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# Short-term rental debacle: 23 arrested in prostitution ring operating in Dallas and Plano

As the City Council drags its feet on Airbnb, VRBO regulations, new concerns emerge for homeowners.



Police say this short-term rental, at 12507 High Meadow Drive, was reserved by a prostitution operation last summer. Eventually the ring allegedly moved on to a Plano short-term rental, where police conducted a bust



By [Sharon Grigsby](#)

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Attorney Niles Illich’s sense of security in his family’s tranquil Northwest Dallas neighborhood was shattered last summer during a routine walk with his 8-year-old daughter.

Stopping to chat with a retiree in her front yard, Illich heard about the growing worry among residents regarding what was going on four doors away from his own home.

For weeks, mostly while Illich and others were at work, eight or more cars were parked in front of 12507 High Meadow Drive at any given time. A steady stream of guys walked in and out.

In the background of photos on a raunchy website advertising hookups were details identical to the High Meadow house.

Illich quickly hired a private investigator who proved what the lawyer already knew: A brothel was operating in the short-term rental.

“You invest in a home, you invest in a city, with the hope you can safely raise your family,” he told me. “Somebody can sell a house and it becomes a short-term rental and you really lose all that.”

He and his wife feel robbed of what they believed when they bought their home seven years ago: the confidence that they had found a comfortable and safe neighborhood where they could raise their daughter.

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

For more than two years — amid the Dallas City Council’s one-step-forward, two-steps-back failure to take action — [I’ve written about the problems](#) associated with properties advertised on online platforms such as Airbnb and VRBO.

ADVERTISING

The High Meadow brothel is a new and ugly twist.

Police say a prostitution operation used it for weeks before moving in August to a short-term rental property in Plano.

But thanks to Illich and a couple of other neighbors, this ring is out of business.

Dallas and Plano officers swarmed the second house, in the 2900 block of Las Palmas Lane, on Sept. 23. Like the High Meadow location, the Plano house sits in a lovely middle-income neighborhood and is easily accessible to major freeways.

Dallas police told me Thursday that after further investigation into the High Meadow and Las Palmas operation, they made 23 additional arrests for



solicitation of prostitution, a state jail felony. Dallas officers also seized three firearms and more than \$6,000 in cash.

The cases are being filed with the Collin County District Attorney's Office.

The Bungalow, as the operation referred to itself, might still be bouncing from one short-term rental to the next were it not for Illich.



Signs advocating against short-term rentals have been placed in the lawns of homes along Loma Vista Drive in northeast Dallas. (Eliás Valverde II / Staff Photographer)

He first reached out with his private investigator's report in late August to his District 13 City Council member, Gay Donnell Willis, who connected him with the Dallas Police Department's vice unit.

A few days later Illich shared his story with a Dallas City Plan Commission committee that was considering how best to move forward on regulation of short-term rentals.

Advertised on websites with names such as "Rubmd" and with explicit photos and descriptions that make clear what The Bungalow was selling, the operation catered especially to men traveling in and out of DFW International Airport.



Among the prohibitions listed for potential customers: No choking, slapping or spitting.

Dallas Police Maj. Devon Palk told me none of the women who worked in the houses were held against their will nor were any minors involved.

The activities at the two short-term rentals represent a new tactic in evading law enforcement, Palk said.

“In this case, they were able to be in a location that traditionally isn’t looked at for sex trafficking, as opposed to, say, motels,” Palk said.

Unlike what you find in quality hotels, there’s no desk clerk or security to take notice of comings and goings.

**Related:** Northeast Dallas neighbors’ claims about ‘party house’ illustrate why city must regulate short-term rentals

While the High Meadow operation is the only one Palk is aware of that has involved a short-term rental in Dallas, he said, “This is an evolution of criminal tactics to be able to fly under the radar.”

Unless you were one of the relative few who heard Illich’s testimony to the plan commission’s Zoning Ordinance Advisory Committee, it’s likely that word of a brothel in a Dallas short-term rental is new information.

