



Las Vegas

Agenda Item No.: 3.

AGENDA SUMMARY PAGE
RECOMMENDING COMMITTEE MEETING OF: JUNE 19, 2017

DEPARTMENT: CITY ATTORNEY
DIRECTOR: BRADFORD R. JERBIC

☐ Consent ☒ Discussion

SUBJECT:

Bill No. 2016-16 - For possible action. Amends the City's licensing and zoning regulations to delete categories for bed and breakfast inn and boarding or rooming house, and to revise regulations and requirements pertaining to short-term residential rentals. Sponsored by: Councilwoman Lois Tarkenton. [NOTE: This bill is being co-sponsored by Councilwoman Lois Tarkenton and Councilman Rob Peers]

Fiscal Impact:

☐

No Impact

☐ Augmentation Required

☐

Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

This bill will amend the City's licensing and zoning regulations to delete categories for "bed and breakfast inn" and "boarding or rooming house," and to revise regulations and requirements pertaining to short-term residential rentals. The bill revisits a number of issues considered by the Council last summer in Bill No. 2016-52, a bill the Council declined to adopt. Among other things, this bill will require additional types of short-term residential rentals to obtain a special use permit in order to be established or to continue in operation.

RECOMMENDATION:

ADOPTION at the 6/7/2017 City Council Meeting pursuant to the 5/15/2017 Recommending Committee Meeting; At the 6/7/2017 City Council Meeting, bill was referred back to the 6/19/2017 Recommending Committee Meeting.

First Reading 5/3/2017

First Publication 5/25/2017

BACKUP DOCUMENTATION:

1. Bill No. 2017-16
2. Protest Email by Stephen P. Grogan on behalf of the Scotch Eighty Owners Association
3. Backup Submitted from the May 15, 2017 Recommending Committee Meeting
4. Backup Submitted after the May 15, 2017 Recommending Committee Meeting
5. Backup Submitted from the June 5, 2017 Recommending Committee Meeting
6. Submitted at Meeting Proposed First Amendment; Comment Letters by Pam Maher, Mark Scott and Mercier Boykins; Comment Letter and Business Impact Statement by Kendall Heath; Comment Letters by Theresa Messoloras, Norm Schilling, Gerald Duncan and Cherie Dubois;

RECOMMENDING COMMITTEE MEETING OF: JUNE 19, 2017

Comment Letter and Photographs by Renee Ramberg; Comment Letters by Tina Cannon, Richard McKinlay, Shon Neal, Sandra Goodwin, Heidi Boykins, Thomas Christenson, Leslee Williams for Margo Chernysheva, Scott Carlsen, Jeremy Shields, by Staff for Arnie Haskett, Kyle Campbell, David Tina/Wendy DiVecchio and Janelle Mazza

Motion made by RICKI Y. BARLOW to Forward to the Full Council with no recommendation

Passed For: 3; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0

BOB COFFIN, STAVROS S. ANTHONY, RICKI Y. BARLOW; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

Minutes:

This item was heard subsequent to Item 7.

COUNCILMAN BARLOW declared the Public Hearing open.

MARY McELHONE, Business Licensing Manager, stated that this proposal amends the short-term rental regulations for land use approval and licensing. There has been an amendment to this bill since the May 15, 2017 Recommending Committee meeting. McELHONE stated that a Special Use Permit (SUP) would be required for all residential units other than owner-occupied units that are three bedrooms or less and are not located within 500 feet of another short-term rental; this changed from the previous five bedroom requirement. She pointed out there is no requirement that a short-term rental be owner-occupied. Additional restrictions include: no renting of accessory structures such as mobile homes, casitas or trailers; the business license number must be on all advertisements; the license application hosting platform must be listed; proof of liability and insurance coverage in the minimum amount of \$500,000; an affidavit attesting there are no delinquent room tax liabilities or liens on the short-term rental property; a placard shall be displayed on the exterior of all short-term rental units when it is occupied, and it must list the allowable occupancy and 24-hour contact information for complaints. Additional changes include: an exemption for short-term rentals from the public or registry requirement; maximum occupancy changed from two adults to two adults over 12 years of age; however, occupancy may not exceed the Uniform Housing Code limits in Title 16. The onsite staff requirement has been removed for short-term rentals with six or more bedrooms; however, six-bedroom or more units must have a 24-hour licensed security company to respond to complaints. Another change is that the tenant cannot be a short-term rental license holder; the owner of the actual property must be the holder of the license. The Director can suspend or revoke a license after two offenses, instead of three, within a 24-month period. The timeframe for compliance has been extended from one year to two years. This bill allows short-term rentals in mixed-use developments. In Sections 1 and 2 of the bill, rooming houses and bed and breakfasts have been removed from the Hotel portion of Title 6. Additionally, parking requirements increased for units with five or more bedrooms; there must be one additional space for every two additional bedrooms.

