

WAMM CIVIC ASSOCIATION QUARTERLY MEETING

May 16, 2023

Bering Church of Christ

MINUTES

Lane Llewellyn, President, called the meeting to order at 6:31 pm.

Board members present: Lane Llewellyn, President;

1. Introduction of Officers

Lane introduced herself; Mary Alice Martin (First Vice President); Kathy Conti (Second Vice President), and Maria Morandi (Secretary). Diane Baker (Treasurer) is out of town due to family matters.

2. Introduction of Guest Speakers and other Guests

Lane Llewellyn introduced the invited speaker for the meeting, Council Member Sally Alcorn, At-Large Position 5. Council member Alcorn will describe the initiatives of her office and City Council to develop guidelines and regulations for operating short-term rentals (STRs) in the City of Houston (COH). She is accompanied by Jordan Frazier, Chief of Staff for her office. Council Member Sally Alcorn's husband, Mr. George Alcorn, was also present at the meeting.

Other COH and Harris County representatives present at the meeting included: Kate Dentler Chief of Staff Office of Council Member Abbie Kamin, District C; Houston Police Department (HPD) – Central Patrol Division Lieutenant Yadira D. G. Estrada; and Patrick Grant, Community Engagement Coordinator for the Office of Commissioner Rodney Ellis, Harris County Precinct 1.

Lane Llewellyn also introduced Ms. Barbara Aksamit, a long-time friend and neighbor, who has been involved with the Museum Area Municipal Association (MAMA) for 25 years. She was accompanied by her husband, Mr. Ben Brewer.

Order of Business

Lane Llewellyn indicated that the COH 72-inch waterline replacement project continues apace on Kipling St. She reminded the attendees that when Mr. Jeff Heflin VP of the Mc2 engineering company spoke at our December meeting, he was very upfront about the nightmare of replacing and updating infrastructure in older, established neighborhoods and the fluid timelines that we would likely experience. Unfortunately, it seems the affected neighborhoods are also in a slug fest with both Houston's weather



and notorious clay soil. Lane asked for a round of applause and a "hang in there" for our neighbors and home owners on Kipling St. WAMM Vice President Kathy Conti has suggested that the COH sponsor a booklet of free car wash coupons to all the residents that mange to survive the summer. Her block on Kipling St. is scheduled to be closed and residents will have to park on other streets and walk home. Avoid the intersections of Kipling with Yupon and Graustark St., if possible.

She also indicated that the Annunciation Orthodox School (AOS) and the Park Condominiums will have to deal with the other contractor, Harper Brothers, which is in charge of the replacement east of Mt. Vernon, and to let the WAMM Board know if there are any questions or issues with this company.

Lane explained that there are many problems with the proliferation of STRs in Montrose, and that we want to know what the plan is for regulating and enforcing current rules for STRs within our residential communities. She indicated that Council Member Alcorn has been proactive in helping other Civic Associations with this problem and has done extensive research on how Houston would benefit from implementing permitting, safety inspections, and submission of monthly revenue reports from Airbnb and other similar operators. Lane welcomed and thanked Sally Alcorn for her initiatives.

3. Presentation

Council Member Alcorn started her presentation by describing the research initiative undertaken by a team in her office to obtain information on STR operation requirements in Houston and other cities. This initiative was in response to complaints from residents of Montrose and other Houston neighborhoods. These findings were presented to the City Council's Regulatory and Neighborhood Affairs (NRA) Committee, which she chairs, in March 2023. Amy Peck, Council Member for District A, serves as co-chair of the NRA Committee. The NRA Committee also heard a presentation from Airbnb's Policy Manager and public comments from Houston residents. Following discussion, the Committee approved sending a memorandum submitted for consideration by Council Members Alcor and Peck to Major Sylvester Turner. The memorandum is attached to the minutes of the meeting.

