

**ADMINISTRATION AND HUMAN SERVICES
STANDING COMMITTEE MINUTES
Monday, August 28, 2017**

The meeting of the Administration and Human Services Standing Committee was held on Monday, August 28, 2017, at 5:56 p.m., in the 5th Floor Conference Room of the Municipal Office Building. The following members were present: Commissioner Markley, Chairman; Commissioners Philbrook, Johnson, Kane and Bynum. The following officials were also in attendance: Gordon Criswell, Joe Connor and Melissa Sieben, Assistant County Administrators; Henry Couchman and Patrick Waters, Senior Attorneys; Kathleen VonAchen, Chief Financial Officer; Rob Richardson, Urban Planning & Land Use Director; and Justus Welker, Transportation Director.

Chairman Markley called the meeting to order. Roll call was taken and all members were present as shown above.

Approval of standing committee minutes for May 22 and June 26, 2017. **On motion of Commissioner Kane, seconded by Commissioner Philbrook, the minutes were approved.** Motion carried unanimously.

Committee Agenda:

Item No. 1 – 171237... REQUEST: ENHANCED PARATRANSIT

Synopsis: Request implementation of a new pilot service designed to provide a lower cost mobility option for able-bodied individuals, age 16-64, who aren't eligible for existing services, don't have private transportation or reasonable access to fixed route public transportation, submitted by Justus Welker, Transportation Director. Cost would be determined by the length of the trip, which would be less expensive than traditional ride-hailing services.

ENHANCED PARATRANSIT

- New pilot service designed to provide a lower cost mobility option for able bodied individuals who aren't eligible for existing services, don't have access to private transportation or reasonable access to fixed route public transportation.
- Trips for able bodied persons aged 16-64 would be commingled with our existing paratransit services. The cost of these trips would be determined by the length of the trip. This service would be less expensive than traditional ride-hailing services.
- Individuals, who utilize this service to access the transit center or major transfer hub closest to their residence, will be given a RideKC fixed route transfer. Transfers are good for two hours on the RideKC fixed route system. An additional fare may be required when transferring to a route with higher fare.
- This new pilot service is projected to be at minimum a budget neutral initiative, as we would use already established services and routes. Any increase in mileage/ fuel should be offset by the variable passenger fare.
- While initial ridership projections are minimal, this would be an additional mobility option for those in need.
- Staff anticipates operating the pilot service for 6 months to evaluate long term viability.

Justus Welker, Transportation Director, said I'm here tonight seeking approval to implement a new pilot service that's designed to provide a new mobility option for those in need. We plan to brand this service as enhanced paratransit. We offer two paratransit services currently. We do one for persons with disabilities. We also have a paratransit service for senior citizens who are 65 or older. The definition of paratransit is a service that supplements a larger public transit system. So paratransit doesn't have a fixed time point. It's not on a fixed route. It's a demand response service where a person makes a reservation. We pick them up and take them to their destination.

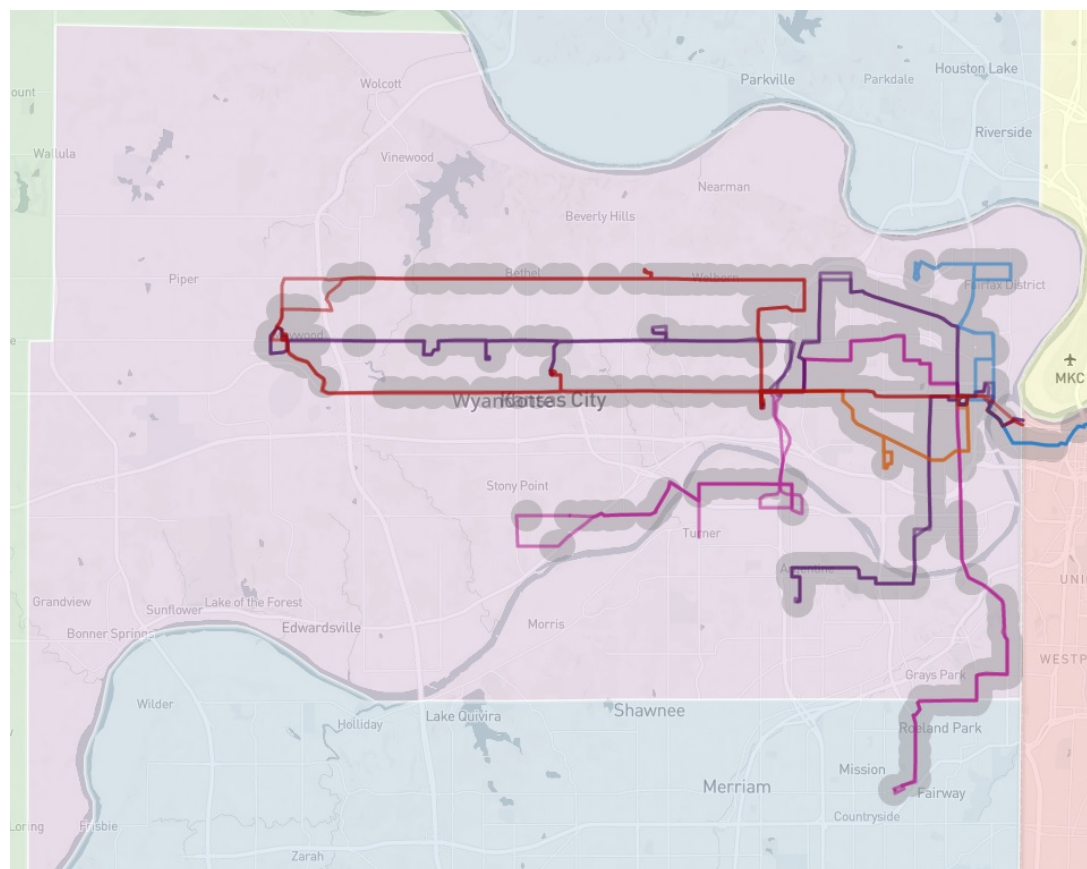
These are folks who don't have access to private transportation, don't have a vehicle, don't have reasonable access to the fixed route transportation and kind of fall through the cracks with the other services we provide. We anticipate us providing trips for able-bodied people 16 - 64. We're going to commingle this into our existing service so it's not an additional service. It'll be incorporated into what we're providing now. The cost of these trips will be determined by the length of the trip and I'll show you a fare schedule here at the end. The service we're providing, since it's public transportation, would be significantly less than a traditional ride hailing service such as an Uber, or a Lyft or something like that. We're probably looking at a 55% - 65% cost savings over those traditional ride-hailing services.