RECOMMENDING COMMITTEE MEETING OF: JUNE 19, 2017

COUNCILMAN BARLOW announced that everyone would be given one minute to speak; those people who were not able to speak at the May 15th Recommending Committee meeting would be given the opportunity to speak first. He also directed the audience to copies of the Proposed First Amendment.

DONALD MOSLEY stated that this is a struggle between the sanctity of the neighborhood and commercial interests. He was against short-term rentals, and in favor of this ordinance, but recognized it was a compromise. MR. MOSLEY requested passage of this ordinance.

STEPHEN GROGAN requested that this bill be moved forward to the Full Council so there is accountability of the Full Council voting on it. Neighborhoods are trying to save themselves and their privacy and have single-family homes in the neighborhoods with peace and quiet. He hoped the Council was not overwhelmed by deep-pocket lobbyists who are for commercial interests. There are more than 400 illegal short-term rentals in the city and they need to be dealt with. Last year, there were only 10 licensed short-term rentals, and now there are 150.

MARK and ELLEN SCOTT appeared, and MR. SCOTT stated this is a standard zoning issue. Websites such as VRBO and Airbnb made it easier for people to open up their properties in a non-conforming manner, but it is not legal. He asked how someone could open a motel or boarding house in an R-1 (Single Family Residential) neighborhood would not require an SUP at a minimum. Residential zoning was never intended for transient occupancy; the short-term rental industry is against this bill because they want to use residential properties in a commercial manner without the input of the neighborhood residents, and from the Planning Department and deliberation of City Council. He thought this bill is the right action at the right time. MR. SCOTT submitted his comment letter as backup.

EILEEN COHEN was concerned about the enforceability of zoning and the management provisions of the short-term rental platform. She showed a printout of a neighboring property that was listed on VRBO and Airbnb that stated no parties or events were allowed, the maximum occupancy was 12 and the minimum age to rent was 18. She showed photos of a well-attended party at the location with many vehicles in the neighborhood including one blocking the sidewalk; she indicated there was also a large sub-woofer speaker in the back yard blasting music at night. COUNCILMAN BARLOW advised MS. COHEN that she could submit her documents for the record, but she did not submit them.

MARCO RITZO has spoken with neighbors and code enforcement, and everyone is in agreement that the actual problem is enforcement of the current ordinances against the party houses; there are noise and nuisance ordinances that need to be enforced. There is a short list of party houses that are causing problems, and he did not believe the SUPs would help. He proposed working with a security company and creating a 24-hour hotline that neighbors could call when there are issues.

CAMAY McCLURE stated that there are properly licensed short-term rentals in her neighborhood in Ward 5 that are following the rules. She agreed with enforcing against party

RECOMMENDING COMMITTEE MEETING OF: JUNE 19, 2017

houses, but changing/amending the current ordinance does not do that. The city is built on tourism, and the hotels cannot house all the people that come from all over the world. She encouraged the City Council to look at the current ordinance and how code enforcement can focus on unlicensed and party homes which is where the problem lies.

GEORGE ANDERSON, licensed Nevada real estate broker with Addicted Realty, manages 104 long-term rentals and manages and holds short-term residential licenses for eight properties in Las Vegas. He stated that commercialization of neighborhoods is not just from short-term rentals; there are investors and Las Vegas residents who make their living by renting their houses long-term as well, and he cautioned the Council from forbidding income-generating activity in a residential property.

COUNCILMAN COFFIN asked if this bill impacts existing home offices or future licenses for home businesses. DEPUTY CITY ATTORNEY MATT STEED explained this bill is not about making money in a residential zone; there are many types of income-generating home occupations. This bill talks about use of property as a short-term rental and the land use impacts of that use.

MERCIER BOYKINS stated that people come to Las Vegas for many reasons, including filming movies, award ceremonies and kid competitive events. Celebrities, athletes and contractors also need places to stay, and some require higher end properties similar to their personal residences. If short-term rentals are not available, there will be no housing for some of these families and groups; the only properties that would be available are for stays 30 days or longer. MR. BOYKINS submitted his documentation as backup.

KENDALL HEATH, licensed short-term rental owner, stated that the City of Las Vegas requested a Business Impact Study in March 2017 regarding how the proposed ordinance would affect short-term rentals in the city. One hundred seven out of 108 responses were positive and supported short-term rentals and were not in support of the proposed ordinance changes being presented. MS. HEATH submitted the impact study and responses as backup.