Specifically, Council Member Alcorn indicated that:

- The biggest complaint they received was from the MAMA about a property on Banks St.
- Some STRs (e.g., whole apartment complexes) are operations are consistent with the definition of hotels by the COH but do not abide by the rules applied to hotels.
- Houston does not regulate STRs except for the requirement to pay the COH's hotel occupancy tax.
- The city will be auditing STRs this year for the first time. It is not known if all the STRs report the actual income subject to the hotel occupancy tax. The



city collects the tax based on what Airbnb (or other company) reports to the COH.

 There is a broad range in the restrictions, rules, and regulations applied to STRs by other cities in Texas and across the country. They vary from none (e.g., Dallas) to requiring licensing and inspection (e.g., Miami) to requiring the owner to be present in the unit that rents the STR (e.g., New York City). She mentioned multiple cities and the scope of their regulations.

There was a question about the added cost of rules and regulations on owners of STRs and enforcement by the City. Council member Alcorn responded she does nor believe theses costs will be heavy.

Council Member Alcorn continued:

- The number of complaints about STRs are seen as numerous by the city.
- There is no database for STRs operating in Houston.

Lane Llewellyn asked whether Council Member Alcorn would be willing to be WAMM's advocate with regards to STRs. Ms. Alcorn responded positively.

Phillip Niccum said that before moving onto additional rules, the city should enforce current regulations (such as improper disposal of trash and parking violations) and issue citations for breaking them.

Lane supported Phillips questions and indicated that Galveston has more restrictive requirements such as regular inspections and submission of quarterly reports on occupancy. Council Member Alcorn responded that the city collects the hotel occupancy tax based on what Airbnb reports to the COH. Lane indicated that this makes it convenient for the city but they might be forsaking income for convenience.

There was a comment that not all STRs are bad neighbors. The focus should be on bad actors. They should be made accountable and taken care off.

Lane referred to Section 28.02 of the COH that defines what type of operation is consider a hotel and the restrictions that apply to them, and asked why this is not applied to STRs. Council member Alcorn responded that the city treats these STRs as apartments. The COH cannot keep track of all these STRs, but Airbnb should have this information.

Lane Llewellyn indicated that Deborah Quintero manages and Airbnb. Deborah said the VRBO submits reports to the State of Texas, not to the city. She also said that all the STRs should pay membership dues to the Civic Associations. Lane repeated that the rules already on the books are not being enforced. Council member Alcorn indicated that the Major has not been very supportive of additional rules, but that there are changes in terms of attitudes with respect to STRs.

Alvin Early complained about and Airbnb on Hawthorne St., where noisy, loud parties are frequently held. Nuisances includes screams, revving up of trucks and other



vehicles, and even a gun case left in one unit. There was a response from a lawyer (his client is the owner of this STR) that he talked about this to his client. He added that the property owners should be told it is their responsibility to manage their rentals responsibly. Council Member Alcorn agreed. Her office had discussed how to approach enforcing existing regulations.

Gretchen Shoup asked about what to do when there is inappropriate behavior on the part of STR clients. Council member Alcorn responded to call 911 if it is an emergency. For non-emergency incidents call HPD. There were comments about the long wait when calling HPD. Lieutenant Estrada responded that HPD will respond but they are understaffed. Calls provide a record of the complaint, even if the response to it takes time.

Lane Llewellyn suggested that STR owners and client take advantage of that. Sally Alcorn indicated that it is important to report incidents and collect these data, including nuisance reports to HPD. Gretchen Shoup indicated that she has complaint many times, and that she was almost arrested by an officer when she complained.

One suggestion was to gather the list of addresses on known STRs and submit them to Council Member Alcorn. Lane Llewellyn said she will send an email to her office with addresses. Sally Alcorn indicated that they are trying to collect these data.

Phillip Niccum suggested to give citations for chronic cases of nuisance complaints.

Deborah Quintero explained that District C has the largest concentration of STRs in Houston, and it will take a lot of time and effort to collect, document, and report the address data. Council Member Alcorn responded that there should be a limit to the number of units that can be rented as STRs in apartment complexes. Different rules could be applied to individual residences.

Dennis Pow Sang, who is a real estate agent, indicated that agents could lose their license if engaging in STRs. Condominiums may also have deed restrictions that prohibit STR operations.

