



TO: Elizabeth Pauli, City Manager
FROM: Andy Cherullo, Finance Director
COPY: Government Performance & Finance Committee
PRESENTER: Danielle Larson, Tax & License Manager, Finance Department
SUBJECT: Short-Term Rentals Informational Briefing
DATE: May 7, 2024

PRESENTATION TYPE:
Informational Briefing

SUMMARY:

Staff will provide an informational briefing on the city’s current regulations of Short-Term Rentals (STR); strategies being used to help identify STR properties in Tacoma and how some other cities chose to regulate STR’s after getting a better idea of the inventory in their jurisdiction.

BACKGROUND:

Licensing

The City currently requires a general business license for the activity of short-term renting with no additional licensing regulations.

Zoning/Land Use

City zoning regulations outline that a person may rent an entire dwelling or ADU but not both; the owner must occupy the other structure. An owner-occupied dwelling in a Residential District may rent 1-2 guest rooms. Renting more than two guest rooms is possible with an approved Conditional Use Permit or in other zoning districts.

Building Occupancy

Occupancy of a STR is determined by the Minimum Building and Structures Code in Title 2.

Complaints/Enforcement

The City receives a small number of complaints and generally are regarding parking, noise, stream of guests coming and going, and large parties or events held at an STR.

ISSUE:

Many cities and counties, including Tacoma, have low rates of STR license compliance which leaves jurisdictions with little understanding of how STR’s effect their community including available stock of housing and the effect on the neighborhood character.

Staff is currently engaged with a vendor that monitors 60 plus short-term rental websites and platforms and can provide the City a list of known STR’s. The contact will be finalized this month and Tax & License will begin outreach to the STR’s regarding City license requirements in mid to late summer. Staff will then be able to share a clearer picture of the number of STR’s in the City before the end of the year.

FISCAL IMPACT:

This is an informational briefing only.

RECOMMENDATION:

This is an informational briefing only.