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CITY OF NEW ORLEANS

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**City Planning Commission
Supplemental Staff Report
for the
Transient Lodging Study
Tuesday, December 9, 2025**

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Purpose:

The CPC Staff prepared this Supplemental Staff Report in order to 1) emphasize certain legal and policy changes that have occurred during the course of this study; 2) provide the Commission with additional perspective and recommendations for consideration; 3) outline potential future considerations in the event that changes occur within the hospitality industry and/or the City's policy preferences; and 4) to provide information about next steps in light of the ongoing Mayoral and Council transitions.

1. Legal and Policy Changes:

a. IZDs

During the course of this study, the zoning regulations that apply to Commercial Short Term Rentals (CSTRs) have changed:

- In 2023, the City Council requested the Transient Lodging Study in conjunction with the adoption of the Commercial Short Term Rental Interim Zoning District (IZD). The IZD effectively prohibited the licensing of any additional CSTRs for a period of one year, which was extended for a second year. This IZD lapsed on November 5, 2025.
- On October 23, 2025, the City Council adopted a Motion establishing a second IZD – the Transient Lodging IZD – which makes all “Transient Lodging Uses” (CSTRs, hotels, motels, bed & breakfasts, hostels and timeshares) conditional uses. This IZD went into effect immediately and will remain in effect until new CSTR regulations are enacted, or until one year from the date on which the Council approves the final ordinance.

Accordingly, prior to October 23, 2025, no new CSTR licenses were issued. Since then, new CSTR licenses (as well as any other Transient Lodging Use) can only be applied for through the conditional use process. As of the date of this report, no such conditional use applications have been received.

b. Litigation

The City has participated in a significant amount of STR-related litigation over the last few years. The outcomes of this litigation have changed the regulatory legal framework with which the City regulates STRs. While most of the litigation stems from the City's Non-Commercial Short Term Rental (NSTR) regulations, many of the issues relate to CSTR regulation as well:

- The US Fifth Circuit Court of Appeals, in *Hignell v. City of New Orleans*, upheld the City's regulations requiring STR platforms (AirBnB, VRBO, etc.) to take down any listings for NSTRs that did not identify a valid City-issued NSTR license. As a result of this regulation, there has been a significant decrease in illegal STR listings.
- However, the *Hignell* Court also struck down the City's regulations prohibiting corporate ownership of NSTRs, preventing corporations from obtaining NSTR operator licenses, and requiring operator residency in an NSTR.

c. MIZ Study

Concurrent with the Transient Lodging Study, the CPC worked with HR&A advisors to complete a Mandatory Inclusionary Zoning (MIZ) Market Feasibility Analysis and Office Conversion Evaluation. This study paints a bleak picture for the current New Orleans real estate economy. Even in the city's strongest market, the Central Business District, a 100% market-rate multi-family housing development is not feasible due to population decline, and an increase in insurance costs, interest rates and construction costs. As a result, investment in new housing has stagnated while demand for hotels remains strong.

d. Market Changes

In October of 2025, Sonder, one of the country's largest STR operators, and one of the City's largest CSTR operators, declared bankruptcy and ceased operations. There is no indication that the bankruptcy was due to the New Orleans economy. Nonetheless, the Sonder bankruptcy will certainly impact the local CSTR market. Because the bankruptcy was so recent, it is too early to fully understand those impacts.

2. Additional Perspective, Clarification and Recommendations:

The existing Commercial Short Term Rental regulations are relatively lenient. CSTRs are permitted broadly across many non-residential zoning districts throughout the city without a density restriction, including in single-family homes. Unlike NSTRs, Commercial STRs do not require an operator on-site, leading to purported quality of life issues where CSTRs are clustered within pockets of non-residential zoning districts but located within a neighborhood context. The properties surrounding the intersection of Burgundy and Bartholomew Streets in the Bywater neighborhood, for example, are zoned HM-MU Historic Marigny/Tremé/Bywater Mixed Use District due to area's historic use as a meatpacking plant. This zoning designation permitted the prevalence of CSTRs in the area in both a condominium and single-family housing context.

This scenario is not unique to this section of the Bywater. Many neighborhoods, especially in the Historic Core and Historic Urban areas of the city, have pockets of non-residential zoning that exist within the interior of neighborhoods. The Tulane/Gravier neighborhood has large swaths zoned MU-2 High Intensity Mixed-Use Zoning District and many non-residential zoning districts encompassing commercial corridors extend into neighborhoods.

