



# Short Term Rentals in Lewisville

Council Workshop 9.11.2023



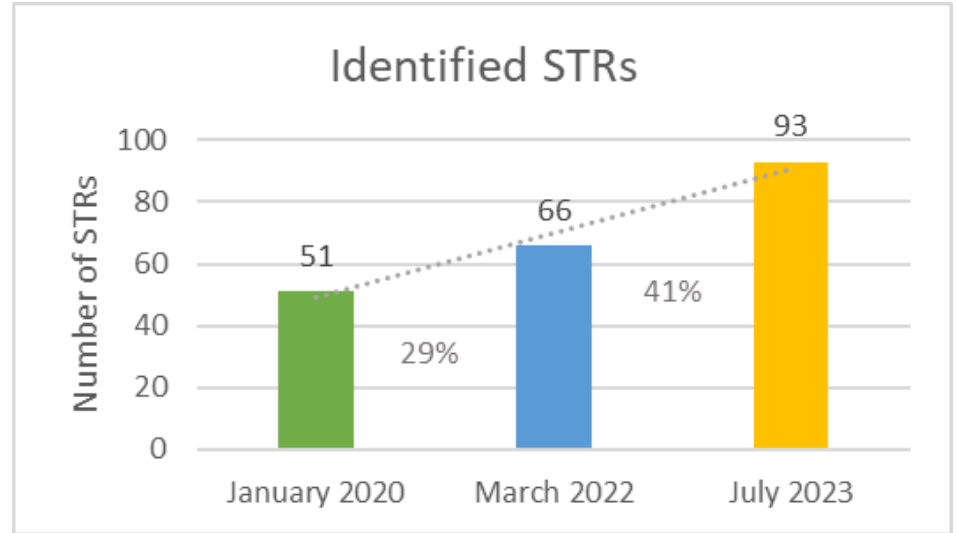
# Growth in Short Term Rentals

Data collected by Host Compliance

93 unique and currently advertised STRs that rent entire homes and whose address has been confirmed

11 rooms for rent currently advertised

16 new units in the last 30 days



86% increase from 2020 to 2023

# Types of Rentals

Short-term rental means a residential property, including a single-family dwelling or a unit in a condominium, cooperative, or time-share, that is rented wholly for a fee for a period not longer than 30 consecutive days.

The current focus of the presentation is concerning single-family and townhome short-term rentals that rent more than a room in a home.

# Hotel Occupancy Tax Estimate

In 2020 we estimated,

- \$39,495 annually in HOT collection
- based on 51 STRs at \$51.94\* per night for 213 nights annually \* 7% HOT

In 2023 we're estimating,

- \$170,145 to \$226,860 annually in HOT collection
- Based on 93 STRs at \$242 per night for 108 to 144 nights annually \*7% HOT

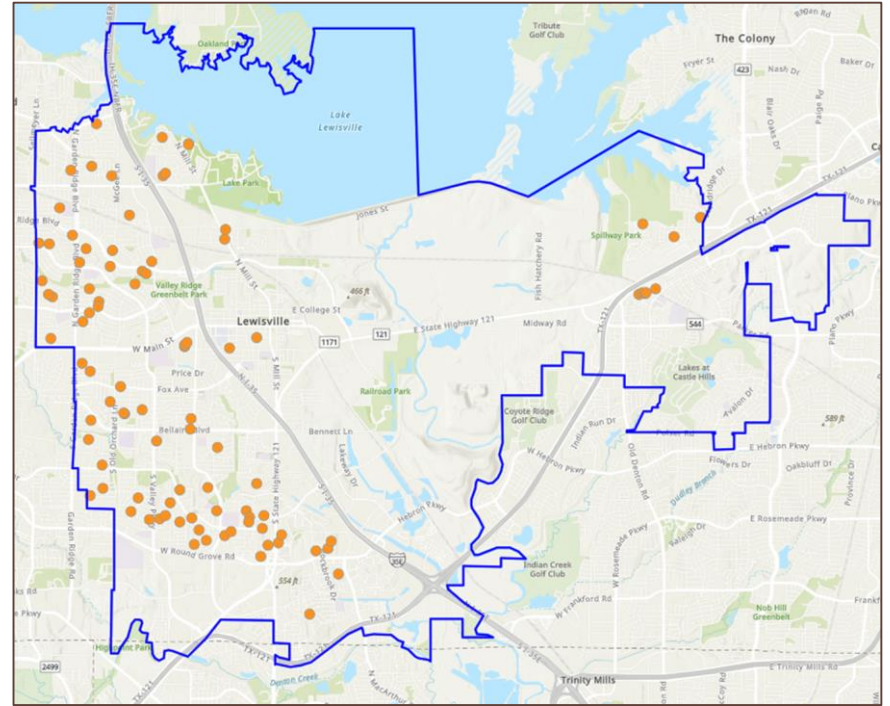
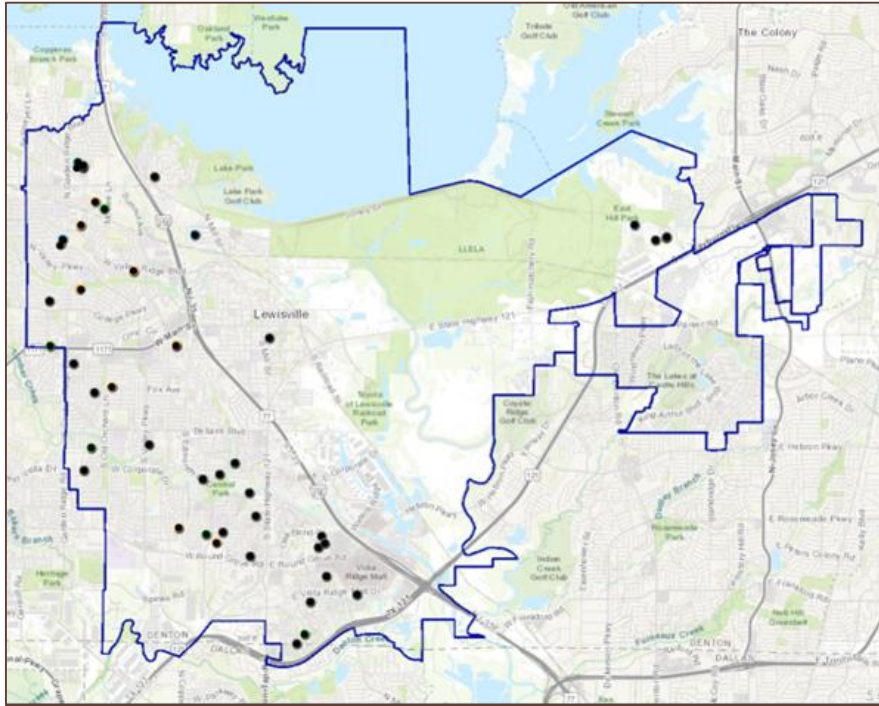
# Rentals already remitting HOT

