

Zoning Case 2024-008

An Ordinance of the City of Plano, Texas, amending Article 8 (Definitions), Article 10 (Nonresidential Districts), Article 14 (Allowed Uses and Use Classifications), Article 15 (Use-specific Regulations), and Article 16 (Parking and Loading) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as heretofore amended, to repeal the interim ban of new short-term rentals and to permanently regulate short-term rentals (STRs) and related land uses, including associated development regulations; and providing a penalty clause, a repealer clause, a savings clause, a severability clause, a publication clause, and an effective date.

WHEREAS, the rise of digital platforms that enable the rental of a room or residence on a short-term basis, such as Airbnb and VRBO, led to an increase in citizen concern about transient residential uses that can infringe on the reasonable expectations of neighboring properties in the City of Plano; and

WHEREAS, there were reports of tenants and visitors at STRs in the City of Plano engaging in criminal conduct negatively affecting the public sense of well-being and security, including operation of a prostitution enterprise and discharge of a firearm into a nearby residence occupied by a child, public urination, public indecency, and disorderly conduct; and

WHEREAS, more commonly, there were reports of tenants and visitors at the STRs in the City of Plano failing to be reasonably quiet and pick up after themselves as Plano neighbors expect; and

WHEREAS, many Plano residents reported that they did not expect to have short-term rentals as neighbors when they purchased their homes in residential areas in Plano; and

WHEREAS, the City Council adopted Ordinance No. 2023-5-1 on May 8, 2023, which placed an interim ban on new short-term rentals while the city conducted a public outreach process, collected data, and analyzed information to determine permanent recommendations for the proper regulation of short-term rentals; and

WHEREAS, in May of 2023, the city created a Short-term Rental Task Force (Task Force) to consider data, identify problems, and suggest solutions to the City Council regarding the regulation of STRs; and

WHEREAS, the Task Force met six times, conducted surveys, took public input from two open houses, reviewed and analyzed data, and reported their findings and recommendations to the Planning & Zoning Commission and City Council in a Phase One Report and a Phase Two Report; and

WHEREAS, data presented to and discussed amongst the Task Force indicated that, aggregated, STR properties cause more calls-for-service for noise and other

nuisances to the Plano Police Department than owned or long-term leased properties; and

WHEREAS, the Task Force received information from the City of Plano Neighborhood Services and the Plano Police Department, reviewed scholarly articles, discussed the topic of community fabric, and generally concluded that the frequent turnover of residents in short-term rentals distinguishes the use from other residential uses and can negatively impact the community fabric; and

WHEREAS, the Task Force reasoned that the community fabric can be negatively impacted because the transience of short-term rental guests impacts the ability of other residents to have predictability in resolving issues with neighboring properties because relationships cannot be easily established on a short-term basis. In addition, risks to community safety cannot be assessed as easily when unknown individuals and vehicles are regularly encountered; the lack of predictability and community-building can lead to isolation and other psychological impacts that are negative to the well-being of residents; and

WHEREAS, the Task Force found that community fabric is a core value for the City of Plano; and

WHEREAS, the Task Force expressed that there is broad concern that STRs in single-family neighborhoods are difficult to reconcile with the value of community fabric; and

WHEREAS, the Task Force expressed that STRs have an effect on neighborhood character, including unknown people coming in and out of neighborhoods, frequent vacancies and turnover; and

WHEREAS, the strongest concerns and problems voiced at the Task Force meetings and at the Open Houses focused on residential neighborhoods, particularly single-family neighborhoods; and

WHEREAS, the Task Force expressed that incidences of unsafe use of firearms and use of properties for illegal activities, even if relatively rare, contribute to broader concerns and fears for neighborhood safety and character; and

WHEREAS, the Task Force found that STRs affect the quality of life in Plano and this effect is mostly negative; and

WHEREAS, the Task Force expressed concern that some local families and businesses derive significant income from STRs; and

WHEREAS, the Task Force stated that STRs provide options for lodging that some visitors and local residents find useful for tourism or housing out-of-town family and friends; and

