

FISCAL IMPACT REPORT**General Information:**(Check) Bill: X Resolution: _____Short Title(s): Short-Term Rental ChangesSponsor(s): Mayor Webber, and Councilors Lindell, Romero-Wirth, and VillarrealReviewing Department(s): Land Use, City Attorney's Office, FinanceStaff Completing FIR: Elias Isaacson, Land Use Director Date: 09/29/20 Phone: 505-955-6370Reviewed by City Attorney:  Date: Oct 7, 2020Reviewed by Finance Director:  Date: Oct 8, 2020**Summary:**

The legislation would (1) adopt by ordinance a maximum of one thousand (1000) short-term rental permits in the City, (2) prospectively limit the number of short-term rental permits to one per natural person, (3) prospectively limit the proximity of short-term rental units, (4) require a local operator for short-term rental units, (5) adopt record-keeping and reporting requirements for short-term rental unit owners and host platforms, and (6) clarify other provisions of the short-term rental ordinance. The legislation would also amend the Land Use Code definitions in SFCC Section 14-12.1 SFCC 1987, as they relate to short-term rental units; and amend SFCC Section 12-2.3 to clarify that a short-term rental unit is not a Group R-1 occupancy for purposes of fire inspections.

Departments Affected:Land Use, Tourism, Finance, and Fire Department**Consequences of Not Enacting Legislation:**

Existing Ordinance remains in place, and difficulties with administration, enforcement, and revenue collection persist.

Conflict, Duplication, Companionship, or Relationship to Other Legislation:

No conflicts or duplications exist. This ordinance will work in concert with recently adopted Ordinance amending Section 14-11.4 of the Land Development Code to implement civil penalty provisions, a civil fine schedule, and civil citation procedures for Land Use Code enforcement actions.

Performance and Administrative Implications:

The revised ordinance will make the City's STR program easier to administer and enforce, while also ensuring the proper revenues to the City are collected.

Fiscal Implications:

The impacts to revenue are moderate. Adoption of these revision to the existing Ordinance may lead to more permit fees coming into the City. Impacts to expenditures are negligible.

Fiscal Impact:

_____ Check here if no fiscal impact

Expenditures

Expenditure Type	FYE __	FYE __	FYE __	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits*	\$ _____	\$ _____	\$ _____	_____	_____	_____	
Capital Outlay	\$ _____	\$ _____	\$ _____	_____	_____	_____	
Contractual/ Professional Services	\$ _____	\$ _____	\$ _____		_____	_____	
Operating	\$ _____	\$ _____	\$ _____		_____	_____	\$ _____
Total:	\$ _____	\$ _____	\$ _____				\$ _____

* This includes all staff time associated with executing the job functions of the proposed legislation.

Expenditure Narrative:

Revenue

Revenue Type	FYE 20	FYE 21	FYE 22	Recurring (R) or Non-recurring (NR)	Fund
General Fund	\$ _____	\$11,250	\$11,250	R	
Special Revenue	\$ _____	\$ _____	\$ _____	_____	_____
CIP	\$ _____	\$ _____	\$ _____	_____	_____
Enterprise	\$ _____	\$ _____	\$ _____	_____	_____
Internal Service	\$ _____	\$ _____	\$ _____	_____	_____
Trust and Agency	\$ _____	\$ _____	\$ _____	_____	_____
Federal	\$ _____	\$ _____	\$ _____	_____	
Other	\$ _____	\$ _____	\$ _____	_____	_____
Total	\$ _____	\$11,250	\$11,250		

Revenue Narrative:

The amendment includes an increase of the registration fee so that it is commensurate with the permit fee. The recurring revenue increase is based on an assumption of issuing a combined total of 50 new and renewal non-residential registrations over the next year. The difference in current vs. proposed fees for new non-residentially zoned STR registrations is \$225. The difference in renewal fees is also \$225, suggesting this will be a recurring increase in revenues in years to come.