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Now another thing we're targeting on this service would be people who live outside of an area. Best practice says that a person will walk a quarter of a mile to a bus stop to catch a bus. So there's a first mile, last mile problem for people wanting to utilize the bus service that lives outside of that range and I'll show you a slide and I'll actually skip to that right now.

Service	Age	Cost	Days/ Hours	Trip Purpose	PCA/ Guest	Scheduling	Pickup Window	Travel Time Negotiation	Will-Call Returns	Pick Up	During Your Ride	Drop off
ADA Paratransit	No Limit	\$3 per each one-way trip	Same days and hours as the fixed route service	Any	One personal care attendant may ride free. Up to 2 guests may ride with client and must pay the same fare as the client.	Trips can be scheduled 1 to 14 days in advance. Reservations must be made no later than 4:45 p.m. the day before you want to travel. <u>Same day travel requests may be accommodated.</u>		Up to 1 hour before or 1 hour after your requested travel time.		We provide door-to-door service to the most exterior door and cannot enter residences or businesses. Please be ready and waiting near the most exterior door. If you are using a wheelchair, there must be an accessible path from your pickup point to the vehicle. Drivers are unable to assist wheelchair passengers up or down steps or along other non-accessible paths. Drivers are required to wait for passengers up to five (5) minutes after their arrival or five (5) minutes after the start of the pickup window, whichever is longer. If you are not available to board the vehicle within five (5) minutes, you may forfeit your trip.	This is a shared-ride service. You should expect to routinely share your vehicle with other customers. Seat selection is first come, first served. You may or may not be taken directly to your destination. The vehicle may deviate significantly from a direct route to your destination in order to accommodate other passengers. Be prepared to be on board the vehicle for up to one hour or more.	We provide service to the most exterior door of your destination and cannot enter residences or businesses. If you are using a wheelchair, there must be an accessible path from the vehicle to your destination. Drivers are unable to assist wheelchair passengers up or down steps or along other non-accessible paths.
Senior Paratransit	65 & Up	\$2 per each one-way trip	M-F, 7AM - 7PM	Primarily designed for medical, work and nutrition trips but may also be used for education, recreational and personal trips if service capacity exists.		Trips can be scheduled 1 to 14 days in advance. Reservations must be made no later than 4:45 p.m. the day before you want to travel. <u>Same day travel requests cannot be accommodated.</u>	You will be given a 30-minute window in which the driver will be scheduled to arrive. Your vehicle may arrive at any time during this 30-minute window. Please be ready to go at the beginning of your pickup window to avoid any delays.	Dispatchers may offer pick-up times to customers that are different from those requested. This procedure is called trip negotiation. The ability to manage trips in this manner assists us to provide better service to all of our customers.	For medical trips only, you may schedule a will-call return during the reservation process. Will Call trips are not assigned to a vehicle until you call and activate the Will Call. For Will-Call returns, your vehicle will be scheduled to arrive within one (1) hour of your call.			
Enhanced Paratransit (Proposed)	16-64	*Variable based on trip length		Primarily designed for access to fixed route transit, medical, work and nutrition trips but may also be used for education, recreational and personal trips if service capacity exists.	Up to 2 guests may ride with client and must pay the same fare as the client.							

Commissioner Philbrook asked could you address how many blocks a quarter of a mile would be. **Mr. Welker** said it depends on the city itself, I would say but it's probably in the neighborhood of 8 to 10 blocks. **Commissioner Philbrook** said I just wanted to—because most of us don't think in a quarter of a mile walking. **Mr. Welker** said, well I think it depends on you know your scale. A quarter of a mile may seem small to some folks and may be unbearable to others.



