

Short-Term Rentals

Presented to City Council

December 6, 2022

Outline

- Update on **zoning options**
- Recommended **registration ordinance** and enforcement
- **Next steps**

What is a short-term rental (STR)?

Short-term rentals are residential properties available for rent for guest lodging for a period ranging from 1 to 29 days.

Goals for Addressing STRs

1. Preserve residential quality of neighborhoods and protect from commercial lodging encroachment
2. Ensure health and safety of guests and residents
3. Support tourism in a balanced way
4. Preserve residential housing supply
5. Collect Hotel Occupancy Tax (HOT) from legal STRs
6. Minimize impact on staff and recover costs for code enforcement

REVISED Zoning Options for Addressing Illegal STRs in Residential Zoning

- Fifth Circuit decision against New Orleans limits our ability to differentiate owner-occupied from investor-owned STRs in zoning regulations
- If City Council would like to revise the Zoning Ordinance, then staff recommends:
 - Allowing **Conditional Use Permit** applications in residential districts
 - Same case-by-case public hearing process as zoning change
 - CUP can be time limited and can be revoked
 - Limit density of any approved CUPs to 5% of block or multifamily building

Recommended Registration Ordinance and Enforcement for STRs

- Require **registration** for **STR** use:
 - Only **legal STRs** allowed to register
 - **Annual fee** to cover City costs
 - **HOT** collection (cannot be used for administration or enforcement)
 - Property **owner registers/consents**; registration non-transferrable
 - 24/7 local **contact**
 - **One guest/group** at a time
 - Limited to **3 people/bedroom**, max of 9 people
 - On-premise **parking** only
 - **No events/parties**; no outdoor gatherings or music after 10pm
 - Require **Good Neighbor Guide** (comply with noise, trash, parking ordinances)
 - Registration **placed on probation or revoked** based on violations

Recommended Registration Ordinance and Enforcement for STRs, cont.

- **Enforcement** of zoning violations will continue to be on **complaint** basis, but not limited to nuisance violations
- Registration ordinance to include that **advertising** for STR is prima facie evidence of STR use; to be used to address complaints

Next Steps

- **If City Council would like to amend Zoning Ordinance** to allow CUP applications, then:
 - ✓ Staff prepares text amendment and posts on website
 - ✓ Zoning Commission considers and votes on text amendment
 - ✓ **City Council** considers and votes on text amendment
- Staff will finalize **registration ordinance**, post on website, notify property owners, and request City Council action

**Questions?
Comments?**

