



DOOR COUNTY TOURISM ZONE COMMISSION
 Administrator's Report
 June 2018

Compliance: Late Letters Sent

2018

- The number of **January 2018** "No Reports" letters sent: Thirty four (34) to owner managed properties on 3/16/18.
 - As of 5/10/18 – There are two (2) properties that remain to report.
 - As of 6/8/18 – All properties have reported.
- The number of **February 2018** "No Reports" letters sent: Thirty six (36) to owner managed properties on 4/13/18.
 - As of 5/10/18 – There are four (4) properties that remain to report.
 - As of 6/8/18 – All properties have reported.
- The number of **March 2018** "No Reports" letters sent: Twenty (20) to owner managed properties on 5/17/18.
 - As of 6/13/18 – There is one (1) property that remains to report.
- The number of **April 2018** "No Reports" letters sent: Forty nine (49) to owner managed properties on 6/13/18.

Unpaid tax/fees/penalties: The total outstanding due 6/12/18 is: \$1,544.85 from four (4) permit holders.

First Notice	Second Notice	Third Notice	Attorney	Settlement/ Payment Plan	Collections
		\$ 37.86	\$ 268.73		\$ 26.23
		\$ 27.28	\$ 72.03		
			\$ 830.60		
			\$ 25.13		
			\$ 25.02		
			\$ 122.54		
			\$ 4.50		
			\$ 25.10		
			\$ 25.42		
			\$ 54.41		
\$ -	\$ -	\$ 65.14	\$1,453.48	\$ -	\$ 26.23
\$1,544.85	Total Outstanding				

- **Permits:** As of 6/12/18 – Twenty eight (28) *permits have been issued since May reporting – eleven (11) or 39% were permitted as a result of compliance efforts.*
 - Nineteen (19) *permits were issued during the same period of 2017*
 - As of 6/12/18 there are 1143 permits
- | | |
|---|---|
| <ul style="list-style-type: none"> • Town of Sturgeon Bay – seasonal • Town of Washington – seasonal – compliance • City of Sturgeon Bay – year-round • Town of Gibraltar – seasonal • Town of Gardner – year-round • Town of Gibraltar – seasonal • Town of Liberty Grove- year round • Village of Sister Bay - year round • Town of Sturgeon Bay – year-round • Town of Egg Harbor – year-round • Village of Ephraim – seasonal • City of Sturgeon Bay – year-round • City of Sturgeon Bay – year round – compliance • Town of Egg Harbor – year –round | <ul style="list-style-type: none"> • Town of Baileys Harbor- year-round – compliance • Town of Gibraltar – year-round • Town of Liberty Grove – year-round – compliance • Town of Washington – year-round • Village of Sister Bay – year round • Town of Baileys Harbor – year-round • City of Sturgeon Bay – year-round- compliance • City of Sturgeon Bay – year round – compliance • Town of Washington – seasonal – compliance • Town of Gibraltar- year round – compliance • Town of Baileys Harbor – year round-compliance • Village of Sister Bay – year-round – compliance • Town of Washington – seasonal • Town of Sevastopol – compliance – year round |
|---|---|

- **Unpermitted Properties:** As of 6/12/18 there are nineteen (19) unpermitted properties that are advertising online without a permit. In May of 2017, I was working on ten (10) unpermitted properties.
- ✓ **VRBO/ Homeaway/ Vactionrentals.com :** As of 6/13/18 there are 487 properties listed (458 May /470 April) on VRBO. Homeaway has 520 (458 in May and 511 In April. Of note, suddenly a lot of properties that had just moved to Airbnb are back on VRBO. Additionally, VRBO and Homeaway are pulling a lot of Algoma properties in with the Door County search.
 - ✓ **The following listings are unpermitted on VRBO/Homeaway:**
 - Unpermitted Listing #1: 1282279 (compliance letter sent 4/10/18, 4/25/18 and 5/23/18)
 - Unpermitted Listing #2: 13358938 (compliance letter sent 5/8/18 and 5/23/18)
 - Unpermitted Listing #3: 1335047 – no leads on owner (timeshare Rushes)
 - Unpermitted Listing #4: 1360182 – email sent to owner (has other permits)
- **Airbnb:** As of 6/13/18 Airbnb indicates that there are 375 listings for Door County. As of June 1, 2018 the breakdown of listings by municipality for Airbnb is as follows:

MUNI		# of Airbnb Properties		
2	Baileys Harbor	38		
4	Brussels	0		
6	Clay Banks	2		
8	Town of Egg Harbor	43		
9	Village of Egg Harbor	25		
11	Ephraim	25		
12	Gibraltar	30		
14	Town of Forestville	0		
15	Town of Jacksonport	7		
27	Nasawaupee	12		
32	Liberty Grove	55		
33	Sevastopol	19		
34	Sister Bay	13		
35	City of Sturgeon Bay	52		
36	Town of Sturgeon Bay	10		
39	Gardner	8		
42	Union	2		
46	Washinton Island	15	356	TOTAL IN DC
	NOT IN DOOR COUNTY	10		
			366	Total Door County Listings

The following listings are unpermitted on Airbnb as of 6/13/18 (The new listings have continued to post since the monthly spreadsheet update – 370 listings as of 6/11/18).

