



DOOR COUNTY TOURISM ZONE COMMISSION

Administrator's Report

June 2016

Compliance: Late Letters Sent

- The number of *March 2016* “No Reports” letters sent: Twenty two (22) to owner managed properties on 5/9/16.
 - Fifteen (15) remain as of 5/12/16
 - Two (2) remain as of 6/9/16 – a final notice was sent 5/26/16 with a deadline of 6/9/16.

Unpaid tax/fees/penalties: The total outstanding due as of 6/9/16 is: \$1,411.39 from five (5) permit holders.

First Notice	Second Notice	Third Notice	Attorney	Settlement/ Payment Plan	Collections
\$ 25.35	\$ 25.38			\$ 179.58	
\$ 25.17				\$ 444.15	
\$ 25.17				\$ 300.00	
\$ 25.03				\$ 282.90	
\$ 25.05				\$ 53.55	
\$ 125.77	\$ 25.38	\$ -	\$ -	\$ 1,260.18	\$ -
\$ 1,411.33	Total Outstanding				

- **Permits:** (7) seven permits have been issued since April reporting –ten (10) due to compliance efforts. (10) Ten properties were permitted during the same period in 2015. As of 6/xx/16 there are 10xx permits.

- City of Sturgeon Bay – seasonal
- Village of Ephraim – seasonal
- Town of Egg Harbor- year round
- Village of Sister Bay – year round
- Town of Washington – year round
- Town of Gibraltar – year round
- Village of Ephraim – seasonal – compliance

- **Unpermitted Properties:**

I am currently working on permitting eleven (11) unpermitted properties that are advertising online or have contacted the office regarding permitting. In 2015, there were ten (10) unpermitted properties that were advertising online. VRBO listings for Door County went from 525 in May to 520 in June (nice to see the decrease slow down).

- **2015 Aging Report:**

- **One and two unit properties:**

- Paid on time: 80.4% (2014- 75.67%)
- During Grace: 11.0% (2014- 7.50%)
- Within 30 Days: 5.2% (2014- 10%)
- Later: 3.4% (2014 - 6.83%)
- Online Filings : 37.10% (2014- 34.73%)
 - Analysis: For 2015 one and two unit properties-
 - 4.73% more paid on time compared to 2014.
 - 3.5% more paid during the grace period compared to 2014.

- There was a decrease of 3.43% paying within 30 days in 2015 compared to 2014.
 - And a decrease of 3.43% paying later than 30 days in 2015 compared to 2014.
- **Three+ unit properties:**
 - Paid on time: 82.2% (2014 - 83.67%)
 - During Grace: 12.0% (2014- 9.33%)
 - Within 30 Days: 3.6% (2014- 4.42%)
 - Later: 2.2% (2014- 2.50%)
 - Online Filings : 53.97% (2014 – 53.14%)
 - Analysis: For 2015 3+ unit properties-
 - 1.47% less paid on time in 2015 compared to 2014.
 - 2.67% more paid during the grace period compared to 2014.
 - There was a decrease of .82% of properties paying within 30 days in 2015
 - And a decrease of .3% paying later than 30 days.
- **Permitted Properties Report**
 - As of 5/26/16 there were 1008 permitted properties
 - 62 new properties were permitted since 12/4/15
 - In October of 2013 they were only 13 properties for Door County listed on Airbnb and as of 6/8/16 there are 84.
 - When I began tracking the online listing ID's when I began in 2012 I didn't include the ID's in the permitted report, but they were tracked in the database.
 - In 2015 I began including the ID's in the permitted report so that we can track permitted properties with online listings over time.
 - In June of 2015 there were 191 tracked properties in the DCTZC database that were advertising online.
 - In June of 2016 there are 541 properties with online listings in the database. I haven't included larger properties on Tripadvisor or their websites. My main focus has been making sure the 1-2's are accounted for.
- **Removed Properties Report (for the time period of 12-8-15 though 5/31/16)**
 - 40 properties were removed since 12/8/15
 - 10 properties were sold
 - 5 properties are for sale
 - 22 properties are no longer renting
 - 1 property burnt down
 - 1 property is only offering long term rentals
 - 1 property owner is disabled and no longer able to operate their lodging business
- **By Unit Report (5/27/16)**
 - 1008 Permits
 - 4741 Units
 - 2709 year round units
 - Hotels are 5.5% of permits and 25.4 % of units
 - Resorts 4.7% of permits / 41.2% of units
 - Inns 1.9% of units/4.3% of units
 - Condos are 14.4% of permits and 5.3% of units
 - B&B's 2.4% of permits/2.7% of units
 - Homes are 69.8% of permits and 20.12% of units
 - Other units account for 1.3% of permits and 1.1% of units
 - Permit holders with agents 327 (32.4%)