In 2020, 2 STR owners remitted HOT, about \$4,418 combined annually

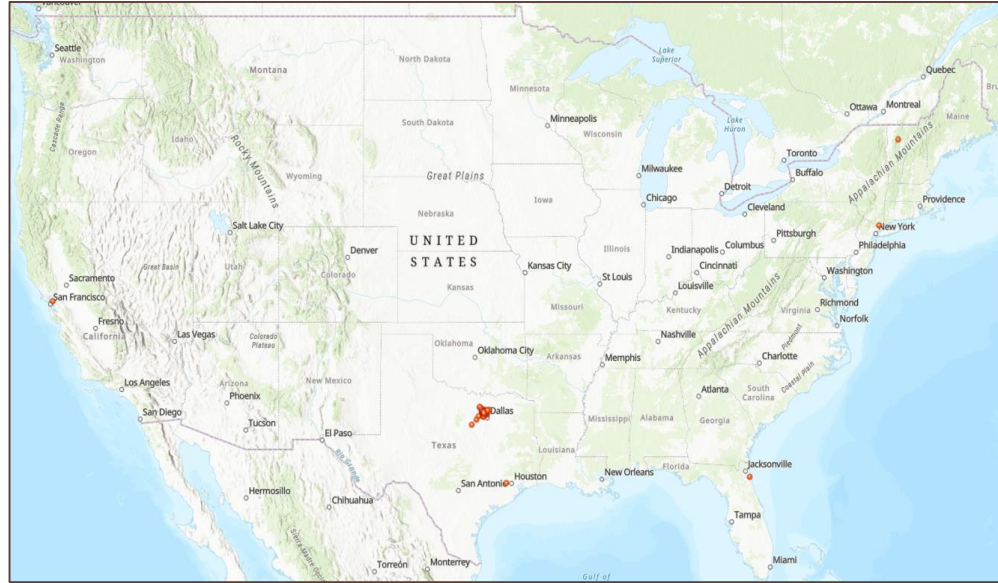
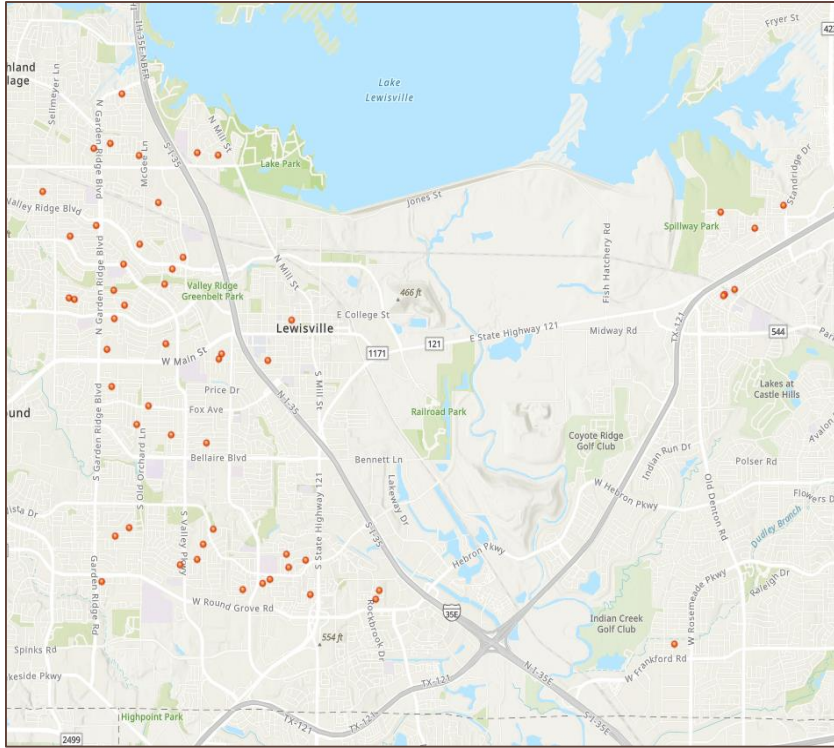
In 2023, 5 STR owners are currently remitting, \$12,417 received for the last 6 months.

