

**Planning Commission
Special Public Hearing
May 1, 2019**

The meeting was called to order by Chairwoman Rebecca Bush and the secretary called the roll.

Present: Nixon Adams, Ren Clark, Simmie Fairley, Michael Blache, Rebecca Bush, and Jeff Lahasky

Absent: Bill Sones

Also Present: Louise Scott, Director, Planning Department; and Cara Bartholomew, Planner; Council Members Laure' Sica, Clay Madden, John Keller and City Attorney deShea Richardson

The case discussed was P19-03-03 Recommendation to the City Council regarding Ordinance 19-03 amending the City of Mandeville's CLURO, Ordinance 15-11, to provide definitions and regulations regarding Short Term Rentals, to add Short Term Rental as a Permitted Use in the B-3, Old Mandeville Zoning District, and to provide for penalties and fines for violations and providing for other matters in connection therewith

Mr. Blache presented Ms. Scott and Ms. Richardson would provide an update followed by a presentation and then public comment. The public comment would be limited to discussion of the process moving forward.

Ms. Scott updated the commission there was additional public comment at the last meeting learning there were great examples of partial and whole house short term rentals that could work. There were rentals outside of the boundaries of the Historic District. There were concerns in the Old Mandeville area with whole house rentals at this time, should they be grandfathered, 90 days rules and practicality, and allowing whole house rental but limited to one unit. All of the discussion was to accommodate and regulate the use to present impact. Barry Brupbacher, a bed and breakfast operator, had hosted a meeting with the bed and breakfast operators. They want to make sure partial house short term rental and bed and breakfast regulations were the same. There were comments on the whole house rental with concerns about the whole house because we were familiar with the bed and breakfast regulations being owner occupied. Jeffrey Goodman, consultant in the industry, would have comments. Some of the discussions would be the difficulty of monitoring, a grandfathering clause, if the applicant was current on their taxes to consider grandfathering, and the use of a company to manage it. Mr. Blache had attended sessions with much discussion at the APA national conference. Additional discussion would include insurance, boundaries, and the staff had seen consistent comments about the rental being located in the historic district. There were other owners wanting to be considered that were located in the Marina District because it was similar in nature to the B-3 district. There were questions about the maximum number of licenses.

The staff had received an email from the Blue Heron Bed and Breakfast summarizing their comments from the last meeting. Other information was received from Jason Kaufman, Fire District 4, outlining fire safety and fire protection and requesting certain amendments. Mr. Blache provided the name of an APA presenter who lived in New Orleans who offered to attend tonight's meeting. He was a consultant reviewing ordinances and policies for short term rentals.

Mr. Blache said having attended sessions at the APA it stood out to make sure the city had a clear cut goals and objectives to be accomplished to fit your community, and another issue was using a third party to help with enforcement. With budget struggles it was hard for the existing staff to handle enforcement so a third party might be the best option. Another

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thing he originally thought not allowing the short term rentals but now he thought there were some good aspects.

Jeffrey Goodman, an urban planning consultant and leading consultant for short term rental programs, had started five years ago as short term rental was a large topic in New Orleans. This was typical seeing in cities with a reason why people visit. There were many types of users and uses. A short term rental could be anything from someone renting a couch to a company with 20-30 properties. There were different impacts. There were so many decisions with impacts that the city needed a planning angle going to community values allowing making choices. The effective cities were those with strong lenses. Related to that was if you try to solve all problems you get something mushy and not solving anyone's problems. New Orleans allowed the air bnb platforms to write their own ordinances and it did no work out well. His company monitored 120 platforms. It was about enforcement. The City must plan ahead for enforcement, staffing levels, making sure the taxes were paid, had the permits been issued and was the structure safe. The Fire Marshal also tells you what to do for the conversion. The City needed to be fair to all platforms to be consistent. Small things can tumble into large discussions.

Mr. Clark asked how to initiate the discussion of want and need. Mr. Goodman said it was hard because many people have their own agendas. There can be polarization of yes or no. The discussion must be broader than this issue which could be difficult. In a political realm it would allow people understand the decisions. Individual policies flow out those discussions. People want to address it to solve the problems. He suggested integrating the public comments would be telling you different ways to handle it but you must be able to justify the decisions consistently. The City needed to decide what to achieve.

Mr. Blache asked do you start with a committee of residents, business owners and officials. Mr. Goodman said that was one way of doing it depending on democracy. It could be frustrating and ordinances could be different based on who was writing the ordinance. He suggested looking at the master plan or city vision as a starter. Sometimes there was political pressure because of tax revenues or elections. Transparency and allowing people to be heard was important. The commission may need to sway the direction based on housing occupancy, rental, and budget.

Mr. Adams asked how long a process it would be to a recommendation. Mr. Goodman said Mandeville was not a large city and it was not a huge problem like New Orleans. It could happen quickly depending on the number of meetings and way to re-image it.

