

ORDINANCE NO. _____

AN ORDINANCE OF THE LEWISVILLE CITY COUNCIL AMENDING VOLUME 2 OF THE LEWISVILLE CITY CODE, KNOWN AS THE UNIFIED DEVELOPMENT CODE (UDC), BY AMENDING SECTION II.2.1., “DEFINITIONS” TO ADD A DEFINITION OF “SHORT-TERM RENTAL UNIT”; AMENDING ARTICLE VII, “USES, PARKING REQUIREMENTS, SUPPLEMENTAL USE REGULATIONS AND CERTAIN DISTANCE REGULATIONS”, TO AMEND THE HEADING OF ARTICLE VII TO “USES, PARKING REQUIREMENTS, SUPPLEMENTAL USE REGULATIONS AND CERTAIN DISTANCE AND DENSITY REGULATIONS” AND THE HEADING OF CHAPTER VII.4. TO “CERTAIN DISTANCE AND DENSITY REGULATIONS”, TO ADD A NEW SECTION VII.4.3. ESTABLISHING DISTANCE AND DENSITY LOCATION REGULATIONS FOR SHORT TERM RENTAL UNITS, AND TO REPEAL AND DELETE SECTION VII.2.1.5., “INTERIM PROHIBITION ON SHORT-TERM RENTAL OF DWELLING UNITS”; AND PROVIDING FOR A SAVINGS CLAUSE, REPEALER, SEVERABILITY, A PENALTY, AND AN EFFECTIVE DATE.

WHEREAS, for clarity, the existing definition of a short-term rental (“STR”) unit needs to be moved to the definitions section of the UDC; and

WHEREAS, on February 19, 2024, the City Council approved a one-year interim prohibition on new STR units which took effect on March 4, 2024 and expired on March 3, 2025; and

WHEREAS, on March 3, 2025, the City Council set a maximum number of active STR unit permits to 130; and

WHEREAS, the interim prohibition has expired and should be removed from the ordinances; and

WHEREAS, City staff was directed to research the nature and extent of STRs in the City and provide recommendations, based on that research, on the need for location regulations to

protect residential areas where higher densities of STRs may disrupt the residential character of the area; and

WHEREAS, City residents have voiced concerns about STRs including an increase in housing prices, decreased availability of affordable housing for residents, and adverse impacts on residential areas, including a lack of street parking, noise disturbances and other criminal complaints, increased traffic, and a diminished sense of community; and

WHEREAS, the regulation of the use and operation of STRs is consistent with the City of Lewisville’s 2025 Vision Plan Update (2025 Vision Plan) which provides for diverse and thriving neighborhoods as one of its “Big Moves,” focusing on the continued reinvestment in existing neighborhoods to retain lifelong residents while attracting new families and residents; and

WHEREAS, the City Council recognizes the importance of balancing the needs of homeowners and STR owners while preserving the character and integrity of its residential areas; and

WHEREAS, other cities have successfully implemented density and distance standards for STRs, leading to more stable and livable communities, with improved neighborhood cohesion; and

WHEREAS, in 2024, City staff received 103 concerns from the community about 41 different STR unit locations related to property maintenance, neighborhood disturbances, and other violations of ordinances and 26% resulted in either arrests, warnings, citations, offense reports, or towed vehicles by the Lewisville Police Department or a notice of violation or citation issued by the Code Enforcement Department; and

WHEREAS, through the permitting process, staff is seeing emerging trends of collocation of STR units in certain areas in Lewisville; and

WHEREAS, the City's limit on the total number of STR unit permits does not address issues of collocation or concentration in a certain area of town and allows for STR units to cluster; and

WHEREAS, currently no permitted STR unit operates in a multi-family dwelling in Lewisville but STR units in multi-family dwellings are common in other cities, and thus it is reasonable to expect that permits for STR units in multi-family dwellings might be requested in the future; and

WHEREAS, STR units in multi-family dwellings were not considered when the limit on the number of STR unit permits was adopted so that limit was based on a percentage of existing single-family dwellings; and

WHEREAS, due to the inherent differences in the nature of single-family dwellings and multi-family dwellings, including higher density of multi-family units in close proximity, lower ratios of off-street parking per multi-family unit, less direct street or right-of-way access per multifamily unit, multi-family units which are stacked on top of each other, higher prevalence of renters in multi-family units, a different limit is needed for multi-family dwellings than for single-family dwellings; and

WHEREAS, in March 2025, 64% of the 602 respondents to a City STR survey supported a minimum distance between STR unit permits citywide, 71% agreed that there should be a limit

on the number of STR units in an apartment complex, and 79% agreed that there should be a limit of the percent or number of STR units per block face; and

