b>	<b>72</b>
<b>Appendix A - Sharing Cities Action and the Declaration of Sharing Cities</b>	<b>72</b>
Declaration of 10 Common Principles and Commitments of Sharing Cities	72
<b>Appendix B - Models to Differentiate Platforms</b>	<b>76</b>

## Preface

The field research phase of this study was developed in the second half of the year 2019. Since then, an important occurrence has burst into the international panorama: COVID-19.

Short-Term Rental Platforms in Europe, and the Platform Economy in general, started the year 2020 with the European Commission's communication on "Strong Social Europe for Just Transitions" (European Commission, 2020). It sets out the road towards an Action Plan to implement the European Pillar of Social Rights, including the development of a **new Digital Services Act** for an examination and actualisation of EU regulatory frameworks, expected to be approved in the 4th Quarter of 2020.

Working meetings at the European Parliament (EP) and stakeholder meetings with Members of the EP were already taking place when the COVID-19 emergency started in Europe. This was true for the mobilisation and organisation of european cities to influence legislation developments that allowed them to defend their City Sovereignty, many of whom were participants of the present study.

Beyond these specific developments at the European level, the current COVID-19 emergency will have major implications on the short-term future scenario at all levels of local and international economy, policies and citizens.

The world is facing new unexpected challenges, but new opportunities arise too in terms of further exploring what Resilience means in a Digital World and what Platform Economy models should be pursued.

## Executive summary

### Short-Term Rentals: Data, Negotiation and Collaboration Strategies for Cities

Cities around the world face challenges and opportunities derived from the exponential growth of digital platforms and the "sharing economy".

Since 2016, a growing number of cities have met at **Sharing Cities Summits** in **Amsterdam**, **New York City** and in 2018, **Barcelona**, to create policies and plans to stimulate the sharing economy, while managing their risks.

**Short-Term Rental Platforms** were a major priority for cities participating in the Sharing Cities Summits, and **Short-Term Rental data**, **negotiations with platforms**, and **collaboration opportunities** were framed as areas for research and action.

The present study presents **policy and regulatory responses by cities**, **use of data**, **negotiations with Short-Term Rental Platforms**, and **explores collaboration opportunities with other cities**.

The research methodology combines open-ended survey questions, detailed individual interviews and a group meeting with city representatives at the Sharing Cities Encounter in Barcelona in November 2019. A total of 24 cities from 15 different countries have been involved, 20 of which responded to a detailed survey, and 6 were also interviewed. The surveyed cities are: **Amsterdam, Athens, Barcelona, Berlin, Bologna, Bordeaux, Grenoble, Krakow, Montreal, Munich, Neapoli-Sykies, Paris, Porto, Rotterdam, San Francisco, Tallinn, Thessaloniki, Umea, Valencia, Vienna**.

### Challenges faced by cities in front of Short-Term Rental Platforms

The increase in the supply of Short-Term Rentals increases the loss of residential housing supply, displacement and pressure on housing costs; commercialisation and disruption of residential commons; and contributions to over-tourism.

New digital platforms serve to facilitate access and spread Short-Term Rental activity, and while these new models coming from the digital era may be welcome, in some cases they have a multiplier effect on the challenges mentioned above.

As cities and regions respond to Short-Term Rental activity with increasingly effective regulatory responses, Platforms typically counter with legal challenges and intense lobbying.

The response to Short-Term Rentals by governments has generally been local, as housing and tourism are typically state, regional or city competencies. STR Platforms nonetheless refuse to comply with local regulations arguing that, due to its digital nature, their activities fall under Digital Services, E-Commerce regulations instead.

In the European Union, for instance, legal challenges have increasingly used arguments based on the European Commission's policies on **The Single Market**, and their **e-Commerce Directive**, in both local, regional, national courts, and the European Court of Justice. The fact that highly political decisions are left up to the courts rather than to the regional legislators shall be considered a red flag.

The combination of the hybrid nature of STR Platforms - not directly providing accommodation but not a pure digital information provider - and outdated regulatory frameworks (the European E-Commerce Directive for example dates to 2000, before the appearance of smartphones and platforms like Facebook, Uber or Airbnb) results in a maze where cities are affected by the impact provoked by Platforms' activity but with limited power to interfere and defend themselves.

Cities are being proactive by claiming a thorough update of the current regulatory frameworks that acknowledges this hybrid nature of Platforms and their strong local and regional dimension. In the case of the European Union, a new European Digital Services Act is expected to be developed in the year 2020

## Policy and Regulatory Responses to Short-Term Rental Activity

The **protection of housing affordability and availability** and **taxes** are the most important policy objectives for cities dealing with Short-Term Rentals.

Regulations which restrict Short-Term Rental activity and hold only hosts or property owners accountable **face very low compliance rates, typically around 10 or 20%**. Cities use complaints, data, inspections and third party companies to help manage compliance, but the most effective policy responses are regulations that hold Short-Term Rental Platforms accountable for the illegal listings they accept on their platforms.

Cities with a developed policy, regulation and enforcement system in place for Short-Term Rental activity, find themselves with limited power to interfere. Platforms, characterised by a hybrid nature, adhere to "on-line" regulatory frameworks, which benefits them the most, refusing accountability for their strong local and regional dimension.

## Negotiation with Short-Term Rental Platforms

Cities, seeing their diminished power for enforcement with platforms, are recurring to the establishment of direct communication with them, trying to implement their policies by means of dialogue, negotiation and agreements.

**Most cities have attempted to negotiate with the Short-Term Rental Platforms**, primarily over **access to data; removal of illegal listings; and the collection and payment of hospitality taxes.**

**Almost all negotiations with Short-Term Rental Platforms fail**, except where the negotiations are over details mandated by law; or in the collection and payment of hospitality taxes.

None of the cities have reached an overall satisfactory end as a result of their negotiation efforts. Despite the collection of taxes appearing to be one area where negotiations are possible, demands for supply of data and enforcement of regulations are refused by default. The few cities that have achieved some progress still report compromised demands.

For a full disclosure, one city did report a satisfactory end to their negotiations, the City of San Francisco. However, this outcome was not the result of their negotiation efforts, since the demands were met where strong regulations already existed and in the context of a Settlement Agreement consistent with the regulations via a mediation process triggered by a lawsuit.

As a result, cities feel that negotiating with Short-Term Rental Platforms is a time consuming, resource intensive, and uncertain process, where many of the negotiations failed.

## A Collaborative Negotiation

Besides the asymmetric negotiation power between cities and large platforms, the seconds also play the card that cities act individually and without having access to strategic information related to other cities actions or agreements.

During the working meeting with city representatives at the Sharing Cities Encounter in Barcelona in November 2019, some **cities suggested** the possibility **that a collaborative negotiation** with Short-Term Rental Platforms **may be possible over mutually beneficial and lower staked objectives**, which might include: Standard data formats for Platform Data Disclosure, Standard protocols for "Pass-through Registration Systems", a standard for communicating "Take Down Notices" of illegal listings, and common policies on managing Short-Term Rental data to respect privacy.



## Data Strategies

Access to data is a crucial issue for public authorities, in particular at local and regional levels, to understand Short-Term Rental activity and to ensure the enforcement of local regulations.

Cities want to be able to identify the location of listings to verify the properties being rented, and for cities with Registration Systems, the permit number so the city can reference details in their official registries. Without a legal basis, **demands for detailed data from Short-Term Rental Platforms have without exception been refused**, mostly citing privacy concerns.

**The few cities who said they were receiving data from Short-Term Rental Platforms, said that it was not detailed enough, and the lack of data was by far the biggest barrier for cities aiming to meet their policy objectives.**

City enforcement teams and experts believe that Short-Term Rental Platforms hide the location of listings and identities of hosts, and refuse to supply data, primarily to avoid enforcement and of disclosing evidence of the impact of Short-Term Rentals.

Under these circumstances, cities are building data technology capacity, “scraping” public data directly from platform websites, which can allow cities to more easily analyse Short-Term Rental listings, however the same anonymised conditions exist within the scraped data.

Some cities had created their own scrapers, others engaged with third-party software companies to create a scraper, and others (e.g. Vienna) were using their own scraper to provide data to other cities. Some cities are also using scraped data available publicly, via activist websites like "Inside Airbnb" and/or collaborating with Universities for that purpose.

## Regulation Strategies for STR Platforms

**Three regulatory responses may be viewed as the holy trinity in regulating Short-Term Rental Platforms: Mandatory Registration System, Platform Compliance and Platform Data Disclosure.**

Most cities have adopted **Mandatory Registration Systems** as a regulatory response to control Short-Term Rental Activity. However, it alone does not solve the problem of compliance.

Under **Platform Compliance**, a Short-Term Rental Platform can only accept advertisements from hosts that have registered their Short-Term Rental property.

Even with Mandatory Registration Systems and Platform Compliance, cities still need to monitor platform websites to continue to ensure compliance, and that is where **Platform Data Disclosure laws** come into play.

The **City of San Francisco** and **France's** most recent regulatory regime are examples of these regulatory responses.

## Recommended Policies and Strategies

As cities respond to the benefits and threats of Short-Term Rentals and digital platforms, there are a set of increasingly proven regulatory responses, data strategies, negotiation approaches and collaboration opportunities.

A set of recommendations are developed in Chapter 7, to be considered by cities responding to Short-Term Rentals. A summary of the principal recommendations are shown below.

### *Regulatory Strategies*

1. **Adopt regulations for all three components** of an effective and defensible compliance system for Short-Term Rentals: **Mandatory Registration System**; **Platform Compliance**; and **Platform Data Disclosure**.
2. **Platform Data Disclosure** laws should be based on successful regulatory models (**San Francisco** and **France's ELAN Law** and **Law for a Digital Republic**).
3. Where regulatory responsibilities for Short-Term Rentals are beyond city borders, **cities must collaborate at regional and national levels** to develop laws which protect their sovereign issues.
4. **European cities should continue to organize** to ensure that the European Union's Single Market laws, e-Commerce and Services Directive do not preempt their sovereignty to manage and protect residential housing.

### *Negotiation Strategies*

1. Focus negotiation efforts in areas with higher chances of reaching an agreement, for example the Collection of Taxes from platforms.
2. Alternative negotiation strategies in areas where results show high investment but low achievement, for example **Collaborative Negotiation with Short-Term Rental Platforms** over mutually beneficial objectives, and **Development of Information Systematization and Sharing Resources** among cities for more informed negotiations.

## *Data Strategies*

1. Invest in **Capacity development for utilising Short-Term Rental data** to help understand impacts, shape policy objectives, create regulations, manage compliance and measure results.
2. **Data Collaboration amongst cities** and third parties, including sharing scraping technology and scraped Short-Term Rental Data.
3. **Development of a capability to provide reports and/or data** to cities to help understand the impact of Short-Term Rentals.

## **Conclusions**

The fast pace of technological and digital disruptions and the immense power of some “unicorn platforms” demands courageous actions from the different stakeholders of society. Cities are experiencing the local impacts and need new ways to approach the situation in order to defend City Sovereignty and a city livable for all citizens.

Cities share many of the same challenges from Short-Term Rentals, and **need to develop and participate in networks to share information, resources and pool their bargaining power** to assist individual and collective actions around negotiation strategies, regulatory responses, enforcement tactics and data.

Cities need to unite in order to confront the power asymmetry in front of large platforms, either by individual actions towards common goals or collective actions. This is a challenging and thrilling time to make a step forward and dare to be bold.

# 1. Introduction

Short-Term Rentals have long been part of city and regional landscapes, however the advent of large Short-Term Rental Platforms in the early 2000's have introduced challenging business models and at the same time, dramatically increased the scale of their use.

Short-Term Rental regulations in place and other policy responses from cities are being challenged by the hybrid nature of such platforms: not directly providing accommodation but not a pure digital information provider either.

Platform Economies are a 21st Century occurrence and are growing in attention. Platforms have landed in our cities and lives, perhaps to stay. This new and still evolving phenomenon, brings both new opportunities but also new challenges to tackle.

Cities are experiencing the local impacts and need new ways to approach the situation in order to defend City Sovereignty and a city livable for all citizens. The organisation of the first Sharing Cities Summits was born out of this necessity.

This study finds its antecedents in these Sharing Cities Summits (Amsterdam 2016, NYC 2017, Barcelona 2018). Two of the main outcomes of the Sharing Cities Summit Barcelona 2018 were the launch of the Declaration of 10 Common Principles of Sharing Cities and the establishment of the Sharing Cities Action task force.

The impact of Short-Term Rental Platforms was a major priority for cities participating in the Sharing Cities Summits. Accordingly, a collaborative research activity was proposed by Sharing Cities Action with the activist research project, Inside Airbnb.

This study, framed within the goal of promoting common actions between cities and to defend the sovereignty of cities in front of large STR platforms, is the result of the research collaboration and focuses on

- Policy responses to STR's including regulation, enforcement and compliance
- Data and other strategies for cities to measure, analyse, regulate, enforce and/or negotiate with Short-Term Rental Platforms
- The experience of interactions with STR platforms, including negotiation, agreements and legal challenges
- Collaboration activities and opportunities amongst Cities
- Recommended strategies for Data, Negotiation and Collaboration

### **About Dimmons Research Group**

Dimmons is the research arm of Sharing Cities Action. It is a research group part of the Internet Interdisciplinary Institute (IN3) at the Open University of Catalonia (UOC). The central research line of Dimmons is linked to socio economic innovation, collaborative economy and commons. From this central line, the three main research areas of the group are economical development, public policies and collaborative methodologies. Dimmons research is based on combining rigor with frontier methodological innovation, action research, methodological pluralism and open knowledge.

### **About Inside Airbnb**

Inside Airbnb, founded in 2015, is a mission driven project to provide open data that quantifies the impact of short-term rentals on housing and residential communities; and also provides a platform to advocate for appropriate and effective policies or regulation to protect cities from the impacts of short-term rental of residential properties.

## 2. Methodology and Scope

The regional scope of this study is both international and municipal. The research seeks to have an overview of actions and strategies being developed by cities in order to face the disruption in their urban space brought by Short-Term Rental Platforms.

The study focuses on the following areas:

- Access to Data & Policy Objectives, Policy Responses and Policy Challenges
- Regulatory Approach
- Negotiation and Agreements with Platforms
- Collaboration among Cities
- Recommendation of Strategies for Cities

### 2.1. Research Methodology

The research methodology of the study is a combination of open-ended survey questions, detailed individual interviews and a group meeting with city representatives. The steps followed were:

1. Design of open-ended survey questions to gather information related to the objectives of the study and the research questions.
2. Validation of the survey by the municipalities of Amsterdam, Vienna and Barcelona and by the European Cities Network on Short-Term Holiday Rentals. Incorporation of their suggestions in order to better fit the study with the policy goals and necessities of cities. A blank sample of the survey can be viewed [here](#)<sup>1</sup>.
3. Sending of the electronic survey to the network of cities of Sharing Cities Action, Inside Airbnb and the European Cities Network on Short-Term Holiday Rentals.
4. Textual analysis of the responses through coding aligned with each set of research questions. More detailed information about the analysis process and the open coded answers can be found [here](#)<sup>2</sup>.
5. Detailed interviews with select participating cities, to further collect information and validate findings. Participants were asked to elaborate on the answers provided in the survey and describe what they learned about achieving the best outcomes for their city.

<sup>1</sup> <https://drive.google.com/file/d/1zUeesNr73oOupTAYKeOpXd-P0ww9ViGq/view?usp=sharing>

<sup>2</sup> <https://docs.google.com/spreadsheets/d/1-zTcM0LfYqcLFCr2S8YQv9QgiPIbzLtxVsYjW2RJlf4/edit?usp=sharing>

6. Group meeting with city representatives, as part of the programme of Sharing Cities Encounter 2019, organized on 19th to 21st November in the framework of Smart City Expo World Congress (more details in the following section).
7. Development of the final report with all the inputs: survey responses, detailed interviews and feedback and insights taken from the cities meeting.

## 2.2. Cities participation

A total of 24 cities from 15 different countries have participated in the study, with different levels of contribution: survey, interview and/or working meeting with city representatives at the Sharing Cities Encounter 2019. The full list of participating cities and their type of contribution is shown in Table 2.1.



**Figure 2.1:** The location of participating cities

**Table 2.1:** List of participating cities

City	Country	Survey	Interview	Cities Meeting
Amsterdam	The Netherlands			
Athens	Greece			
Barcelona	Spain			
Berlin	Germany			
Bologna	Italy			
Bordeaux	France			
Göteborg	Sweden			
Grenoble	France			
Krakow	Poland			
Maribor	Slovenia			
Montreal	Canada			
Munich	Germany			
Neapoli-Sykies	Greece			
New York City	United States			
Paris	France			
Porto	Portugal			
Rotterdam	The Netherlands			
San Francisco	United States			
Taipei	Taiwan			
Tallinn	Estonia			
Thessaloniki	Greece			
Umea	Sweden			
Valencia	Spain			
Vienna	Austria			



## Survey Participation

The electronic survey was sent to over 60 cities around the world, which was responded to by 20 cities from 13 different countries. Respondents were mainly concentrated in Europe, with two North American Cities (Montreal and San Francisco), and were a combination of small and large cities.

