

# Short Term Rentals

## City Council

### March 2, 2021



CITY OF WACO

# Background

- Advisory Committee created to review and make recommendations on comprehensive ordinance
- Committee composition:
  - 3 Plan Commission Members
  - 5 Neighborhood Representatives
  - 5 STR Representatives
  - Baylor Representative
  - Convention & Visitors Bureau Advisory Board Representative

# Background

- Goals of the Committee:
  - Clear rules, regulations and permitting process for short term rentals.
  - Protection of neighborhoods from potential negative impacts that may be caused by short term rentals.
  - Assurance of safe living conditions for guests of short term rentals.

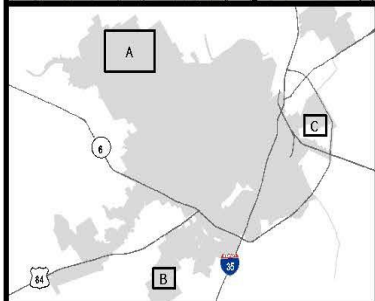
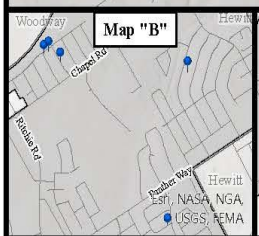
# Background

- Adoption of STR Licensing Ordinance & zoning ordinance revisions related to STRs- August of 2017