- Unpermitted Listing #1: #23709001 – NO LEADS TIMESHARE WHOLESALER
- Unpermitted Listing #2: #24052610 (compliance letter sent 4/10/18 & 5/2/18 5/23/18)
- Unpermitted Listing #3 : #23008138: NO LEADS TIMESHARE WHOLESALER
- Unpermitted Listing #4 #25284585 – Compliance letter sent 5/30/18
- Unpermitted Listing #5 25319787 – Compliance letter sent 5/30/18
- Unpermitted Listing #6: #25458028 – Compliance letter sent 5/30/18
- Unpermitted Listing #7: #5974438 – Compliance Letter sent 5/22/18 (previously permitted).
- Unpermitted Listing #8: #25688306- Compliance letter sent 6/5/18
- Unpermitted Listing #9: #252625710 – Compliance letter sent 6/5/18
- Unpermitted Listing #10: #15678659- Compliance letter sent 6/6/18
- Unpermitted Listing #11: #25551184 – Compliance letter sent 6/4/18
- Unpermitted Listing #12: #25949863 – Compliance letter sent 6/13/18
- ✓ **Facebook** – There are two (2) properties that are in the compliance process from Facebook.
- ✓ **Craigslist** –There is currently one (1) listing unpermitted on Craigslist. The owner information is unfound.
- ✓ **TRIPADVISOR/FLIPKEY:** Currently on TripAdvisor there are 48 (47 last month) rentals. Flipkey has 47 listings for Door County. All are permitted.

Other news:

- **Airbnb** – I just want to relay for communication purposes that the sales team for Airbnb is selling Door County professional lodging providers extensively. I have had numerous reports of the sales representative communicating that room tax can be easily collected through the professional listings as a line item. I did reach out to our contact (who is also the same sales representative) who seemed to “dial back” the ability to collect room tax as a line item. I also reached out to Kathleen Maci-Schmidt (At-Large) to see if she could uncover any information being a super host on Airbnb. She was told that professional listings have the same inability to add room tax to their reservations; however Airbnb may be working on technology. The bottom line is that hosts must collect room tax by including it in their nightly rate, collect upon arrival or via special offer. Moreover, how room tax is collected should be clearly communicated in listings and all communication.
 - There continues to be so much confusion about what is being collected by Airbnb. It doesn't help that Airbnb can't explain to hosts that call in for assistance, that the tax under “occupancy tax” they see collected is Sales Tax. People do call to get clarification, however you can tell that there is unease because they can't get the same answer from Airbnb. I end up sending web references/links to the Airbnb site, but at times I get the sense hosts don't know who to believe; I stress that the Tourism Zone has no collections agreement with Airbnb and that we are the taxing authority for room tax in Door County.
 - Premier Resort Area Tax – Sister Bay is not listed on the Airbnb website as an area that has PRAT tax collected – it is a sales tax so it should be collected by Airbnb. I have reached out to Sister Bay so that they are aware although it doesn't go into effect until 7/1/18 – travelers are making reservations and it should be listed on their site.
 - Baylakes continues to work with Airbnb to create programming and a “plugin” for their system in order to meet the demands of properties that are looking to list on Airbnb. Paperwork has been signed, but he cautioned that it is slow going. The “plugin” will be a fee based update to current Lodgical systems as it will need to be tailored property by property. Justin has agreed, in the meantime, to have someone in his office type up instructions on how to make a reservation currently with the room tax included in the rate (reservation) in order to make the reservation tax exempt (in order to collect room tax on Airbnb you either include room tax in the nightly rate or collect it upon arrival). I will keep that on file to assist properties that are looking for assistance.
- **Newsletter** – The June 2018 newsletter went out to permit holders and municipalities on June 5, 2018. There is also a live link to the newsletter on the Tourism Zone website homepage. The Department of Justice was kind enough to provide information on human trafficking. Airbnb continues to be very confusing to permit holders due to sales tax being collected under the heading “occupancy tax” as opposed to “sales tax”. Again, the newsletters goal was to clearly communicate that room tax continues to be the responsibility of Door County Airbnb hosts and to explain that the occupancy tax collected by Airbnb is sales tax not room tax.
 - The open rate (46.2%) for the newsletter that went out to 950 emails.

- **2017 AGING REPORT:**

- **One and two unit properties:**

Year	Paid on Time	During Grace	Within 30	Later	Online Filings
2017	83.8%	5.9%	6.0%	4.3%	51.35%
2016	84.2%	8.0%	5.2%	2.6%	39.68%
2015	80.4%	11.0%	5.2%	3.4%	37.10%
2014	75.7%	7.5%	10%	6.8%	34.73%

- **Analysis: For 2017 one and two unit properties:**

- .4% less paid on time compared to 2016.

