## Short Term Rental Licensing

City of New Orleans
June 1, 2017



## **BACKGROUND:** Process Began with City Planning Commission Study

- August 2015: City Council adopted motion directing the
- City Planning Commission to study regulation of STRs
  - January 2016: CPC study was completed and forwarded to the City Council
  - August 9, 2016: City Council starts zoning text amendment process
  - October 20, 2016: City Council adopted the zoning motion
  - December 7, 2016: Companion legislation passed by City Council was was signed into law.
  - March 13, 2017: City began accepting applications.
  - April 1, 2017: Ordinances become effective and City began issuing permits
  - May 1, 2017: City began enforcement, starting in prohibited areas of the French Quarter.
  - June 1, 2017: AirBnB delists ads without City Registration at COB.



### **OVERVIEW:** Permitting, Licensing & Enforcement

- All short term rental operators need to apply for a permit with Safety and Permits to ensure that they meet zoning and building codes
  - Pass through registration with Airbnb
- Permits are privileges not rights
- Attestation that the operator maintaining a safe environment by complying with Building and Life Safety Codes, providing smoke detectors & fire extinguishers, valid liability insurance of \$500,000 or more and posting the location of fire exits and escape routes;
- The operator shall post their short term rental license on the façade of the property;
- Permits shall contain: address, type of permit holder license, license number, name and contact, occupancy limit
- Permits valid for one year and are not automatically renewed

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3 types of STR license: Accessory, Temporary, Commercial



#### **OVERVIEW:** Penalties

- No Type A or Type T License Permit for Accessory or Temporary Short Term Rentals is valid or shall be issued in the Vieux Carre, the area bounded by: Iberville St., N. Rampart St., Esplanade Ave., and the Mississippi River.
- The following shall be advertising violations: to advertise without a license, to fail to post license number in the listing, and to advertise beyond the scope of the license.
- The Department of Safety and Permits is implementing an administrative adjudication mechanism for short term rental violations;
- Penalties include:
  - Daily fines
  - Property liens
  - Revocation of permit
  - Discontinuation of electric service



#### **PROCESS:** Issuance and Enforcement

#### 2 Types of applications:

- "Pass Through Registration" (Initial information supplied by listing platform such as AirBnB)
- Individual Registration

#### **4 Types of Enforcement**

- Reporting-Based Enforcement
- Complaint-Based Enforcement
- Web-Based Enforcement
- Proactive Field Enforcement



# Process for "Pass Through" Registration

#### **Email applicant**

Email Applicant to pay online and receive their certificate to post.

Any other required

uploaded via a link.

information could be

Pay & Print
Applicant Logs into
Onestopapp.nola.gov
or visits the One
Stop to pay and
receive placard.

#### Data Export Supplied by Platform:

- -Full Name
- -Listing Address
- -Tax Address
- -Phone Number
- -Email Address
- -Type
- -Evidence of Attestation



#### **Review & Verify**

- The contact information for the owner and operator (available 24/7) of the short term rental unit, which includes the physical mailing address, cell phone number, and e-mail address.
- -The property has no outstanding taxes or property liens.
- -Validate fees.

#### If Applicable:

- Type A License, proof of ownership via a valid homestead exemption, as required by the Comprehensive Zoning Ordinance.
- Type C License, completed application for a Change of Use or Building Permit, as determined by the Department of Safety and Permits

# Process for Individual Registration

**Review & Verify** 

The property has no

outstanding taxes or property liens.

Completeness of materials in step 2.

Validate fees.

If online applicant: Email Applicant to pay online and receive their certificate to post.

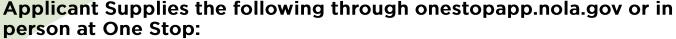
If in-person applicant: Reviewed in person and Type A & T can be approved over the counter

Pay & Print

placard.

