

CITY COUNCIL OVERSIGHT COMMITTEE MEETING

**CONFERENCE ROOM – MUNICIPAL BUILDING
201 WEST GRAY**

THURSDAY, FEBRUARY 14, 2019

4:00 P.M.

- 1. CONTINUED DISCUSSION REGARDING SHORT TERM RENTALS (COMMERCIAL HOME SHARING SUCH AS AIRBNB, HOME AWAY, AND VRBO).**



office memorandum

Date: February 14, 2019
To: City Council Oversight Committee
From: Jane Hudson, Interim Planning and Development Director
Jeanne Snider, Assistant City Attorney
Subject: Short-Term Rentals

BACKGROUND

On February 15, 2018, the Oversight Committee was provided information at their meeting regarding taxing short-term rentals (STR) and how other cities regulate short-term rentals. The Committee requested that staff prepare a draft Ordinance for their review and further discussion. On March 15, 2018, staff presented a draft Ordinance for review and discussion. The Committee requested staff do further research and on May 10, 2018, staff made a third presentation to the Council Oversight Committee. The Council Oversight Committee recommended a draft ordinance for Short-Term Rentals be prepared with the suggestions incorporated and presented to the City Council at a Special Session. After the presentation at the City Council Special Session on July 10, 2018, councilmembers requested the topic be placed on the next Council Oversight Committee meeting. A presentation was made at the September 13, 2018, City Council Oversight Meeting. After discussion with the Committee and members of the public, members of the Oversight Committee requested Staff return to the Oversight Committee with an update.

On November 27, 2018, a presentation was made regarding 1) Permitted Use or Special Use; 2) the impact on the Center City Form Based Code; and 3) contracting with a short-term rental monitoring service. At the conclusion of the meeting, Staff was asked to bring updated information to the City Council Oversight Meeting.

DISCUSSION

There was discussion at the November 2018 meeting about amending the Zoning Ordinance to require a special use in R-1 for a short term rental. Concerns were administrative backlog and criteria for approval or denial. Regardless if STR's required special use, a permitted right or a license, all agreed that notification to surrounding property was important. Members present suggested current ordinances (such as noise, parking, nuisance houses) are already in place to address these types of issues. Proponents of a special use requirement in R-1 argued protection of the single-family neighborhood was vital and believed the Oversight Committee had detoured from its past position over the last few months that special use for STR's in R-1 was appropriate.

License Required

At the conclusion of the meeting, the consensus of the Committee members present was to require a license to operate a STR with specific conditions such as the number of STR licenses per applicant, insurance, inspections, sound/music not allowed, parking regulations, a prompt local contact and other conditions as deemed necessary upon final draft of the licensing ordinance.

Attached to the Memorandum is a Draft Ordinance for licensing requirements which includes General Conditions, License Application Requirements, Issuance of License Requirements Fees, Required Information to be Posted and Provided to Guests, License Renewal and License Denial, Suspension or Revocation. A few specific topics were discussed at the November 2018. The license would require a local contact to be available to respond within one hour after notification. Valid property insurance would be required in an amount to be determined. Proof of payment of hotel occupancy taxes will be required.

An inspection would be required. Currently, a code inspector, accompanied by a member of the fire department, inspects all hotels, motels and bed and breakfasts annually. There are approximately thirty hotels, motels and less than ten bed and breakfasts. At this time, it is estimated that there are approximately 150 STR's operating in Norman. The cost of the license fee needs to be determined for STR's. For comparison, a bed and breakfast pays a \$100 annual fee which includes a \$50 permit fee and a \$50 inspection fee. In addition, because a bed and breakfast requires a special use application fee of \$400.

Notification of an application for a STR to surrounding property was also discussed as an important component of the license requirement. Notification, which includes a radius map and mailing to properties within 300 feet, is currently required for bed and breakfasts. Property owners with concerns or in agreement with the B&B application may appear at City Council when the B&B special use application is heard. A process would need to be developed to address a complaint, protest or questions about a STR. Notification is included in Part (6) of the License Application Requirements.

Center City Form Based Code

The Zoning Ordinance would require an amendment to allow STR's as an allowed use or CCPUD.

