



M E E T I N G M I N U T E S



Project: Albuquerque Short Term Rentals

Date: March 22, 2019

Subject: Public Meeting

Meeting Date/Time: Tuesday, March 19, 2019; 6:00pm-8:30pm

Location: Greater Albuquerque Association of Realtors, 1635 University Blvd. NE 87102

SUMMARY

The City of Albuquerque and Councilor Diane Gibson hosted a public meeting on March 19, 2019 regarding short term rentals (STRs) in Albuquerque. The purpose of the meeting was for the STR Task Force to get public input on the draft recommendations regarding the regulation, registration, and administration of STRs in Albuquerque. The meeting also provided an opportunity for the public to learn more about the Task Force. Councilor Diane Gibson and Petra Morris (Planning Manager, City Council Services) provided introductions. Jackie Fishman (Principal, Consensus Planning) presented the background for the establishment of the Task Force and the areas of agreement regarding STRs. She also presented the topics that the Task Force considered, but did not come to an agreement. After the presentation, Councilor Gibson, Petra Morris, and Jackie Fishman facilitated a question and answer session. The Task Force intended to implement three separate stations to engage with the public, but attendees requested that the large group question and answer session be extended for the remainder of the meeting. Over 95 persons attended the public meeting.

The public was able to comment verbally and provide written comments. Attendees were provided with a meeting agenda, contact information sheets, and research related to the best practices in other cities. Verbal comments were recorded by Jeff Hertz (City Council Services), Charlene Johnson (Consensus Planning), and Katie Dix (Consensus Planning). Listed below are comments provided by attendees.

PUBLIC COMMENT

The following section categorizes public comments into separate topic areas:

Task Force & Public Process

- A list of Task Force members should be posted online.
- Task Force should include STR operators and community members from all districts.
- What is the purpose of the Task Force?
- "We all should be on the Task Force."
- There should be at least 2 representatives on the Task Force that represent STR operators. *(The Task Force includes 2 STR operators).*
- There is not enough representation for STR operators.

- There should be representation from Code Enforcement on the Task Force (*Jacobo Martinez, City Code Manager, is on the Task Force*).
- What was the process for identifying representatives to serve on the Task Force? More neighborhood representation was requested (*City responded by saying there have been 2 neighborhood representatives involved*).
- Contact information for members of the Task Force should be public.
- The public wants to be a part of the decision-making process; there should be another public meeting. (*The Task Force report will be a study that goes to City Council, the Task Force will not draft any laws or ordinances*).

Proposed Registration Fee

- The proposed \$250 fee is too high.
- The proposed fee is higher than the average fee (referring to the best practice analysis).
- The Task Force and City should consider other costs.
- This fee would prevent residents from operating an AirBnB (or STR).
- What would this fee go towards?

Best Practice Analysis

- The Task Force should not compare ABQ to these cities (Santa Fe or Denver); “We are nothing like Denver.” (*The eight communities chosen for the best practice analysis were comparable in size, located in New Mexico, or similar geographic region to Albuquerque*)
- The Task Force should consider Boise, ID, Eugene, OR, Las Cruces, NM, and cities similar to ABQ for comparison; “no one knows where ABQ is” and “ABQ is not a tourist destination.”
- Texas Supreme Court has ruled that STR operation is a residential use, not commercial, so long as renters use the space for common residential activities (eating, sleeping, entertaining).

Regulating All Rentals: STRs & Long Term

- Regulations should apply to all rentals; long and short term.
- Out-of-state landlords should be regulated.
- All landlords (operating short and long term rentals) should be forced to register with the City.
- The City Unified Housing Code was recently amended to address landlords and should be enforced.
- Why is the City focusing on STR regulation and not rentals in general?
- STRs are not the problem; it is a problem with all renters.
- Why establish an STR Task Force? This should be a Rental Task Force.
- More problematic than STRs are units that landlords have rented out to college students who have house parties.

STR Operation

- Time, effort, and money are required to create and maintain an STR.
- It is expensive to start and operate STRs.
- Free market will take care of “bad apples.”

- “We live and die by our reviews.”
- Operating an STR(s) can be a very lucrative business; “the game has changed and it is natural for regulations to follow”- How can STR support low-income women in making a living?
- Are businesses treated different than residents? Should they be?
- STRs are more beneficial than hotels.
- STR operators want visitors to enjoy the Albuquerque.
- STRs are a great asset to ABQ; because of them visitors are falling in love with ABQ when they visit.
- The City should be thankful for STR operators for accommodating all of the visitors coming to ABQ for Balloon Fiesta.
- The City should be thankful for the investment that STR operators make on their properties and the increase in property values to surrounding neighbors.
- STRs are listed on many platforms, including Craigslist; they are not limited to AirBnB.
- Petra Morris asked about the average number of guests that STR operators host in their locations, most responded with 1-2 or 2-4; only a few people said that they had higher numbers of guests.
- Need more regulations on multi-family rentals hosting larger parties.

