

**City Planning Commission
Planning and Special Projects Committee Meeting
Tuesday, September 29, 2015**

**Public Hearing Deadline: 10/19/15
CPC Deadline: 12/18/15
CC Deadline: None
City Council Districts: All**

PRELIMINARY SHORT TERM RENTAL STUDY

To: Planning and Special Projects Committee

Prepared by: Nicholas Kindel
Date: September 18, 2015

I. GENERAL INFORMATION:

Applicant: City Council Motion M-15-391

Request: Request by City Council Motion M-15-391 for the City Planning Commission to conduct a public hearing and study on the regulation of Short Term Rentals in the City of New Orleans. The study should consider amendments to the short term rental definition, limitations on the size of short term rentals, which districts short term rentals should be prohibited, conditional use, or permitted use, supplemental use standards, temporary use standards, national best practices, and consider changes to bed and breakfast regulations.

Location: The Short Term Rental Study impacts the entire City of New Orleans.

Description: The City Planning Commission is directed to conduct a public hearing and study on the regulation of Short Term Rentals in the City of New Orleans as outlined in City Council Motion M-15-391. The City Planning Commission should conduct and complete the study within 120 days of the passage of Motion M-15-391 and conduct a public hearing within 60 days of the passage of the motion.

Why is this Public Hearing required?

City Council Motion M-15-391 requires the City Planning Commission to hold a public hearing within 60 days of the passage of the motion.

II. BACKGROUND INFORMATION

A. What is the scope of work for the Short Term Rental Study from City Council Motion M-15-391?

The scope of the Short Term Rental Study is outlined in the motion that directs the City Planning Commission to conduct the study. The City Council desires further City Planning Commission study into the regulation of Short Term Rentals in the new Comprehensive Zoning Ordinance (CZO) from a land-use perspective, in light of

municipal regulatory schemes recently enacted by local government entities around the United States. The City Council plans to adopt amendments to the City Code to implement a permitting and enforcement scheme in conjunction with the land-use regulations in the CZO.

The City Council desires comprehensive regulation of Short Term Rentals in the City Code and CZO, consistency between the two, and recommendations from the City Planning Commission as to what provisions should be included in or omitted from the CZO rather than the City Code. City Council Motion M-15-391 directs the City Planning Commission to include the following subject matter in the study, without narrowing its breadth:

1. Whether a more appropriate definition of the use currently referred to as “Short Term Rentals” should be amended into the Comprehensive Zoning Ordinance of the City of New Orleans, such as a bifurcated definition similar to that of “Bed and Breakfast”;
2. Whether the definition of Short Term Rentals, or any amended definition, should include a limitation of the size of any permitted Short Term Rental, such as a limitation on the number of bedrooms or dwelling units that may be rented per lot of record;
3. Where the use currently referred to as “Short Term Rentals” should be prohibited, a conditional use, or a permitted use;
4. If any supplemental use standards are necessary to further regulate such use;
5. If it is appropriate to create a temporary use (as contemplated in Article 21.8[of the CZO]) and any additional specific requirement for either the use currently referred to as “Short Term Rentals” or subcategory of short term rentals if the recommended definition is bifurcated;
6. If there is a set of best practices that has developed based on short term rental regulation recently enacted by local governmental entities around the United States, or a set of recommendations to be made by the City Planning Commission based on its study of such recently enacted regulations; and
7. Whether and how the Council should amend the City’s bed and breakfast regulations in conjunction with any amendments to the City’s short term rental regulations.

City Council Motion M-15-391 grants the City Planning Commission and its staff the flexibility to expand the scope of the study to make any and all legal and appropriate recommendations deemed necessary in light of the study, review, and public testimony resulting from the motion.

