




CITY COUNCIL – B SESSION
OCTOBER 3, 2018

Presented by:
Michael Shannon, PE, CBO - Director



COUNCIL CONSIDERATION REQUEST (CCR)

- Sponsored by former Councilman Mike Gallagher (CD 10)
 - Submitted on February 1, 2017
 - Goal:
 - Review current ordinances and city code procedures for short-term rentals (STR)
 - Focused on 5 areas
 - Impact on property values and safety
 - Review codes/ordinances in other cities
 - Hotel Occupancy Taxes – HOT
 - Options for registering and permitting
 - Policies and procedures to enhance public safety

		RECEIVED CITY OF SAN ANTONIO CITY CLERK 17 FEB -1 PM 2: 03
CITY OF SAN ANTONIO OFFICE OF THE CITY COUNCIL COUNCIL CONSIDERATION REQUEST		
TO:	Mayor and City Council	
FROM:	Councilman Mike Gallagher, District 10	
COPIES TO:	Sheryl Sculley, City Manager; Leticia Vacek, City Clerk; Andy Segovia, City Attorney; John Peterek, Assistant to the City Manager; Christopher Callanen, Assistant to City Council	
SUBJECT:	Review current code and research best practices regarding short term rentals	
DATE:	January 26, 2017	

Issue Proposed for Consideration

I ask for your support for the inclusion of the following item on the agenda of the earliest available meeting of the Governance Committee:

I respectfully ask for your concurrence in supporting a review of the current ordinances and city code procedures regarding potential hotel occupancy tax revenue collection, zoning and land use, and general administration regarding short term rentals, also known as the homesharing industry, in San Antonio.

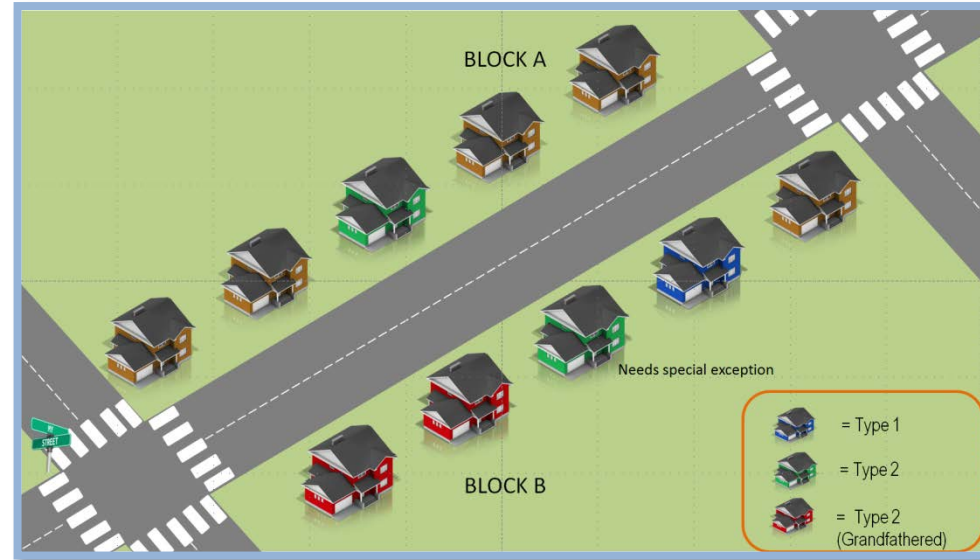
PROCESS

- Working on STRs with Task Force for more than 1 year
 - Multi-stakeholders
- B-Session in **April**:
 - Received many comments
 - Revised ordinance
 - Presented to Governance Committee
 - Held meetings with Task Force and general public



KEY CHANGES

- Density and special exceptions:
 - Type 2 allowed by right in all districts
 - Sets density limitations:
 - Residential = 12.5% of blockface
 - Multi-family with 1 to 7 units = one Type 2
 - Multi-family with 8+ units = 12.5% of units
 - Bed & Breakfasts included in calculation