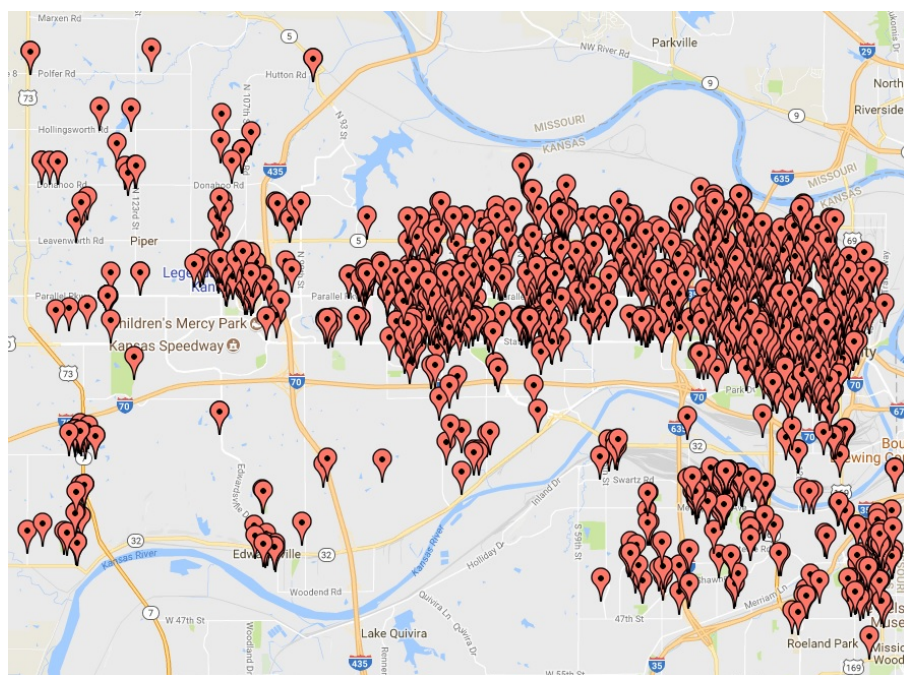
Here's a map of our current routes within our jurisdiction. The bubbles around those routes are a quarter mile buffer around the transit stops themselves. You can see—we did the math and about 50% of our residents have access to those routes since they live within a quarter of a mile. That leaves 50% who don't have access to those fixed routes. These are the folks that we're targeting for this service.

We want to target folks that want to ride that fixed route but live beyond that quarter of a mile and don't have access to that fixed route. We're going to incorporate those folks and we're going to say if you subscribe to this service, we'll take you to the closest transit center or closest transfer hub. We'll put you on that fixed route service. In turn, paying the fare to get to that transit hub, we'll give you a transfer so you can ride on that service. The transfers are good for two hours. It'll get you around wherever you need to go within that two hour timeframe. In return, we'll pick you up at the end of the day. In return, we'll pick you up at the end of the day. We'll accept that transfer and get you back home where you originated from.

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The pilot service projected at minimum to be a budget neutral initiative as the passenger fare, the fare structure would offset any additional costs. We don't anticipate a huge percentage of people utilizing this service, but those folks that do use this service will be those that are in need of the service. They don't have any other options. When we eliminated the 105 Route at the beginning of this year we did public comment, public meetings and most of the folks that came we were able to find an alternative, put them on some other service or get them on a fixed route close and get them to their destination. There were a handful of those folks that we just could not come up with anything for, so this service similar to this would provide a mobility option for those folks. Again, initial ride group projections are minimal.

We anticipate trying this service for six months. Reevaluating it, see if the fare structure meets the needs of those who want the service, see what the ridership looks like, see if we overextended ourselves if we couldn't do it within the services we provide now. All indications are we will be able to incorporate that into our existing service.



This is kind of hard to see. It was in your packet but this is kind of the matrix of the paratransit service we provide. It gives a difference between the ADA paratransit for the people with disabilities, the senior paratransit and also this new enhanced paratransit.

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Commissioner Philbrook said I saw in there that you had a two-hour window. Do you want to speak to that? There's a two-hour link for that to work. **Mr. Welker** said that's for the transfer itself. The transfer ticket to ride the public transportation system is good for two hours. After those two hours if you're still on the system, you can get virtually anywhere in the metro in less than two hours. A person that rides a fixed route transit, they pay a base fare of \$1.50. In turn, they get a transfer ticket to transfer to additional routes to get to their destination. That's where that two-hour timeframe comes into play. **Commissioner Philbrook** said I guess—here's what I'm asking, if I want to go someplace you get me to let's say 47th & State and I get on there and I need to go to my doctor's office which is downtown over town. Okay, I get there. Well, we all know that sometimes we don't get in exactly when we think we should into the office and we have to sit there and wait and if things fall outside of that two hour...**Mr. Welker** said right, you'd have to pay the additional base fare, \$1.50 to get back on the fixed—**Commissioner Philbrook** said so it would just be \$1.50 to get back on if you fall outside of that. **Mr. Welker** said they'd give you a transfer ticket and then we would accept that transfer ticket to take you back to that residence. **Commissioner Philbrook** said just as long as—okay, gotcha.

