

The Dallas Morning News



SECTIONS

SUBSCRIBE

MORE FROM HOMEPAGE

Northeast Dallas neighbors' claims about 'party house' illustrate why city must regulate short-term rentals

Texas adds record 426 deaths; Dallas County reports 1,993 new coronavirus cases, 17 deaths

What you need to know about coronavirus

NEWS > COMMENTARY

Northeast Dallas neighbors' claims about 'party house' illustrate why city must regulate short-term rentals

Beginning Tuesday, the City Council has a chance to get control of this problem -- and even lead the way on what's become a nationwide conundrum.



Featured

YOUR CITY'S NEWS >

UIL STATE FINALS Details on Aledo, Cedar Hill, Denton Ryan and Southlake Carroll



TOP 100 PLACES TO WORK >



Lochwood neighbors began mobilizing in September against a new short-term rental that advertised capacity up to 22 people. Thursday, four months after "We say no to VRBO" signs began showing up in yards, the property was removed from the Airbnb and VRBO platforms. (Juan Figueroa / Staff Photographer)



By Sharon Grigsby

7:56 AM on Jan 15, 2021



Listen to this article now

07:37



Powered by Trinity Audio

When Alison and Michael Hannah sold their home in northeast Dallas' Lochwood neighborhood last summer, something -- Alison couldn't put her finger on just what -- didn't add up.

Only weeks after leaving everything in mint condition to welcome the new owners, Alison learned the truth from one of her former neighbors: No family was moving in -- instead the 4,000-square-foot house would be advertised online as a short-term rental with space for up to 22 people.

Alison and Michael know a thing or two about real estate. Not only is she an experienced mortgage banker, the couple has owned long-term rental properties and flipped a lot of houses over the years.

ADVERTISING



CORONAVIRUS UPDATES >

INSPIRED: GOOD NEWS >

TIMELESS IN TEXAS >

CURIOUS TEXAS >

PUBLIC NOTICES >

NEWSPAPER ARCHIVES >

PUZZLES AND GAMES >

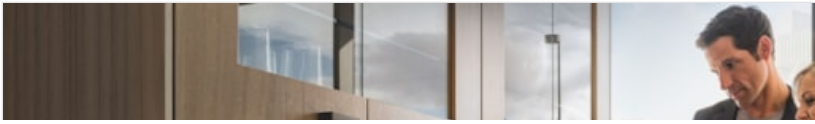
AL DÍA - NOTICIAS EN ESPAÑOL >

OBITUARIES >

TODAY'S EPAPER >

Northeast Dallas neighbors' claims about 'party house' illustrate why city must regulate short-term rentals





“We would never in a million years -- at any price -- have ever sold the house if we knew this was going to happen,” Alison told me. “We are neighborhood people.”

What the buyer of the Lochwood home did is 100% legal. The same thing could happen to the house next door to any of us because Dallas has yet to do anything meaningful to regulate the booming short-term rental business.

The Lochwood house went live in August on the VRBO and Airbnb platforms, described -- in the middle of a pandemic -- as the perfect corporate retreat or group getaway with a resort-style pool and a menu of on-site activities that could be added to the stay.



SPONSORED CONTENT

Throw Away Your Keurig? Not a Chance!



BY *Angelino's* COFFEE & TEA

Immediately, surrounding neighbors say, their late-summer weekends were shattered by days-long parties. They described loud music and rowdiness, smelly and overflowing trash cans, and dozens of speeding vehicles that wound up parked in front of fire hydrants and in other illegal spots.

Texas adds record 426 deaths; Dallas County reports 1,993 new coronavirus cases, 17 deaths



What you need to know about coronavirus



Here's where you can sign up for the COVID-19 vaccine in North Texas



Abbott pushing legislation to strip cities of local sales tax funds if they 'defund the police'



< **LAUGH WITH ME!** >
BOOK VIRTUAL COMEDIANS
SIDESTAGE.COM



Among the Lochwood residents who have expressed concern about the short-term rental in their neighborhood are, from left, Caton Cadigan, Mary Nagler, John and Terry Kohl, Sharolyn Parker and Shelby Gibbs. (Juan Figueroa / Staff Photographer)

By Labor Day weekend, residents were regularly registering complaints with 911, the city’s 311 service line, the property’s owner and manager, plus any avenue they could find through the online rental sites.