Regulations

- Need for more regulations surrounding homelessness, and intoxication.
- The fees and regulations will force STR operators out of business.
- STR hosts need to remember that they are doing business right next door to a residence.
- City is trying to apply minimum standards to improve the quality of service provided by STR hosts.
- How is “small private gathering” defined?
- The City is trying to level the playing field between STR operators, B & B owners, and hotel/motel operators. “Should a small boutique hotel not be regulated?”

Existing Codes

- There are already laws and codes that prevent issues.
- Current codes are not enforced.
- Planning Department is feeling overwhelmed by all of the current enforcement activities that they already have on their plate.
- There are plenty of regulations that the City already has in place to address STRs- why do we need more?
- Just enforce existing ordinances.
- Submitting floor plans would be burdensome; this regulation is too extreme.

Problem STRs

- Renters do not obey City codes and ordinances.
- Neighbors are unsure who is around and when; there are unknown people in the neighborhood every day.
- There seems to be no process or regulation to alleviate nuisances.

- STR renters burned a neighbor's car; AirBnB was unresponsive to the situation and the STR continues to operate; neighbors have contacted the City many times to address this issue and other nuisances including parties.
- Party houses are the problem.
- Events, parties, and weddings should not be allowed in STRs.
- Basic contact information may have helped neighbors address issues.
- The City should provide documentation on citations as justification for any regulation or ordinances: Are there specific numbers on complaints? (*The City has received STR complaints related to noise, too many people at the property at one time, parties, litter, and parking*).
- An analysis of calls for services and complaints can lead to a more target and appropriate action from the City.
- Resident has had issues with a neighboring STR for 12 years; there is not enough regulation or enforcement.
- STR owners are not going to abide by regulations anyway.
- Many operators expressed that they have never had an issue with their renters.
- Locals (ABQ residents) are the issue; they rent for parties and special events.
- A former STR operator shared his experience with two different units, one with a low number of guests and another with a high number of guests. Violations and nuisances were present in the unit with high occupancy even though he lived next door; he called the police on renters that were unresponsive to his comments. He believes high occupancy (8 persons) created circumstances that lead to this "problem unit."
- Property managers receive lots of calls requesting that they come out to properties.

Safety

- Some people (women, LGBTQ, solo travelers, etc.) stay in AirBnBs for safety reasons.
- STRs are safer than motels on Central.
- AirBnB screens renters.
- Would you rather have an STR or an empty house on your block?
- If hosts are away on vacation, houses are safer with occupants.

Concentration

- Consider separation regulations rather than a percentage limit.
- Regulate the number of units in a building.
- Nob Hill is over-saturated with STRs.
- Some STR operators own much of a block/neighborhood and operate a high number of STR units in a very saturated area; these areas' property values have been upheld.

Communication

- Hosts already provide renters with contact information.
- Need for an information sharing platform for both STR operators and neighbors to communicate.
- Create an STR hotline.

- Mixed use versus residential zoned areas; STR hosts need to have a good relationship with surrounding commercial properties; when STR operators call the City, they never cite the tenants.

Administration of Short Term Rentals

- Regulations will be difficult to enforce.
- How long have the peer cities been implementing their ordinances? It will take a long time to establish a “bedroom police squad” and this should be done before implementation (*Petra Morris responded that a fiscal impact analysis will be conducted to address needs for implementation*).
- The City does not have the resources to do the enforcement.
- The City should not spend money on third-party enforcement.

Misc

- “Go after slumlords.”
- “Why isn’t this task force addressing homelessness?”; “People don’t want to come to the City because of the homeless population” (*After several comments related to homelessness, Councilor Gibson emphasized that there are other initiatives to address this issue*).
- “Why are we [STR operators] being punished?”
- “Nothing that was proposed seems unreasonable; I think you guys are doing great work.”

COMMENT BOX

The following list includes written comments received at the meeting:

- “It is clear from the meeting that the ‘task force’ is trying to address a small fraction of the problem instead of a task force to address ABQ’s larger issues (i.e. homelessness, crime, substandard rentals long term/short: code enforcement of pretty much everything). In my experience, I’ve taken an apartment complex in an area with substandard unfinished rentals and have created a mini paradise (raising the values). Also, my ‘guests’ spend a lot of money in ABQ. This should be encouraged”
- “Please add more STR hosts and neighborhood reps to your Task Force from all sectors of the City (i.e. NW, SW, SE, North Valley, etc.).”
- “If regulations go into effect, small and large operators should be treated differently. An operation of say, 20 units should have some enforcement while maybe 1 or 2 should not. If the City is already overwhelmed and unable to enforce current ordinances, how will creating new regulations for STRs be enforced? It seems to me that it is creating work that would be easier than the work that should be done but currently is not”
- “Impressive work on the part of the Task Force. Thank you”
- “I’m happy to pay a tax to help law enforcement & city zoning ordinance, but don’t target STRs for this city-wide problem”
- “Would the STR convey with the host or the property?”
- “\$250 [for registration] is way too high!”

