



TO: T.C. Broadnax, City Manager
FROM: Andy Cherullo, Finance Director
COPY: City Council and City Clerk
SUBJECT: Title 6 Amendments – Hotel and Home Occupation License – November 29, 2016
DATE: November 1, 2016

SUMMARY:

Recent changes to Tacoma Municipal Code (TMC) Title 13 regarding short-term rentals of single family homes requires TMC Chapters 6B.130 Home Occupations and 6B.140 Hotels to be amended to consistently regulate short-term rental activity in the City. In addition, some language and license requirements are being updated to reflect current enforcement needs.

STRATEGIC POLICY PRIORITY:

The amendments to Chapters 6B.130 and 6B.140 are consistent with Title 13 regulations of short-term rentals. This will encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

BACKGROUND:

The City currently requires facilities that offer for rent three or more guest rooms for periods of less than 90 days to obtain a Hotel license to operate in the City. The Hotel license requirements have not changed since 1970 and the license fee has not changed since 1980. The requirements of the license include the types of records necessary to be kept, a manager to be on the premises at all times and identification of the guest rooms and allowed advertising.

ISSUE:

Title 6 and Title 13 should have consistent regulation of short-term rental activity so that enforcement of the licensing and land use code is fair and understandable to citizens.

Hotel

- Updating the title of the license to “Transient Accommodations” to better describe all of the business activities that fall under the license requirements
- Adding a definition of “adult hotel” and that an “adult hotel” is prohibited in the City
- Updating definitions to more accurately reflect the transient accommodation industry
- Exempting “short-term rental of an entire dwelling” from the hotel license requirements
- Updating the fee for easier administration while still covering regulatory costs of the license
- Updating record requirements to reflect current enforcement needs
- Moved advertising restrictions for all unlicensed businesses to TMC 6B.10

Home Occupation

- Adding an exemption for all short-term rentals and updating “boarding home” to “adult family home”

ALTERNATIVES:

The license requirements could remain the same; however, to avoid confusion for Tacoma residents and effectively administer and enforce the regulations in the hotel and home occupation licenses the language needs to be updated to be consistent with Title 13.



RECOMMENDATION:

The amendments to chapters 6B.130 Home Occupation and 6B.140 Hotels are recommended in order to be consistent with recent Title 13 code amendments and to strengthen the enforcement of criminal activities that occur at some transient accommodations.

FISCAL IMPACT:

There is minimal fiscal impact.