

# Legislators defend local control over short-term rentals

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By LANDON WOODROOF

Brentwood City Commissioners recently passed a resolution condemning statewide legislation that would take away a local government's rights to ban short term rentals within their borders.

During the discussion preceding the passage of that resolution, citizens and commissioners alike spoke out strongly against the idea of short term rentals like Airbnb having free rein in Brentwood, and encouraged concerned residents to get in touch with their state legislators to voice their disapproval.

Airbnb is a popular online platform allowing property owners to list short term rentals and allowing both owners and renters to rate each other. Concerns have been raised in several Nashville neighborhoods about renter behavior in some instances.

At one point, Mayor Regina Smithson read from a letter that a Brentwood resident Stephen Lambert had sent her, and which she said had also been sent to State Sen. Jack Johnson, State Rep. Charles Sargent and State Rep. Glen Casada.

The letter's content was typical of the opinions expressed at the meeting: "I moved to Brentwood to enjoy a quiet, stable neighborhood where I can know my neighbors, and we can trust and support each other ... People who will buy homes and turn them into Airbnb locations are not interested in Brentwood's quality of life."

As previously reported by the Brentwood Home Page, City Manager Kirk Bednar said he had been in touch with all of Brentwood's state legislators and was encouraged by the feedback he got from them.

"We've been in contact with all of them, [and] we believe they understand our issues and are supportive of those," he said.

The Brentwood Home Page reached out to those legislators to hear from them firsthand what they think of the proposed short-term rental bills.

Sen. Jack Johnson said he has "grave concerns about removing the ability of local governments to control their own land use and zoning." He also said he was sympathetic to the concerns of Brentwood residents who spoke out against the legislation at the commission meeting and acknowledged that he had received emails and phone calls from citizens upset about the legislation.

Johnson added that should the bills advance, he would be involved with both of them on the committee level, since he is the chairman of the Commerce Committee and sits on the State and Local Government Committee.

Rep. Charles Sargent was explicit in his opposition to the legislation.

"I'm for local control," he said. "It should be up to locals how they want to handle that. I don't think we need a statewide law on that."

He said that different municipalities should be free to decide their local zoning laws as they see fit.

"Every community is going to be a little different," he said. "That's why we have city zoning and planning and county zoning and planning. I think we all know what's best for our cities and our own counties."

Rep. Glen Casada, the Tennessee House majority leader, said that although he had not read the specific legislation, he was opposed to anything that would take away local governments' authority to regulate planning and zoning within their municipalities.

"Planning and zoning is the primary function of local government," he said. "It's one of the reasons we have local government."

He said he thought local government should have "total discretion" in planning and zoning for Airbnbs.

The majority leader said he has been getting feedback from local residents — almost exclusively from Brentwood — on the bills.

"The City of Brentwood residents have been almost universally against taking away the rights of the city to regulate and zone and manage Airbnbs," he said.

Despite the furor in Brentwood over the legislation, it does not seem that its consideration is imminent before the state legislature. Casada said the sponsors of the two short-term rental bills have not yet scheduled hearings for them before committees in the House.

#### Is Airbnb 'Homesharing' Or A Business? Tennessee Laws Could Depend On The Answer

By Tony Gonzalez • Sep 19, 2016

Nashville Public Radio

Tennessee senators held a study hearing on short-term rental properties while considering possible legislation.

One of the sticking points in Tennessee's struggle with Airbnbs and other short-term rentals is a question of how to define them. Are they part of the so-called "sharing economy," or a new wave of commercial businesses?

Some clever data analysts think they have an answer — and it could influence local and state regulations.

The question surfaced last week when state lawmakers convened a hearing on short-term rentals, which have exploded in popularity. Because the rentals are typically enabled by online booking — directly between host and guest — the arrangement draws comparisons with other peer-to-peer networks.

But Troy Flanagan, a vice president with the American Hotel and Lodging Association, cautioned that there's a gap between perceptions and the data on short-term rentals. He said it's a "convenient narrative" that most short-term rentals are "mom-and-pops."

"The occasional rental of a primary residence, the true spirit of the 'sharing economy,' is the type of activity that generates positive benefits for tourism," Flanagan said. "However, we are concerned about the growing number of commercial operators that use short-term rental websites to essentially operate multi-unit, full-time lodging businesses."

Flanagan said the numbers show how that in many cities, the majority of short-term rentals are of entire homes (not spare rooms) and they're booked at least half the nights out of the year, without the owner present.