THERESA MESSOLORAS referred to a comment made at the May 15th Recommending Committee meeting regarding making money hand over fist with short-term rentals. She charges \$109 per night for her licensed three-bedroom property in Las Vegas with a three-night minimum stay, and pays her utilities, cleaning and local taxes from that. She did not have many renters due to the competition from unlicensed houses. She prefers the short-term rental to the long-term rentals because the long-term renters do not take care of her house, and she has had to evict tenants due to non-payment. She also shared a story of previous tenants destroying her property and said she is not making money hand over fist.

COUNCILMAN BARLOW called the names of several other people who did not come forward to speak.

RECOMMENDING COMMITTEE MEETING OF: JUNE 19, 2017

NORMAN SCHILLING asked that the SUP requirement be removed. He invested over half of his life savings into two short-term rentals in good faith based on the rules that were in place, and he met all of the City's requirements. He was very intent on not having a party house, and he met with neighbors to explain what he was going to do. After complying with all of the City's regulations, the rules are going to change, and he is going to be required to pay the additional expense for the SUP. He was not sure what was involved with getting an SUP but was told he may have to seek legal help, and in the end, he is not sure he will even be approved. He thought the party houses were the problem and requested that already-licensed properties that are meeting the City's requirements be grandfathered and not required to get the SUP.

SUZAN WOODBECK moved to a historic district four years ago with her husband and son so they could experience community history and architecture; however, shortly after purchasing their home, the house across the street became a party home, and she discussed some of the things they experienced. That house sold, but another home was sold to Chicago investors; shortly thereafter, a neighbor observed used condoms on the driveway along with a lot of trash. MS. WOODBECK tried cleaning up, and a man appeared on the driveway saying he was a friend of the owner's. She asked that he convey this information to the owners; the owners sent them a legal letter indicating they were impeding their business. She asked that the Members restore some sanity to their lifestyle.

JESSICA SAYLOR owns a home in the Saratoga Meadows area, and she asked the Members to vote in favor of this bill. She has worked two jobs her entire life and saved her money to buy a house, and she is heartbroken over seeing what is going on in her community. This is commercialization of a residential neighborhood; she does not want the children in the community walking by houses where people are partying on the weekends. The only difference between a party house and a short-term rental are the people who are occupying it.

JEWEL DIXON was in support of this bill. There has been a party house near her home since 2011. There were 400 people at the house over Memorial Day, and there was marijuana and drinking. He videotaped over 150 cars in the area, and Channel 13 reported on it. There were five patrol cars in the area for five hours trying to protect the neighborhood, but the officers did not want to issue a ticket because they did not want to create more issues, and they were afraid of a riot.

COUNCILMAN COFFIN asked staff to provide information about the conclusion of the episode on Campbell Drive. He wanted to know what enforcement actions took place and what citations were issued.

KATHRYN FOX stated that the residents are stuck with this law they had no opportunity to vote on, 660-foot distance separation and short-term rentals in their neighborhoods. The City of Henderson has a 30-day restriction on rentals. She thought this bill was a huge compromise; whether respectful and quiet or noisy party houses, short-term rentals are still motels and challenge their sense of community and home. These businesses cause anger, unhappiness and aggravation to everyone around them.

RECOMMENDING COMMITTEE MEETING OF: JUNE 19, 2017

ERIK KING, Secretary of the Equestrian Estates Neighborhood Association, stated that they have been fighting this issue for years. They have three party houses in their neighborhood, and they are in support of this legislation.

MICHELLE DUNCAN was strongly opposed to short-term rentals in single-family residential neighborhoods. They have caused irreparable damage to the residents' quality of life and the monetary value of their homes. Soccer families are not renting these rentals; they are young men who come to town every week that scream and yell late at night, drive drunk, smoke marijuana and have prostitutes and strippers in the home. Homes do not have the security systems of a hotel or casino; the residents have been put in a position of attempting to monitor all of the activities. She requested that the Members support this ordinance.

GERALD DUNCAN was in support of this bill, but he thought it needed strengthening. He resented that the City Council put the Las Vegas residents in a position of fighting a perpetual defensive battle. He stated that short-term rentals pay room tax; the neighborhoods got the risks associated with having motels in the area, and the City got the rewards. He proposed the room tax on short-term rentals be increased by 100 percent to defray the cost of dedicated Metro (Las Vegas Metropolitan Police Department) patrols in the neighborhoods and to increase code enforcement. MR. DUNCAN submitted his documentation.

CLAUDIA FLEMING, real estate professional, stated that short-term rentals are needed as there is a housing shortage for families in town and employees of Bank of America, UPS and Merrill Lynch who have all moved some of their divisions to Las Vegas. She also wondered what the Raiders would do when they get to Las Vegas. There are not enough hotel rooms, and a family living in a motel is not conducive. She asked that limits be placed on party houses, but there needs to be a place for a respectable, every day citizen to go while they are waiting to get a house.

