2022 REPORT

State of the Short-Term Rental Community

JANUARY 2022

BY

RENT RESPONSIBLY

COLLEGE of CHARLESTON
1770

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Executive Summary

The first-of-its-kind research behind the 2022 State of the Short-Term Rental Community Report sought to ask novel questions about short-term rentals (STRs) to two distinct but interdependent audiences. The first was local government staff charged with managing the STR programs in their jurisdictions, interviewed to better understand their unique needs and challenges through questions that had largely not been asked of this audience before. Qualitative interviews were conducted with municipal staff members from local governments and destination marketing organizations across South Carolina, Utah, and Colorado. While each focal region represented one of the top tourist destinations in their state, the issues faced in each region were markedly different.

The second audience was STR owners and managers who are required to comply with municipal STR regulations. Nearly 4,600 respondents participated in the study via a detailed survey.

With a better understanding of the challenges that both cities and operators face as identified through this research and the opportunities for collaboration between the two, communities can design and create informed solutions that improve the experiences of all stakeholders including city personnel, STR operators, and the broader community.

Key Findings

- The industry is largely individual homeowners and small businesses. Of owners, 70% owned one STR, and of property managers, 54% managed 10 or fewer.
- Many STR owners used their properties flexibly for more than short-term stays of 30 days or less. Nearly 40% also rented for mid-term stays of 30-days to five months to host non-leisure guests like traveling nurses, hospital patients, and remote workers.
- On average, STR owners relied on their STR activity for 38.1% of their income. For those who own and manage STRs, that reliance was even higher at an average of 56% of their income.
- STR activity creates a domino effect of economic generation and jobs throughout communities. Of STR homeowners, more than 57% hired up to three contractors or service providers to service their property, and 69% spent up to $15,000 on those providers while 24% spent between $15,000 and $50,000.
- The majority of property managers surveyed employed up to 10 full-time or part-time employees in the last 12 months and paid up to $250,000 in wages. Additionally, 61.7% of property managers hired one to 10 contractors or service providers and the majority spent up to $100,000 on these providers in the last 12 months.
- In the past 12 months, approximately 80% reported receiving zero complaints from neighbors or members of their community about their STRs. Additionally, 80% of those with good neighbor practices in place reported positive relationships with all or most of their STRs' neighbors.
- Government staff:
    - want to work with the STR community
    - seek collaboration and compliance
    - need help with enforcement

Part 1: Qualitative Interviews with Municipal Staff

The qualitative interviews conducted with non-elected government staff were designed to create an environment to share their concerns and opinions around short-term rentals. The qualitative interview summary below includes general findings, themes, and insights from all participants, in aggregate; a comparison of the differences and similarities between findings from the municipalities and regions; and a summary of conclusions that can be made based on the focus groups and suggested areas for further exploration.

For the participating communities, short-term rentals were no longer the lightning-rod issue of lifestyle communities; affordable and workforce housing (aka housing) had become one of the most pressing issues in most of these cities and towns that made up these lifestyle communities, just behind climate change, transportation, and community preservation. Where your community sleeps is not a federal or state challenge, but a local and regional challenge.

The influence of the state government was significant in this process. All municipal, regional, and quasi-governmental agencies involved in this study existed at the privilege of the state. And therefore, state-level limitations were at the forefront of their minds.

There were two central research questions. These will be addressed individually.

1. **What do cities need to feel they have effective management of short-term rentals?**

   The participants explained that they did not have full control of the policies related to housing, taxation, real estate, and especially short-term rental regulation. That power was distributed across state, county, local, and neighborhood governance.

“What we don't have is the understanding of what [STRs do] to neighborhoods and to people and residents. And that's a harder one to articulate and quantify. [...] The state makes it awfully hard because we're not allowed to use internet advertising as a means for evidentiary compliance. So we send these kinds of soft, threatening letters and cross our fingers and hope that it works out better.”

- A municipal staff member from Park City, Utah

Trained in public administration, these professionals understood that solutions come from conversations and engagement at the local business, community, and government levels. Most of them were simply looking to utilize local zoning authority to regulate short-term rentals. The state served as that balancing act for those powers. Therefore, this research revealed a collective set of solutions that moved the needle on short-term rentals in multiple communities.

“I work really closely with property managers, owners, applicants, concerned neighbors. And we try to balance regulation for what the city wants, as well as trying to be business-friendly for people trying to earn an income here.”

- A municipal staff member from Park City, Utah

2. How do cities define effective management of short-term rentals?

For owners and managers who are in compliance, local governments felt that they had short-term rentals under control. The limiting powers were the enforcement of those ordinances under their statutory existence at the state level. Examples included zoning, business licensing, and enforcement. Collectively, property owners, property managers, local governments, and the community should be able to determine their desired housing mix and utilization for their jurisdiction. One of the challenges in doing so, however, is having current and complete data on STRs to make informed decisions.

"For us, I think that the people's awareness, residents' awareness, about short-term rentals in their community, that's been the biggest change, in my opinion, for the past five years. Similar to Kiawah, our number of short-term rental licenses haven't really changed in the past 15 years. We're pretty stable. We are actually seeing a reduction; less short-term rentals and more full-time, moving to full-time ownerships, full-time residency. But everybody's talking about short-term rentals. ... For us, this is sort of separating the facts from the emotions of some residents who now have maybe five short-term rentals on their street, whereas years ago they only had three. And this idea, 'This has happened, this is taking over our community' – it really isn't. Awareness, I think, has changed."

- A municipal staff member from the Charleston, SC area

> *"In terms of data, coming to some understanding of how our economy actually functions is going to … be instructive for us in terms of how we approach this particular issue. And that's essential."*
>
> - A municipal staff member from Aspen, CO

In addition to our primary qualitative investigation from above, there were areas that researchers wanted to explore during conversations with non-elected local government leadership. These included the following and their emerging themes from the conversations:

a. What are the top three challenges in the enforcement of rules?

i. Return on investment of staff time and municipal expenditure

ii. How to get non-compliant operators into compliance

iii. The verification and management of nuisance complaints

b. What are the challenges you have in getting communication out to STR owners?

i. None with compliant/licensed operators with which the jurisdiction had an established two-way dialogue. This was particularly true with local property management companies or compliant self-managing homeowners.

ii. With non-compliant operators, the challenge was in reaching them to communicate compliance requirements.

c. How can STR owners and managers help you reduce the challenges you face?

i. Conversation, engagement, and participation in the process such as reducing non-compliance around short-term rentals and working to create a fair operating environment for businesses, community, and government to maintain their status as a highly desirable community.

> *"Cities really do need to partner with property managers because we do both want the same things. We want to have safe, compliant properties. We want to have people come to Park City and have a great time and tell all their friends what a great time they had."*
>
> - A municipal staff member from Park City, Utah

d. What is the most time-consuming part of managing short-term rentals?

i. Investigating a nuisance or ordinance violation and bringing a resolution within a timely allowable manner.

e. What could owners and managers of short-term rental properties do to make your job easier?

i. Work with a responsible local contact that helps an owner/operator coordinate with local, regional, and state ordinances and regulations for short-term rentals.

f. How do you communicate with short-term rental owners and managers?

i. Mostly via email and phone.

ii. Companies and individual contacts are generated from annual renewals of licenses, permits, etc.

g. What elements of managing your cities' short-term rental program do you think has become more challenging during your tenure?

i. Enforcement of ordinance provisions within the limitations of their jurisdictional power

ii. Understanding the impact of STR activity on housing mix and housing availability

iii. Accountability for compliance and enforcement by operators, owners, and platforms

> *"The paradigm has shifted, and we haven't caught up yet from a regulatory standpoint, in terms of making the community whole on the impacts from the new activity."*
>
> - A municipal staff member from Aspen, CO

Researchers also observed:

1. Gratitude for the responsible short-term rental operators, owners, and managers was abundant;
2. The democratic process for business, community, and government adjusting to innovation still works and that entrepreneurship was a driving force;
3. Having reliable and current data about STRs in the community, including quantity, location, size, and other figures, is essential to productive conversations and effective solutions;

4. Communities are at the beginning of this circular process of renting responsibly to create, maintain, and preserve highly desirable lifestyle communities for residents, visitors, and their supporting workforce.