However, the Plano bust has been a rallying cry for residents of that city who want short-term rentals banned from single-family neighborhoods.

Plano city staffers have spent the last few months looking into action other local municipalities have taken on short-term rentals and how they implemented that work. The Plano City Council will hear the latest findings at its Monday night meeting.

In contrast, Dallas City Hall and our own City Council appear poised to drag out this issue until after the May election.

More than six weeks after [the City Plan Commission approved a recommendation](#) that would ban short-term rentals from single-family neighborhoods, the issue appears headed back — yet again — to the council’s Quality of Life Committee.

That committee briefing won’t occur until February at the earliest.



Lochwood residents in northeast Dallas posted “We say no to VRBO” signs after difficulties getting help regarding a short-term rental that was consistently used as a party house in their neighborhood. (Juan Figueroa / Staff Photographer)

That’s a confounding next step given that council members sent the controversy to the plan commission in June with a mandate that they wanted to expedite a final decision as quickly as possible.

It’s no wonder so many residents who live alongside troublesome short-term rentals tell me they’ve lost hope that the city will ever take action.

[As I’ve explained in previous columns](#), this is a difficult issue with differing points of view on how to move forward.

Some council members believe allowing short-term rentals to operate with effective regulation throughout the city is the answer. Others support the single-family neighborhood ban and enforcement measures that ensure accountability.

Based on my several years of reporting, when it comes to whose property rights should get the most weight, I stand with neighbors who actually live in the neighborhood — as opposed to short-term rental landlords.

Regardless of where City Council members fall in the debate, they owe it to their constituents to cast a vote — and to take the political heat if those they represent disagree with the decision.

How you feel about short-term rentals, thousands of which are doing business throughout Dallas, probably depends on [whether one is operating on your block](#).

**Related:** Dallas takes step forward in prohibiting Airbnbs, VRBO short-term rentals

As Illich told me, he was “mostly neutral” on them before he saw evidence of a brothel setting up shop on his street. In fact, his sister operates a short-term rental in the Hill Country that has been a good investment for her.

Now he supports getting them out of single-family neighborhoods and worries that what happened on High Meadow Drive could replicate itself anywhere in Dallas.

“It’s nothing unique to my neighborhood or to my street,” he said. “When you have a brothel down the street and you have an 8-year-old child, it just changes everything.”

While the suspected brothel is gone, the short-term rental in his neighborhood continues to advertise on the VRBO platform and host guests, some of whom have thrown rowdy parties in recent months.



“You never know who the next person is who will be in that short-term rental,” Illich said. “Who was it last night? There was somebody there — probably a lovely person, but I don’t have any idea.”

Like so many of the short-term rentals operating throughout Dallas, ownership records show the High Meadow property belongs to an investment company, this one out of Newport Beach, Calif. It’s worth noting that [a 2022 report showed 43% of houses sold in Dallas County the previous year went to investors.](#)

Allow me to say it again. Dallas does not have a hotel shortage, it has a housing shortage. With so many residences converting to lucrative short-term rentals, long-term renters and even potential homeowners are less likely to find affordable places to live.

The City Council has spent more than three years — multiple task forces and committee meetings, public listening sessions, closed executive briefings and, most recently, a six-month process with the City Plan Commission — to find a way forward.

Meanwhile, the Texas Legislature likely will once again consider bills that would preempt local governments from regulating the location of short-term rental properties.

Dallas should not be cowed by potential roadblocks set up by Austin or the courts to do what’s right for its residents. Nor should it fall back on excuses that the registration ordinance for short-term rentals operating outside single-family neighborhoods needs more work.

Short-term rentals will be among the hottest of campaign topics this spring because these properties affect voters right where they live.

If incumbents think foot-dragging on acknowledging where they stand on this issue will win the day, they are wrong.





[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.

✉ [sgrigsby@dallasnews.com](mailto:sgrigsby@dallasnews.com) [f](#) [/sharonfgrigsby](#) [t](#) [@SharonFGrigsby](#)