Short-Term Rentals Update

Quality of Life, Arts, & Culture Committee
September 16, 2024

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City of Dallas

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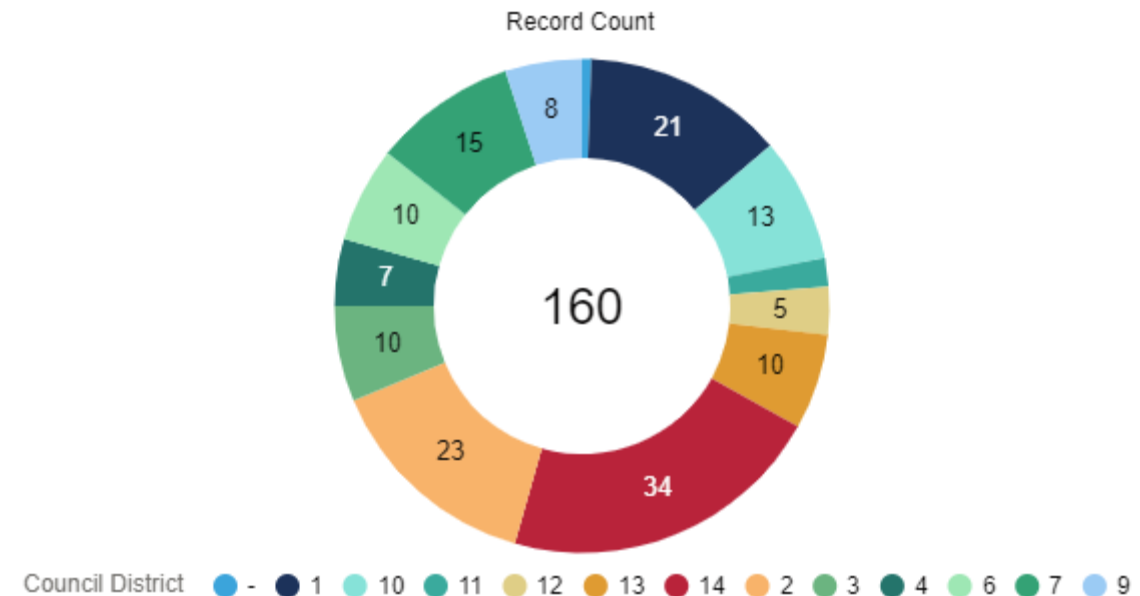- Conclusion

Introduction

- This presentation serves to provide an update on STR service requests, registration status, and HOT collection.

Service Requests

- Since council vote on 06/14/23 there have been **160** calls for service for STR related complaints

- The most common complaints are noise, general ongoing operation, parking complaints, and litter.

- CCS dispatches staff to reported problem properties, engaging and educating property owners regarding regulations; Issuing notices of violation for any apparent violations within CCS authority.

Record Count

160

Council District ● - ● 1 ● 10 ● 11 ● 12 ● 13 ● 14 ● 2 ● 3 ● 4 ● 6 ● 7 ● 9
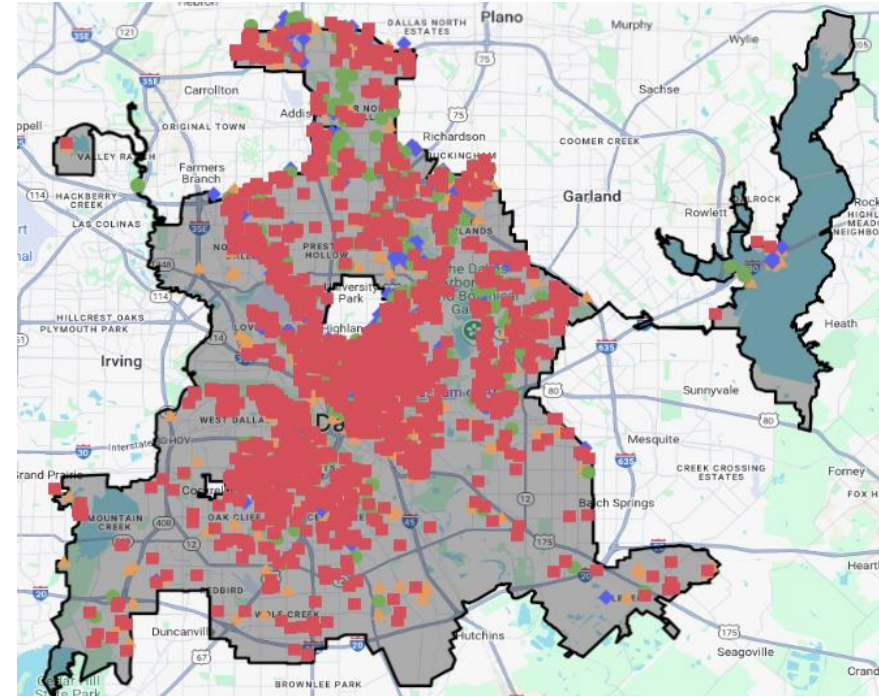
STR Registrations

- Due to legal injunction, the enforcement of the short-term rental ordinances has been suspended.

- As a result, no properties have been legally registered to operate by Code Compliance.

Overall STR Registration Status

- Presently there are 3,512 active STR properties detected by GovOS software.

Hotel Occupancy Tax (HOT)

- Per Chapter 351 of the Texas Tax Code and Chapter 334 of the Texas Local Government Code, every person (entity) owning, operating, managing, or controlling a short-term rental (STR) in the City of Dallas (City) is required to collect Hotel Occupancy Tax (HOT) in the amount of 9% of net room receipts from their guests and report the collections and pay the HOT to the City. Guests who stay 30 or more consecutive nights are exempt from paying HOT.

- HOT collected from STRs for the periods of June 2023 through July 2024: **$3,907,558.75**

- HOT collected from STRs during FY 2023: **$3,824,201.93**

- HOT collected from STRs during FY 2024 YTD July: **$2,650,731.47**

	STR Counts	
	7/3/2023	**9/3/2024**
STRs-Active Count	1,921	2,024
STRs-Potential Count	1,329	1,488
Total STR Count	**3,250**	**3,512**

- Key Challenges in Collection: The City Controller's Office (CCO) mails monthly notifications to properties identified as potential STRs. The challenge is that not all property owners/managers respond to the CCO's request to register their property to file and pay HOT.

Ongoing Initiatives

- CCS staff continues enforcement of its existing ordinances governing minimum property standards, disturbing noises, and private nuisances while providing education to operators upon encounter and via our dedicated STR webpage.

- CCS staff has maintained a relationship with our partners in the Controller's Office. Frequent updates are shared from both sides.

Next Steps

- The STR compliance software is ready for deployment. ITS continues to work on the payment portal deployment with a target timeline for end of September 2024.

- Await release of injunction prohibiting enforcement.

Conclusion

- The Dallas short-term rental program is currently under legal injunction that has halted registration requirements, zoning restrictions, and penalties for noncompliance enforcement.

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