STR Helper, a monitoring service

All members present agreed that contracting with a monitoring service was important. John Spencer, a representative from STR Helper traveled to Norman and met again with City Staff on January 9, 2019, to review and answer questions about the service. STR Helper was designed to help municipalities monitor and manage short term rentals registration and compliance. STR Helper is built on Salesforce's Force platform. All

interfaces are browser based and responsive top mobile devices. STR Helper advises the system has world class security protection that includes authentication/login and administrative rights that provides access control facilities and restricting certain functions to certain users.

The Discovery module creates reports that identifies the physical property address, owner's name and mailing address, can mail custom letters to owners, provides a visual map of all listings and provides links to all the advertising the property is listed on. Other information such as number of nights rented and the rate can be identified.

The system sweeps all the listings sites and updates the registry, adding newly discovered properties and highlighting properties that have ceased advertising. Alerts are sent to the management dashboard so appropriate action can be taken. The occupancy data is critical to determine relevant taxes, understanding usage patterns and tracking occupancy.

The service provides, in addition to the Core Discovery Platform, other modules that can be contracted for after the initial contract for Discovery. Those modules are Permitting and Registration, Tax Remittance, and Nuisance Management. Mr. Spencer advised discovering the number of STR's and where they are in Norman to obtain baseline information to better aid the City in drafting ordinances and beginning the licensing process. Training will also be provided by STR Helper.

RECOMMENDATION

It is Staff's recommendation to contract with STR Helper, beginning with the Core Discovery Platform, at the annual rate of \$7,500, with the understanding that the additional modules may be added at a later date. The Pricing Quote is attached. Staff will provide an Agreement with STR Helper (a/k/a Bear Cloud Software) to City Council at a meeting date to be determined.

cc: Mary Rupp, Interim City Manager
Kathryn Walker, Interim City Attorney
Anthony Francisco, Finance Director

Attachments:

Draft of Short-Term Rentals licensing
Pricing Quote for Norman, OK
November 27, 2018 City Council Oversight Committee Meeting Minutes

CHAPTER 13. LICENSES AND OCCUPATIONS

ARTICLE XXXII SHORT TERM RENTALS

Sec. 13-3200 Purpose

A Short-Term Rental is defined as the rental of an entire dwelling, or any portion thereof, for a period of not more than thirty (30) days, where the owner is engaged in a contract for the rental of that specific dwelling, or any portion thereof. An annual Short-Term Rental license may be issued to eligible Applicants by the Planning and Community Development Director (Director). A Short-Term Rental license is a privilege, not a right, and may be denied, suspended, revoked or not renewed.

Sec. 13-3201 General Conditions

- (1) No person shall manage or operate a Short-Term Rental without a license, and appropriate fees paid as provided herein, issued by the Director. The license period is from October 1 to September 30 of each year;
- (2) The Director shall not issue more than _____ Short-Term Rental license(s) to any Applicant;
- (3) Short-Term Rentals are not permitted outdoors, in an accessory structure (e.g. shed, garage, etc.) or in a recreational vehicle;
- (4) Only one party of guests are permitted per Short-Term Rental and anyone under the age of 21 is prohibited from renting the Short-Term Rental;
- (5) Use of the Short-Term Rental for any commercial or social events is prohibited;
- (6) The Short-Term Rental shall outwardly appear as a residential dwelling;
- (7) Short-Term Rentals shall not adversely affect the residential character of the neighborhood nor shall the use generate noise, vibration, glare, odors, or other effects that unreasonably interfere with any person's enjoyment of his or her residence;
- (8) A Short-Term Rental license shall only be issued to a natural person, whose name appears on the deed to the property; or a trust, if the beneficiary of the trust is a natural person;
- (9) A licensee or guest of a Short-Term Rental shall not use or allow use of sound equipment, amplified music and musical instruments;
- (10) A licensee or guest of a Short-Term Rental shall not violate any parking violations of the Norman City Code;
- (11) A licensee of a Short-Term Rental who does not reside within the Norman metro area must identify an individual or individuals to serve as a local contact to respond to emergency conditions;
- (12) A local contact designated in the license Application must be present within the Norman metro area and be available to respond within one hour after being notified of an emergency by a guest of the Short-Term Rental, by a City employee, or by an individual;
- (13) If there is a change related to a local contact, the licensee must provide updated or new information to the Director in writing within three business days;

