

TECHNOLOGY

Daily Report: In New Orleans, at Least, Airbnb Makes Peace

Bits

By QUENTIN HARDY DEC. 8, 2016

New Orleans, nicknamed The Big Easy, has achieved something very hard — it managed to nail down a few rules for the sharing economy.

As Katie Benner reports, the Crescent City has worked out a deal to legalize short-term rentals by Airbnb, in exchange for the hosts' registering with the city, as well as data from Airbnb on what it is doing.

On the surface, this is no meager feat: Cities like San Francisco, New York and Barcelona, Spain, have all battled the online home-rental company, without winning every concession New Orleans did.

That isn't to say that New Orleans got everything it asked from Airbnb, a privately held company now valued at \$30 billion. Airbnb is giving the city the names and addresses of the hosts offering their properties for rent in New Orleans, but the city isn't allowed to share them with others. There is a permitting process, and a fee, but Airbnb is controlling that process.

Airbnb also agreed to collect hotel taxes and to ban most listings in the tourist-heavy French Quarter, but that's a small part of the city, easily reached on foot from nearby districts. Most of the big hotels are outside the French Quarter. The company also set a cap of 90 days a year for hosts. Registration requirements and other limits on rentals were also part of a law Airbnb helped write in San Francisco, only to turn around and sue over last summer, when the city tried imposing fines to enforce it.

Airbnb said it was seeking to create a standard that it could apply in other cities, a base line for behavior around the world. With the company's expertise in crunching data, there is little doubt that it can tell how many rooms are being rented for more than 90 days a year, and what that does to prices over all.

Airbnb may also be so comfortable with the lead it has in the home-rental business that it is seeking legitimacy on its own terms (which might be terms difficult for a future competitor). Uber, the ride-hailing service, has a well-known competitor in Lyft — quick, what are some other home-rental services? (If you're stuck: VRBO, HomeAway and Roomorama.)

The United States is, apparently, on the cusp of an especially business-friendly administration. It may be wary about tech, but these may be the years when these outlaw companies write their way to legitimacy.