



MEMORANDUM

To: Mayor and City Council

From: Mindi Hurley, Director of Community Development

Date: May 8, 2018

Reference: Discussion on Short Term-Rentals (STR's) - Home Share Regulations

2030: Sense of Community, Special Place to Live

Executive Summary:

The purpose and intent of a Short-Term Rental (Home Share) regulations in the City of Coppell is to provide the balance of the desires of owner occupants to share their home, on an intermittent basis, and the protection for the neighboring properties. In sum, the proposed regulations will:

- require the STR to be the primary residence,
- limit the number of guests, and
- their parking.

The regulations will also include various operational requirements to ensure no negative impact on abutting properties, provide a tool for enforcement, and the collection of taxes. Similar to the City's home occupation ordinance, if the neighbors are not aware, then they are probably operating correctly.

Introduction:

Staff briefed City Council on national, state and local trends in regulations on Short-Term Rentals on April 10th, and summarized the various options, ranging from prohibition, no regulations, to actual licensing of STR's. It was also discussed that regulations of Short-Term Rentals need to be enforceable and provide clarity in the rules and regulations both for the property owner and the enforcement personnel. Council provided guidance to staff to study the San Marcos model, which requires registration, limits to primary residence only, and includes various operational regulations.

Analysis:

Attached is a summary of the provisions recommended to be added as a new article into the Coppell Code of Ordinances. These proposed regulations of Short-Term Rentals (Home Share) include:

- Purpose, applicability and definition;
- Registration requirements and fees;
- Inspection requirements and safety features;
- Operational restrictions and requirements, and provide for the
- Collection of Hotel Occupancy Tax.

After the passage of an ordinance, the implementation and on-going monitoring will require collective efforts between existing Community Development staff and a 3rd party consultant. The 3rd party consultant will provide the technical expertise to search the 100+ platforms used to advertise short-term rentals and provide reports to the city. Once verified, the property owners will be notified of ordinance requirements and compliance procedures, fees and time frames for registration and violations.

Legal Review:

City Attorney reviewed these proposed regulations.

Fiscal Impact:

None

Recommendation:

The Community Development Department recommends bringing forward an ordinance and engaging a 3rd party to assist in the data gathering, property identification and notification of property owners to allow for the implementation of this ordinance.

Attachments:

Summary of proposed Short-Term (Home Share) regulations