- (14) The license holder shall provide the valid license number on any listing advertising or soliciting the property for use as a Short-Term Rental. The license holder shall only advertise the Short-Term Rental as allowed by their Short-Term Rental license. An owner, or a person in control of a dwelling, may not advertise or promote, or allow another to advertise or promote, the dwelling as a Short-Term Rental if the dwelling is not licensed by the Director as a Short-Term Rental; and
- (15) If a building permit prohibiting occupancy of the structure is active, no person may occupy, for sleeping or living purposes, the structure until final inspections have been passed and the building permit is closed.

Sec. 13-3202 License Application Requirements

To obtain a license, the owner of a Short-Term Rental must submit an Application on a form approved by the Director. The Application must attest to the following and furnish any necessary documentation upon request of the Director:

- (1) The name, street address, mailing address, and telephone number of the owner of the Short-Term Rental, which includes the owner's primary physical mailing address, cell phone number and email address;
- (2) The name, street address, mailing address, and telephone number, which includes the primary physical mailing address, cell phone number and email address, of the local contact available to be reached 24 hours per day and seven (7) days per week;
- (3) A certification by the property owner and, if applicable, property manager, that the property is not subject to outstanding City Code or state law violations;
- (4) Proof of current, valid property insurance of \$ _____ or more;
- (5) Proof of payment of hotel occupancy taxes due as of the date of submission of the application;
- (6) Applicant shall submit a list of names and addresses of all record property owners within a three hundred (300) foot radius of the exterior boundary of the subject property, said radius to be extended by increments of one hundred (100) linear feet until the list of property owners includes not less than fifteen (15) individual property owners of separate parcels or until a maximum radius of one thousand (1000) feet has been reached. Said list shall be current and certified by a professional engineer, an attorney, a registered surveyor, a bonded abstractor, or the County Assessor. Maps and forms to accomplish the above requirement will be available at the City of Norman Planning Department;
- (7) Floor plan indicating fire exits and escape routes and posting;
- (8) All required egress windows in bedrooms must be operational;
- (9) Has operational smoke detectors and carbon monoxide detectors as required by the Building Code and fire extinguishers as required by the Fire Code;
- (10) That the property is in compliance with applicable provisions of the City's minimum property maintenance, building, electrical, mechanical and plumbing codes;
- (11) An inspection as required by the Director; and
- (12) Any other information requested by the Director;
- (13) Any fraud, material misrepresentation, or false statements contained in the attestations, required documentations, or correlating application material shall be

grounds for immediate revocation of Short-Term Rental license. Furthermore, all requirements herein, shall be continuously maintained throughout the duration of the permit.

Sec. 13-3203 Issuance of License Requirements

Upon satisfactory submission of the required attestations and requested documentation, the Director may issue an annual Short-Term Rental license. The license shall contain all information required under Subsection III and:

- (1) Street address of the Short-Term Rental;
- (2) License holder's name;
- (3) Type of license, license number and rental limitations, including bedroom limit and guest occupancy limit;
- (4) Contact information (name, cell phone, email) for complaints of an individual able to respond to on-premises complaints;
- (5) Dates license is valid;
- (6) The structure has a valid certificate of occupancy or compliance, as required by Chapter 5 of the City Code, issued no more than ten years before the date the application is submitted to the Director (or the structure has been determined by the building official not to pose a hazard to life, health, or public safety, based on a minimum life-safety inspection); and
- (7) The property is not subject to outstanding City Code or state law violations. A violation of any provision of the City Code or other applicable law is grounds to deny, suspend, or revoke a license.

Sec. 13-3204 Fees

Annual fees for the initial issuance and renewal of the Short-Term Rental license shall be \$ _____.