Deborah Quintero mention that the State of Texas could preempt any attempt at additional regulation by the COH.

Lane Llewellyn said she will contact Jordan Frazier to get the links about what other cities are doing with respect to STRs and include them in our newsletter. She thanked Council Member Alcorn for speaking at our meeting and reiterated WAMMs commitment to collaborate with her office.

4. Other Business

4.a. Residential Parking Permit Program.



Lane Llewellyn informed the attendees that our application is on hold because there is less parking in the targeted blocks, with one lane closing. The application will be open at least until the end of December.

Marouen Dimassi asked why the parking permit cannot cover the whole neighborhood. Lane responded that neighbors need to sign up for the program and that she will contact the city to find out how many cars park at night. Deborah Quintero suggested that there is a link to the Airbnb problem because cars with no permits can be towed. Lane indicated that we need more committees, including one dedicated to the STR problem.

5. New Business

5.a. Amada Edwards – Potential Candidate for COH Major.

Lane Llewellyn introduced Amada Edwards, former At-Large City Council Member, now planning to run for the position of Major of the COH.

Ms. Edwards gave a brief description of her background (native Houstonian, lawyer, some family history), her activities in the City Council, and the reasons driving her to run for COH Major. She indicated that the city will be confronting very serious financial issues that somebody with her background is well prepared to address.

Lane Llewellyn asked Ms. Edwards about her position with respect to STRs. Ms. Edwards answer that neighborhoods should be respected, and that solutions to problems should be planned and right-sized. She applauded Council Member Alcorn for all her efforts.

5.b. HPD Lieutenant Yadira Estrada – various issues

Lane Llewellyn introduced Lieutenant Estrada and asked her about the most common problems in our neighborhood such as illegal parking, or even braking into and theft from parked vehicles. Lieutenant Estrada answered to call HPD (and her) and that there will be a response, even if slow.

Eddie Cruz asked whether graffiti is considered a crime. Lieutenant Estrada responded that yes. Lane Llewellyn said she always complains about graffiti. Lieutenant Estrada indicated that an officer may issue a ticket or not depending on the circumstances.

Diane Younker said that she was new to the neighborhood and that is very concerned about all the reports on Nextdoor under the WAMM rubric. Lane Llewellyn responded that most of the reports refer to problems outside WAMM. However, it is important to be aware of what happens in other neighborhoods.

Lieutenant Estrada indicated that awareness and prevention is the most important approach to avoid theft from parked cars. For example, place all loos objects and documentation in the truck. She clarified that her home is in Pearland. She does have an alarm system.



Lane Llewellyn asked about an attendee she did not recognize. It was Taylor Kidd. Lane emphasized again the need for more committees, and blo9ck captains.



4.a. The future of Lovett Triangle

4.b. WAMM meeting in December

Lane explained that volunteers are needed to serve for a couple of years to learn before moving up to higher positions. She served as VP for two years when Marcus Duffle was president.

4.c. Membership

5. New Business

The meeting was adjourned at 8:00 pm



CITY OF HOUSTON

City Council

To: Mayor Sylvester Turner

From: Sallie Alcorn, Council Member, At-Large 5

Subject: March 23, 2023, RNA Follow Up

CC: Marvalette Hunter Walter Hambrick

Amy Peck, Council Member, District A

Date: April 11, 2023

Mayor Turner,

On March 23, 2023, the Regulatory and Neighborhood Affairs (RNA) Committee met to discuss short-term rentals (STRs) in the city of Houston. The meeting was held in response to the complaints heard across the city regarding STR "party houses" in many Houston neighborhoods. At the meeting, an Airbnb representative presented the company's trust and safety tools, described how residents may report complaints, and explained how the platform works to enforce the company's global party house ban. The presentation included information on Airbnb's law enforcement portal, known as LERT, which provides a secure and streamlined channel for law enforcement to submit valid legal requests for information from the platform. While some HPD officers are familiar with the LERT portal, HPD Chief Larry Satterwhite was present at the meeting and committed to look further into the department's participation on the portal. Houston First also provided an overview of the city's STR hotel occupancy tax agreements and collections to date.