  - License Ordinance
    - Regulations and process for how Short Term Rentals are licensed and operated
  - Zoning Ordinance
    - Definitions
    - Where they are allowed

# License Ordinance

- Provides assurance that STR owners comply with all ordinance requirements through an administrative review process that includes:
  - Application, renewal and revocation process
  - Zoning compliance
  - Designated operator requirements
  - Distance and density requirements
  - Occupancy requirements
  - Parking requirements
  - Life safety requirements
- License Ordinance
  - 219 active licenses
  - 34 pending licenses
  - 83 defunct licenses

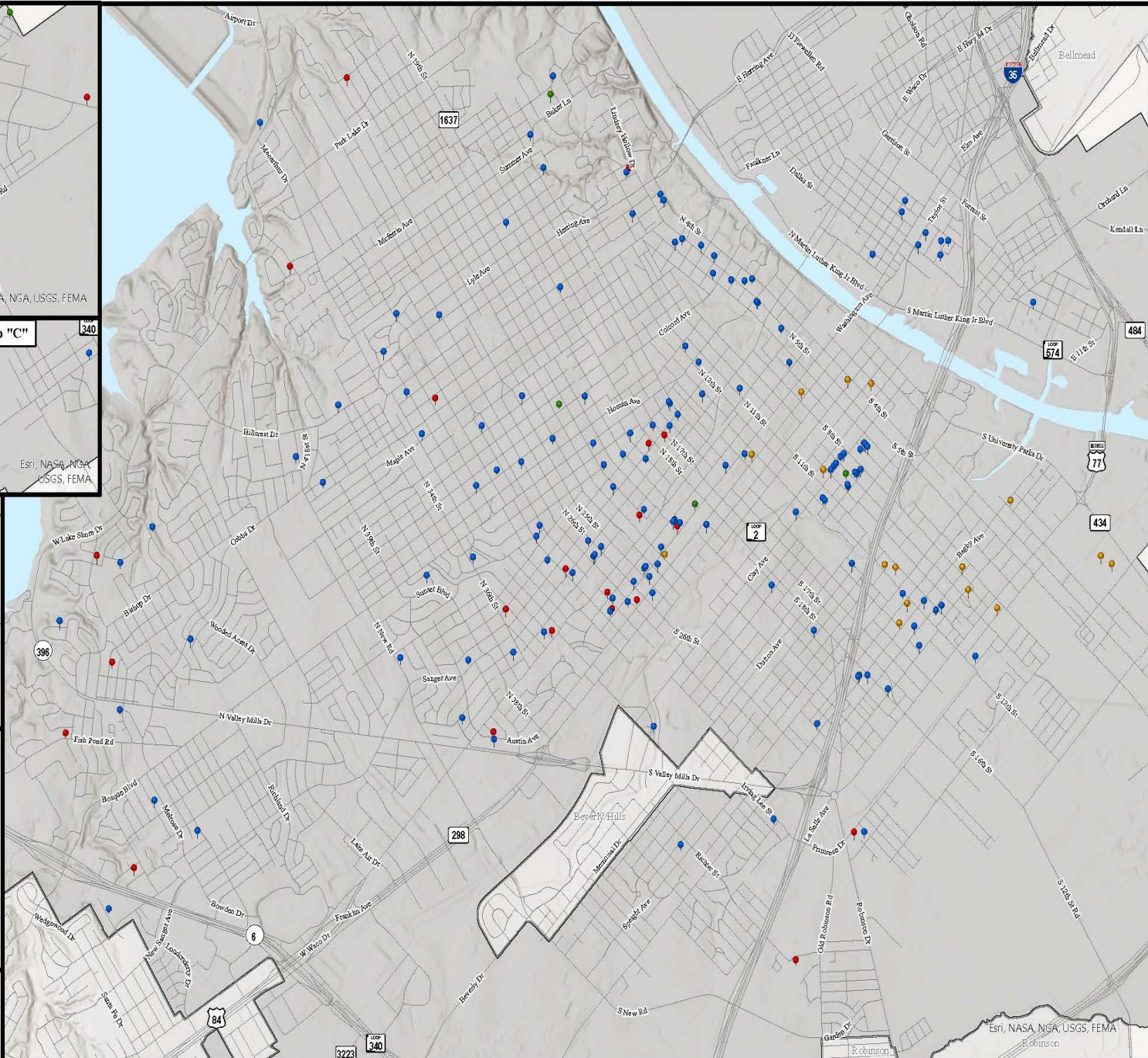
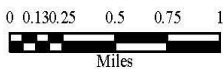
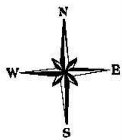