Trip Length	Base Fare
0 - 3 miles	\$3.00
3 - 6 miles	\$5.00
6 - 9 miles	\$7.00
9 - 12 miles	\$9.00
12 - 15 miles	\$11.00
15 + miles	\$11.00 + \$2 per mile

Mr. Welker said here's the fare schedule that we look to adopt. This is the Ride KC Freedom Fare Schedule. There's already other services within the region utilizing this same fare schedule.

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It's been published. We figured it'd just be easy just to adopt this schedule since it's already out there. Again, the pilot project we'd reevaluate this at the end of the six months if we need to make some changes along the way. I showed you the quarter mile buffer zone; again, those are quarter miles around the existing bus stops on the fixed route system people have access to. This map, this was staggering to me. This is a snapshot of our last twelve months of paratransit service. This map kind of shows the magnitude and the reach of our current paratransit programs. You're looking at 14,024 unique destinations that we've taken folks to within the county and there's over 34,000 passenger trips from those destinations. So again, we're incorporating this enhanced paratransit into our current system so this kind of shows you the reach we have within the county. There's not many areas that we don't provide service to from a paratransit perspective. **Chairman Markley** asked is that a yearly cycle? **Mr. Welker** said yep, that's basically August to present, August 2016 to present day. **Commissioner Kane** asked could you say that number again. **Mr. Welker** said 34,000 trips. **Commissioner Kane** asked what does Johnson County do. **Mr. Welker** said Johnson County really doesn't have paratransit per se. They don't have, since they don't operate true full day fixed route service they don't have to incorporate paratransit service. Now they do special addition service and they don't do all day for—**Commissioner Kane** said but yet they get more money from the state than we do. Thank you.

Commissioner Philbrook said when you were talking about distances. Was that total distance to and from the location or just to it, with your breakdown on charges. **Mr. Welker** said yes, those are per each one-way trip. So that would get you there and you'd have to pay the same fare to get back. **Commissioner Philbrook** said if I have to go five miles out, let's say the base fare would be. Is it round trip, like so it's ten miles. **Mr. Welker** said it would be \$10 round trip yes, for a ten-mile trip.

Commissioner Bynum said just a marketing question Justus. Are we not calling this Ride KC Freedom? **Mr. Welker** said yes, it will be a tier within Ride KC Freedom. **Commissioner Bynum** said so we will brand it along with the rest of the regional transit system. **Mr. Welker** said correct. Right, we're in the process. Our systems, our paratransit systems used to be called Dial-A-Ride. We're in the process of rebranding those to Ride KC Freedom and there are

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different tiers of Ride KC Freedom. There's an application based paratransit service now that's Ride KC Freedom on demand. This will just be another tier within Ride KC Freedom. **Commissioner Bynum** said I'm going to look forward to what you have to share in six months after you do your kickoff trial period. **Mr. Welker** said it will be pretty interesting and I don't anticipate a windfall of usage and revenue coming in from this service, but I think those people that we do reach will be those who actually need this service.

Melissa Sieben, Assistant County Administrator, said I just wanted to state that I want to thank Justus for his innovative and I believe creative which is the next level of innovation, thinking on this, because I have certainly not seen a municipality looking to do this kind of service so I want to thank him for his ideas and efforts and willingness to bring those forward and experiment with something that may have large benefits to those that need it in our community. **Chairman Markley** said agreed. Are there any comments from the public? Hearing none, I'll entertain a motion from the committee.

Action: **Commissioner Bynum made a motion, seconded by Commissioner Johnson, to approve.** Roll call was taken and there were five "Ayes," Philbrook, Johnson, Kane, Bynum, Markley.

Item No. 2 – 171235...DISCUSSION: CURRENT AIR B&B (SHORT-TERM RENTAL) SITUATION IN KANSAS CITY, KS

Synopsis: Discussion regarding the current Air B&B situation in Kansas City, KS, submitted by Rob Richardson, Urban Planning & Land Use Director.



Short Term Rentals

ZONING INFORMATION

Rob Richardson, Urban Planning & Land Use Director, said this is an interesting issue for us. This, what we term short-term rentals but you may know them by Airbnb, VRBO or Homeaway.



What Are Short Term Rentals?