CARMEN PYPER, full-time doctoral student, stated that she and her husband are both disabled veterans who served and risked their lives and limbs to protect everyone's rights. She asked the Members to protect her rights as a property owner. Her primary source of income is from short-term rentals. She mentioned that UNLV (University of Nevada, Las Vegas) is trying to become the number one hospitality school in the world; if the economy is going to increase with medical tourism, Las Vegas needs short-term rentals.

AMY SALING requested that everyone state their address when speaking so people would know if they lived in the city limits. She and her husband have three short-term rentals within 660 feet of their residence, and two of them are operating illegally. The weekend prior to this meeting, there were 27 cars in front of their house. Her grandchildren were frightened, and they could not ride their bikes up and down the street. MS. SALING requested passage of the ordinance.

COUNCILMAN BARLOW clarified that speakers only had to state their name, not their addresses, for the record. He also informed the audience that addresses were listed on the orange speaker cards which help the Council identify the residents.

RECOMMENDING COMMITTEE MEETING OF: JUNE 19, 2017

JOHN SALING asked why the address was not required, and COUNCILMAN BARLOW replied it was because he was not requiring it. MR. SALING stated there are more than 62,000 hotel rooms in Las Vegas, and he did not feel people needed to encroach on their neighborhood. He has a home business, and he is not allowed to generate traffic due to his business; however, the house across the street from him, which is a commercial business, has unlimited traffic including Ubers, taxis and party buses coming into the neighborhood all of the time. He thought it was ridiculous.

ASSEMBLYMAN CHRIS BROOKS, resident of the McNair neighborhood and District 10 Assemblyman, applauded COUNCILWOMAN TACKMAN for sponsoring this bill. He thought it was a common sense compromise between business interests and the residents of residentially-zoned neighborhoods, and he was in support.

CHERIE DUBOIS stated that she hosts a short-term rental, and she screens potential renters heavily as they want to protect their property, and they care about their neighbors. Her surrounding neighbors are happy and appreciative as they can house their visiting friends and family next door. She has a couple of golf groups that rent her property because they cannot take their golfing equipment into the hotel room. Las Vegas is a vacation for more than just The Strip, and vacation rentals are beneficial. MS. DUBOIS only requires proper documentation as backup.

LORRAINE GARCIA stated that she owns a licensed three-bedroom short-term rental. She is on friendly terms with her neighbors and has been operating for years without incident. She supports what the Las Vegas Rental Association stated, and short-term rental guests add to the local dining, shopping and entertainment revenues. There is no conflict created by the short-term home-based lodging being offered. People who may need short-term rentals include families traveling with a special-needs child, World Series of Poker players and Consumer Electronics Show entrepreneurs who require a garage and in-house workspace. The diversity of the travel sector demands there be short-term rental options without unreasonable SUP restrictions. She agreed with the goal of eliminating party houses; however, targeting responsible short-term owners is not the solution.

DAVID GARCIA has no complaints on his three-bedroom short-term rental he has operated for more than one year. He works closely and gets along with the neighbors. The Las Vegas community has prided itself on being adaptable to the changing economy and tourism. This bill is an alternative to enforcement, and he requested that the Members consider the people who are trying to do the right thing.

TOM LEVI, Las Vegas resident, stated he and his wife own a vacation rental. Passage of this bill will hurt the local economy and would be irresponsible.

PAM MAHER, Ward 1 resident, was in support of this bill and appreciated the SUP requirement. If she was in the short-term rental industry, she would welcome the ordinance as it will keep the guests and neighbors safe. She hoped this would move forward to the entire City Council.

RECOMMENDING COMMITTEE MEETING OF: JUNE 19, 2017

DAVID HARDY owns and operates a legal short-term rental and has paid the City of Las Vegas more than \$5,000 in tax and licensing fees in the past nine months. He mostly hosts families and business travelers and has received no complaints from the neighbors. Those following the law should not be punished because of the party houses that need to be shut down.

RENEE RAMBERG, resident of McNeil Estates, was in support of this bill, and she felt it was exactly what is needed to save the neighborhoods. There is a short-term rental a few doors up from her home, and on the weekend of June 11th, there was a three-day party which included alcohol consumption, loud music, trash in her yard and on the street and 25 vehicles, some of which were blocking the sidewalk. This is devastating to the neighborhood and their property values. The renters do not care about the residential neighborhood, and the children cannot play safely with that much traffic and people drinking alcohol. MS. RAMBERG submitted her documentation as backup.

P.J. ANIELLO was in support and thought they need to have control of their neighborhood and felt their safety was at risk. She requested passage of this bill so they would have some measure of security.

