

CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** October 13, 2025

SUBJECT: Consider Ordinance No. 3926, amending the Code of Ordinances Appendix A, Fee Schedule to establish fees related to short-term rentals

PRESENTER: Cori Reaume, Director of Planning

SUMMARY:

The purpose of this item is to amend the fee schedule to adopt an annual permit application fee for short-term rentals.

GENERAL DESCRIPTION:

The short-term rental management program will require a number of operational expenditures including staff monitoring and enforcement, acceptance and processing of permits, inspections of the properties, and software expenses related to the registration, monitoring, and collection of hotel occupancy taxes for short-term rentals. To adequately fund this program, it is necessary for each property to pay a reasonable annual permit fee to support its operation.

The proposed fee of \$450 is based on the projected cost of the program's operation and the projected number of short-term rentals that may operate within the community. The proposed fee is also in line with many other communities' annual registration fees for short-term rentals. This amount was slightly reduced from a previously proposed \$500, due to reduction in projected costs in the annual short-term rental management software.

A summary of other communities' fees is provided below:

Arlington	\$500		Denton	\$100		Grapevine	\$500
Bedford	\$400		Fort Worth	\$150		Lewisville	\$400
Dallas	\$404		Grand Prairie	\$480		Plano	\$300

In addition to establishing an annual permit fee for short-term rentals, this ordinance amends the City's fee schedule to include a reinspection fee. The reinspection fee applies only in cases where a violation has been identified during inspection, and the deficiency remains uncorrected at the time of the first scheduled reinspection.

RECOMMENDATION:

Approve Ordinance 3926.