The 5 STRs have an average daily rate of \$509, higher than the \$242 average daily rate for all 93 STRs in Lewisville.

Lewisville hotels average daily rate in 2023 so far is \$79



Comparing 2020 and 2023 STR Locations



56% of owners live in Lewisville.

4% of owners live outside of Texas.

# STR Ownership in Lewisville and the U.S.

# Calls For Service (CFS)

For the 93 available STRs, 11 of them had at least one relevant CFS

A total of **16 calls** were for STRs, **0.01%** of the total 100,753 CFS in the past year

Most common calls are **noise disturbances** and for **information**

CFS	2020	2023
Animal Complaint	0	1
Burglary (Habitation)	2	0
Burglary Alarm	0	1
Civil Complaint	0	1
Close Patrol	0	1
Criminal Trespass	0	2
Information	0	4
Intoxicated Person	1	0
Noise Disturbance	1	6
Parking Violation	1	1



# CFS - Comparing STRs and Residential Units

## 2020 Addresses with Violations

9.8% of STRs had CFS

- 5 STRs with CFS
- 51 total identified STRs

## 2023 Addresses with Violations

11.8% of STRs had CFS

- 11 STRs with CFS
- 93 total available STRs

10.2% of non-STR single-family residential parcels had CFS

- 2,674 non-STRs with CFS
- 25,987 total residential parcels

# STR's and Code Enforcement Violations

For the 93 available STRs, 15 of them had at least one code violation

A total of **26 violations** occurred at STRs, **0.3%** of the total 10,008 violations in the past year

Most common violations are **high grass and weeds** on entire property and **unsightly material**

Violation Type	2020	2023
Building Maintenance	2	0
Grass & Weeds (Alley)	5	3
Grass & Weeds (Entire Property)	7	8
Hedge Trimming (ROW)	0	2
Lawn Trimmings	2	0
Littering	2	0
Parking on grass	0	3
Post Address	2	1
SFR inspection	0	1
Stagnant Water	0	1
Tree and Lawn Trimming	0	1
Tree Trimming	2	2
Unsightly Material	8	4

# Violations - Comparing STRs and Residential Units

## 2020 Addresses with Violations

25% of STRs have violations

- 13 STRs with violations
- 51 total identified STRs

22% of non-STR single-family residential units have violations

- 4,522 residential with violations
- 20,385 total residential units

## 2023 Addresses with Violations

16% of STRs have violations

- 15 STRs with violations
- 93 total available STRs

18% of non-STR single-family residential parcels have violations

- 4,813 non-STRs with violations
- 25,987 total residential parcels

# Overlap of calls for service and violations

**74%** of the 93 currently available STR homes had **no call for service and no code violations** in the past year

STRs with CFS and Code Violations		
Both	2	2.2%
CFS Only	9	9.7%
Violation Only	13	14.0%
None	69	74.2%
Grand Total	93	

# Short Term Rental Survey

## Cities with no STR Restrictions:

1. The Colony
2. Flower Mound
3. Lewisville
4. McKinney
5. Plano

## Cities with STR Restrictions:

1. Addison
2. Allen
3. Arlington
4. Carrollton
5. Coppell
6. Dallas
7. Denton
8. Fort Worth\*
9. Frisco
10. Garland
11. Grand Prairie
12. Grapevine\*
13. Irving
14. Mesquite
15. Richardson
16. Southlake

\*Currently in or struck down by litigation

# Regulatory Approaches Used By Other Cities

1. Address the problem properties through proactive engagement
2. Require registration and HOT tax payment. This would require updates to ordinances and would likely involve hiring a third party to monitor and collect.
3. License all short term rentals and adopt operational requirements.
4. Prohibit short term rentals except in certain areas of city.
5. Prohibit short term rentals all together.

# Recommended Approach

Address problem properties immediately through proactive engagement.  
Continue monitoring.

Require registration and HOT tax payment. This would require updates to ordinance and likely hiring a third party to monitor and collect.

Analyze impact of various city regulatory approaches on desired outcomes.  
Report back to City Council. This will also likely include future public input/hearing where residents and short term rental owners can voice concerns and thoughts.