During the public comment period, we heard from several residents from the Museum Area Municipal Association (MAMA) in district C regarding a 24-unit apartment complex at 1116 Banks Street. The apartment building has been purchased by someone who is renting out the units on the Airbnb platform for one-night minimum stays for between \$70-\$110 per night, accommodating up to four guests. Public comments described neighborhood disruption stemming from the behavior of STR occupants. Neighbors complained of street takeovers, loud noise, unruly behavior, drug use, garbage being left behind, unmanageable parties in the units and at the communal pool, damage to the nearby park, and suspected trafficking. The property has been on Airbnb's radar given the complaints submitted by neighbors and council members. Company representatives tell us the company is now taking an even closer look. We have asked HPD for information related to crimes at this property.

This complex seems to be operating much like a hotel, although with no management or security in place. We respectfully request city legal review this matter to determine if the definitions and regulations set forth in Chapter 28 apply to 1116 Banks. The city's current definition is:

Hotel. Any building or buildings in which the public may obtain transient sleeping accommodations. The term shall include hotels, motels, suites hotels, tourist homes, houses, or courts, inns, rooming houses, or other buildings where transient rooms are furnished for a consideration, but shall not include properties that are residential in character

If 1116 Banks Street is considered a hotel in a residential area, the complex is in violation of the locational requirements described in Section 28-202:



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- It shall be unlawful for any person to... convert any premises for use as a hotel unless following requirements are met:
 - The tract on which the hotel is situated shall have direct frontage on and take primary access to at least one major thoroughfare that is not a residential street, limited access or controlled-access highway, or a street that is non-residential and striped allowing for at least four lanes of moving traffic.
 - No portion of the tract may take any access from any street on which a public park also has frontage if the hotel is within 750 feet of the public park tract (HPARD's Bell Park is approximately 500 feet east on Banks Street.)
 - The property line of the tract on which a hotel with 50 or fewer separately rentable units is situated may not abut at any point any other tract that is in whole or in part residential in character.

Prior to the RNA committee meeting, the at-large 5 team conducted research on regulations, ordinances, and best practices in other cities. Most big Texas and U.S. cities require some sort of registration and permit for STRs while also collecting a hotel occupancy tax. (See attached summary of regulations set forth in other cities.)

We recommend the administration evaluate the pros and cons of registering and permitting STRs in order to identify property owners and locations.

Specifically, to address units in apartment buildings being rented as STRs, if complexes such as 1116 Banks do not meet the city's hotel definition, the city should consider expanding/changing its definition and/or limiting the number of units within an apartment complex which may be listed as STRs.

To further investigate how big a problem party houses are in Houston, we consulted council colleagues about the pervasiveness of short-term rental problems in their respective districts. We also asked for suggestions on what the city should do to mitigate problems.

- District A: Received approximately five complaints on short-term rentals. A suggestion: when HPD goes out to a short-term rental home for a public disturbance and issues citations, there should be a notification process (maybe HPD) in place to notify the property owner of the occurrence. If the problem continues and the property owner fails to address the issues at their property, the city should be able to take legal action.
- District B: Not a concern as of now but we are anticipating rentals in the Fifth Ward.
- District C: Several problems at properties reported throughout the district. Most located in Montrose, MAMA area, Meyerland, and University Place.
- District D: No problems recently reported, but there have been some in the past. With the
 ability for a problem to occur at any time, it may be advisable to get in front of this if it is
 deemed to be pervasive.
- District E: Main concern is people using short-term rentals as a type of boarding house or hostel, especially in neighborhoods having deed restrictions prohibiting operating a business out of a residence.



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- District F: Approximately ten complaints on short-term rentals have been reported to the council office.
- District G: We do not have any active cases related to this issue, but it is something of concern to CM Huffman and to the residents of our district.
- District H: While short-term rentals are not an issue District H office hears about often, there have been two serious complaints in the past year involving guns/shootings at these kinds of properties. One was in First Ward and the other in Near Northside.
- District I: Have had issues in the past and are aware of ongoing issues with short-term rentals in District I.
- District J: Has received complaints both in and outside of District J with issues related to short-term rentals.
- District K: Last year, one community board was concerned with investors purchasing homes to market as short-term rentals, so they were researching avenues to prohibit existing short-term rentals and considering amending their deed restrictions.