> *"I do think we need to acknowledge that those properties have an obligation, whether you want to call it an ethical or moral or social obligation, to contribute back to the community. And whether that's through how their taxes are paid, the fees they pay to have the privilege to do this, to allow other things to happen ... those are all things we have to sort out."*
>
> - A municipal staff member from Aspen, CO

The conversations with non-elected local government and destination marketing organization representatives also allowed researchers to create an STR operator, owner, and manager attitudinal scale for use in the survey methodology discussed later. The results from this survey are in the sections that follow.

Part 2: STR Operator Survey - Respondent Types and Characteristics

Operator Basics

Respondents were asked to select the type of STR operator they identify as: owner, owner-manager, or property manager. The majority of respondents (84.2%) identified as an owner of at least one STR and did not manage properties for others. An additional 8.9% identified as an owner-manager, someone who owned at least one STR and also managed properties for others. Property managers who do not own any STRs made up the final 6.9% of respondents.

In response to "Why did you first become an STR owner, host, or manager?" 12 themes emerged in respondents' comments:

1. They started renting short-term out of necessity to supplement income or cover costs.

   > *"I'm a single parent of five. The kids and I rented a back unit at a duplex. The owner decided to sell and through the grace of God I was able to purchase the home. The house has been a rental for 40 years and was neglected. The money I make from [my] STR makes improvements on the property. I also manage and clean STRs on my street. This industry provides for my family and will provide retirement and college funds."*

   > *"I needed a source of income after a divorce. Considering my age and being disabled, there were not many options."*

2. They purchased or inherited a future retirement home and/or began hosting to supplement retirement income.

   > *"Our residence had a 1,500 [square foot] in-law suite which was unused and totally private. Property tax increases made retirement living in our home difficult. We now cover taxes and mortgage with [vacation rental] income."*

3. They inherited a family home or purchased a home for future family generations.

   "We needed a larger home to start our family, and we have kept the rental home for a possible home for our children in the future."

   "Built as a second home for family in 2005. The market crashed, lost job and income, so had to convert this property into a full-time STR to prevent it from being taken by the bank. Now I love having it as a necessary and relatively easy investment to manage. Plan to retire in the STR in eight years."

4. They were asked by someone else for help managing their STR.

5. They had problems with long-term renters.

   "Long-term rentals were not working out at the property we owned due to tenants not addressing maintenance items and being a long-term issue to the neighbors."

6. They needed temporary or seasonal space to house or care for others, such as aging family members, and short-term rented the space when it was vacant.

   "To pay for a ministry to veterans with PTSD/TBI who stay in our property free of charge while undergoing treatment."

   "I built an ADU for my parents to move into, but they don't need it full time yet so we STR when they are not here."

7. They had to relocate but wanted to keep the property.

   "Moved but wanted to keep our house—we put a lot of work/detail into our property, and short-term rental guests take such good care of it. Honestly, wouldn't feel comfortable with traditional renters. Also love that it allows us to go back and visit whenever we would like to (or whenever we have extra house projects, etc., we want to take care of)."

8. They invested in real estate for wealth generation or financial stability.

9. They wanted or needed to cover the costs of renovations, repairs, or restorations.

> *"I bought a single-family home on a teacher's salary. There was an existing studio which I renovated to pay for constant necessary repairs."*

10. They had extra space, such as an ADU or guest cottage, that they wanted to optimize.

11. They traveled often or for extended durations and rented the home when away.

> *"Stay in it ourselves up to six months a year and use the income for health insurance and health expenses."*

12. They loved and enjoyed hospitality and meeting new people.

> *"I have always loved the hospitality industry. Once introduced to my first rental, I was hooked. For me, it is all about the experiences that we create for our guests."*

Owners

Those who identified solely as an STR owner were located throughout all 50 U.S. states. A vast majority – 70% – owned one STR property and 94% owned three or fewer (Figure 1).

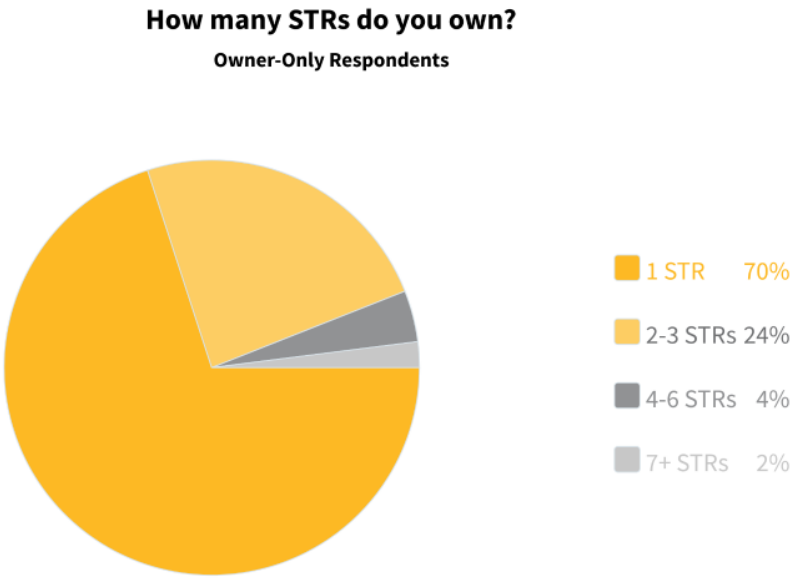

Figure 1. How many STRs do you own? - Owners

Single-Property Owners

The top locations of STR properties for single-property owners were California (14.0%), New Hampshire (8.3%), Colorado (7.7%), Florida (6.7%), Hawaii (5.7%), and Arizona (4.7%). The properties were mostly single-family, whole-home rentals (Figures 2 and 3). In addition to renting as short-term rentals of less than 30 days, 26.8% offered mid-term rental stays (one to six months), 5.3% offered long-term stays (longer than six months), and 3.4% offered their property for special events.

