NOTICE OF OPEN MEETING A G E N D A SPECIAL JOINT COUNCIL MEETING WITH THE PLANNING & ZONING COMMISSION City of Moberly

City Council Room – Moberly City Hall 101 West Reed Street May 28, 2024 5:30 PM

Posted:

Pledge of Allegiance
Roll Call
Anything Else to Come Before the Council

Short Term Housing Discussion.

Adjournment

The public is invited to attend the Council meeting. Representatives of the news media may obtain copies of this notice by contacting the City Clerk. If a special accommodation is needed as addressed by the Americans with Disabilities Act, please contact the City Clerk twenty-four (24) hours in advance of the meeting by calling (660) 269.7652 or emailing cityclerk@cityofmoberly.com.

MEMORANDUM

To: Mayor, City Council, and Planning & Zoning Commission

From: Tom Sanders, Director of Community Development and Public Works

CC: City Manager, City Attorney, and City Clerk

Date: May 10, 2024

We are seeking to determine how the P&Z and City Council feel about Short-Term Housing, what exists here now, what we are willing to allow to develop, what if any regulations we want to have in place to address the ideas/concerns and what are the options, and the potential impact of those options would be.

Before Moberly imposed any regulation on Short-Term Housing (STH), they were allowed as rental in all residential neighborhoods, same as any other rental use, as our previous regulations didn't specify. The first step with STH was overly cautious by making it a <u>conditional use in all allowable zones</u>. We later backed it off and left it conditional in only <u>R-1 Single-family and R-2 Two-family residential</u>, the other zones R-3, B-1 & N-1 were all primary use.

The conditional use requirement we currently employ is a highly subjective approach essentially allowing the outcry of neighbors to determine the outcome. I have attached an article that is clearly tailored from a perspective of a larger California community, and most of the issues they look to address would be associated with a vacation destination or tourist communities, such as over saturation, "party houses", excessive parking/traffic. The article does have a good breakdown of things various types of communities/situations that we should seek to control. It points out that over regulation with unattainable enforcement goals should be avoided and keep it simple.

I have also copied an article at the end of regulations and discussions that are currently being reviewed in the City of Columbia.

Based on our type of community with somewhat limited housing availability, not being a tourist destination and having limited hotel capacity, I believe that STH can be a positive addition for the community. It's unlikely that one owner or multiple owners would saturate an area with STH or that we would see a rise of any "party houses", however it wouldn't be hard to address these concerns with some simple, clear regulations that are enforceable.

For Moberly, I would recommend we consider the following:

- Allowing STH in the same districts as we would any other rental.
- Set a limit of one facility within 500' of another one, similar to Bed & Breakfast facilities, group homes, etc. This would limit density and preserve the integrity of neighborhoods.
- Set a max occupancy of 8 people occupancy to restrict "party house". Most owners would protect against these anyhow to minimize damage to their property and ratings.
- Require an annual permit/business license/inspection.
- Pass ordinances that would require Airbnb, Vrbo and similar groups to collect and remit required taxes, same as local hotels. This may be difficult because it would require agreements with Airbnb and Vrbo to collect any lodging tax, which won't likely happen with a town our size at this time. Thus, we recommend that the permit fee/business license should reflect this accordingly.
- Develop a three-strike system that a confirmed problem/code violation situation would lead to the revocation of a permit.

 We should also discuss the difference between full property rental and room/accessory building rental. We do not recommend allowing individual room rentals. Our recommended standard could be if it would pass occupancy as a rental, then it can be a STR.

Below is an Article from Columbia, it appears to have some good points, however the limited number per property owner and trying to regulate the number or days like they should seems overly restrictive and impossible to enforce. Hopefully we can get some primary points of concern addressed, run through what we want to see and how we want to attempt to control it and get a draft put together for joint review and approval.

Article from Columbia, MO

The new regulations propose a three tiers system for STRs that are differentiated by the maximum allowable rental nights per calendar year:

Tier 1: Up to 30 days

• Tier 2: Up to 210 days

Tier 3: More than 210 days

During the meeting the council also voted on an amendment to the original proposal, changing the number of days in Tier 2 from 120 days to 210 days.

Along with the tier structure, proposed regulations also:

- Limit STR licenses to one per property owner or authorized tenant,
- Limit occupancy of dwellings used as an STR to a maximum of eight guests.
- Prohibit dwelling usage for special events,
- Require payment of lodging taxes by property owner,
- Restrict certificate of compliance transfer,
- Stipulate registration and licensure requirements (rental and business),
- Include provisions relating to certificate of compliance posting, safety, rental platform identification, accessory dwelling units as STRs, signage, accessibility, and licensure revocation.

"For my business, I have chosen not to do short-term rentals in Columbia, specifically because of this ordinance," said Jeff Galen, a real estate owner and president of the Columbia Apartment Association. "But I will tell you that if I was a short-term operator in Columbia, it would put me out of business."

Galen said he hopes the city council will turn down the proposed regulations Monday.

"If the city put some realistic, acceptable expectations in their ordinance, then I think it would be a perfect opportunity to do short-term rentals," Galen said. "And they're much needed in the city."

Galen said under these proposed regulations and tiers, he simply would not be able to make enough money to support his business.

Sharon Geuea Jones, chair of the Planning and Zoning Commission, said the new regulations were tailored specifically for the city.

"Most people are going to be able to continue operating more or less the way they currently are," Jones said. "There's a very small number of people that are very loud because they have a lot of money tied up in it. They have 10 or more units per host."

Jones believes there is a huge need for these regulations in Columbia.

"I have a lot of sympathy for folks who have one or two properties that are just trying to offset some of their costs, or that sort of thing," Jones said. "Folks that are using the lack of enforcement or short-term rental to operate illegal hotels or bed-and-breakfasts, I have no sympathy for."

Moberly Historic Preservation Commission

To Whom It May Concern,

The Moberly Historic Preservation Commission would like to offer suggestions for your consideration related to Airbnb or other short-term rentals within the Moberly city limits. Due to limited hotel/motel rooms within the boundaries of Moberly it is difficult to attract even small venue events where overnight stay is required.

Therefore, we support removing limitations on short-term rentals within our city as follows:

- We feel that all short-term rental applications such as Airbnb, etc. provide adequate protections and rating systems that evaluate tenants and proper methods for dealing with problematic tenants.
- We would seek to ensure regulations that provide for the immediate removal of nuisance tenants.
- Any properties that are approved for short-term rental should be impeccably maintained and have certain security systems present and working on those properties.
- We propose that the current "large event" stipulation that temporarily lifts the ban on numbers of short-term rentals is not workable in that owners wishing to make the investments in properties are not allowed sufficient timeframes for rentals to have a proper return on their investments.
- Any short-term rental should fall into an annual inspection cycle (with appropriate fees for those inspections).

In summary, Moberly needs places to house guests for overnight events due to the low number of motel/hotel accommodations. The more lenient allowance of short-term rentals could alleviate that shortage.

Thank you for your consideration.

Historic Preservation Commission

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