Thank you for your consideration. Please contact us with any questions. We look forward to hearing how you'd like to proceed on the bolded requests above.

Sallie Alcorn Chair, RNA

Jallie Olm

Amy Peck Vice Chair, RNA

amy Peck



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Regional:

- Clear Lake Shores banned new STRs citywide
- **Galveston** requires a permit through registration and submittal of monthly/quarterly revenue reports
- Pearland requires a permit through registration following safety inspections
- **West University Place** ordinance severely limits STRs to non-residential zoning districts and owners must acquire a permit

State:

- **Austin** ordinance requires STRs to obtain an operating license and certificate of occupancy annually, provides a list of STR locations published online daily
- San Antonio defines STRs in two categories:
 - Type 1 primary residence of the owner or operator, no density limitation
 - Type 2 property not occupied by owner or operator, restricted to specific zoning districts, and allows up to 12.5% of units on blockface. Only one STR is allowed by right on a blockface or multi-family unit.
 - Once the density limit is reached, a special exception for a permit is needed from the board of adjustment.
- Fredericksburg categorizes STRs by accessory (guest house on homestead property,)
 B&B, condominium, facility (up to 8 units) and unoccupied (transient lodging not located
 on property owner's principal residence), requires a permit (\$150/unit + \$100/bedroom,)
 off-street parking, and restricted to specific zoning districts
- Fort Worth requires a permit through registration and restricted to specific zoning districts
- Arlington requires a permit through registration, sets a maximum occupancy, limits number of available off-street parking spaces, restricts amplified noise and outdoor congregation between 10 pm and 9 am, allowed only in specific zoning districts
- <u>Dallas</u> No official regulations on the books, but Dallas city council just convened on Tuesday, April 4 to review the planning commission's proposal to amend its current zoning ordinance, requiring permits and restricting STRs to commercial and urban corridor districts. The proposed ordinance also sets a two-night rental minimum and limits occupancy to three people per bedroom. This item is set for the April 12 Dallas city council agenda.

National:

- **New Orleans** published a 58-page handbook accompanying an extensive ordinance, categorizes STRs into several different types of permits, ultimately requiring multiple permits depending on the location, size and building-type designation.
 - STR owners and operators are required to acquire either an STR owner or an STR operator permit. Any person over the age of 18 can hold an operator permit as long as they are accessible by telephone and able to be physically present at the unit they manage within one hour.



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- There is no limit to how many STRs one operator can manage; however, there is a cost increase for operators who manage more than one STR.
- Philadelphia requires necessary zoning and rental licenses as well as record keeping of guests, restricts guests of paying guests between the hours of 12 and 8 am, and defines STRs in two categories: limited lodging (rental of a unity which has a primary resident) or visitor accommodations (rental of a unit without a primary resident). Zoning code does not permit visitor accommodations use in lower density residential neighborhoods.
- Atlanta requires a permit, owners/operators can obtain a license for up to two separate properties, the primary residence and one additional dwelling unit without additional requirements fees, licenses or related restrictions
- o Miami requires a certificate of use and inspection, must be licensed with the state of Florida
- Chicago requires a license, restricts to six or fewer sleeping rooms, allowed only in specific zoning districts, and may not rent fewer than 10 hours at a time. In a building with four units or less, the dwelling must be the licensee's primary residence at least 245 days of the calendar year.
- New York City requires registration with the city, booking platforms are prohibited from allowing transactions for unregistered STRs. Renting an entire apartment or home to visitors for less than 30 days is prohibited, even if the person renting the unit owns or lives in the building. Short-term rentals are only allowed if the person renting the unit is staying in the same unit or apartment as the short-term guests; no more than two paying guests are allowed at a time.
- San Francisco requires registration and a business registration certificate. Allowed only if hosts are full-time residents (at least 275 days/year). Rentals are capped at 90 un-hosted day/year