

AMENDMENT TO THE AGREEMENT WITH THE CITY OF MURRIETA AND CONSULTANT

Amendment No.: Third Amendment

Original Agreement Title (“Agreement”): AGREEMENT BETWEEN THE CITY OF MURRIETA AND HOST COMPLIANCE LLC

Agreement Effective Date: October 20, 2020

Agreement Termination Date: November 3, 2028

Consultant Name: Granicus LLC (successor to HOST COMPLIANCE LLC)

Brief Description of Scope of Services (“Services”):

Granicus LLC shall work in partnership with the City to provide professional support services in the implementation and ongoing administration of short-term vacation rental data collection, inventory, permitting, and enforcement, including but not limited to, the following tasks, which are described as follows:

- a. Create and maintain a database of short-term vacation rental units,
- b. Register short-term vacation rental units,
- c. Perform outreach,
- d. Manage the payment of all taxes and fees,
- e. Assist the City with all enforcement activities,
- f. Coordinate with City staff.

Task Details/Deliverables:

a. Create and maintain a database of short-term vacation rental units:

- 1) Identify the addresses of the properties in the City listed for short-term rentals from all applicable short-term rental websites;
- 2) Create and maintain a comprehensive inventory of all STVRs and their hosts in the City from all applicable short-term vacation rental websites and other applicable sources. The inventory shall include, but is not limited to, the listing URL, location, host name, property type, room type, maximum occupancy, number of bedrooms, rental frequency, rental rate, minimum/maximum stay, Transient Occupancy Tax (TOT) payments, operator business license status/payment, STVR application status/payment, and identification when the 300 unit citywide cap is reached;
- 3) Be able to account for buffer limitations with processing/issuance of a permit;
- 4) Regularly monitor STVR listings and update data accordingly;
- 5) Create a database with the data that can be exported and analyzed in GIS, CSV, Excel or other program formats or platforms, as specified by the City;
- 6) Database should be sufficient for the City to use for outreach, monitoring and compliance purposes for STVRs;
- 7) De-duplicate listings of STVRs across multiple sites;

b. Register short-term vacation rental units:

- 1) Process applications for short-term vacation rentals units via City website through first-come first-serve basis, or any other process approved by the City;
- 2) Review applications and verify compliance with all applicable codes, requirements and statutes;

- 3) Maintain database of all registered STVR units operating in the City;
- 4) Provide billing, remit information to all hosts, and coordinate with City's Finance Department for related financial information on rental units;

c. Perform Outreach:

- 1) Notify all hosts operating in the City of Murrieta to register and obtain all required authorizations and permits, pay all required taxes and fees;
- 2) Perform community outreach regarding the STVR program, program requirements, and hot to register complaints;
- 3) Develop outreach materials in advance and submit to the City for approval before sharing with the community;

d. Manage the payment of all taxes and fees:

- 1) Collect, process and submit electronically to the City of Murrieta all taxes and fees;
- 2) Pursue delinquent payments from hosts;
- 3) Assist with audits as needed;
- 4) Provide reports to City's Finance Department for account reconciliation purposes;
- 5) Provide monthly statistical reports on the volume, amounts, quantities and payment data for STVR units to the City;
- 6) Other payment management services, as needed;

e. Assist the City with all code enforcement activities:

- 1) Monitor STVRs for compliance with City codes, requirements and statutes. Prepare and submit weekly to the City a master list of short-term vacation rental units known or suspected to be operating in violation of City codes, requirements, or statutes. Track those STVRs that have been suspended or revoked to ensure they are not re-advertised or used during the prohibition period until permitted or reinstated;
- 2) Receive, document, and immediately report to the City in relation to STVR units (Code Enforcement and /or Police Department) and provide a weekly summary of all active complaints;
- 3) Provide staffing for a 24-hour phone number/hotline to register complaints and for relaying/documenting that information to the City's Code Enforcement and/or Police Department;
- 4) Provide the ability to allow complainants to easily share evidence of alleged STVR ordinance violations or other violations (i.e. video, photo and audio evidence) through technology methods;
- 5) Notify and track non-registered, unpermitted and/or non-compliant STVR property owners;
- 6) Assist with other enforcement activities, as needed;

f. Coordinate with City staff:

- 1) Provide additional reports, metrics, analysis, documentation, and access to online data related to STVRs as required by the City;
- 2) Participate in meetings (virtual as well) or conference calls with City staff on a periodic basis.

Many of these tasks/deliverables will be accomplished through their various platforms/modules:

Address Identification solution forms the basis of the Granicus platform. It scans over 60 STVR platforms for listings, de-duplicates them, and leverages machine learning and a team of over 200 analysts to identify the addresses of listings.

