

SHORT TERM RENTAL UPDATE

Lexington-Fayette Urban County Council Work Session

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Overview

- Short term rental of a residential dwelling is for a period of less than (30) consecutive days
- Requirements of a host
 - Obtain a Certificate of Occupancy
 - Obtain a Business License
 - Collect and remit transient room tax to LFUCG (Airbnb collects on behalf of hosts) Chapter 13 of the Code of Ordinances
 - Collect and remit transient room tax & sales tax to the Kentucky Department of Revenue
- Several new internet sites have allowed short term lodging opportunities in the Lexington market to grow at a rapid pace in addition to Airbnb
- Agreement with Airbnb went into effect on February 1, 2018



Short Term Rental Platform Listing Sites:





Platforms with which LFUCG has agreements:





Statistics

- In 2017, Lexington homeowners made \$3.1M by renting on the Airbnb Platform
- Short term rental economic model
 - Booking.com has over 5.6 million listings in 227 countries
 - Airbnb has over 5 million listings in 191 countries
 - HomeAway has over 2 million listings in 190 countries
- In 2017, travel industry experts Skift predicted the local host industry sector would reach \$169 Billion by the end of 2018



Next Steps

- Continue to request other short term rental platforms to collect transient room tax at time of rental as a benefit to hosts
- Review properties listed on short term rental platforms to identify location and hosts
- Send out letters to current identified hosts to assist them in being in compliance with Ordinances
- Provide assistance to individuals that want to become hosts

Questions?



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