



MEMORANDUM

To: Mayor and City Council

From: Mindi Hurley, Director of Community Development

Date: January 26, 2021

Reference: Consider approval of an ordinance of The City of Coppell, Texas, amending Chapter 9 of the Code of Ordinances by repealing Article 9-29, "Short-Term Rentals," and replacing it with a new Article 9-29 Short-Term Rentals. The provisions of this article shall expire on January 31, 2022, unless extended by ordinance of the City Council; and authorizing the Mayor to sign.

2040: Enhance the Unique "Community Oasis" Experience

Introduction:

This proposed ordinance provides for the registration and operation of Short-Term Rentals in the City of Coppell. This ordinance is proposed to have an effective date of January 31, 2021, and an expiration date of January 31, 2022.

Background:

On April 10, 2018, staff briefed City Council on national, state, and local trends in regulations on short-term rentals and summarized the various options, ranging from complete prohibition of short-term rentals to no regulations on them at all. Understanding that City Council wanted to implement regulations, staff discussed that these short-term rental regulations needed to be enforceable and provide clarity of the policies for both, the property owner and the enforcement personnel.

On June 12, 2018, The City of Coppell passed a Short-Term Rental Ordinance that provided a balance between the desires of owner-occupants to share their home, on an intermittent basis, and the protection for the neighboring properties. This ordinance provided for a sunset review that expired on December 31, 2019.

On December 10, 2019, City Council approved extending Chapter 9 of the Code of Ordinances, Article 9-29, "Short-Term Rentals," providing for the sunset review to be extended from December 31, 2019 to January 31, 2021. With the current sunset review expiration approaching, staff presented a revised ordinance to City Council for consideration on January 12, 2021. The revised ordinance will expire on January 31, 2022, unless extended by the City Council.

Analysis:

Per City Council's direction, short-term rental enforcement has been a priority for staff. A contract has been in place with a third-party vendor to assist staff in identifying short-term rental properties, within Coppell city limits, since January 2019. Staff can contact owners regarding the registration of properties as a short-term rental once an unregistered property is identified. That property must meet the current requirements outlined in the ordinance to receive a permit. Currently, the City of Coppell has 11

registered short-term rentals, within Coppell city limits. The proposed changes to the ordinance will not have an immediate impact on registered short-term rentals, however, the changes will provide staff the ability to revoke existing permits, as outlined below.

The existing ordinance requires the short-term rental property to be the primary residence of the owner, limits the number of guests on each property, ensures no negative impact on abutting properties, and provides a tool for enforcement and tax collection. Those requirements remain unchanged. However, staff has worked closely with Attorney Bob Hager to discuss potential changes improving the current ordinance and allowing it to be more enforceable by staff. A summary of the recommended changes are as follows:

STR Proposed changes

1. Registration Process

Property owner must provide:

- A complete list of all rentals advertised on all hosting sites.
- Name, address, e-mail address, and telephone number of the resident owner, nonresident owner, property manager, resident manager, local emergency contact, and mortgagee, if there is a mortgage against property.
- Names and addresses of all registered agents should the parties named in this subsection be corporations.
- Zoning classification(s).
- Acknowledgement of receipt of a copy of this article and agreement to comply with all provisions of this article as a condition to receiving and maintaining a short-term rental license.

2. All property owners, within 200 feet of the short-term rental property, will be notified that a new permit has been issued with relevant information regarding the short-term rental provisions and contact information, including a 24-hour complaint line.

3. **A permit may be revoked if there are four, or more, short-term rental violations of the ordinance or other safety, health, and welfare ordinances of the city, within twelve months.**

4. All short-term rental violations will be handled per Code Compliance standard care protocols. A code compliance case will be opened, and three notices will be given before citations and/or, revocation of permits.

If approved, this ordinance will go into place on January 31, 2021, and expire on January 31, 2022.

Legal Review:

City Attorney reviewed these proposed regulations.

Fiscal Impact:

None

Recommendation:

Community Development recommends approval.

Attachments:

Short-Term Rental Ordinance