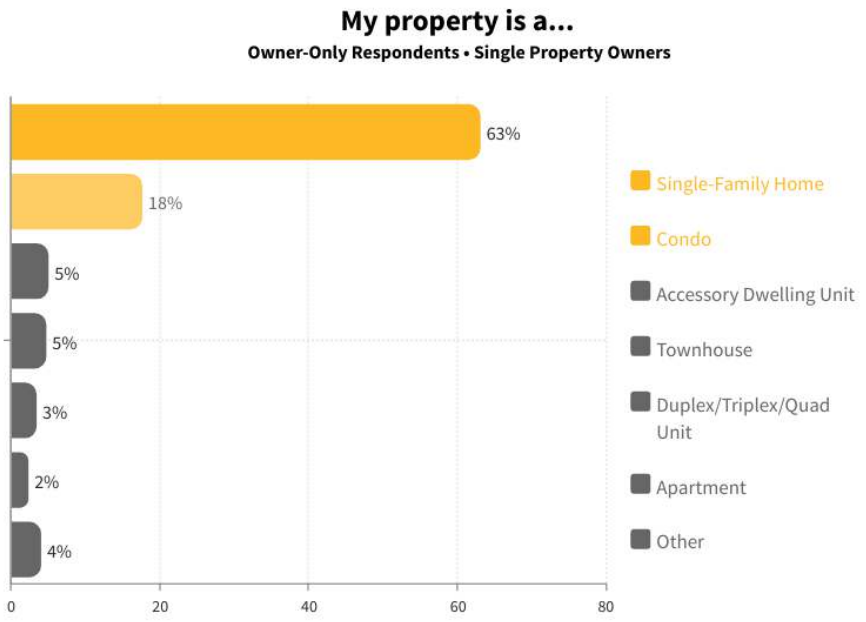

Figure 2. Property Types - Single-Property Owners

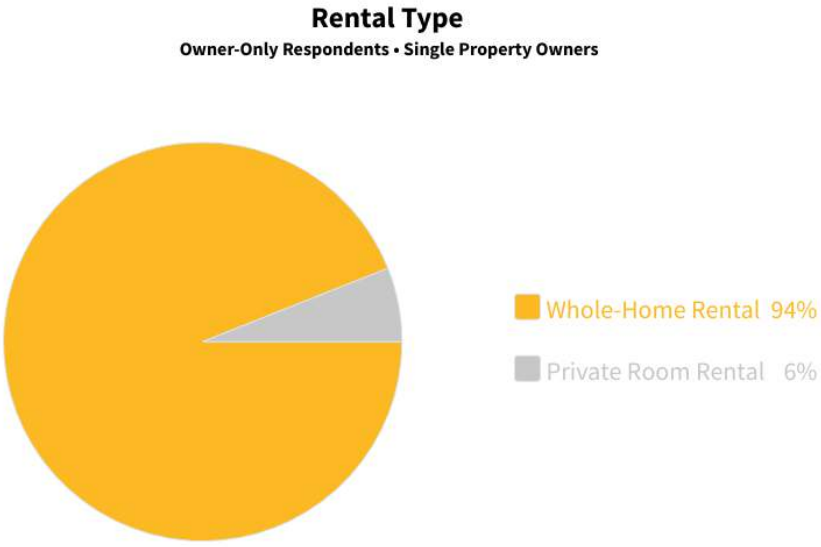

Figure 3. Rental Type - Single-Property Owners

Multiple Property Owners

The top STR locations for multiple property owners were California (27.8%), Florida (14.6%), Colorado (14.1%), Hawaii (13.5%), and Arkansas (11.6%). The properties were mostly single-family, whole-home rentals (Figures 4 and 5). Across most property types, owners most often had two properties. In addition to renting less than 30 days, 35.9% offered mid-term rental stays (one to six months), 12.2% offered long-term stays (longer than six months), and 5.3% offered their properties for special event rental.

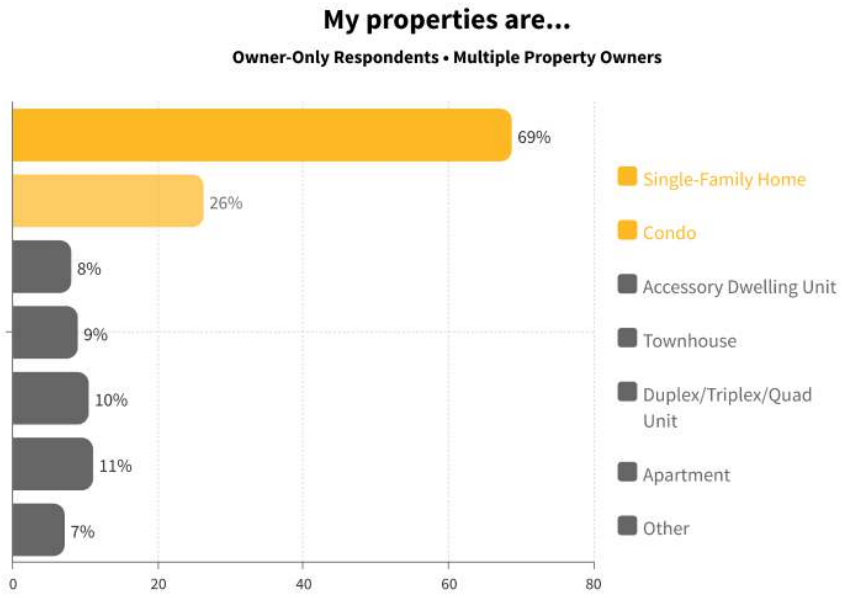

Figure 4. Multiple-Property Owners - Property Types (Enter all that apply)

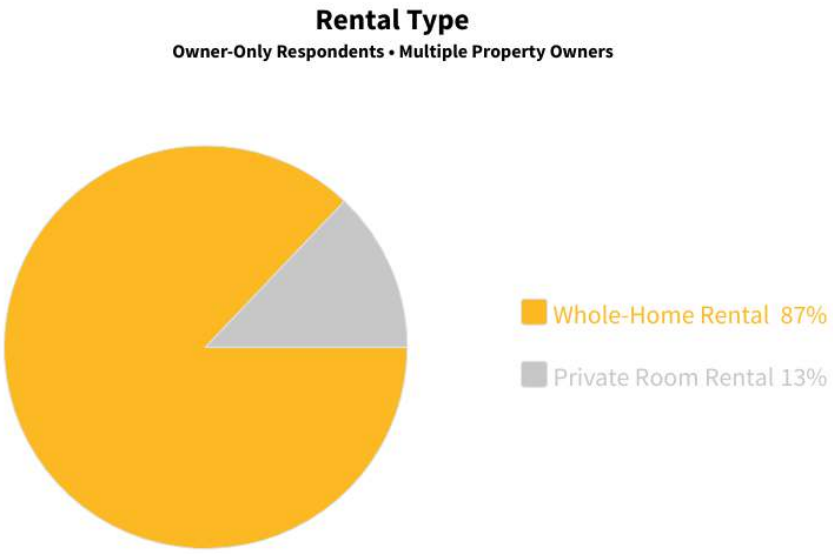

Figure 5. Multiple-Property Owners - Rental Types

Owner-Managers

Of those who owned an STR and managed STRs for others, 76% of respondents owned one to three properties (Figure 6) and 69% managed 10 or fewer properties (Figure 7).

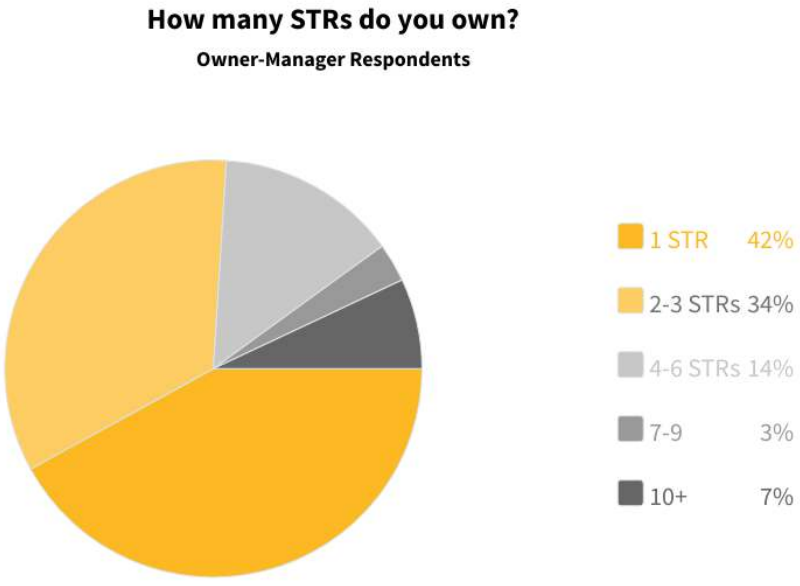

Figure 6. How many STRs do you own?

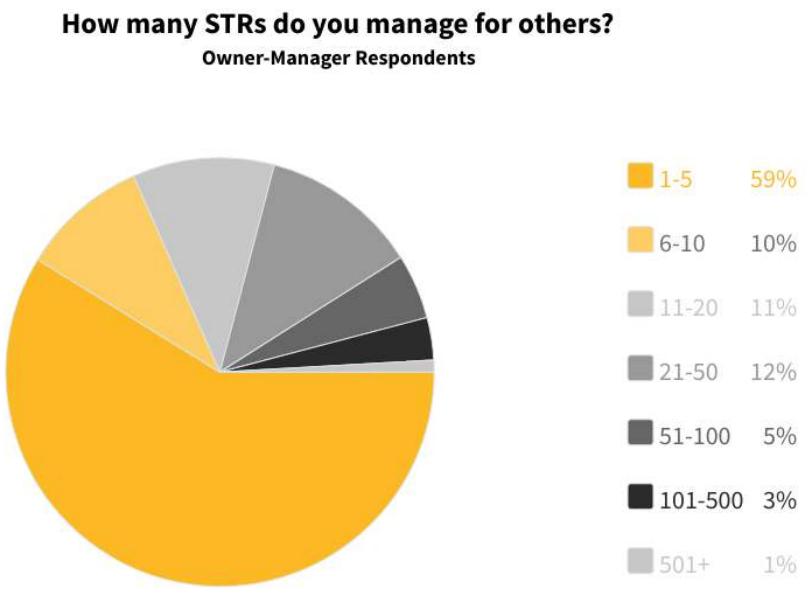

Figure 7. How many STRs do you manage for others?