- **Annual meeting email statistics:**

- Since we are embarking on sending out a survey, I thought it might be useful to provide statistics on the number of emails sent for the Annual Meeting via Mail Chimp:
 - 1st email: 826 recipients/ open rate 47.8% - the emails was opened 753 times and clicked through with the links 21 times.
 - 2nd email: to municipalities (21 recipients) / 7 opens
 - 3rd email: recovery of bounced emails from 1st email/ 32 recipients/ 10 opens
 - Permit holders without current emails or no email on record were mailed the Annual Meeting Notice Letter via USPS (112 properties). Twelve (12) of the mailed letters have already been returned for lack of a current address on file. I will correct the addresses for next year from land records.

Campaigns

<input type="checkbox"/>	Folders ▾	Filter ▾				
<input type="checkbox"/>	<input checked="" type="checkbox"/>		Additional emails 5-23-16 Regular · additional 2016 Sent on Mon, May 23, 2016 9:13 am	32 Subscribers	33.3% Opens	0.0% Clicks
<input type="checkbox"/>	<input checked="" type="checkbox"/>		2016 Annual Meeting Letter (MUNI copy 01) Regular · Muni Email Sent on Fri, May 20, 2016 12:55 pm	21 Subscribers	33.3% Opens	4.8% Clicks
<input type="checkbox"/>	<input checked="" type="checkbox"/>		2016 Annual Meeting Letter Regular · 2016 Permit Holders Sent on Fri, May 20, 2016 12:45 pm	826 Subscribers	47.8% Opens	1.1% Clicks
<input type="checkbox"/>	<input checked="" type="checkbox"/>		Door County Tourism Zone Commission Annual Meeting Regular · 2015 Permit Holder Email list Sent on Fri, May 22, 2015 3:54 pm	746 Subscribers	52.2% Opens	2.5% Clicks

- **Tweak:**

- The first video is completed and on the website. I am pleased with how it turned out – its fun but clear in its message. Take a look; it is on the homepage.
- Next up is the digital brochure; the first two drafts received haven't achieved what was proposed in the scope of work ("*details about the tax, how to's and assist the property owner in fulfilling their duties.*").

- **Hillstrom PR**

- I met with Jane Hillstrom on 5/31/16 to begin work on the survey. She will create a first draft of the survey and then we will meet with the Ad Hoc group to discuss and refine. Thank you to Zeke Jackson for the outline he provided – it led to a lot of thoughtful discussion in creating the survey.

- **Airbnb –**

- Per the Business Insider on 6-8-16, San Francisco's Board of Supervisors voted 10-0 to pass tougher legislation that would make short term rental companies responsible for enforcing some of the city's rental laws. The new legislations would require that Airbnb list on its website only properties that are in compliance and have a registration number. If it fails to do so, then the city will fine Airbnb and home sharing companies like it up to \$1,000 for every day that they maintain listings on their sites that aren't properly registered. The law will go into effect in 30 days. (Article included at the back of the report).

- **AB 583/SB 446 – Restricting a Municipality's Ability to Prohibit or Restrict Homeowners From Renting Their Homes.**

- In watching the legislative front, it appears that there is a bill co-sponsored by Senator Lasee that bears watching in regards to its effect that it could have on tourism promotion and development. It appears that the bill did not make it through this legislative session.

(Neither Assembly Bill 583 nor an Senate version (SB446) was included in a schedule released Monday afternoon for the Senate’s final meeting of the legislative session.)

- “Sentator Lasee is sponsoring legislation that would push legislation that would bar municipalities from imposing room taxes or certain regulations on individuals who post rooms, apartments or homes on short-term rental websites” as stated in the Journal Sentinel.
- “Assembly Bill 583, which passed the lower house last month (April), would bar any municipality from enacting or enforcing an ordinance that prohibits or regulates the duration or frequency of rental for a residential dwelling for seven consecutive days or longer” according to a Legislative Reference Bureau analysis.
- The ability to look at the WH&LA legislative page has been disabled unless you are member. The League of Municipalities states that they are strongly opposed to the bill.
- Some municipalities have issued resolutions to oppose the bill and issued press releases.