Sec. 13-3205 Required Information to be Posted and Provided to Guests

The license holder shall post the following information in a prominent location in the interior, clearly visible to guests and provide a packet of the information, summarizing the restrictions applicable to Short-Term Rental use, including:

- (1) The license number;
- (2) The name and local contact information of the owner/operator;
- (3) The name and contact information of the property manager, if applicable;
- (4) Occupancy limits;
- (5) Noise restrictions, including prohibition on the use of sound equipment, amplified music and musical instruments;
- (6) Parking restrictions;
- (7) Information on relevant burn bans;
- (8) Information on relevant water restrictions;

- (5) Trash and recycling collection rules and dates;
- (6) Prohibition on the use of the Short-Term Rental for commercial or social events; and
- (7) Floor plan with fire exit and escape routes.

Sec. 13-3206 License Renewal

Except as otherwise provided, a license may be renewed annually if:

- (1) The licensee pays the renewal fee as established herein;
- (2) The licensee provides documentation showing that hotel occupancy taxes have been paid for the licensed unit as required;
- (3) The licensee provides updates of any changes to the information required under Subsection III of this section;
- (4) The property is not subject to outstanding City Code or state law violations;
- (5) If applicable, the structure is determined by the building official not to pose a hazard to life, health, or public safety;
- (6) The Director may deny an application to renew a license if the Applicant does not provide all information necessary to determine that the dwelling unit meets all requirements for the issuance or renewal of a license;
- (8) A violation of any provision of the City Code or other applicable law is grounds to deny, suspend, or revoke a license;

Sec. 13-3207 License Denial, Suspension or Revocation

- (1) If the licensee fails to comply with any conditions of the Short-Term Rental requirements included in Section I through VI, the Director may deny, suspend or revoke the Short-Term Rental license;
- (2) If a property is the subject of violations of the City Code or state law during a 24-month period prior to submitting the Application, the Director may deny, suspend or revoke an application for a Short-Term Rental license based on the following:
 - (1) The frequency of any repeated violations;
 - (2) Whether a violation was committed intentionally or knowingly; and
 - (3) Any other information that demonstrates the degree to which the owner or occupant has endangered public health, safety, or welfare.
- (3) A licensee may appeal the Director's decision to deny, suspend, or revoke an application or license in compliance with the process in Section 1308 (*Appeal from License Suspension or Denial*) of Section _____ (*Local Amendments to the International Property Maintenance Code*) to the City Manager.

Pricing Quote for Norman, OK

Core Discovery Platform - **\$7,500/year**

- Access to Salesforce reporting engine for all reports that can be run in real time and customized to your needs
- Discovery and validation services for the length of the contract. As new listings come up, our team will identify and validate all of them.
- Physical property address identification, owner name and mailing address
- Up to 6 custom letters for owner communications (letters flow through mail merge function)
- System dashboard
- Dedicated account manager and named customer support representative

Permitting System and Registration Portal (Requires Discovery) - **\$2,500/year**

- Full access to permitting system. System is fully integrated to Salesforce for reporting, communications, document management, security, etc.
- Portal design to fit look and feel of county web site
- Support for credit card gateway and the ACH gateway of your choice
- Emergency contact and property manager support
- Multiple license types

Tax Remittance - (Requires Discovery) - **\$2,500/year**

- Full access to tax remittance and payment system. System is fully integrated to Salesforce for reporting, communications, document management, security, etc.
- Portal design to fit look and feel of county web site
- Support for credit card gateway

Nuisance Management - (Requires Discovery) - **\$2,500/year**

- 24 x 7 Hotline
- Complaint portal

Services Module - **\$5,000/year**

- Manage, print and deliver a letter campaign that informs home owners of all of their responsibilities. This includes all postage, printing costs, materials, etc. We will require letterhead from the County.
- Manage and administer all letters of non-compliance and permit expiration
- Manage and administer all letters of tax non-compliance
- Gather and package evidence folders in cases where the County chooses to prosecute non-compliant property owners
- 24 x 7 phone-based help center for portal assistance

CITY COUNCIL OVERSIGHT COMMITTEE MINUTES

November 27, 2018

The City Council Oversight Committee of the City of Norman, Cleveland County, State of Oklahoma, met at 4:07 p.m. in the City Council Conference Room on the 27th day of November, 2018, and notice and agenda of the meeting were posted in the Municipal Building at 201 West Gray 48 hours prior to the beginning of the meeting.

