



AGENDA SUMMARY PAGE
RECOMMENDING COMMITTEE MEETING OF: MARCH 4, 2008

DEPARTMENT: CITY ATTORNEY
DIRECTOR: BRADFORD R. JERBIC

Consent Discussion

SUBJECT:
NEW BILL

Bill No. 2008-14 Allows short-term residential rentals in residential districts as a conditional use. Proposed by Bradford R. Jerbic, City Attorney

Fiscal Impact

No Impact Augmentation Required
 Budget Funds Available

Amount:
Funding Source:
Dept./Division:

PURPOSE/BACKGROUND:

This bill will allow short-term residential rentals in residential districts as a conditional use, with a specification of the conditions under which the use will be allowed. Ordinance No. 5943, adopted in November, expressly prohibited such rentals. This bill is brought forward in response to concerns expressed by owners and representatives of such rentals.

RECOMMENDATION:

This bill should be submitted to a Recommending Committee for review, hearing and recommendation to the City Council for final action.

BACKUP DOCUMENTATION:

Bill No. 2008-14

Motion made by RICKI Y. BARLOW to Approve as Do Pass

Passed For: 2; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0
LOIS TARKANIAN, RICKI Y. BARLOW; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

Minutes:

COUNCILWOMAN TARKANIAN declared the Public Hearing open.

BRAD JERBIC, City Attorney, explained that he was directed by the City Council to draft an ordinance less drastic than Ordinance No. 5943, which was adopted in November 2007, yet strong enough to help regulate short-term rentals. This bill is the product of a lot of work and extensive meetings with the industry, staff and people that live near houses where unwanted activity is taking place, but it was a very educational experience for all involved.

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Based upon those conversations, this bill includes a permit process and divides rentals into two categories, those rented by private property owners and those rented through property managers. A private property owner wishing to rent his/her property on a short-term basis must obtain a license for each occurrence, comply with all applicable ordinances and provide contact information.

Because property management companies have more expertise, a property owner wishing to rent his/her property through a property management company can obtain an annual permit for each home rented. The annual permits will have the same requirements and compliance with applicable ordinances will be required. The Business Services Division will notify the Neighborhood Response Division of all permits pulled. Non-compliance with any conditions of the permit(s) will be cause for immediate suspension/revocation, thereby enabling Code Enforcement Officers to immediately evict tenants of short-term rentals and/or issue citations.

CITY ATTORNEY JERBIC stated that he was very satisfied with the compromise that was reached, and he recommended approval.

COUNCILWOMAN TARKANIAN verified with CITY ATTORNEY JERBIC that the recommendations of this bill were discussed thoroughly with the members of the industry and private property owners. CITY ATTORNEY JERBIC added that this bill represents agreement from everybody.

CHERRELL TARANTINO expressed her satisfaction with the outcome of the meetings. However, she opined that a grace period should be allowed for non-licensed property managers to come into compliance, which could take as little as 30 days.

COUNCILWOMAN TARKANIAN asked if this bill could be made effective within 30 days, to which CITY ATTORNEY JERBIC answered that a specific date could be cited. However, the downside would be that the status quo would remain, meaning that there would not be any regulations for that period. It would be difficult to take applications for permits, and then later verify that the non-licensed applicants passed the licensing test.

COUNCILMAN BARLOW asked if 30 days would be enough time to become licensed. MS. TARANTINO said that a license could be obtained even faster online. People aware of this bill coming into effect are already working on obtaining a license. But, if the bill states that only private property owners and licensed property managers can apply for a permit, a grace period is moot.

CITY ATTORNEY JERBIC suggested an effective date of 4/1/2008, which would allow those that are almost licensed to take advantage of this law immediately. MS. TARANTINO agreed that an effective date of 4/1/2008 would be perfectly reasonable. However, CHIEF DEPUTY CITY ATTORNEY STEED suggested that only the property manager language possibly go into effect 4/1/2008, because, in his interpretation of this bill, the suspension of Ordinance No. 5943 would end 3/5/2008, meaning that short-term rentals would be illegal until Bill No. 2008-14 takes effect. He opined that this bill should take effect as intended, and language could be added

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regarding conditional uses for property managers. CITY ATTORNEY JERBIC commented that it would be better to leave the bill as is, making it possible for those licensed to take advantage of the new law as soon as it takes effect and serving as an incentive for others to become licensed sooner.

MS. TARANTINO concurred with leaving the bill as is. She noted that she just wanted to bring up the grace period because it was discussed during the meetings. Lastly, she emphasized that she was very pleased with City staff and the Council.

CITY ATTORNEY JERBIC said that he was very impressed with the cooperation and concessions of the industry. He recommended approval of this bill as written.

COUNCILMAN WOLFSON thanked everyone for participating in the meetings, as well as COUNCILWOMAN TARKANIAN for working on this with him. COUNCILWOMAN TARKANIAN said she was happy that everyone could work together. It was a learning process for all involved.

COUNCILWOMAN TARKANIAN noted that Clark County intends to be more aggressive in enforcing its laws regarding short-term rentals, which could spark an influx of applications for short-term rentals in the City. She does not want residential areas to be affected, but COUNCILMAN WOLFSON assured her that amendments would be considered should an inundation of short-term rentals occur in the City.

COUNCILWOMAN TARKANIAN noted that she wants all the members of the Council to be notified as permits are issued in their respective ward.

COUNCILWOMAN TARKANIAN declared the Public Hearing closed.