"It's clear, that's not homesharing," he argued. "That's a business."

Two independent data analysts have similar findings — including for Nashville.

## **Diving Into The Data**

By scraping info from Airbnb's website, Murray Cox, founder of "Inside Airbnb," finds that 73 percent of available Nashville rentals are entire homes (2,389 listings).

And he sees another sign that people are running Airbnbs like a business: Nashville has an abnormally high number of operators who rent multiple properties — 43 percent of the city's listings.

"That's a very clear indicator of commercial activity," Cox told WPLN.

The operator with the most listings in Nashville, he found, has 59. And nine hosts had at least 10 listings.

(A WPLN analysis of owners registered with Metro found far fewer with multiple listings. Officials estimate that potentially thousands of properties have not obtained permits. Nashville's permit data is updated each day in the Open Data portal.)

Cox, who lives in New York City, says he began providing data to cities because he wants to see informed decisions about regulations.

"I would argue that most people still think of Airbnb as people renting out spare rooms, whereas the reality in most cities is people renting out whole homes," Cox said. "The data is neutral."

Technology writer Tom Slee, of Ontario, Canada, has reached similar conclusions. Across roughly a dozen cities, he found that about a third of Airbnb listings are run by operators with multiple listings.

"It's a gray area: What's a commercial activity and what's not?" he said.

Slee's research also examines how short-term rentals concentrate into pockets of cities.

"You come down to individual tourist neighborhoods and that's where it can really make a difference," he said.

In parts of Lisbon, Portugal, for example, one of every four rentals is now short-term, he said.

The geographic differences have challenged Nashville policymakers, who have debated how to apply rules across the county. And state lawmakers have raised the same question while deciding whether a regulation could be carried out statewide.

### **Policy Talks Continue**

As lawmakers consider the scope of short-term rentals, they're deciding whether the properties should be regulated like hotels when it comes to taxes, inspections and zoning.

Or, as Sen. Bo Watson, R-Hixon suggests, they may represent something different.

"As these new technologies allow new economies to develop, new definitions of business activities are going to continue to emerge," he said. "And we're going to have to struggle and wrestle with those."

Watson said new business models are arriving faster than ever — posing a challenge for policymakers. In last week's hearing, they asked what types of regulations have been passed in other places.

In New Orleans, short-term rentals are capped based on the number allowed per city block. That differs from Portland, which limits the number of nights that a property can be rented per year.

Nashville's choice — which faces a legal challenge — has been to allow unlimited short-term rentals in which the owner resides on site, but to cap non-owner-occupied units based on census tract.

After a year under this policy, the cap could be further tightened. That's under discussion by members of the Metro Council, and faces resistance from proponents of short-term rentals.

This story has been updated to clarify that property management companies — "operators" — often oversee listings for owners of individual properties.

# Metro Council considering short-term rental laws after complaints about Airbnbs

www.wsmv.com/story/33018511/metro-council-considering-short-term-rental-laws-after-complaints-aboutairbnbs

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NASHVILLE, TN (WSMV) -

On Tuesday night, Metro Council will meet to discuss multiple short term rental laws, including lowering the maximum occupancy of short-term rental properties from 12 to 3 unrelated people.



These changes are being considered after multiple complaints have been made by neighbors living next to Airbnb rentals.

"It's kind of like a temporary frat house going in next door, every weekend," says Elizabeth Zea Miller.

Miller and her neighbors on McGavock Pike fought for peace and quiet in their neighborhood.

One of her neighbors, Clayton Cook, turned his house into a short-term rental property. It's \$675 a night on AirBnb and he says it's a great place for bachelor and bachelorette parties.

Chris Allen next door disagrees. He's had a drunken renter pounding on his door at 1 a.m, another asleep in his driveway, and one night surveillance video caught a partier urinating in his stream.

"It's residential. No one here moved into a house thinking they were moving next to a hotel or a frat house," says Brigitte Wright.

The neighbors complained to city leaders, and they listened. On Thursday, the Board of Zoning Appeals terminated the Clayton's short-term rental permit.

There are more than 2,000 permitted short-term rental properties in Nashville. Most of them don't generate complaints, but some do.

According to Bill Herbert, the Metro zoning administrator, there are ways that neighbors can fight back when a rental becomes a nuisance.

Neighbors can call the police when they have a noise complaint and can document what they see.

"Use your cell phone. Video it. photograph it. Make sure that we've got time and date stamps. Get us as much evidence as you possibly can," says Herbert.

Click here to read the full text of the ordinance.

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