

ORDINANCE

APPROVING A ONE YEAR EXTENSION TO THE PROFESSIONAL SERVICES AGREEMENT WITH HOST COMPLIANCE, LLC IN AN AMOUNT NOT TO EXCEED \$219,993.40 TO PROVIDE SHORT-TERM RENTAL REGISTRATION, PERMITTING, COMPLIANCE AND COLLECTION SERVICES. FUNDING IN THE AMOUNT OF \$219,993.40 IS AVAILABLE FROM THE HOTEL OCCUPANCY TAX FUND BUDGET.

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WHEREAS, on November 1, 2018, the City Council approved an ordinance for the regulation of Short Term Rental (“STR”) properties in the City: and

WHEREAS, the City issued a Request for Proposals for Short Term Rental Monitoring and Compliance Services on December 13, 2017 and Host Compliance LLC was selected to provide the services. On November 15, 2018, the City Council approved an ordinance selecting Host Compliance LLC to provide Short Term Rental Permitting, Collection and Compliance Services for a term beginning December 21, 2018 and ending December 20, 2019, with two, one year options to extend the agreement; and

WHEREAS, the agreement was renewed for its first one year renewal term beginning December 21, 2019 and ending December 20, 2020, upon the same terms and conditions. The agreement was renewed upon the same terms and conditions for its second one-year renewal term beginning December 21, 2020 and ending December 20, 2021. The agreement was amended upon the same terms and conditions for its third one-year renewal term beginning December 21, 2021 and ends December 20, 2022; and

WHEREAS, the Development Services Department is in the process of converting their use of Host Compliance, LLC for STR permitting to Accela. As such, the Finance Department developed a Request for Proposals (“RFP”) specifically for the collection of Hotel Occupancy Tax (“HOT”) with components related to compliance and monitoring. This RFP was broadened from the City’s current contract to incorporate the collection of HOT for STRs and Hotels including the collection of the Tourism Public Improvement District (“TPID”) assessment fees. On October 4, 2021, the City issued a RFP for Short Term Rental Monitoring and Compliance Services and selected Avenu Insights & Analytics, LLC to provide these services for both STRs and Hotels; and

WHEREAS, to provide an orderly transition of services to Avenu Insights & Analytics, LLC, City entered into the *Second Amendment To And Fourth Extension Of Professional Services Agreement For Short Term Rental Permitting, Collections And Compliance Services* with Host Compliance LLC, which provided for an extension for a six-month term of the agreement, to commence December 21, 2022 and end June 20, 2023 upon the same terms and conditions; and

WHEREAS, City continues to undertake the orderly transition of services to Avenu Insights & Analytics, LLC, and proposes to enter into the *Third Amendment To And Fifth Extension Of Professional Services Agreement For Short Term Rental Permitting, Collections And Compliance Services* with Host Compliance LLC, which will extend the term of the agreement for a one-year term, to commence June 21, 2023 and end June 20, 2024 for a price of \$219,993.40; however, City

has the right to terminate the agreement at any time by providing sixty (60) days written notice; and

WHEREAS, this extension with Host Compliance LLC of the current contract will allow for proper conversion from one system to another and provide seamless services to STR owners paying the HOT; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The terms and conditions of the *Third Amendment To And Fifth Extension Of Professional Services Agreement For Short Term Rental Permitting, Collections And Compliance Services*, a copy of which is attached hereto as **Exhibit A**, by and between the City and Host Compliance LLC are hereby approved.

SECTION 2. The City Manager or his designee is authorized to execute the *Third Amendment To And Fifth Extension Of Professional Services Agreement For Short Term Rental Permitting, Collections And Compliance Services*, which has been incorporated into this Ordinance for all purposes.

SECTION 3. Funding in the amount of \$37,000.00 for this ordinance is available in Fund 29006000, Cost Center 8002120002 and General Ledger 5201040 as part of the Fiscal Year 2023 Adopted Budget approved by City Council.

SECTION 4. Additional funding is contingent upon City Council approval of the Fiscal Year 2024 and subsequent budgets that fall within the contract terms of this ordinance.

SECTION 5. Payment is authorized to Host Compliance, LLC and should be encumbered with a purchase order.

SECTION 6. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 7. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED and APPROVED this ____ day of _____, 2023.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Debbie Racca-Sittre, City Clerk

Andrew Segovia, City Attorney

EXHIBIT A

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