



City of Granite Shoals
2221 N. Phillips Ranch Road
Granite Shoals, TX 78654
(830) 598-2424 fax (830) 598-6538
www.graniteshoals.org

AGENDA NOTICE
FOR A SPECIAL CALLED MEETING
OF THE GRANITE SHOALS
SHORT-TERM RENTAL ADVISORY COMMITTEE
TO BE HELD VIRTUALLY VIA ZOOM SOFTWARE FROM AND IN PERSON IN
GRANITE SHOALS CITY HALL, 2ND FLOOR COUNCIL CHAMBER,
2221 N. PHILLIPS RANCH RD, GRANITE SHOALS, TX 78654
MONDAY, FEBRUARY 8, 2021 AT 5:30 PM

Commissioners will consider and may take action on any or all of the following items:

The City Hall is opened to attendance by the public so there may be attendees for this meeting appearing in person, as well as those via ZOOM teleconference software. A temporary suspension of the Open Meetings Act to allow telephone or videoconference public meetings has been granted by Governor Greg Abbott. These actions are being taken to mitigate the spread of COVID-19 by avoiding meetings that bring people into a group setting and in accordance with Section 418.016 of the Texas Government Code. Telephonic and videoconferencing capabilities will be utilized to allow individuals to address the Commission. Emails may also be submitted. Members of the public are entitled or attend this meeting in either manner. To view this meeting which will be conducted via Zoom Teleconferencing. From desktop, smart phone or tablet:

Topic: Granite Shoals Short Term Rental Advisory Committee Meeting

Time: Feb 8, 2021 05:30 PM Central Time (US and Canada)

<https://us02web.zoom.us/j/81013846772>

Meeting ID: 810 1384 6772

Passcode: 856103

877 853 5247 US Toll-free

888 788 0099 US Toll-free

Meeting ID: 810 1384 6772

Passcode: 856103

CALL MEETING TO ORDER

PUBLIC COMMENTS, ANNOUNCEMENTS AND ITEMS OF INTEREST

At this time, any person with business before the Committee not scheduled on the agenda may speak when recognized. No formal action can be taken on these items at this meeting. No discussion or deliberation can occur. Comments regarding specific agenda items should occur when the item is called. Anyone wishing to speak under this agenda item please follow directions for submission of written comments. Members of the public who wish to submit written comments to be read into the meeting record must submit their comments by emailing

citysecretary@graniteshoals.org or by calling 830-598-2424 for staff assistance. **Written Comments should be received at least two hours before the beginning of the meeting. For those wishing to participate possibly as a speaker in the meeting, please contact citysecretary@graniteshoals.org to register as a speaker and receive log-in instructions.**

1) WELCOME/INTRODUCTIONS

2) MEETING MINUTES:

Discuss, consider and possibly take action related to the meeting minutes from the Regular Called meeting of the Granite Shoals, Texas, Short-Term Rentals Advisory Committee, held January 25, 2021. (*City Secretary Simpson*) *p. 3-5*

3) Regular Agenda Items

- a. Discuss, consider and possibly take action on rough draft of proposed Short-Term Rental Ordinance as recently reviewed by City Attorney Josh Katz. *p. 6-14*
- b. Review information on software from Granicus to manage Short Term Rentals called 'Host Compliance'. *p. 15-20*

4) FUTURE AGENDA ITEMS

Identify and schedule topics for future meetings.

5) ADJOURN

CERTIFICATION

I certify that the foregoing agenda has been posted at Granite Shoals City Hall inside bulletin board, the outside bulletin board at City Hall and the official city website at www.graniteshoals.org, a place accessible at all times, on Friday, February 5, 2021 before 5:30 PM. and will remain there continuously from such time until after the conclusion of the Short-Term Rental Advisory Committee Meeting which will begin on the afternoon of Monday, February 8, 2021.

Requests for accommodations or interpretive services must be made 8 hours prior to this meeting. Please contact the City Secretary at (830) 598-2424 for further information.



Elaine Simpson
Elaine Simpson, TRMC/MMC
City Secretary



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**MEETING MINUTES
FOR A SPECIAL CALLED MEETING
OF THE GRANITE SHOALS
SHORT-TERM RENTAL ADVISORY COMMITTEE
TO BE HELD VIRTUALLY VIA ZOOM SOFTWARE FROM
AND IN PERSON AT GRANITE SHOALS CITY HALL
2ND FLOOR COUNCIL CHAMBER
2221 N. PHILLIPS RANCH ROAD, GRANITE SHOALS, TX 78654
MONDAY, JANUARY 25, 2021 AT 5:30 PM**

The items are listed in the order they appeared on the agenda, and may have been addressed in different order.

Committee Members

Shannon Wilson – Chair - in person
Eric Tanner –Vice-Chair - in person
Lynn Carlson – via ZOOM
Samantha Ortis
Keith Rogers, Tropical Hideaway Rentals; FSMG,LLC (via ZOOM online for only part of the meeting)

Committee Members absent:

Tammy Weber (resigned)
Chereen Fisher
Patti Scott resigned last month

Staff:

City Manager Jeff Looney (via ZOOM)
City Attorney Josh Katz (via ZOOM)
City Secretary Elaine Simpson (in Council Chambers)
Police Captain Chris Decker (ZOOM)

PUBLIC COMMENTS, ANNOUNCEMENTS AND ITEMS OF INTEREST

*At this time, any person with business before the Committee not scheduled on the agenda may speak when recognized. No formal action can be taken on these items at this meeting. No discussion or deliberation can occur. Comments regarding specific agenda items should occur when the item is called. Anyone wishing to speak under this agenda item please follow directions for submission of written comments. Members of the public who wish to submit written comments to be read into the meeting record must submit their comments by emailing citysecretary@graniteshoals.org or by calling 830-598-2424 for staff assistance. **Written Comments should be received at least two***

hours before the beginning of the meeting. For those wishing to participate possibly as a speaker in the meeting, please contact citysecretary@graniteshoals.org to register as a speaker and receive log-in instructions.

