



# Short Term Rental Update – September 27, 2022

# Current Short Term Rental Ordinance

- Current ordinance was adopted by Council on 10/09/2018.
- Ordinance was originally created to address issues with Short Term Rentals not paying appropriate taxes.
- Ordinance requires all short-term rentals to obtain an annual permit from the Inspections and Code Department.
- Short-Term Rental owners and agents must complete a background check prior to the issuance of the permit.

# Current Short Term Rental Ordinance

- Short-Term Rentals are permitted in all residential and commercial zoning districts.
- Ordinance allows Inspections and Code to revoke the license of any rental with three code violation convictions within a 12-month period.
- Ordinance has minimum fines of \$500.00 for first violation, \$750.00 for second violation, and \$1000.00 for third violation. Violations include operating a rental without a permit.

# Short Term Rental Issues

- Over the past year, staff has received an influx of complaints regarding the operation of certain rentals.
- Most common complaints have been:
  - Rentals being used as a party house
  - Lack of communication between neighbors and rental owner/agent.
  - Rentals are overrunning residential neighborhoods

# Proposed Short Term Rental Revisions

- Provisions of current ordinance such as permitting process, minimum fines, and license revocation process remain.
- During the application process, applicants will be required to notify adjacent property owners of the proposed short-term rental. Applicants will be required to provide contact information to adjoining property owners.

# Proposed Short Term Rental Revisions

- A door sticker, provided by Inspections and Code, must be placed on the front door of each unit. The sticker will readily identify the property as a short-term rental to any responding Officer.
- Proposed ordinance clearly limits the number of occupants to no more than 16 occupants.
- Proposed ordinance clarifies that a minimum stay is 24 hours. Short-Term rentals are not to be rented for a period less than 24 hours.

# Proposed Short Term Rental Revisions

- Proposed ordinance introduces a cap on the number of short-term rentals in Historic Districts, including the Downtown Historic District and the Weracoba/St. Elmo Historic District.
  - Process would be provided to add additional districts later. All future caps would be subject to approval by Council.
- Owner occupied rentals would be exempt from the cap.

# Proposed Short Term Rental Revisions

- Examples of the proposed cap
  - Downtown Historic District:
    - 10% Cap: 44 Rentals
    - 20% Cap: 88 Rentals
    - Approximately 30 rentals currently operating
  - Weracoba/St. Elmo Historic District:
    - 10% Cap: 49 Rentals
    - 20% Cap: 98 Rentals
    - Approximately 20 rentals currently operating



# Next Steps

- Staff will make final revisions to the ordinance based on Council and citizen feedback.
- Revised Ordinance would be brought before the Planning Advisory Commission in November.
- 1<sup>st</sup> and 2<sup>nd</sup> Council Readings would be held in December and/or January.

Questions?