Owned Properties

Just over 68% of properties owned by owner-managers were located within the same city. Most properties were located in California (19.7%), Florida (13.9%), Arizona (8.4%), Texas (8.1%), and Colorado (6.7%). The properties were mostly single-family, whole-home rentals (Figures 8 and 9). Among the owner-manager respondent group, the average number of properties owned was about 4[1]. In addition to renting as short-term rentals of less than 30 days, 37.1% offered mid-term rental stays (one to six months), 11.3% offered long-term stays (longer than six months), and 4.3% offered their properties for special event rental.

[1]4.4 not including four outlier responses of 100 or more properties.

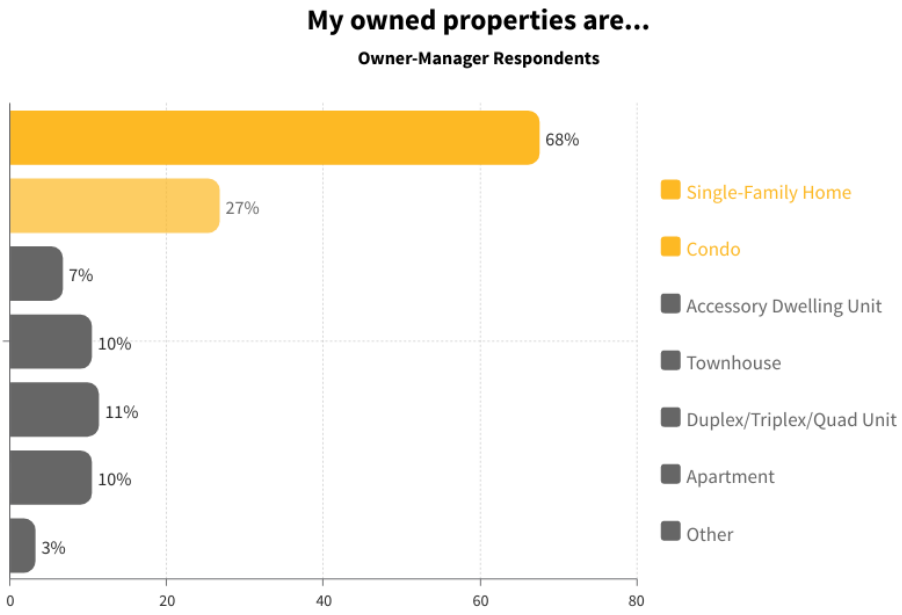

Figure 8. Owner-Manager Owned Properties - Property Types (Enter all that apply)

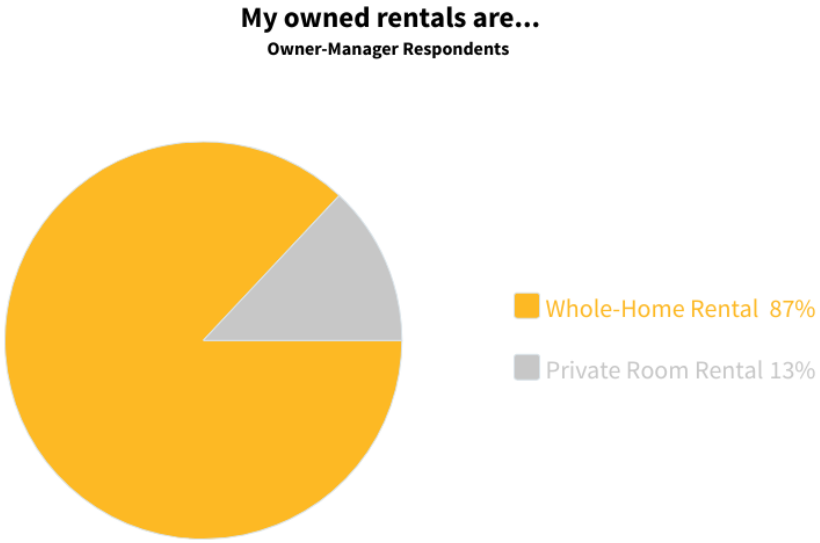

Figure 9. Owner-Manager Owned Properties - Rental Types

Managed Properties

Just over 69% of the properties managed by owner-managers were all located within the same city. Most properties were located in California (13.3%), Colorado (6.7%), Arizona (6.4%), Florida (6.4%), and Texas (5.5%). This respondent group managed on average 21 properties for others[2], primarily single-family dwellings (74.5%) (Figure 10). In addition to renting as short-term rentals of less than 30 days, 37.7% offered mid-term rental stays (one to six months), 12.2% offered long-term stays (longer than six months), and 4.1% offered their properties for special event rental.

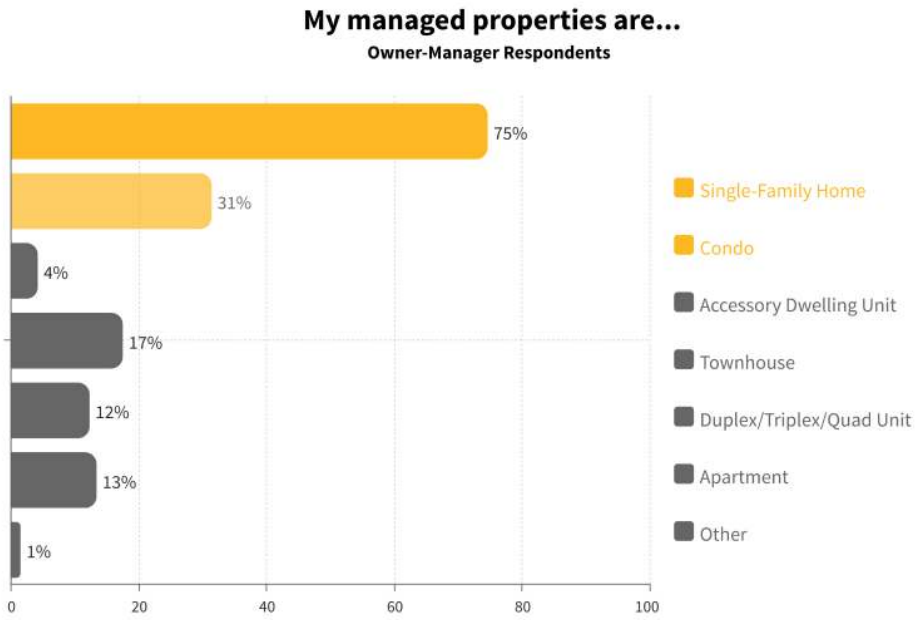

Figure 10. Owner-Manager Managed Properties - Property Type (Enter all that apply)

[2] 20.5 not including two outlier responses of 1,000 or more properties.

Property Managers

Property managers managed on average 88 properties[3], with 70% managing fewer than 100 properties (Figure 11). The headquarters of most of the property managers were located in Florida (14.0%), California (13.6%), Colorado (11.3%), Texas (9.4%), and Hawaii (6.0%). Most survey respondents held either an executive or operations/property care role within the property management company (Table 1).

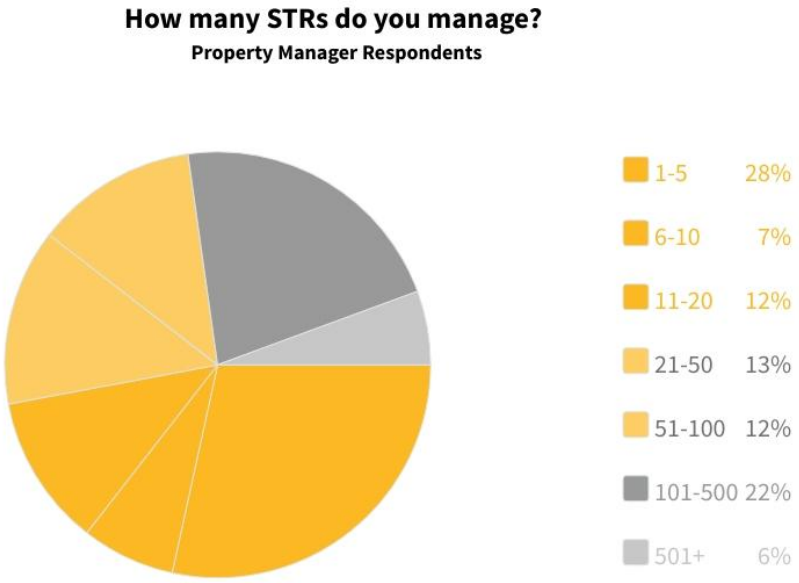

Figure 11. How many STRs do you currently manage?

