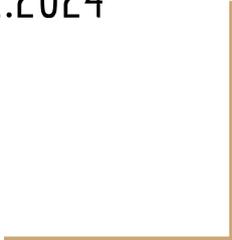




Short-term Rental Updates

Council workshop 10.21.2024



Short-term rental (STR) history

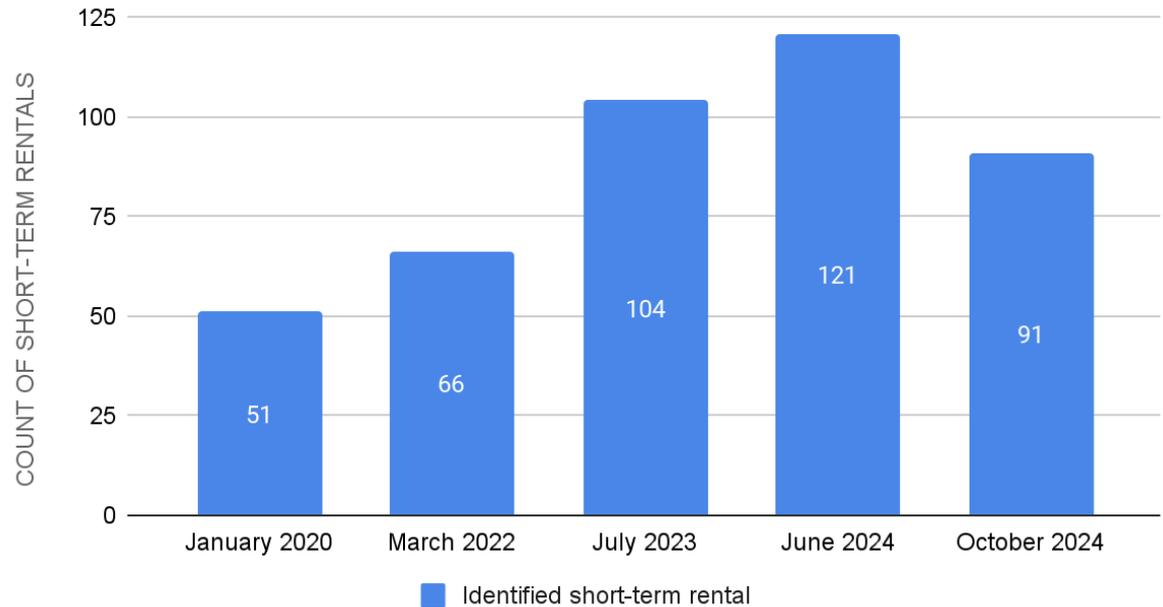


Short-term rentals active in Lewisville

Identified STRs are entire homes and private rooms for rent where the exact address is known.

As of September 2024, **25%** of identified STRs **have stopped operating** as an STR.

Identified short-term rentals operating in Lewisville



Note: Previously reported STRs for July 2023 did not include 11 rooms for rent.

What's changed since the ordinance took effect?

86%

of the 91 STRs currently identified have either a permit or an application in progress

- 62 permits issued
- 16 applications in progress

89%

of the 121 STRs identified in June 2024 have either a permit, an application or stopped operating