Mobile Permitting and Tax Collection module provides non-compliant STVR hosts to become compliant with applicable taxes and fees. All hosts in the City of Murrieta can use this platform to remit their Transient Occupancy Tax.

Compliance Monitoring functionality enables monitoring for zoning and permitting compliance, captures detailed information for more advanced compliance monitoring by any number of parameters requested by the City. It also streamlines the mailing and recording of outreach letters to non-compliant STVRs.

Rental Activity Monitoring module leverages industry-leading algorithms and artificial intelligence to help with identifying and reaching out to hosts who fail to report or underreport taxes.

24/7 Hotline provides support for STVR-compliant management for the collection of evidence.

This Amendment to the Agreement, made effective on the date executed by the City by and between the City of Murrieta, a Municipal Corporation, duly organized and existing under and by virtue of the laws of the State of California ("City"), and the above referenced Consultant with reference to the following facts which are acknowledged by each party as true and correct:

RECITALS

Whereas, City is a general law city, formed and existing pursuant to the provisions of the California Government Code.

Whereas, City and Consultant entered into an Agreement on the Effective Date set forth above for the Services.

Whereas, City and Consultant wish to amend the Agreement as further set forth herein.

Whereas, the Agreement was previously modified by the following prior amendments:

On October 14, 2021, CITY and Host Compliance LLC, entered into a First Amendment to the Agreement, whereby the term was extended through November 3, 2022, and a decrease in the Scope of Work effectively decreased the annual not-to-exceed compensation to \$16,623.48, thereby increasing the total not-to-exceed Contract Sum to \$35,255.98. On October 18, 2022, CITY and GRANICUS LLC (as the successor to Host Compliance LLC) entered into a Second Amendment to the Agreement for an additional three-year term, whereby the term was extended through November 3, 2025, and the annual not-to-exceed compensation was decreased to \$11,709.32, thereby increasing the total not-to-exceed Contract Sum to \$70,383.94.

AMENDMENT

NOW, THEREFORE, it is agreed by and between the parties as follows:

1. The above recitals are true and correct.

2. The following terms of the Agreement are hereby amended to read as follows:

Section 3.1 of the Agreement is hereby amended to read in its entirety as follows:

“The services called for under this Agreement shall be provided by CONSULTANT during the period commencing upon execution of this Agreement and shall continue through November 3, 2028.”

3. Compensation for the period of this Amendment shall be in accordance with the updated Granicus Proposal attached hereto and incorporated herein as Exhibit “A”. Accordingly, compensation for the period November 4, 2025, until November 3, 2026, shall be in an annual amount not-to-exceed \$12,880.11. Compensation for the period November 4, 2026, until November 3, 2027, shall be in an annual amount not-to-exceed \$14,168.13. Compensation for the period November 4, 2027, until November 3, 2028, shall be in an annual amount not-to-exceed \$15,584.93.

4. The total not-to-exceed Contract Sum for the Agreement and all amendments shall be \$113,017.11, as set forth in the table below.

	Annual Not-to-Exceed Compensation
Original Agreement (October 20, 2020 – November 3, 2021)	\$18,632.50
First Amendment (November 4, 2021 – November 3, 2022)	\$16,623.48
Second Amendment (November 4, 2022 – November 3, 2023)	\$11,709.32
Second Amendment (November 4, 2023 – November 3, 2024)	\$11,709.32
Second Amendment (November 4, 2024 – November 3, 2025)	\$11,709.32
Third Amendment (November 4, 2025 – November 3, 2026)	\$12,880.11
Third Amendment (November 4, 2026 – November 3, 2027)	\$14,168.13
Third Amendment (November 4, 2027 – November 3, 2028)	\$15,584.93
TOTAL NOT-TO-EXCEED CONTRACT SUM	\$113,017.11

5. All other conditions of the Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on the date and year first-above written.

CITY:

CITY OF MURRIETA, a California municipal corporation

By: _____
Justin Clifton, City Manager

Date:

ATTEST:

Cristal McDonald, City Clerk
Date:

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

Tiffany Israel, City Attorney
Date:

CONSULTANT: GRANICUS LLC

Two corporate officer signatures required when Contractor is a corporation, with one signature required from each of the following groups: 1) Chairperson of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. (Cal. Corp. Code § 313.) Appropriate attestations shall be included as may be required by the bylaws, articles of incorporation or other rules or regulations applicable to Contractor's business City.