Table 1. What is your role at this company?

Role	**Percent of Respondents**
Executive	57.5%
Operations / Property Care	22.0%
Marketing	6.7%
Guest Services	6.0%
Sales	4.1%
Other	3.7%

[3] This figure does not include two outlier responses of 3,000 or more properties.

The majority of managed properties were located in Florida (32.1%), California (26.9%), Colorado (22.0%), Texas (13.4%), and Hawaii (11.2%). The properties were mostly single-family homes (Figure 12). In addition to renting as short-term rentals of less than 30 days, 45.9% offered mid-term rental stays (one to six months), 17.2% offered long-term stays (longer than six months), and 8.2% offered their properties for special event rental.

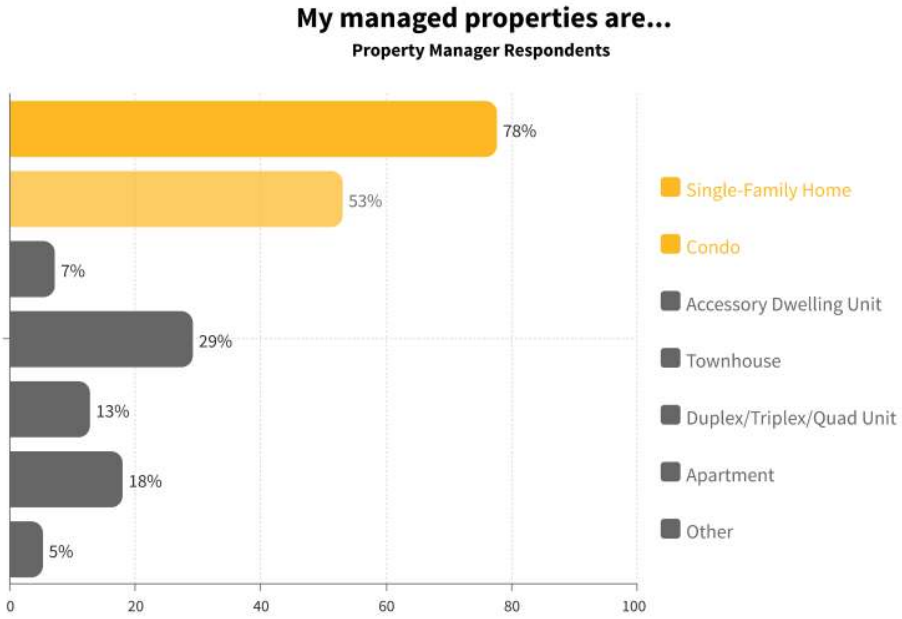

Figure 12. Property Manager - Property Type (enter all that apply)

All Operators

In the past 12 months, the most common reason operators said that guests visited their destination was leisure travel followed by visiting friends or family (Figure 13). Most operators averaged three to five guests per stay in the past 12 months (Table 2).

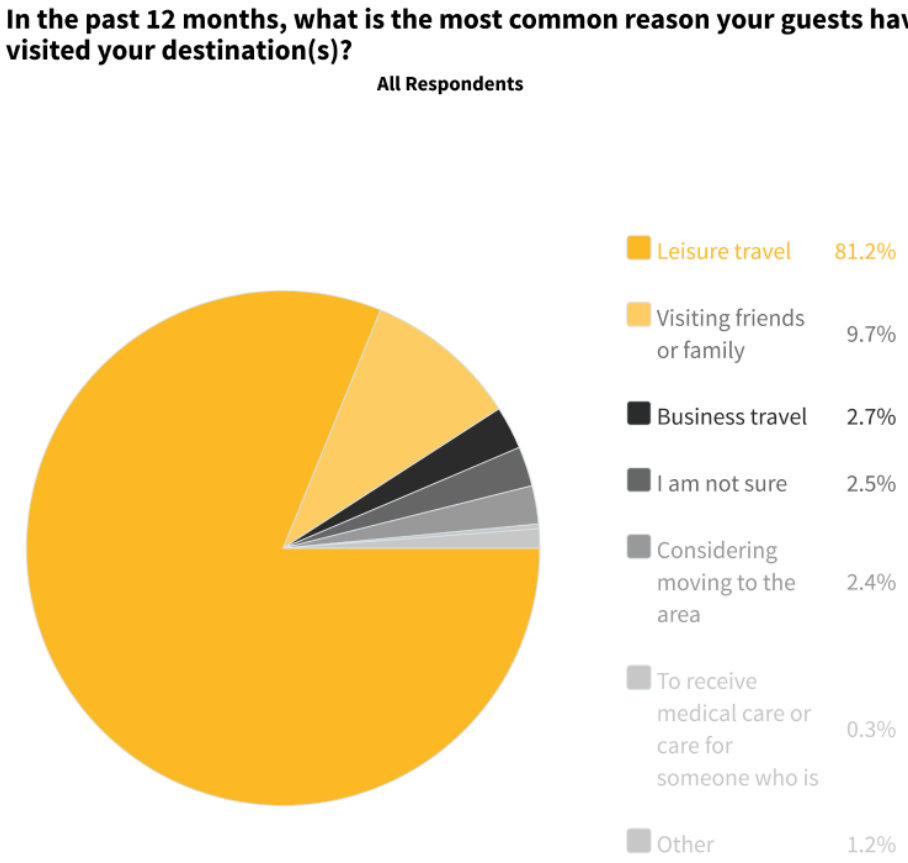

Figure 13. In the past 12 months, what is the most common reason your guests have visited your destination(s)?

Table 2. In the past 12 months, what is the average number of guests you have hosted per stay?

Number of Guests	Percent of Respondents
0	0.9%
1-2	19.9%
3-5	46.6%
6-10	23.5%
11-20	4.9%
21 or more	4.3%

When asked about property technology currently used, 71.3% used keyless locks, 44.1% used smart thermostats, and 42.9% used security cameras (Table 3). The three most popular reservation and guest-communication technologies used by operators were text, email, and phone calls (Table 4).

Table 3. Which property technology do you currently use? (Select all that apply)

Property Technology	**Percentage of Respondents**
Keyless locks	71.3%
Smart thermostats	44.1%
Security cameras	42.9%
Smart speakers	12.4%
Noise monitoring	11.7%
Virtual safety inspection	6.0%
Other	3.3%

Table 4. Which reservation and guest-communication technology do you currently use? (Select all that apply)

Communication Technology	**Percent of Respondents**
Text communications	69.9%
Email communications	66.7%
Phone	57.3%
All-in-one property management software	33.7%
Printed guidebooks	33.4%
Guest messaging tools	25.6%
Digital guidebooks	24.7%
Chat communications	21.7%
Guest app	18.8%
Property operations software	11.7%
Guest verification software	8.7%
Other*	12.2%

Most operators listed Vrbo and Airbnb as their top listing sites in addition to their own websites* (Figure 14). Vrbo's and Airbnb's collection and remittance of lodging-related taxes were cited as the most frequent methods for collecting and remitting lodging-related taxes* (Figure 15).

