

# **Short Term Rentals Briefing**

March 8, 2022



#### **Short Term Rentals**

#### **Zoning / Land Use**

Asst. Director of Development Services Michael Dice

> Director of Planning Daniel McGinn

#### **Project Lead**

Assistant City Manager Andrea Gardner

> Eric Wilhite Pacheco Koch

#### **Legal Advice**

**Code Enforcement** 

**Prosecutors** 

**Municipal Court** 

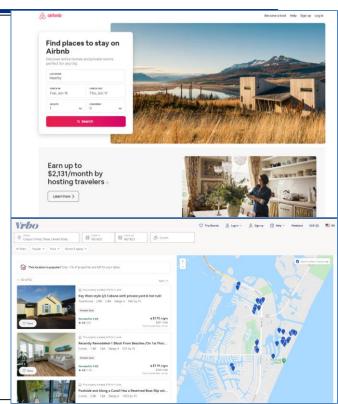
#### **Hotel Occupancy Tax Collection**

Director of Finance Heather Hurlbert



### **Short Term Rentals**

- Rental accommodations that include a variety of unit types (condo, townhome, single family home, RV's, boats, etc..) for less than 30 days.
- Offers visitors a different experience outside of staying at a standard hotel.
- Not a new concept but the technology connecting owners and users has improved.
- Unified Development Code 5.2.24 Rentals (Single Family) Single-family units in a single-family zoning district cannot be rented for less than a one-month period.
- UDC does not prohibit STR use in other zoning districts, therefore the use is permitted.





#### STR –Stakeholder Advisory Group

- (17 Members) includes a balance of individuals representing neighborhoods and those involved in the short-term rental business, keeping in mind diversity and geographic location within the community.
- Members will provide input with staff and consultant team developing the ordinance.
- First meeting was February 18<sup>th</sup> (Topics).
  - Overview of STR Registration Ordinance (adopted Jan. 11<sup>th</sup>)
  - Description of work included in Phase 2 (Evaluation of land use/zoning)
- Bi-weekly meetings planned during the project with the next meeting on March 11<sup>th</sup>.
- Target is to bring an ordinance before Council in July.

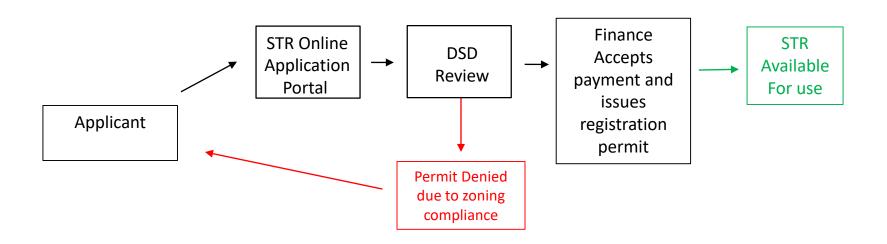


#### Phase 1: Registration Ordinance

- Adopted January 11, 2022.
- Effective for Flour Bluff and North Padre Island on March 15, 2022.
- Remainder of the City has an effective date of July 11, 2022.
- Established regulations for the protection of the health and safety of occupant(s).
- Protects the integrity of the neighborhoods in which short term rental properties will operate.
- Best practice among top Texas cities and others across the country.
- Allows for the management and tracking of units.
- Primary tool for city enforcement of non-compliant STR units.



### STR Permit Workflow



<sup>\*</sup>only in areas currently allowed per the UDC (see slide 3).



# STR Registration – (N. Padre and Flour Bluff ) Communication Plan

Registration will start on 3/14 or earlier through the STR website: <a href="https://www.cctexas.com/STR">www.cctexas.com/STR</a>.

STR Registration Communication Plan:

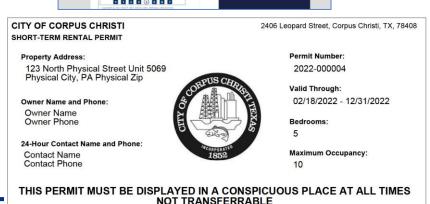
- Letters and or emails will be sent to all identified STR operators in Flour Bluff and N. Padre Island registered within Munirevs system.
- Real Estate and Property Managers offices located in Flour Bluff and North Padre Island will be notified.
- Press Releases
- Facebook Announcements
- Island Moon and Flour Bluff News Advertisements



### Short Term Rental Registration

- STR Website <u>www.cctexas.com/str</u>
- Portal to registration goes live on 3/14 at 6pm
- Estimated 1,500 STR units (Island and FB)
- HOT registration linked to page.
- FAQ's
- Ordinance
- Contact Information
- Link to Phase 2 project information







#### Enforcement

- Enforcement action (North Padre Island and Flour Bluff)
  - educate correctly zoned STR units about need to register
  - enforce STR registration (permit) for properties where the use is not allowed (Single Family Zoned Areas)
- Software will scrub STR rental platform sites for advertisements of properties operating as STRs (scanning for permit number)
- Grace period to get registered for those properties operating legally (30 days)
  - This will take time to get word out and process all of the new applications.
  - Notice to register will be sent to property owners known to be able to operate if permitted
  - Notice of violation will be sent to property owners known to be operating illegally
    - Notice will advise owner to cease and desist...citations will be issued to property owners operating STRs in areas where zoning ordinance prohibits STRs (Single Family Areas).
- Code Enforcement will follow up to determine if a permit has been obtained
  - If a permit is not obtained, a citation/summons will be issued to the property owner (Section 5-38. Permit required)



#### Enforcement

Properties Eligible to Register for an STR Permit

- A notice to register will be sent, as a courtesy to owners of properties known to be legally operating as a short-term rental
- A grace period will follow the March 15, 2022, effective date to give legally operating STRs the opportunity to register prior to enforcement.
- A follow-up inspection and investigation will determine if a STR permit has been issued

   If not, a citation/summons will be issued to the owner (Section 5-38. Permit required)

Properties not Eligible to Register for an STR Permit

- A notice of violation will be sent to owners of properties believed to be illegally operating as a short-term rental beginning March 9
- Beginning March 15, follow-up inspections and investigations will determine if a STR continues to operate illegally at the property
  - o If so, a citation/summons will be issued to the owner (Section 5-38. Permit required)

**Example: Condos, Townhomes, etc..** 



**Example: Single Family Homes (Detached)** 





### STR -Phase 2

- Evaluate locations in the City that may be suitable to allow STRs in single family zoned areas without compromising the integrity of the neighborhood.
- If such locations exist, determine a basis for location of STRs within those single-family areas.
  - Other cities have used, Density percentage of block, overlay districts, buffering distance from other units.
- Stakeholder Advisory Group to provide input.
- Staff works with consultant to develop draft ordinance.
- Present draft ordinance to Planning Commission for action.
- City Council considers Land Use Regulation Ordinance changes.



## Questions?