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Plan to ban short-term rentals in single-family Dallas neighborhoods finally goes forward

With City Hall's dysfunction, using zoning hammer against Airbnb and VRBO takeover is the way to go.



Signs proclaim residents' opposition to short-term rental properties in their neighborhood in Dallas' Lower Greenville area. (Eliás Valverde II / Staff Photographer)



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The elevator pitch from those who oppose a ban on short-term rentals in Dallas' single-family neighborhoods goes like this:

“We sympathize. No one should have to live next door to a party house. But this is hardly a raging problem. We just need to enforce the right regulations to weed out the bad actors.”

That's not a winning argument right now in Dallas, where City Hall is drowning in broken systems that have failed to fix pernicious problems.

Just look at the two latest headlines out of 1500 Marilla St.: The continuing shortcomings in [the dysfunctional construction-permitting office](#) and the [bungled effort to put a homeless facility in Oak Cliff](#).

No wonder so many neighbors insist that the only satisfactory solution to the short-term rentals controversy is for the zoning hammer to fall hard on the ever-growing number of local addresses found on online lodging sites.

The City Plan Commission got its first official look Thursday at that option, a recommendation by one of its committees to define the rentals as a lodging use and outlaw them in residential neighborhoods.



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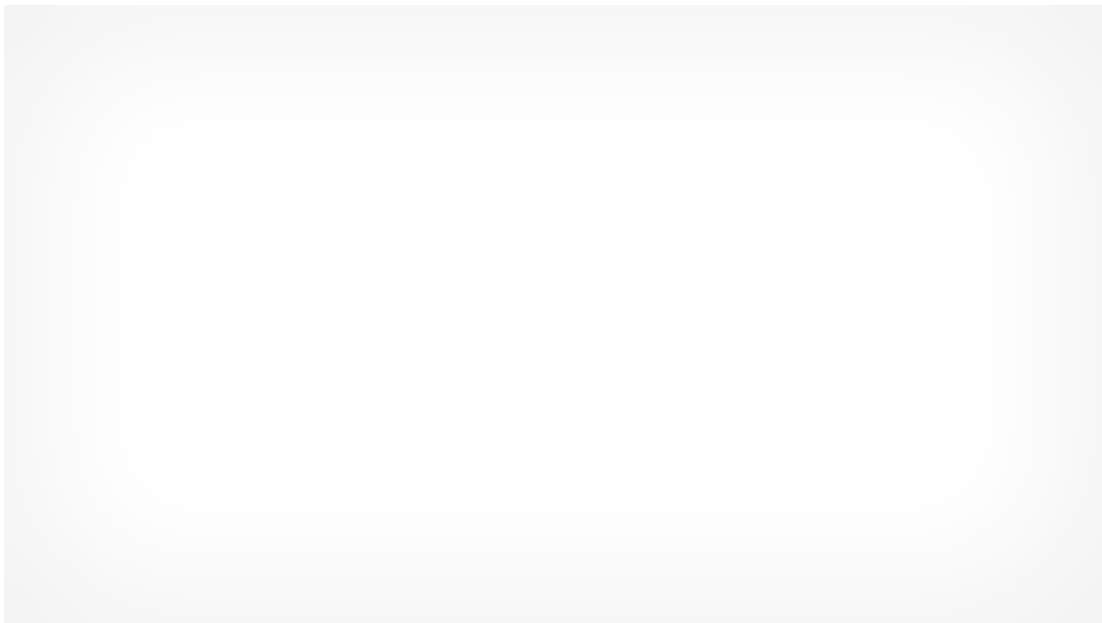
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For more than two years, the City Council has tossed this hot potato back and forth — between multiple task forces and committee meetings, in public listening sessions and closed executive briefings.

This analysis paralysis has given problem rental properties that much more time to drive residents to their wit's end and left many of them certain the big dogs of Airbnb and VRBO control the debate.

ADVERTISING





One of the signs posted in the Lochwood neighborhood of Dallas after a short-term rental created problems for area residents. (Juan Figueroa / Staff Photographer)

I'll spare you the mind-numbing timeline of how we finally got to Thursday. Most important is that for the first time a resolution is in sight. (Well, until it likely gets tied up in court.)

[The plan commission's](#) Zoning Ordinance Advisory Committee began to review potential recommendations in June that aim to protect the health and safety of short-term rental users and the integrity of the districts where they operate.

According to the final report, the committee sought to “preserve the neighborhood character of residential districts ... and minimize adverse impacts to the housing supply caused by the conversion of residential units to transient use.”