- “Where a HOA is involved your regulations cannot supersede the HOA regulations. I [have] seen indication that you are addressing this”
- “I am already operating in a municipality 6 months into regulations. They have no idea how to enforce it. In just one company they have 75% no compliance. You have no idea how different it will be to ‘surf’ websites trying to figure out how who is doing what. One owner is literally committing tax fraud. The listing company has no idea”
- “1. Where rentals share driveway space (townhouse) other owners (residents) potentially have liability for guests. Do insurance requirements make ‘business’ sharing space with resident owners not liable for ‘business clients.’ 2. Requirement that businesses have security especially during periods of no occupancy. 3. Monitor spacing in Old Town...allow minimum. Rental costs are escalating due to out-of-state owners with agencies monitoring single or multiple different addresses. 4. Occupancy- Old Town- parking severely limited. School/church [advertising (for instance) ‘sleeps 8’ with one dedicated parking space presents parking issues] Homeowners and families suffer. Large periods of vacancy result in potential crime. Local residents cannot tell who is legitimately living/entering a building...they are not neighbors. Short term rentals are businesses. This meeting was mainly attended by very defensive owners of Short Term Rentals who oppose regs even to regulate bad owners. As a person who lives in a ‘neighborhood’ that is over-run by Short Term Rentals, I believe strongly that permits: 1. limit the number per area (maintain neighborhood), 2. Be fair to hotels by assessing taxes, 3. Assure ‘businesses’ have proper insurance/security, 4. will increase tax revenues, 5. Will give us a chance to report violators and protect neighbors.”
- “Suggested Regulations for Short Term Rentals
 1. City of Albuquerque will establish a department known as Short Term Rental (or whatever department name the City wishes to use). This department will oversee registration of all residences wanting to conduct business as a Short Term Rental Resident. The department will oversee a City Short Term Rental Lodger’s Tax that all of these businesses will be required to pay while conducting business. Certificates of Registration as a business will be issued to the residence and in turn will be required to display it (similar to all licensed businesses in the City). The department will conduct full investigation of any/all complaints registered by neighboring residents and will issue fines for non-compliance of regulations the City implements.
 2. All residential homes advertised on all types of media, either social media, agencies (i.e. AirBnB, VRBO, etc.), internet, print media, radio or televised media must first register with ABQ Short Term Rental Department. An inspection of the business as well as a nominal registration fee should be required (to stave off costs incurred by the department) and a certificate of compliance should be issued.
 3. There should be no more than one residential Short Term Rental business within a 1,500 square foot radius of another Short Term Rental business (standard radius is the same as zoning regulation for CRP residences) in any R1 neighborhood.

4. The amount of persons, as well as bedrooms, allowed for short term stays at any given time shall be determined by the Short Term Rental Department in conjunction with input from the property owner and surrounding residences. Property owners of Short Terms Rentals must all reside at the residence and must oversee all rentals, including renters, parking, noise issues, any violations of residential codes, etc.
5. Any Short Term Rental allowing guests to use cooking facilities (i.e. kitchens, outdoor bar-b-ques, etc.) must indicate that on registration form and then comply with City and Fire Code inspections. Any Short Term Rental that provides any meals (breakfast, lunches, dinners, snacks, etc.) must indicate that on registration and will be subject to city restaurant inspections as required by City regulations. All City restaurant rules and regulations will apply.
6. Short Term Rental Department will be responsible for overseeing all Lodger's fees and taxes as laid out by the City of Albuquerque. Unless required by the State of New Mexico, the Department will not be responsible for collection of state Lodger's fees and/or taxes as specified by SB106 signed into law which will apply by January, 2020.
7. Complaints regarding a Short Term Rental will be assigned to the Short Term Rental Department and an immediate investigation will be conducted by the department. The investigation will include the person(s) issuing the complaint, surrounding residences, as well as the owner of the rental. After the investigation the department will issue a letter of determination of findings and issue a judgement.
8. Upon receipt of complaint(s) the Department will first determine if the Short Term Rental is registered as required by city. If not registered, a cease and desist letter shall be sent immediately (registered mail). If the property owner continues to conduct business as a Short Term Rental, a fine shall be instituted on the property (suggestion of \$150.00 per day) in order to either bring the residence into compliance or cease rental. If the rental is registered, the Department will then investigate that the business is being conducted as required by rules and regulations stated by registration.
9. If the Short Term Rental is in violation of rules/regulations as stated by the department and/or the city, fines can be implemented or a letter of cease/desist business can also be applied. The Short Term Rental department will establish the rules/regulations in conjunction with all City departments applicable, including police, fire, zoning, trash, water, etc. "

The public meeting ended with a summary of next steps. A copy of the presentation will be posted on the City Council's website under Short Term Rental Task Force.