



Discuss and Provide Direction on Short Term Rentals

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Short Term Rentals

Agenda

- I. What is a Short Term Rental
- II. How does McKinney regulate Short Term Rentals
- III. How do Short Term Rentals differ from other similar uses
- IV. How do other Texas cities regulate Short Term Rentals

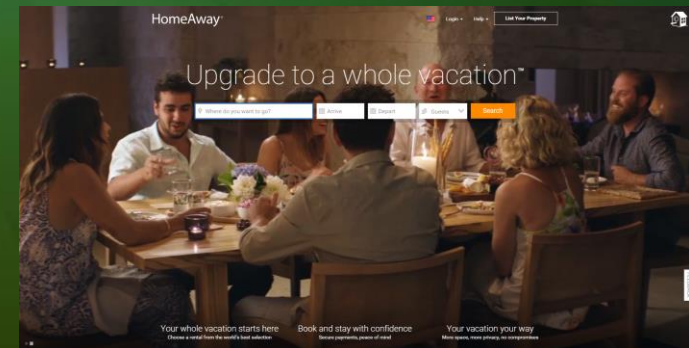
Short Term Rentals

I. What is a Short Term Rentals

Short Term Rentals (STR) or Vacation Rentals By Owner are generally residential properties within residential zone districts (single family and/or townhomes) that are not owner occupied and are rented for a specific timeframe, usually 30-days or less.



These types of rental are advertised on various travel websites but the more popular websites are Airbnb.com and HomeAway.com.



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II. How does McKinney regulate Short Term Rentals

- The City of McKinney does not currently regulate STRs. The Zoning Ordinance regulates:

- Bed and Breakfast facility;
- Boarding House and Rooming House; and
- Hotel or Motel

- The city does regulate the external effects of the use on the surrounding neighborhood (i.e., noise, trash, or improper use of the property) via non-emergency police number or code enforcement.

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- *Bed and Breakfast Facility* – means an owner–occupied private home which offers lodging for paying guests, and which serves breakfast to these guests and which contains one or more guest bedrooms.
- *Boarding House or Rooming House* – means a building, other than a hotel, where lodging and/or meals for three or more persons are provided for compensation.
- *Hotel or Motel* - means a building or group of buildings designed and occupied as a temporary abiding place of individuals. To be classified as a hotel or motel, an establishment shall contain a minimum of 12 individual guest rooms or units and shall furnish customary hotel services such as linen, maid service, telephone, use and upkeep of furniture.

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III. How do Short Term Rentals differ from other similar uses

- Short term rental housing differs from bed & breakfasts, hotels, motels, and other lodging uses by providing complete, living facilities, including provisions for living, sleeping, eating, cooking and sanitation.
- Although bed & breakfasts often are similar in appearance and location to many short-term rentals, they differ by the presence of the owner/operator onsite.
- Boarding houses differ from short-term rentals by having multiple rooms or units for rent and common kitchen and dining facilities that are shared by the occupants.
- Hotels and motels are distinguishable from short-term rentals by having separate entrances and an on-site management office.

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IV. How do other Texas cities regulate Short Term Rentals

- City of Plano – They do not regulate the use but deal with any enforcement issues by complaint on a case by case basis.
- City of Frisco – They do not have an ordinance that prevents STRs or short-term leases, but they have a policy defining single-family which doesn't allow for short term leases in a single family neighborhood.
- City of Allen – They do not restrict the use
- City of Grapevine – They do not regulate STRs but do collect hotel-motel tax on them.

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IV. How do other Texas cities regulate Short Term Rentals

City of Austin – Has the most extensive regulations of all the contacted cities. Austin distinguishes STRs by type;

- Type I – Owner occupied or in association with an owner occupied principle residence.
 - Type II – Not owner occupied and not part of multi-family use
 - Type III – Part of a multi-family use
- All rentals are for less than 30 consecutive days

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IV. How do other Texas cities regulate Short Term Rentals

- In November, Austin's City Council adopted a moratorium on Type II STRs to enact a package of new short-term rental regulations designed to enhance enforcement and curb the late-night parties held at short-term rentals.
- Austin primarily regulates STRs through licensing and limiting the total number of STRs within a residential zone district to no more than 3% of the single-family detached residential units within the census tract.