The recommendations in the Transient Lodging Study heavily restrict the location of hotels/motels and CSTRs. They include severely limiting all transient lodging uses in the Historic Core and Historic Urban non-residential zoning districts, allowing bed and breakfasts (limited to five guest bedrooms) as a permitted use *only* in residential districts, and adding new use permissions for CSTRs in the use tables (thereby vesting their land-use entitlement). The Study also recommends creating new, more nuanced categories for hotels (neighborhood and large – differentiated by the number of room keys and ancillary use permissions) and CSTRs (Small, Medium and Large – differentiated by unit and guest number). It is important to note that as regulations are tightened, it must be accompanied by the resources to enforce those new regulations.

The recommendations in the Transient Lodging Study were a response to the conditions at the time the study began. As the past ten years have clearly shown, the industry is rapidly evolving and requires forward thinking regulations while also accounting for the realities of today.

The City Planning Commission staff offers considerations that differ from the recommendations in the Transient Lodging Study. These considerations are a result of what has transpired in the last year – during the timeframe of the Study -and to address ongoing pressure to accommodate one of the City’s largest industries in a more balanced and responsible way.

a. Allow bed and breakfasts in certain non-residential zoning districts.

The Transient Lodging Study recommends simplifying the two types of existing bed and breakfasts by replacing the separate “accessory” and “principal” bed and breakfast categories with a single “Bed and Breakfast” category. Under this proposal, what is currently defined as a principal bed and breakfast (5-9 guest bedrooms) would be reclassified into a new hotel typology, while the new recommended Bed and Breakfast use would be limited to five guest bedrooms and permitted only in residentially zoned districts. The City Planning Commission staff views the new bed and breakfast classification as a low-impact transient lodging use. The new definition would ensure there are no more than five guest bedrooms and it would require an operator to live on-site.

Under the current regulations, bed and breakfasts are permitted in some non-residential zoning designations due to their districts’ mixed-use nature. The HU-MU Historic Urban Neighborhood Mixed-Use District, for example, permits single-family dwellings in addition to more intense commercial uses. It would be incongruent with the purpose and use consistency of these mixed-use districts to prohibit bed and breakfasts should the recommendations in the Transient Lodging Study be adopted.

Historically, restrictions around bed and breakfasts were loosened to help with revitalization efforts. In the 1990s, bed and breakfasts became a use permitted by-right in

certain locations - such as along portions of Esplanade Avenue - to generate extra income for owners of historic single-family properties, helping to preserve and maintain these structures. While concerns were voiced by neighbors that these uses could negatively impact their neighborhood character, ultimately using the structures as bed and breakfasts was a preferable alternative to demolition or blight.

Moreover, family size has steadily decreased in New Orleans resulting in less demand for the large single-family homes found throughout the city, some of which are located in non-residential zoning districts. Offering the adaptive reuse prospect of a bed and breakfast can respond to evolving market demands and facilitate their preservation.

Throughout the public outreach efforts as part of the Transient Lodging Study, participant feedback indicated that bed and breakfasts - a long-established use in the city - have not generated the type of negative impacts or concerns that are typically associated with short term rentals. They're seen as compatible both within a neighborhood context as well as along a commercial corridor. For these reasons, the staff believes the use should not be confined to only residentially zoned areas.

b. Allow Neighborhood Hotels in Historic Core Non-Residential Districts, Historic Urban Non-Residential Districts and Mixed Use Districts.

Several of the City's Historic Core neighborhoods – Faubourg Marigny, Bywater and Tremé – have borne the brunt of the explosive growth of STRs over the last ten years. These neighborhoods are in close proximity to the French Quarter, which is the most prominent tourist attraction in the City and the primary source of transient lodging demand. However, because of a longstanding “hotel moratorium” in the French Quarter, STR regulations have prohibited them in the French Quarter, with the exception of the VCE District along Bourbon Street. As a result, these proximate neighborhoods absorbed a disproportionate amount of STR development. Accordingly, the Transient Lodging Study effectively recommends a complete prohibition of transient lodging uses in these neighborhoods, with minor exceptions.

Staff believes that further consideration should be given to permitting neighborhood hotels in the Historic Core commercial and mixed use districts. The Transient Lodging Study recommends a tiered framework for hotel uses, ensuring the regulations reflect the potential impact of the uses based on number of rooms, guests, and ancillary uses. Hotels would be divided into two categories - neighborhood and large - where neighborhood hotels contain 20 or fewer room keys and may only have ancillary uses such as bars or standard restaurants if permitted in the base zoning district. In general, while STRs and large hotels have generated significant opposition from neighborhoods, smaller hotels have not. In almost every case, opposition to hotel proposals in these neighborhoods has focused on attempts to “max out” the number of room keys by combining lots and seeking variances. Permitting hotels that are scaled to be consistent with neighborhood character and are defined by a hard cap on the number of keys will eliminate the opportunity to “max out” development and may be an appropriate balance.