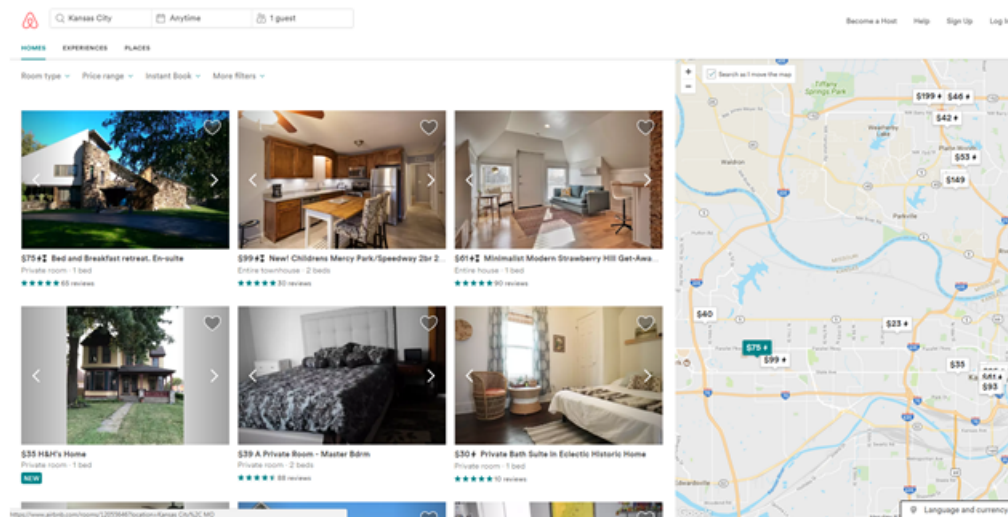
- Short Term Rentals:
 - Are properties that are rented for overnight stays ranging from one to 29 nights.
 - Can include a couch, guest room(s) or the entire unit.
 - Can be the owner's primary residence or an investment property.

Online services such as Airbnb, Home Away, and VRBO have dramatically increased the convenience and popularity of short term rentals.

These are typically defined as properties that are rented for overnight stays from 1 – 29 nights. It's from as little as hey you can sleep on my couch to you can have my whole house or my whole apartment unit. It can be the owner's primary residence or an investment property. One of the things that's unique about these is they pay sale and hotel room taxes so it's not like a

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rental property where somebody rents it for 18 months because you don't pay sales taxes or hotel room taxes on those. So these are distinguished in that way from what you would consider a regular rental property. I've used this service in other cities. I don't know if anyone else has but it's kind of a neat service. It's nice when you go out of town to—you know you don't have to stay in a hotel. They're cheaper than staying in a hotel a lot of times and you get to meet cool people sometimes. It's interesting.



This is a screenshot when you put Kansas City, KS into the search engine. You can see there's several different homes and things for rent there, different prices per night depending on what services they're offering. You know we have a private room and we have whole houses. I don't know if it's true, but I heard someone on Strawberry Hill may have rented their house for like a \$1,000 for the solar eclipse weekend. I don't know if that's true or not but lots of people were—places to stay in the Kansas City area were very much in demand.

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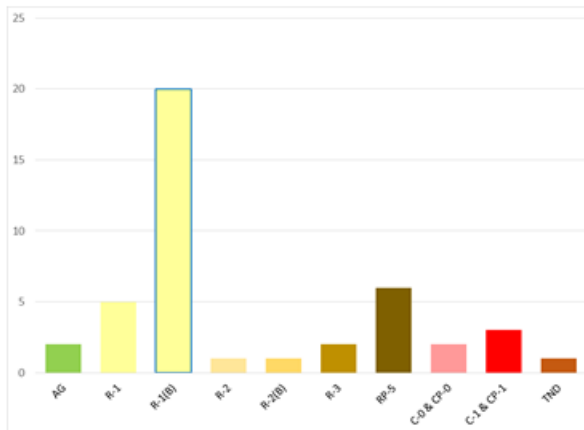
How big is this issue?

- KCK currently has two Special Use Permits for Bed and Breakfast operations.
- Currently KCK has over 45 properties on AirB&B.
- Last year there were approximately seven.
- The number could grow significantly on race weekends.
- The number is likely to continue to grow.
- We currently have a complaint about two AirB&B locations in the Canaan Lake subdivision

I bring this to you because we have two bed and breakfast special use permits now. There's one on your agenda for Thursday evening so there might be three but we have 45 properties on Airbnb. Yes, that's significantly more than we had when we looked last year when we looked at this issue. I thought given the increase in the sharing economy and the increase that we've seen here it was time to talk about this. It became an issue actually quite a lot faster than I thought it would have been. It might be even higher than that on race weekends, obviously when our demand for housing and things increases or other special event times. We do have two current complaints on Airbnb facilities in the community. I haven't acted on those complaints yet because I wanted to do this before and talk to you before we move forward.



How big is this issue?



AirB&B locations by zoning district:

- 29 in AG thru R2(B)
- 8 in R-3 thru R-5
- 7 in C Zones and TND



Talking about how big the issue is, we have 29 that are in AG through our two districts. Those are our lower density residential districts. Eight in what you would consider more multifamily districts and seven in a commercial or TND zone. I believe the one that's in a TND zone is along 6th Street in Strawberry Hill where that was rezoned to TND a year or two ago. You can see here R-1 (B) are definitely the biggest. R-5 are probably apartment units being rented, maybe year around KU Med or something like that.



Benefits and Concerns

Benefits

- Creates a source of income for Wyandotte County residents.
- Provides an affordable option for visitors.
- Provides additional revenue for the City.
- Blight reduction
- Expands the Sharing Economy

Concerns

- Parking
- Noise
- Other nuisances
- Neighborhood character
- Commercialization of neighborhoods
- Conversion of apartment buildings to hotels
- Reduction in full-time residents.
- Tax collection
- Equity with Hotels

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There are several benefits of this and also some concerns. Obviously, it's a source of income for folks that do this. It's an affordable option for our visitors. It does provide additional revenue to the city because we do collect taxes from these. It could help with blight reduction in occupying some places that weren't previously occupied and obviously there's the sharing the economy part of this.