KEY CHANGES

Multi-unit clarifications:

- One permit per individual unit
- One additional accessory dwelling on residential properties = Type 1
 - Additional accessory dwelling = Type 2
- Multi-family units under common ownership = Type 1 for first 2 units in same building
 - Additional units = Type 2



KEY CHANGES

- Self-Certification
 - In lieu of initial City inspection
- Reduced Fees
 - Initial registration = \$100.00
 - Renewal (every 3 years) = \$100.00
- City Housing Incentives
 - Defines “city housing incentives”
 - Properties with city housing incentives not eligible for STR permit
- Events and Other Uses
 - Cannot provide food and beverage services
 - Events spaces (weddings, meetings, parties)




REGULATION AND PERMITTING - DSD

- Registration with Finance Department for HOT
- List of owners or operators with 24 hour address and contact information
- Floor plan and site plan
- Existing legal Type 2 STRs grandfathered
- Insurance requirements
- **Enforcement requirements/penalties**
 - Respond to complaints
 - Repeated violations = revocation of permit

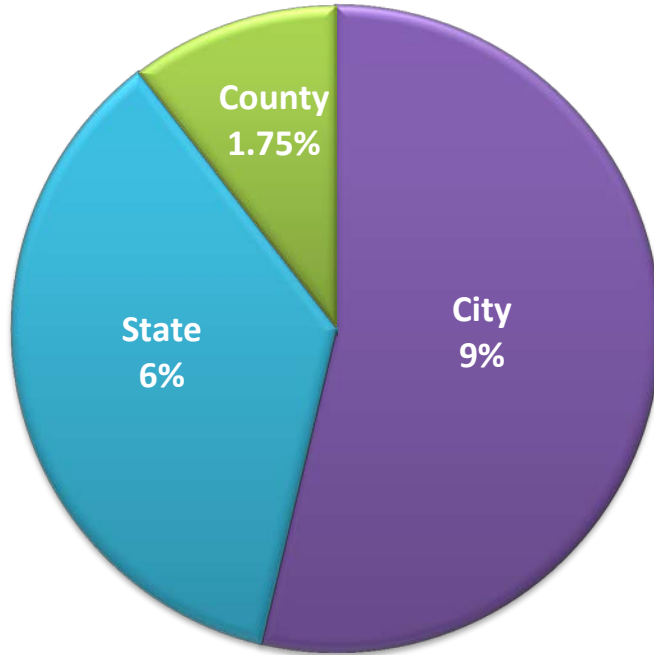


IMPLEMENTING PROPOSED ORDINANCE

- Recommend passing ordinance
 - Will become effective immediately
 - 90-100 days to formally register
- CoSA to build website
 - Application and payment
 - Accessible from mobile devices
- Long Term
 - Integrated into **Build  SA** Phase 2



HOTEL OCCUPANCY TAX (HOT)



- Finance Department collects HOT for City and County
 - City = 9%
 - County = 1.75%
 - State = 6%
- State Law requires STRs to pay HOT
 - Due monthly
 - Based on self reported monthly room receipts
 - Subject compliance audits by City

HOTEL OCCUPANCY TAX (HOT)

- Finance has released a Request for Proposals (RFP) to:
 - Identify operating STRs in City and County
 - Online option for HOT reporting and payment
 - Evaluating 3 proposals
 - Anticipate City Council action in October for contract approval



FY 2019 ADOPTED COSA BUDGET

Contract Funds

- To identify STRs in City and County
- Estimated at \$100,000

+2 Positions

- Compliance Resolution Officer
- Collections Specialist
- Paid from increase in STR HOT collections
 - \$95,203

RECOMMENDATION

- Staff recommends moving the proposed ordinance to full City Council for consideration and adoption
- Thank you to all stakeholders, residents and industry representatives that helped us in this process





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