B. What are the current regulations for short term rentals and similar uses in the Comprehensive Zoning Ordinance?

The Comprehensive Zoning Ordinance (CZO) provides land use regulations for short term rentals and other similar uses, such as bed and breakfasts, hostels, hotels/motels, and

timeshares. Short term rentals have a catch-all definition that are for any rental for dwelling, lodging, or sleeping purposes for less than 30 days¹ that are not otherwise defined as a hotel, motel, bed and breakfast, or another defined land use. Therefore, short term rentals are defined by what they are not rather than what they are. There are not any use standards for short term rentals and short term rentals are only permitted in the S-LC Lake Area General Commercial District, the MI District Commercial and Recreational Sub-District, and the CBD-7 Central Business District. Short terms rentals are also conditional uses in certain Commercial Center & Institutional Campus Districts and Central Business Districts.²

The other similar uses in the CZO have more specific definitions. Bed and breakfasts are a residential structure with sleeping rooms for overnight paid guest. Accessory bed and breakfasts are owner-occupied and limited to four guest rooms. Principal bed and breakfasts are owner- or operator-occupied with up to nine guest rooms. Bed and breakfasts have a number of use standards that limit their concentration in residential districts and regulate their size and operation. Hostels provide sleeping accommodations in dormitory setting with shared bathrooms, lounge, and kitchen facilities. Hotels/Motels provide a room for sleeping accommodations with a private bathroom. Finally, a timeshare building is a structure containing condominium units or rooms with or without culinary facilities and subject to a timeshare plan. The following sections outline the definitions, use standards, temporary use standards, and permitted and conditional use districts for short term rentals and related uses.

Definitions (Article 26)

Here are the definitions for short term rentals and similar uses from the Comprehensive Zoning Ordinance:

Short Term Rentals. Rentals of a premises or any portion thereof for dwelling, lodging or sleeping purposes with duration of occupancy of less than sixty (60) consecutive days in the Vieux Carré and less than thirty (30) consecutive days outside the Vieux Carré. Hotels, motels, bed and breakfasts, and other land uses explicitly defined and regulated in this ordinance separately from short term rentals are not considered to be short term rentals.

Bed and Breakfast. A residential structure that provides sleeping rooms for overnight paid occupancy. Bed and breakfast is further defined as follows:

- A. Bed and Breakfast, Accessory.** An owner-occupied building designed as either a single- family or a two-family dwelling that has been converted to a single-family dwelling, which provides no more than four (4) guest rooms for overnight paid

¹ 60 days in the Vieux Carré Districts

² Short term rentals are conditional uses in the C-2, MU-1, MC, MS, LS, CBD-1, CBD-2, CBD-3, and CBD-4 Districts.

occupancy of up to fourteen (14) nights. Common bathroom facilities may be provided rather than private baths for each room.

B. Bed and Breakfast, Principal. An owner- or operator-occupied residential structure that provides no more than nine (9) guest rooms for overnight paid occupancy of up to fourteen (14) nights. Common bathroom facilities may be provided rather than private baths for each room.

Hostel. An establishment providing sleeping accommodations for a fee in a sociable accommodation where guests can rent a bed in a dormitory and share bathroom, lounge, and kitchen facilities.

Hotel/Motel. An establishment providing a room for sleeping accommodations for a fee with private bathroom facilities and customary lodging services. Related ancillary uses may include, but are not limited to, conference and meeting rooms, restaurants, sale of convenience items, bars, and recreational facilities.³

Timeshare Building. A building containing condominium units, rooms or suites of rooms, with or without culinary facilities and subject to a timeshare plan. The construction of or conversion to timeshare buildings must be registered with the Department of Safety and Permits by applying for a Certificate of Use and Occupancy.

Use Standards (Article 20)

There are no use standards for short term rentals in the Comprehensive Zoning Ordinance. The only similar use with use standards is a bed and breakfast. In general bed and breakfasts are limited to one per blockface in residential districts and are prohibited in the French Quarter, the Garden District, and a portion of the Lower Garden District. There are different standards for the two types of bed and breakfasts where accessory bed and breakfasts are more residential in nature and principal bed and breakfasts are more commercial uses. Accessory bed and breakfasts are required to be owner occupied, appear to be a single-family dwelling, are limited to four rental bedroom that are less than 25% of the structure, and do not allow for renting common areas for social events. Principal bed and breakfasts allow for operator occupancy, allow up to nine guest rooms, and allow for restaurants and the leasing of common areas. Below are the complete bed and breakfast use standards:

