



Discuss and Provide Direction on Short Term Rentals

January 25, 2016

- MONEY MAGAZINE 2014 -

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

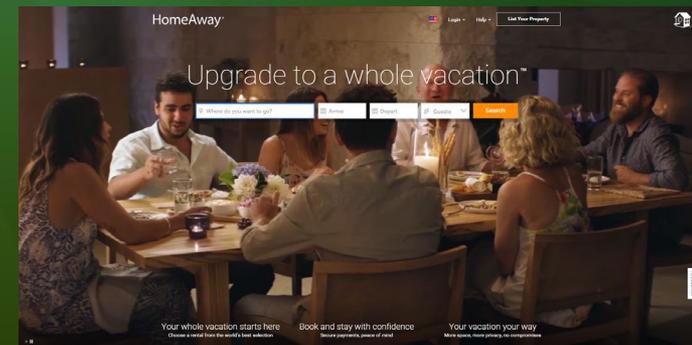
Short Term Rentals

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.



Short Term Rentals

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.

Short Term Rentals

- 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.

Short Term Rentals

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.

Short Term Rentals

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.

Short Term Rentals

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

Short Term Rentals

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.