-Applicant Logs into Onestopapp.nola.gov or visits the One Stop

to pay and receive



- Application (includes location, owner + operator contact information, rental platforms, and agent for service)
- Attestations per Ch 26-614

#### If Applicable:

- Type A License, proof of ownership via a valid homestead exemption, as required by the Comprehensive Zoning Ordinance.
- Type C License, completed application for a Change of Use or Building Permit, as determined by the Department of Safety and Permits
- A copy of the Conditional Use Ordinance, if required by the Comprehensive Zoning Ordinance.



Applicant
Obtains Info
Online for
application
requirements.

#### **PROCESS:** Standards

- The permit holder must provide a valid permit number on any listing advertising the property.
- Only one party of guests is allowed per short term rental unit. A unit is a dwelling unit, not a bedroom.
  - Use of the short term rentals for commercial or social events shall be prohibited.
  - Short term rental of this property cannot adversely affect the residential character of the neighborhood.
  - This short term rental may not generate noise, vibration, glare, odors, or other effects that unreasonably interfere with any person's enjoyment of his or her residence.
  - There must be an in-town property manager if the owner or operator offsite during the time of the rental.
  - It is unlawful to operate a short term rental outdoors, in an accessory structure (e.g. shed, garage), or in a recreational vehicle.
  - This property must appear outwardly to be a residential dwelling.
  - No signs (with the exception of required permit) are allowed to be posted on this property.



#### **Reporting-Based Enforcement**

Listing Platform Monthly Report

- Temporary Listing Evaluation:
  - Look for listing approaching 90days in bookings and subpoena additional information from platform

Adjudication

 Using information supplied by the platform, perform notice to the owner, schedule and host Administrative Adjudication Hearing

**Penalties** 

 If adjudication reveals violation, fines will be assessed, if not paid, lien on property tax. (License revocation considered)

#### **Complaint-Based Enforcement**

Complaint Submitted to 311 or online

- Call-in service with extended hours and web-based form for reporting complaints
- Complaint entered into LAMA and assigned to an inspector
- Inspection performed
- Complaint classified as founded or unfounded

**Adjudication** 

 Using information supplied by complainant and inspector, perform notice to the owner, schedule and host Administrative Adjudication Hearing

**Penalties** 

 If adjudication reveals violation, fines will be assessed, if not paid, lien on property tax. (License revocation considered)

#### Web-Based Enforcement

Webscraping

- ITI Specialists retrieve and compare data to licensed locations and listing platform reports.
- Deduplication of addresses for potential excessive Type T permits

Investigation

 Inspectors and adjudication staff review information and investigate whether a violation has happened

Subpoena issued if necessary

**Adjudication** 

 Using information supplied by web team, platform, and inspector, perform notice to the owner, schedule and host Administrative Adjudication Hearing

**Penalties** 

 If adjudication reveals violation, fines will be assessed, if not paid, lien on property tax. (License revocation considered)

#### **Proactive Field Enforcement**

Field Inspection

- In the course of performing other related investigations, Inspectors will note any signage or locations appearing to operate as an illegal STR
- Upon returning to office enters into LAMA and assigned to adjudication if violation is substantiated

Adjudication

 Using information supplied by complainant and inspector, perform notice to the owner, schedule and host Administrative Adjudication Hearing

**Penalties** 

 If adjudication reveals violation, fines will be assessed, if not paid, lien on property tax. (License revocation considered)

#### **Staffing**

A proactive enforcement model contemplates not only intake, inspection, and adjudication staff, but a proactive, technology-driven research staff to collect data from the web and process that against the City's licensing database. The key to establishing an effective regulatory regime for STRs is to have an effective and robust enforcement mechanism.