³ City Council is currently considering a text amendment to change Hotel/Motel definition to the following: "An establishment providing a room for sleeping accommodations for a fee with private bathroom facilities and customary lodging services. Related ancillary uses may include, but are not limited to conference and meeting rooms, restaurants, sale of convenience items, bars, and recreational facilities. Hotels shall be permitted to include units for sale designed or used exclusively for permanent residential use"

20.3.I Bed and Breakfast

In addition to the regulations below, all bed and breakfasts shall comply with the regulations of the Department of Safety and Permits and the Department of Finance, Bureau of Revenue.

20.3.I.1 Bed and Breakfast General Standards (Accessory or Principal)

- a. In any residential district, only one (1) bed and breakfast, whether accessory or principal, is permitted per blockface.
- b. Bed and breakfasts are prohibited within the following areas:
 - i. The area bounded by the centerlines of Prytania Street, Pontchartrain Expressway, Magazine Street, and the downside street of Felicity Street from Coliseum Street to Prytania Street.
 - ii. The area referred to as the Garden District, bounded by the centerline of St. Charles Avenue, the downtown side of Jackson Avenue, the centerline of Magazine Street, and the downtown side of Louisiana Avenue, with the exception of those bed and breakfasts grandfathered pursuant to Ordinance No. 14,168 M.C.S., November 12, 1990, subject to confirmation of continuous use and legal non-conforming status.
 - iii. In all Vieux Carré Districts.

20.3.I.2 Bed and Breakfast Accessory Standards

- a. Proof of owner occupancy shall be established by submission of proof of a homestead exemption submitted to the Department of Safety and Permits. The owner-occupant's ownership interest must be at least fifty percent (50%).
- b. If more than one (1) principal building exists on a lot, or two (2) or more contiguous lots have been historically acquired together and the second building was originally constructed and has been used for habitable space, as defined by the Building Code, at least five (5) years prior to the establishment of the bed and breakfast, then it may be included in the operation of the bed and breakfast.
- c. The bed and breakfast shall appear outwardly to be a single-family dwelling, giving no appearance of a business use other than a permitted sign.
- d. The bed and breakfast may have one (1) attached projecting sign not to exceed four (4) square feet in area. The sign shall complement the architecture of the structure.
- e. The bed and breakfast is limited to a maximum of four (4) units for overnight accommodation.
- f. Bedroom rental units are limited to no more than twenty-five percent (25%) of the total habitable space of the gross floor area of the structure.
- g. Cooking facilities are prohibited in individual guest rooms.
- h. If meals are provided, only registered guests may be served.
- i. Leasing of a common dining area for social events is prohibited.

20.3.I.3 Bed and Breakfast Principal Standards

- a. Proof of owner or operator occupancy shall be established by submission of proof of a homestead exemption (owner) or legal leasing agreement (operator) submitted to the Department of Safety and Permits.
- b. If more than one (1) principal building exists on a lot, or two (2) or more contiguous lots have been historically used together and the second building was originally constructed and has been used for habitable space, as defined by the Building Code, for at least five (5) years prior to the establishment of the bed and breakfast, then it may be included in the operation of the bed and breakfast.
- c. All signs shall comply with applicable sign regulations for the zoning district.
- d. The bed and breakfast is limited to a maximum of nine (9) units for overnight accommodation.
- e. Cooking facilities are prohibited in individual guest rooms.
- f. If the zoning district allows restaurants, meals may be served to guests other than those registered with the bed and breakfast, provided the facility meets all other applicable city and state codes for food service.
- g. Leasing of common areas for social events is allowed, provided the facility meets all applicable off-street parking requirements and complies with the noise ordinance and all other provisions of the City Code.

Temporary Use Standards

There are no temporary use standards for short term rentals or any similar uses.

Permitted and Conditional Uses

Below are the use tables that show the zoning districts where short term rentals and similar uses are permitted, conditional, and prohibited uses.