## Short Term Rental Properties

### Rental Property Type

- BBHE (4)
- STR Type I (21)
- STR Type II (145)
- STR Type III (48)



# 2019 Adjustments






















- Contracted with Lodging Revs for third party STR monitoring
  - Discovery and Monitoring
  - Proactive Enforcement
- License Ordinance Revisions
  - Extended the 500' buffer rule for STR II & B&B Homestay to R-2 zoning district
  - Other changes includes:
    - Parking requirement
    - Length of license
    - Maximum STR III density in C-4 zoning

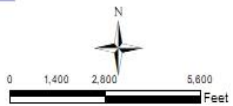


# Central City Zoning

 500' Buffer Areas

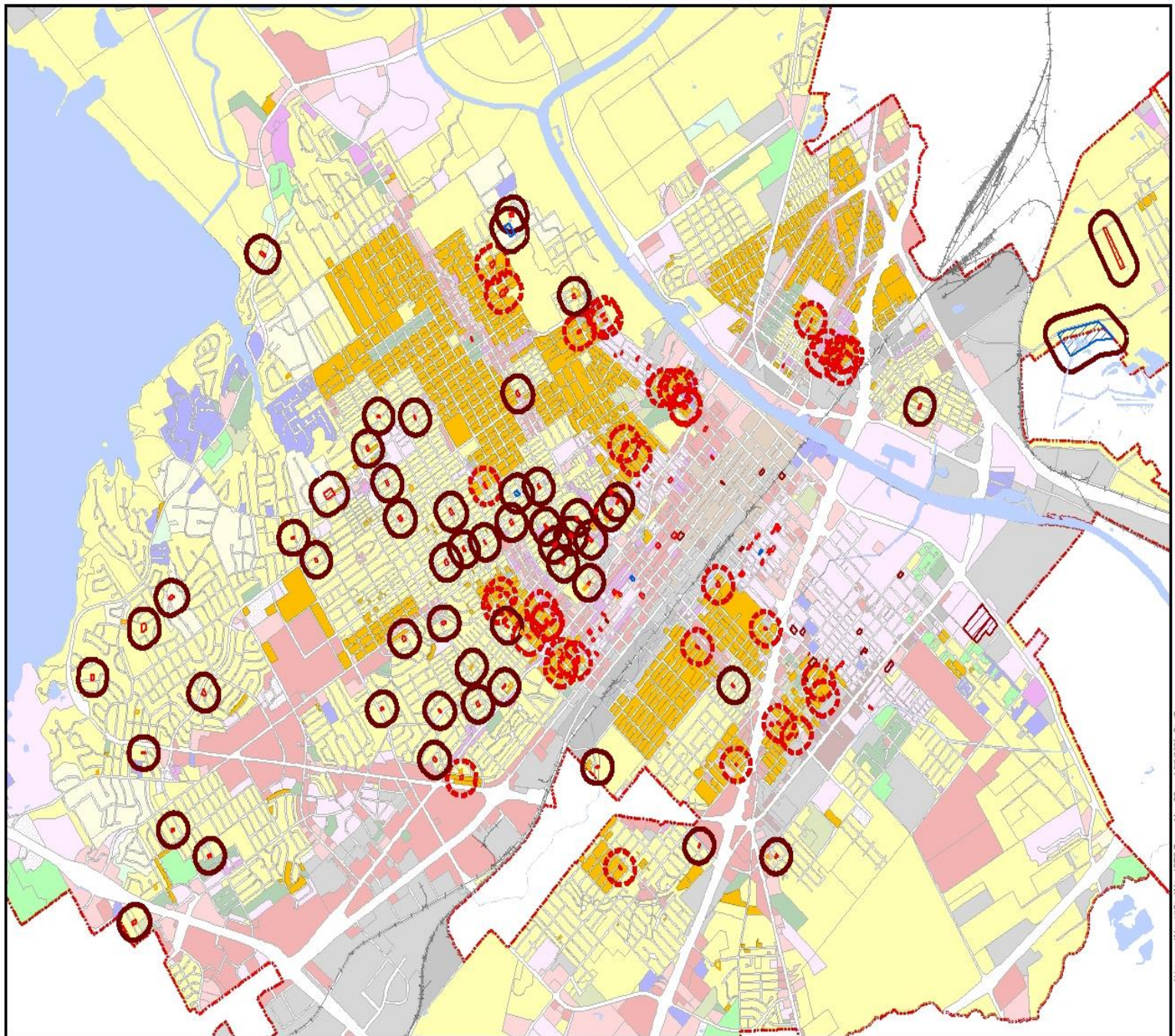
## Zoning Categories

-  R-1A
-  R-1B
-  R-1C
-  R-2
-  R-3A
-  R-3B
-  R-3C
-  R-3D
-  R-3E
-  O-1
-  O-2
-  O-3
-  C-1
-  C-2
-  C-3
-  C-4
-  C-5
-  M-1
-  M-2
-  M-3
-  PUD



3/2/2021  
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PLANNING SERVICES

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or planning purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries, if applicable.