ASSEMBLYWOMAN HEIDI STANK, District 16 Assemblywoman and Beyerly Green neighborhood resident, stated that this bill ensures good neighbors and that there are not too many short-term rentals in one place. Residents want neighbors, not a continual flow of people through these houses, and requiring an STR license will help eliminate an over concentration of short-term rentals. People might say that STRs will drive businesses underground, but during the last legislative session, she brought forward Assembly Bill 521 that gives local jurisdictions the ability to require short-term rental platforms and individual homeowners who run short-term rentals to submit quarterly reports to the local jurisdiction. This means if a short-term rental goes underground and does not appear on a list, staff will be able to tell.

JODI HOFFNER, resident of McNeil Estates, stated that short-term rentals have woken her up, and she suddenly feels like she is involved in her community and is fervent about passing this bill. She indicated that the short-term rental next door to her home is unlicensed and, depending on the weekend, can be a party house.

TINA CANNON, owner of a licensed short-term rental, stated that Las Vegas is among the top 10 cities in the world to have the most hotel rooms. She provided statistics of other cities and the number of rooms they have along with the number of short-term rentals available; the short-term rentals equated to approximately eight to 10 percent of the total lodging options. Internet searches revealed that Las Vegas offers 152,000 hotel rooms, and there are less than 5,000 bed and breakfast, home-sharing, timeshare, condo hotel, vacation rental and short-term rental properties available; this is less than 3.5 percent of the amount of total hotel rooms available. Las Vegas falls significantly short of alternative housing compared to other national and international destinations. Tourists demand alternative housing, and some travelers will not come to Las Vegas and some conventions might be booked elsewhere if short-term rental options are not available. MS. CANNON submitted her documentation as backup.

RECOMMENDING COMMITTEE MEETING OF: JUNE 19, 2017

RICHARD McKINLAY stated that as property managers, they would like to adopt a standard lease agreement that clearly states the components of the nuisance ordinance so all property owners, managers, renters, code enforcement and 24-hour response personnel know exactly what is expected during the lease and rental. He requested that the City offer a class to teach new owners and managers about the licensing process, room tax reporting and how ordinances specifically affect their short-term rentals and leases. He would like short-term rentals to be positive for the community and the managers. MR. McKINLAY submitted his documentation as backup.

SHON NEAL, resident of Stallion Mount in Estate, opposed SUPs as they are cost prohibitive, and he cited legal fees being in the range of \$2,500 to \$6,600. Licensing for all properties needs to be enforced. MR. NEAL submitted his documentation as backup.

SANDRA GOODWIN appeared in opposition. She thought it was fair to punish those who do wrong; however, judging people by the actions of others is not fair. She has homes that provide her income to support herself and her sons.

NEIL KREBS has a three-bedroom rental with a pool and a minimum stay for a minimum of one-week stays. He does not allow parties, and he has had no trouble. All of his clients are retired, families, parents and grandparents that are coming for events like graduations, and most are from overseas.

JULIE DAVIES has a short-term rental in Ward 3. She conducted an exercise with the audience, asking them to stand up if they support short-term rentals and sit if they did not have to take off work to attend this meeting. If they were making money hand over fist with their short-term rental, if they think requiring SUPs would shut down party houses and if they wanted the Members to vote No on this bill. She stated she has a license that has been held in abeyance because a box on something was not checked. She urged Members to kill the bill because it will not take care of the party houses.

ED NORTON, owner of Norton Consulting Investigations, was contacted by the Vegas Vacation Rental Association to come up with a response plan to help them if they had an issue with one of their homes. They obtained their own 24-hour 800 number, and a company called Central Comm will answer the number 24 hours a day. He has 20 people in his company that will go through training, and the company will dispatch two people within the two-hour time limit to calls they receive.

DOV BARRY has both short-term and long-term rental properties, and he finds that homeowners do not like renters or anyone who does not own their home. He has never had a problem with his short-term rental, and he has his neighbors' support in writing. Prior to turning his properties into short-term rentals, long-term renters were destroying the properties, having loud parties and drug dealing and conducting prostitution from the homes.

RECOMMENDING COMMITTEE MEETING OF: JUNE 19, 2017

NICHOLAS BENNETT, Treasurer for Glen Heather Estates, does not oppose short-term rentals; however, they are non-conforming uses in a residential neighborhood, and like any other business, needs to be regulated. An office, restaurant or retail store cannot be opened without strict oversight and guidelines, and he cannot build a block wall in his neighborhood without a permit. The proposed ordinance gives residents a voice; it is not about party houses, it is about commercial uses in a residential neighborhood. Tourists and investors are not good neighbors, and those who live, work, vote and help make this a better place would like to have a strong voice and be protected by their elected leaders. He requested that the Members vote in favor of this ordinance.

HEIDI BOYKINS stated that some tourists want the 24/7 Strip experience; some want a quiet space to come home to, and they are not terrorizing neighborhoods. MS. BOYKINS submitted her documentation as backup.