Staff also believes that further consideration should be given to permitting neighborhood hotels in the HU-MU Historic Urban Mixed Use District (possibly as a conditional use) as well as permitting them by right in the MU-1 and MU-2 Mixed Use Districts. Again, the built-in limitations for neighborhood hotels should mitigate adverse impacts in these districts while accommodating an important industry.

c. Make CSTRs temporary uses

When the City adopted new NSTR regulations in 2023, they were specifically defined as temporary uses as opposed to permanent entitlements. This designation gives the City tremendous leverage in enforcing NSTR regulations: if an operator loses their NSTR license, or sells the property, the right to operate an NSTR on that property ends. Because of the one per square limitation on NSTR licenses, another operator could gain the right to operate an NSTR on another property in the square. The temporary use designation incentivizes compliance and good behavior. Moreover, if NSTR regulations continue to evolve, the licensed NSTRs would not have any vested right to continue operating under the former regulations, ensuring consistency in enforcement and lessening confusion.

The CPC staff recommends a similar approach for CSTRs. Note that if the Council adopts CSTR regulations utilizing conditional uses – as recommended by Desire Line – such approvals would create permanent land use entitlements, not temporary privileges. For this reasons, the CPC staff recommends that utilizing conditional uses for CSTR regulation be avoided (see below).

d. Distinguish Differences in CSTR Legal Status

Whenever new CSTR regulations are adopted by the City Council, there will be three distinct versions of CSTRs:

- The first version will be those that were licensed prior to the adoption of the Commercial Short Term Rental IZD in 2023. Under the regulations in effect at the time, these CSTRs were permitted by right, and therefore there is a permanent land use entitlement for those locations – they are allowed to continue operating in accordance with the former regulations. Once new CSTR regulations are adopted by the City Council, superseding the former regulations, these CSTRs will be allowed to continue operating under the former regulations as legal non-conforming uses.
- The second version will be those CSTRs that may be approved under the recently-adopted Transient Lodging IZD. These CSTRs would be approved as conditional uses, which are permanent land use entitlements. When new regulations are adopted, they would be allowed to continue operating as legal non-conforming uses in accordance with the requirements of the specific conditional use approval.
- The third version, of course, would be the CSTRs permitted under the new regulations.

Having three different versions of CSTRs that are subject to three different sets of regulations could lead to confusion if they are all called the same thing. It may be less confusing to identify them as different land uses, similar to what was done when Residential STRs were replaced by NSTRs.

e. Align NSTR Regulations Where Appropriate

Non-Commercial Short Term Rentals (NSTRs) were outside the scope of the Transient Lodging Study because new regulations for this use were codified in 2023. However, the CPC staff notes the Study recommends to increase the renewal period from one year to two years for CSTRs. This should also be applied to NSTRs. The recommendation provides more predictability for operators and reduces the administrative workload for the staff in the Department of Safety and Permits as well as the license holders. Should the City Council adopt his recommendation, it should consider amending the NSTRs regulations to match, so the provisions are consistent across both the residential and commercial STR regulatory framework.

On a broader note, the CPC staff believes that further consideration should be made to narrow or eliminate the distinction between NSTRs and CSTRs. As early as 2015, when the CPC began studying STRs, there has been a clear distinction between commercial and non-commercial STRs. This distinction stemmed from the early recognition that STRs were inherently commercial uses. As such, the early policy response was to steer the STR away from residential areas and towards commercial areas. This led to the original CPC recommendation that regulations should be highly restrictive in residential districts, but relatively lenient in commercial districts.

The original regulations that were ultimately adopted by the City Council were much more permissive than the CPC had recommended. Over time, as the STR industry spread, the negative impacts of STRs – especially in residential areas – became more and more apparent, and the City adopted increasingly restrictive regulations in residential areas. At the same time, CSTR regulations remained relatively lenient, with few changes from the original 2017 regulations. That changed in 2023, when the former Brown’s Dairy site was developed with an extremely high concentration of CSTRs, which prompted this study and the IZD prohibiting CSTRs Citywide.

