

CITY COUNCIL CONFERENCE MINUTES

October 8, 2019

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in a conference at 5:30 p.m. in the Municipal Building Conference Room on the 8th day of October, 2019, and notice and agenda of the meeting were posted at the Municipal Building at 201 West Gray and the Norman Public Library at 225 North Webster 48 hours prior to the beginning of the meeting.

PRESENT:

Councilmembers Bierman, Hall,
Holman, Petrone, Scanlon, Scott,
Wilson, Mayor Clark

ABSENT:

Councilmember Carter

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 City Council Oversight Committee discussed Short Term Rental (STR) regulations and fees during multiple meetings on February 15, 2018; March 15, 2018; May 10, 2018; July 10, 2018; September 13, 2018, November 27, 2018, February 14, 2019; April 11, 2019; and August 8, 2019. She said the City contracted with the monitoring service, Host Compliance, L.L.C., a privately held company in San Francisco, California. On April 1, 2019, property data information was acquired and forwarded to Host Compliance. Since that time Staff has monitored the number of STR's in Norman, which is currently 191 with 79% being single-family homes, 32% having three bedrooms, 31% having two bathrooms, and 11% having four bedrooms or more.

Ms. Snider said a STR 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 City Clerk. A Short Term Rental license is a privilege, not a right, and may be denied, suspended, revoked or not renewed.

Ms. Snider highlighted the draft ordinance that includes limiting the number of licenses issued to applicant; an age limit of 21 years or older; allowing a corporation to be an owner of the property; amount of property insurance required; notification of affected property owners; an inspection requirement; covenant, deed restrictions, no outdoor accessory structure use; overlay requirements; an annual fee of \$150 per STR; and a \$50 annual fee for inspections.

Councilmember Wilson said she would like to explore an option of allowing Hipcampers in rural areas, possibly through a Permitted or Special Use Permits. (Hipcamp partners with property owners to create new places for people to get outside whether that is pitching a tent on land, or staying in an existing structure like a small cabin). Councilmember Bierman said Hipcamping is very popular and should be allowed in agriculturally zoned districts only.

Councilmember Hall would like to revisit the number of licenses allowed per individual and possibly allowing only one license per applicant in R-1, Single Family Dwelling District, and no restrictions in other zoning districts. Councilmember Bierman felt establishing a limit is somewhat arbitrary and suggested a Special Use Permit be required for over four licenses. Councilmember Hall said home owners have to obtain a Special Use Permit in R-1, Single Family Dwelling District, and R-2, Two Family Dwelling District, for a lodging such as a bed and breakfast (B and B's). Councilmember Wilson is concerned about the fairness between STR's and B&B's because B&Bs must go through the Special Use process.

Councilmember Scanlon said there should be some effort to collect hotel/motel tax fees on STR's. Councilmember Hall agreed and said hotel/motel taxes should apply to STR's to make up for tax fees lost because people are not staying in a hotel/motel.

Councilmember Bierman said suggested reviewing fees and regulations for B&B's and hotel/motels to see if the fees and regulations are still relevant and perhaps find that middle ground for everyone.

Councilmember Holman said it is difficult to come to a solid conclusion on fees and regulations and he is not comfortable placing a limit on the number of licenses issued to one person or entity. He said a big issue is apartment complexes with vacancies where those vacant units could be used for STR's. Should a commercial venture be in a residential area? He said people have been renting their homes forever, but he understands that long term rentals are different than STR's, whose rentals are limited to no longer than thirty (30) days. He said large corporations could purchase a block of homes and rent them short term, which can become an issue for neighborhoods.

Councilmember Wilson said the reasons Council can turn down an application need to be codified.

Mayor Clark said limiting the licenses to four per applicant would help alleviate the issue of corporations or individuals buying eight to ten houses on a block and using them for STR's. She said more than four licenses per applicant would require a Special Use Permit giving Council the right to approve or deny the application(s) based on various factors. Ms. Kathryn Walker, City Attorney, said the Zoning Ordinance already has criteria in place for Special Use Permits.

Ms. Snider said the license application would include the property owners' name; local contact person and phone number; location of on-site or off-site parking spaces available for guests; occupancy limits; noise restrictions, including the prohibition on the use of sound equipment, amplified music or musical instruments; parking restrictions; information on relevant burn bans; information on relevant water restrictions; trash and recycling collection rules and dates; prohibition on the use of STR's for commercial or social events; and a floor plan with exit and escape routes.

Councilmember Bierman asked what the City is going to do about compliance with the ordinance and Ms. Snider said the monitoring service would generally report advertised STR's to the City and the City can send a letter to the property owner regarding the license process. She said there is a penalty clause within the ordinance.

Mayor Clark asked if Council wanted to take this topic back to the Committee once there is a clean final draft or move forward to a Conference or Study Session and Councilmembers preferred a Conference or Study Session.

Councilmember Bierman prefers licensing up to four applications per owner and any additional applications would need to go through the Special Use Permit process. She said the City has a protest threshold and she thinks the ability to revoke or suspend a license takes care of any neighborhood problems that might arise. She would not be in favor of placing restrictions in specific zoning districts.

Councilmember Hall asked for a definition of "stay" and Ms. Snider said a stay is one night.

Mayor Clark asked Staff to make adjustments, as discussed, to the ordinance and bring it back to full Council in a Conference or Study Session.

Items submitted for the record

1. Memorandum dated October 3, 2019, from Jane Hudson, Interim Planning and Community Development Director, and Jeanne Snider, Assistant City Attorney, to the Honorable Mayor and City Councilmembers
2. Draft ordinance
3. PowerPoint presentation entitled, "Norman City Council Short-Term Rentals," dated October 8, 2019

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The meeting was adjourned at 6:25 p.m.

ATTEST:

City Clerk

Mayor