#### Includes

- 1 Short Term Rental Administrator,
- 4 Code Enforcement Inspectors,
- 2 Management Development Analysts,

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- 2 Information Technology Specialists
- 1 Office Assistant



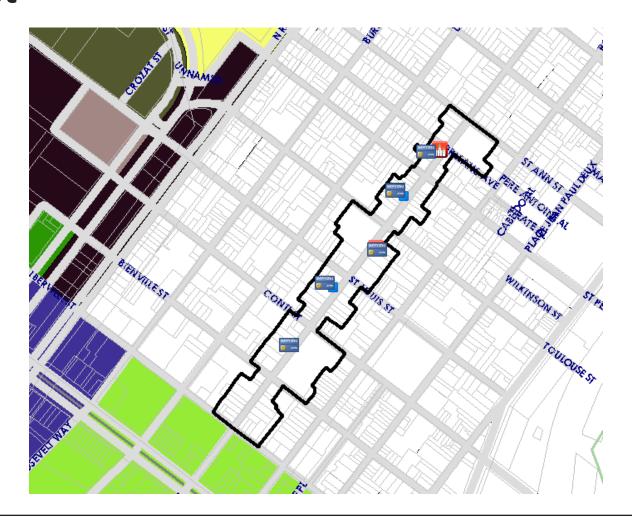
## FRENCH QUARTER CITATIONS SINCE MAY 1, 2017 122 Citations Issued in the French Quarter





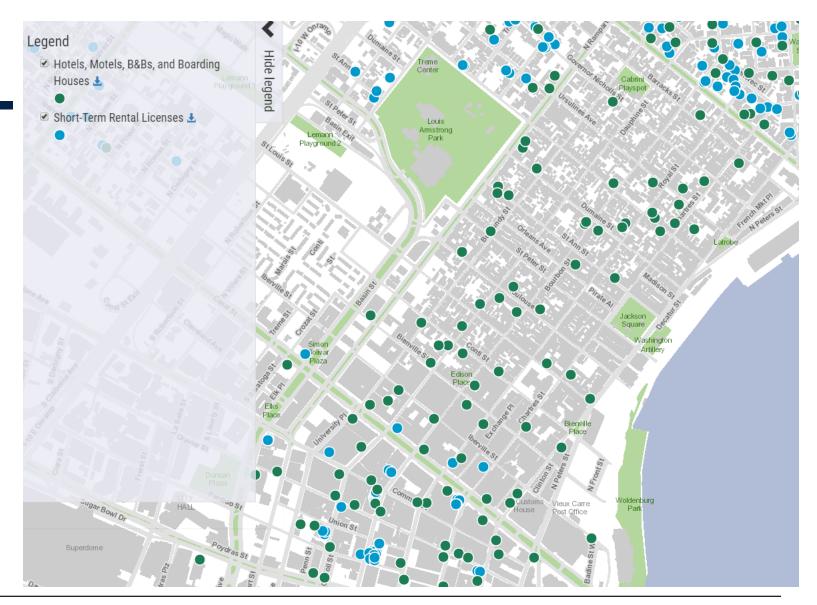
#### SHORT TERM RENTALS IN THE FRENCH QUARTER

## 9 Licenses in Vieux Carre Entertainment District





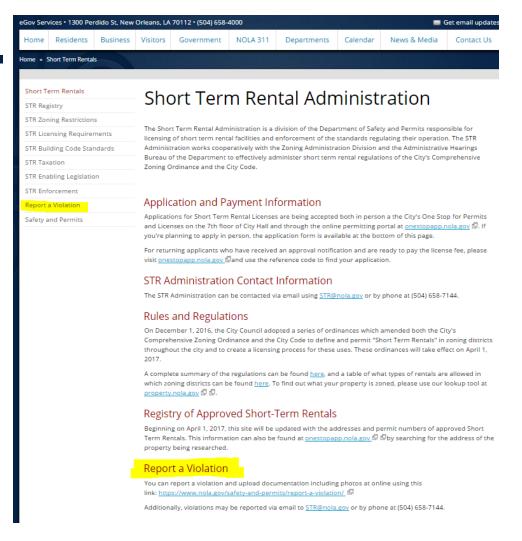
#### FRENCH QUARTER B&BS





#### CITIZEN REPORTING

#### Report Violations in the following ways



- Online at nola.gov/str
- Via email to STR@nola.gov
- By Phone at 658-7144

Pictures and videos are accepted.