Use Table: Open Space Districts (Article 7)					
Uses	District				
	OS-N	OS-G	OS-R	NA	GPD
Short Term Rental					
Bed and Breakfast – Accessory					
Bed and Breakfast – Principal					
Hostel					
Hotel/Motel					
Timeshare Building					

Use Table: Rural Development Districts (Article 8)		
Uses	District	
	R-RE	M-MU
Short Term Rental		
Bed and Breakfast – Accessory	C	P
Bed and Breakfast – Principal		P
Hostel		
Hotel/Motel		
Timeshare Building		

Use Table: Historic Core Neighborhoods Residential Districts (Article 9)					
Uses	District				
	VCR-1	VCR-2	HMR-1	HMR-2	HMR-3
Short Term Rental					
Bed and Breakfast – Accessory			P	P	P
Bed and Breakfast – Principal			C	C	C
Hostel					
Hotel/Motel					
Timeshare Building					

Use Table: Historic Core Neighborhoods Non-Residential Districts (Article 10)										
Uses	District									
	VCC-1	VCC-2	VCE	VCE-1	VCS	VCS-1	VCP	HMC-1	HMC-2	HM-MU
Short Term Rental										
Bed and Breakfast – Accessory								P	P	P
Bed and Breakfast – Principal								P	P	P
Hostel									P	
Hotel/Motel									P	C
Timeshare Building										

Use Table: Historic Urban Neighborhoods Residential Districts (Article 11)					
Uses	District				
	HU-RS	HU-RD1	HU-RD2	HU-RM1	HU-RM2
Short Term Rental					
Bed and Breakfast – Accessory	C	C	C	C	C
Bed and Breakfast – Principal				C	C
Hostel					
Hotel/Motel					
Timeshare Building					

Use Table: Historic Urban Neighborhoods Non-Residential Districts (Article 12)			
Uses	District		
	HU-B1A	HU-B1	HU-MU
Short Term Rental			
Bed and Breakfast – Accessory	P	P	P
Bed and Breakfast – Principal	P	P	P
Hostel			C
Hotel/Motel			C
Timeshare Building			

Use Table: Suburban Neighborhoods Residential Districts (Article 13)											
Uses	District										
	S-RS	S-RD	S-RM1	S-RM2	S-LRS 1	S-LRS 2	S-LRS 2	S-LRD 1	S-LRD 2	S-LRM 1	S-LRM 2
Short Term Rental											
Bed and Breakfast – Accessory		C	C	C					C	C	C
Bed and Breakfast – Principal											
Hostel											
Hotel/Motel											
Timeshare Building											

Use Table: Suburban Neighborhoods Non-Residential Districts (Article 14)							
Uses	District						
	S-B1	S-B2	S-LB1	S-LB2	S-LC	S-LP	S-LM
Short Term Rental					P		
Bed and Breakfast – Accessory			P	P	P		
Bed and Breakfast – Principal			P	P	P		
Hostel					C		
Hotel/Motel					C		C
Timeshare Building					P		

Use Table: Commercial Center & Institutional Campus Districts (Article 15)									
Uses	District								
	C-1	C-2	C-3	MU-1	MU-2	EC	MC	MS	LS
Short Term Rental		C		C			C	C	C
Bed and Breakfast – Accessory				P	P				
Bed and Breakfast – Principal				P	P				
Hostel	P	P	P	P	P	P	P		P
Hotel/Motel	P	P	P	P	P	P	P	P	P
Timeshare Building		C		C			C	C	C

Use Table: Centers for Industry (Article 16)				
Uses	District			
	LI	HI	MI	BIP
Short Term Rental			P ⁴	
Bed and Breakfast – Accessory				
Bed and Breakfast - Principal				
Hostel				P
Hotel/Motel	P	C	P	P
Timeshare Building			P ⁵	

⁴ Short term rentals are a permitted use in the MI District Commercial and Recreational Sub-District subject to the design standards of Article 16, Section 16.4.C.

⁵ Timeshare buildings are a permitted use in the MI District Commercial and Recreational Sub-District subject to the design standards of Article 16, Section 16.4.C.