- 30 properties stopped operating as an STR

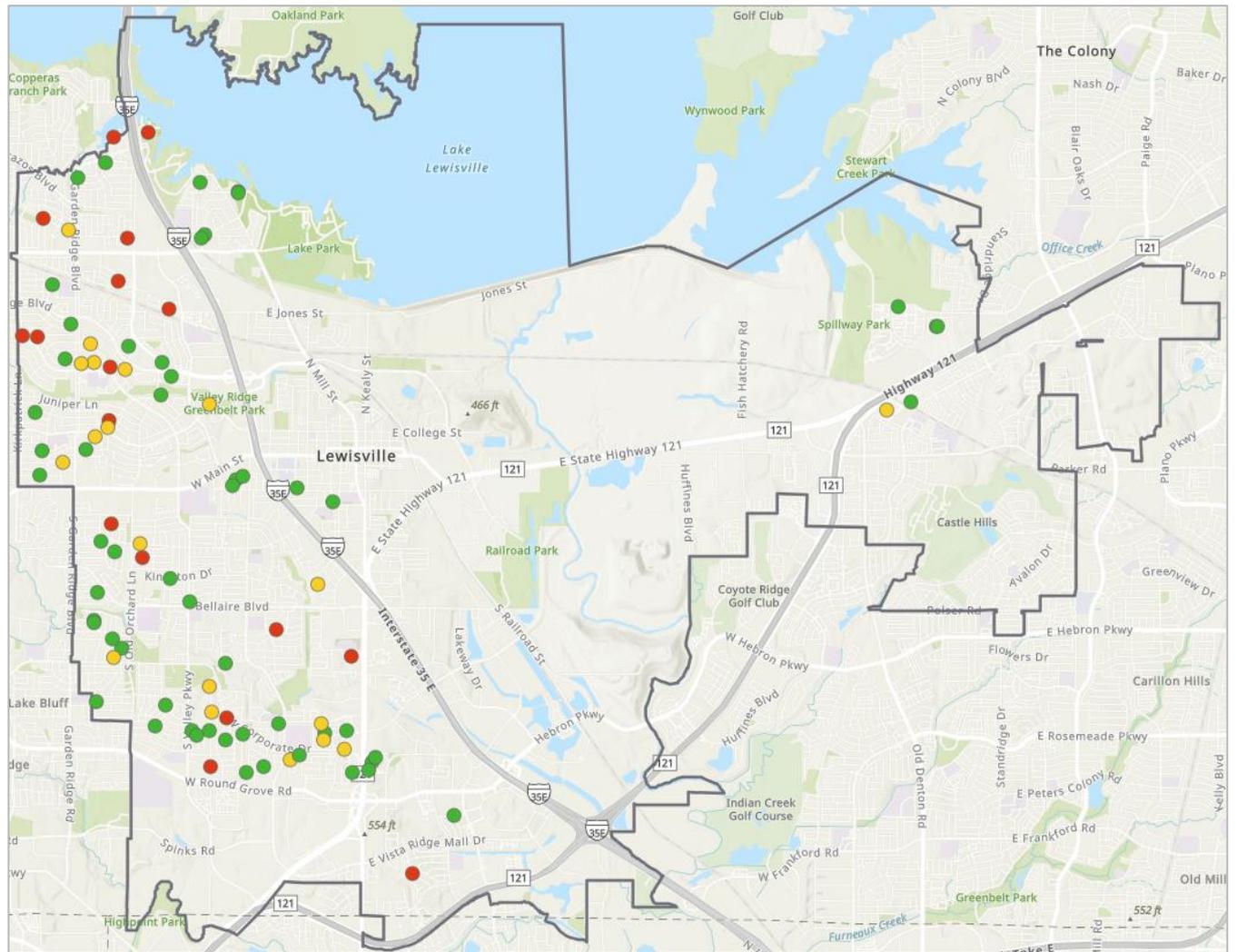
Host Compliance implementation is ongoing, with an expected completion in early 2025. A temporary process has been created for permitting and tax collection.

Map of current STRs

Legend

Short Term Rental Locations

- PERMITTED
- IN PROGRESS
- NOT PERMITTED



Non-compliance of STRs

80 1st Notice of Violation

37 2nd Notice of Violation

27 Warnings & Citations

Violation notices have been sent to,

- properties operating without a permit
- properties operating in violation of interim prohibition
- permit applicants who are non-responsive

Notices will be sent if permitted STRs do not follow city code.

- Per City Code Sec. 4-201(g)(1)(c), an STR permit may be revoked if there are more than two citations to the owner within the permit year.
- Code Enforcement, IT, and PD are working together to track citations.

Interim prohibition on STRs

Properties that started operating as short-term rentals (STR) on or after March 4, 2024, are in violation of the 1-year interim prohibition. All properties found to be violating the interim prohibition are now in compliance with city code.

