

Sandy City Council Office

10000 South Centennial Parkway Suite 231 Sandy, UT 84070 O | 801-568-7141 Sandy.Utah.Gov

Memorandum

August 21, 2018

To: Council Members

From: Dustin Fratto, City Council Management Analyst

Subject: Important tools for enforcement of the proposed STR Ordinance

Council,

From the beginning of this process staff has been adamant that no STR ordinance is enforceable unless the appropriate tools are available to our code enforcement officers and those administering the STR ordinance. Staff has been most adamant regarding two tools in particular (1) an administrative code enforcement model; and (2) the correct software and professional assistance to locate and track STR's.

Administrative Code Enforcement

From the very beginning of this process staff has stated time and time again that if the City doesn't move to an Administrative Code Enforcement Model, we shouldn't try to regulate short term rentals at all; without this tool, enforcement becomes futile.

Presently the City operates under a criminal code enforcement model. This model classifies infractions related to the land development code (weeds, junk vehicles, short term rentals, etc.) as Class B Misdemeanors and places them in the same class as other, much more serious, infractions such as: Possession of marijuana, reckless driving, assault, resisting arrest, DUI, and trespassing to name only a few. While a Judge may impose a fine or even jail time on an individual who is convicted of a Class B Misdemeanor, oftentimes minor offenses (in comparison to other Class B Misdemeanors) of the land development code result in little more than a slap on the wrist and a small fine of \$20 or \$30 five or six months after the infraction occurs. When discussing short term rentals, this model doesn't work. STR's in Sandy City are renting for \$20/night at the low end and over \$500/night at the high end of the spectrum. A \$20 or \$30 dollar fine long after an infraction takes place does not discourage those STR operators renting at the high end of the spectrum.



Sandy City Council Office

10000 South Centennial Parkway Suite 231 Sandy, UT 84070 O | 801-568-7141 Sandy.Utah.Gov

An administrative code enforcement model will allow our Code Enforcement Officers to more effectively enforce the STR Ordinance and prevent "bad operators" from illegally running a nuisance short term rental. In this model, code enforcement officers will be able to issue a notice of violation directly to an STR operator without having to go through the Court System. The NOV will include a fine of \$500-1000/day and the threat of losing one's privilege to operate a STR. As you can imagine that amount adds up quickly and places an illegal operator in the position of coming into compliance or incurring a large fine and possibly losing the opportunity to operate a STR at all.

Because the Administrative Code Enforcement Model is so important to the administration of the STR ordinance, staff is recommending that the STR ordinance not go into effect until the Administrative Code Enforcement ordinance is in place. For this reason, the STR ordinance includes a 60-day waiting period before the ordinance goes into effect. The waiting period will allow ample time for the Council to review and hopefully adopt the forthcoming Administrative Code Enforcement Model.

Software and Professional Assistance for Locating and Tracking STR's

Locating and tracking STR's is more complicated than might be expected. Without the necessary software and professional assistance in locating STR's, enforcement of the proposed STR ordinance reverts to "by complaint only" and places the City squarely back to status quo. To be effective at enforcing the STR ordinance Sandy Code Enforcement Officers must first be able to locate operating STR's. As an STR looks just like any other home, and the listing services (Airbnb, HomeAway, etc.) won't provide exact addresses until after a STR has been booked finding them, without the right tools, is extremely difficult. Fortunately, groups such as Host Compliance and STR Helper have developed tools to help municipalities locate, track, and monitor STR's. Of course, these tools do come with a price tag. While the hope is that the cost can be covered by STR licensing fees and fines, the Council should consider that some funding may be required in the beginning. It should also be noted that it doesn't matter whether STR's are legalized or remain completely illegal. Having the right tools to help our code enforcement officers locate and monitor them is essential to enforcing any STR ordinance effectively. Again, our code enforcement officers can't bring a bad STR operator into compliance if they can't locate them. As staff has said time and time



Sandy City Council Office

10000 South Centennial Parkway Suite 231 Sandy, UT 84070 O | 801-568-7141 Sandy.Utah.Gov

again, to effectively enforce an STR ordinance the City must consider purchasing a tool to help our code enforcement officers locate and monitor STR's.