Use Table: Central Business Districts (Article 17)							
Uses	District						
	CBD-1	CBD-2	CBD-3	CBD-4	CBD-5	CBD-6	CBD-7
Short Term Rental	C	C	C	C			P
Bed and Breakfast – Accessory	P	P	P		P	P	
Bed and Breakfast – Principal	P	P	P		P	P	
Hostel	P	P	P	P			P
Hotel/Motel	P	P	P	P	C	P	P
Timeshare Building	C	C	C	C			P

Short term rentals, as well as timeshares, are only permitted in the S-LC Lake Area General Commercial District, the MI District Commercial and Recreational Sub-District, and the CBD-7 Central Business District. Short terms rentals are also conditional uses in certain Commercial Center & Institutional Campus Districts and Central Business Districts.⁶ Since accessory bed and breakfasts are required to be residences, they are permitted or conditional uses in most districts that allow residential uses. Accessory bed and breakfasts are allowed in more districts because they are limited in size and required to be owner occupied. Principal bed and breakfast are more intense uses that are limited to higher intensity residential districts and non-residential districts. Because of their commercial nature, hostels and hotel/motels are prohibited in residential districts and are permitted or conditional in the higher intensity non-residential districts.

C. What is the timeline for the Short Term Rental Study?

City Council Motion M-15-391 requires the City Planning Commission to hold a public hearing within 60 days of the passage of the motion and to complete the study within 120 days of the passage of the motion. Given these time constraints, here are the significant dates and deadlines for the Short Term Rental Study:

August 20, 2015: Motion M-15-391 passed by City Council

September 29, 2015: City Planning Commission Public Hearing

November 30, 2015: Deadline for written comments

December 1, 2015: Staff Report for the Short Term Rental Study will be made available to the public

⁶ Short term rentals are conditional uses in the C-2, MU-1, MC, MS, LS, CBD-1, CBD-2, CBD-3, and CBD-4 Districts.

TBD: Planning and Special Projects Committee consideration of the study

December 8, 2015: City Planning Commission consideration of the study

December 18, 2015: Study completion deadline. Recommendation forwarded to City Council

III. How can the public provide input for the Short Term Rental Study?

Written comments should be addressed to the Executive Director and mailed or delivered to the following address:

City of New Orleans
City Planning Commission
1300 Perdido Street, 7th Floor
New Orleans, LA 70112

Written comments can be emailed to CPCinfo@nola.gov. All written public comments received will be posted on the City Planning Commission's website on a regular basis. The deadline for all written comments is Monday, November 30, 2015 at 5:00pm.

As deemed necessary to complete the study, the City Planning Commission staff will hold meetings with various individuals and groups to receive additional information. Details on all of these meetings will be included in the final Short Term Rental Study.

There will be an opportunity for public comments at the Planning and Special Project Committee Meeting (the date and time of this meeting has yet to be determined) and at the Regular City Planning Commission meeting on Tuesday, December 8, 2015 at 1:30pm. The City Planning Commission will take action on the Short Term Rental Study at the December 8th meeting.

~~5-1462~~

MOTION

AUG25'15 11:41AM

NO. M-15-391

CITY HALL: August 20, 2015

BY: COUNCILMEMBERS HEAD, RAMSEY, BROSSETT, CANTRELL, GRAY AND
GUIDRY

WHEREAS the Council of the City of New Orleans adopted Ordinance 26413 M.C.S. ("the new CZO") on May 14, 2015, which became effective on August 12, 2015; and

WHEREAS, Short Term Rentals are defined in Article 26 of the new CZO as:

Rentals of a premises or any portion thereof for dwelling, lodging or sleeping purposes with duration of occupancy of less than sixty (60) consecutive days in the Vieux Carré and less than thirty (30) consecutive days outside the Vieux Carré. Hotels, motels, bed and breakfasts, and other land uses explicitly defined and regulated in this ordinance separately from short term rentals are not considered to be short term rentals.