No announcements were made.

1) WELCOME/INTRODUCTIONS/CALL TO ORDER

Chair Wilson called the meeting to order at 5:34 PM.

2) MEETING MINUTES:

Discuss, consider and possibly take action related to the meeting minutes from the Regular Called meeting of the Granite Shoals, Texas, Short-Term Rentals Advisory Committee, held November 16, 2020. (*City Secretary Simpson*)

Vice Chair Tanner moved, and Samantha Ortis seconded, to approve, as presented, the meeting minutes from the November 16, 2020 regular called meeting minutes of the Short Term Rental Committee.

Motion carried unanimously by a 4-0 vote.

3) Regular Agenda Items

- a. Discuss the vacancies on the committee and the current roster of members.

The newest member of the committee was welcomed and committee members were encouraged to consider inviting neighbors to apply for consideration of appointment.

No official action was taken.

- b. Hear information from City legal staff regarding questions posed at previous meetings about allowable regulations of Short Term Rentals regarding: animals, solid waste, parking, and other issues discussed at previous meetings.

City Attorney Josh Katz reviewed the legal overview of issues that can, and cannot, be regulated for Short Term Rentals. Mr. Katz explained that if the committee wishes to recommend changes to the Animal Control Ordinance, the Noise Ordinance or other Ordinances, they may recommend changes to City Council.

Mr. Katz took for action to review the proposed draft, as prepared by Vice Chair Tanner and as reviewed by the committee members. He will forward his recommendations for the proposed ordinance to the City Secretary in time for the committee members to review before their next meeting.

There was no formal action taken.

- c. Discuss, consider and possibly take action related to information provided by City Manager regarding legal requirements for collecting, reporting, and using revenue from Hotel Occupancy Tax as included in November 16, 2020 agenda.

City Manager Looney reviewed information as provided to the committee members and explained the allowed uses of revenue collected under Hotel Occupancy Tax (HOT).

There was no formal action taken.

- d. Discuss, consider and possibly take action on proposed draft of Short-Term Rental Ordinance as composed by Vice-Chair Tanner with input from the members of the committee.

This item was addressed in item b.)
No action was taken on this item.

4) FUTURE AGENDA ITEMS

Identify and schedule topics for future meetings. Identify and schedule topics for future meetings.

- Discuss STR proposed application fee and renewal fee, to be put in the General Fee Ordinance.
- STR software from Granicus, review the information on this software (basic information)
- Property Standards

CERTIFICATION

With no items remaining on the agenda, and no objections from the Committee members, Chair Wilson adjourned the meeting at 6:35 PM.

I, _____ Chair of the Short-Term Rental Advisory Committee for the City of Granite Shoals, Texas, certify that the attached are true and correct minutes taken from recordings and notes of the meeting held on January 25, 2021 .

_____ date _____

Attest: _____
Elaine Simpson, City Secretary

ORDINANCE NO. _____

"Short Term Rental Ordinance"

AN ORDINANCE OF THE CITY OF GRANITE SHOALS, TEXAS, TO AMEND PART II: CODE OF ORDINANCES; CHAPTER 40: ZONING; SECTION 40-2: DEFINITIONS; TO REPEAL SECTION 40-9: BED AND BREAKFAST FACILITIES; TO REPEAL AND REPLACE SECTION 40-26: VACATION HOME RENTAL USE, TO AMEND APPENDIX B: SCHEDULE OF FEES AND CHARGES; AND PROVIDING FOR THE FOLLOWING: FINDINGS OF FACT; A SAVINGS CLAUSE; SEVERABILITY; REPEALER; EFFECTIVE DATE; AND PROPER NOTICE AND MEETING.

WHEREAS, the City Council of the City of Granite Shoals, Texas (the "City") seeks to provide for the safe and orderly development of land and use of property within its corporate limits; and

WHEREAS, the Council recognizes that the increased prevalence of short term rental usage of property in conjunction with recent court decisions have changed the regulatory landscape since the City first adopted its ordinances regulating vacation home rentals; and

WHEREAS, the Council finds that the following amendments are necessary to update and amend its vacation home rental and bed and breakfast ordinances to align with those changes; and

WHEREAS, the City recognizes its responsibility and authority to adopt ordinances that are necessary for the government of the City, its interests, welfare, the health and safety of the City, and good order of the City as a body politic.

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

SECTION I. FINDINGS OF FACT

All of the above premises are hereby found to be true and correct legislative and factual findings of the City of Granite Shoals and are hereby approved and incorporated into the body of this ordinance as if copied in their entirety.

SECTION II. REPEAL, ADOPTION, AND AMENDMENT

Part II (Code of Ordinances), Chapter 40 (Zoning), Section 40-2 (Definitions) is hereby amended; Section 40-9 (Bed and Breakfast Facilities) is hereby repealed; Section 40-26 (Vacation Home Rental Use) is hereby repealed and replaced, and Appendix B, Schedule of Fees and Charges is hereby amended as follows:

Sec. 40-2 Definitions.