PRESENT:	Councilmembers Bierman, Castleberry, Holman, Scott, and Chairman Clark
ABSENT:	Councilmember Carter and Hickman
OTHER STAFF PRESENT:	Mayor Lynne Miller Mr. Terry Floyd, Development Coordinator Ms. Shelby Jameson, Administrative Tech III Ms. Beth Muckala, Assistant City Attorney Ms. Mary Rupp, Interim City Manager Ms. Jeanne Snider, Assistant City Attorney Ms. Jane Hudson, Interim Planning and Community Development Director

Item 1, being:

DISCUSSION REGARDING SHORT TERM RENTALS (COMMERCIAL HOME SHARING SUCH AS AIRBNB, HOME AWAY, AND VRBO).

Ms. Jeanne Snider, Assistant City Attorney, said the Oversight Committee has been discussing short term rentals for several months now and Staff is looking for additional input and clarification to complete the final draft ordinance; whether or not short term rentals would be a permitted use or special use, how would the ordinance be applied in the Center City Form Based Code (CCFBC) area, and whether or not the City should utilize STR Helper Monitoring Service to assist with the regulation piece.

Chairman Clark asked if there were any questions regarding the permitted use and special use issue before moving on to CCFBC. She asked how they would get to the designations of permitted use and special use.

Ms. Jane Hudson, Interim Planning and Community Development Director, said in the packet information there is a list of residential districts. R-3, Multi-Family Dwelling District, does have some duplex/triplex development, but there are single family homes within R-2, Two Family Dwelling District, and R-3 districts. Staff is currently looking at the areas that have single family homes in them because with a special use application, the adjacent property owners would be noticed of the property owner's proposal.

Ms. Snider said that the STR Helper Monitoring Service (STR) could assist Staff in locating the addresses of the short term rentals at a cost of \$7,500 per year for the Core Discovery Platform. Other components could be added for an additional cost, e.g., permitting system and registration portal, tax remittance, nuisance management, and a services module.

Item 1, continued:

Councilmember Holman asked what the percentage would be for an apartment complex using short term rental before it becomes a hotel, which would require payment of hotel/motel tax. He asked if the STR Program could be used as a legal backup if the City went to court for any use related to the short term rental. For instance, the STR program indicated the property had leased out 12 nights and the property owner is only reporting 10.

Ms. Snider said that she is not aware of a percentage, but the hotel/motel tax would be required per unit as a short term rental. She said the City could use any information provided in the service for legal back up if needed.

Councilmember Castleberry asked wouldn't that be similar to a sales tax audit, the Oklahoma Tax Commission performs if there is a discrepancy on sales tax remittance. During the audit process their books/records would be subject to review.

Councilmember Bierman said that it seems STR tracks the nights rented and the rates, so she felt that is something that can be controlled.

Chairman Clark asked of all the options STR provides what does Staff believe would be the primary option to best execute this program and what would be optional.

Ms. Snider said the primary option would be the Core Discovery Program that drills down into all of the social platforms. She would like for the City to utilize all of the modules and felt the annual fee would most likely cover the cost.

Mayor Lynne Miller asked if Council adopts the ordinance and use a service like STR, would STR be notifying all of the properties that need to come get a permit/license. Ms. Snider said that would most likely be the outcome.

Mayor Miller asked how Council will approve all of the applications, i.e., if the City receives 40 applications is Council going to approve all 40 applications at a City Council meeting or would they be grandfathered in.

Ms. Hudson said Council would need to determine how it would be implemented. She said with special use, Staff notifies the surrounding property owners, the applications would go to Planning Commission, and then City Council. She said at the last Oversight Committee meeting there was discussion about whether or not to require a special use permit if the property owner lived on site as their primary residence vs. rental property where the owner lived off site.