WHEREAS, the Task Force stated that STRs generate local HOT (Hotel Occupancy Tax) revenue and sales tax, though the net economic effects of STRs are debatable and hard to precisely reflect; and

WHEREAS, the Task Force stated that some Plano residents see regulations, especially a ban without exception, as infringements on property rights and personal liberty; and

WHEREAS, the Task Force found that there could be appropriate places for STRs in Plano, under certain circumstances; and

WHEREAS, the Task Force recommended that STR stays be limited to a minimum number of nights as a tool to refine zoning, and expressed that the minimum may be helpful for preventing rental to those wishing to use the property as an event venue; and

WHEREAS, in an effort to balance the interests of STR owners and guests and others in the community who have serious concerns about the appropriateness of STRs in residential neighborhoods, the Task Force recommended that new STRs be permitted anywhere a hotel is allowed; and

WHEREAS, a majority of respondents at the second open house supported the Task Force recommendations presented; and

WHEREAS, the Planning & Zoning Commission reviewed the Task Force report, studied information provided to the Commission, conducted a public hearing, and refined draft regulations to produce a final recommendation to the City Council; and

WHEREAS, the City Council has received and reviewed the recommendation from the Planning & Zoning Commission; and

WHEREAS, the City Council has considered the data and studies presented during the process leading to this public hearing, the recommendation of the Planning & Zoning Commission, the solutions offered by the Short-term Rental Task Force, the requests of speakers at public meetings, and other input received from concerned residents and short-term rental owners and operators, and has fashioned the solutions in this ordinance based on that information; and

WHEREAS, the City Council wishes to balance the property rights of current short-term rental operators and the concerns of many residents about the preservation of the peace, quiet, and stability of residential neighborhoods; and

WHEREAS, the City Council finds that in districts where hotels are allowed by-right, it is reasonable and proper to allow new STRs to operate in residences; and

WHEREAS, the City Council finds that it is reasonable and proper to allow some new STRs to operate in heritage districts and individually designated heritage properties; and

WHEREAS, the City Council finds that new STRs may be allowed to operate in newly established Planned Development Districts, if such operation is approved through the zoning process; and

WHEREAS, the City Council finds it is appropriate to allow STRs that were made nonconforming uses by the interim ban adopted by Council on May 15, 2023, to continue to operate as nonconforming uses, or become conforming uses, where allowed, as long as the STRs comply with City regulations and other relevant laws and the use is not abandoned; and

WHEREAS, the City Secretary of Plano, Texas, directed that notices of a hearing be issued, as required by the Zoning Ordinance of the City of Plano and laws of the State of Texas, at a meeting of the City Council, to be held on the 22nd day of April, 2024, for the purpose of considering a change in the Zoning Ordinance; and

WHEREAS, the City Secretary of said City accordingly caused to be issued and published the notices required by its Zoning Ordinance and laws of the State of Texas applicable thereto, the same having been published in a paper of general circulation in the City of Plano, Texas, at least fifteen (15) days prior to the time set for such hearing; and

WHEREAS, the City Council of said City, pursuant to such notice, held its public hearing and heard all persons wishing to be heard both for and against the aforesaid change in the Zoning Ordinance, on the 22nd day of April, 2024; and

WHEREAS, the City Council is of the opinion and finds that such change should be adopted, would not be detrimental to the public health, safety, or general welfare, and will promote the best and most orderly development of the properties affected thereby, and to be affected thereby, in the City of Plano, and as well, the owners and occupants thereof, and the City generally.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS, THAT:

Section I. Section 8.200 (Terms Defined) of Article 8 (Definitions) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby further amended to delete the Bed and Breakfast Inn definition and add and amend definitions, such amended and new definitions to read as follows:

Amusement, Commercial (Indoor)

Provision, for a fee, admission charge, or other similar remuneration, of leisure-time amusement or entertainment primarily by and for participants within a completely enclosed building. Typical uses include bowling alleys, ice or roller skating rinks, arcades, and bingo parlors.