~~Where terms are not defined, they shall have their ordinary accepted meaning within the context with which they are used. The following terms are defined and shall apply to all sections of this code unless defined elsewhere in the Code:~~

Commented [JK1]: This is already stated in 40-2(a)

Agent means an individual or organization retained or utilized by owner to list, advertise, and/or manage short term rentals for an owner's residential property.

~~Bed and breakfast means a family residence where rooms are rented to transient guests on an overnight basis, serving primarily breakfast to those particular guests.~~

Dwelling Unit: means a suite of two or more habitable rooms that are occupied or that are used, designed, or intended to be occupied ~~by one family~~, with facilities for living, sleeping, cooking, and eating.

Enforcement authority:- means the ~~c~~City ~~m~~Manager of Granite Shoals or the person or department to whom the city manager may delegate enforcement responsibility.

Owner:- means any person or legal entity claiming ownership or title of real property, including but not limited to:

- (1) Holder of fee simple title.
- (2) Holder of life estate.
- (3) Holder of a leasehold estate for an initial term of five years or more.
- (4) A buyer in possession, or having right of possession under a contract or deed.
- (5) A mortgagee, receiver, executor, or trustee in possession or control or having right of possession or control of real property
- (6) Any agent who is responsible for managing, leasing, or operating of property.

Short Term Rental: means a dwelling unit (as defined in this section) intended for permanent occupancy that is occupied for transient use by any person other than the primary owner for any form of compensation and for a period of not ~~less than one day~~, nor more than 30 consecutive days. ~~The term "vacation home rental" does not include a bed and breakfast permitted and operated in accordance with this chapter.~~

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STR is an abbreviation of the term Short Term Rental

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Tenant:- means any person or agent, not the owner, who occupies a residence for any period of time.

SECTION III. PROGRAM ADMINISTRATION

Sec. 40-9 — Bed and breakfast facilities.

~~(a) Purpose. It is the purpose of this section to provide standards for bed and breakfast facilities, and to ensure that the facility complies with the applicable health, fire, and LCRA standards. A permit request will be considered by the planning and zoning commission and city council. The procedures for a hearing concerning a bed and breakfast permit request must follow those procedures outlined in the Texas Local Government Code. Before this hearing, the applicant must present a plot of the property with all requirements for a bed and breakfast as outlined in this section.~~

~~(b) Standards. Bed and breakfasts shall comply with all standards of the zoning district it is in plus the following special standards:~~

- ~~(1) Breakfast for guests shall be the only meal served.~~
- ~~(2) No cooking shall be permitted within the rooms. Outside grills are permitted.~~
- ~~(3) No long term rental of rooms past 14 days are permitted.~~
- ~~(4) All bed and breakfasts shall comply with the applicable local and state health, fire and LCRA codes. The facility shall be connected to the city water system~~
- ~~(5) No more than four bedrooms for guests will be allowed in R-1 and M-1 zones.~~
- ~~(6) Guestrooms must be in the residence of the operator or in accessory buildings on the same premises.~~

~~(7) A bed and breakfast may be operated only by a bona fide resident in or at his home. Such operator must be present (living in the home) while the bed and breakfast is in operation.~~

~~(8) See the sign ordinance regarding signs for bed and breakfast.~~

~~(9) Off street parking. See section 40-16(a)(1)r.~~

~~(c) Application procedures for a conditional use permit. The application for a conditional use permit for a bed and breakfast shall be submitted on a form obtained at the city hall. It shall be signed by the owner of the property and shall have attached to it the current state department of water resources, private individual sewage disposal system license.~~

~~(1) Fee. A one time administrative fee of \$25.00 is required. If a hearing is required, the fee will be \$100.00.~~

~~(2) Inspections. The facility may be inspected, in order to ensure that it complies with applicable building, health and fire codes.~~

~~(3) Permit limitations:~~

~~a. Once a conditional use permit has been issued for a bed and breakfast, it shall not be transferred to another location or owner.~~

~~b. The conditional use permit shall be valid only for so long as the bed and breakfast complies with the requirements of this chapter.~~

~~c. The city may immediately revoke or suspend the permit or deny either the issuance or renewal thereof, if it is found that:~~

~~1. The applicant or permittee has violated or failed to meet any of the provisions of this chapter or conditions of the permit.~~

~~2. Any required licenses have been suspended, revoked or canceled upon denial, suspension, or revocation. The city shall notify the applicant or permittee in writing of the action taken and the reasons thereof. After giving notice by certified mail, if the bed and breakfast has not been removed within 30 days, the city may cause the closure of any bed and breakfast found in violation of this chapter.~~

~~(4) Appeals. Any person aggrieved by the decision of the city under this section, may appeal the notice of cancellation, denial or suspension.~~

~~a. Appeals shall be submitted to the chairman of the board of adjustment in writing within 15 days following the date of mailing of the notice of cancellation, denial, suspension or revocation to the applicant or permittee.~~

~~b. The board of adjustment shall hear the appeal at its next possible meeting and thereupon make a recommendation to the city council to uphold, reverse or modify the decision, based upon the requirements of this chapter.~~

~~c. Any further appeal shall be to the county district court."~~

Sec. 40-16 Off-street parking and loading space requirements.