DEBORAH PORTER, Las Vegas resident, has used a short-term rental service in Las Vegas and other cities and has rented out rooms in her home as well. She was in opposition of this bill as it impedes on the homeowners' rights. She thought people who are operating legally should not be punished because of those who are operating party houses. Tourists come specifically looking for off-Strip lodging.

CHERI WIMAN has a rental property that she generally rents as Section 8 housing; the renters have destroyed her property every time. She has incurred rehab expenses. She would like the opportunity to turn the property into a short-term rental, but she is concerned about the requirement to display a placard when the property is occupied as everyone will then know when it is unoccupied. She requested that requirement be removed. MS. WIMAN thought the problem was party houses, and she liked having a company that would respond to complaints.

MICHAEL JACOBS has a fully licensed property that has been operating for more than six months, and he has had no complaints from the neighbors. Licensing all short-term rentals would provide significant funds for the City from application and licensing fees, and the LVCVA (Las Vegas Convention and Visitors Authority) would receive income from room taxes. He thought Las Vegas should continue being a leader that attracts all tourists and offers all options for housing needs.

THOMAS CHRISTENSEN does not operate his home as a vacation rental; however, he has vacation properties in other jurisdictions. He stated that it is not a zoning violation to rent a single-family residence to a single family for a short period of time or for 31 days or longer. If it is, he is in violation as his daughter and her three children are staying in his house for eight days, and he had a Father's Day party.

ATTORNEY LESLEE WILLIAMS, Associate Lawyer at MC Law Group, read a concern letter by MARGO CHERNYSHEVA, founding partner of the firm and Nevada Chapter Chair of the American Immigration Lawyer Association. The letter was submitted as backup.

RECOMMENDING COMMITTEE MEETING OF: JUNE 19, 2017

NICOLE ROSE, licensed vacation rental owner, thought the current rules were fair, but she was concerned that they were not being enforced. She thought the licensed owners were being penalized by the requirement of the SUP. If the current rules were being enforced, there would not be party houses. She opposed this bill as it will not solve the problem.

TODD VON BASTIAANS, resident of the Glen Heather neighborhood, was concerned about the guests' behavior since Las Vegas promotes a party atmosphere.

SCOTT CARLSEN appeared in support and stated that the statute regarding the 660-foot distance separation requirement between short-term rentals measures from property line to property line; he thought it should be changed dwelling unit to dwelling unit because some lot sizes may be larger than others in some parts of the city. He also thought that measure should be used as a guideline instead of putting it in the ordinance. MR. CARLSEN submitted his documentation as backup.

RICHARD BRUNO, resident of Equestrian Estates and business owner, appeared in support. He thought it was immoral that investors can destroy the property values, peace, tranquility and safety of residential neighborhoods with party houses.

SHELLY WALTERS, President of the Glen Heather Estates Neighborhood Association, stated that the majority of their neighborhood is against vacation rentals and in favor of this bill so there would be restrictions. She requested that the Members vote in favor.

JEREMY SHIELDS dedicated the last several years of his life to studying short-term rentals. The trend of vacation rentals is growing, and people at this meeting are trying to do it legally; those who are operating illegally are not in attendance. He requested to kill the bill and work together to find something that works for everyone. MR. SHIELDS submitted his documentation as backup.

KEN GRAHAM thought this bill was extremely controversial and should not be adopted. He thought the City Council should work with the short-term rental industry and develop sensible regulations that would solve the problems. He showed a noise monitor device he uses on his property. This ordinance requires an SUP that is expensive and difficult to obtain. He requested that the Council not adopt this ordinance and work with the short-term rental industry to find better solutions.

KARA MCKEE, owner of a large short term rental home, stated that she takes precautions to make sure her neighbors are not disturbed. Prior to her purchasing the home, it was vacant and vandalized. Families rent her home so they can spend time together in the evening; if they cannot rent a home in Las Vegas, they will go to another city. The bill being proposed will not solve the issues and will frustrate the community and owners of short-term rentals. She requested that the Members vote against this bill.

RECOMMENDING COMMITTEE MEETING OF: JUNE 19, 2017

RICHARD TRUESDELL stated that short-term rentals are affecting the neighborhoods and quality of life for the families. He thought this ordinance was long overdue, and he did not think there should be a waiver of the 660-foot distance separation. MR. TRUESDELL thought the \$500,000 insurance requirement should be at least \$1 million. He opined that homes six bedrooms and larger should be required to provide 24-hour onsite security.

MARY KUEM appeared on behalf of LEE ZUCKER, a short-term rental owner. She stated they understand issues and concerns of adjacent property owners to short-term rentals that have abused the system. They have been operating their short-term rental for a little less than a year, and they have not had complaints from the neighbors. They have a 24-hour exterior surveillance system to make sure their rules are being followed. The proposed bill is overly harsh and punishes all law-abiding short-term rental owners, and requiring an SUP after business licenses have been issued is completely unfair.