17

Properties were violating the interim prohibition

4

Properties approved as non-conforming use

1

Property provided evidence began before March 4

12

Properties removed listing or switched to long-term rental

STR webpage

cityoflewisville.com/STR

Resources for STR owners,

- Application checklist, instructions, templates and more
- FAQ on STR regulations

Resources for Lewisville community,

- Links to Lewisville City Code
- Steps on reporting STR concerns

What is a short-term rental?

A short-term rental (STR) is any dwelling unit or portion of a dwelling unit that is rented to guests for less than 30 consecutive days. An STR does not include a hotel, motel, inn, or bed and breakfast. To read the complete definition, please go to [Lewisville City Code Sec. 4-151](#).

What is required to operate an STR in Lewisville?

Effective July 8, 2024, all STR's are required to obtain a Short-Term Rental Unit permit annually. The permit must be obtained prior to advertising and renting the STR. In addition to a permit, STR's must also pay the hotel occupancy tax every month. To read the complete ordinance, please visit [Lewisville City Code Sec. 4-201](#).

Are STRs allowed in Lewisville?

On February 29, 2024, Lewisville City Council approved a one-year interim prohibition on establishing new short-term rental units. The interim prohibition does not apply to STRs that were already operating before March 4, 2024. STR owners unsure about whether they are considered a new establishment may contact Neighborhood and Inspection Services at permitting@cityoflewisville.com or 972.219.3470. To read the complete ordinance, please visit [Lewisville City Code Section VII.2.1.5](#) of the Unified Development Code.

Questions?

Check out the FAQ below, or contact us at permitting@cityoflewisville.com or 972.219.3470.

APPLY FOR A SHORT-TERM RENTAL PERMIT	+
PREPARE FOR STR PERMIT APPLICATION	+
PREPARE FOR INSPECTION	+
GUEST NOTIFICATION / INFORMATIONAL BROCHURE	+
PAY HOTEL OCCUPANCY TAX	+
REPORT A SHORT-TERM RENTAL CONCERN	+
SHORT-TERM RENTAL DOCUMENTS	+

Frequently Asked Questions

24/7 STR hotline

Concerns are promptly sent to city staff, as well as to STR owners or property managers.

Community members can submit their concerns through an [online form](#) or call 972.526.5738.

Hotline went live in September 2024.

Concerns can still be reported to ourLewisvilleTX or to the non-emergency police line.

Let's resolve your short-term rental related issue. What best describes the issue you are reporting?