The IZD prohibiting CSTRs Citywide was a gigantic shift in the City’s policy approach to CSTRs – from leniency to outright prohibition (albeit temporarily). The clear direction from the Council in adopting the IZD and calling for this study was that CSTRs, like NSTRs, need to be regulated in a much more restrictive manner. The findings and recommendations of the study bear this out: the regulations recommended by Desire Line are extremely restrictive – in some cases similarly to, or more so than, NSTR regulations. In fact, the primary restriction recommended – a one per square density limitation – generally mimics the most recent NSTR regulations.

The shift in policy approach from lenient to restrictive, combined with recent court decisions limiting certain fundamental components of the City’s policy approach to

residential STR regulation (homeownership requirements, prohibiting corporate ownership, operator residency, etc.) has significantly reduced the policy distinction between CSTRs and NSTRs. This raises the question of whether separate regulatory regimes (e.g., use definitions and standards, administrative processes, licensing requirements, etc.) are necessary, and whether a single regulatory regime, or a more aligned approach, would be easier and less confusing to administer and enforce. As the City Council considers new CSTR regulations in the coming months, the CPC staff recommends that they consider this possibility – especially given the City’s ongoing financial restraints.

f. Avoid Conditional Uses

One of the primary recommendations of the CPC’s recent Land Use Barriers Study is that the City should significantly reduce its reliance on the conditional use process. This process is highly burdensome to applicants, and in many cases, the same outcomes can be achieved through clearer use standards in the Comprehensive Zoning Ordinance. Additionally, the conditional use process requires significant staff resources. Again, given the City’s recent financial restraints, the CPC staff recommends that conditional uses not be relied upon to regulate STRs.

That being said, the CPC staff recognizes that STRs are inherently impactful, and that in some circumstances, a more thorough and site-specific review is required. These are the situations that the conditional use is designed to address. Accordingly, as the City Council considers new CSTR regulations, the CPC staff recommends that if such circumstances exist, the Council utilize conditional uses sparingly, and with clear, use-specific review standards rather than the general standards currently in the CZO. Finally, if the Council elects to utilize conditional uses for CSTRs, it should note that such approvals would create permanent land use entitlements – not temporary privileges as recommended above.

g. Transient Lodging in the French Quarter

The Desire Line recommendations include maintaining the current regulations permitting CSTRs in the VCE District and expanding this permission to the VCE-1 District. If the Council elects to adopt these recommendations, it should note that the City Code defines a short term rental as being shorter than 60 days in the French Quarter, as opposed to 30 days in the rest of the City. To the extent that the CZO language conflicts with this definition, the City Council should clarify the distinction.

The Desire Line recommendations also recommend allowing neighborhood hotels in the VCE-1 District. This change would be a departure from the longstanding “hotel moratorium” that has existed in the French Quarter since 1969. The hotel moratorium was established in response to increasing pressure to demolish historic structures in the French Quarter to make way for large scale, “historic looking” new hotel construction. While the approval of such large scale demolition is much less likely due to preservation policy shifts, the introduction of hotels in the French Quarter – even smaller neighborhood hotels – would further erode the tenuous residential presence in the Quarter. Accordingly, the CPC staff recommends against allowing neighborhood hotels in the VCE-1 District.

Note that the CPC staff's support of the recommendation to expand CSTRs to the VCE-1 District may appear contradictory to its position on neighborhood hotels. However, the staff's support is based upon the understanding that such expansion would be limited by the one per square proposal also recommended by Desire Line. In that context, staff believes that the impact of one CSTR per square would not be comparable to that of a 20-unit neighborhood hotel.

h. Clarification Regarding Legal Status of Existing CSTRs

After Desire Line's October 23rd presentation to the CPC, there was some confusion about how new regulations would affect existing CSTRs. Because the regulations in place at the time defined CSTRs as permanent land use entitlements, they would be allowed to continue operation pursuant to the former regulations should new regulations be adopted. They would be considered legal non-conforming uses.

3. Potential Future Considerations

Desire Line's proposed Transient Lodging Study understandably focused on developing recommendations that reflect the current circumstances in New Orleans: an over-saturation of STR's in many neighborhoods, significant numbers of illegal STR operations, uneven enforcement, and constantly changing legal limitations. Accordingly, the study calls for significant restrictions to CSTR activity to 1) prevent continued saturation of CSTRs, thereby freeing up opportunities for housing and small business development, and 2) to give newly adopted regulations, policies and processes an opportunity to work. This approach reflects the overwhelming feedback obtained from a broad cross-section of stakeholders that the City needs to "put the brakes on" the continued growth of the STR market in New Orleans.