Mr. Blache said he remembered Mr. Goodman saying not to rush the process or the commission would come back to it over and over again. Mr. Goodman said cities had meetings and would get tired of the meeting realizing they had not solved the problem. Finding the balance and making sure it worked with enforcement took time and nuance. It could be quick with a good planning lens with a good reason.

Mr. Blache asked to speak on third party companies. Mr. Goodman worked with Host Compliance, the oldest company being 3-4 years old having 200 clients. Their service was originally about finding addresses. The companies he worked with use codes to match public information and it was given through a subscription for the municipality enforcement. It was designed to make enforcement easier. They had expanded to do services of enforcement, and mail letters of violation. Mr. Clark asked for a cost estimate. Mr. Goodman said it was based on the number of listings. Mr. Clark said if the City found this service to be valuable, we would have to decide how much to tax for it to pay for the company.

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Mr. Adams said a product was an ordinance. The City had a Comprehensive Plan which agreed with this and needed to be tweaked. Mr. Goodman said he did public outreach meetings. They had also been surveys and charrettes, visioning, and internal with the City Council. He has also written ordinances and gave recommendations.

Mr. Blache said he had mentioned to make compliance easy. Mr. Goodman said they tried to make sure everything was as accessible as possible. They had designed phone portals to pay. Most people want to follow the rules and there was no justification to say they could not do it.

Ms. Richardson asked to speak of the New Orleans regulations. Mr. Goodman said he worked with the housing groups in New Orleans. It became apparent in the ordinance was that it looked good on paper but it did not solve the problems. Day limits were 90 days in one category. It was put in place to prevent long term rentals being converted to short term rentals. Looking at the calendar, 90 days was every weekend. Most people did not follow the days. It was a number that was not justified, and the goal was not achieved. The commission should think about justifying the details, where would it go even if people followed the rules. They must post the permit in the window while renting. How could the neighbor prove it? Mr. Clark asked about using a boat as a rental. Mr. Goodman said he stayed on a boat in Seattle as a short term rental. Mr. Clark said a friend put up someone on a boat because they needed a room. This would become a Fire Marshal question. This would be more of a safety issue. Some privately run marinas had rules against those types of stays.

Mr. Clark asked about the economic process. Mandeville had a fair number of bed and breakfast. Mr. Goodman said it depended on the ordinance difference of short term versus bed and breakfast and it was an unfair competition. Reports were produced by interested entities. There were internal costs of enforcement versus revenue. They had found most cities make enough money in occupancy taxes versus services.

Mr. Lahasky asked if there were communities that instead of increasing regulations on short term rentals decreased the regulations on bed and breakfasts. Mr. Goodman said Fort Worth did it similarly but rejected short term rental and the only category was bed and breakfast. He had seen cities eliminating bed and breakfasts on the market means of being a short term rental. Mr. Lahasky asked was that good or bad for the bed and breakfast owners? Mr. Goodman said it was mixed for the bed and breakfast owners since they had already invested the money. New Orleans bed and breakfast sites must live on the site. Because the City had bed and breakfast regulations, Mandeville must be careful that the new regulations work well with it or it would kill it off. Mr. Lahasky had a list that he thought would be a smart starting point. If agreed on those items, what would be the next step and working toward a document that met the guidelines. Mr. Goodman said many cities make a packet with the legalese and an explanation of why the choices were made. The goal then would be to go before a board or group of citizens and view it in "x" way. It becomes more difficult for people to throw it out.

Mr. Blache said there was a draft ordinance and the commission needed more true objectives. There were not problems yet but the commission wanted to be ahead of it. Mr. Goodman said the commission did not to be back in discussion months later. The staff had a good sense of the issues with more of framing the issues in a way to be productive. Mandeville was in a good place and now needed to determine how to make a good outcome.

Mr. Adams said unless it was prohibitively expensive the commission needed a consultant to lead us. Mr. Blache said he did not realize how complicated it was and agreed the City needed someone. Ms. Richardson said being tasked with creating the ordinance, in

reviewing other city's ordinances it was a daunting task since we had never dealt with it before. That was why the ordinance started out as 11 pages. At this point, having a consultant would be beneficial. The commission could make a recommendation to the City Council to defer to form a committee of the Planning Commission, a City Council Member, and a representative of the Legal Department to use the original ordinance as a draft or start from scratch. As was learned at the last meeting and with this discussion, people are aware that it was not easy to put the ordinance together.