~~...~~
~~(1)~~

~~...~~
~~(r) Bed and breakfast. Off street parking shall be provided for the resident and a minimum of one space for each guest room.~~

~~Sec. 40-26 — Vacation home rental use.~~

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~~(a) — Zoning districts allowed. Vacation home rentals are allowed in the R-2 district only, except as provided by subsection (b) of this section.~~

~~(b) — Existing vacation home rentals. A vacation home rental that is located in a zoning district that does not permit vacation home rental uses and that was in existence as of the date of this ordinance may continue, provided that it satisfies the following requirements:~~

~~(1) — Registration. The property owner (or their authorized agent) shall register the vacation home rental with the city within 30 days of the effective date of the ordinance from which this section is derived. Registration shall require full disclosure of the complete ownership of the property. Requirements for registration are as follows:~~

~~a. — The applicant shall prove that the vacation home rental use was established prior to the effective date of the ordinance from which this section is derived, and that the use has been continuously maintained during that time by presenting proof of reporting/payment to the city of the hotel occupancy tax (HOT) filed in 2011.~~

~~b. — There shall be an annual re-registration that will establish the continuous proof of reporting/payment of the city hotel occupancy tax for the prior year. A \$150.00 annual application fee is required at the time of the filing of a registration form and at each renewal.~~

~~c. — Address, legal description, and number of bedrooms of the property being used as a vacation home rental.~~

~~d. — Any additional information that may be requested by the city necessary to make an informed decision regarding the application.~~

~~e. — Contact information. Name, address and phone number of the homeowner and any management company authorized to by the owner commissioned to maintain this property.~~

~~(2) — Burden of proof. The burden of establishing that a vacation home rental use was in existence prior to the effective date of the ordinance from which this section is derived rests entirely upon the person claiming such status.~~

~~(3) — Denial of registration. The city may deny registration if it appears that the documents submitted by the owner or authorized agent are incomplete, not valid, or that the documents produced do not show the existence of the vacation home rental use in accordance with of this section. The city may also deny registration based on valid nuisance complaints filed with the city.~~

~~(4) — Revocation. The city will, in writing, suspend or revoke a registration issued under the provisions of this section, whenever the registration is issued in error, or on the basis of incorrect information supplied, or when it is determined that the building or structure, or portion thereof is in violation of any ordinance of the city or applicable regulations.~~

~~(5) — Signage. No signage is allowed, other than the premises address.~~

~~(6) Transferability. Registration of a vacation home rental does not transfer from one property owner to another.~~

~~(7) Abandonment and termination of a vacation home use.~~

~~a. A vacation home use is deemed abandoned and the right to operate the existing use shall terminate immediately if any of the following occur:~~

~~1. The hotel occupancy tax (HOT) has not been reported for two consecutive reporting periods of 90 days each.~~

~~2. Discontinuance or abandonment shall be conclusively deemed to have occurred irrespective of the intent of the property owner if any portion of the structure in which the existing use is located is dilapidated, substandard, or is not maintained in a suitable condition for occupancy during a continuous period of 120 days, unless a building permit is obtained.~~

~~b. A property owner may not resume an abandoned or otherwise terminated existing vacation home use.~~

~~c. Destruction of existing vacation home use. The right to operate and maintain any existing use shall terminate and shall cease to exist whenever the structure or any portion of the structure in which the existing use is operated and maintained is damaged or destroyed by fire, the elements or other intentional acts of the owner, operator, or third party, if the destruction amounts to 60 percent or more of its fair market value as determined by the tax appraisal roll, not including the value of the land, on the date of such damage or destruction. If the owner of a existing use fails to begin reconstruction of the destroyed building, when permitted to do so by city ordinances within 120 days of the date of destruction, the existing use shall be deemed to be discontinued or abandoned, and shall no longer be authorized to continue.~~

Sec. 40-26X ResponsibilitiesShort Term Rentals

- (a) ~~Agent~~. For the purposes of this subsection, an ~~Agent~~ of an STR shall have the same responsibilities as owner ~~of an STR~~.
- (b) ~~Owner~~. Owner of the ~~premisesan STR~~ shall maintain such premises in compliance with ~~Ordinance 544Chapter 8, Article V~~ of this Code. An owner shall not let, rent, or lease ~~an STR~~ premises for occupancy or use; ~~which in any manner that~~ does not comply with the provisions of this Code.
- (c) ~~Owner and tenant~~. Every owner and every tenant of ~~the premisesan STR~~ shall maintain the premises in a clean, sanitary, and safe condition, including the disposal of rubbish, garbage, organic and inorganic waste, junk, or other waste in a lawful manner.

Sec. 40-X Program Zoning and Registration

~~(a) (d) Zoning districts allowed.~~ Short term rentals are allowed in the R-1 and R-2 districts only, except as provided by subsection ~~(gb)~~ of this section.

(1) **Registration.** The property owner (or their authorized agent) shall register the short term rental by filing a registration form with the city for each property to be used as a short term rental containing the following information:

- a. Full disclosure of the complete ownership of the property.
- b. Address, legal description, and number of bedrooms of the property.
- c. Contact information, including name, address, and phone number(s) of the homeowner and of any ~~agent~~ or management company authorized ~~to~~ by the owner ~~commissioned to~~

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maintain the ~~property~~STR. This information shall be provided in order of preferred contact sequence, and shall indicate which individual on the contact list will be able to respond onsite to the subject property within 30 minutes of notification by a law enforcement authority.

Commented [JK2]: This phrase needs clarification

- d. Any additional information that may be requested by the city ~~that is~~ necessary to make an informed decision regarding the application.

(2) Registration Period. Approved registrations are valid for a period of one year from date of approval.

(3) Registration fee. An ~~\$7150.00~~ annual application fee is required at the time of the filing of a registration form and at each renewal. ~~The fee will be listed in Appendix B of this Code, Schedule of Fees and Charges.~~ To be eligible for renewal, the applicant must provide continuous proof of reporting/payment of the city hotel occupancy tax for the prior year for the dates the property has been rented.