Implicit in Desire Line's recommendations is the presumption that the proposed regulations will bring the STR industry under control, and STRs will no longer have such a negative impact on the City's quality of life. As circumstances change, the City may decide to revisit its regulatory approach and explore ways to permit expansion of the STR industry in strategic ways. Towards that end, the CPC staff believes that the study should be supplemented with general guidance about how future decisionmakers should approach any possible expansion:

a. Allow CSTRs in the Historic Core non-residential districts.

In the Desire Line study, Commercial Short Term Rentals would be divided into three categories, small, medium and large. Small CSTRs allows one unit with no more than two guest bedrooms and four guests that may be located in a multi-family development. A Medium CSTR allows 2-4 units with no more than two guest bedrooms and six guests within a multi-family development, and a large STR is a whole home single-family dwelling with up to seven guest bedrooms and 20 occupants.

Breaking these uses into smaller sub-categories allows a more nuanced approach to where they can be located. Lower impact uses such as the neighborhood hotel or the small CSTR, could be permitted in more zoning districts while those with higher impact such as a large

hotel or a medium Commercial Short Term Rental, can be confined to districts that support higher intensity uses.

Additional recommended restrictions in the Study would allow only one type of CSTR per block/square, mirroring the existing regulations for NSTRs. The restriction factors in existing CSTRs in the calculation, severely restricting where new CSTRs - of any type - can be located, helping to mitigate an over proliferation of CSTRs in any given area. Due to the high concentration of CSTRs already licensed in the Historic Core and Urban non-residential districts, this limitation would tightly restrict new opportunities for CSTRs. Hotels are not subject to this block limitation.

The Transient Lodging Study recommends prohibiting CSTRs and hotels from the Historic Core and Urban non-residential districts (with a small exception in the French Quarter). These are the areas with some of the highest demand for transient lodging uses. However, the recommendation of a CSTR tiered framework and the implementation of a block limitation addresses many of the voiced concerns heard from the public. The staff believes that as the new CSTR regulations successfully reign in the over-proliferation of STRs in these high demand areas, the City should consider strategically reintroducing CSTR opportunities in a way that supports economic development goals without compromising neighborhood character, and balancing housing needs and tourism.

b. Allow higher concentrations of CSTRs in strategic locations

i. Designated Commercial Corridors and Large Vacant Former Industrial Sites

If and when future decisionmakers decide to explore the possible expansion of CSTR opportunities, they should avoid one-size-fits-all approaches that open up such opportunities for certain zoning districts wherever they may be located in the City. There are numerous instances in which the same commercial or mixed use districts are applied in vastly different circumstances. For example, a commercial or mixed use district may be applied to an isolated former industrial property in the middle of an otherwise residential neighborhood. That same commercial or mixed use district could also be applied to an active commercial corridor or a large vacant formerly industrial site that has been historically separate from any significant residential presence. Clearly, the contexts of these places are significantly different, even though the zoning is the same. Consequently, a one-size-fits-all change to permit CSTRs in a specific zoning district could have vastly different impacts depending on the location and context. Accordingly, future decisionmakers should prioritize more strategic and place-based changes focusing on those commercial corridors and large former industrial sites which can accommodate increases in density limits without significantly impacting residential neighborhoods. Such increases in density limitations should be accomplished through overlay districts or planned developments (possibly new types) rather than across-the-board changes to density limitations by zoning district.

ii. Hospitals and Universities

The Desire Line study recognizes that hospitals and universities create different demands for transient lodging uses than tourist destinations. Visitors to universities and hospitals include patients, families visiting students or patients, visiting academics and researchers, prospective students, etc. These visitors tend to be much less disruptive than tourists. Because of this, the study recommends that CSTRs and other transient lodging uses be permitted in medical and educational districts.