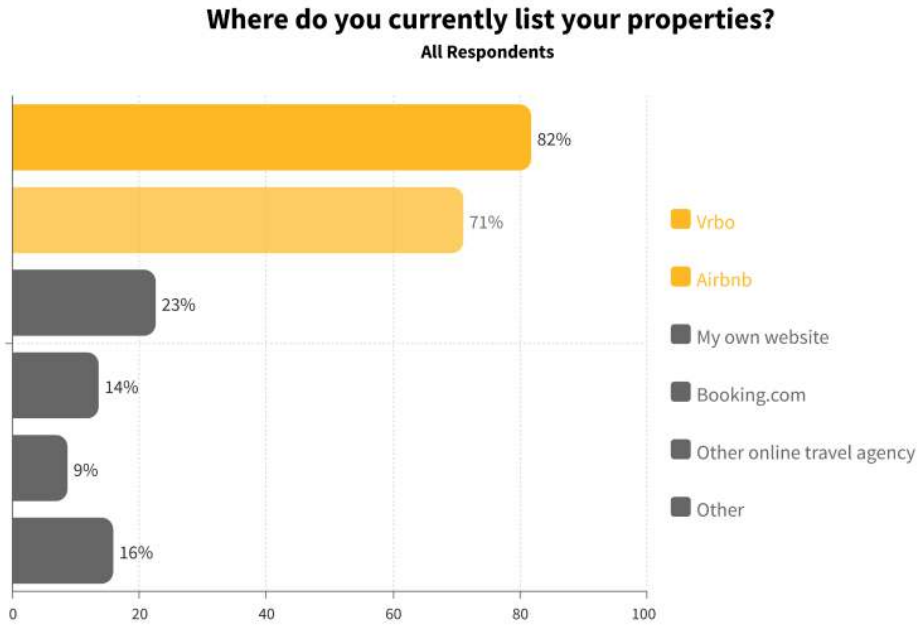

Figure 14. Where do you currently list your properties? (Select all that apply)*

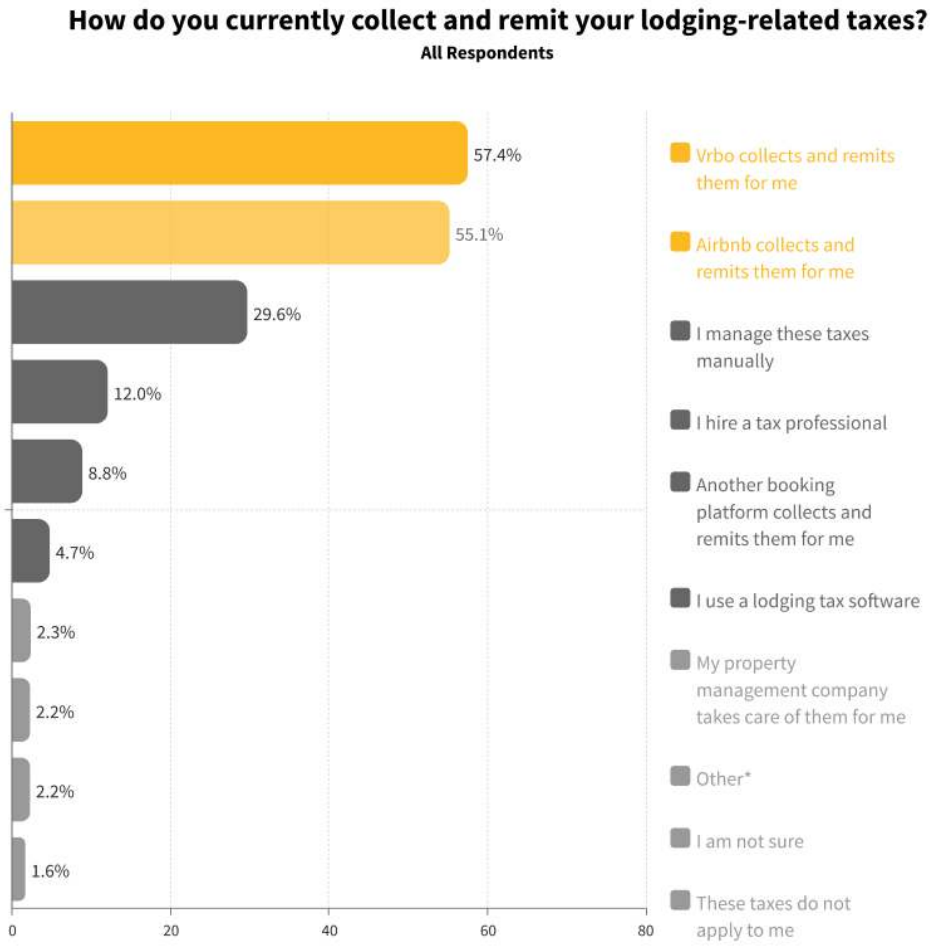

Figure 15. How do you currently collect and remit your lodging-related taxes? (Select all that apply)*

**It should be noted that Vrbo was a distribution partner for this survey, therefore the frequency at which Vrbo was used as a listing site and tax collection method may not be representative.*

Economic Impact

The economic impact of short-term rentals varied based on how they were managed.

Owners

Among STR owners who manage only their own properties, 50.7% managed everything themselves, 39.1% managed some tasks while hiring people for other tasks, and 10.1% hired others to take care of everything. Of those that hired others for either some or all management tasks, 68.3% hired contractors or employees directly and 31.7% hired full-service property management companies. About one-third (32.1%) of owners hired one or two employees and 24.1% hired three to five (Table 5). Of those who hired employees, 83.5% paid up to $25,000 in wages (Table 6).

Table 5. In the past 12 months, how many total employees have you employed?

	Percent of Respondents
0	35.2%
1-2	32.1%
3-5	24.1%
6-10	6.7%
11 or more	1.9%

Table 6. In the past 12 months, approximately how much have you paid to your employee(s)?

	Percent of Respondents
Up to $25,000	83.5%
$25,001-$75,000	12.5%
$75,001-$125,000	2.3%
Over $125,000	1.7%

About 57.2% of owners hired one to three contractors or service providers to service their STRs. In the preceding year, 69% spent up to $15,000 on contractors or service providers while 24% spent between $15,000 and $50,000 (Tables 7 and 8).

Table 7. How many contractors or service providers service your STR?

	Percent of Respondents
0	3.8%
1-3	57.2%
4-6	27.9%
7 or more	11.1%

Table 8. In the past 12 months, approximately how much in total have you paid to contractors or service providers for the STR?

	Percent of Respondents
Up to $25,000	7.8%
$1,000-$2,500	13.2%
$2,501-$5,000	17.0%
$5,001-$10,000	19.4%
$10,001-$15,000	11.3%
$15,001-$20,000	8.9%
$20,001-$25,000	7.8%
$25,001-$50,000	7.1%
$50,001-$75,000	3.0%
$75,001-$100,000	1.7%
Over $100,000	2.7%

On average, 38.1% of owner-only respondents' household income came from their STRs.

Owner-Managers

Most STR owner-managers employed up to five full-time or part-time employees in the last 12 months and paid up to $50,000 in wages (Tables 9 and 10).

Table 9. In the past 12 months, how many total employees have you employed?

	Full Time	**Part Time**
0	45.0%	36.7%
1-5	42.1%	47.3%
6-10	6.8%	9.6%
11-20	2.3%	3.2%
21-30	1.6%	1.6%
31-50	0.6%	1.0%
51-99	1.3%	0.3%
100 or more	0.3%	0.3%

Table 10. In the past 12 months, approximately how much have you paid to your employee(s)?

	Percent of Respondents
Less than $5,000	13.5%
$5,000-$10,000	10.8%
$10,001-$25,000	20.3%
$25,001-$50,000	13.5%
$50,001-$100,000	16.2%
$100,001-$250,000	10.8%
$250,001-$500,000	8.1%
$500,001-$1,000,000	5.0%
Over $1,000,000	1.9%

More than 50% hired one to five contractors or service providers to service their STRs and spent up to $50,000 on these providers in the last 12 months (Tables 11 and 12).

Table 11. In the past 12 months, how many contractors or service providers have you hired?

	Percent of Respondents
0	8.4%
1-5	51.0%
6-10	23.2%
11-25	14.2%
26-50	2.3%
51-99	0.6%
100 or more	0.3%

Table 12. In the past 12 months, approximately how much in total have you paid to contractors or service providers?

	Percent of Respondents
Less than $5,000	14.7%
$5,000 - $10,000	17.9%
$10,001 - $25,000	14.7%
$25,001 - $50,000	16.1%
$50,001 - $100,000	13.3%
$100,001 - $250,000	12.5%
$250,001 - $500,000	4.3%
$500,001 - $1,000,000	2.9%
Over $1,000,000	1.5%
I don’t know	2.2%

On average, 56% of owner-managers’ household income came from their STRs.

Property Managers

The majority of property managers surveyed employed fewer than 10 full-time or part-time employees in the last 12 months and paid up to $250,000 in wages (Tables 13 and 14).