Councilmember Bierman said she does not feel special use is necessary. She felt with 100+ properties going through notifications, Planning Commissions, then City Council for approvals every time would be difficult to administer. She said it is not required for with other rental properties, which she believes probably have more noise violations/complaints than we would get from short term rentals. She said if Council is not going to regulate long term rentals, it does not seem justifiable to do it with short term rentals. However, she said they should still comply with safety/insurance/licensing.

Chairman Clark said in theory, the administrative load would only come in to place with the initial application, but would not be as big a problem on an annual basis.

Item 1, continued:

Councilmember Castleberry said if it is a rental property, he did not feel it should require a special use permit. He felt there should not be a difference between short term and long term rental when deciding on special use. He is concerned that if all requests are not approved, it could lead to arbitrary and capricious issues.

Chairman Clark said the purpose of the special use permits was to protect neighborhoods. Councilmember Castleberry said we have other ordinances in place that could address issues such as noise, parking, etc. He said he believes neighbors could be notified through the licensing process.

Councilmember Bierman said if the issue is protecting neighborhoods, who gets to decide how many properties can be licensed or permitted.

Mayor Miller said that homes used as long term rentals are used for residential use; it is not the same thing as someone coming in town for a three day weekend, etc. She said it makes a neighborhood more transient in nature. She said she is okay with them being put in residential neighborhoods, but felt it needs to be maintained and have some protections for residential areas. Chairman Clark said that she agrees; short term rentals are more likened to bed and breakfasts versus long term rentals.

Councilmember Bierman said she understands the concern, but she does not see the difference in general in individuals renting for three days, 31 days, six months, or a year; it does not make them any more integrated to a neighborhood. She said it depends on the individual who is renting and she does not believe Council can legislate neighborhood integration.

Councilmember Holman said a rental property is a business in residential neighborhoods and felt there needed to be consistency with short term rentals and bed and breakfasts who have to abide by more restrictive rules.

Councilmember Castleberry said he is leaning more towards starting out with permitting/licensing and not requiring a special use permit and if there are issues, special use could be implemented later. Chairman Clark said she feels comfortable with that approach; maybe base it off of a complaint basis system.

Councilmember Holman said agreed as well and asked if other cities are requiring special use permits or does it vary by city. He asked what a short term rental permit/license would look like in a commercial area.

Ms. Snider said it varies; some cities came up with different types of special use. She said she cannot come up with an example of a short term rental being used in a commercial area, but said there are apartments in downtown Norman.

Mayor Miller said she empathizes with the bed and breakfasts that have to go through the proper steps to establish their business. She is afraid that there could be repercussions for allowing some leniency in the beginning. She felt strongly Council needed to protect the neighborhoods and said special use could always be removed later if it was not needed.

Item 1, continued:

Ms. Hudson said residential properties within the CCFBC area are required to have a three foot elevation. Existing homes that wish to become short term rentals are changing the use and would become a non-conforming use if they do not have the three foot elevation. We do have those areas that became legal non-conforming when we adopted the CCFBC.

Councilmember Castleberry was concerned people will find a way around, e.g., signing six month leases with no early termination clause. Chairman Clark said that it becomes a property rights issue as well and she is fine with legal non-conforming use as long as they are in the system and paying taxes and fees.

Councilmember Castleberry said he would like to see the permitting/licensing for short term rentals be similar to bed and breakfasts. Ms. Snider said the short term rental ordinance draft does include the safety requirements and insurance guidelines in it.

Chairman Clark said that it sounds like there is an agreement on how to handle the short term rentals with the CCFBC issue as a legal non-conforming use. STR Helper pricing for our use would be good to use the Core Discovery Platform and the revenue derived from the fees would most likely cover the cost.

Chairman Clark said for other zoning districts Council is looking a special use versus permitted use. She said there seems to be some consensus on special use in all residential zoning districts other than RM-6. The majority seems to support licensing only at this time since there are other ordinances addressing issues such as noise, parking violations, etc. Licensing and code requirements would be the same as what is required for bed and breakfast establishments. If it is determined that special use is needed for every property, it could be addressed at a later date. Chairman Clark said she would like to hear community feedback on this issue, but is comfortable starting with the permitting and licensing.

Councilmember Bierman said she would like to see the Homeowners Association and designated neighborhood areas reaching a threshold of signatures have the ability to restrict short term rentals in their neighborhoods.