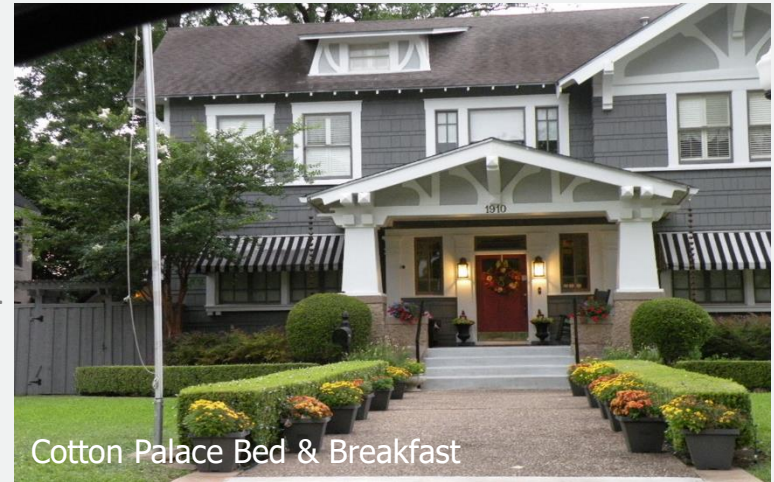




# Types of Short Term Rentals

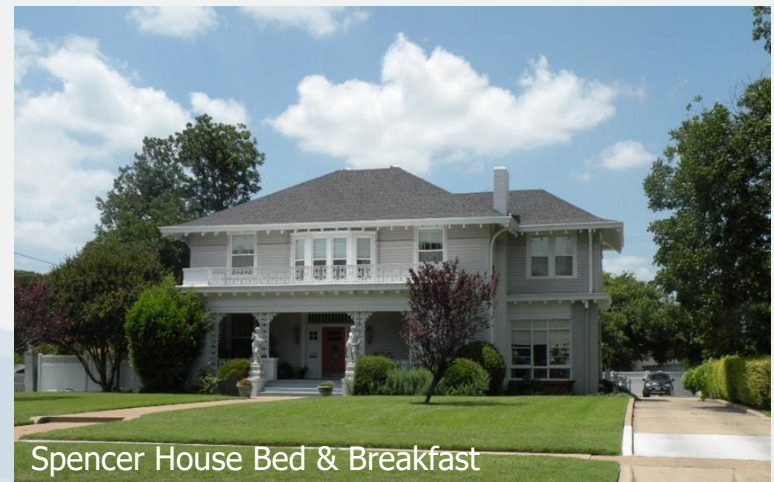
## – Bed & Breakfast Inn

- Permitted by right in O-3 and commercial zoning districts
- Permitted by special permit in multifamily, O-1 & O-2 zoning districts
- No Special Permit applications since 2017



## – Bed & Breakfast Homestay

- Permitted by right in R-2, multifamily residential, office and commercial zoning districts (excluding C-3 & C-5)
- Permitted by special permit in single family residential zoning districts.
- Special Permit applications since 2017
  - 6 approved
  - 0 denied/withdrawn



# Types of Short Term Rentals

## – Short Term Rental I

- Permitted by right in R-2, multifamily residential, office and commercial districts (excluding C-3 & C-5)
- Permitted by special permit in single family residential zoning districts.
- Special Permit applications since 2017
  - 23 approved
  - 2 denied/ withdrawn



## – Short Term Rental II

- Permitted by right in R-2, multifamily residential and office zoning districts.
- Permitted by special permit in single family residential zoning districts.
- Special Permit applications since 2017
  - 72 approved
  - 14 denied/withdrawn



Morrow House

# Types of Short Term Rentals

## – Short Term Rental III

- Permitted by right in C-2 and C-4 zoning districts.
- Permitted by special permit in multi family residential and office zoning districts.
- 14 Special Permit applications since 2017
  - 14 approved
  - 1 denied/withdrawn