(4) Denial of registration. The city may deny registration if:

- a. It appears that the documents submitted by the owner or authorized agent are incomplete, not valid, or that the documents produced do not show the existence of the short term rental use in accordance with of this section;
- b. Valid ~~and unresolved~~ nuisance complaint(s) have been filed with the city about the subject property;
- c. The subject property does not comply with all applicable local and state health, fire, and LCRA regulations, statutes, or ordinances; or
- c. An applicant seeking renewal fails to provide continuous proof of reporting/payment of the city hotel occupancy tax for the prior year.

(5) Revocation. The city may, in writing, suspend or revoke a registration issued under the provisions of this section when it is determined that:

~~a. a.~~ The registration was issued in error or on the basis of incorrect information supplied,

~~b. The circumstances described in subsection (r) have occurred.~~

- b. The short term rental use produces a nuisance as defined in the city's Code of Ordinances or otherwise results in a violation of any ordinance of the city or applicable regulation, or
- c. The building or structure, or portion thereof, is in violation of applicable local and state health, fire, or LCRA regulations, statutes, or ordinances.

(6) Transferability. Registration of a short term rental does not transfer from one property owner to another.

(~~eb~~) Non-conforming use. A short term rental that is located in a zoning district that does not permit short term rental uses and that was in existence as of the effective date of this ~~O~~rdinance may continue its use as a short term rental, provided that it satisfies the following requirements:

(1) Registration. The property owner (or their authorized agent) shall register the short term rental in compliance with section (~~de~~), and additionally provide the following information:

- a. The applicant shall prove that the short term rental use was established prior to the effective date of this ~~O~~rdinance, and that the use has been continuously maintained prior to that date by presenting proof of reporting/payment to the city of the hotel occupancy tax filed prior to the effective date of this Ordinance.

(2) Burden of proof. The burden of establishing that a short term rental use was in existence prior to the effective date of the ordinance from which this section is derived rests entirely upon the person claiming such status.

(3) Abandonment and termination of a non-conforming short term use.

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- a. A non-conforming short term use is deemed abandoned and the right to operate the existing use shall terminate immediately if any of the following occur:
 1. The hotel occupancy tax has not been reported for two consecutive reporting periods of 90 days each.
 2. Discontinuance or abandonment shall be conclusively deemed to have occurred irrespective of the intent of the property owner if any portion of the structure in which the existing use is located is dilapidated, substandard, or is not maintained in a suitable condition for occupancy during a continuous period of 120 days, unless a building permit is obtained.
- b. A property owner may not resume an abandoned or otherwise terminated existing short term rental use.
- c. Destruction of existing short term rental use. The right to operate and maintain any non-conforming short term rental use shall terminate and shall cease to exist whenever the structure or any portion of the structure in which the existing use is operated and maintained is damaged or destroyed by fire, the elements, or other intentional acts of the owner, operator, or third party, if:
 1. the destruction amounts to 60 percent or more of its fair market value as determined by the tax appraisal roll, not including the value of the land, on the date of such damage or destruction, and
 2. the owner fails to begin reconstruction of the destroyed building, when permitted to do so by city ordinances, within 120 days of the date of destruction, the existing use shall be deemed to be discontinued or abandoned, and shall no longer be authorized to continue.

Sec. 40-X Property Standards

(a) (f) Fire Inspections. The City has adopted the International Fire Code. Annual inspections may be conducted by the City to ensure that an STR property meets the current International Fire Code. Inspections will include verifying working smoke detectors and fire extinguishers.

(b) (g) Occupancy Limits

Overnight guest occupancy may not exceed two (2) persons per bed, including temporary beds such as roll-aways or pull out couches, plus an additional two persons, not including infant sleeping accommodations.

Overnight occupancy may not exceed four persons per designated bedroom.

(c) (h) Noise. Property shall be subject to Chapter 16, Article II of the City of Granite Shoals Code of Ordinances.

(d) (i) Parking. Property shall comply with parking requirements set out in the Code for other residential properties in Section 40-16 of this Code. No on street parking is permitted, and no impediment to ingress and egress to surrounding properties is permitted.

(e) (j) Property exterior. Exterior grounds are to be maintained as specified with Ordinance 511, sec. VII in Chapter 8, Article V of this Code.

(f) (k) Pets. To the extent the property owner wishes to allow pets at an STR, the number of pets in an STR is a maximum of five pursuant to the applicable portions of Section Article IV of this Code City of Granite Shoals Code of Ordinances, excluding the requirement to register the pet(s) with the City. If a pet is involved in an incident, the pet owner must be able to show proof of pet's current rabies inoculation. If proof is not provided, Animal Control will take custody of the animal until such time as proof is provided, or the animal is euthanized per established City policy Section 4-9 of this Code.

(g) (l) Signage. No exterior signage is allowed, other than the premises address.

(h) (m) Trash and Recycling

(1) Containers. The number of trash containers required shall be based on the maximum number of overnight occupants permitted on the property. For 1-4 occupants, one 96 gallon container is required; for 5-8, two containers are required; more than 8 occupants, three containers will be required.

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Commented [JK3]: This may be problematic; our code doesn't have occupancy limits for other residential uses. I recommend cutting this section.

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Commented [JK4]: Should this refer to "dwelling" instead?
"Residential property" isn't one of the categories in 40-16. Committee should decide if the parking requirement for multifamily dwellings applies, or single family dwellings. See 40-16(d).