Councilmember Scott agreed, but said some neighborhoods do not have homeowner associations and asked how that could be addressed. She said previously the Committee had discussed trying to find a solution to address businesses/corporations from buying homes for a commercial enterprise. The discussion included requiring a property owner to live on site or on call within a certain time frame to address issues.

Ms. Snider said the draft ordinance includes language to have a natural person be the owner with a local contact within an hour from the property. She said there may need to be exceptions for apartment complexes.

Councilmember Castleberry said most rental properties are owned by an L.L.C. You can be a single person L.L.C. also, and if L.L.C. properties would be prohibited from doing short term rentals, he would not support that.

Item 1, continued:

Ms. Snider said the natural person language is consisted across the states, but she would do more research to see if there have been any lawsuits, etc., related to an L.L.C. owned properties being prohibited from operating short term rentals.

Audience Comments

Ms. Jayne Crumpley said she has many concerns short term rentals related to noise, parking, etc., and said Code Compliance is too short handed, in her opinion, to be dealing with more of these issues and are not available in the evenings. She would like to see a special use permit required and asked if neighbors will be notified in R-1 zoning if a short term rental is licensed.

Ms. Snider said the STR Helper has the ability to have a hotline and some cities post signs on the property but that becomes a problem in neighborhoods as well.

Ms. Lee Hall said that the discussion has made a turn since the first discussion. She said she appreciates the discussion and the argument on short and long term rentals. She believes that short term rentals are lodging as well and that is what makes it complicated. We already have the distinction between the two. She said it gets more complicated when you look at it from the regulations for R-1 zoning because when you operate as a lodging bed and breakfast, you have to get a special use permit. She felt some type of special use should be established in R-1 zoning since that is already going on. She felt short term rentals would have an advantage over bed and breakfasts if there is not a type of special use implemented. She asked for the Committee's consideration when considering short term rentals and what neighborhoods would be impacted the most.

Ms. Sylvia Bone said she has a short term rental across from her residence and short term rentals are very different from a long term rentals.

Chairman Clark said she likes the idea of requiring a neighborhood notice provision as part of the licensing process. She said another consideration could be a special use permit for properties renting out four or more rooms.

Mayor Miller said she is still concerned about protecting the neighborhoods and would prefer special use permits for all short term rentals in residential neighborhoods, but that does not seem to be the consensus.

Councilmember Holman said he would like to move forward with the licensing part of this issue to include notification to the surrounding properties and is open to requiring special use for R-1 only. He is unsure whether it would be beneficial as property owners will find a way around the rental portion and is really more of a feel good step.

Chairman Clark said it comes down to is it lodging or a residence and in reality it is actually lodging. She said moving forward begin with licensing with notification to neighbors to be revocable if short term rental is a nuisance.

Ms. Snider said they have enough now to put more into the draft ordinance and will have a final draft ordinance for further review.

Item 1, continued:

Chairman Clark thanked Ms. Snider and Ms. Hudson for their work and she thanked everyone else for their comments.

Items submitted for the record

1. Memo dated November 21, 2018, from Ms. Jane Hudson, Interim Planning and Community Development Director, and Ms. Jeanne Snider, Assistant City Attorney, to City Council Oversight Committee with attachments, CCFBC Regulating Plan and quote from STR Helper

* * * * *

Item 2, being:

CONTINUED DISCUSSION REGARDING POSSIBLE REGULATIONS FOR THE USE OF PLASTIC BAGS.

Chairman Clark said there is not enough time to have the discussion, but there is information in the packet to give a better insight on the plastic bag issue. This will be included the December Oversight agenda.

Items submitted for the record

1. Memo dated November 21, 2018, from Mr. Terry Floyd, Development Coordinator, and Ms. Beth Muckala, Assistant City Attorney, to City Council Oversight Committee with Attachment A, Preliminary Draft Single-Use Bag Fee Ordinance; Attachment B, city by city comparison; and Attachment C, potential single use revenue

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ADJOURNMENT:

The meeting adjourned at 5:05 p.m.

ATTEST:

City Clerk

Mayor