Participants served a number of roles across varied agencies in their cities, including Housing, Planning, Economic Development, Tourism and "Smart Cities". Participants were selected based on their participation or interest in past Sharing Cities Summits, or were included from other networks.

The following 20 cities participated in the survey: Amsterdam, Athens, Barcelona, Berlin, Bologna, Bordeaux, Grenoble, Krakow, Montreal, Munich, Neapoli-Sykies, Paris, Porto, Rotterdam, San Francisco, Tallinn, Thessaloniki, Umea, Valencia, Vienna.

13 Countries represented by participating cities: Austria, Canada, Estonia, France, Germany, Greece, Italy, Poland, Portugal, Spain, Sweden, The Netherlands, United States.

## Interviews

In addition to the survey, interviews were conducted with 6 out of the 20 cities that responded: Amsterdam, Barcelona, Bordeaux, Grenoble, San Francisco, Vienna. These cities were chosen for either their success in negotiations, enforcement or use of data.

The interviews allowed for a more detailed picture of the considerations cities were making in the formulation of policy, regulations, enforcement, negotiations and use of data. Participants were asked to elaborate on the answers provided in the survey and describe what they learned about achieving the best outcomes for their city.

The interviews broadly followed the structure of the survey and each took an hour, on average, to conduct.

## Sharing Cities Encounter 2019: working meeting with city representatives

The [Sharing Cities Encounter 2019](http://www.sharingcitiesaction.net/encounter-2019/)<sup>3</sup>, organized by Sharing Cities Action and celebrated from 19th to 21st November, congregated 20 cities from around the world and 150 actors from the international sharing ecosystem: business platforms, civil society, networks, experts, activists

---

<sup>3</sup> <http://www.sharingcitiesaction.net/encounter-2019/>

and research centers. The Sharing Cities Stand Lab created an innovative three-days laboratory for policy cocreation in the middle of the Smart City Expo World Congress (SCEWC).

As part of the programme, two private cities meetings were organized, one of them focused on Short Term Rental Platforms and Data Access, where provisional outcomes of the survey were presented and debated among city representatives ([presentation slides](#)<sup>4</sup>). The study was also presented at the Smart City Expo World Congress, which was recorded ([Youtube](#)<sup>5</sup>, minute 1:48:31).

Nearly 20 city representatives from 9 cities (2 North American, 1 Asian and 6 European) participated in the working meeting. 5 of them had responded previously to the survey (Barcelona, Amsterdam, Bologna, Berlin, Montreal) and the other 4 were new cities: Gothenburg (Sweden), Maribor (Slovenia), New York City (United States), Taipei (Taiwan).

---

<sup>4</sup> [https://drive.google.com/open?id=1Mms2luWypaq17OIAxVmILjBzM\\_hpBp54](https://drive.google.com/open?id=1Mms2luWypaq17OIAxVmILjBzM_hpBp54)

<sup>5</sup> <https://youtu.be/vGq-d3GhXTY?t=6511>

### 3. Background on Short-Term Rentals

This chapter presents the Challenges faced by cities in relation to Short-Term Rentals Platforms; how the international Sharing Cities Summits started in 2016 as a response to the growing Platform Economy, where STR Platforms is one of the key topics on cities' agenda; an overview of the different regional policy context.

There are several STR Platforms operating at international levels, with different strategies and business models behind their development. Not all of them represent a challenge or a threat for cities, see for example the cooperative platform Fairbnb, which is often used as an example of a positive-impact model in contrast to “Unicorn” platforms. This report, however, is focused on the challenges brought by the latter.




The most common Platforms present at the participating cities are: Airbnb, Booking.com, Homeaway, Vrbo, Wimdu and 9flats (See Table 3.1).

**Table 3.1:** Short-Term Rental Platforms overview<sup>6</sup>

STR Platform	Headquarters	Owners	Subsidiaries
	San Francisco, California, United States	Privately owned, funded by Venture Capital. IPO <sup>7</sup> announced for 2020.	Luxury Retreats International Inc. Crowdtilt Accomable Aibiyng Trooly, Inc. Deco Software Inc. Trip4real Experiences, S.L. Lapka, Inc. Airbnb Uk Limited HotelTonight
	Amsterdam, Netherlands	Booking Holdings	Booking.com Consulting Services Pte. Ltd.
	Austin, Texas, United States	Parent organization: Expedia Group	

<sup>6</sup> Own elaboration. Source of information: Wikipedia

<sup>7</sup> IPO, is an Initial Public Offering, where a private company offers shares to public investors, usually to allow the original investors to sell their shares in the public markets.

	Austin, Texas, United States	Parent organization: HomeAway	
	Berlin	Platinum Equity	
	Singapore	eVentures, Redpoint, T-Ventures, Founders	Vacapedia Inc.

### 3.1. The Challenge of Short-Term Rentals Platforms

Short-Term Rentals (STRs) have long been part of city and regional landscapes, however the advent of Short-Term Rental Platforms in the early 2000's has increased the scale of their use.

The increase in the supply of Short-Term Rentals brings with it economic activity and consumer choices, however these come at a cost to residential communities. This includes the loss of residential housing supply, displacement and pressure on housing costs; commercialisation and disruption of residential commons; and contributions to over-tourism.

Short-Term Rentals have also introduced competition, some say unfairly (Lehr, 2015), to heavily regulated traditional tourism operators like hotels, bed and breakfasts and hostels.

Policy responses from cities have been slow and fraught with difficulty.

Short-Term Rental activity is hidden behind platform web-sites and apps. The published locations of Short-Term Rental listings are "anonymised" by platforms making it difficult for cities to know exactly where activity is occurring and who to contact about it.

Venture capital backed Short-Term Rental Platforms bring with them a well funded lobbying arm, public policy teams, and "community organisers" (Kessler, 2016; Steinmetz, 2016; Kirkham, 2017). These organisers engage with city and regional policy creators to promote the economic benefits of Short-Term Rentals and minimise or deny any of the negative impacts.

Cities often experience a team of lawyers ready to challenge any attempt to regulate the Short-Term Rental business model, at times, on the same day new regulations are passed.

Requests are made by Cities for data from Short Term Rental Platforms to understand the platform's activity and to enforce housing laws. These requests are consistently refused.

Self regulation of Short-Term Rentals is often arbitrary and self-serving; a perfect example being the temporary removal of commercial operators immediately before releasing a "report" or launching a lobbying campaign (Cox & Slee, 2016).

However, cities are fighting back. Many have developed a set of enforceable policy and regulatory responses. Cities have built networks for collaboration, sharing data, technology, negotiation and regulatory strategies, and conduct joint lobbying and advocacy efforts.

### 3.2. The Sharing Cities Summits and Short-Term Rentals

Short-Term Rental Platforms are not an isolated phenomena, they are part of the so-called Platform Economy, which is a form of economic development based on the interactions among distributed groups of people supported by digital platforms. The disruptive impact of the best-known cases, for example, Airbnb or Uber, has generated a great deal of public controversy. Socially responsible platforms also exist, but have received less attention.

The Platform Economy is growing exponentially and it is becoming a key priority of governments around the world. In 2016, 12 cities met at the first **Sharing Cities Summit**<sup>8</sup> in Amsterdam in order to create policies to stimulate the sharing economy, while also managing the risks inherent in such emerging technologies. In 2017, 22 cities gathered in New York City for the **second Summit**. In 2018, 50 cities got together in Barcelona to celebrate the **third Summit**.

The impact of Short-Term Rental Platforms was a major priority for cities participating in the Sharing Cities Summits.

The [Sharing Cities Summit in Barcelona in November 2018](#)<sup>9</sup> had two outcomes to help cities moving forward to develop concrete actions to deal with challenges and opportunities of Platform Economy: the [Declaration of Common Principles for Sharing Cities](#)<sup>10</sup> was launched; and Barcelona committed to establish a **task force office, the Sharing Cities Action**. Detailed information about the Declaration of Sharing Cities and Sharing Cities Action can be found in [Appendix A](#).

One of the goals of both outcomes is to **defend the sovereignty of cities in front of large STR platforms**.

---

<sup>8</sup> <https://www.sharingcitiesalliance.com/about-us>

<sup>9</sup> <http://www.sharingcitiesaction.net/sharing-cities-summit/2018-barcelona/>

<sup>10</sup> <http://www.sharingcitiesaction.net/declaration/>

## ***Excerpt from the Declaration of Sharing Cities related to STR***

The Declaration of Sharing Cities consists of 10 Principles. Below are important principles related to Short-Term Rental: Platforms models differentiation, Data Sovereignty & Citizen's Digital Rights, City Sovereignty and General Interest.

### **Platform models differentiation**

**#1.** To distinguish between the different models of digital platforms regarding their functioning and impacts, in order to design public policies according to these differentiations.

Distinguish digital platforms and platform activity which are not built on truly collaborative models, from platform models that are collaborative and constitute opportunities for the city's economic activity. The set of qualities that characterise collaborative platforms and determine differences between platforms are: to host predominantly peer-to-peer relationships; to be based on fair economic models and retributions; to favor participative community governance; openness and transparency of its technology and data; inclusion by providing equal services to the different segments of the city inhabitants avoiding any discrimination; and responsibility towards negative impact.

### **Data Sovereignty & Citizen's Digital Rights**

**#7.** To protect citizens' digital rights through the implementation of Technological Sovereignty policies and ethical digital standards (include the rights of privacy, security, information self-determination and neutrality, giving citizens a choice about what happens to their digital identity, who uses their data online, and for which purposes). To promote policies in order that the personal data is controlled by citizens themselves, and are protected from being misused, collected or shared without explicit consent. To guarantee that digital platforms enable algorithmic accountability and the portability of users' data, digital identity and reputations. **To ensure that cities are able to access a privacy-preserving manner relevant data from firms operating in their territories (such as information about transportation, safety, labour, and all potential public interest information). To favor that city data should be managed as a common good to solve urban challenges.**

### **City Sovereignty**

**#8.** Guarantee respect for the legal jurisdictions of cities given the potential disruption from the digital platforms.

- Establish negotiation frameworks between cities and platforms to ensure respect for legality and local regulations.
- Ensure transparency in operations and transactions in relation to data transfer from the platform.
- Work together among cities to encourage changes in regulatory and framework policies in the digital sphere, in order to facilitate compatible economic activity and protect users' rights, as well as defending the habitability of the urban sphere.
- Promote digital protocols in order to guarantee compliance with the regulations of each city.

### General Interest

**#10.** To preserve the Right to the City and Urban Commons, strengthen communities, to protect General Interest, public space, and basic human rights, such as access to affordable and adequate housing.

## 3.3. Regional Policy Context

As cities and regions respond to Short-Term Rentals with increasingly effective regulatory responses, Short-Term Rental Platforms typically counter with legal challenges and intense lobbying.

The following sections present an overview of the different regional contexts in Europe, North America and Asia.

### 3.3.1. Europe

In the European Union, legal challenges have increasingly used arguments based on the European Commission's policies on **The Single Market**<sup>11</sup>, and their **e-Commerce Directive** and **Services Directive**, in both local, regional, national courts, and the European Court of Justice.

Industry lobbyists have been engaged by Short-Term Rental Platforms to lobby Members of the European Parliament (MEPs), and European Commissioners and Committees responsible for the interpretation, re-writing and legislating of these laws. The lobbying happens behind the scenes, but traces have been uncovered by corporate watchdogs like Corporate Europe Observatory in their reports "UnFairbnb: How online rental platforms use the EU to defeat cities' affordable housing measures" (Corporate Europe Observatory, 2018) and "Über-influential?

<sup>11</sup> [https://ec.europa.eu/growth/single-market\\_en](https://ec.europa.eu/growth/single-market_en)

How the gig economy's lobbyists undermine social and workers rights" (Corporate Europe Observatory, 2019).

Indications of the results of this lobbying might be evident in news that **"in 2017 MEPs passed with a huge majority a resolution that "condemns" public authorities seeking to restrict the supply of tourist accommodation from online platforms"** (Corporate Europe Observatory, 2018, p.24) and also in statements by the European Court of Justice Advocate, General Maciej Szupunar, **that Short-Term Rental Platform Airbnb "may be regarded as an information society service" that should benefit from the EU's free movement of information** (Reuters, 2019).

In response, European Cities have collaborated to form the "European Network for Short-Term Rentals" - an advocacy group representing more than 20 cities, whose objective is to lobby to ensure that planned changes to the EU's Services Directive allow them to retain their sovereignty to regulate Short-Term Rentals and protect the Right to Housing for their citizens.

An example of "European Network for Short-Term Rentals" advocacy was the letter sent in June 2019 by 10 cities who were "alarmed about European protection of holiday rental[s]" (City of Amsterdam, 2019).

Another initiative to be mentioned is the opinion (European Committee of the Regions, 2019) on "A European framework for regulatory responses to the collaborative economy" adopted by the European Committee of the Regions (CoR) in December 2019, which was led by the City of Vienna. This report, beyond the general "collaborative economy" approach, references in detail the specific case of Short Term Rental Platforms.

2020 will be an important year for European level regulations. The recent European Commission's communication on "Strong Social Europe for Just Transitions" (European Commission, 2020) sets out the road towards an Action Plan to implement the European Pillar of Social Rights, including the development of a new Digital Services Act for an examination and actualisation of EU regulatory frameworks, expected to be approved in the 4th Quarter of 2020.

At the moment of writing this report, Vienna and VÖWG (Austrian Association for Public and Social Economy) are preparing the launch of *FairDigitalEurope*, in preparation for the Digital Services Act. This initiative represents a multinational network of cities, organisations, civil society and other entities that aims to connect as many interested partners as possible across Europe to help developing a fair model for Europe's digital future.

### 3.3.2. North America

The response in the United States (U.S.) to Short-Term Rentals has generally been local - by states, counties or cities; as housing and tourism are typically not a federal issue.



Historic planning and zoning laws usually restrict commercial activity in residential areas, however they were not designed for the scale, ambiguity and opaqueness of Short-Term Rental Platforms and their hosts which are frequently represented as residents, but in many cases are commercial operators.

Governments in the United States over the last decade have introduced new laws which define and regulate Short-Term Rental activity, with the leading cities adopting registration systems for hosts, and data disclosure and accountability from the platforms.

Despite local jurisdiction, the U.S. constitution and federal laws have been used as a defence by Short-Rental Platforms challenging regulations, with the following arguments most often cited:

- The U.S. Constitution's [First Amendment](#)<sup>12</sup> which includes protection of "Freedom of Speech" likening a Short-Term Rental listing as "speech" which cannot be controlled by the government.
- The [Fourth Amendment](#)<sup>13</sup>, which respect the "right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures" challenge regulations which require the disclosure of data from platforms where there has been no "probable cause" of illegal activity.
- The [Communications Decency Act](#)<sup>14</sup> (CDA), introduced in the '90s to protect Internet Service Providers from the requirement to filter, censor and remove user content, used as a legal argument by Short-Term Rental Platforms to claim their role as an intermediary, and not responsible for the "content" of hosts, even if they do violate laws.

Key legal precedents against these defences have been set by U.S. cities successfully defending their Short-Term Rental regulations, first by the City of San Francisco in 2017 (Dickey, 2017) which after favourable rulings by the presiding judge, negotiated a settlement which left their strong laws intact; and then by the City of Santa Monica in March 2019, which won an appeal (United States Court, 2019) of the lawsuit brought by HomeAway and Airbnb over the city's ban on Entire Home Short-Term Rentals.

The legal precedents mentioned above have provided a defensible legal pathway for effective regulations, including data and platform accountability across the entire U.S..

Another important context in the U.S. is the strategy of Short-Term Rental Platforms lobbying the states (Lecher, 2018) to preempt local laws. This is challenging for cities because in many cases the politics and interests of state lawmakers can be widely different from local lawmakers.

