



MEMORANDUM

Council Agenda
Item No. XI. M
11/19/2024

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Ordinance to be introduced, set for public hearing December 3, 2024 and final hearing December 17, 2024, relating to Businesses, amending Chapter 13 of the Oklahoma City Municipal Code, 2020, by amending Article XIII – Home Sharing, Division 1 – Generally, by amending Section 13-500 – Definitions; and Division 2 – License, Sections 13-510 – License required; restrictions on issuance, Section 13-511 – Application required and 13-514 – Suspension, revocation, denial; and by enacting Sections 13-516 – Occupancy limits for home sharing accommodations and 13-517 – Covenants, deed restrictions, overlay requirements; and providing for an effective date.

Background:

On January 15, 2019, City Council adopted Ordinances 26,081 and 26,082 regarding short term rentals, or “home sharing.” (Items IX. A. and B. respectively.) These ordinances define the home sharing lodging use and establish specific standards, including that a Special Exception (SE) must be obtained by the Board of Adjustment if the home share site is not the primary residence of the host. All home sharing uses must obtain a license. Home sharing properties that are the primary residence of the host within a Historic Preservation zoning district must receive both a license and obtain a SE.

Since the adoption of these ordinances, Council members, Board of Adjustment members, and residents have continued to discuss concerns regarding SE home sharing uses and their impacts on neighborhoods. In response, the Municipal Counselor’s office researched possible ordinance changes for further regulating SE home shares and offered legal perspectives about the effectiveness and legality of these ideas. The Planning Department was then asked by the City Manager’s Office to convene focus groups with residents, home share operators, City staff, and Board of Adjustment members to further consider if these or other ordinance changes would address concerns about non-host-occupied home shares and the SE process.

The result of this process are two ordinances for consideration, one that proposes changes to the home share licensing process in Chapter 13 and another that proposes changes to the Use Standards for Commercial Lodging: Home Sharing in Chapter 59.

On June 18, 2024, City Council introduced the ordinance and referred it to the Board of Adjustment and Planning Commission (Item IV.A).

On July 10, 2024, the Planning Commission discussed the ordinance at a Special Meeting.

On August 8, 2024, the Planning Commission introduced the ordinance and set it for public hearing on September 12, 2024.

On August 15, 2024, the Board of Adjustment introduced the ordinance and continued it to the October 3, 2024 meeting.

On September 12, 2024, the Planning Commission unanimously recommend approval of the ordinance.

On September 13, 2024, the Board of Adjustment discussed the item at a Special Meeting.

On October 3, 2024, the Board of Adjustment unanimously recommended approval of the ordinance with additional amendments.

Summary of proposed changes:

The proposed changes to Chapter 13 pertain to all home shares. The changes would:

- Change the definition of “home sharing” to “home sharing/short term rental or home sharing/short term rental accommodation”;
- Add a definition of “primary residence” and list types of identification that could be utilized to prove that the home is the host’s primary residence;
- Add definitions of “dwelling unit” and “parcel”;
- Add a provision that a special exception be obtained if the dwelling unit is the host’s primary residence but the host engages in home sharing/short term rental for more than ten (10) nights in a calendar month;
- Provide that if a license is suspended, revoked, or denied pursuant to this Section, a new home sharing/short term rental license shall not be approved for the same property address for a period of one (1) year.
- Set a maximum occupancy limit based on the number of bedrooms; and
- Clarify that licenses issued pursuant to the home sharing ordinances do not supersede other restrictions and agreements.

The Board of Adjustment recommended that a homestead exemption be required to prove that a home is the primary residence of the host. Staff has not included this provision in the ordinance because tenants who home share their primary residence with authorization from the property owner would not be able to provide a homestead exemption.

Review:

Planning Department

Recommendation: Ordinance be introduced, set for public hearing December 3, 2024 and final hearing on December 17, 2024.