Dallas' development code currently has no standards on whether use of a residential property for short-term rental lodging is appropriate. It does consider a short-term rental to be analogous to a hotel for purposes of collecting the city's hotel occupancy tax.

The changes briefed to the plan commission would amend the development code to add short-term rentals under “lodging uses.”

The proposed change is part of a two-pronged attack that the City Council finally set in motion earlier this year. While city staff and the plan commission work on zoning, code compliance is devising regulations specific to these rentals in the areas where they eventually would be allowed to operate.

The [Dallas Neighborhood Coalition](#) has long argued that because the city requires short-term rentals to pay the hotel tax, they are, by extension, hotels, which local code outlaws in single-family neighborhoods.

Members of the grassroots group want City Hall to codify short-term rentals as a lodging use in the development code and allow them to operate only in the areas that other lodging is allowed.

I don’t know how many of you reading this column have a short-term rental operation on your block. Neither does the city.



A sign opposing short-term rentals is one of many in Far North Dallas, north of Arapaho Road and east of Hillcrest Road. (Elías Valverde II / Staff Photographer)

In 2019, the City Council approved [a five-year, \\$495,000 contract with Colorado-based MUNIRevs](#) to suss out short-terms, contact their hosts for registration and collect the hotel tax.

MUNIRevs has identified 1,439 properties as active and registered, with 1,189 more labeled “possible” locations. In contrast, three respected industry sources put the short-term rental total in Dallas at more than 5,000 — and maybe as many as 6,000.

The worst of these operations are the rowdy party houses, [one of which I wrote about last year](#), a 4,000-square-foot home in northeast Dallas’ Lochwood neighborhood that was advertised as hosting up to 22 people.

Removed from the online rental sites after I began asking questions, this house boasted loud music and mayhem, smelly and overflowing trash cans, and speeding vehicles that wound up illegally parked.

City Hall says party houses are not a raging issue, and this month it released an updated analysis of 311 and 911 nuisance calls to back up the statement.

Using the MUNIRevs’ 2,628-property inventory, the analysis found more than 88% of the rentals generated zero calls.

On average, the short-term rentals had one more 311 or 911 call associated with their addresses than did non-rental properties; 123 of the listings had two or more 311 or 911 calls.

Airbnb and VRBO proponents are sure to wave this report vigorously, but I’d be hesitant to draw any conclusions from an assessment that includes only a portion of total properties.

Unlike the nightmare of a party house next door, I’ve had a different experience the last few years with an Airbnb on my quiet block of single-family Tudors in East Dallas. It seems well run and I’ve never seen a code violation.

But the three configurations under which it can be rented — entire house, upstairs or backyard apartment — have changed the neighborhood vibe a bit with revolving doors of unknown people and their cars coming and going.

I would hate to see the owners of the several long-term rentals on my block move to the Airbnb model. That's a legitimate fear because profits on short-term rents are much higher than with longtime tenants.

Related: [Northeast Dallas neighbors' claims about 'party house' illustrate why city must regulate short-term rentals](#)

That brings me to [the city's 20,000-unit housing shortage](#). As landlords chase those higher returns, “the Airbnb effect” on the local market — as studied by the non-partisan U.S. think tank [Economic Policy Institute](#) — creates more costs than benefits.

“The costs to local renters and local jurisdictions likely exceed the benefits to travelers and property owners,” [the 2019 report found](#).

The debate happening in Dallas is going on in cities not just across the U.S. but the world, and whatever is decided in each jurisdiction will almost surely face legal challenges.

Perhaps the most revealing portion of the Thursday plan commission meeting was the part we know nothing about — almost two hours of discussion involving the City Attorney's Office in closed executive session before the briefing began.

I've devoted a lot of time the last few years to watching the meetings and listening to voices on both sides of this controversy. What I've heard has led me to quit booking Airbnb rentals in single-family neighborhoods during my travels, something I long did with no second thought.

In the debate over whose property rights get the most weight, count me with neighbors who actually live in the neighborhood — as opposed to short-term rental landlords.

The plan commission will hear a lot of these arguments at a special daylong meeting Dec. 8, called to hear public feedback. It then will make its recommendation to the City Council, which gets the final say.

Council's foot-dragging has to stop. It's time to vote.

With City Hall's regulate-and-enforce efforts too often failing, the zoning hammer is the best tool to get this job done right.



[Sharon Grigsby](#). As the DMN City Columnist and a fourth-generation Texan, I'm focused on all things Dallas. I made what I expected to be a short career stopover here in 1980 and, this many years later, I'm still working to make Dallas a better city for all its residents. You'll also find me raising my voice on behalf of mental health care and women's issues.

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