WHEREAS, in a follow-up to this survey, 32% of 29 participants of an open house and respondents to a secondary survey indicated that a distance between 820 and 1,000 feet between properties upon which STR units are located was appropriate in single-family neighborhoods; and

WHEREAS, based on the STR data and public input received, density and distance standards for STR units align with the 2025 Vision Plan, by protecting the character of established residential neighborhoods while ensuring health and safety by maintaining a balanced growth rate of STR units and preventing an oversaturation in a particular area that could alter neighborhood identity and endanger the residential character and integrity of residential areas; and

WHEREAS, based on the above findings, the City Council finds it appropriate to implement distance and density standards for STR units in order to balance the growth in the number of STR units with the preservation of the City's quality of life, preservation of residential character and protection of residential integrity, and long-term sustainability; and

WHEREAS, the City Council finds it is in the best interest of the citizens of Lewisville and will protect the public health, safety, and welfare to repeal the one-year interim prohibition language and establish distance and density standards for STRs in the City, necessitating certain amendments to the Lewisville City Code.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS:

SECTION 1. The findings contained in the recitals to this ordinance are determined to be true and correct and are adopted as part of this ordinance.

SECTION 2. Section II.2.1. of the UDC is hereby amended to add a definition for “Short-Term Rental Unit” to read as follows:

“**Short-Term Rental Unit** - Any dwelling unit or portion thereof offered to the transient public for compensation for a period of less than 30 consecutive days. The term shall not include a hotel, motel, or inn or bed and breakfast.”

SECTION 3. Article VII, “Uses, Parking Requirements, Supplemental Use Regulations and Certain Distance Regulations”, of the UDC is hereby amended by amending the heading of Article VII to “Uses, Parking Requirements, Supplemental Use Regulations, and Certain Distance and Density Regulations” and amending the heading of Chapter VII.4. to “Certain Distance and Density Regulations”.

SECTION 4. Article VII, Chapter VII.4., “Certain Distance Regulations”, of the UDC is hereby amended by adding a new Section VII.4.3, “Short-Term Rental Units” to read as follows:

“Section VII.4.3. Short-Term Rental Units

- A. A property upon which a short-term rental unit is located within a single-family attached dwelling, single-family detached dwelling or duplex shall not locate within 1,000 feet of another property upon which a short-term rental unit is located within a single-family attached dwelling, single-family detached dwelling or duplex, as measured from property line to property line. Measurements required under this section shall be taken at the shortest distance in a straight line between property lines, without regard to intervening structures. Short-term rental units that have obtained a permit or begun the permitting process as set forth in section 4-201 of Volume 1, Chapter 4 of the Code of Ordinances prior to the effective date of this ordinance will be considered legal nonconforming uses subject to Article V, Nonconformities.

- B. No more than 3% of dwelling units in a multi-family dwelling may have a short-term rental unit located within the dwelling unit at any given time, except that at least two short-term rental units may locate within a multi-family dwelling at any given time. Where a property contains multiple multi-family dwellings, the entire property shall be considered one multi-family dwelling for the purposes of this section.”

SECTION 5. Section VII.2.1.5 “Interim Prohibition on Short-Term Rental of Dwelling Units”, has expired, is hereby repealed, and shall be removed from the city code.

SECTION 6. SAVINGS CLAUSE. Nothing in this ordinance shall be constructed to affect any suit or proceeding pending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any act or prior ordinance; nor shall any legal right or remedy of any character be lost, impaired, or affected by this ordinance.

SECTION 7. REPEALER. Every ordinance or parts of ordinances found to be in conflict herewith are here by repealed.

SECTION 8. SEVERABILITY. If any section, sentence, clause, or phrase of this ordinance shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining sections, sentences, clauses, or phrases of this ordinance, but they shall remain in effect.

SECTION 9. PENALTY. Any person, firm or corporation who violates any provisions of this ordinance shall be deemed guilty of a misdemeanor and, upon conviction thereof in the municipal court, shall be subject to a fine of not more than \$2,000.00 for each offense, and every day such offense is continued shall constitute a separate offense.

SECTION 10. EFFECTIVE DATE. This ordinance shall take effect and be in full force and effect from and after the date of its passage and publication as required by law.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS, BY A VOTE OF ____ TO ____, ON THIS THE 21ST DAY OF JULY, 2025.

APPROVED:

TJ Gilmore, MAYOR

ATTEST:

Jennifer Malone-Ippolito, CITY SECRETARY

APPROVED AS TO FORM:

Lizbeth Plaster, CITY ATTORNEY