By: _____
Name:
Title:
Date:

By: _____
Name:
Title:
Date:

EXHIBIT “A”

Renewing Subscription Fees			
Solution	Billing Frequency	Quantity/Unit	Annual Fee
Address Identification	Annual	71 Rental Listings	\$2,343.00
Mobile Permitting & Registration	Annual	71 Rental Units	\$5,499.66
24/7 Hotline	Annual	71 Rental Units	\$937.20
Compliance Monitoring	Annual	71 Rental Units	\$1,757.25
Rental Activity Monitoring	Annual	71 Rental Units	\$2,343.00
Tax Collection	Annual	1 Each	\$0.00
SUBTOTAL:			\$12,880.11

FUTURE YEAR PRICING

Solution(s)	Period of Performance	
	04 Nov 2026 - 03 Nov 2027	04 Nov 2027 - 03 Nov 2028
Address Identification	\$2,577.30	\$2,835.03
Mobile Permitting & Registration	\$6,049.63	\$6,654.59
24/7 Hotline	\$1,030.92	\$1,134.01
Compliance Monitoring	\$1,932.98	\$2,126.27
Rental Activity Monitoring	\$2,577.30	\$2,835.03
Tax Collection	\$0.00	\$0.00
SUBTOTAL:	\$14,168.13	\$15,584.93

PRODUCT DESCRIPTIONS

Solution	Description
Address Identification	Our state-of-the-art software provides ongoing monitoring of short-term rental platforms including major platforms such as Airbnb, VRBO, Booking.com, and FlipKey. We continually review and update our software to align with the evolving state of the platforms to provide a comprehensive dataset. Our machine learning will deduplicate all known Listings into unique Rental Units, where our identification team will provide owner contact information for further enforcement. This product includes: - Ongoing monitoring of all listings in your jurisdiction - Updating listing activity and details on a regular basis - Screenshot activity of every active listing - Deduplication of listings into unique Rental Units - Activity dashboard and map to monitor trends and breakdown of compliance.
Mobile Permitting & Registration	Mobile-enabled online forms and back-end systems for streamlining the registration/licensing/permitting of individual short-term rental hosts. These registration forms and workflows include:- Parcel Number lookup and validation - E-Signatures - ACH, Debit, and Credit Payments exclusively powered by Stripe.com - Registration Number & Certificate creation - Document Upload - Renewals - Email confirmation - Admin approval & denial
24/7 Hotline	24/7 web and phone hotline for your community to report short term rental complaints such as parking, trash, noise disturbances, and illegal short term rentals. This product include:- Mobile-enabled online web form for citizens to submit tips or complaints (text, videos, and photos) - 24/7 call center for citizens to contact and report complaints verbally - Recordings for all call center complaints - Email notifications to your team when complaints are logged - Automatic outbound IVR calls and SMS messages to permit emergency contacts notifying them of the complaint - SMS support for emergency contacts to mark a complaint as acknowledged or resolved with the ability to send resolution notes - Hotline Dashboard for tracking complaint volumes, trends, and categories - Ability to upload Notes/Comments to each complaint

Solution	Description
Compliance Monitoring	Compliance monitoring provides up-to-date information for each identified Rental Unit and its compliance status. We configure your compliance definition specific to your jurisdiction rules and ordinances in order to provide up-to-date compliance status of each identified Rental Unit. Additionally, this product will:- Allow your team to send letters to non-compliant properties 24/7 - Configure letter templates with your branding and letterhead - Add as many letter sequences as you need for escalation - Monitor properties that become compliant after letter enforcement
Rental Activity Monitoring	Ongoing monitoring of Short Term Rental listings for signs of rental activity including historical revenue estimates & occupancy. Coupled with our Tax Collection product, users can also compare historical revenue estimates to actual reported revenue to identify those that may be underreporting and underpaying sales tax (i.e. TOT).
Tax Collection	Tax Collection can be built as a separate mobile-enabled form or coupled with Mobile Permitting & Registration in one single portal allowing your users to:- Report revenue monthly, quarterly, or annually and pay sales tax due (i.e TOT) - Remind users when they are registering for a permit/license to also report any back taxes - Collect ACH, Debit, and Credit Payments exclusively powered by Stripe.com

TERMS & CONDITIONS

- This quote, and all products and services delivered hereunder are governed by the terms located at <https://granicus.com/legal/licensing>, including any product-specific terms included therein (the "License Agreement"). If your organization and Granicus has entered into a separate agreement or is utilizing a contract vehicle for this transaction, the terms of the License Agreement are incorporated into such separate agreement or contract vehicle by reference, with any directly conflicting terms and conditions being resolved in favor of the separate agreement or contract vehicle to the extent applicable.
- If submitting a Purchase Order, please include the following language: The pricing, terms and conditions of quote Q-446146 dated 06 May 2025 are incorporated into this Purchase Order by reference and shall take precedence over any terms and conditions included in this Purchase Order.
- This quote is exclusive of applicable state, local, and federal taxes, which, if any, will be included in the invoice. It is the responsibility of Murietta, CA to provide applicable exemption certificate(s).
- Any lapse in payment may result in suspension of service and will require the payment of a setup fee to reinstate the subscription.