However, this recommendation would generally apply to transient lodging uses located on hospital or university campuses. Such opportunities may be limited depending on the location. The CPC staff believes that future decisionmakers should prioritize neighborhoods and corridors immediately adjacent to hospital and university campuses when considering possible expansions of CSTR opportunities. Again, overlay districts or planned developments would be preferable to across-the-board density increases.

iii. Incentivizing Desired Development Activity

The potential for significant revenue generation is the main reason that STRs are so impactful: STRs are far more lucrative than long term rentals, and therefore, have significantly impacted the availability of affordable housing opportunities in the City – especially in historic neighborhoods close to jobs and amenities. However, this potential for revenue generation could also create opportunities to incentivize desired development. The City already does this with Small Multi-Family Affordable developments, in which an exception to existing NSTR density limitations are available to offset the reduced revenue generated by an affordable unit. Additionally, the CPC’s Canal Street Study recommends that Canal Street be exempted from STR limits in order to encourage the development of long-vacant upper stories. The CPC staff recommends that future decisionmakers prioritize additional opportunities to strategically utilize STRs to incentivize desired development: affordable housing, blight remediation, corridor revitalization, affordable homeownership, etc.

iv. “Mardi Gras” Rentals

When STR regulations were first considered in 2017, the CPC recommended an STR type intended to codify the longstanding practice of homeowners renting out their homes for isolated events such as Mardi Gras, Jazz Fest, etc. Such a license would allow a maximum of 30 days over the course of a year for this type of rental. This proposal received no opposition during the course of the CPCs consideration. However, when the City Council considered the CPC’s recommendation, the 30-day limit was increased to 90 days, effectively creating the opportunity for whole-home rentals in residential districts, which in turn led to many of the negative STR-related impacts experienced of the last 10 years. When those regulations were amended, such rentals effectively became illegal. While the CPC staff recognizes that public sentiment may have shifted over the last 10 years, the staff recommends that future decision makers reevaluate the viability of permitting such uses.

v. *“Single Room” Rentals*

Another STR type that was generally acceptable to most stakeholders in previous STR debates is the ability for a homeowner or renter to rent out a single room in a house as an STR. In many cases, this type of rental was sought in order to enable residents to remain in their homes because of rising costs and decreasing affordability. Despite the fact that both STR opponents and proponents generally found this use to be acceptable, neither the current NSTR regulations nor the proposed CSTR regulations allow it outside of the one license per square regulatory structure. Again, recognizing that sentiments may have changed, the CPC staff nevertheless recommends that future decisionmakers reevaluate the viability of permitting such uses.

4. Next Steps

The CPC will consider the Transient Lodging Study presented by Desire Line, as well as the CPC Staff’s Supplemental Staff Report, at its December 9, 2025, meeting. At that meeting, the CPC may adopt the recommendations of the study and staff report – either in whole or in part, or with other modifications. The CPC also has the option to defer consideration to a later meeting if additional information or time is necessary. Once the CPC adopts the study, the adopted study will be transmitted to the City Council as requested in the original 2023 motion.

Once the City Council receives the transmitted study, the expectation is that they will review the study findings and prepare new CSTR regulations. There is no time limit within which they must do so. There is also no obligation for the Council to base proposed regulations on the study recommendations. When the Council proposes new CSTR regulations, it will do so as a Zoning Docket – a revision to the CZO – and their proposal will be considered by the CPC as part of the review process. CPC recommendations on the proposal will be transmitted to the Council for final consideration. In the event that the Council chooses not to enact new CSTR regulations, the requirements of the current IZD will remain in effect until it is rescinded or it expires. If that happens, the former CSTR regulations (pre-2023 IZD) would once again be effective.

The terms of current Councilmembers will end on January 12, 2026, when a new Council is sworn in. The current Council has indicated that it does not intend to consider the study or propose new CSTR regulations before the new Council is inaugurated. It will therefore be up to the new Council to consider the study findings and propose new regulations. It is likely that it will require additional time for new Councilmembers to get settled into their new roles and be prepared to address this issue. The CPC staff will work with the Council staff to inform the new Council about the study findings and any other background information they request in order to consider new CSTR regulations. Once the new Council establishes a timeline for that consideration, the CPC staff will post that information on its website, social media and other noticing platforms.

The CPC staff wants to thank Desire Line for its tremendous work on this study. While it took the City a long time to identify funding sources and go through the procurement

process, once Desire Line was under contract, they worked exceptionally hard to complete a significant amount of research, outreach and analysis as quickly as possible. The study they produced is the best demonstration of that effort. We have enjoyed working with the Desire Line team. Unfortunately, the contract with Desire Line expires on January 13, 2026 – the day after the new Council is sworn in. Due to the City’s current financial issues, it is highly unlikely that the contract will be extended. The CPC staff will work with Desire Line to ensure that any follow-up work is completed before the contract expires, and also to coordinate the transfer of any materials – including the Transient Lodging website – so that everything remains available to the City and the public. After January 13th, the CPC staff will work with the Council staff to ensure that the Council is fully informed about the study findings as it moves forward to consider new regulations.