We do have a long list of concerns as well from parking to noise, other potential nuisances. You might have read an article in the *Star* about somebody that rented out an apartment and basically it was a cover charge party in somebody's nice apartment building. It was loud and rowdy and you know everything you can imagine from a crazy party in the apartment next door. We have some neighborhood character issues used in some places potentially. It kind of commercializes potentially some of the neighborhoods. Other cities have had apartment buildings converted basically to a hotel because they are going to be the whole apartment facility, which might reduce our full-time residents. Tax collection is an issue. Airbnb does have an agreement with the state of Kansas, but we're still kind of investigating how of that we actually get. There is an equity issue with those that invest in hotel properties in the community to provide those services.



Code Requirements

- Short-term rentals require a **special use permit**, and **business license** to legally operate.
 - The specific SUP requirements are:
 - A home occupation where customers visit the site (27-340); and/or
 - A commercial use where the owner does not live in the subject property – a temporary use of land for commercial purposes (27-593).
- Most properties listed on Airbnb.com and other services do not have a special use permit or a business license and are an **illegal use**.

As far as our code goes right now these short-term rentals, obviously, Airbnb calls themselves a bed and breakfast but that's kind of the service that they provide. We have two areas where we have specific special use permit requirements. If you have home occupations where customers

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visit your site or if you have a commercial use where the owner does not live in the subject property, you would need a special use permit for temporary use of land for commercial purposes. I talk about this and I mentioned the distinction before because these pay sales taxes so that really distinguishes why they would go into the special use permit category as opposed to maybe our general rental license program. Obviously most of these properties don't have either a business license or a special use permit and are currently under the code an illegal use.

Commissioner Philbrook asked what is our remedy on that since they are. **Mr. Richardson** said well, that's part of the discussion that we'll get to. **Commissioner Philbrook** said you have no remedy right now. **Mr. Richardson** said but we do. We have zoning enforcement action that we can take and we'll talk about if that's our path or not. **Commissioner Philbrook** said and as we go forward, I think part of this then is your intent to find a new way to get through all of this so it's more organized and less special use permit directive.



Legal Issues

- Some courts have required specific zoning language and a comprehensive short term rental ordinance.
- The courts held that zoning code definitions of "bed and breakfast" and "hotels" did not directly apply to this new type of use.
- Utilizing the home occupation method of regulation appears to be a better method of regulation in advance of a complete ordinance.

Mr. Richardson said the legal issues speak to some of the points that you're making. Some courts have required some specific language in comprehensive short-term rental ordinances. They weren't organized for special use permits the way we are. I think we are actually in a good position there. The courts have held the zoning codes—definitions of bed and breakfast and hotels don't directly apply to this new type of use which I don't really understand because bed

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and breakfasts have been using the internet for years and years and years now, but utilizing home occupation method of regulation appears maybe to be a better way to do that for us currently while we don't have—you know we're getting ready to you know sometime in the next month analyzing the responses to our RFP to rewrite the zoning code but we don't have that right now. We actually have kind of a language that says that if you have visitors come in your home and you're collecting fees for that service, then you have a home occupation that needs a special use permit or if you don't live there and you have people coming to that site for commercial purposes and obviously if you're collecting sales tax, it's a commercial operation. They fit in those categories.



Tax Implications

- The State of Kansas Department of Revenue reached an agreement with Airbnb to collect and remit state and local sales tax and local transient guest tax on behalf of Airbnb hosts beginning February 1, 2017.
- The State is remitting taxes back to the Unified Government.
- We are verifying to be sure the UG is receiving all local taxes.

As far as tax implications go, the Kansas Department of Revenue has reached an agreement with Airbnb to collect the taxes. The state is remitting taxes back to us but we aren't sure if we're receiving all of those taxes, our local sales tax and our local room tax. We're talking with them to kind of figure out how that is tracked and how we can be sure that we get all of the taxes that we're due. Some cities, I think Leavenworth has their own agreement with Airbnb and they do theirs on their own. Is that correct Kathleen? Kathleen was telling me about this because there are several of us working on the issue. There's a lot going on in a lot of cities right now related to this.

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Kathleen VonAchen, Chief Financial Officer, said I had the chance to speak with the Assistant City Manager in Leavenworth and what I learned was that they actually went forward and got through home rule, the ability to self-administer their transient guest tax all together and then they entered into an agreement directly with Airbnb. They've been doing this now for about a year or two and they've really seen significant improvements on their revenue tax collection for transient guest tax.



Local Cities
Roeland Park, KS

Roeland Park adopted an ordinance defining short-term rentals, requiring a rental permit, and limiting them to primary residences.