TONY HOLLY, previous vacation rental owner, stated that he had to close down his rental due to a conflict with the HOA (Homeowners Association). He shared a story of a trip he and his family made where they stayed in a short-term rental, noting that they would not have been able to afford multiple hotel rooms. They were able to share one room, and it was a memorable experience. MR. HOLLY believed responsible people are being punished for the actions of the party houses. He opined that they should kill the bill and focus on what needs to be done to get the party houses out of the neighborhoods.

RITA KENDALL stated that she was a short-term renter for nine months in Henderson. She had been renting the four bedrooms with three other neighbors, but when Airbnb went in, there was no notice and people started coming and going at all hours of the day and night, and it was scary for her and her neighbors.

JOE LOCATELLI, appeared representing the Greater Las Vegas Association of Realtors, and stated that they are neutral regarding the proposed ordinance. They were concerned with the preservation of private property rights and the ability of a property owner to use their land as they see fit. They are also aware of and sympathetic to property owners who have a right to quiet enjoyment of their property. The Association believes there are other options available, and they are ready to explore those options with City officials if this proposal does not move forward.

ATTORNEY JAY BROWN stated that HOAs can prevent short-term rentals in their communities, notwithstanding if the bill does or does not pass. He asked that the reverse also be true; if an HOA decides they want a short-term rental in their community, the City should not require an SUP, nor should it limit the number of occupants. He added that people are concerned about obtaining SUPs because they have not been previously granted, and there has not been a waiver of the 660-foot distance separation.

RECOMMENDING COMMITTEE MEETING OF: JUNE 19, 2017

MIA ROSE, Secretary of the John S. Park District historic site, believed there has to be consistent code enforcement. She wondered how this new bill would be enforced if the current codes are not being enforced.

ANNETTE FIALA, Vegas Vacation Rental Association, stated that they do not like party houses and would like them shut down. When she travels with her six children, she likes to have the option of staying in a short-term rental. Not one SUP has been issued for a five-bedroom or more residence in the last year and a half; if it is now required for one or more bedrooms, it will effectively put every short-term rental house out of business. Although they have two years to become compliant, nobody will apply for an SUP because it will get denied and will short change the owner from two years of income they could have received. The Association would like regulations, a strict, uniform lease agreement, fines for the party houses and revocation of their licenses. Everyone has complained about the party houses; they have found a security firm who will provide 24-hour response with a guaranteed two-hour response time. That would solve the code enforcement problem.

MICHELLE LARIME, resident of and Secretary for the Beverly Green neighborhood, stated that the neighborhood supports the proposed ordinance. There have been several short-term rentals in the past few years, and one of the neighbors had had to file a police report. They have worked hard to create a sense of community in the neighborhood; the owners of the short-term rentals do not come to the neighborhood meetings, are not engaged with the neighbors and have not responded to their complaints.

JEANNE ASMUSSEN supports what ASSEMBLEWOMAN SWANK and MS. LARIME stated. Homeowners want to be in a residential neighborhood.

CARRIE HELMS has lived and worked in Las Vegas for 12 years. She wants to share her home and community with others. She only travels using short-term rentals, and she has never thrown a party. She purchased her first home with the intention to share it as a vacation home rental. She has invested too much heart and money in her property to see her neighborhood trashed. Because of the 660-foot distance separation, she cannot operate as a short-term rental. MS. HELMS asked that the Members reconsider the law and the radius to make it more reasonable and fair for licensing.

MS. McELHONE provided an update regarding the incident on Campbell Lane. After speaking with MR. DIXON, she found out that the incident took place a couple of weeks ago, and Metro responded. If staff can get more information from Metro, they may be able to assess a civil fine against the location. Code Enforcement and Business Licensing were not informed of the incident at the time. COUNCILMAN BARLOW directed MS. McELHONE to provide an update at the June 21st City Council meeting.

COUNCILMAN BARLOW thanked everyone in the audience for their time, consideration and concern. He liked one of the comments that had been made regarding waking up and engaging with the neighborhood.

