



# City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: Community Development - Planning

To: City Council

From: City Manager & Staff

Council Meeting Date: February 17, 2020

Re: Report on Short-term Rentals B348-19; B22-20; B23-20 as Amended; Administrative Delay

## Executive Summary

During the February 3, 2020 City Council meeting, the Council made several amendments to B348-19 (amending Chapter 29 Unified Development Code), B20-20 (amending Chapter 13 business licenses), B23-20 (amending Chapter 22, Article V Rental Conservation Law) in regard to short-term rentals (hereinafter "STR"). The Council then tabled the bills as amended to the March 16, 2020 Council meeting, directed staff to produce a "harmonized draft" of the bills including the several amendments, and referred the same to the Planning & Zoning Commission for further review and a recommendation. The requested "harmonized draft" is attached for Council information. These bills will be the subject of a Planning & Zoning Commission public hearing scheduled for Thursday, March 5, 2020 at 7:00 P.M. in the Council Chambers.

Council also requested that an implementation plan ordinance be brought forward for consideration. The Law Department has attached a draft administrative delay ordinance for Council review. The delay is intended to allow current operators to honor bookings made on the platforms prior to the effective date of the ordinance. It would prohibit STR operators from showing any additional availability to house transient guests until the operator has received a certificate of compliance from the City

## Discussion

### **Consolidated Amendments:**

During the February 3, 2020 City Council meeting, the Council approved the following amendments to B348-19 (establishing use-specific standards for Short-term Rentals in the Unified Development Code) and also, where noted, one amendment to B22-20 (that portion concerning Ch. 13, Business Licenses), and two amendments to bill B23-20 (Rental Conservation Law):

Amendment #1 Eliminates the requirement for an owner host to be present when transient guests are using the hosted STR. Owners must name a designated agent if they themselves are not able to respond to STR issues;

Amendment #2 (option 1) Allow up to two transient guests per bedroom under administrative review of hosted STRs;

Amendment #3 Authorize administrative approval of STRs in the M-C and M-DT Districts;

Amendment #4 Allow an owner-occupant to obtain approval of an STR that is adjacent to their permanent residence;



Amendment #5 Limit an unhosted STR in a single-family dwelling district to not more than 95 nights in a year;

Amendment #6 Increases the number of transient guests allowed for unhosted STRs by conditional use permit in the R-1, R-2, R-MF, M-OF, M-N, M-C, M-DT Districts to up to two per bedroom. Council further modified the occupancy limits to make hosted and unhosted the same. By conditional use permit, more than two (2) guests per bedroom may be authorized in any non-residential district;

Amendment #9 (amends B23-20, Ch. 22) Requires an annual attestation of compliance by operators. New language related to #9 and #10 authorizes an "eligibility for platform listing" that will be shared with the platforms, regulatory authorities, and the public;

Amendment #10 (amends B-23-22, Ch. 22) Authorizes revocation of certificate from STR with two or more substantiated complaints. The Director shall notify the platforms, termed short-term rental intermediaries (Airbnb, VRBO, etc.) of any such revocation;

Amendment #11 (option 2, amends bill 22-20, Ch. 13) Requires collection of nuisance enforcement fee of \$2/night. As modified by Council, the platforms (intermediaries) may collect and remit the fees.

### **Implementation Plan:**

Staff has drafted an ordinance which would impose an administrative delay in enforcement of the new code provisions in Chapters 13, 22 and 29. The administrative delay will allow existing operators to honor current lodging commitments through September 1 without obtaining a certificate of compliance. The operator would not be allowed to create any new bookings without first obtaining a certificate of compliance. There is no administrative delay in the collection of the tourism tax.

Staff is also suggesting a minimum 30-day delay in the effective date of the three ordinances in order to allow time to develop a communication plan with existing operators about the new regulations. This also will allow each operator time to update their information within the booking platforms.

Staff will begin accepting applications for administrative approval as soon as 30 days following enactment of the ordinance and will also accept applications for conditional use permits.

### **Fiscal Impact**

Short-Term Impact: The City will receive additional fees and taxes to offset additional administrative and enforcement costs.

Long-Term Impact: Costs of administration and enforcement should stabilize as the City builds its database of authorized Short-term Rentals



## Strategic & Comprehensive Plan Impact

### Strategic Plan Impacts:

Primary Impact: Economy, Secondary Impact: Infrastructure, Tertiary Impact: Not Applicable

### Comprehensive Plan Impacts:

Primary Impact: Land Use & Growth Management, Secondary Impact: Infrastructure, Tertiary Impact: Economic Development

## Legislative History

Date	Action
B348-19	Amending Chapter 29 – introduced December 2, 2019 – tabled to January 21, 2020; tabled to February 3, 2020; amended and tabled to March 16, 2020
B22-20	Amending Chapter 13 and Chapter 26 – introduced January 21, 2020; tabled with B348-19
B23-20	Amending Chapter 22- introduced January 21, 2020; tabled with B348-19

## Suggested Council Action

This report is an opportunity for the Council to review the Short-term Rental bills as amended, as well as a draft Administrative Delay ordinance, and provide staff with comments. The amended draft will be heard by the Planning & Zoning Commission on March 5, 2020.