Table 13. In the past 12 months, how many total employees have you employed?

	Full Time	**Part Time**
0	25.2%	32.1%
1-5	35.0%	39.4%
6-10	12.6%	12.2%
11-20	10.2%	6.9%
21-30	3.7%	1.6%
31-50	4.1%	3.7%
51-99	5.3%	2.8%
100 or more	4.1%	1.2%

Table 14. In the past 12 months, approximately how much have you paid to your employee(s)?

	Percent of Respondents
Less than $5,000	7.0%
$5,000-$10,000	7.0%
$10,001-$25,000	4.4%
$25,001-$50,000	8.9%
$50,001-$100,000	5.7%
$100,001-$250,000	16.5%
$250,001-$500,000	10.8%
$500,001-$1,000,000	8.2%
$1,000,001-$2,000,000	5.7%
$2,000,001-$5,000,000	4.4%
Over $5,000,000	0.6%
I don't know / I don't have access to this information	20.9%

About 61.7% hired one to 10 contractors or service providers to service their STRs and the majority had spent up to $100,000 on these providers in the last 12 months (Tables 15 and 16).

Table 15. In the past 12 months, how many contractors or service providers have you hired?

	Percent of Respondents
0	8.2%
1-5	38.0%
6-10	23.7%
11-25	18.0%
26-50	6.9%
51-99	1.6%
100 or more	3.7%

Table 16. In the past 12 months, approximately how much in total have you paid to contractors or service providers?

	Percent of Respondents
Less than $5,000	10.6%
$5,000 - $10,000	12.0%
$10,001 - $25,000	11.5%
$25,001 - $50,000	8.3%
$50,001 - $100,000	9.2%
$100,001 - $250,000	7.8%
$250,001 - $500,000	8.3%
$500,001 - $1,000,000	7.4%
Over $1,000,000	3.7%
I don’t know	21.2%

Part 3: STR Operator Survey - Regulations & Livability

Local Government, Rules, and Regulations

Our findings showed that the survey sample population was aware that operating an STR required engagement with local government. Survey respondents were asked several questions about the role of government in the operation of their STRs. Table 17 shows the respective governmental or quasi-governmental agency of obligation.

More than 86% stated that they knew of at least one level of community or government jurisdiction that had requirements that must be met to operate. The most common jurisdiction with requirements was the town or city level with 56.4%. However, 11.9% stated that they were unsure if there were jurisdictional requirements for operating STRs.

Table 17. Which community or government jurisdiction has requirements you must meet to operate STR(s)? (Select all that apply)

Jurisdiction	Percentage of Respondents
HOA or COA	29.7%
Town or City	56.4%
County	40.7%
State/Province	36.7%
Other	0.7%
I am not sure	11.9%
None	2.0%

Tables 18 and 19 show the ways in which respondents source information and news from authorities about short-term rentals. Regarding communication with their local government, 69.5% of respondents stated they got information from their government's website, 42% got it via email, and 26.6% received information in the mail (Table 18).

More than 56% had contacted their local government about STR regulations while 7.1% responded that they had hired a service provider to take care of communications for them. The most popular sources for news about local regulations that impact their STRs were government websites (48.9%), social media (32.1%), online travel agencies (31.6%), and emails from the government (30.1%) (Table 19).

Table 18. How do you currently get information from your local government? (Select all that apply)

Information Source	**Percentage of Respondents**
On its website	69.5%
Via email	42.0%
Mail	26.6%
On social media	23.6%
I attend government meetings	18.7%
Other	12.5%

Table 19. How have you gotten news about local regulations that impact your STR(s)? (Select all that apply)

News Source	**Percentage of Respondents**
On government website(s)	48.9%
Social media	32.1%
Online travel agencies, such as Vrbo or Airbnb	31.6%
Emails from government	30.1%
News outlets	27.6%
From an STR alliance or association	24.5%
Letters in the mail from government	21.4%
I attend local government meetings	20.3%
I have never received news about local regulations	9.9%
Professional compliance specialist/company	4.8%
Other	6.5%

Through a series of Likert scale questions, respondents were asked their thoughts on their primary jurisdiction and its relationship with the operation of short-term rentals (Table 20).

The overall sentiment was positive on statements related to the clarity of jurisdictional ordinances, permitting processes, and tax collection. These questions were developed from the themes discovered in the in-depth interviews with local government officials and tested for the first time as an instrument to gauge STR owner, operator, and manager attitudes toward government.

Table 20. Likert Scale Questions

	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree	I am not sure
My local jurisdiction's ordinance(s) are clearly defined and easy to understand.	9.8%	30.5%	17.8%	18.2%	15.8%	7.9%
My jurisdiction makes it easy to comply with local, regional, and state regulations regarding short-term rentals.	11.2%	31.3%	20.1%	14.5%	14.5%	8.5%
My jurisdiction has streamlined the process for STR licensing/permitting/registration.	7.9%	26.1%	20.5%	15.7%	17.7%	12.1%
My jurisdiction has streamlined the process for collecting, recording, and submitting STR-related taxes.	11.2%	31.8%	18.9%	13.0%	10.0%	15.1%
My jurisdiction has a convenient renewal process for things such as business licensing, taxes, and permits related to short-term rentals.	11.5%	31.3%	17.6%	12.9%	12.3%	14.3%
My jurisdiction provides resources for answering any questions I have about operating short-term rentals.	6.3%	27.3%	20.1%	18.6%	13.5%	14.1%
My jurisdiction has a good program for maintaining compliance and identifying bad operators.	3.2%	12.6%	19.9%	21.9%	18.4%	23.8%
My jurisdiction has successfully addressed short-term rental concerns in our community.	5.5%	19.6%	21.0%	18.9%	20.3%	14.7%
My jurisdiction provides a way for community members to report bad actors involved in short-term rentals, such as a hotline.	5.6%	19.7%	16.5%	17.1%	12.6%	28.5%
I think that government should get out of our way regarding short-term rentals and let the free market prevail.	29.0%	23.1%	19.9%	18.4%	6.3%	3.3%

	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree	I am not sure
I have contacts in my local, regional, and/or state government to assist me with questions regarding compliance, regulation, and ordinances.	7.3%	26.5%	18.3%	24.0%	15.6%	8.3%
My jurisdiction wants to shut down short-term rentals.	17.7%	17.3%	16.0%	22.2%	13.7%	13.0%
I work hard to maintain a professional, accountable STR business.	78.1%	13.7%	2.0%	0.7%	4.3%	1.2%
My jurisdiction's rules and requirements for hosts, owners, managers, and online platforms are consistent and fair.	5.4%	25.0%	22.7%	16.8%	17.2%	12.9%
STR owners, operators, and hosts are perceived as good business operators within my community.	11.0%	31.4%	21.2%	18.3%	8.6%	9.6%
I frequently interact/work with my local government's staff.	4.2%	17.4%	22.8%	36.0%	17.3%	2.4%
My jurisdiction seeks to provide a balanced environment between business, community, and government regarding short-term rentals.	5.6%	27.2%	21.3%	16.7%	14.9%	14.3%
I believe that all properties listed on online platforms should meet the local ordinance requirements.	35.5%	44.1%	10.1%	2.9%	3.3%	4.1%

Housing & Quality of Life

A series of questions were asked about affordability and property use. Our research discovered flexibility in how STR operators rent their properties. Among both owners of short-term rentals and property managers, the majority stated that the properties they owned or managed would not be considered affordable long-term housing options for residents, with at least one-fifth of the sample responding that yes, they would be an option (Table 21). Most owners of STRs also stated that if they could not operate STRs in their properties, they would either sell them or mid-term rent them (Table 22).

Table 21. Would any of the properties you own/manage be considered affordable long-term options for residents?

	Owned Properties	**Managed Properties**
Yes	23.2%	21.3%
No	53.8%	50.4%
Some would, some wouldn't	16.3%	24.6%
I am not sure	6.7%	3.7%

Table 22. If I could not operate STRs in the properties I own, I would... (Select all that apply)

	Owner Only	**Owner-Manager**
Leave it empty	24.7%	11.9%
Sell it	34.4%	47.2%
Move into it	10.9%	8.7%
Mid-term rent it (leases of 30 days to 6 months)	31.2%	32.5%
Long-term rent it (leases of longer than 6 months)	22.3%	25.5%

The majority of operators stated that they had a positive relationship with the neighbors of their STRs (Figure 16). Most stated that they had policies or practices in place to deal with issues: 85.7% had noise policies, 69.8% had parking policies, and 72.7% had trash policies. Just under 92% of operators had an appointed contact available to respond to potential complaints from community members within two hours.