RECOMMENDING COMMITTEE MEETING OF: JUNE 19, 2017

COUNCILMAN ANTHONY appreciated the public comments. In Clark County, Henderson and North Las Vegas, it is illegal to have a short-term rental, but there are approximately 5,000 that are operating on a regular basis. In the city of Las Vegas, there are approximately 1,000 short-term rentals being operated. A license is required to operate in the city; however, there are only 150 that are licensed. Comments from people who oppose this bill are that they want to run a short-term rental, they are not causing problems and they do not want any more regulations. Comments in favor of the bill are that they do not want short-term rentals in their neighborhood and they want to get rid of the party houses. This bill does not make short-term rentals illegal in the city of Las Vegas. They are allowed to operate; however, it imposes an SUP, distance separation requirements and other regulations as well. COUNCILMAN ANTHONY predicted there would not be one SUP application or distance separation request if this bill passes. This bill does not address the specific question of what to do with the party houses. The real issue is enforcement and penalties, and staff is not going to track down 1,000 short-term rentals to find out if they have an SUP. The City has approximately 10 Code Enforcement Officers and some business licensing people for all of the nuisance issues in the entire city of Las Vegas. In the last year, there were approximately 24 complaints regarding short-term rentals; five of those were repeat offenders and one license was revoked. The problem is enforcement and penalties; there are plenty of nuisance regulations to shut down party houses, but there are not enough Code Enforcement Officers.

MS. McELHONE stated that Code Enforcement Officers have responded to 266 short-term rental complaints on 247 properties since June. Due to the enforcement action, 148 of the properties ceased activity, 14 became licensed and 60 are still open code enforcement cases. COUNCILMAN ANTHONY asked about the penalties for violations, and VICKI OZUNA, Code Enforcement Supervisor, explained if someone is staying at an unlicensed property, there is a \$500 per day penalty, and if Business Licensing issues a citation it is \$250. The Councilman opined that this bill has great intentions, but if it passes, nothing will change. He could not support this bill; however, he could support coming up with different enforcement methods and huge penalties for those operating party houses in the city.

COUNCILMAN COFFIN stated that he would support this bill. He opined that if violations are taking place on the weekends, enforcement staffing should be increased during that time period. If a law is passed, it needs to be enforced. If this bill passes at the City Council, it is possible to augment the budget to pay for additional weekend enforcement personnel.

DEPUTY CITY MANAGER ORLANDO SANCHEZ stated that some Code Enforcement Officers work the weekend. They are going to try a new approach regarding the problems, in that Code Enforcement Officers will partner with City Marshals when responding to complaints, and this should help with enforcement.

COUNCILMAN COFFIN stated that when the legislature had a bill that mandated something, there was also a fiscal note that would indicate enforcement costs. He asked how much this bill would cost to enforce if it passed, and DEPUTY CITY MANAGER SANCHEZ replied that he would work with staff to determine that amount. COUNCILMAN COFFIN requested that an

RECOMMENDING COMMITTEE MEETING OF: JUNE 19, 2017

item be placed on a future City Council agenda to augment the budget for enforcement of this legislation.

COUNCILMAN BARLOW appreciated COUNCILMEN ANTHONY and COFFIN'S remarks. MS. McELHONE confirmed for COUNCILMAN BARLOW that bed and breakfasts and rooming houses have been moved from hotel/motel to short-term rentals in the City ordinances. He was concerned about enforcement and needed to understand how the new laws would be enforced if this bill passes. There are nearly 1,000 short-term rentals within the city's boundaries, and a small percentage has had complaints against them; however, he has to consider the residents who live in the neighborhoods where the problems are occurring. He understood residents wanting to live in a community environment and not being disturbed by noise and other issues that have been discussed; however, he also understood being able to have family members under one roof and to enjoy pristine communities in other cities as well.

COUNCILMAN BARLOW believed there could be a compromise. He discussed the 660-foot distance separation requirement and compared it to the 100-foot right-of-way distance separation between liquor uses and the opportunity for that requirement to be waived. He wondered if that type of waiver could be useful with short-term rentals. MR. LOWENSTEIN, Planning Section Manager, clarified that the distance separation requirement is non-waivable in the liquor ordinance unless certain requirements are met, one of which is the 100-foot right-of-way separation from either a protected or similar use. The short-term rental is a waivable distance requirement; as part of the SUP requirement, the applicant would apply for the waiver if another short-term rental was within 660 feet. COUNCILMAN BARLOW asked what purpose the SUP serves, and MR. LOWENSTEIN explained that the SUP permit is a discretionary review in which the Planning Commission and City Council have the ability to take into consideration circumstances surrounding the subject site as far as if the use is compatible and harmonious with the surrounding land uses.

COUNCILMAN BARLOW stated that code enforcement staffing on the weekend was important regarding how he would vote at the City Council meeting. DEPUTY CITY MANAGER SANCHEZ stated that this agenda item would provide staff with additional tools for enforcement.

COUNCILMAN BARLOW recommended that this bill be forwarded to the Full Council with no recommendation.

COUNCILMAN BARLOW announced that Bill Nos. 2017-16, 2017-23, 2017-24 and 2017-25 will be eligible for adoption at the June 21, 2017 City Council meeting.

COUNCILMAN BARLOW declared the Public Hearing closed.