---

<sup>12</sup> [https://en.wikipedia.org/wiki/First\\_Amendment\\_to\\_the\\_United\\_States\\_Constitution](https://en.wikipedia.org/wiki/First_Amendment_to_the_United_States_Constitution)

<sup>13</sup> [https://en.wikipedia.org/wiki/Fourth\\_Amendment\\_to\\_the\\_United\\_States\\_Constitution](https://en.wikipedia.org/wiki/Fourth_Amendment_to_the_United_States_Constitution)

<sup>14</sup> [https://en.wikipedia.org/wiki/Communications\\_Decency\\_Act](https://en.wikipedia.org/wiki/Communications_Decency_Act)

### 3.3.3. Asia

As reported in the recent DBS Asian Insights Report 2019 (Yong & Tan, 2019), Asia's short-term rental sector is comparatively smaller than North America and Europe, but it is experiencing a rapid growth: +39% of CAGR [Compound Annual Growth Rate] in the period 2013-2018 (compared to 12% for North America and 7% of Europe). According to Euromonitor for the period 2019-2023 the growth rate is expected to be 27% CARG for Asia, 9% for North America and 7% for Europe, meaning that the market size of this sector in Asia will overtake the European one by 2026. The 2019 DBS Asian Insights Report also highlights that the main country contributing to this huge growth is China, which controlled in 2018 60% of the short-term rental sector. Airbnb represents the largest home sharing platform in 2018, followed by its main Asian competitors: Tujia (powered by Ctrip) and Xiaozhu (backed by Alibaba).

In terms of regulatory responses, regulations (if any) differ across countries and also the level of enforcement is different. A rental cap on the cumulative number of nights rented per year is the most common regulatory measure adopted by regulators, ensuring the residential use of properties. Another tool is to set a minimum rental period, as is being done by Singapore, which set a minimum 3-month rental period in order to limit stays to only long-term guests.

Other common forms of restrictions are:

- to require a business licence/permit to operate in the short-term rental sector
- to require the host/platform provider to share guests' data for tax purposes and for national security.

The 2019 DBS Asian Insights Report highlights that across Asia, regulatory frameworks are generally less developed compared to the West.

Specifically, here are examples of national regulations or agreements<sup>15</sup>:

In Japan, in June 2018, the Private Lodging Business Act was introduced (thorough the New Minpaku Law) to set the legal framework of the short-term rental sector. The law made it mandatory for short-term rental hosts to register their listing and display a license number on their listing page. It is not a completely decentralized system, but governors can order home sharing operators to improve or even suspend their business operations. At the same time, in Japan, Airbnb has an agreement with the San'in Tourism Organization for promoting farming and fishing communities, and with the Nara Prefecture Community for driving tourism to Yoshino and reinvest profits from hosting in local projects.

In China the main concern is related to data and public security; therefore, to operate in the short-term rental sector guest and host's data have to be submitted to the authorities (local Public Security Bureau) through a temporary residence registration form with identification

---

<sup>15</sup> Information is mainly taken from the 2019 DBS Asian Insights Report (Yong & Tan, 2019) and from the 2019 ZICO Law Group Report (Zico, 2019).

information within 24 hours of arrival. Airbnb has an agreement with the Guilin Municipal Government (Tourism Development Committee) to expand and support the growth of sustainable and ecologically-friendly tourism in the Guilin region; and an agreement with the Yanqing District (Tourism Development Committee) to promote home-sharing developments in the region and open to international audiences.

In Singapore, even if home sharing is not forbidden, there is a minimum 3-month rental period for private residential properties and a minimum 6-months rental period for public housing, discouraging the development of the service. In addition, the Urban Redevelopment Authority (URA) is developing a framework for short-term accommodation (Leong, 2019). Despite these regulations, listings for short-term rentals in Singapore remain, without stipulating any minimum rental period (Co, 2020).

Hong Kong obliges hosts to respect the same regulatory standards of hotels, making it difficult for private residential owners to enter in the sector of short-term rentals and in this way discouraging the spread of home sharing.

In Indonesia a license is required in areas with more hotels; the rental has to be more than 1 day and there is a rental cap of 180 days.

In Thailand, from 2018, short-term rentals without a hotel business licence is illegal (under the 2004 Hotel Act) but a rental without licence is allowed with a rental period above 30 days. It should be noted that in Thailand the regulatory framework in this regard is unclear, since half of the normal hotels in the market are non-registered hotels; so it is quite impossible that short-term rental players have a business licence when hoteliers themselves do not have one. In 2018, Airbnb announced its partnership with the Thai Government in order to legalise Airbnb operations.

In South Korea, according to the Tourism Promotion Ordinance and its associated acts (the Building Act and Residence Act)<sup>16</sup> home sharing platforms are mostly illegal with a few exceptions: when a host accommodates only foreign travellers for tourism purposes in single homes, multi-family homes, apartments, townhouses, and multiplex houses; while it is illegal to rent to Koreans in Korea (Yoon, 2018). As reported in the Airbnb website: “Hanok<sup>17</sup> experiences are an exception of permitted private housing in urban areas, since private housing is only allowed in farming and fishing villages. ‘Officetels’, or studio apartments, classified as business facilities according to the Building Act, are not permitted in any areas”.

Looking to the capital, Seoul, as reported by the official Seoul Stay<sup>18</sup> there are only two options for home sharing with Seoul citizens: guesthouses for foreign tourists (houses or condominiums) and Hanok guesthouses, which are designated by each district office. Considering Airbnb: the commercial hosts operated a considerable number of Airbnb units and according to a recent study this substantial growth of short-term rentals might lead to serious

<sup>16</sup><http://www.law.go.kr/lsSc.do?menuId=0&p1=&subMenu=1&nwYn=1&section=&tabNo=&query=%EC%86%8C%EB%93%9D%EC%84%B8%EB%B2%95#undefined>

<sup>17</sup> Korean traditional wooden houses.

<sup>18</sup> [http://stay.visitseoul.net/eng/01\\_about.html](http://stay.visitseoul.net/eng/01_about.html)

concerns on surrounding residential areas as it is happening in Western countries. So, the city of Seoul needs to establish proper regulatory policies (Ki & Lee, 2019). The city is famous for being the first to declare itself a sharing city in 2012 and for implementing ordinances and acts to promote and manage the sharing economy. But it should be highlighted the Seoul Metropolitan Government's effort in promoting local sharing operators, leaving less space for the spread of foreign operators (Bernardi, 2015). Airbnb in South Korea has an agreement with the Korean Ministry of Agriculture, Food and Rural Affairs and the Korea Chamber of Commerce & Industry in order to promote tourism into the rural area of Korea via home sharing.

In Vietnam the sector is unregulated and there are no prohibition on short-term rental operators; the same in the Philippines. The sector is unregulated also in Myanmar, even if the Immigration Act 1947 of Myanmar sets that foreign visitors on tourist visas are only allowed to stay in a hotel.

In Malaysia, in 2018, the Ministry of Tourism, Arts and Culture (MOTAC) announced that short-term rentals are allowed by registering with MOTAC; nevertheless, there are many previous legislations that regulate activities relating to short-term rentals that make unclear for operators what can be effectively done. The government is now reflecting on the opportunity to set a rental cap (Stevens, 2019). Airbnb has an agreement with the Malaysia Digital Economy Corporation and Malaysia Productivity Corporation to draw more international tourists to Malaysia and support the growth of hospitality entrepreneurs.

### **3.3. Highlights: Amsterdam, Barcelona, Bordeaux, Grenoble, San Francisco, Vienna.**

As described in the Methodology (Chapter 2), in addition to the survey, interviews were conducted with 6 out of the 20 cities that responded: Amsterdam, Barcelona, Bordeaux, Grenoble San Francisco and Vienna. These cities were chosen for either their success in negotiations, enforcement or use of data.

The interviews allowed for a more detailed picture of the considerations cities were making in the formulation of policy, regulations, enforcement, negotiations and use of data. Participants were asked to elaborate on the answers provided in the survey and describe what they learned about achieving the best outcomes for their city.

The following is a summary of some of the highlights and learnings from the interviews.

#### **Amsterdam, The Netherlands**

Amsterdam is on its way to achieving its policy objective with short-term rentals, to protect housing in a tight market; to ensure the quality of life in the living environment; and to achieve full taxation.

They had achieved some success by negotiating with Short-Term Rental Platforms, however many of the agreements were non-binding and challenges still existed in achieving compliance, especially for the requirement that hosts do not Short-Term Rent entire apartments permanently (there is currently a 30 day cumulative yearly cap for entire homes, amongst other restrictions).

The next step for Amsterdam was the expected introduction of Dutch laws which would include a compulsory registration system, the compulsory display of permit numbers, and the ability to force platforms to remove listings that had not been registered.

Amsterdam invested significantly in negotiations with Short-Term Rental Platforms, the prevailing opinion was that negotiations can not replace the legislative role of their city council or of national laws.

Amsterdam was also taking a leadership role in the creation of European Cities Network on Short-Term Holiday Rentals, with the administration and politicians involved in making public their concerns and lobbying for sovereignty over their housing laws at the European level.

## **Barcelona, Spain**

As a heavily touristed city, Barcelona says it is committed to "promoting tourism based on respecting, preserving and highlighting the city's resources, bearing in mind the importance of maintaining responsible tourism development in economic, social, environmental and cultural terms, and having taken on board the principles of the Global Charter for Sustainable Tourism".

Their policy for tourism is the result of a Strategic Plan, a process of "reflection by all parties involved in tourist activity, which proposes to systematically move towards the adoption of sustainable development models that favour the environment, cultural diversity and social responsibility".

Barcelona's policy objectives for Short-Term Rentals are to preserve the right to the city like access to affordable housing, and security, for example, preventing terrorist attacks.

Specifically with Short-Term Rental Platforms, Barcelona's objectives are for the platforms to comply with the regulations of the city, not to list illegal tourist apartments, to collect taxes and to share tourist data with the police department.

In an intensified process since 2015, coinciding with the election of Ada Colau, Barcelona has increased its fight against Short-Term Rentals.

Barcelona's current regulations for Short-Term Rentals were formed under a 2016 Special Intervention Plan, PEUAT (Plan Especial Urbanístico de Alojamiento Turístico). It is unique in that it froze the number of Short-Term listings across the city to 9.600, requiring operators to apply for this fixed number of permits.

There are some geographic constraints related to a Short-Term Rental licence, but also unique to Barcelona, it does not restrict Short-Term Rental use to residents of apartments, i.e. "home sharing": operators can rent out apartments, or entire floors full-time including owning multiple licenses, which the majority of hosts do (in May 2019, 79% of Barcelona's Airbnb listings for an entire apartment, were by hosts who had other entire apartment listings).

Despite being liberal with what is short-term rented by who, Barcelona has compensated by endeavouring that every listing has one of the fixed permits.

Over the years, Barcelona have: put platforms on notice that they will be enforcing the requirement to have permits; required mandatory permit fields on platform web-sites; fined platforms; fined hosts (as much as €30.000 each); introduced a citizen complaint system; collected data via scrapers; worked with visual analysts who identify illegal listings (visualitzadors); employed inspectors who physically visit suspect illegal listings; issued take-down notices to platforms.

By generating publicity about the negative aspects of Short-Term Rentals and the impact on the city, and in particular the enabling behaviour of platforms, Barcelona was able to use this publicity to negotiate with platforms to cooperate by responding quickly to take-down notices and providing data to the city.

The system is not perfect as hosts continue to post unlicensed listings, and the data received is only as good as the host-supplied data. Also, as previously mentioned, licenses are mainly held by commercial operators, and many say the fixed number of permits is too high. Also, Barcelona does not have significant limits on private room rentals, and many hosts have switched their business from entire apartments to private rooms.

## **Bordeaux, France**

Bordeaux's overall policy objectives for Short-Term Rentals was to create the conditions for balanced and sustainable tourism in their attractive city

Bordeaux was one of the French cities adopting the national ELAN Law ("Évolution du Logement, de l'Aménagement et du Numérique" or "Housing, Planning and Digital Evolution") to protect residential housing. Along with Paris, they had both elected to restrict non-primary residential use of Short-Term Rentals, unless a complicated, and rarely granted "Change of Use" permit is applied for.

In contrast, the city of Lyon, had also adopted the "Change of Use laws", but allowed non-primary residence apartments under 60 square meters to be rented permanently for Short-Term Rental use.

Bordeaux used data from a number of different sources (scraped data from Inside Airbnb and had contracted with a software company to scrape other platforms' data), and realised the

importance of data. They were optimistic about new French laws which would require platforms to provide both tax reconciliation data and usage data to cities, however were aware of current and potential law-suits, both in national and EU courts by well funded global platforms.

### **Grenoble, France**

Grenoble is a city in southeastern France, at the foot of the French Alps. Because of their proximity to the mountains, one of their economic objectives is to further develop tourism in their territory.

At the same time, to maintain the housing needs for the city, it is estimated that 1,000 new units of housing are required to be built per year, but because of the surrounding mountains, the city cannot expand. For this reason, there is some sensitivity to the potential removal of housing by Short-Term Rental activity.

Their current plan is to study the use of Short-Term Rentals, in particular in the city center where there are both larger numbers of Short-Term Rentals, as well as housing pressure.

To date, they had received high-level data for cities in their region from a tool that Airbnb had released called Dataville (no longer available) which allowed them to search for a city to discover the number of listings.

In addition, Grenoble had contracted with the French urbanist agency AURG (Grenoble Region Urbanist Agency), which helps regions plan construction, to focus on analysing Short-Term Rentals. The city and AURG had been in contact with AirDNA and Trackeet, about the provision of data for this analysis.

### **San Francisco, United States**

San Francisco was one of the few cities interviewed which was clearly meeting their policy objectives, with enforceable and measurable regulations, and no outstanding or expected legal challenges from hosts or platforms.

After their regulations went into effect, the number of listings dropped by at least 50% across the major platforms, and San Francisco's Office of Short-Term Rentals have been able to minimize commercial activity and limit Short-Term Rental activity to something that is closer to "home sharing". They do this by a combination of: scrutinizing new permit applications; using shared data from other agencies; analyzing platform data directly from Platforms, third-parties like Inside Airbnb and other sources; investigating complaints, and inspections.



The office reported that they deny 30 to 40% of applications for a Short-Term Rental permit up front, and refuse another 7-15% after periodic review or in response to complaints or inspections.

This is achieved with a team of 8, a budget of about US\$1,3M for a city with a population of almost 900.000 residents.

When asked about collaborating with other cities, they explained that because of the different contexts and issues of each region in the United States, the different regulatory structure of land use, not just in the state of California, but across the country, and the different cultures, it was very unlikely that it would be possible to collaborate on standardized regulations. The office regularly provided advice to other cities, and in some cases supported them in their legal challenges, for example, by filing an amicus brief, in the case of Santa Monica.

## **Vienna, Austria**

Using laws originally designed to control the spread of "mixed-use", Short-Term Rental activity is restricted in residential buildings in inner-city Vienna. It is possible for an owner to convert no more than 20% of particular parts of a residential building to short-term rental use, thus maintaining predominant residential use, but only with the consent of all of the other owners in the building and via a permit from the city.

Social Housing makes up 50% of Vienna's housing, and Short-Term Rental use is not allowed if it is the predominant use or if the resident receives an amount which exceeds the rent paid by the long term resident.

Data reporting by Short-Term Rental Platforms for tax purposes is mandated by Law, and all of the platforms except for Airbnb now provide data. The city negotiated with Airbnb for over a year over the provision of data, but negotiations failed and as a result a fine was issued against Airbnb in May 2019 which amounted to about €300.000, which at the time of the interview, had not been paid.

The city had the in-house ability to obtain data on Short-Term Rental use, via scraping, and it also provided this capability to other cities, primarily German-speaking ones.

Vienna also participates in European networks such as the European Cities Network on Short-Term Holiday Rentals and led the adoption of "A European framework for regulatory responses to the collaborative economy" by the European Committee of the Regions (CoR) in December 2019.