Short-term rentals requirements:

- (1) The *rental* is of the owner's **principal residence**;
- (2) The owner resides in the premise rented for a period of **at least 320 days** in each calendar year;
- (3) Any resident wishing to host a *short-term rental* must provide **courtesy notices** to their neighbors adjacent and across the street. Evidence of this notification must be provided to City Hall prior to approval of an application.
- (4) Any *short-term rental* operating within the City must include the City permit number on marketing materials and online platforms the resident is using to advertise the *rental* of their home.

Mr. Richardson said so what are some of the other local cities doing? There's a description here of the Roeland Park ordinance. They define short-term rentals. They require a rental permit. They limit them to your primary residence so they don't let you do that as a commercial, buy a house and turn it into a hotel basically. You know the owner has to be there most of the year. It counts for some vacation time but they have to provide courtesy notices to their neighbors, which is interesting. It's not a neighbor veto but it's a notice to your neighbor so they understand and they need to include their city permit on all their marketing materials.



Local Cities

Kansas City, MO



Kansas City, MO is currently considering a draft ordinance that would introduce a **short-term rental permit**. Under the proposed ordinance, owner occupied units would need a \$100 permit, whereas hosts who don't occupy the property for 270 nights a year must get a \$259-\$596 permit. **Short-term rentals in the lowest intensity single family zoning districts must apply for a special use permit.**

<http://kcmo.gov/planning/short-term-rentals/>

Kansas City, Missouri is working on this issue. This had to be prepared a couple of weeks ago. They've had another public hearing since then so this information is outdated, but they're still working through a similar issue, but they are focusing on what neighborhoods can do this, some can, some can't and that raised a lot of issues in their last public hearing. That was kind of described in the *Star* article as well, but they would limit them to low intensity single-family neighborhoods. You wouldn't have them in apartments. You wouldn't have them in other higher density districts.



Local Cities

Lawrence, KS



The City of Lawrence currently requires a **special use permit** and is currently pursuing complaint based enforcement. The City is exploring options for regulating short-term rentals and has prepared a report outlining options.

https://assets.lawrenceks.org/assets/agendas/cc/2017/02-21-17/cmreport_Short-Term_Rentals.pdf

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Lawrence is currently pursuing complaint-based enforcement on this and their exploring some of their options related to short-term rentals. They have a report there and a website that you can read. As we move forward in this, listed at the bottom here is some of the common things and potential solutions identified by the city of Lawrence but our current intent is to notify these folks that they need a special use permit.

We probably won't have a new zoning code adopted for at least a year. I worry about how many more might get out there and how much bigger the problem would be. Some folks may say well, I'm not making any money on this anyway, I'm not going to do the process and just self-eliminate. I would imagine there would be some of those that would be that way, but we will during the zoning code rewrite process address this and see if there is a better way and we will discuss that in the public meetings and things like that. We'll have more of a public input process into that as we move forward.



Moving Forward

- Our intent is to enforce the zoning code related to short-term rentals and require that hosts obtain a special use permit and a business license.
- Short-term rental requirements will be addressed during the zoning code update.
- Common solutions identified by the City of Lawrence:
 - Zoning tools/geographic limits
 - Permits and registrations
 - Residency requirements
 - Inspections/insurance
 - Occupant limits
 - Maximum rental days
 - Neighborhood notification/Good Neighbor Brochure

The tools, you know we have zoning tools obviously, you could geographically limit where these could be, obviously permitting and registration could become important; residency requirements. Inspections I think are very important. We have guests coming to the city that expect a level of safety in the places they are going to be renting. Occupant limits, for example, the case in Kansas City, MO, where you had 50 people in an apartment making a lot of noise and kind of

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trashing the hallways, the elevators and the parking lot is not a good thing. How many days a year you can do this and notification either through the zoning process or some type of good neighbor brochure I think would be important so your neighbors would know and expect to see folks and understand that there would be additional folks in the neighborhood.

It's an interesting dilemma. I mean myself, the kids have all gone back to college now, there's three empty bedrooms and you know it might be interesting to have some people come in and chat on a Friday or Saturday evening and have breakfast with them and tell them where the good places are in Kansas City to go. I think it's important that we discuss this amongst the Commission about the way we move forward and how we plan to handle this. For right now, we would notify these folks that they would need a special use permit under the current code and then address the issue in the zoning code update.

Chairman Markley said I think that is the for solution for now, at least that's my personal opinion, not necessarily the opinion of anyone else here. My question is can we as we're notifying these people that currently they have to have a special use permit, can we make some indication that they'll be consideration as we do the zoning code rewrite? So that they might think I'm not going to apply for a special use permit now because it's not that critical to me, but I'm going to pay attention to what's going on here as the UG rewrites their code and maybe when we have this new provision I go back to hosting my Airbnb room based on the new regulation. I just want to make sure people know that that's out there. **Mr. Richardson** said right, we will craft a letter that describes what we're doing now and what the process will be in the future as we get that notice out to them and we'll give them time. I don't expect them to file by the end of the month but I would expect to see them you know at least get in the process over the next 60 days and if they're not in that process then we would have a different letter we might send to them at the end of that period.