○ “The Municipality” :2015–16 LEGISLATIVE SESSION TURNED OUT WELL

AB 583 – Restricting Municipalities from Prohibiting Persons from Renting out their Homes. Rep. Scott Allen (R-Waukesha) and Sen. Frank Lasee (R-De Pere) introduced this bill at the request of the Wisconsin REALTORS Association, which has pushed for similar legislation the last couple of sessions. The bill as introduced prohibited a local government from enacting or enforcing an ordinance that prohibits, regulates the duration or frequency of, or unreasonably restricts the rental of a “residential dwelling” for seven consecutive days or longer. The League opposed the bill and testified against it at public hearings in the Assembly and the Senate. Nevertheless, the bill appeared to have momentum, particularly in the Assembly. Consequently, just prior to the Assembly vote, we negotiated with the REALTORS the best deal we thought possible at the time and shifted our position to neutral when they agreed to make the following two changes on the floor:

- Allow a municipality to limit the total number of days a dwelling may be rented within a 365 day period to no more than 180 days.
- Delete language prohibiting municipalities from adopting ordinances that “unreasonably restrict” home rentals.

The Assembly passed the bill by a voice vote. When the bill reached the Senate, Senator Chris Kapenga (R-Delafield) and several other GOP senators expressed concerns about the bill excessively interfering with local control. As a result, GOP Senate leaders declined to schedule the bill for a vote prior to the session ending.

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the Municipality, May 2016 | 13

2015 - 2016 LEGISLATURE

2015 ASSEMBLY BILL 583

December 7, 2015 - Introduced by Representatives ALLEN, BRANDTJEN, R. BROOKS, CRAIG, JARCHOW, KULP, MURPHY and ROHRKASTE, cosponsored by Senator LASEE. Referred to Committee on Housing and Real Estate.

AN ACT to amend 97.01 (7); and to create 66.1014, 97.01 (1g) (g), 97.01 (14d), 297.01 (14f) and 97.01 (15k) (d) of the statutes; relating to: lodging establishments and restricting a local government's ability to prohibit or restrict a person from renting out of the person's residential dwelling.

Analysis by the Legislative Reference Bureau

This bill prohibits any city, village, town, or county (political subdivision) from enacting or enforcing an ordinance that prohibits, regulates the duration or frequency of, or unreasonably restricts the rental of a residential dwelling for seven consecutive days or longer. The bill defines "residential dwelling" as any building or structure, or part thereof, that is primarily used and occupied for human habitation or intended to be so used. If any political subdivision has such an ordinance in effect on the effective date of the bill, the ordinance does not apply and may not be enforced.

Under current law, as of July 1, 2016, the Department of Agriculture, Trade and Consumer Protection regulates a variety of types of lodging establishments, including hotels, bed and breakfast establishments, and tourist rooming houses. This bill excludes from the definitions of "hotel," "bed and breakfast establishment," and "tourist rooming house" a residential dwelling that is rented exclusively for periods that are seven consecutive days or longer. Thus, the bill provides that a residential dwelling that is rented exclusively for periods of seven consecutive days or longer does not qualify as a hotel, a bed and breakfast establishment, or a tourist rooming house and therefore is not subject to regulations that apply to such lodging establishments.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.
The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 66.1014 of the statutes is created to read:

66.1014 Limits on residential dwelling rental prohibited. (1) In this section:

4(a) "Political subdivision" means any city, village, town, or county.

5(b) "Residential dwelling" has the meaning given in s. 97.01 (14d).

6(2) (a) A political subdivision may not enact or enforce an ordinance that prohibits, regulates the duration or frequency of, or unreasonably restricts the rental of a residential dwelling for 7 consecutive days or longer.

9(b) If a political subdivision has in effect on the effective date of this paragraph 10.... [LRB inserts date], an ordinance that is inconsistent with par. (a), the ordinance 11does not apply and may not be enforced.

12(c) Nothing in this subsection limits the authority of a political subdivision to
13enact an ordinance in any of the following areas:
141. Inspections of residential dwellings.
152. The imposition or payment of inspection fees for residential dwellings.
163. Room taxes that may be imposed on residential dwellings.
174. Annual license fees or other fees that may be imposed on persons who rent
18out their residential dwellings.
195. Nuisances related to residential dwellings.

20**SECTION 2.** 97.01 (1g) (g) of the statutes is created to read:
2197.01 (1g) (g) Is not a residential dwelling rental

22**SECTION 3.** 97.01 (7) of the statutes, as affected by 2015 Wisconsin Act 55, is
23amended to read:

24397.01 (7) "Hotel" means all places wherein sleeping accommodations are
25offered for pay to transients, in 5 or more rooms, and all places used in connection
26therewith except that "hotel" does not include a residential dwelling rental.
27"Hotelkeeper", "motelkeeper" and "innkeeper" are synonymous and "inn", "motel"
28and "hotel" are synonymous.