WHEREAS Short Term Rentals, as defined in the new CZO, are permitted uses in the S-LC and CBD-7 zoning districts and the "MI DISTRICT COMMERCIAL AND RECREATIONAL SUB-DISTRICT" (Article 16.4); and

WHEREAS, Short Term Rentals, as defined in the new CZO, are conditional uses in the C-2, MU-1, MC, MS, LS, CBD-1, CBD-2, CBD-3, and CBD-4 zoning districts; and

WHEREAS, the Council desires further City Planning Commission (CPC) study into the regulation of Short Term Rentals in the new CZO from a land-use perspective, in light of municipal regulatory schemes recently enacted by local governmental entities around the United States; and

WHEREAS, the Council proposes a portion of one of many potential regulatory schemes in this motion, desires City Planning Commission analysis of this Council proposal, but remains open to the CPC recommending a different regulatory scheme if a different scheme is more appropriate for the City of New Orleans or portions thereof; and

WHEREAS, the Council intends to adopt amendments to the City Code to implement a permitting and enforcement scheme in conjunction with the land-use regulation of Short Term Rentals in the CZO; and

WHEREAS, the Council desires comprehensive regulation of Short Term Rentals in the City Code and the CZO, consistency between the two, and recommendations from the City Planning Commission as to what provisions should be included in or omitted from the CZO rather than the City Code, NOW THEREFORE,

BE IT MOVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, that the City Planning Commission is hereby directed to conduct a public hearing and study on the regulation of Short Term Rentals in the City of New Orleans.

BE IT FURTHER MOVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, that the City Planning Commission is hereby directed to conduct and complete the study within 120 days of the passage of this motion and conduct the public hearing within 60 days of the passage of this motion.

BE IT FURTHER MOVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, That the City Planning Commission is hereby directed to include the following subject matter in the study, without narrowing its breadth as described above:

1. Whether a more appropriate definition of the use currently referred to as "Short Term Rentals" should be amended into the Comprehensive Zoning Ordinance of the City of New Orleans, such as a bifurcated definition similar to that of "Bed and Breakfast";
2. Whether the definition of Short Term Rentals, or any amended definition, should include a limitation on the size of any permitted Short Term Rental, such as a limitation on the number of bedrooms or dwelling units that may be rented per lot of record;
3. Where the use currently referred to as "Short Term Rentals" should be prohibited, a conditional use, or a permitted use;
4. If any supplemental use standards are necessary to further regulate such use;
5. If it is appropriate to create a temporary use (as contemplated in Article 21.8) and any additional specific requirements for either the use currently referred to as "Short Term

Rentals” or a subcategory of short term rentals if the recommended definition is bifurcated;

6. If there is a set of best practices that has developed based on short-term-rental regulations recently enacted by local governmental entities around the United States, or a set of recommendations to be made by the City Planning Commission based on its study of such recently enacted regulations; and
7. Whether and how the Council should amend the City’s bed-and-breakfast regulations in conjunction with any amendments to the City’s short-term-rental regulations.

BE IT FURTHER MOVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, That in the process of conducting a public hearing and study on the regulation of Short Term Rentals in the City of New Orleans as provided herein, the City Planning Commission and staff are directed and granted the flexibility to expand the scope of the study and make any and all legal and appropriate recommendations deemed necessary in light of the study, review, and public testimony resulting from this motion.

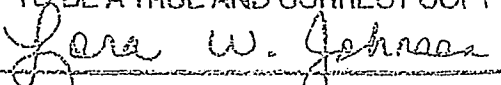
THE FOREGOING MOTION WAS READ IN FULL, THE ROLL WAS CALLED ON THE ADOPTION OF THEREOF AND RESULTED AS FOLLOWS:

YEAS: Brossett, Cantrell, Gray, Guidry, Head, Ramsey - 6

NAYS: 0

ABSENT: Williams - 1

AND THE MOTION WAS ADOPTED.

THE FOREGOING IS CERTIFIED
TO BE A TRUE AND CORRECT COPY

CLERK OF COUNCIL



Short Term Rental Allowed Locations in Current CZO

Blue: Permitted Uses

Red: Conditional Uses



Short Term Rental Allowed Locations in Current CZO

Blue: Permitted Uses

Red: Conditional Uses