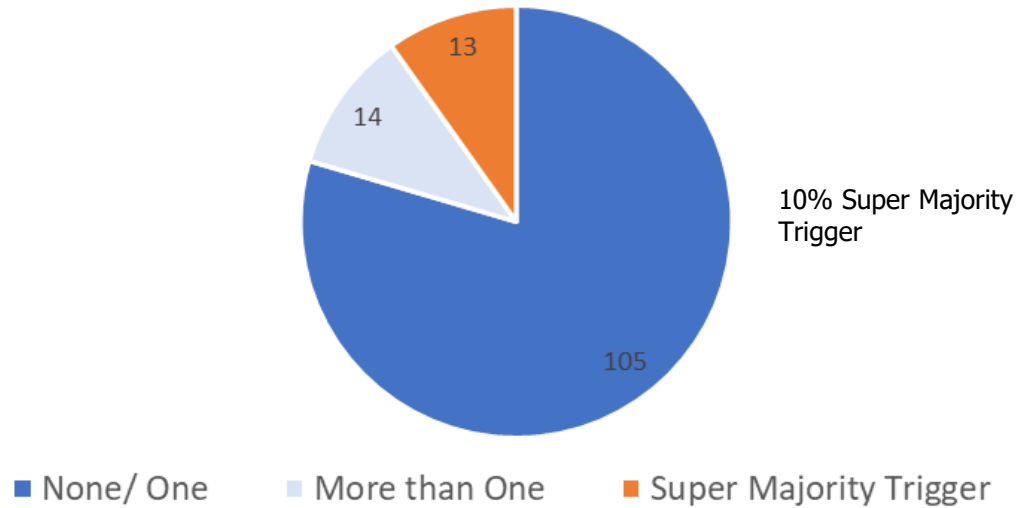


# Special Permit Approval Process

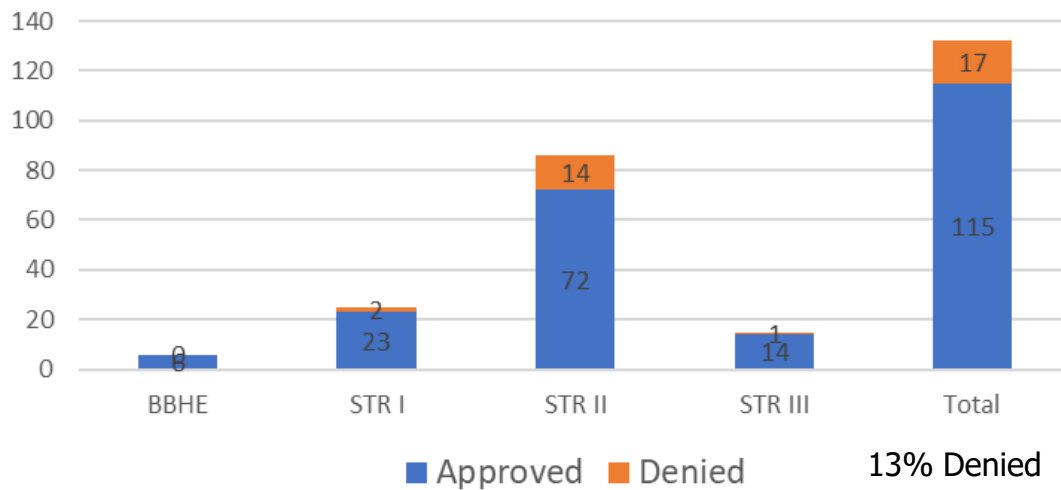
- Designed to provide additional level of public input in approval process
  - Common themes of neighborhood input:
    - Concerns over neighborhood safety, nuisances, character and housing availability and affordability
  - Observations
    - Input is a snapshot in time
    - STRs with similar characteristics might be treated differently
    - Requirements of licensing ordinance already address most concerns
    - Process is cumbersome and confusing
      - » 132 applications (more than 3 a month) processed since ordinance adoption
      - » Creates input fatigue from neighborhoods
      - » 2 step approval process is confusing for applicants



### Public Hearing Opposition



### Special Permit Council Decision



# Moving Forward

- Options
  - Continue with the current 2-step approval process for STR types
    - Not common for cities with a license ordinance
  - Remove STR types from the Special Use categories
    - STR types permitted by right or prohibited based geography
      - Example
        - » STR permitted by right within a defined entertainment/tourism zone
        - » STR prohibited outside of a defined entertainment/tourism zone

# Moving Forward

- Options Cont.
  - Remove STR types from the Special Use sections of Zoning Ordinance
    - STR types permitted by right or prohibited based on zoning districts
      - Example
        - » STR I allowed by right in all zoning districts allowing residential uses
        - » STR II prohibited in R-1 and R-2 zoning districts
  - All existing licensed STR will be allowed to continue under either option

# Discussion



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