Mr. Lahasky asked who to ask to pay for the consultant. Mayor Villere said he understood the request and would discuss a scope of the project. Mr. Blache asked that the City Council members provide more focused objectives. Mayor Villere said he thought the objectives would be provided from the City Council, commission and citizens. Ms. Richardson said the Comprehensive Plan could provide direction. Mayor Villere said it could provide a framework. Mr. Blache agreed with Mr. Clark that the commission needed to determine if the ordinance was needed and why. Mr. Blache said there was no hotel space. Mr. Adams said it would happen. Mr. Clark said the commission needed to determine do you want it, do we need it and was it a referendum. Ms. Richardson said by Mr. Blache attending the seminar he confirmed that cities that did not get in front of it had a problem. New Orleans could attest to being one of those cities. Mr. Goodman said it was banned until 18 months ago. He said with small towns, it could get out of control and missing revenue from occupancy taxes. Mr. Blache said there had not been true complaints or problems, but it was good that the City Council brought it for discussion. Mr. Adams said there was evidence of some problems being noise and parking. Mr. Goodman said it only took one party or it could be a terrible renter.

Mr. Blache said a panelist had spoken about third party companies operating a call center 24/7. It was documented, and the domiciled owner was having 24 hour call. Mr. Goodman said someone had to be on call 24 hours day to handle the problems. House Compliance had created an app for video or photos being tagged onto the complaint. People do not complain because they do not want to be involved so it could be underreported.

Peggy Boettner, 2001 Red Oak Lane, said at the last meeting it was discussed having too many short term rentals and not enough area for long term rentals. She said it would be cost prohibitive in the historic district for all rentals to become a short term rental. There was a house on Lafitte Street being 1,100 square feet selling for \$450,000 that could not charge enough to make it work. There were not that many long term rentals in the historic district. She felt that would limit the number of rentals. Her rental had a sign in book for renters to tell about their stay. Many people came to the area for anniversaries.

David Rathe, Montgomery Street resident, said he had revoked three streets, and liked the Bayou and the Trace. The City purchased property from him on the bayou. He and the City were sued by a citizen and he represented the City at no cost. Something had to be done about short term rental. After listening to the discussion there were so many options, qualifying terms and political issues. He would recommend since he wanted solutions, he would ask for three or four templates of ordinances that applied to small towns and were more like our city. The good news was this was not a room full of air bnb people. If something was done sooner rather than later, he would look at how the city was laid out with the predominant residential areas not wanting it. The Girod Street corridor would be included and any other districts that might allow this use because it was the property right or the threat of multi-tenant housing.

Mr. Rathe had been working for four years clearing up titles, bringing property to commerce and protect certain properties on Bayou Castain. He wanted to move from his house one day to a small place on Bayou Castain. He obtained wetland permits, spent \$20,000 on consultants with the non-denial by City personnel. He applied for a permit that has taken

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one year for a residence for the use as a short term rental. His intentions were always clearly known. Mr. Blache suggested attending the meetings to provide input. Mr. Adams said PM-1 was located on the water. He felt it should be included in the short term rental as it was similar to B-3. Mr. Rathe said his solution was to grandfather him in because of his expenses and he had 1.7 acres with one house. If the City would not allow this then he asked he thought the City wanted people on the Trace. Mr. Blache said there would be time to review it more in depth. Mr. Blache said there were no regulations to be able to accept applications. Mr. Rathe said he would not build the house if he could not have short term rental. He would request to revoke Dupre Street that was part of the site. Mr. Clark asked his views on short term rentals, registering with the City, and paying taxes for hotel. Mr. Rathe said he would pay it.

Mr. Blache suggested recommending to the City Council to allow for a consultant, bringing into focus the objectives of the ordinance and where they see it going. Ms. Richardson said it could be a recommendation to defer the current ordinance as it reads, recommend a consultant/committee be created, the committee including a representative from the commission, the City Council, the staff, and Fire Chief working with the consultant to either work on the current ordinance or draft a new one taking into consideration the Comprehensive Plan. Mr. Lahasky agreed and asked that the ordinance not too beaucroatic. The committee should be concise of 5-6 people and they should be affiliated with the City as well as a consultant if the City could afford it. The Planning and Zoning Commission would give their opinions to the commission representative, Council Members would give their opinions to the Council representative to discuss the details and then create a new ordinance.


Barry Brupbacher, 1925 Livingston Street, said the regulations needed to be a clear statement of what we want to accomplish in English, where to do it, and an understanding of the enforcement for intelligent conversation about it.

Judy, North Street resident, heard there had been previous input. She said there should be a mission statement of Old Mandeville and she was interested in a short term rental and she would follow the guidelines. She thought the commission would want to state the goal in the community, to bring people to the community that were peaceful, businesses wanted to thrive, and how to do that.

Mr. Adams moved to recommend to the City Council to defer action on the introduced ordinance, create a new ordinance for introduction following the study with the help of a consultant that the City would fund, and move forward. Mr. Clark said the consultant had provided a clear finding. The motion was seconded by Mr. Clark. The motion was unanimously approved.

Ms. Bush moved to adjourn the meeting, seconded by Mr. Blache and was unanimously approved.


Lori Spranley, Secretary


Rebecca Bush, Chairwoman
Planning Commission