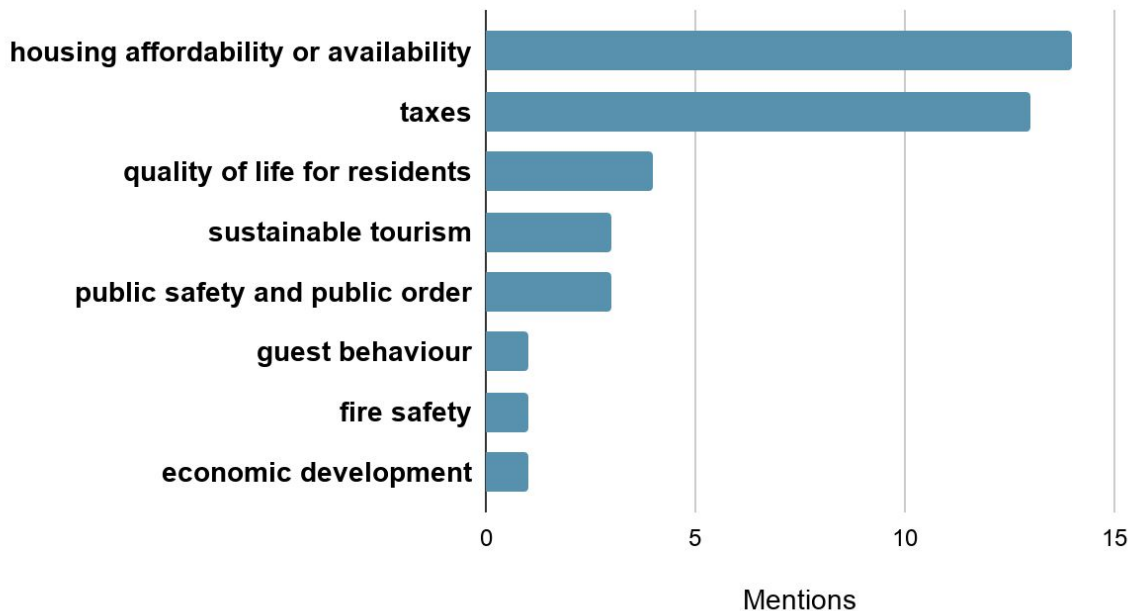


## 4. Short-Term Rental Regulations and Compliance

City objectives must be considered in order to understand city policy and regulations. We asked cities to summarise their Short-Term Rental Policy Objectives. Specifically on the following categories:

- Overall policy objectives. How the city aims to achieve a healthy balance between Tourism, Economic Development, Housing, Livability, Taxation and Consumer Protection
- Taxation
- Protection of Residential Housing. Preventing the conversion of residential properties designed for owner occupier or long term tenants, into commercial properties used permanently or mostly for tourism.
- Protection of Residential Communities and Livability. Preventing or minimising Noise, Parties, Garbage etc.
- Protection and Safety of Consumers.

Figure 4.1. shows how **Protection of Housing Affordability or Availability** (14 of 16 cities); and **Taxes** (13 of 16 cities) were by far the most important policy objectives for cities managing Short-Term Rentals.



**Figure 4.1:** Short Term Rental Policy Objectives (n=16)

## 4.1. Short-Term Rental Classifications according to local Regulation

In order to study how cities are using data, negotiating with platforms, and collaborating with each other around Short-Term Rentals, it is important to first understand how cities define and classify Short-Term Rentals.

Generally, a Short-Term Rental **is a residential property or room being rented out for short stays**, usually to tourists. In many cities a stay of 30 days or more is defined as Residency, Tenancy, or a Long-Term Rentals, and conversely a stay of less than 30 days is a Short-Term Rental or Transient Rental.

Terminology and definitions of Short-Term Rentals may vary across different countries and even cities within the same country. For example, other terminology that may be used by cities are: Tourism Housing, Vacation housing, Vacation Rental, Homesharing, Short-Term Lets. Some cities may distinguish between Short-Stay and Holiday Rental.

These practices often have specific regulations, meaning that there are official local names given to these practices. For example **Pensione** or **Albergo** (Italy), **Chambres d'Hote** (France), **Guest House** (UK), **Apartamentos Turísticos** or **Piso Turístico** (Spain).

To complicate matters, some regions have a type of accommodation known commonly as a **"Bed and Breakfast" (B&B's)**, which may be a **subset of Short-Term Rentals**, or **differentiated from Short-Term Rentals** depending on the region.

In order to understand every local casuistry, cities were asked in the survey to indicate what Short Term Rentals meant for them according to the following categories:

- Case 1: Rental of one or more rooms within the same dwelling where the permanent resident or "host" lives
- Case 2: Rental for short periods of the whole house where the Primary Resident lives (for example when in vacation or a stay in a different place for professional purposes)
- Case 3: Rental of a one (and only one) Entire Home by the owner
- Case 4: Professional rental of more than one short-stay/vacation rental (rooms or whole facility)

The responses of cities can be found in Tables 4.1 to 4.4.

**Table 4.1:** Classifications according to local Regulation. Amsterdam, Barcelona, Bologna, Bordeaux

STR Scenario	Amsterdam	Barcelona	Bologna	Bordeaux <sup>19</sup>
<b>1. Rental of one or more rooms where the Primary Resident lives</b>	<b>"B&amp;B"</b> Restrictions apply, such as max 40% of the surface of the apt.	Not Regulated.	<b>"B&amp;B"</b>	<b>"Chambres d'Hôtes"</b> Those rooms can be rented as STR all year long. Need a registration number.
<b>2. Rental for short periods of the whole house where the Primary Resident lives</b>	<b>"Holiday rental"</b> Restrictions apply, such as max 30 days per year.	Allowed with license (only 9,659 licences issued). Multiple licenses allowed.	<b>"Appartamenti ammobiliati per uso turistico"</b>	<b>"Meublé de Tourisme"</b> Can be rented as STR up to 120 days/year. Need a registration number.

<sup>19</sup> Bordeaux along with Paris are some of the French cities which voted to apply "changement d'usage" (change of use) laws protecting the conversion of residential housing into commercial housing, and allowing a series of other compliance mechanisms like a mandatory registration system for occasional use.

3. Rental of one entire home permanently by the owner	Not allowed		"Locazione turistica semplice"	<b>"Meublé de Tourisme"</b> . Declaration of "change of use" into hotel accom. by city planning if more than 120 days
4. Professional rental (rooms or whole facility)			"Affittacamere e Case Appartamenti per Vacanze"	

**Table 4.2:** Classifications according to local Regulation. Grenoble, Krakow, Montreal, Munich.

STR Scenario	Grenoble	Krakow	Montreal	Munich
1. Rental of one or more rooms where the Primary Resident lives	<b>"Chambres d'Hôtes"</b> Those rooms can be rented as STR all year long. Need a registration number	<b>"Hotel services"</b> Registration is required, but there are no restrictions. There is no differentiation of the different STR scenarios.	<b>"Primary resident tourist accom. establishment"</b>	<b>"Joint use"</b> . Only less than half of home may be rented
2. Rental for short periods of the whole house where the Primary Resident lives	<b>"Meublé de Tourisme"</b> The rental of an entire accommodation or only a part of it. The difference with the "chambre d'hôtes" is that the owner doesn't live there and doesn't provide visitors with any services.			<b>"STR"</b> Up to 8 weeks per year.
3. Rental of one entire home permanently by the owner				STR Not Permitted.
4. Professional rental (rooms or whole facility)			<b>"Commercial tourist accom. establishment"</b>	This is a business and regulated by further law.

**Table 4.3:** Classifications according to local Regulation. Paris, Porto, Rotterdam, San Francisco.

STR Scenario	Paris <sup>20</sup>	Porto	Rotterdam	San Francisco
1. Rental of one or more rooms where the Primary Resident lives	<b>"Chambres d'Hôtes"</b> Those rooms can be rented as STR all year long. Need a registration number.	4 STR types: <b>"apartment", "villa", "lodging establishment" and "rooms"</b> . Mandatory Registration System without restrictions.	If the rooms that are rented are no more than 30% of the floor area (max 70m2), it is allowed the whole year through.	<b>Short-term rental, or "hosted" rental.</b> Mandatory registration.
2. Rental for short periods of the whole house where the Primary Resident lives	<b>"Meublé de Tourisme"</b> Can be rented as STR up to 120 days/year. Need a registration number.		This is allowed for max. 60 days in total per year.	<b>Short-term rental, or "unhosted" rental.</b> Mandatory registration. Unhosted rentals are limited to 90 nights per year.
3. Rental of one entire home permanently by the owner	<b>"Meublé de Tourisme"</b> . Declaration of "change of use" into hotel accom. by city planning if more than 120 days		Not allowed	Not allowed
4. Professional rental (rooms or whole facility)			Not allowed	

<sup>20</sup> See footnote at Table 4.1.

**Table 4.4:** Classifications according to local Regulation. Valencia, Vienna.

STR Scenario	Valencia	Vienna
1. Rental of one or more rooms where the Primary Resident lives	Not recognised.	<b>"Kurzfristvermietung"</b> The predominant use of the dwelling is relevant. This applies to space as well as time. If the predominant use in terms of space or time is STRs then registration and a permit is mandatory.
2. Rental for short periods of the whole house where the Primary Resident lives	Generally allowed, although in some areas of the city, residents cannot rent out for more than 60 flights per year (Ciutat Vella and El Cabanyal)	
3. Rental of one entire home permanently by the owner	Registered holiday rentals can only be located above business premises and under residential homes.	
4. Professional rental (rooms or whole facility)		

## 4.2. Regulatory responses to control STR

Most cities had regulatory responses (see Table 4.5) to control the impact of Short-Term Rentals, with the most common regulatory responses including:

- Mandatory registration of Short-Term Rental listings
- Option or requirement for platforms to collect taxes
- Requirement for platforms to provide data for tax or regulatory compliance
- Yearly cap on rentals to ensure that the primary purpose of a property remains residential
- Requirement or proof that the Short-Term listing is the primary residence of the host
- Platform accountability, so that platforms only advertise listings that are registered with the city or state

**Table 4.5:** Regulatory responses to Short-Term Rentals

City	listings: mandatory registration	platforms: collect tax	platforms: data disclosure	listings: yearly rental cap	listings: only primary residences	platforms: mandatory registration compliance	permits: capped
Amsterdam	x	x	x	x	x		
Barcelona	x		x				x
Bologna	x	x					
Bordeaux	x	x	x	x	x	x	
Krakow	x						
Montreal	x	x					
Munich				x	x		
Paris	x	x	x	x		x	
Porto	x	x				x	
Rotterdam				x	x		
San Francisco	x	x	x	x	x	x	
Umea				x	x		
Valencia	x		x			x	
Vienna	x	x	x		x		
Total	11	8	7	7	7	5	1

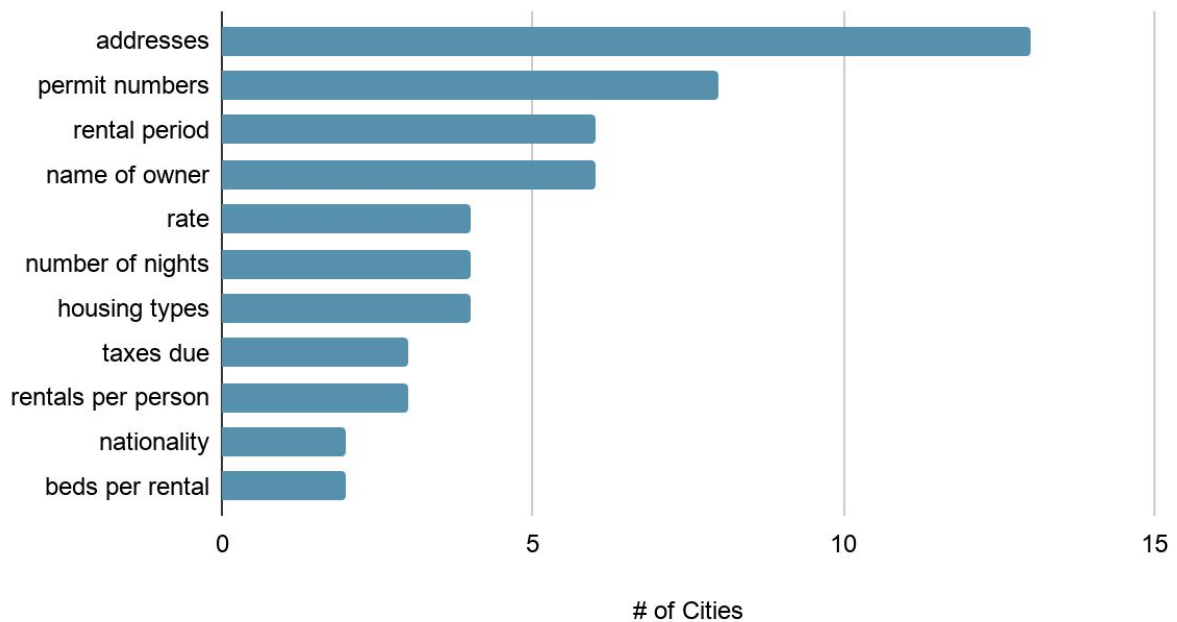
Regulatory responses include also the restriction of Social Housing used as Short-Term Rentals in most of the cities surveyed.

Regarding the Mandatory registration of Short-Term Rental listings, Barcelona has also capped the number of licenses (only 9,659 licences issued).

### 4.3. Data and Compliance

To understand Short-Term Rental activity; to create policy; assist with enforcement or negotiate with platforms (see Figure 4.2), cities most wanted access to data about: Addresses (13 cities), followed by Permit Numbers (8 cities), Rental Period and Name of Owners (6 cities).



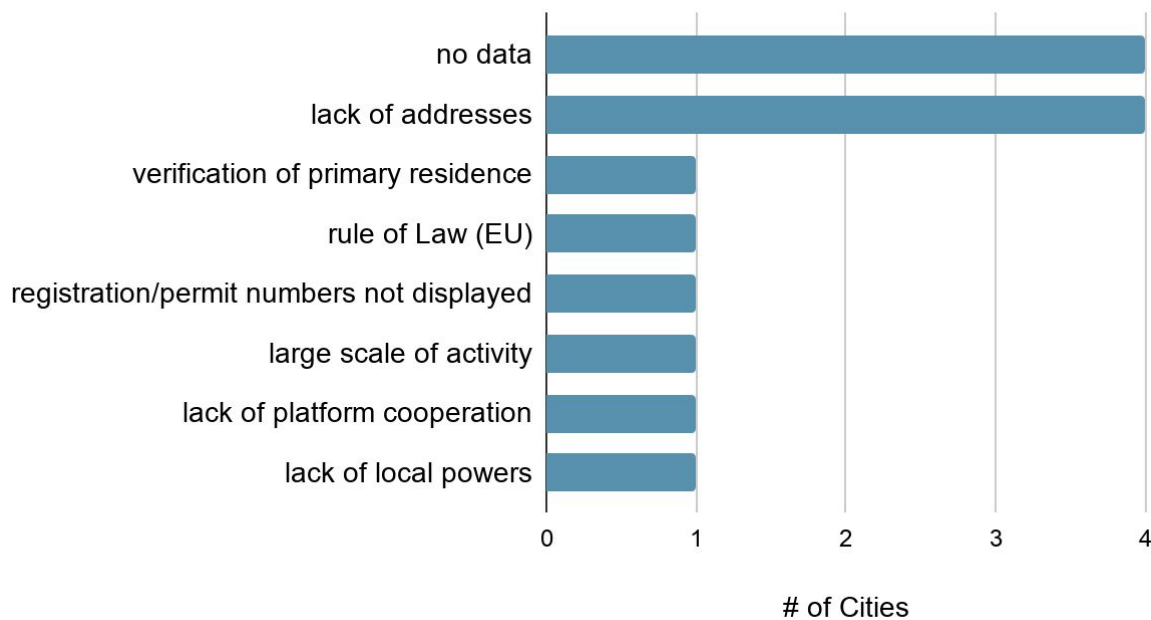


**Figure 4.2:** What datasets are the cities seeking to understand Short-Term Rental activity; to create policy; assist with enforcement or negotiate with platforms? (n=15)

It is clear from these responses that data for compliance is critical to the enforcement of Short-Term Rentals. Cities want to be able to identify the location of listings to verify the properties being rented, and for cities with Registration Systems, the permit number so the city can reference details in their official registries.

### Barriers: Lack of Data

When asked about the current challenges and/or barriers to ensure compliance with Short-Term Rental regulations, **lack of data** and the **ability to determine addresses from internet listings** were most often mentioned as barriers (Figure 4.3).



**Figure 4.3:** Barriers to Ensuring Compliance (n=9)

Short-Term Rental Platforms usually **hide the exact location and addresses of listings** on their web-sites until a guest makes a booking. Also, **the identity of a Short-Term Rental host is largely anonymous** - only first names are displayed, without compulsory validation.

For city enforcement teams attempting to determine if a listing on the internet is complying with their laws, or who to contact about infringements, the anonymisation of Short-Term Rental advertisements<sup>21</sup> makes enforcement extremely difficult.

Without a legal basis, **demands for detailed data from Short-Term Rental Platforms have without exception been refused**, mostly citing privacy concerns.

City enforcement teams and experts believe that Short-Term Rental Platforms hide the location of listings and identities of hosts, and refuse to supply data, primarily to avoid enforcement (Shatford, 2017) and of disclosing evidence of the impact of Short-Term Rentals.

**Data is critical for cities policy objectives and compliance for Short-Term Rentals.**

Two cases should be mentioned, because they provide hope that Platform Data Disclosure is possible: San Francisco and France. These cases are developed in Chapter 5. Regulatory Approaches to Data Access.

<sup>21</sup> The terms **advertisement** and **listing** are used interchangeably

## Tax Compliance

Lack of data from Short-Term Rental Platforms can also make it impossible for tax authorities to reconcile taxes collected by platforms against the true economic activity from Short-Term Rentals. Likewise, data is needed to ensure that the taxes collected are from operators who are following other city or regional laws.