Unauthorized short-term rental

Violations of occupancy limits

Loud party

General noise issues

Disturbances or trespassing issues

Parking related issues

Trash related problems

Advertising violation

Fraudulent owner occupation

Other types of nuisances

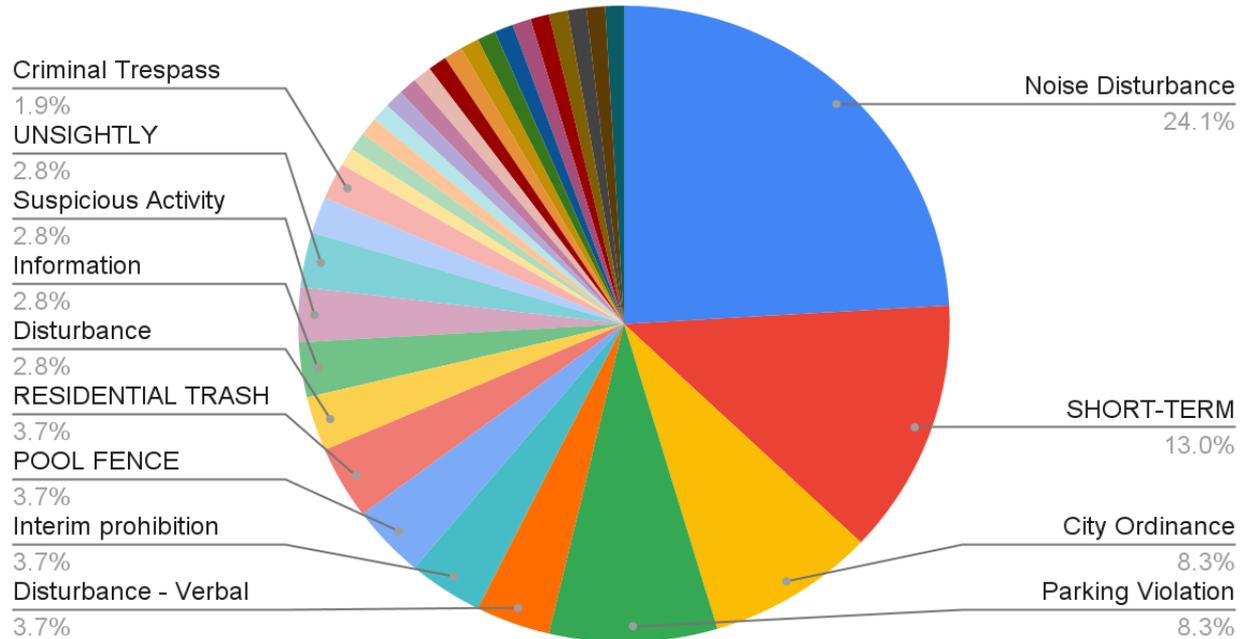
Community concerns about STRs

During FY24, we received **103** STR related **concerns** for **41** different **addresses**.

20 of the 41 addresses **had at least one violation**.

30% of concerns **resulted in a violation** and further intervention or action by either the Police Department or Code Enforcement.

Types of short-term rental concerns received in FY24



Hotel occupancy taxes - collections

- Monitoring payments from all HOT remitters is currently done manually
 - Electronic tracking of payments will begin upon Host Compliance system implementation
- Collections from STRs commenced in August
 - Activity reporting covers June and July
- In September, payments were collected from 15 newly registered STRs
 - Five STRs had been remitting occupancy taxes on a monthly basis
 - Collections from all STRs averaging \$421 monthly
 - Revenue does not take into account recently permitted STRs. Payments not yet due until October or November
- Monthly collections continue for 27 hotels
 - Host Compliance will also be used to manage HOT remittances from hotels

Hotel occupancy taxes - compliance

- Finance and NIS staff collaborate on overseeing tax remittance
 - Development of a checklist to manage STR compliance
 - Internal tracking and the Host Compliance program will be utilized
- Monthly reports will cross-reference licensed STRs with HOT remittances
 - Payments and monthly reports for STRs will be monitored
 - STRs will be flagged for non-payment or non-reporting, with follow-ups to address any violations (number of stays can be inferred by Host Compliance monitoring)
- An audit process for STR's will be established, similar to hotel audits
 - A random selection of STRs will undergo audits annually
 - Documentation supporting tax remittances will be requested, including remittance forms submitted to the Texas Comptroller
- Renewals may be withheld in accordance with City ordinance
 - Non-payment of license fees, outstanding taxes (including hotel occupancy taxes), and arrears on any other financial obligations to the City will be addressed during renewal

Surprises along the way

City staff worked with Airbnb to have a listing for houseboat removed (lease agreement prohibits full or part-time residence on Lake Lewisville).

Permit application must have property owner's signature, a surprise to some tenants who were using the rental as an STR without owner's knowledge.

Making sure all advertisements do not exceed occupancy standards found during inspection.



Start your search

3 Bedroom 2 Bath Luxury Yacht

★ New · [Lewisville, Texas, United States](#)



Proposed Improvements

Improvements that staff are working towards:

- Streamline citation issuance
- Enforce no renting while the permit application is in progress
- Code Enforcement and PD coordinate on citation issuance and share data
- Work with listing companies to remove STRs refusing to comply
- Review STR ordinance for adjustments
- Launch new portal in 2025 for STR permits and tax payments

Next Steps

Interim prohibition on new STRs expires in March 2025. Return to council in February 2025 with another update.

Continued permitting and enforcement, including enforcement of interim prohibition.

First round of STR permit renewals will begin in August 2025.