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Commented [JK5]: We should probably be more specific regarding what an "incident" is. Maybe make this an "incident as listed in Section 4-7(a)(1) of this Code"?

(2) Owner/agent is responsible for ensuring that trash containers are placed in their pickup position not more than 24 hours prior to pickup, and returned to a storage location within 24 hours after pickup. Recycle bins are subject to the same requirements.

(+) (n) Exterior Lighting. No lighting shall be ~~done-permitted that in such a manner as to provide arc results in~~ direct or reflected glare into a nearby residence or into a public street that creates a driving hazard. Lighting shall be hooded or shielded. This excludes streetlights. ~~(Proposed Chapter 40 of City Code, not yet adopted by Council.)~~

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(+) (o) Information to be provided to each STR renter

Commented [JK6]: By whom – city or owner/agent?

- (1) Maximum number of overnight guests permitted.
- (2) Maximum number of parking spaces allocated to the property, and location of offsite parking, if available.
- (3) 24 hour contact number(s) of owner/agent.
- (4) Telephone number of City Utilities Department.
- (5) Notification of what constitutes trash and what items are recyclable.
- (6) Notification of trash pickup day.
- (7) Notification of recycle pickup day.
- (8) Other information as may be deemed pertinent by owner/agent or the City.

See. 40-X Complaints, Enforcement, Inspection and Penalties.

(pa) ~~The city manager and/or his or her designee may enforce the provisions of this Section. The enforcement authority for the provisions of this article shall be the city manager or the person or department to whom the city manager delegates the enforcement responsibility.~~

(qb) Enforcement shall be as specified in ~~Ordinance 511, sec. V-Section 8-133 of this Code.~~

(re) Penalties. Following the issuance of a citation or verification of a violation of this ordinance by the city's enforcement authority, the following penalties shall apply to the owner and/or agent:

Commented [JK7]: Do we want to apply the penalties to the owner/agent?

- (1) First offense in a twelve month period, a warning citation shall be issued.
- (2) Second offense in a twelve month period, a fine of \$100 shall be levied.
- (3) Third offense in a twelve month period, a fine of \$250 shall be levied.
- (4) Fourth offense in a twelve month period, a fine of \$500 shall be levied, and registration permit suspended for a period of six (6) months from date of payment of fine.

Commented [JK8]: What if they don't pay the fine? Should it be "from when the citation is assessed"?

Appendix B – Schedule of Fees and Charges

Section N. Administrative fees.

Vacation home rental registration per year	\$7450.00
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SECTION III. SAVINGS CLAUSE

The repeal of any ordinance or part of ordinances effectuated by the enactment of this ordinance shall not be construed as abandoning any action now pending under or by virtue of such ordinance or as discontinuing, abating, modifying or altering any penalty accruing or to accrue, or as affecting any rights of the City under any section or provisions of any ordinances at the time of passage of this ordinance.

SECTION IV. SEVERABILITY CLAUSE.

If any provision, section, sentence, clause or phrase of this ordinance, or the application of the same to any person or set of circumstances is for any reason held to be unconstitutional, void, invalid, or unenforceable, the validity of the remaining portions of this ordinance or its application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council of

the City of Granite Shoals in adopting, and of the Mayor in approving this ordinance, that no portion thereof or provision or regulation contained herein shall be come inoperative or fail by reason of any unconstitutionality or invalidity of any portion, provision or regulation.

SECTION V. REPEALER CLAUSE.

The provisions of this ordinance shall be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein, provided, however, that all prior ordinance or parts of ordinances inconsistent or in conflict with any of the provisions of this ordinance are hereby expressly repealed to the extent that such inconsistency is apparent. This ordinance shall not be construed to require or allow any act which is prohibited by any other ordinance.

SECTION VI. EFFECTIVE DATE.

This ordinance shall take effect immediately from and after its passage and publication as may be required by governing law.

SECTION VII. NOTICE AND MEETING CLAUSE.

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

This ordinance shall become effective upon passage and adoption in accordance with State Law.

Passed and approved this ____ day of _____, 2021.

Will Skinner, Mayor

ATTEST:

Elaine Simpson, City Secretary

Approved to Form:

Josh Katz, City Attorney

Host Compliance

Granite Shoals

Bruce McCaskill
September 2020

THE CITY OF GRANITE SHOALS TEXAS

Cost-effective solutions to Granite Shoals's short-term rental registration, compliance monitoring, fraud, audit and enforcement challenges

September 2020



Company Introduction

Company Overview

- More than 4,500 government agencies have chosen Granicus to modernize their online services, web presence, and communications strategies.
- Granicus offers seamless digital solutions that help government:
 - Improve the customer experience
 - Simplify and automate workflows
 - Enable strategic community development
- Granicus acquired Host Compliance, a leading technology and service provider helping governments address short-term rental challenges.

granicus.com

Short-Term Rental Services

- Compliance and Monitoring Software
- Proprietary and Updated Data
- Consulting and Advising Services

In Texas we are currently partnering with 14 local
agencies to address their STR related challenges