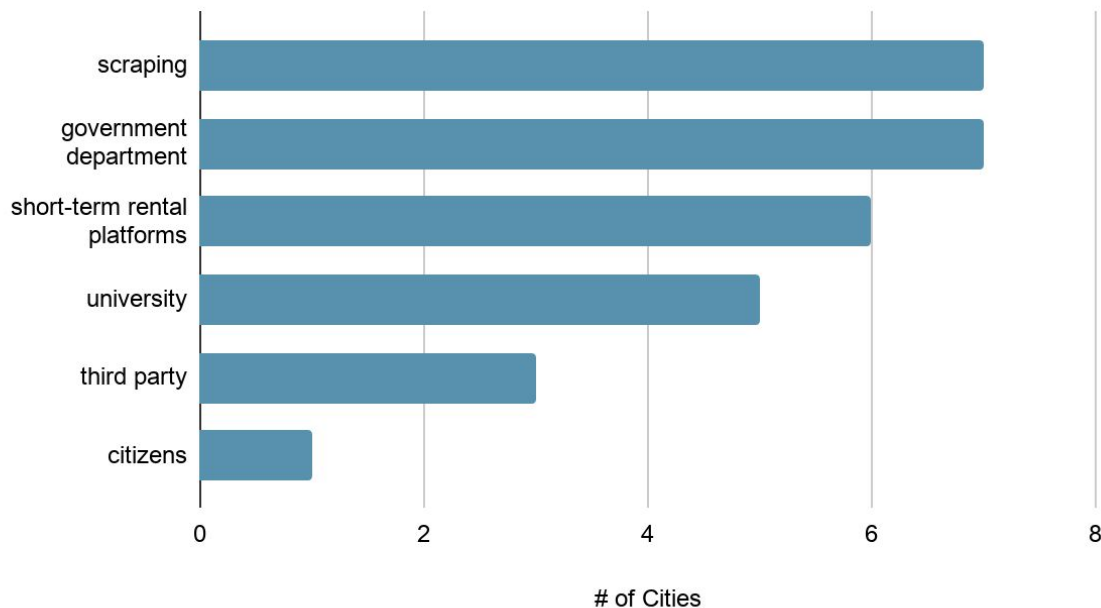
## 4.4. Data Sources and Services

Beyond the problem of identifying listings and hosts, larger cities are confronted with tens-of-thousands of listings, and smaller cities, several thousand. To discover and investigate this scale of listings, cities usually attempt to receive detailed data, either through **data scraping** or **demanding data from platforms**.

"Data scraping" is an important tool for cities to analyse the data about the listings that are active within their boundaries. Scraping is a technique where a computer program (the "scraper") visits a platform's website and collects the public data from each Short-Term Rental advertisement.

When asked where cities were collecting their Short-Term Rental data (Figure 4.4), more than half of the cities (7 of 13) said they were "scraping" platform websites and some (6 of 13) said they were receiving some data from Short-Term Rental Platforms. Amsterdam, Barcelona, Bordeaux, San Francisco and Vienna are collecting data from both sources.

**Most cities who were receiving data from Short-Term Rental Platforms, said that it was not detailed enough, and the lack of data was by far the biggest barrier for cities aiming to meet their policy objectives.**



**Figure 4.4:** How are cities collecting Short-Term Rental Data? (n=13)

**Data scraping involves the automated collection of public data from platform web-sites**, which can allow cities to more easily analyse Short-Term Rental listings, however the same anonymised conditions exist within the scraped data.

Without a legal basis, **demands for detailed data from Short-Term Rental Platforms have without exception been refused**, mostly citing privacy concerns.

Some cities had created their own scrapers, others engaged with third-party software companies to create a scraper, and others (e.g. Vienna) were using their own scraper to provide data to other cities. Some cities are also collaborating with University for that purpose.

Scraped data is also available publicly, via activist websites like **Inside Airbnb**<sup>22</sup>, whose mission is to provide free data that quantifies the impact of Short-Term Rentals on housing and residential communities (full disclosure: the authors are affiliated with the Inside Airbnb project); or via purchase from commercial data providers like **Airdna**<sup>23</sup>, who market their data to Short-Term Rental investors.

<sup>22</sup> <http://insideairbnb.com>

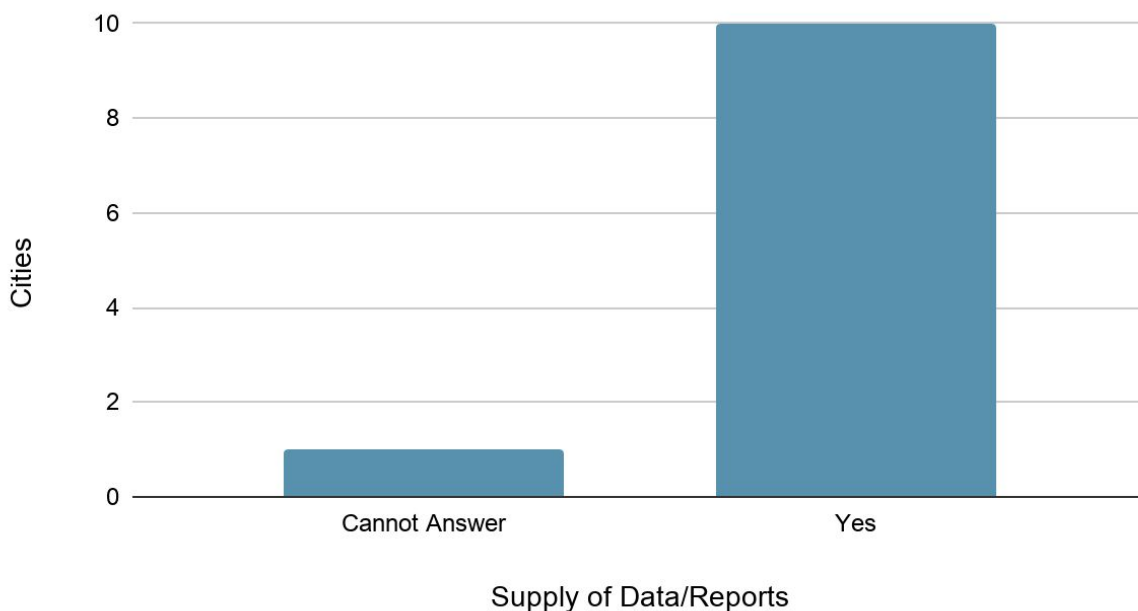
<sup>23</sup> <http://airdna.co>

Due to the difficulty that municipalities face at implementing and enforcing Short-Term-Rental rules in relation to platforms, some companies are starting to provide services for registration, compliance, monitoring and enforcement, for example, Host Compliance (USA).

## 4.5. Collaborative Data Supply

In the 2018 Sharing Cities Summit<sup>24</sup>, cities participating in a Task Force for Short-Term Rentals had indicated that they would be interested in the supply of data or reports. This was confirmed with this report's survey, where 10 of 11 Cities who responded to this question, again said that they would be interested in the supply of Short-Term Rental Data or Reports (see Figure 4.5) to help with their policy responses.

One respondent cited the importance to "prove the direct link between rising Short-Term Rental activity and the scarcity of housing".



**Figure 4.5:** What interest do cities have in the supply of STR Data or Reports for policy creation? (n=11)

<sup>24</sup> Barcelona hosted in 2018 the 3rd edition of the international Sharing Cities Summit, after Amsterdam (2016) and New York City (2017).  
<http://www.sharingcitiesaction.net/sharing-cities-summit/2018-barcelona/>

## 5. Regulatory Approaches to Data Access and Compliance

The challenges imposed by the lack of data from Short-Term Rentals can be seen directly in the various policy responses adopted by cities (Chapter 4. Short-Term Rental Regulations and Compliance).

**Three regulatory responses should be viewed as the holy trinity in regulating Short-Term Rentals: Mandatory Registration System, Platform Compliance and Platform Data Disclosure.**

As mentioned in Chapter 4, two cases provide hope that Platform Data Disclosure is possible: San Francisco and France. These cases are developed in sections 5.4 and 5.5.

### 5.1. Mandatory Registration Systems

Most cities have adopted **Mandatory Registration Systems** to combat the lack of data, as shown in Section 4.2. Regulatory responses to control STR.

**A mandatory registration system funnels Short-Term Rental Operators into a registry of known addresses and hosts, with validation that the property meets the criteria set by the city or region before Short-Term Rental activity commences, in exchange for an official permit, license or registration number<sup>25</sup>.**

A Mandatory Registration System alone does not solve the problem of compliance. Cities that adopted mandatory registration systems early in the regulatory response to Short-Term Rentals (e.g. Barcelona, Spain; San Francisco and Portland, both in the United States) discovered that hosts ignored the registration requirement and platforms continued to advertise listings without permits. It was not uncommon to see **non-compliance in the order of 80%<sup>26,27</sup> or higher**.

<sup>25</sup> The terms **permit**, **license** or **registration** are used interchangeably

<sup>26</sup> "as of May 2015... there may still be up to 4,296, or 79.9 percent of the 5,378 unique Airbnb hosts listed on Airbnb in November 2015, out of compliance with City law" (Brousseau et al, 2016).

<sup>27</sup> "80 percent of Portland Airbnb-style rentals operate illegally, audit finds" (Friedman, 2018).

## 5.2. Platform Compliance

A complementary policy to Mandatory Registration Systems is Platform Compliance.

**Under Platform Compliance, a Short-Term Rental Platform can only accept advertisements from hosts that have registered their Short-Term Rental property.**

Each listing must display a permit number in advertisements, and most laws dictate that platforms must make a field available in their systems for hosts to enter a permit number when they create a listing and for it to be prominently displayed on the platform's web page for each listing.

Cities such as Amsterdam, Barcelona, Paris, San Francisco; with Platform Compliance regulations, usually have processes in place, sometimes negotiated, other times mandated by law, for notifying platforms when an advertisement for a Short-Term Rental listing: does not have a permit number, has an invalid permit number, or if a listing's permit has been denied or revoked. Platforms must respond within a set period of time by removing the illegal listing.

Without laws that mandate Platform Compliance, platforms may ignore requests to remove non-compliant listings or respond arbitrarily depending on their own public policy objectives.

## 5.3. Platform Data Disclosure

Even with Mandatory Registration Systems and Platform Compliance, cities must still monitor platform web-sites to continue to ensure compliance.

In addition to their own data scraping of platforms, cities such as San Francisco, Paris, Bordeaux and Barcelona also enact **Platform Data Disclosure laws which require Short-Term Rental Platforms to provide data about the listings active on their websites within the boundaries of the city or region.**

Permit data, scraped data<sup>28</sup>, and platform data can all be used in compliance efforts.

## 5.4. Case: The City of San Francisco

The **City of San Francisco's** most recent regulatory regime, includes all three of what this report views as essential regulatory tools: **a Mandatory Registration System; Platform Compliance and Platform Data Disclosure.**

---

<sup>28</sup> More information about scraped data in Section 4.4. Data Sources and Services

Their city ordinance requires platforms to provide data on all of the active listings operating in the city, including permit numbers and addresses, and enables the city to audit all Short-Term Rental activity. After these regulations went into effect, the number of listings dropped by at least 50% across the major platforms (Said, 2018).

Other U.S. cities have adopted similar regulatory schemes, including the city of Santa Monica, in California, notable because their laws survived legal challenges, including an appeal in the Federal Courts, which now provide a precedent to allow every other U.S. city to follow.

## 5.5. Case: French Laws for Short-Term Rentals

New French regulations, the Law for a Digital Republic<sup>29</sup> (signed October 2016) and the ELAN Law<sup>30</sup> (signed October 2018) require platforms to share data with local authorities for regulatory compliance or for tax reconciliation. ELAN stands for Housing, Planning and Digital Evolution (*Évolution du Logement, de l'Aménagement et du Numérique*).

Starting December 1, 2019, Short-Term Rental Platforms operating in France are required by the ELAN Act to provide municipalities with a Compulsory Registration System the following information:

- Address of the listing
- Registration number, if published on the listing
- Number of nights stayed in the accommodation during the current calendar year and, possibly, during the previous calendar year

Starting January 1, 2019, Short-Term Rental Platforms collecting tourist tax are required to provide to cities the following information, along with the amount remitted for each calendar year:

- Date of collection of the tax
- Address of the listing
- Number of guests
- Number of nights
- Price per night (for non-classified listings only)

---

<sup>29</sup> LOI n° 2016-1321 du 7 octobre 2016 pour une République numérique.

<https://www.legifrance.gouv.fr/affichLoiPubliee.do?idDocument=JORFDOLE000031589829&type=general&legislature=14>

<sup>30</sup> ELAN Law: portant Évolution du Logement, de l'Aménagement et du Numérique. <http://www.assemblee-nationale.fr/15/pdf/ta-commission/r1253-a0.pdf>



- Total amount of tax collected during the year
- Registration number, if applicable and included in the description of the listing (permit field)

If these laws successfully produce Platform Data for French cities, it could be a model for other European cities, regions and countries to follow.

At the time of writing this report, it is not known whether French cities using these new laws have had their requests for data honoured by Short-Term Rental Platforms.

## 6. Negotiation with Short-Term Rental Platforms

In many cases, cities are involved in discussions with Short-Term Rental Platforms which might include attempts by the city to enact their policy objectives, with or without corresponding regulations in place.

On the other hand, Short-Term Rental Platforms might be lobbying cities to continue to be deregulated.

These dialogs provide a forum for asking or demanding outcomes in a negotiation.

Cities were asked about negotiations with Short-Term Rental Platforms and focused on three different areas: supply of data; enforcement of regulations; and collection of taxes.

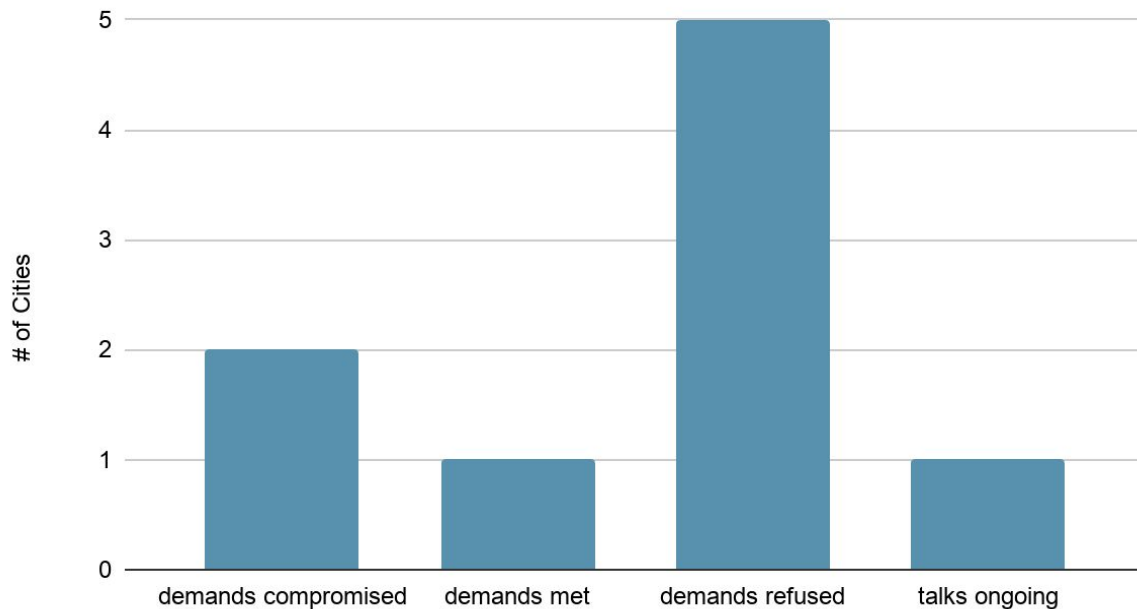
This chapter shows the results of the negotiation attempts on each of the three different areas, an overview for each city and their views, and finally a prospect of a collaborative negotiation.

### 6.1. Results of Negotiations with Platforms for Supply of Data, Enforcement of Regulations and Collection of Taxes

#### Negotiating for the supply of data

As shown in Section 4.3. Data and Compliance, **supply of data** was listed as one of the top barriers to a city's policy objectives.

When asking cities about their attempts at negotiating with cities for the supply of data (see Figure 6.1), only 1 of 9 of the cities reported that their demands were met.