“We say no to VRBO” signs sprouted in yards throughout the neighborhood. Most recently, residents launched the wesaynotovrbo.com website and began preparing a petition seeking City Hall’s help.

ADVERTISING



Travel Protection In One Bag

SaniGo Travel - Sponsored



“That house was built for a single family to live in, not as a commercial hotel ... with up to 22 people and their party guests and yoga or cooking classes,” neighbor Mary Nagler, a 36-year-old consultant and the mother of two preschoolers, told me.

The house's out-of-state owner, whose company owns several rental properties in Dallas, told me that none of the neighbors' accusations are true.

She declined to talk on the record about specifics, beyond saying that the house is currently serving as a months-long rental. Indeed, the property was removed Thursday from Airbnb and Vacation Rentals By Owner, more commonly known as VRBO.

Because of the ongoing neighborhood controversy, the property owner did not want her name used.

Ugly narratives like the one in Lochwood are unraveling in neighborhoods all across Dallas: Upset neighbors who say their quality of life, and even safety, is under assault. Short-term rental owner-operators who say the complainers aren't being truthful. Folks on both sides creating a stink pit of name-calling, social-media threats and sickening accusations -- including some with racial overtones.



COMMENTARY

Nine-hole course and nature area make sense, but these East Dallas parks also need better access

The core problem isn't the Lochwood house -- or any of the other short-term rentals causing distress. It's that the city has yet to address an issue that, without proper regulation, could threaten stable neighborhoods and residential development in Dallas.

Beginning Tuesday, the City Council has a chance to get control of this problem -- and even lead the way on what's become a nationwide short-term rental conundrum.



A city-appointed task force spent much of 2020 hashing out various regulation options. Now the Quality of Life Committee will get those recommendations and set a decision-making course for the full City Council.

In the last few days, committee members have heard from residents concerned that the task force didn't contain sufficient neighborhood voices and asking to be heard before recommendations go to the full Council. With many Council members up for re-election this spring, stakes are especially high to get this right.

I've been researching the issue for weeks, and it makes sense that -- at the least -- the city explore mandating that short-term rentals operating in single-family areas be owner-occupied. Some constituents, especially those who live in neighborhoods with troublesome houses, want a full ban of the properties in single-family-zoned areas.

No one, including the city of Dallas, knows for sure how many short-term rentals are operating here.

The city requests that short-term rental owners register their property and pay hotel occupancy taxes. As of Dec. 31, 736 properties have done so; another 1,425 have been identified as needing to register.

Some observers of the short-term rental industry believe the number of properties in Dallas could be as high as 5,000.



More than two dozen "We say no to VRBO" signs line the blocks surrounding a Lochwood property that went online in August as a short-term rental. The property owner converted it this month to a long-term rental and removed its listing from Airbnb and VRBO. (Juan Figueroa / Staff Photographer)

Opponents of short-term rentals argue that because the city requires them to pay the hotel occupancy tax, the properties are, in fact, hotels, which local code outlaws in single-family neighborhoods.

But City Attorney Chris Caso pointed me to code language that defines a hotel as a "facility containing six or more guest rooms that are rented to occupants on a daily basis."

He said that renting all or part of a residential property to someone who is not a permanent resident meets the definition of a hotel for tax purposes, but does not meet the "six or more guest rooms" definition for zoning purposes.

If your head is about to explode at this point, I'm right there with you. Now you can understand why the Lochwood neighbors -- and residents elsewhere in Dallas -- are so frustrated.

The Lochwood house, run by an out-of-state company with multiple properties, also is one of many local examples that puncture Airbnb and VRBO marketing strategies that characterize rentals as “mom and pop” operations designed to help them make ends meet.

The Wall Street Journal reported last year that, according to market-research firm AirDNA LLC, only a third of Airbnb’s U.S. listings for homes or apartments — excluding shared rooms — are by hosts with a single property.

Another third are run by hosts with between two and 24 properties. The remaining third involve hosts with more than 25 properties.

Among the Lochwood neighbors concerned about the crowds who frequented the short-term rental -- particularly before the weather turned cold -- are 70-year-old Terry Kohl and her husband, John, who is 80. The property has “deprived us of the peaceful use of our own property,” Terry told me.

The Kohls have had a tough go of it the last decade or so. In 2013, John was still recovering from a long bout with cancer when, during a walk on nearby Lake Highlands Drive, he was mugged.