- 2.1% less paid during the grace period compared to 2016.
- There was an increase of .8% paying within 30 days in 2017 compared to 2016.
- And an increase of 1.7 % paying later than 30 days in 2017 compared to 2016. While this was a significant increase the permit count in this category was 203 which were 117 last year. A large number of these late reports came from a large property management company that was late to file for October 2017.
- Online filings increased from 39.68% to 51.35% or +11.67%.
- 2017 vs. 2014 8.1% more permit holders are paying on time.

- **Three+ unit properties:**

Year	Paid on Time	During Grace	Within 30	Later	Online Filings
2017	86.0%	8.5%	3.6%	1.9%	61.40%
2016	84.1%	10.8%	3.5%	1.6%	57.20%
2015	82.2%	12.0%	3.6%	2.2%	53.97%
2014	83.67%	9.3%	4.4%	2.50%	53.14%

- **Analysis: For 2017 3+ unit properties:**

- 1.9% more paid on time in 2017 compared to 2016.
- 2.3% less paid during the grace period compared to 2016.
- There was a .1% change in properties paying within 30 days in 2017 vs. 2016.
- And an increase of .3% paying later than 30 days.
- Online filings have increased 8.26% since 2014.
- 2017 vs. 2014 On time filings have increased 2.3%

BI-ANNUAL REPORTS – BY UNIT, PERMITTED AND REMOVED PROPERTY REPORTS:

The By-Unit reports is included in the meeting packet – however due to the size of both the permitted and removed property reports, I will have this for those who would like them at the June meeting. Below is the analysis for the two reports.

- **PERMITTED PROPERTIES REPORT**

- As of 5/10/18 there were 1121 permitted properties.
 - 90 permits were new since 11/27/17
 - Of the 90 new permits:
 - 28 came from property management companies (31.1%)

- **REMOVED PROPERTIES REPORT (FOR THE TIME PERIOD OF 11/29/17-5/25/18)**

- 53 properties were removed since 11/29/17
 - 28 -properties were sold
 - 4 -properties are for sale
 - 14- properties are no longer renting
 - 4- Changed their minds about renting (Cost of DTACP inspection, etc.)
 - 1 -property is only offering long term rentals
 - 1 -Closed business due to illness
 - 1 –Property is now being used as a primary residence

- **BY UNIT REPORT:**

- The 2018 By-Unit reports has two columns that the report has not previously had. In order to assist with the Housing Study, this information was added to the report: Year-round commercial and year round non-commercial. Commercial referred to Hotels, Resorts, Inns, and B&B's. Non-commercial referred to Homes and Condos.

Date of Report	Number Of Permits	Number of Units	Year Round Units
5/10/18	1121	4865	2805
5/23/17	1040	4769	2757
5/27/16	1008	4741	2709

- **Hotels** are 4.8% of permits / 25.2% of units

- **Resorts** 4.3% of permits / 39.5% of units
- **Inns** 1.9% of units/4.4% of units
- **Condos** are 13.9% of permits / 5.5% of units
- **B&B's** 1.9% of permits/1.2% of units
- **Homes** are 71.9% of permits and 21.9% of units (up from 70.3% of permits and 20.4% of units in 2016)
- **Other units** account for 1.2% of permits and 1.1% of units (Boats, Timeshare, mobile homes, & etc.)
 - Permit holders with agents 350 (31.2%)

Respectfully Submitted,



Kim Roberts, Administrator

REMOVED PROPERTIES 5/11/18 TO 6/12/18

Municipality	Permit #	Removed	Lodging Name	Lodging Address	Owner	Reason for Removal
Town of Gardner	39-56-0922-00	5/16/18	Parkway Escape	2339 CTH N	Dale & Carol Polzin	Property for sale. No longer renting.
Town of Baileys Harbor	02-55-0219-00	5/16/18	Harbor Song	7907 South Lane	Mary Perdue	Property sold.
Town of Washington	46-56-1761-00	5/18/18	Lien Island View Farm	1377 Lake View	Elisabeth & Mark Lien	No Longer renting.
Village of Egg Harbor	09-53-0519-00	5/22/18	Harbor Vista #111	7756 Harbor Vista Rd #111	Trinity Investors	Property Sold.
Village of Egg Harbor	09-52-1155-00	5/30/18	Shipwrecked	7791 Egg Harbor Road	Conch Co., Inc.	Property rebuilt without lodging.
Town of Washington	46-56-1713-00	6/1/18	Squire Cottage	411 Wickman Rd	Jeff Squire	Property Sold – new owners in the process of permitting
City of Sturgeon Bay	35-56-1555-00	6/6/18	Yellow Cottage Adams on Memorial	707 Memorial	Lee Adams	Property sold to a family member in the process of permitting to new owner.
Town of Liberty Grove	32-55-0524-00	6/7/18	Appleport Sunrise Cottage	10372 S Appleport Lane	Jeff & Judy Hyland	Property sold. New owners permitted under #1913.