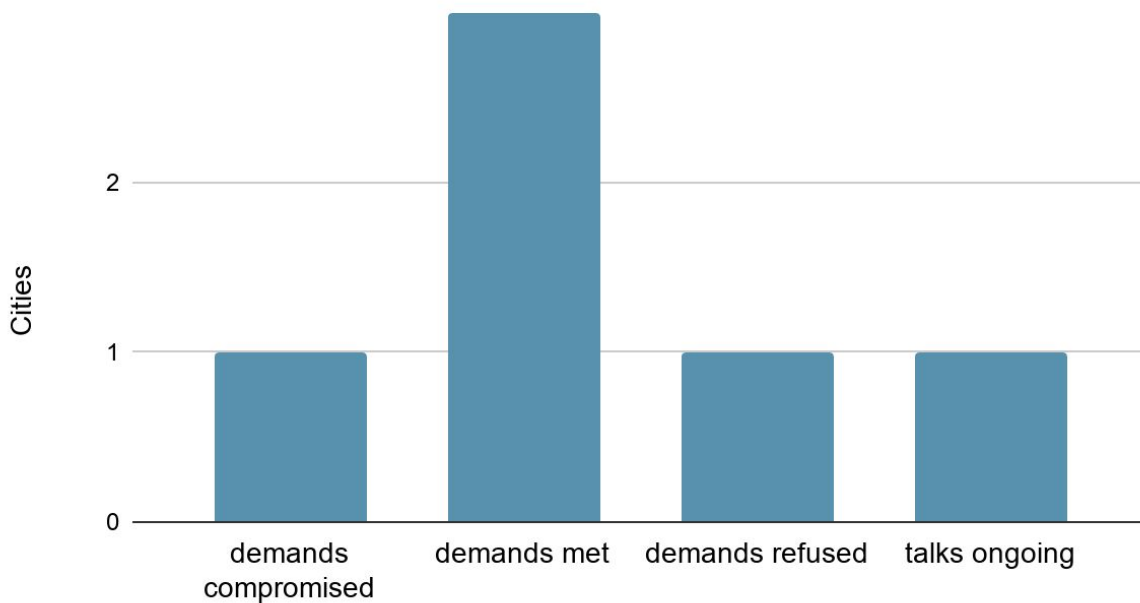


**Figure 6.1:** Results of Negotiations with Platforms for Data (n=9)

The one city that reported a successful negotiation for data, was the City of San Francisco. However, this was in the context of a Settlement Agreement via a mediation process triggered by a lawsuit filed by Short-Term Rental Platforms Airbnb and VRBO. The Settlement Agreement and the agreement to provide data was consistent with the city's strong regulations enacted in August 2016.

### Negotiating for Enforcement of Regulations

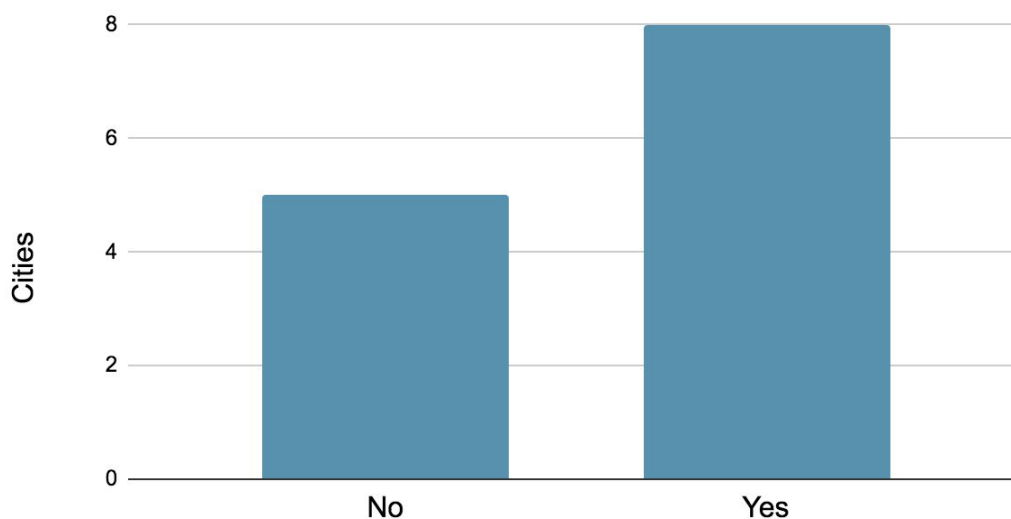
Three cities, Amsterdam, Paris and San Francisco, reported that their negotiations with platforms on enforcement were successful (see Figure 6.2). The negotiations were mainly related to demands that the platforms respond to requests to remove illegal listings, again where strong regulations already existed.



**Figure 6.2:** Results of Negotiations with Platforms for Enforcement

### Negotiation over Collection of Taxes

8 of 13 Cities (62%, Figure 6.3) reported agreements with Short-Term Rentals Platforms to collect and remit taxes on STR Activity. Cities were not asked specifically how the tax agreements with platforms came to be: by regulation negotiation, or some other manner; however for those that mentioned a tax agreement as an objective of negotiations, 50% (2 of 4 cities) said that their tax negotiations had failed.



**Figure 6.3:** Do Short-Term Rental Platforms collect taxes and remit on behalf of hosts?

The collection of taxes appears to be one area where negotiations are possible. This result is also shown publicly by some platforms, as for example Airbnb with a dedicated section on their website informing “In what areas is occupancy tax collection and remittance by Airbnb available”

<sup>31</sup>.

Yet, many cities reported that negotiations **did not** include the requirement for platforms to provide detailed reconciliation data, essential for tax authorities to verify the collections from the activity of underlying residents, and in some cases required by their general tax laws.

For this reason, the recommended strategy is to pursue the option for collection of taxes from platforms **by regulation** and should **require the supply of data needed for reconciliation**.

---

<sup>31</sup><https://www.airbnb.com/help/article/2509/in-what-areas-is-occupancy-tax-collection-and-remittance-by-airbnb-available>

## 6.2. Summary of Negotiation Attempts and Cities' Views

Table 6.4 provides an overview for each city of the results of negotiations with Short-Term Rental Platforms on the three different areas described above: supply of data; enforcement of regulations; and collection of taxes.

14 cities replied to all or part of the questions of this section. 9 of them report attempts to negotiate on one or more of the different areas, the most important being Data (8), followed by Enforcement (5) and Taxes (4).

Only two cities report demands met on Data and/or Enforcement areas. As indicated earlier, it was where strong regulations already existed: Amsterdam and San Francisco.

**Table 6.4:** Attempts and status of cities' negotiation demands: Data, Enforcement and Taxes

City	Type of Negotiation		
	Data	Enforcement	Taxes
Amsterdam			
Barcelona			
Berlin			
Bologna			
Bordeaux			
Munich			
Paris			
Porto			
Rotterdam			
San Francisco			
Thessaloniki			
City of Umeå			
València			
Vienna			

**Key:** Status of cities' negotiation demands

	Demands Met
	Demands compromised or talks ongoing
	Demands refused
	No attempt to negotiate
	Not reported

## Cities views on Negotiations

Cities were negative regarding negotiations with Short-Term Rental Platforms, after many of the negotiations failed, and took up significant resources and time.

When discussing this topic during the interviews, participants also mentioned that negotiations may not be legally enforceable, and it was difficult to win demands for objectives which were not obligated by law.

In addition, cities cited the problem of having to negotiate with multiple platforms, a time consuming, resource intensive, and uncertain process.

European Cities mostly suggested that lobbying the EU would be more effective than negotiating with platforms.

## 6.3. A Collaborative Negotiation

Cities find an asymmetric negotiation power when dialoguing with large platforms. While cities have limited resources for such endeavors, large platforms have an enormous budget and a specialised team, both at the headquarters and at the country level, to deal with a multi-layered lobby strategy. In addition, large platforms play the card that cities act individually and without having access to strategic information related to other cities' actions or agreements.

A platform may refuse a demand from a city by saying that they cannot adapt to every city request. Although a reasonable argument, it may look different if the city would know which other cities are requesting the same, or even cities that have already this agreement in place with the platform.

Cities were asked about their views on the prospect of **collaborating with other cities in negotiations with Short-Term Rental Platforms**.

The answers to this question through the survey were sceptical. Commonly mentioned reasons were because the system of laws amongst cities were relatively diverse; and that their experience of negotiations at the local level were mostly unsuccessful.

Nevertheless, during the working meeting with city representatives at the Sharing Cities Encounter in Barcelona in November 2019, some **cities suggested** the possibility **that a collaborative negotiation with Short-Term Rental Platforms may be possible over mutually beneficial and lower staked objectives**, which might include:

- Standard data formats for Platform Data Disclosure or for registration numbers in a Mandatory Registration System;

- Standard protocols for "Pass-through Registration Systems" which may allow platforms to accept registrations in their systems and pass them to cities or other registries in a common manner;
- A standard for communicating "Take Down Notices", which allow a city to issue a request to a platform that a listing be removed, because an advertisement for a Short-Term Rental does not have a permit number, has an invalid permit number, or if a listing's permit has been denied or revoked; and
- Common policies on managing and communicating Short-Term Rental data to respect privacy.

During this meeting, cities also suggested that sharing information and the systematization of knowledge would help on Negotiation Strategies, both at an individual level and for a potential collaborative negotiation. Some examples of shared resources which are developing, or could be developed by cities and researchers can be found in Chapter 8 Collaboration between Cities: Information Systematization and Sharing Resources.



## 7. Recommended Data Policies and Strategies

Based on the research and recommendations from cities involved in this study, this chapter provides recommendations to cities responding to Short-Term Rentals.

Data is critical for cities policy objectives and compliance for Short-Term Rentals. Lack of data and the ability to determine addresses from internet listings are the most important barriers for cities to ensure compliance.

Without a legal basis, demands for detailed data from Short-Term Rental Platforms have without exception been refused.

Regarding the enforcement of Regulations, only 6 cities reported negotiation attempts with STR Platforms. And only two, San Francisco and Amsterdam, reported that their negotiations were successful, again where strong regulations already existed.

For these reasons, it is recommended to evaluate the resources and time consumed on these particular negotiations by each city and evaluate the purse of other strategies.

The following recommendations should be understood as non-mutually exclusive strategies, which potentially would need to be developed in parallel.

### Regulation Strategies

- Adoption of regulations for **all three components** of an effective and definable compliance system for Short-Term Rentals: **Mandatory Registration System; Platform Compliance; and Platform Data Disclosure.** (Chapter 5)
- **Platform Data Disclosure** laws should be based on successful regulatory models, for example **San Francisco** and **France's ELAN Law** and **Law for a Digital Republic** (Sections 5.4 and 5.5)
- Lobbying of higher level authorities to influence new legislative developments and new regulations.
  - **Collaborate at regional and national levels** where regulatory responsibilities for Short-Term Rentals are beyond city borders. In the case of Europe, France may be seen as an example of a regulatory framework at national level.
  - **European cities must continue to organize** to ensure they maintain their sovereign right to decide the future of their housing under pressure from Platforms at the EU level to not be regulated. It is important that lobbying activities to European Institutions continue and obtain as much support as

possible from cities and other institutions to influence new legislative developments that are taking place, such as the new Digital Services Act.

- Which institution should perform the enforcement and compliance in regards to Short-Term Rental Platforms is out of the scope of the study. However, these new digital platforms, with a cross-border nature and large power, open the question to rethink whether some aspects discussed in this report should be the competence of other authority bodies, such as national or regional regulatory agencies.

## Negotiation Strategies

- **Focus negotiation efforts in areas with higher chances** of reaching an agreement, for example the Collection of Taxes from platforms (Section 6.1).

When granting the option for collection of taxes by platforms, Platform Data Disclosure should be required for reconciliation data.

- **Alternative negotiation strategies** in areas where results show high investment in negotiations but low achievement.
  - **Explore the feasibility of a Collaborative Negotiation with Short-Term Rental Platforms** over mutually beneficial objectives such as: **standard data formats; protocols for "Pass-through Registration Systems"; standard "Take Down Notice" procedures; and privacy**. A group of cities together will represent a larger economic share of the Platform activity, gaining leverage in the negotiation process.
  - **Development of Information Systematization and Sharing Resources** among cities may enrich more informed Negotiation Strategies and discussions, both at an individual level and for the potential collaborative negotiation. (Further developed in Chapter 8)

## Data strategies

- **Buildup of technology capacity** in order to collect data independently of the platforms. Some cities are developing this with different approaches, in-house or by means of service providers. Also some cities like Vienna are scraping data for other cities in their region.
- **Data Collaboration amongst cities** and third parties, including sharing scraping technology and scraped Short-Term Rental Data.
- The **feasibility of collaboratively providing reports and/or data** to help a city understand the impact of Short-Term Rentals should be explored.

## Other strategies

- **Promotion of positive impact platforms.** As introduced in Chapter 3, not all of Short-Term Rental Platforms represent a challenge or a thread for cities. There are some examples of Platforms pursuing a more collaborative and honest conversation with cities, as for example the cooperative platform Fairbnb, which is often used as an example of a positive-impact model in contrast to “Unicorn” platforms (see Appendix B - Models to Differentiate Platforms).
- **Cities awareness campaign.** There are still cities that do not understand the impact of Short-Term Rentals in their urban space nor why they need data. Rising awareness among cities may help to increase the critical mass needed to strengthen the different actions and efforts that cities are currently developing as well as for new strategies to come.

The feasibility of collaboratively providing reports and/or data to help a city understand the impact of Short-Term Rentals may also contribute to this objective.

## 8. Collaboration between Cities: Information Systematization and Sharing Resources

Sharing information, best practice and experience between cities allow them to respond more effectively to inform, create, measure and analyse their policy responses to Short-Term Rentals. They also allow cities to better prepare for negotiations with platforms and lobby for local protections with regional, national and supranational governments.

In addition, developing shared resources allow cities to benefit from the work of each other, or the work of third parties like researchers or community groups.

Specific resources that cities mentioned for collaboration that they were either already participating in, or interested in included: collaborating around scraping technology; Short-Term Rental data and reports; and sharing information about each others' regulations and negotiation strategies.

The following are some examples of shared resources which are developing, or could be developed by cities and researchers.

### 8.1. A Data Commons Portal for Short-Term Rentals

The Sharing Cities Action's [Sharing Data Commons](http://www.sharingcitiesaction.net/sharing-data-commons/)<sup>32</sup> project aims to generate valuable tools and knowledge for:

- Public administrators in charge of public policies and economic activity in a given city or urban district, who want to access and share data related to the sharing economy and policies, in order to increase transparency and make informed decisions.
- Researchers who would like to contribute with their own research generated data or develop studies from the data available.
- Entrepreneurs aiming to explore the use of the data for new initiatives and enterprises.
- Other stakeholders (journalists, informed citizens, civic entities, etc) who want to understand what's going on in cities in relation to new collaborative economy activity.

The Sharing Data Commons may be used as a repository for:

- scraped Short-Term Rental data
- housing, demographic and tourism data

---

<sup>32</sup> <http://www.sharingcitiesaction.net/sharing-data-commons/>

- research
- policy and regulatory responses

### 8.1.1. Data for Short-Term Rentals

Researchers require multiple data sets to understand the impact and activity of Short-Term Rentals, not just data on short-term rental listings, occupancy and availability, but also housing, demographic, economic and tourism data.

Centralizing and indexing data could help to reduce the learning curve for conducting analysis and promote additional research on Short-Term Rentals. The Sharing Data Commons may be an ideal repository for centralizing data.

Table 8.1 is an example of the data available for the Commune of Venice which are being used to by community researchers<sup>33</sup>, which could be hosted in the Data Commons, along with data from other cities.