29**SECTION 4.** 97.01 (14d) of the statutes is created to read:

30997.01 (14d) "Residential dwelling" means any building, structure, or part of the
31building or structure, that is primarily used and occupied for human habitation or
32intended to be so used and includes any appurtenances belonging to it or usually
33enjoyed with it.

34**SECTION 5.** 97.01 (14f) of the statutes is created to read:

351497.01 (14f) "Residential dwelling rental" means a residential dwelling that is
36offered for rent exclusively for periods of 7 consecutive days or longer.

37**SECTION 6.** 97.01 (15k) (d) of the statutes is created to read:

381797.01 (15k) (d) A residential dwelling rental.

39**SECTION 7. Effective date.**

40(1) This act takes effect on July 1, 2016.

Respectfully Submitted,



Kim Roberts
Administrator

Removed Properties 5/13/16 to 06/9/2016

Municipality	Permit #	Removed	Lodging Name	Lodging Address	Owner	Reason for Removal
Town of Gibraltar	12-53-0211-00	5/23/2016	Northhaven #23002 – Family Time	9451 Northhaven Ct #23002	Tory & Jean Raether	Owner: “We no longer rent the property.”
Town of Baileys Harbor	02-55-0463-00	6/3/16	Anderson-Frogtown Rd	7889 Frogtown Rd	Betty Jane Anderson	Owner: "The house and cottage are for sale - no longer being rented." Made inactive.
City of Sturgeon Bay	35-56-1555-00	6/3/16	Adams- Cozy Cottage on Memorial	707 Memorial Dr	Lee Adams	Owner: “We are no longer renting.” Made inactive.
City of Sturgeon Bay	35-56-1504-00	6/3/16	Raught – 732 Memorial	732 Memorial	Brendan & Maureen Raught	Owner: “Property sold in February 2016 – it is no longer listed for rent.” Made inactive.
Village of Egg Harbor	09-53-1267-02	6/3/16	Harbor Vista at Eames Farm	7779 Harbor Vista #411	John & Linda Franczyk	Owner: “We no longer rent.” Made inactive.
Town of Gardner	39-56-1298-13	6/3/16	Twin Harbors	8925 Twin Harbor Rd	Brian Igielski	Owner: "I no longer rent my property." Made inactive.

San Francisco just backed Airbnb into a corner

It's fight, flight, or comply for Airbnb in San Francisco, and the company refuses to say which avenue it will pursue.

On Tuesday, San Francisco's Board of Supervisors [voted 10-0 to pass tougher legislation](#) that would make short-term rental companies responsible for enforcing some of the city's rental laws.

As it stands, Airbnb hosts in San Francisco are required to be registered with the city. Now, the new legislation requires that Airbnb list on its website only properties that are in compliance and have a registration number.

If it fails to do so, then the city will fine Airbnb and home-sharing companies like it up to \$1,000 daily for every day that they maintain listings on their sites that aren't registered properly.

The company told Business Insider that it questions the whole registration system and how complex it is to have a license in the first place, implying that this process was making it too difficult for people using Airbnb for necessary income.

An Airbnb spokeswoman told Business Insider:

An estimated 1,200 San Franciscans avoided foreclosure or eviction by hosting on Airbnb, and this legally-questionable proposal puts their housing at risk without offering any real solutions to fix the complex process. The Board acknowledged that the registration system is broken and, in order to help people to be able to stay in their homes, The City needs to fix it.

Airbnb didn't respond to questions about whether it would comply with the new rules, though the company is on the record opposing the tougher legislation on a legal basis, claiming that it violates the federal law protecting internet freedom.

Before the vote, law firm Davis Wright Tremaine [sent a letter commissioned](#) by technology coalition CALinnovates to the San Francisco city attorney, arguing that the amendment would threaten "vital protections" of online content and "would be vulnerable to a legal challenge."

But the attorney's office argued that it was regulating business practices, not online content, according to the [San Francisco Examiner](#). Supervisor David Campos, who put forth the legislation, likened it to a rental-car company requiring a driver's license to operate.

The Board of Supervisors' 10-0 vote means that it will not go to the mayor's desk for a veto, but instead be put into law 30 days from now.

If Airbnb opts to fight, then it could take a page from [Uber and Lyft and pull out of a city](#) that doesn't offer it favorable regulations, or it could end up paying a daily fine to continue operating as is.

"We hope the Board will act to fix this broken registration system, and we are considering all options to stand up for our community and keep fighting for real reform," an Airbnb spokeswoman said.