Assembly Hall

A building or portion of a building in which facilities are provided for civic, educational, or social purposes.

Boarding/Rooming House (Single-Room Occupancy)

A residence or dwelling, excluding hotels and household care facilities, wherein three or more rooms are individually rented either by written or oral agreement for 30 days or more.

Live-in Management

In relationship to a Short-term Rental, Live-in Management means the operator identified on the short-term rental registration stays in the dwelling overnight whenever guests are present at the Short-term Rental. The property owner may act as the operator.

Live-in Management STR

A Short-term Rental with Live-in Management and one or more rooms available for overnight guests. For this definition, a room is a sleeping quarter which must include a place that people sleep but can also include kitchen, bathrooms, and hallways which function as one unit.

Off-site Management STR

A Short-term Rental available for overnight guests excluding those qualified as Live-in Management STR.

Short-term Rental (STR)

Any portion, or all, of a dwelling unit offered or used for transient lodging, in exchange for compensation, for less than thirty (30) consecutive days. This definition of Short-term Rental includes Live-in Management STR and Off-site Management STR but does not include Household Care Facility, Rehabilitation Care Facility, or Temporary Accessory Housing Shelter.

Section II. Subpart B.i of Part B (Residential Requirements) of Subsection 10.1600.10 (Additional Requirements and Restrictions) of Section 10.1600 (NBD, Neighborhood Business Design District) of Article 10 (Nonresidential Districts) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby further amended, such subpart to read in its entirety as follows:

- i. Once a property is developed for residential purposes within the NBD district, with the exception of live-work (business loft) units and home occupations, nonresidential uses are not permitted within that property.

Section III. Section 14.100 (Residential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby

further amended to delete the Bed and Breakfast Inn use and to add additional uses, such portions of the section to read as follows:

[illegible]

Section IV. Section 14.200 (Nonresidential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby further amended to delete the Bed and Breakfast Inn use and to add additional uses, such portions of the section to read as follows:

NONRESIDENTIAL ZONING DISTRICTS																
Use Type	Use Category	O-1 - Neighborhood Office	O-2 - General Office	R - Retail	LC - Light Commercial	CC - Corridor Commercial	UMU - Urban Mixed-Use	BG - Downtown Business/Government	CB-1 - Central Business-1	CE - Commercial Employment	RC - Regional Commercial	RE - Regional Employment	RT - Research/Technology	LI-1 - Light Industrial-1	LI-2 - Light Industrial-2	NBD - Neighborhood Business Design
Live-in Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	20 56	20 56	20 56	56	56	56
Off-site Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	20 56	20 56	20 56	56	56	56

Section V. Section 14.300 (Use Table Notes) of Article 14 (Allowed Uses and Use Classifications) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby further amended to add a note to read as follows:

Number	End Note
56	See Sec 15.2300.

Section VI. Subsection 14.500.4 (Interim Prohibition on Short-Term Rental of Dwelling Units) of Section 14.500 (Prohibited Uses) of Article 14 (Allowed Uses and Use Classifications) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby further amended to delete such subsection in its entirety.

Section VII. Article 15 (Use-specific Regulations) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby further amended to add Section 15.2300, such section to read in its entirety as follows:

15.2300 Short-term Rentals

- .1** All Live-in Management STR and Off-site Management STR uses are Short-term Rentals and must register as a Short-term Rental in compliance with the Code of Ordinances. The following requirements apply to all Short-term Rentals except where individually referenced.
- .2** All Short-term Rentals must comply with the adopted City of Plano Property Maintenance Code, as amended.
- .3** Short-term Rentals may only occur in a dwelling unit. When permitted by this section, all Short-term Rentals are only allowed as a function of the following uses, where legally constructed:
 - A.** Independent Living Facility
 - B.** Live-Work (Business Loft)
 - C.** Mid-Rise Residential
 - D.** Multifamily Residence
 - E.** Single-Family Residence (Attached)
 - F.** Single-Family Residence (Detached)
 - G.** Studio Residence
 - H.** Two-Family Residence
 - I.** Two-Family Residence (Attached)
- .4 Live-in Management STR**
 - A.** Live-in Management STR uses are permitted in a dwelling unit in:
 - i.** A Heritage Resource Overlay District (“H” or “HD”),
 - ii.** Any nonresidential zoning district except O-1,
 - iii.** Multifamily Residences, consistent with Section 15.2300.6, or
 - iv.** Elsewhere, when at least 300 feet away from another Short-term Rental, as measured in a straight line from property line to property line. The Director may promulgate rules and regulations to set forth processes and policies governing this buffer provision. Additional

Live-in Management STR uses may be permitted with approval of a specific use permit, consistent with Section 15.2300.7.

.5 Off-site Management STR

- A.** An Off-site Management STR may not provide rentals of less than two nights.
- B.** Off-site Management STR uses are permitted in a dwelling unit in:
 - i. Any nonresidential zoning district except O-1, or
 - ii. Multifamily Residences, consistent with Section 15.2300.6.

.6 Multifamily Residence properties

Where not otherwise permitted, where there is property management on the Multifamily Residence but not necessarily within the individual dwelling units, up to one unit or 5% of the dwelling units on the property, whichever is greater, can be Short-term Rentals. A higher percentage of STRs may be permitted with approval of a specific use permit consistent with Section 15.2300.7.

.7 Specific Use Permits for Short-term Rentals

- A.** Consistent with Section 6.100, additional development standards may be imposed, including, but not limited to:
 - i. Locations of other STRs,
 - ii. Maximum number of occupants,
 - iii. Minimum nights per rental,
 - iv. Maximum number of rental nights per year, or
 - v. Parking standards and other site design considerations.
- .8** A Backyard Cottage and the main dwelling unit on the same lot are considered a single residence for the purpose of determining the subtype of Short-term Rental. The Backyard Cottage and main dwelling unit cannot be rented as two separate Off-site Management STR uses.
- .9** Except where permitted under the provisions herein, Short-term Rentals existing in all districts as of May 15, 2023, are nonconforming, unless the status is lost pursuant to Article 7. For purposes of this section only,

nonconforming uses include those with investment-backed expectations as of May 15, 2023.

Section VIII. Section 16.700 (Off-Street Parking Schedule) of Article 16 (Parking and Loading) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby further amended to delete the Bed and Breakfast Inn use from the Parking Space Schedule for Nonresidential Uses in all Districts.

Section IX. All provisions of the ordinances of the City of Plano in conflict with the provisions of this Ordinance are hereby repealed, and all other provisions of the Ordinances of the City of Plano, not in conflict with the provisions of this Ordinance, shall remain in full force and effect.

Section X. The repeal of any ordinance or part of ordinances effectuated by the enactment of this Ordinance shall not be construed as abandoning any action now pending under or by virtue of such ordinance or as discontinuing, abating, modifying or altering any penalty accruing or to accrue, or as affecting any rights of the municipality under any section or provisions of any ordinance at the time of passage of this Ordinance.

Section XI. Any violation of the provisions or terms of this ordinance by any person, firm or corporation shall be a misdemeanor offense and shall be subject to a fine in accordance with Section 1-4(a) of the City Code of Ordinances for each offense. Every day a violation continues shall constitute a separate offense.

Section XII. It is the intention of the City Council that this Ordinance, and every provision hereof, shall be considered severable and the invalidity or partial invalidity of any section, clause or provision of this Ordinance shall not affect the validity of any other portion of this Ordinance.

Section XIII. This Ordinance shall become effective immediately upon its passage and publication as required by law.

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PASSED AND APPROVED on the 22nd day of April, 2024.

John B. Muns, MAYOR

ATTEST:

Lisa C. Henderson, CITY SECRETARY

APPROVED AS TO FORM:

Paige Mims, CITY ATTORNEY