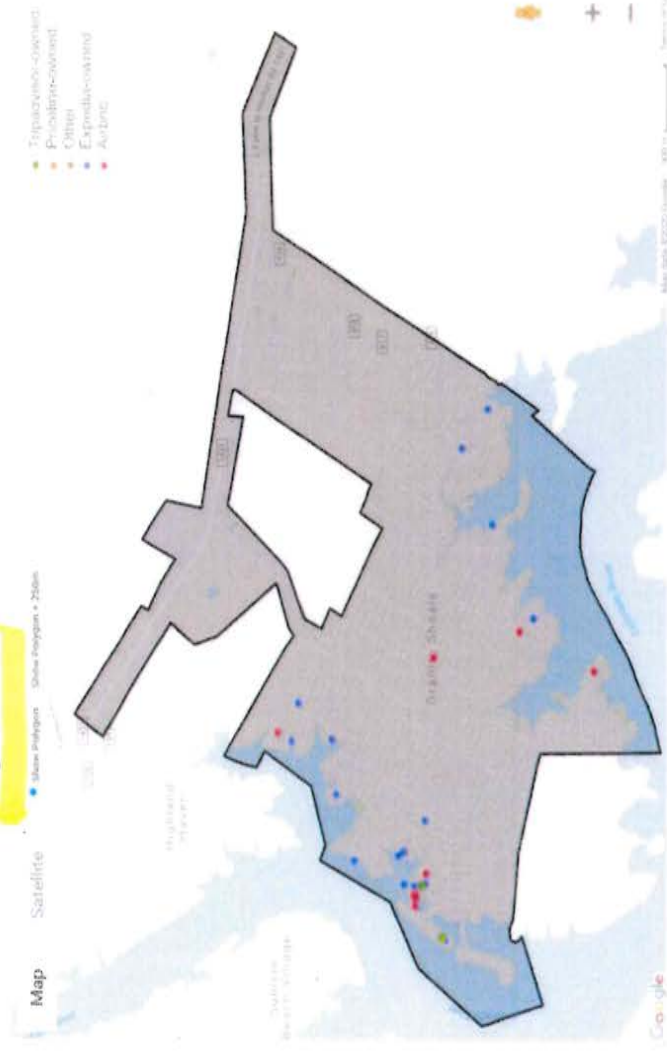
- San Marcos, TX
- Addison, TX
- Hurst TX
- Arlington, TX
- Farmers Branch, TX
- Kerrville, TX
- San Antonio, TX
- Grapevine, TX
- Lewisville, TX
- Helotes, TX
- Grand Prairie, TX
- South Padre Island, TX
- Marfa, TX
- McAllen, TX

What are **Granite Shoals's** most important goals as it relates to short-term rentals?

1. Reduce noise, parking, traffic and trash-problems
2. Eliminate party houses
3. Reduce STR's impact on neighborhood character
4. Ensure building safety
5. Improve City's responsiveness to neighbor complaints
6. Stem STR's negative impact on affordable housing availability
7. Improve permit and tax compliance to increase tax revenue
8. Ensure a level playing field between law abiding traditional lodging providers and illegal short-term rentals
9. Reduce tension between short-term rental property owners and their neighbors
10. Send a clear message to citizens that the City takes the STR problems seriously
11. Other?

...and in Granite Shoals we have identified 36 listings, representing 32 unique rental units*

Short-term rentals in Granite Shoals as of August 2020



* Granicus Host Compliance's pricing is based on the count of listings and rental units that would need to be analyzed and monitored for compliance. In terms of listings, this number is 36 as we will expand our search area by several hundred yards beyond the borders of Granite Shoals to capture all relevant listings. Source: Granicus Host Compliance Proprietary Data

Granite Shoals Data Details

Median Nightly Rate
(USD)

