

Short Term Rental Regulations Update

City Council
February 13, 2020

The logo for the City of Addison, featuring the word "ADDISON" in blue capital letters inside a white circle, which is set against a blue background with a white diagonal line.

ADDISON

Short Term Rental Regulation

- Ordinance O19-08 was passed in March 2019
 - Defined Short Term Rental (STR) as:
 - "the rental of any residence or residential structure, or a portion of a residence or residential structure for a period of less than 30 days".
 - The term does not include:
 - (1) a unit that is used for a nonresidential purpose, including an educational, health care, retail, restaurant, banquet space, or event center purpose or another similar use;
 - (2) a bed and breakfast; or
 - (3) a hotel
 - STR must register and abide by certain requirements
 - Sunset Review: Expiration on April 30, 2020 unless extended by Council

Ordinance Requirements



- Town has right to inspect the property
- No external signage
- Occupancy limit:
 - No more than two adults per bedroom, plus two adults
 - 10 person maximum
- Vehicle limit:
 - Maximum that can be accommodated in garage and driveway
- Must be the registrant's primary address (homestead)
- Must pay applicable hotel occupancy taxes
- Can not rent for the primary purpose of having a Party venue
- Must share neighborhood information for parking, noise, trash
- Annual registration fee of \$25.00

CONTACT INFORMATION FOR PROPERTY OWNER:

[Redacted]

24-HOUR LOCAL DESIGNATED CONTACT:

[Redacted]

TOWN OF ADDISON PHONE NUMBERS:

- Emergency: 911
- Nonemergency: 972-450-7156
- Public Works Issues: 972-450-2871
- Development Services: 972-450-2880
(to report an issue with a Short-Term Rental property)

THE TOWN OF ADDISON WEBSITE: <https://addisontexas.net/>

TOWN OF ADDISON TOURISM:

- Far from ordinary and close to everything, Addison is at the center of it all for dining, events, and theater in North Texas. Visit our tourism website at <https://visitaddison.com/> for additional information on places to be, things to see, and upcoming events.

EMERGENCY ALERTS IN CASE OF SEVERE WEATHER:

- Please visit [AddisonAlert.com](https://addisonalert.com) for up-to-date weather notifications.

PLEASE ENJOY YOUR STAY BUT BE MINDFUL OF SOME OF THE TOWN'S RULES AND REGULATIONS.

PARKING REQUIREMENTS:

- One car per bedroom, or the maximum number of cars that can be accommodated in the garage and driveway, without extending over the public rights-of-way (alleys and sidewalks) whichever is less.
- In single-family neighborhoods, on-street overnight parking, enforced 2am – 6am, is prohibited and subject to additional fines.

NOISE ORDINANCE:

- Loud and raucous noise is prohibited. This includes, but is not limited to the operation of mechanical or electrical device, apparatus, instrument, automobile, motorcycle or vehicle in such a manner that creates noise which is clearly audible at a distance of more than 50 feet from the source of the noise. Playing music at such volume that the sound creates a loud and raucous noise is prohibited on any day between the hours of 11:00 pm and 7:00 am.

TRASH COLLECTION:

- For single-family residences, collection days are Monday and Thursday beginning at 7am. Please do not put trash or recycling items out any sooner than 6pm the night before collection day, per Town Ordinance. There is no collection on Thanksgiving or Christmas.
- You should place garbage in one way receptacles (i.e. garbage bags) of sufficient strength to hold 35 pounds. Please put Garbage bags at least 3 feet away from your recycling cart.
- If your pick up is missed, please contact CWD at 972-392-9300, Option 2.
- In certain town home and condo developments, trash collection is handled privately. Please consult the property owner for more details about trash disposal

OCCUPANCY LIMIT:

- No more than two adult guests per bedroom, plus no more than two additional adults are allowed, with a maximum occupancy of ten (10) persons, adult and children.

A SHORT-TERM RENTAL PROPERTY IS PROHIBITED FROM BEING USED AS A PARTY VENUE.