**Table 8.1:** Example of datasets for Venice used by community researchers to conduct analysis of STR.

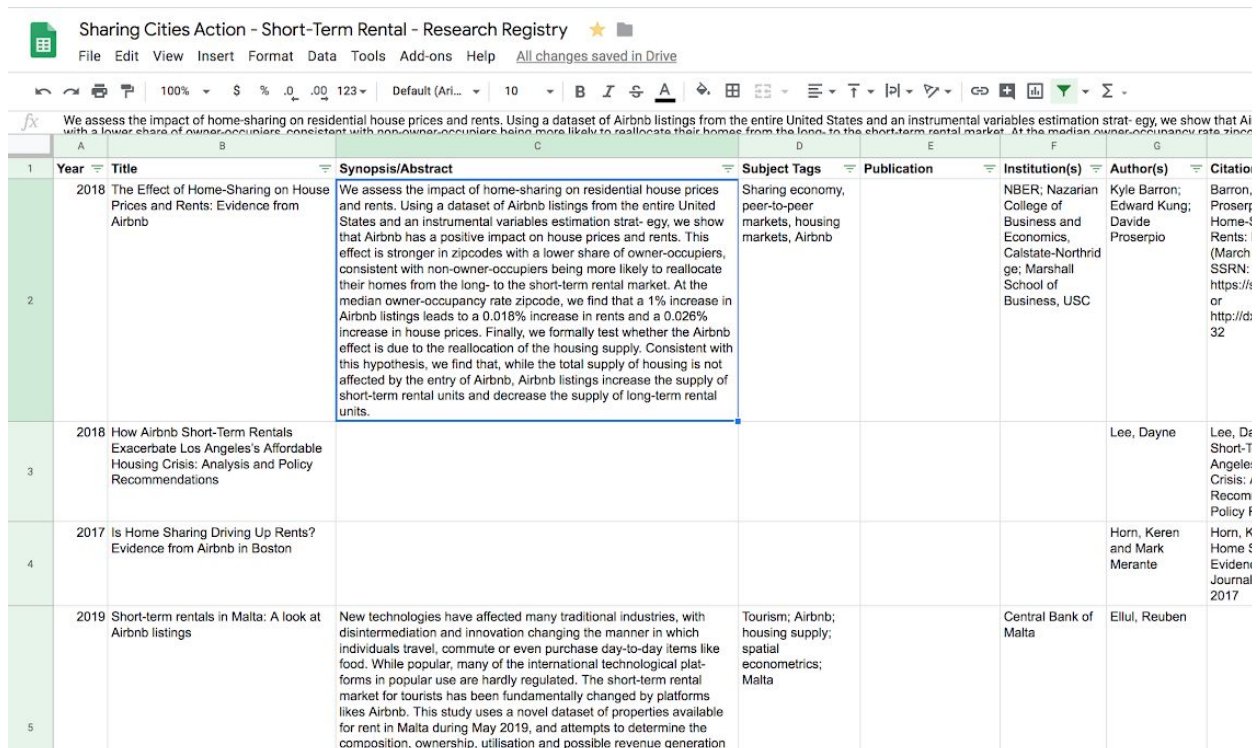
Description of Data	Location of Data
Portal of the Municipality of Venice with the map of all the registered accommodation facilities	<a href="http://geoportale.comune.venezia.it/Html5Viewer/index.html?viewer=IDS.IDS&amp;LOCALE=IT-it">http://geoportale.comune.venezia.it/Html5Viewer/index.html?viewer=IDS.IDS&amp;LOCALE=IT-it</a>
European tourism statistics analyzed at regional level	<a href="https://ec.europa.eu/eurostat/statistics-explained/index.php/Tourism_statistics_at_regional_level">https://ec.europa.eu/eurostat/statistics-explained/index.php/Tourism_statistics_at_regional_level</a>
Monthly bulletin with updated data on the hotel and non-hotel hospitality sector compared with those on the population. "Discover through interactive graphics and maps the dynamics of imbalance that deprive residential homes in favor of the tourism sector".	<a href="https://ocio-venezia.it/pagine/affittanze-dati/">https://ocio-venezia.it/pagine/affittanze-dati/</a>
Daily updated data on tourist facilities in Venice from the GeoIDS Portal	<a href="http://geoportale.comune.venezia.it/Html5Viewer/index.html?viewer=IDS.IDS&amp;LOCALE=IT-it">http://geoportale.comune.venezia.it/Html5Viewer/index.html?viewer=IDS.IDS&amp;LOCALE=IT-it</a>
Daily updated data on the population in Venice	<a href="https://portale.comune.venezia.it/millefoglie/statistiche/home">https://portale.comune.venezia.it/millefoglie/statistiche/home</a>
Inside Airbnb data for Venice	<a href="http://insideairbnb.com/venice">http://insideairbnb.com/venice</a>
Geographical databases : Open Data Venice, basic cartography	<a href="http://dati.venezia.it/?q=content/cartografia-di-base">http://dati.venezia.it/?q=content/cartografia-di-base</a>
Correspondences between block -> locality -> district -> municipality -> group : GeoTributi Portal	<a href="http://geotributi.comune.venezia.it/">http://geotributi.comune.venezia.it/</a>

<sup>33</sup> L'Osservatorio Clivco sulla casa e la residenza – O.CIO, <https://ocio-venezia.it/pagine/affittanze-dati/>

### 8.1.2. Research registry

Collaboratively collected and curated references to academic, industry and civic research indexed by keywords and geographic areas of study would allow for the convenient sharing of knowledge which could also be hosted in the Data Commons.

Figure 8.1 depicts an [example of a research registry](#)<sup>34</sup> mocked up for illustrative purposes.



Year	Title	Synopsis/Abstract	Subject Tags	Publication	Institution(s)	Author(s)	Citation
2018	The Effect of Home-Sharing on House Prices and Rents: Evidence from Airbnb	We assess the impact of home-sharing on residential house prices and rents. Using a dataset of Airbnb listings from the entire United States and an instrumental variables estimation strategy, we show that Airbnb has a positive impact on house prices and rents. This effect is stronger in zipcodes with a lower share of owner-occupiers, consistent with non-owner-occupiers being more likely to reallocate their homes from the long- to the short-term rental market. At the median owner-occupancy rate zipcode, we find that a 1% increase in Airbnb listings leads to a 0.018% increase in rents and a 0.026% increase in house prices. Finally, we formally test whether the Airbnb effect is due to the reallocation of the housing supply. Consistent with this hypothesis, we find that, while the total supply of housing is not affected by the entry of Airbnb, Airbnb listings increase the supply of short-term rental units and decrease the supply of long-term rental units.	Sharing economy, peer-to-peer markets, housing markets, Airbnb		NBER; Nazarian College of Business and Economics, Calstate-Northridge; Marshall School of Business, USC	Kyle Barron; Edward Kung; Davide Proserpio	Barron, Prosperio Home-Rents: (March SSRN: https://s or http://d 32
2018	How Airbnb Short-Term Rentals Exacerbate Los Angeles's Affordable Housing Crisis: Analysis and Policy Recommendations					Lee, Dayne	Lee, Dayne Short-Term Rentals: A Crisis in Los Angeles? Recommendations
2017	Is Home Sharing Driving Up Rents? Evidence from Airbnb in Boston					Horn, Keren and Mark Merante	Horn, Keren and Mark Merante Evidence from Airbnb in Boston Journal 2017
2019	Short-term rentals in Malta: A look at Airbnb listings	New technologies have affected many traditional industries, with intermediation and innovation changing the manner in which individuals travel, commute or even purchase day-to-day items like food. While popular, many of the international technological platforms in popular use are hardly regulated. The short-term rental market for tourists has been fundamentally changed by platforms like Airbnb. This study uses a novel dataset of properties available for rent in Malta during May 2019, and attempts to determine the composition, ownership, utilisation and possible revenue generation	Tourism; Airbnb; housing supply; spatial econometrics; Malta		Central Bank of Malta	Ellul, Reuben	

Figure 8.1: Example of a possible research registry

## 8.2. Short-Term Rental Impact Reports

Besides the compilation of existing reports and researches, the development of STR impact reports may be explored to address different objectives expressed by the participant cities in this study.

34

<https://docs.google.com/spreadsheets/d/1V2c84sztYBmeoEXhNLK240FMaIBVIPJHybDgiOGDzpE/edit?usp=sharing>

The development of this proposal may take different forms and degrees of complexity. A good starting point may be a combination of the following characteristics:

- harmonised methodology of analysing activity and impact of Short Term Rentals for cities
- Automatic generation of reports and visualization. For example a dashboard with key indicators
- Open code and open documentation for cities and third parties to implement in their studies and researches

Some cities have built their own scraping technology, and others are in collaboration with research groups and universities, those resources may be used for this purpose.

### 8.3. Shared information

As presented earlier in this report, the development of Information Systematization and Sharing Resources among cities may enrich more informed Negotiation Strategies and discussions, both at individual level and for the potential collaborative negotiation.

Resources to access and contribute that cities have suggested to share with each other may be promoted and developed, for example:

- a registry of negotiations, outcomes and agreements
- Data formats for Platform Data Disclosure or for registration numbers in a Mandatory Registration System
- protocols for "Pass-through Registration Systems
- "Take Down Notice" procedures, which allow a city to issue a request to a platform that a listing be removed, because an advertisement for a Short-Term Rental does not have a permit number, has an invalid permit number, or if a listing's permit has been denied or revoked
- policies on managing and communicating Short-Term Rental data to respect privacy.

Depending on the subject it should be considered the feasibility of developing as Open Source or Data or whether it would be necessary to restrict the access to cities.

An example is the raw data of this study. An Open file has been developed with the [coded responses from this study](#)<sup>35</sup> which detail policy objectives, barriers, negotiations, collaboration data.

## 8.4. Short-Term Rental Scraping

A number of cities had developed or were sharing Short-Term Rental data scraping technology, or were using third-party providers of both technology of data (both commercial and non-commercial) for their policy development, analysis and enforcement efforts.

Many cities still were not using the available data, and there remains opportunities to improve access to data, via shared technology, data or expertise.

---

<sup>35</sup><https://docs.google.com/spreadsheets/d/1-zTcM0LfYqcLFCr2S8YQv9QgiPIbzLtxVsYjW2RJf4/edit?usp=sharing>



## 9. Future Work

The following are possible lines of future work, either expanding on this research, or moving forward with existing recommendations or opportunities.

### **Collaborative Negotiation with Short-Term Rental Platforms**

Pursue and advance the possibility of a Collaborative Negotiation with Short-Term Rental Platforms over a set of practical, achievable, and mutually beneficial objectives. Specifically:

- Survey cities to ascertain their willingness to participate in a collaborative negotiation; their proposed objectives, which may include common data formats for registration numbers and reports; standard processes or integration interchange formats for "pass through registration" and "take-down notice" processes.
- Identify existing standards and best practices to use as a framework for negotiations.
- Create and incubate a negotiation task force, including developing terms of reference, communication methods and governance for the group of participating cities.
- Develop materials for initial conversations with Short-Term Rental platforms that explore the feasibility of a collaborative negotiation.

### **Public Data Commons for Short-Term Rentals**

Create a Public Data Commons for Short-Term Rentals with:

- Data for Short-Term Rentals, including hospitality, short-term rental, demographic, and housing data;
- Research registry which contains references to academic and civic research indexed by keywords and location(s); and
- Shared information, e.g. the coded responses from this study which detail policy objectives, barriers, negotiations, collaboration data.

### **Private Data Commons for Short-Term Rentals**

Create a Private Data Commons for member cities of the Sharing Cities Action Task Force to access and contribute information that cities have agreed to share with each other, e.g. the detailed survey results from this study.

## **Follow-Up on Platform Compliance and Platform Data Disclosure Efforts in France**

At the time of writing, it was not clear whether French city requests to Short-Term Rental Platforms for tax and permit-related data, made at the end of 2019, would be successful. An effort should be made to follow and document the status of requests, as this provides a framework for all French cities, and other cities, both in Europe and elsewhere.

In addition, new laws which hold platforms responsible for following French national and local laws have either just become available, or are being fought in the courts. The status of these laws should be tracked, in order to report back to the cities.

## **Resources for Creating Short-Term Rental Reports**

There is an opportunity to develop a set of resources to create reports that analyse Short-Term Rentals. This would allow the Sharing Cities Action Task Force to assist cities in creating effective policy and regulatory responses to Short-Term Rentals. These resources empower cities to rely on best practice use of Short-Term Rental data and other publicly available data. This information may also be helpful in educating political and civic stakeholders and advocating for policy interventions.

Lastly, the Task Force should explore a shared capacity for collecting data. This may include creating report templates, automated content population, and the ability to automatically update data and reports.

## **Broaden Study to Asian and Oceania Cities**

Broaden the study to Asian and Oceania cities, to take advantage of the next Sharing Cities Summit in Seoul.

## **Survey Cities about Detailed Data Received from Short-Term Rental Platforms**

Cities were not detailed about the type of data they have or are receiving from Short-Term Rental Platforms, yet this is an important detail as it is a common regulatory and/or negotiation objective.

Cities could be surveyed with detail so that cities can be clear about what data has been successfully requested, or the shortcoming of provided data.

## **Detailed Negotiation and Data Case Studies**

During this study, there was only limited time and resources for the interviews, and they were mainly structured to validate regulatory responses and collect specific views on data and negotiations.

In order to produce information that would be useful for other cities, more time and interviews could be conducted, which might include up to three interviews with each city, and the opportunity to collect detailed artifacts such as data samples, negotiation timelines and policy insights.

## 10. Conclusions

The report, associated research and participation of cities have identified definitions, policies and strategies being adopted by cities around the world, as well as the development of recommendations for individual and collective responses, and future work to support effective responses to the opportunities and challenges of Short-Term Rentals.

The **protection of housing affordability and availability and taxes are the most important policy objectives** for cities dealing with Short-Term Rentals.

Cities with a developed policy, regulation and enforcement system in place for Short-Term Rental activity, find themselves with limited power to implement them when it comes to a STR Platform. Platforms, characterised by a hybrid nature, adhere to “on-line” regulatory frameworks, which benefits them the most, refusing accountability for their strong local and regional dimension.

One of the most significant outcomes of this research is that **the majority of the cities have attempted to establish negotiations with the Short-Term Rental Platforms** operating within their administrative limits. This should be considered a red flag.

It becomes more flagrant when the results show that **none of the cities have reached a satisfactory end as a result of their negotiation efforts**. Despite the collection of taxes appearing to be one area where negotiations are possible, demands for supply of data and enforcement of regulations are consistently refused. The few cities that have achieved some progress still report compromised demands. These results may be seen as a symptom of a development of STR Platforms taking place in a playground with dysfunctional rules, as well as these negotiation conversations.

The main characteristics of the above-mentioned dysfunctional playground are: unclear regulatory frameworks for a digital economy not adapted to reality; where the limits between “off-line” and “on-line” are blurred; and the power asymmetry between an individual city and a large well-funded platform.

**Data access is one of the most important pain points for cities.** Data is a crucial issue for public authorities to understand Short-Term Rental activity and to ensure the enforcement of local regulations.

The few cities who said they were receiving data from Short-Term Rental Platforms, said that it was not detailed enough, and the **lack of data was by far the biggest barrier for cities aiming to meet their policy objectives**, especially the exact location of listings and identities of hosts.

Under these circumstances, cities are building data technology capacity, “scraping” public data directly from platform websites, however the same anonymized conditions exist within the scraped data

Three regulatory responses may be viewed as **the holy trinity** in regulating Short-Term Rental Platforms: **Mandatory Registration System, Platform Compliance and Platform Data Disclosure**. The cases of the City of San Francisco and France may be followed by other cities.

Cities need to unite in order to confront the power asymmetry in front of large platforms. Cities share many of the same challenges from Short-Term Rentals, and **should develop and participate in networks to share information, resources and pool their bargaining power** to assist individual and collective actions around negotiation strategies, regulatory responses, enforcement tactics and data.

The fast pace of technological and digital disruptions and the immense power of some “unicorn platforms” demands new ways to approach the situation in order to defend City Sovereignty and a city livable for all citizens.

This is a challenging and thrilling time to make a step forward and dare to be bold.

## References

- APUR** (2018). Short-term rentals: An analysis of metropolitan public responses. *APUR Atelier Parisien d'Urbanisme*, 128.  
<https://www.apur.org/en/our-works/short-term-rentals-analysis-metropolitan-public-responses>
- Bernardi, M.** (2015). Seoul rethinks Sharing Economy and proposes local solutions. *LabGov.city*. October 23, 2015.  
<https://labgov.city/theurbanmedialab/seoul-rethinks-sharing-economy-and-proposes-local-solutions/>
- Brousseau, F.; McDonald, L.; Yu, M. & Metcalf, J.** (2016). *Short-Term Rentals 2016 Update*. City and County of San Francisco Board of Supervisors, Budget and Legislative Analyst Office.  
<https://sfbos.org/sites/default/files/FileCenter/Documents/55575-BLA.ShortTermRentals%20040716.pdf>
- City of Amsterdam** (2019). Press Release 'Cities alarmed about European protection of holiday rental'. June 19, 2019.  
<https://www.amsterdam.nl/bestuur-organisatie/college/wethouder/laurens-ivens/persberichten/press-release-cities-alarmed-about/>
- Co, C.** (2020). Illegal, short-term rentals in your condo? Tell us about it, say property managers. *CNA Channel News Asia*. March 1 2020.  
<https://www.channelnewsasia.com/news/singapore/report-illegal-short-term-rentals-singapore-condo-airbnb-12455250>
- Corporate Europe Observatory** (2018). *UnFairbnb: How online rental platforms use the EU to defeat cities' affordable housing measures*.  
<https://corporateeurope.org/sites/default/files/unfairbnb.pdf>
- Corporate Europe Observatory** (2019). *Über-influential? How the gig economy's lobbyists undermine social and workers rights*.  
<https://corporateeurope.org/sites/default/files/2019-09/%C3%9Cber-influential%20web.pdf>
- Cox, M. & Slee, T.** (2016). *How Airbnb's Data hid the Facts in New York City*. Inside Airbnb.  
<http://insideairbnb.com/reports/how-airbnbs-data-hid-the-facts-in-new-york-city.pdf>
- Dickey, M. R.** (2017). *Airbnb Settles Lawsuit with San Francisco*. TechCrunch, May 1, 2017.  
<https://techcrunch.com/2017/05/01/airbnb-settles-lawsuit-with-san-francisco/>
- European Commission** (2020). *A Strong Social Europe for Just Transitions* (COM/2020/14 final). Communication from the European Commission to the European Parliament, The Council, The European Economic and Social Committee and The Committee of the Regions.  
<https://eur-lex.europa.eu/legal-content/GA/TXT/?uri=CELEX:52020DC0014>

**European Committee of the Regions** (2019). *Opinion: A European framework for regulatory responses to the collaborative economy* (ECON-VI-048). Rapporteur: Peter Florianschütz (AT/PES). December 2019.