Chairman Markley said yes and I was going to say that giving them some time is important too because they may have people lined up going out for some amount of time that they're either going to have to either figure out do I apply for this permit, do I cancel, does it fall before you're going to crack down on them and they have the ability to go ahead and have that one more guest. **Mr. Richardson** said I think that if they have reservations that are already made and they take

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their site down and they fulfill those reservation obligations, then typically even in Code Enforcement actions, if it's a zoning related issue we allow them to pursue the zoning process before we put them through code court.

Commissioner Bynum said I have a question Rob for you in terms of you have used this in other cities. When you reserve an Airbnb in another city, do you as the renter sign something anywhere that says I'm going to abide by all the laws of your city. I mean I'm looking for accountability for a bad actor. **Mr. Richardson** said I haven't made the reservation. I haven't been the reservation maker in our family. I'm not sure of what you sign in terms and conditions. Quite frankly, I wouldn't be worried about that so I would just click through that and give the money and go on. **Commissioner Bynum** said sure.

Ms. Sieben said the answer is they've added some new layers, at least on Airbnb. I can't speak to the other services but they've added where you actually have to have an ID confirmation. My most recent travel to Seattle I stayed in a lower level of someone's home in the city of Seattle Proper and I was required to put my ID down and let them take a photo of it through my cell phone and then send it on. There are things being done that are enhancing the service. I can't say that since they got my mugshot off my driver's license that somehow indicates I'm a good person—**Mr. Richardson** said or that it was a real ID. **Ms. Sieben** said it was a real ID, yes but that is what they're doing and how they are handling. In fact this particular ID was the one with my old last name and it had been cut off in the corner so, but it was accepted.

Ms. VonAchen said I wanted to point out that as a host you agree that you are abiding by all the laws in your local state and community so the current laws—**Commissioner Bynum** said so if you're the host, you're going to be responsible for any bad acting on the part of your guest. **Ms. VonAchen** said well, whatever local laws, like the laws he's pointed out we have currently, the 40+ hosts that we have discussed here; they all agreed that they are abiding by the current laws we have in place, which I don't think they probably are. Do you understand what I mean by that? That's what I mean by that.

Mr. Richardson said but you know we focused on some of negatives. There's a lot of positive things to it too. When we were in Phoenix we were kind of in an old apartment complex that had been turned into condos and all remodeled so we're renting a condo that all five of us could stay in. I don't know if anybody there knew what was going on, but they had a lemon tree out front that was full of lemons. It was kind of nice, fresh lemons in our iced tea.

Commissioner Johnson said the 45 properties that are currently on Airbnb, they are collecting the state and local taxes right now. **Mr. Richardson** said Airbnb has an agreement with the state of Kansas to collect those, but like I said, we're still working with the state and trying to track down that we are getting both our local hotel tax and our local sales tax. The state portion of that is not as significant as our part is. **Commissioner Johnson** said I guess what I'm wanting to make sure of is they are currently collecting them on all 45 of those properties. **Mr. Richardson** said that is my understanding that the state is collecting that based on the agreement with Airbnb. **Ms. VonAchen** said my Research Manager Mike Grimm and I have been monitoring that. There is a three-month delay just in receiving property tax distributions based from the point of sale to when we get the cash. That went into effect in February so you have to count back March, April, and May. We've only gotten a few. It's kind of intermittent. We're still looking for more information like he said. **Mr. Richardson** said but the money doesn't come in with we had 17 room nights and we collected this much tax for it so we could kind of make that calculation.

Chairman Markley asked are there any other comments or questions? Are there any comments or questions from the public?

Phillip Henderson, License Administrator, said I just have one comment that I'd like to make in support of Mr. Richardson's efforts here to speak to the character and complaints. Our office actually receives a great number of complaints and those I have forwarded on to Rob over periods of time. Unfortunately the complaints come in after the fact and in speaking to the character and complaints there's not much that can be done after the fact because there's no real tracking on any of these situations.

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One of the two that's out there at Canaan, we had received a complaint during race weekend last year that one of them and again, it's unconfirmed because there was no opportunity for the Police Department to do any kind of investigation time, but that it was being used for either drug activity and or as a prostitution setup during race week. **Commissioner Kane** asked where at? **Mr. Henderson** said one of the two that was out that listed at Canaan. That's one of the complaints we received last year that one of those two locations was being used for that type and again because there was no opportunity, it was after the fact, the Police Department had no opportunity to do any kind of investigation at that time. **Chairman Markley** said well, and it's relatively easy to see how a resident could think something. You know maybe they see people going in that are not their normal neighbors and they are like even if they were just staying there and it wasn't anything that dire, you could see where people in a neighborhood might say there's five people going in and out of this house. They are people I've never seen before. What kind of business are they doing? **Commissioner Kane** said I have to warn my neighbors when my nine brothers and sisters show up so they don't think anything is really strange going on. It's a crowd of 80.

Chairman Markley asked is there any other follow-up discussion. This is an item for information only, for discussion only, although I think if we want to give Rob direction other than what he has presented as his plan moving forward now would be the time to do it, otherwise he's going to forge ahead as noted. **Commissioner Johnson** said forge ahead.

Action: For discussion only.

Chairman Markley adjourned the meeting at 6:29 p.m.

Adjourn

tpl

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