- Party means a social gathering of people, including those who have not rented the residence, for the primary purpose of eating, drinking or entertainment in a manner that is disruptive to the surrounding properties.

ADDITIONAL INFORMATION ON SHORT-TERM RENTAL REGULATIONS CAN BE FOUND AT <https://addisontexas.net/STR>

STR Ordinance Enforcement

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- STR Website created
- All residential properties received a postcard
- Staff attempted to reach out to properties listed through various websites
 - Airbnb, HomeAway, and VRBO would not share a list of properties and contacts
 - Outreach done by checking property availability resulted in blocking of account for prolonged periods of time
- 6 STR registrations received to date

Short-Term Rental Registration

What is a Short-Term Rental (STR)?

Any residential property or portion of a property that is rented out on a short-term basis – for a period of fewer than 30 days – is considered to be a short-term rental. This includes homes that are listed for rent on Airbnb, VRBO Vacation Rentals, HomeAway, and similar websites.

On March 12, 2019 City Council established regulations for short-term rentals. The ordinance does not prohibit short-term rentals, but it does allow the Town to monitor short-term rental properties and set certain standards in order to protect the integrity of Addison neighborhoods and the safety of the community.



Beginning **MAY 1, 2019**, all short-term rental operators **WILL BE REQUIRED TO REGISTER AND APPLY FOR A SHORT-TERM RENTAL (STR) PERMIT.**

To view the ordinance details and register your short term rental property, please visit us online at [HTTPS://ADDISONTEXAS.NET/STR](https://addisontexas.net/str).

For more information, contact Olga Chernomrets with Development Services at ochernomrets@addisontx.gov or 972-450- 2823.

STR Ordinance Violations

- Violations to date:
 - 2 violations for property operating without STR registration
 - 1 violation for operating in violation of the residential use requirement
 - 1 violation for operating in violation of prohibition of party venue requirement
 - 1 violation for operating in violation of the primary residence requirement
 - 1 violation for operating in violation of the maximum number of occupants and vehicles requirement
 - 1 violation for operating in violation of applicable Town codes

Efforts to Improve Enforcement

- Staff's main issue in enforcing ordinance has been contacting STR properties
- A limited number of companies specialize in helping municipalities with implementation and enforcement of STR regulations
- After completing comparisons between such companies, Staff has drafted an agreement with Host Compliance
 - Host Compliance is estimating approximately 80 active STR properties within the Town of Addison
 - Host Compliance would provide Staff with an updated monthly report, with detailed location data, of active STR properties within Town boundaries for one year
 - Staff waiting on Council direction before executing contract



Are Other Cities Regulating?

City	STR Regulations?
Allen	No
Carrollton	No
Coppell	Yes
Farmers Branch	Yes
Flower Mound	Yes
Frisco	No
Grapevine	Yes
Irving	No
Lewisville	No
McKinney	No
Plano	No
Richardson	No

- Grapevine
 - Short Term Rentals are prohibited entirely within the city
 - Property owners sued Grapevine over the ban
 - In November 2018, Courts issued a temporary injunction prohibiting city from enforcing the ban
 - Litigation is still pending

- Austin
 - Property owners sued over requirement for owner-occupancy of STR property and ban on certain types of conduct and assembly
 - Courts prohibited city from retroactively requiring owner-occupancy of STR properties, but left open the requirement applied to future rentals
 - Requirement “significantly affects property owners’ substantial interests in well-recognized property rights, while...serving a minimal, if any, public interest.”
 - Courts also voided restriction on conduct and assembly
 - Requirement “infringes on Texans’ fundamental right to assemble”

Policy Questions

- Would the Council like to extend the Short Term Rental Regulation Ordinance?
- The Town's ordinance currently requires that a STR properties be owner-occupied. Does the Council wish to continue with this requirement?
- The Town's ordinances currently prohibit STR properties from being used as a party venue and imposes an occupancy limit. Does the Council wish to continue with this requirement?

Questions?

A blue circular logo with the word "ADDISON" in white, uppercase letters.