

From: London, Sarah [Sarah.London@vermont.gov]
Sent: Thursday, September 01, 2016 9:53 PM
To: Griffin, Bill
CC: Peterson, Mary; Keeton, Kirby
Subject: Re: AirBnB

Thank you all around.

Sent from my iPhone

On Sep 1, 2016, at 5:46 PM, Griffin, Bill <bill.griffin@vermont.gov> wrote:

Mary,

Kirby sent us additional documents this morning, which were helpful.

Jaye is shuffling other work so that we will be able get back to you Tuesday a.m.

Bill

From: Peterson, Mary
Sent: Thursday, September 01, 2016 12:34 PM
To: Griffin, Bill <bill.griffin@vermont.gov>
Cc: Keeton, Kirby <Kirby.Keeton@vermont.gov>; London, Sarah <Sarah.London@vermont.gov>
Subject: AirBnB

Hi Bill:

Understand that you are reviewing the AirBnB contract. Just wanted to be sure that you knew that it has to be signed by us on Tuesday and returned to AirBnB for them to start collection Oct. 1.

For background, we first had some discussions with other jurisdictions and AirBnB early last year. AirBnB had announced its Community Compact that included its willingness to collect & remit rooms tax on behalf of the hosts using its platform everywhere it was operating. AirBnB was handling the negotiations in house. The early agreements I learned about from other jurisdictions, as well as the draft template AirBnB presented us, contained some troublesome terms.

Everything then shifted. The legislature actually directed us to negotiate an agreement with short term rental platforms, and booked \$1M in anticipated revenues from such agreement(s) for FY17. And AirBnB engaged PWC to negotiate these deals – the PWC partner we dealt with from Florida has negotiated a large number of deals since the spring, and was quite easy to work with. The template that he presented us with was much improved, no dealbreakers from the get go. We were able to adjust a few

provisions, but bottom line, we do not have much leverage – AirBnB does not have much interest other than community goodwill in striking a deal, and it was made clear that they will walk away from anything that deviates much from their “standard” operation. In short, they are not getting much anymore (for example, in some of the early jurisdictions they got zoning breaks) and they want a standard practice that is easy to administer as they enter into literally thousands of contracts (most rooms tax is collected at the municipality level).

Hope that background helps. Let us know if there will be any problem in us getting to signing by COB Tuesday.

Mary

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