\$259

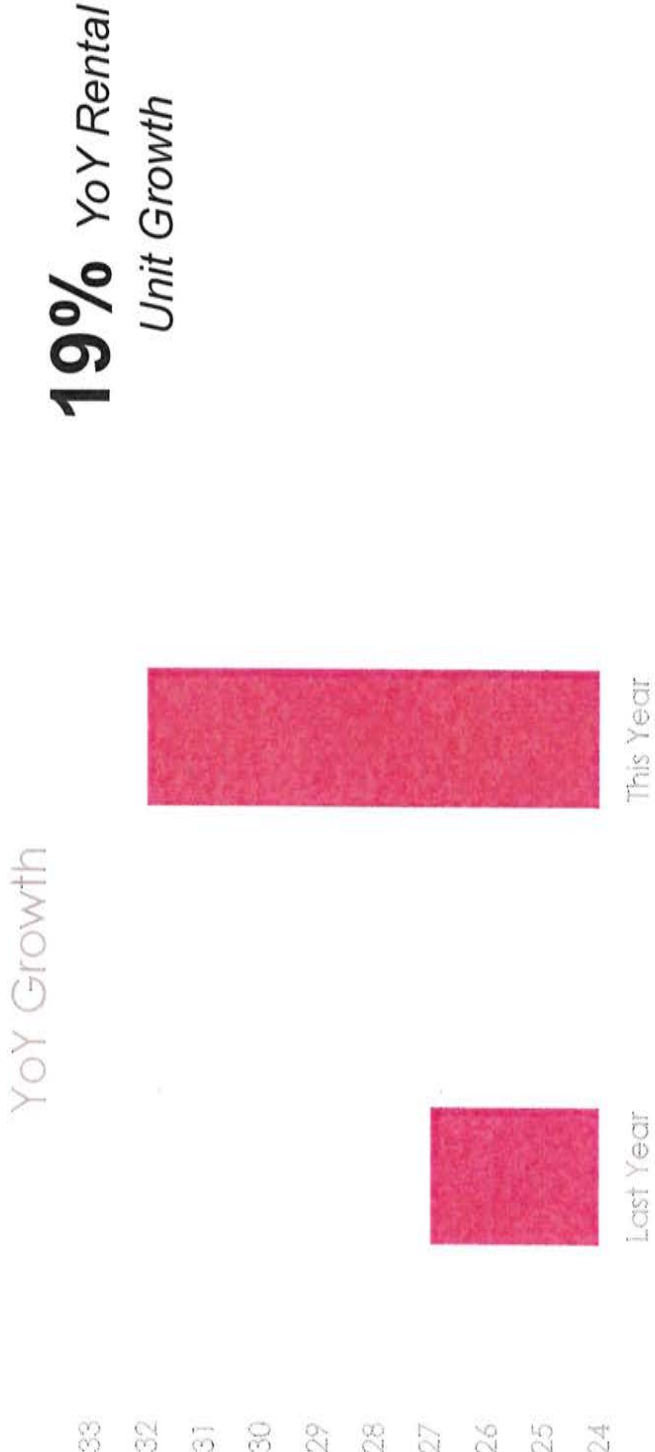
Listing Types



Unit Types



Counting only unique rental units, Granite Shoals has seen 19% growth since last year

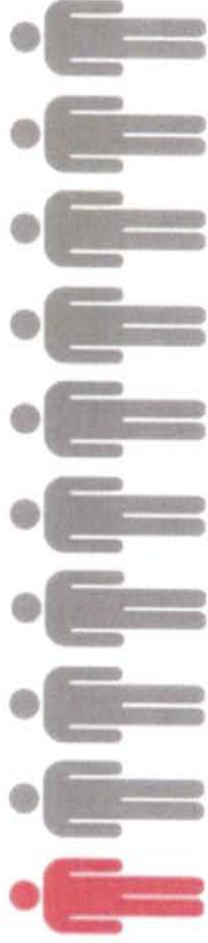


granicus.com

Source: Granicus Host Compliance Proprietary Data

Without proper enforcement, only a fraction of short-term rentals will get registered and pay their fair share of taxes

In General Less Than 10% Of STR Owners Voluntarily
Get Registered And Pay All Of Their Taxes



Large potential for increasing
permit/license/registration fee income and tax
revenues

Manual compliance monitoring and enforcement is ineffective and expensive

- ☒ Rental property listings are spread across 100s of different websites
- ☒ Manually monitoring 100s of properties is practically impossible as listings are constantly added, changed or removed
- ☒ Address data is hidden from listings making it time-consuming or impossible to locate the exact properties and identify owners
- ☒ It is practically impossible to collect taxes as there is no easy way to find out how often the properties are rented and for how much
- ☒ The vacation rental platforms refuse to provide the detailed data necessary for enforcing local Ordinances
- ☒ Manual compliance monitoring and complaint-based enforcement often leads to claims of selective enforcement

The Granicus Host Compliance solution can address all Granite Shoals's short-term rental related challenges



Mobile-Enabled Registration and Tax Collection:

Mobile/web forms and back-end systems for streamlining registration and tax collection processes and capturing required documentation, signatures and payments electronically



Address Identification:

Automated monitoring of 50+ STR websites and online dashboard with complete address information and screenshots of all identifiable STRs in Granite Shoals's jurisdiction



Compliance Monitoring:

Ongoing monitoring of STRs for zoning and permit compliance coupled with systematic outreach to illegal short-term rental operators (using Granite Shoals's form letters)



Rental Activity Monitoring and Tax Calculation Support:

Ongoing monitoring of Granite Shoals's STR listings for signs of rental activity. Enables data-informed tax compliance monitoring and other enforcement practices that require knowledge of STR activity level



Dedicated Hotline:

24/7 staffed telephone hotline and online platform for neighbors to report non-emergency STR problems, submit evidence and initiate automatic follow-up activities






Benefits to using the Host Compliance solution

- ✓ Ensures fair, continuous and consistent compliance monitoring and enforcement
- ✓ Frees up valuable staff time that can be focused on higher-value added activities
- ✓ Minimizes noise, parking and trash violations
- ✓ Minimizes the impact on local law and code enforcement agencies as complaints are first handled by our 24/7 hotline and routed to the appropriate property owner before further enforcement actions are triggered
- ✓ Maximizes Granite Shoals's tax and permit fee collections
- ✓ REVENUE POSITIVE – in most cases, the additional registration fees alone pays for the Granicus Host Compliance solution several times over
- ✓ Requires NO up-front investment or complicated IT integration
-> we can be up and running in 4 weeks!

granicus.com **6 month money back guarantee - we are all in this together.**






To accommodate any budget and ensure a high ROI for our clients, our services are priced based on the number of STRs that needs to be monitored

Cost per STR Listing/Rental Unit

	Mobile-Enabled Registration/Tax Collection	TBD Per Year
	Address Identification	\$45.00 Per Year
	Compliance Monitoring	\$22.50 Per Year
	Rental Activity Monitoring	\$30.00 Per Year
	24/7 Dedicated Hotline	\$12.00 Per Year

Note: the pricing reflected is direct, list pricing in USD. The exact scope can be adjusted to meet Granite Shoals's exact monitoring needs in terms of geography, listing sites, listing types and other variables.

Affordable modular pricing tailored to Granite Shoals's needs

	Mobile-Enabled Registration/Tax Collection	\$5,000 Per Year
	Address Identification	\$1,620 Per Year
	Compliance Monitoring	\$720 Per Year
	Rental Activity Monitoring	\$960 Per Year
	24/7 Dedicated Hotline	\$384 Per Year

granitus.com

Note: the pricing reflected is direct, list pricing in USD. The exact scope can be adjusted to meet Granite Shoals's exact monitoring needs in terms of geography, listing sites, listing types and other variables.