

FACT SHEET

Short-Term Rental Policy Update: Permitting & Enforcement

As the Council has been working to update STR policies in the Comprehensive Zoning Ordinance over the past year, Councilmembers and staff have also been preparing legislation to establish corresponding permitting and enforcement rules in the City Code (Article 11 of Chapter 26). This ordinance, Calendar Number 32,691, was submitted for first reading on June 6 and was the focus of a Governmental Affairs meeting on July 17. The legislation is eligible for final passage at the August 8th Council meeting, where the Council will also consider STR changes to the CZO. Key aspects of the Code ordinance are outlined below.

Each STR unit must have an associated Owner permit and Operator permit, issued in accordance with the rules provided in Article 11.

- Two **Owner** permit types – Type-R Residential (3 categories) and Type-C Commercial – are being established, with fees and rules specific to each.
 - **Type-R** permits require the owner to have a homestead exemption and submit information about the property (e.g., floor plan, tax clearance forms, STR platforms advertising the unit), along with contact info for the owner *and* operator. Annual fees are \$250 for **Partial-Unit** and \$500 for **Small Residential** and **Large Residential**.
 - **Type-C** permits require similar property information, as well as plans for noise abatement; security and operations; and sanitation. Annual fees are \$1,000.
- Two new **Operator** permits are also being established, with fees provided below. Operators must be 18+ and provide nuisance prevention and neighborhood complaint response plans.
 - For **Type-R** and **Type-C** units, no annual fee is required where the owner will serve as the operator. Otherwise, operators with one Type-R STR will owe \$150, and those with two or more Type-R STRs will owe \$1,000.
 - For **Type-C** units, annual operator permit fees are \$1,000.
- Owners and Operators are both responsible for complying with specified legal duties, including posting STR permits, complying with listing requirements, being available at all times by phone and on site within an hour, adequately maintaining units, and limiting improper use of the STR.
- Owners must also remit a fee (\$5 for Type-R; \$10 for Type-C) for each night of STR use at a unit.

Platforms compensated for STR bookings must also maintain a Platform permit and ensure that all bookings comply with Article 11.

- The new **Platform** permit is required for any STR Platform to conduct or facilitate a booking transaction in Orleans Parish. Annual permit fees are \$10,000.
- Platforms may only allow STR bookings for units with valid Owner and Operator permits. Requiring each unit's listing to include Owner and Operator permit numbers will afford a Platform safe harbor, if the Platform also removes improper listings once notified by the City.

STR permits are *privileges not rights* and may be suspended or revoked for violations of Article 11. Revocation is mandatory in certain circumstances.

- Safety and Permits may immediately suspend an Owner permit when the STR presents an imminent threat to the public health, safety, or welfare. Within 7 business days of suspension, such owners may request a hearing, which will be scheduled within 14 business days.
- For other violations of Article 11, permitted Owners, Operators, and Platforms are subject to daily fines of \$500/violation and permit revocation (for 1 year) and/or suspension, after an administrative hearing. Owner and Operator permit revocation is required for certain violations, including 3 instances of STR use that unreasonably interferes with neighbors' quiet enjoyment.