<https://webapi2016.cor.europa.eu/v1/documents/cor-2019-01951-00-00-ac-tra-en.docx/content>

**Friedman, G.** (2018). 80 percent of Portland Airbnb-style rentals operate illegally, audit finds. *The Oregonian/OregonLive*. August 8, 2018.

[https://www.oregonlive.com/portland/2018/08/80\\_percent\\_of\\_portland\\_airbnb-.html](https://www.oregonlive.com/portland/2018/08/80_percent_of_portland_airbnb-.html)

**Fuster, M.** (2018). *Sharing Cities: A worldwide cities overview on platform economy policies with a focus on Barcelona*. Editorial UOC.

<https://www.sharingcitiesaction.net/book/>

**Kessler, S.** (2016). How Airbnb Turned Its Hosts Into Political Foot Soldiers. *Fast Company*. May 20, 2016.

<https://www.fastcompany.com/3059975/how-airbnb-turned-its-hosts-into-political-foot-soldiers>

**Ki, D. & Lee, S.** (2019). Spatial distribution and location characteristics of Airbnb in Seoul, Korea. *Sustainability* 2019, 11(15), 4108.

<https://doi.org/10.3390/su11154108>

**Kirkham, C.** (2017). *Behind ‘Grassroots’ Campaigns Over Airbnb, Millions of Industry Dollars*. *Wall Street Journal*. October 1, 2017.

<https://www.wsj.com/articles/behind-grassroots-campaigns-over-airbnb-millions-of-industry-dollars-1506859202>

**Lecher, C.** (2018). How Conservative “Property Rights” Groups are Battling Cities’ Airbnb Rules. *The Verge*, August 14, 2018.

<https://www.theverge.com/2018/8/14/17684936/airbnb-city-laws-lobbying-conservative-libertarian-think-tanks>

**Lehr, D.** (2015). *An Analysis of the Changing Competitive Landscape in the Hotel Industry Regarding Airbnb*. Graduate Master's Theses, Capstones, and Culminating Projects.

<https://doi.org/10.33015/dominican.edu/2015.bus.01>

**Leong, G.** (2019). Airbnb-style short-term home sharing still illegal, 3-month minimum period continues to apply for private homes: URA. *The Straits Times*. May 8, 2019.

<https://www.straitstimes.com/singapore/housing/3-month-minimum-stay-duration-will-continue-to-apply-for-private-accommodation-ura>

**Reuters** (2019). *Airbnb should be free to operate across Europe: EU court adviser*. April 30, 2019.

<https://www.reuters.com/article/us-eu-airbnb/airbnb-should-be-free-to-operate-across-europe-eu-court-adviser-idUSKCN1S61DS>

**Said, C.** (2018). Airbnb listings in San Francisco plunge by half. *San Francisco Chronicle*. January 18, 2018.

<https://www.sfchronicle.com/business/article/Airbnb-listings-in-San-Francisco-plunge-by-half-12502075.php>

**Saldaña, J.** (2016). *The Coding Manual for Qualitative Researchers*. SAGE.

**Shatford, S.** (2017). Hide and Seek: The Game of Airbnb Host Compliance. *AirDNA*. November 3, 2017.

<https://www.airdna.co/blog/hide-seek-game-airbnb-host-compliance>

**Steinmetz, K.** (2016). Inside Airbnb's Plan to Build a Grassroots Political Movement. *Time*. July 21, 2016.

<https://time.com/4416136/airbnb-politics-sharing-economy-regulations-housing/>

**Stevens, P.** (2019). Possible rental caps 'would hinder tourism growth in Malaysia'. *Short Term Rentalz*. April 25, 2019.

<https://shorttermrentalz.com/news/caps-tourism-growth-malaysia/>

**United States Court** (2019). *United States Court of appeals for the ninth circuit.*

*Homeaway.com, INC. and Airbnb INC. v. City of Santa Monica*. March 13, 2019.

<http://cdn.ca9.uscourts.gov/datastore/opinions/2019/03/13/18-55367.pdf>

**Yong, P. & Tan, D.** (2019). The Rise of Home Sharing Platforms: Friend, Foe or Frenemy? *DBS Asian Insights, Sector briefing 79*. August 2019.

[https://www.dbs.com/in/corporate/aics/templatedata/article/generic/data/en/GR/082019/190802\\_insights\\_HSP.xml#](https://www.dbs.com/in/corporate/aics/templatedata/article/generic/data/en/GR/082019/190802_insights_HSP.xml#)

**Yoon, J.** (2018). Airbnb Keeping Hotels in Korea in Check. *Startup Radar*. October 23, 2018.

<http://startupradar.asia/airbnb-keeping-hotels-in-korea-in-check/>

**Zico** (2019). *Turning your Domestic Haven into a Thriving Business: Should Short-Term Accommodation be Regulated?*. ZICO Law Group. June 2019.

[http://zico.group/wp-content/uploads/resources/article/ZICO\\_10-10\\_June-2019\\_Turning-your-domestic-haven-into-a-thriving-business.pdf](http://zico.group/wp-content/uploads/resources/article/ZICO_10-10_June-2019_Turning-your-domestic-haven-into-a-thriving-business.pdf)



## Appendices

### Appendix A - Sharing Cities Action and the Declaration of Sharing Cities

The **Platform Economy** is a form of economic development based on the interactions among distributed groups of people supported by digital platforms. Platform Economy is growing exponentially and it is becoming a key priority of governments around the world. The disruptive impact of the best-known cases, for example, Airbnb or Uber, has generated a great deal of public controversy. Socially responsible platforms also exist, but have received less attention.

In 2018, Barcelona hosted the [3rd Sharing Cities Summit](#), after the editions in Amsterdam (2016) and New York City (2017). Nearly 50 cities gathered together and a [Declaration of Common Principles and Commitments for Sharing Cities](#) was launched. **Barcelona committed to establish a task force office to support the Declaration during 2018-2019**, aiming at fostering collaboration among cities to develop concrete actions to deal with challenges and opportunities of Platform Economy.

**Sharing Cities Action** is the result of this commitment, a global collaboration between cities to ensure city sovereignty, to promote socio-economic development, to collaborate in the negotiation of regulation and negotiation with platforms, to defend and adapt labour and digital rights, public innovation, criteria for platforms differentiation and the promotion of platforms with positive impact, among others.

Website: <http://www.sharingcitiesaction.net>

Twitter: <https://twitter.com/sharingaction>

Facebook: <https://www.facebook.com/sharingaction/>

Contact por cities: [cities@sharingcitiesaction.net](mailto:cities@sharingcitiesaction.net)

#### ***Declaration of 10 Common Principles and Commitments of Sharing Cities***

The [Declaration of 10 Common Principles and Commitments of Sharing Cities](#) was officially launched in the Smart City Expo World Congress last November. It was one of the main outputs of the Sharing Cities Summit, a big step towards a common framework of concrete actions for our cities.

Cities that joined the Declaration: Amsterdam, Athens, Atlanta, Barcelona, Bethlehem, Bologna, Bordeaux, Buenos Aires, Corunna, Gothenburg, Grenoble, Kobe, Lisbon, Madrid, Milan, Montreal, Montreuil, Muscat, New York City, Paris, Reykjavik, San Francisco, Santiago de Compostela, Sao Paulo, Seoul, Taipei, Terrassa, Toronto, Turin, Umea, Valencia, Vienna and Vitoria.

Other cities attending the Summit and in the process of validation of the Declaration: Bristol, Eindhoven, Malmo, Melbourne, Prague, Rijswijk, Singapore, Stockholm and The Hague.



The [Declaration of Sharing Cities](#) was featured in one of the “[4 big trends for the sharing economy in 2019](#)” by World Economic Forum.

## SHARING CITIES DECLARATION: CITIES' COMMON PRINCIPLES AND COMMITMENTS FOR CITY SOVEREIGNTY REGARDING THE PLATFORM ECONOMY

Sharing Cities Summit, 12th-15th NOV 2018

The Sharing Cities Summit Mayors and Deputy Mayors gathered from leading cities all around the world to discussed at the Sharing Cities Summit Barcelona 2018 how the continuous growth of platform economies impacts on the life and economic development of the cities, as well as what innovative measures can be taken to meet the challenges and opportunities cities face.

Models of platform economy based on collaboration and sharing foster an atmosphere of vibrancy, innovation and economic prosperity for citizens and cities by creating opportunities for individuals and communities to interact, support and benefit from mutual engagements in shared interests. At the same time, some cases and models of platform economy are challenging cities' sovereignty. As a result of previous summits in Amsterdam 2016 and NYC 2017, and the formal agreements of the Barcelona Summit in November 2018, 42 cities attending concurred on the following common Declaration of principles and commitments of the cities to take advantage of these opportunities and to face the challenges.



### PLATFORM MODELS DIFFERENTIATION

**Principle #1.** To distinguish between the different models of digital platforms regarding their functioning and impacts, in order to design public policies according to these differentiations.

Distinguish digital platforms and platform activity which are not built on truly collaborative models, from platform models that are collaborative and constitute opportunities for the city's economic activity. The set of qualities that characterise collaborative platforms and determine differences between platforms are: to host predominantly peer-to-peer relationships; to be based on fair economic models and retributions; to favor participative community governance; openness and transparency of its technology and data; inclusion by providing equal services to the different segments of the city inhabitants avoiding any discrimination; and responsibility towards negative impact.

### LABOUR

**Principle #2.** Empower people to have opportunities to earn or increase their income through new work agreements and adapted fiscalty without contributing to social precariousness or constituting an administrative burden.

**Principle #3.** Ensure fair, legally compliant and timely compensation. Provide fair working conditions and access to benefits and rights for workers (earnings maximization, minimum or regulated wages, income security, wage predictability, protection against arbitrary behaviour, rejection of excessive workplace surveillance, right to log off, collective bargaining).



### INCLUSION

**Principle #4.** To prevent discrimination and bias by supporting fair and equal access to work for people of all incomes, genders and backgrounds.





## PUBLIC PROTECTION

**Principle #5.** Ensure and support health, safety and security standards along with effective institutional mechanisms in order to protect them.



## ENVIRONMENTAL SUSTAINABILITY

**Principle #6.** To promote sustainable practices less oriented on the marketization and commodification of goods than on shared infrastructure, to share within the framework of a circular economy, to foster and promote the development of these activities in order to reduce emissions and waste. All of it taking into account the rebound effect it might generate, and on the basis of more efficient use of resources.



## DATA SOVEREIGNTY & CITIZENS' DIGITAL RIGHTS

**Principle #7.** To protect citizens' digital rights through the implementation of Technological Sovereignty policies and ethical digital standards (include the rights of privacy, security, information self-determination and neutrality, giving citizens a choice about what happens to their digital identity, who uses their data online, and for which purposes). To promote policies in order that the personal data is controlled by citizens themselves, and are protected from being misused, collected or shared without explicit consent. To guarantee that digital platforms enable algorithmic accountability and the portability of users' data, digital identity and reputations. To ensure that cities are able to access a privacy-preserving manner relevant data from firms operating in their territories (such as information about transportation, safety, labour, and all potential public interest information). To favor that city data should be managed as a common good to solve urban challenges.



## CITY SOVEREIGNTY

**Principle #8.** Guarantee respect for the legal jurisdictions of cities given the potential disruption from the digital platforms.

- Establish negotiation frameworks between cities and platforms to ensure respect for legality and local regulations.
- Ensure transparency in operations and transactions in relation to data transfer from the platform.
- Work together among cities to encourage changes in regulatory and framework policies in the digital sphere, in order to facilitate compatible economic activity and protect users' rights, as well as defending the habitability of the urban sphere.
- Promote digital protocols in order to guarantee compliance with the regulations of each city.
- Suitability of a owner and user registration number to trace any activity in the digital sphere.
- Sharing inspection instruments, mechanisms and techniques between cities.
- Making digital platforms liable for their infringements, and responsible to respect the local law and regulations.
- Require that platforms ask for permission before operating in a city. To agree with the city on the appropriate way to operate in each given context and in strict accordance to neighbourhood composition, economic conditions and community needs.



## ECONOMIC PROMOTION

**Principle #9.** To promote the development of local collaborative economic ecosystems and particularly small and medium enterprises (SME), based on positive impact in cities –as described in the first principle– through entrepreneurship support programs, participative tools, funding or other promotion tools.



## GENERAL INTEREST

**Principle #10.** To preserve the Right to the City and Urban Commons, strengthen communities, to protect General Interest, public space, and basic human rights, such as access to affordable and adequate housing. In addition to the 10 Principles of the Declaration, the cities agreed on the creation of a task force structure to support the development of concrete actions of collaboration during 2018-2019 between cities connected. It is a plan of concrete actions facilitating that the Principles of the Declaration are preserved by cities. Barcelona assumes the compromise to establish a coordination office at Barcelona.

## Appendix B - Models to Differentiate Platforms

The Platform Economy (PE) is formed by different types of business models. While some of the most known businesses are provoking controversial impacts, other PE organisations are contributing to the sustainable development of society. This last fact points out the need for differentiating these models, the ones which can be considered under the umbrella of the Sharing Economy from the ones which cannot. Thus, an analytical framework for differentiating platforms depending on their democratic qualities is necessary.

Figure B.1 shows the Star of Democratic Qualities, which consists of several dimensions: Governance, Economic Model, Data Policy, Technological Policy and Social Responsibility and Impact. This figure also shows how it relates to the Sustainable Development Goals and to the Principles of the Declaration of Sharing Cities.







# SUSTAINABLE DEVELOPMENT GOALS DECLARATION OF SHARING CITIES THE STAR OF DEMOCRATIC QUALITIES



**Figure B.1:** Star of Democratic Qualities of Digital Platforms. Source: Dimmons UOC<sup>36</sup>.

<sup>36</sup> Further information at <http://www.sharingcitiesaction.net/sharing-star/>

## MODELS OF PLATFORM

	OPEN COMMONS	UNICORN	PLATFORM COOPS
	 	 	 
<b>GOVERNANCE, DEMOCRATIC ECONOMY, ECONOMICAL SUSTAINABILITY AND PURPOSE EMBEDDED IN THE ECONOMIC MODEL</b>	<p>Foundations, with community representation at the board</p> <p>Economic models adapted to keep community governance</p>	<p>Multinational company closed to community involvement</p> <p>Profit oriented driving governance</p>	<p>Small and Medium Enterprise &amp; Cooperatives based on community ownership</p> <p>Economic sustainability and benefits destined to the mission</p>
<b>POWER DISTRIBUTION; FREEDOM ALLOCATIONS AND OWNERSHIP EMBEDDED IN THE TECH AND KNOWLEDGE POLICY</b>	<p>Collective and public ownership</p> <p><b>Open software (replicable)</b></p> <p>Open data</p> <p>Open licences (eg Creative Commons)</p>	<p>Private ownership</p> <p><b>Proprietary software</b></p> <p>Closed data</p> <p>Restricted Copyright</p>	<p>Depend on the case</p>
<b>IMPACT ON VALUE CREATION AND SOCIAL RESPONSIBILITY TOWARDS EXTERNALITIES</b>	<p>Social Value oriented</p> <p>Bases on circular economy - Sustainable environmental impact</p> <p>Gender and diversity discrimination complaints</p>	<p>Economic value oriented</p> <p>Disruptive impacts in city sovereignty</p> <p>Environmental discrepancies</p> <p>Gender and diversity</p>	<p>Social and economic value oriented</p> <p>Based on circular economy - Sustainable environmental impact</p> <p>Gender and diversity inclusion active policies</p>

**Figure B.2:** Three models of digital platforms: Open commons, Platform coops and Unicorns. Source: Dimmons UOC

Find further information at “Sharing Cities: A worldwide cities overview on platform economy policies with a focus on Barcelona” (Fuster, 2018), Chapter IV: Qualities of the different models of platforms.