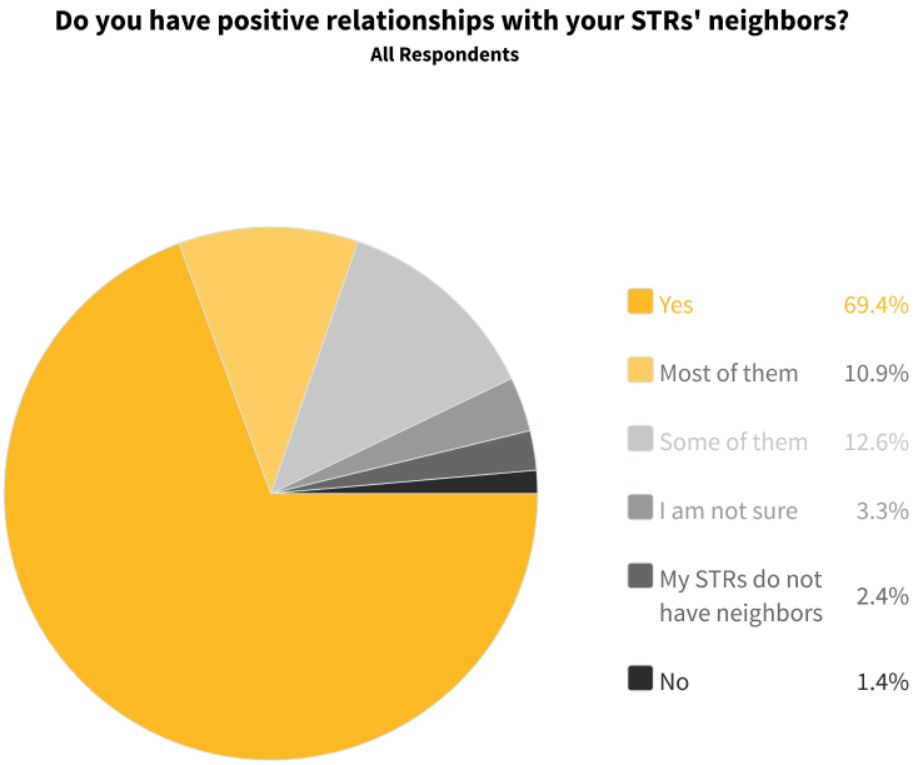

Figure 16. Do you have a positive relationship with your STRs' neighbors?

In the past 12 months, 79.9% reported receiving zero complaints from neighbors or members of their community about their STRs. Of those who had received complaints, noise was the most frequent cause for complaint (Table 23). To resolve complaints, most operators called or messaged the guest or addressed the issue on-site (Table 24).

Table 23. What were the complaints about? (Select all that apply)

	Percentage of Respondents
Noise	60.0%
Parking	27.2%
Party	21.8%
Trash	13.2%
Strangers	8.5%
Pets	8.5%
Criminal Activity	2.0%
Other	20.3%

Table 24. What did you do to resolve the complaint? (Select all that apply)

	Percentage of Respondents
Called the guest	52.2%
Messaged the guest	51.5%
Addressed the issues on-site	33.7%
There was no substantiated problem	16.7%
Involved law enforcement	12.0%
Other	18.0%
Nothing	1.2%

The chart below shows the comparison of those with a positive relationship with neighbors and the number of complaints received. Of those, 86.6% of operators who had positive relationships with neighbors had received zero complaints in the last 12 months compared with only 60.8% of those who did not (Table 25).

Table 25. Comparison of Positive Relationship and Number of Complaints Received

	Number of Complaints Received				
Positive Relationship with Neighbors	**0**	**1**	**2**	**3 or more**	**I am not sure**
Yes	86.6%	8.0%	2.5%	0.7%	2.2%
Most of them	55.9%	20.9%	10.7%	6.6%	5.9%
Some of them	64.3%	16.1%	6.6%	7.7%	5.3%
No	60.8%	7.8%	5.9%	19.6%	5.9%
I am not sure	78.8%	7.6%	2.5%	0.0%	11.0%
My STRs do not have neighbors.	91.9%	3.5%	0.0%	0.0%	4.7%

Conclusion

These two separate threads of data from the operator survey and interviews with local regulators show the ongoing potential for local governments and property owners and managers to work together in enhancing the effectiveness of community governance of STRs. STR operators' responses reflect prevailing economic and logistical realities of the STR industry. Chiefly, these responses indicate that income from STRs directly supports households and creates jobs in the community. Greater awareness of regulations translates into fewer nuisance complaints. Not all STRs have the potential to become long-term housing. Through existing communication channels, property managers, owners, local government, and constituents can collaborate to design a local housing mix and STR compliance program that balances the needs and interests of their community.

Appendix

Methodology

In a national research initiative on short-term rentals, Rent Responsibly engaged the Riley Center for Livable Communities at the College of Charleston to design and conduct a qualitative research study with non-elected leadership in local governments and quasi-governmental agencies from three leading lifestyle communities. The research was led by Dr. Brumby McLeod, Riley Center Research Fellow, Associate Professor and Chair of the Department of Hospitality & Tourism Management in the School of Business at the College of Charleston. The study was funded by Rent Responsibly and partner companies.

Phase I qualitative interviews were conducted with municipal staff members from local governments across three states.

- Charleston County, SC, municipalities: Chosen for its mix of traditional beach tourism communities and urban hub
- The Roaring Fork Valley, CO, including Aspen and Snowmass Village: Chosen for their communities' need for a balance between a tourism-driven economy and the availability of workforce housing
- Park City, Utah, and destination marketing organizations from around the state: Chosen to include both the municipal perspective and those of tourism bureaus

While each focal region represented one of the top tourist destinations in their state, the issues faced in each region were markedly different. (1) These communities operate at the will of their state constitution; (2) Thus, the state in which these regions operate influenced the regulatory environment for short-term rental regulation in the region; (3) While the three regions fell on different parts of the political spectrum, all faced challenges that are common to popular destination markets: housing, transportation, regional cooperation between municipalities, impacts of climate change, and residential workforce housing.

Researchers additionally chose non-elected local government staff as opposed to elected officials to eliminate political biases from the study and focus on those who manage their jurisdiction's short-term rental and tourism programs. Interviewees were asked a set of questions designed to identify their unique needs and challenges. The insights from Phase I

provided a basis for topics, questions, and a qualitative scale for Phase II, the countrywide STR operator survey.

In Phase II, short-term rental owners and operators took a detailed survey with questions about their operator profile, economic impact, and relationship with their local governments. They were invited to access the online survey by email, social media, and member list invitations from short-term rental organizations and companies across the United States. In addition, an intercept invitation was administered on Vrbo, a short-term rental marketplace, that appeared in users' dashboards upon login. The survey period was November 8-14, 2021.

Respondent Profile

The average age of survey respondents was 53.8. Twenty-one to 30-year-olds made up 2.7% of respondents, while 12.4% were 31-40, 22% were 41-50, 30.3% were 51-60, 23.1% were 61-70 and 8.4% were 71 or older. About 79.6% of respondents identified as white, 2.9% as Asian, 2.5% as Black or African American, 2.1% as multiracial, 0.5% as American Indian or Alaska Native, 0.3% as Native Hawaiian or Pacific Islander, 1.1% as other, and 11% opted not to answer. About 57.9% identified as female, 39% as male, 0.1% as nonbinary, and 3% opted not to answer.

Table 26. Why did you first become an STR owner, host, or manager?

	Percent of Respondents
I purchased a vacation home / second home	31.2%
I purchased my short-term rental as an investment property	24.3%
I wanted or needed to maximize my primary home	11.1%
I wanted to host guests and travelers	7.7%
My short-term rental is my future retirement home	7.6%
I got a job in the short-term rental industry	4.2%
I inherited a property	3.7%
Other	10.3%

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