He suffered broken bones and head trauma and has since endured years of surgeries and ongoing health problems. The stream of screeching cars, blaring music and pool parties of 20 to 40 people didn’t help matters, Terry said.

“It feels the owner is taking advantage of the neighborhood as she runs a place of business at our expense.”

No doubt the city has a lot of perspectives to take into account on the short-term rentals issue. But the property rights of operators must not be deemed more important than the rights of the rest of us.

We buy houses with the expectation, per our deed restrictions as single-family homes, that we’ll be living in a neighborhood -- not next door to hotels.

Lochwood mom Mary Nagler said it best: "It is not a fun thing to live next to a party house, and I still don't understand how they are legally allowed to do this."

[Presentation on short-term rentals set for Tuesday](#) by [Sharon Grigsby](#) on Scribd

**Task Force
Recommendations for
Regulation of Short-Term
Rental (STR)**

Quality of Life, Arts & Culture Committee
January 20, 2021

Joey Zapata, City Manager's Office
Carl Simpson, Code Compliance
Anna Holmes, City Attorney's Office
Jill Haning, City Attorney's Office
City of Dallas

Outline

- Background
- Purpose
- Summary of Task Force Recommendations
- Regulation challenges and options for consideration
- Requested Input/Action
- Next Steps
- Appendix: Task Force Members and Recommendations

Background

- Short-Term Rental (STR) properties include rooms or whole houses

1 of 32

↓ ↗ ↘



Sharon Grigsby. I'm the Metro columnist, which means that if it's happening in North Texas, I'm likely to write about it. My work on Baylor's sexual assault scandal earned a spot as a 2018 Pulitzer finalist. I was born in Waco, raised my own family in the suburbs and have been back in Dallas ever since.

✉ sgrigsby@dallasnews.com [f](#) /sharonfgrigsby

[t](#) @SharonFGrigsby



Get the breaking news

Get email alerts on breaking news stories as soon as they happen.

Email Address →

By signing up you agree to our [privacy policy](#)

Real. Local. Journalism.

Stand with us in our mission to discover and uncover the story of North Texas

[BECOME A MEMBER >](#)

THE LATEST

Northeast Dallas neighbors' claims about 'party house' illustrate why city must regulate short-term rentals

BY SHARON GRIGSBY

Texas adds record 426 deaths; Dallas County reports 1,993 new coronavirus cases, 17 deaths

BY TOM STEELE

What you need to know about coronavirus

BY WIRE SERVICES AND TOM STEELE

Here's where you can sign up for the COVID-19 vaccine in North Texas

BY CATHERINE MARFIN

Abbott pushing legislation to strip cities of local sales tax funds if they 'defund the police'

BY ROBERT T. GARRETT

MOST POPULAR ON DALLASNEWS.COM

- 1 Frisco pastor urges followers to keep guns loaded, stock up on food and water before Biden inauguration
- 2 Judge frees North Texan who faces charges in the Capitol riot, despite warnings from the FBI
- 3 COVID vaccines at Fair Park aren't going to Black, Latino residents as officials hoped
- 4 Northeast Dallas neighbors' claims about 'party house' illustrate why city must regulate short-term rentals
- 5 Former Secretary of State Rex Tillerson on Trump: 'We're in a worse place today than we were before he came in'
- 6 Texas high school football central: State championship schedule, previews, predictions and more

The Dallas Morning News

Texas' Leading News Source
Est. October 1, 1885



COMPANY

About *The Dallas Morning News*

Contact us

Careers [FAQ](#)

ADVERTISE WITH US

Autos

Classifieds

Jobs

BUY

Photo reprints

Archived articles

Back copies

CUSTOMER SUPPORT

Help and feedback

Manage your account

WEBSITE SUPPORT

Terms of service

Privacy policy

[Obituaries](#)

[Commercial reprints](#)

[Newspaper subscription](#)

[Do Not Sell My Personal Information](#)

[Public Notices](#)

[Licensing](#)

[ePaper](#)

[Site index](#)

[ePaper \(Al Día\)](#)

[Email Newsletters](#)

[Daily audio briefing](#)

[Vacation hold/billing](#)

Real. *local.* Journalism.

Copyright © 2021 The Dallas Morning News. All rights reserved.