



CITY COUNCIL AGENDA MEMO

DATE: March 20, 2024
To: City Council
From: Curtis Howard, Director of Neighborhood Services
Subject: Draft Short-term Rental Registration Ordinance

The City of Plano has prioritized neighborhood conservation to ensure our community has beautiful, engaged, safe and thriving neighborhoods. Additionally, the City's strategic vision states that Plano residents wish for an unparalleled quality of life bonded by a shared sense of community.

The rise of on-line platforms, such as Airbnb, VRBO, and others has led to an increase of residences being rented for less than thirty days, known as "short-term rentals" (STRs). The popularity of these STRs has led to an increase in citizen concern about their impact on the quality of life for neighbors in the City of Plano.

Plano residents continue to express concerns about the increase in health, safety, and nuisance issues related to STRs units within the City of Plano. There have been reports of tenants and visitors at STRs engaging in conduct that negatively impacts the sense of well-being and security in our community. The reports commonly include complaints of loud parties, trash, and illegal parking that have caused disruption to some neighborhoods.

The need for STR regulations has been discussed during several City Council meetings as a result of public concerns. The City hired a consultant that assisted in facilitating a task force, soliciting community input, and developing recommendations for a STR registration ordinance. As a result of the work of the Short-Term Rental Task Force, several recommendations were proposed relating to the creation of a registration program.

The Short-Term Rental Task Force recommended the following, which have been integrated into this draft registration ordinance:

- Require registration or licensing of STRs.
- Prohibit listing an STR on a platform without registration.
- Require regular renewals of registration.
- Require posting of registration / license inside property.
- Require hosts to post rules (including city noise ordinance).
- STR registration must include links to all listings on all platforms.
- Require liability insurance.
- Require payment of applicable taxes.
- Require payment of registration and renewal fees.
- Require a local contact who can be available to address issues.
- Require local property management who actively manages the site.

- Hosts must be responsive to issues in a reasonable time.
- Require STR operators of full-dwelling STRs to utilize city-directed technology as tools for property monitoring (e.g., noise level sensors and exterior cameras).
- Multiple violations should result in escalating penalties.
- Repeat violation of trash / debris results in penalties.
- STRs should be subject to a one-year suspension of registration for one-time severe offenses that cause significant public harm.

In addition, as recommended by the Short-Term Rental Task Force, the Neighborhood Services Department will put together a program of required training in the following areas in order to obtain and maintain STR registration:

- Plano's STR Ordinance requirements.
- How to complete and submit STR registration.
- How to meet the city's noise standards.
- How to comply with the city's parking regulations.
- Trash and waste pick-up regulations and resources.
- Property maintenance training.
- Human trafficking awareness and prevention.

Assembly Hall Use Prohibited

An owner, registrant or occupant cannot advertise, promote or allow a STR for use that would be consistent with primary use as an “assembly hall” under the City of Plano Zoning Ordinance.

Registration Denial, Suspension, and Revocation Processes

An application for registration or renewal may be denied or suspended for three months, six months, or one year for failing to abide by the provisions of the ordinance.

A three-month denial or suspension may result from the failure to maintain or provide insurance or to designate and ensure the availability of a contact person.

Additionally, a Nuisance Incident or Serious Incident that occurs at a STR premises may result in the denial or suspension of a STR registration.

A Nuisance Incident means an incident involving criminal conduct committed at the premises of the STR by an occupant, guest or visitor, that tends to substantially interfere with the use or enjoyment of private or public property by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities attempting to use and enjoy their property including, but not limited to, conduct involving assault, sexual misconduct, public order and decency, alcohol, drugs, weapons, noise, trash, and parking.

A Serious Incident means an incident involving criminal conduct committed at the premises of the STR by an occupant, guest or visitor that substantially interferes with the use or enjoyment of private or public property and is reasonably likely to

induce fear in persons of ordinary sensibilities, including but not limited to, conduct involving child abuse, sexual offenses, discharge of firearms, and offenses causing serious bodily injury or death.

A six-month denial or suspension may result from the occurrence of one Nuisance Incident at a STR premises.

A one-year denial or suspension may result from the occurrence of two or more Nuisance Incidents or one Serious Incident in which the registrant was aware of but consciously disregarded a substantial risk of the serious incident occurring.

A one-year denial or suspension may also result if an STR was operated, advertised, or promoted without a valid registration.

An application for registration or renewal will be denied permanently or a registration will be revoked permanently if the premises cannot be legally used as a short-term rental as determined under the provisions of the City of Plano Zoning Ordinance or other legal basis as determined by the city.

The Director of Neighborhood Services will make the determination for the denial, suspension, or revocation based on a preponderance of the evidence. Notice of determination will be given to the applicant or registrant in writing.

Appeal

An appeal based upon nonconforming status will be governed by the process found in Articles 5 and 7 of the City of Plano Zoning Ordinance.

All other appeals will be submitted to the Director of Neighborhood Services who will conduct a hearing. Based on evidence presented at the hearing, the Director shall sustain, modify, or rescind the initial determination.

An applicant or registrant may appeal the decision made by the Director to the City Manager. The determination by the City Manager will be final.

Criminal Offense

Additionally, it may be a criminal offense for any person to operate an STR in violation of certain provisions of this ordinance or to promote or engage in criminal activity in violation of local, state, or federal law. A violation of this article is a Class C misdemeanor punishable by a fine not to exceed \$500.00.