



CITY OF EL PASO

Short term Rental Update

August 29, 2023

Agenda

Short term Rentals

- Overview
- Process
- Results
 - Feedback Session
 - Survey
- Partnerships:
 - Greater El Paso Association of REALTORS
 - El Paso Short Term Rental Alliance
 - El Paso Chamber

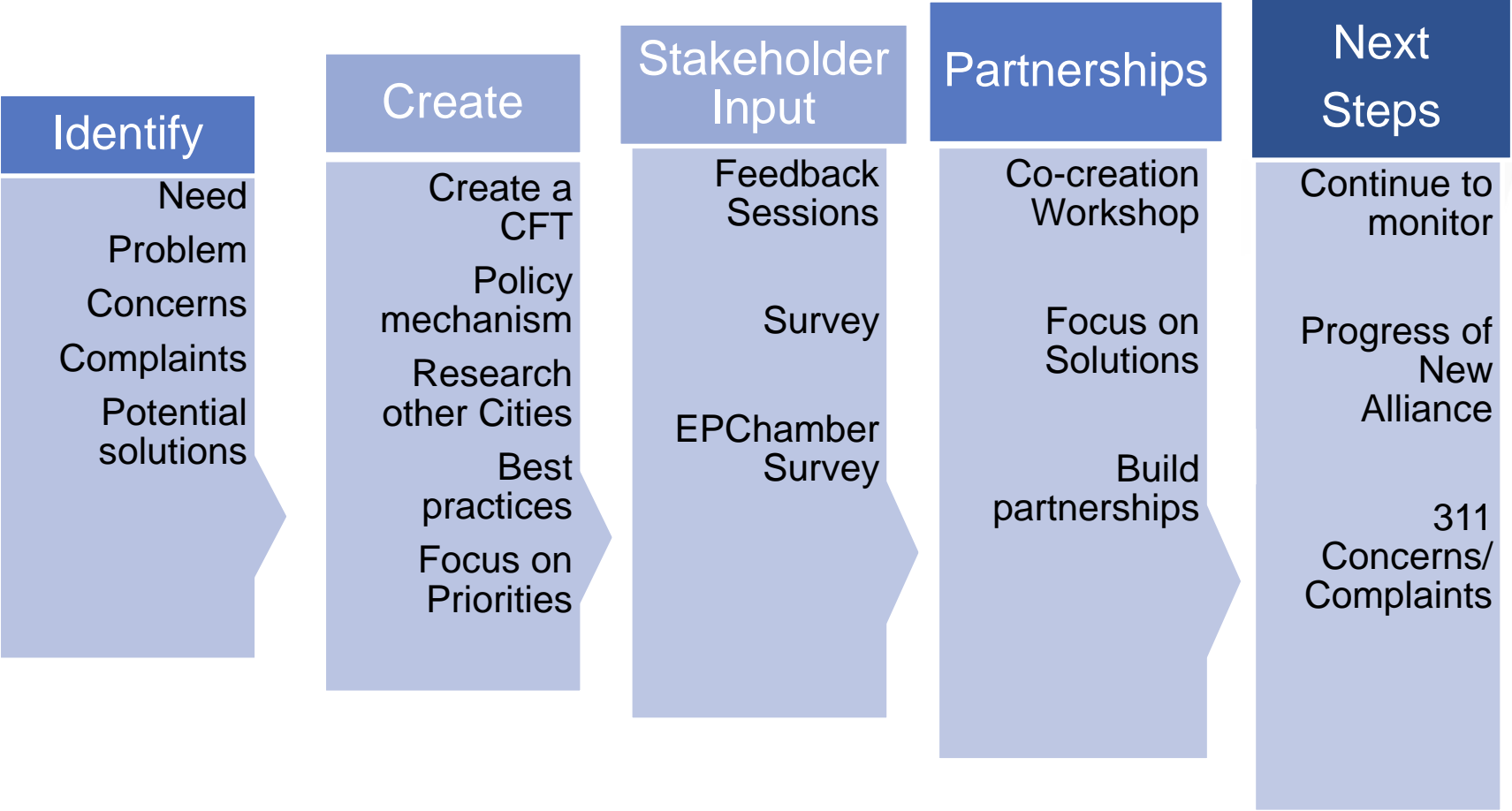
Common Property Definition

Presented to Council on January 18, 2023

Short term Rental:

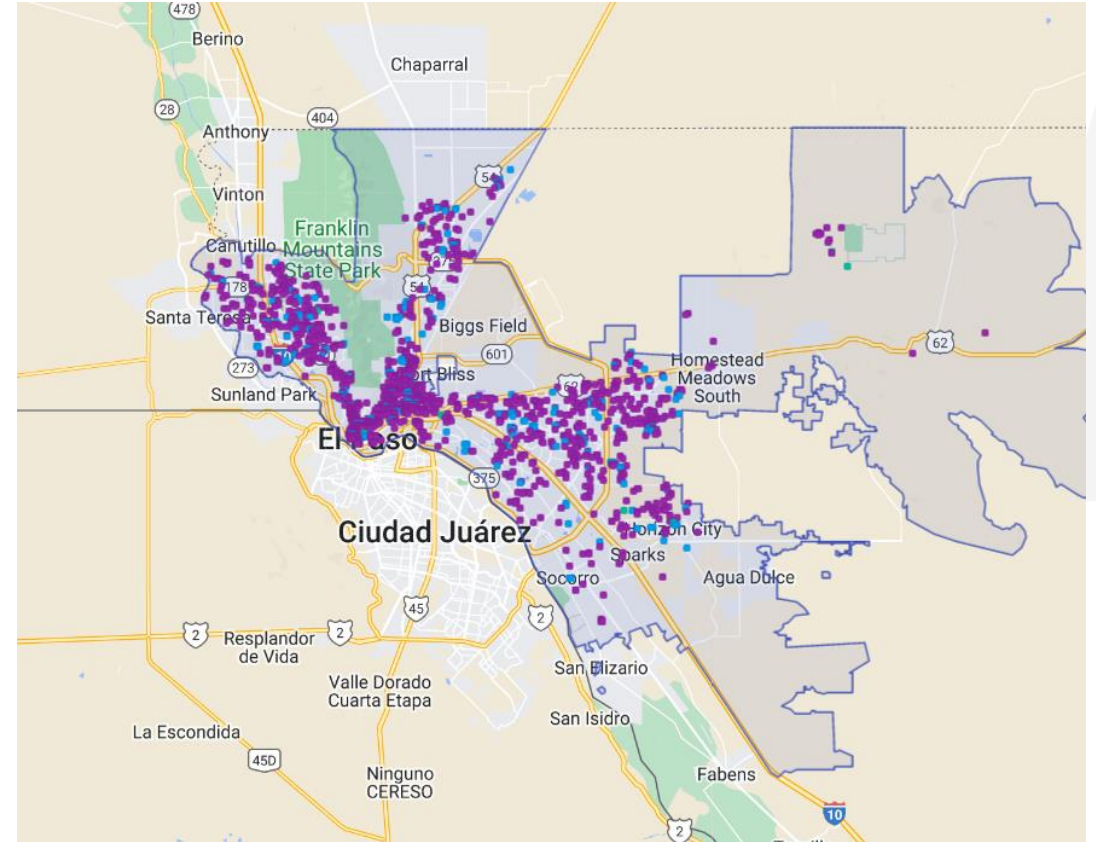
A residential dwelling unit, apartment, condo, or accessory where sleeping areas are rented to overnight guests for a period of less than 30 consecutive days

Approach and Process



Current Conditions

- 1,653 STRs operating in El Paso today
- Vast majority (74%+) of STRs are listed on Airbnb
- Approximate occupancy rate: 58%



Data via AirDNA Market Minder: <https://www.airdna.co/vacation-rental-data/app/us/texas/el-paso/overview>

Comparative Cities

- San Antonio
- Plano
- Waco
- Albuquerque
- Lubbock
- Austin
- Dallas
- Grapevine



Community Feedback

Gather actionable feedback for the Short-Term Rental Ordinance from:

- Community Members
- Hosts & Guests
- Hotel/Motel Association
- Chambers of Commerce
- Neighborhood Coalition
- Developers



Public Outreach Summary

- Website
- Press Releases
- Social Media
- Traditional Media
 - Interviews
 - Story Pitches
- Presentations to Communities of Excellence Partners
(key stakeholders; e.g., Chambers, DMD, Hotel/Motel Association, Apartment Association, Realtors Association, etc.)
- City TV
- Neighborhood Associations
- District Representative Meetings
- Community Meetings
- Council Newsletters

Feedback Sessions



In Person Meetings	
<p>THURSDAY, FEBRUARY 2, 2023 10:30AM Greater El Paso Association of Realtors (GEPAR) Offices 6400 Gateway Blvd. East Hosted by the Greater El Paso Association of Realtors</p>	<p>THURSDAY, FEBRUARY 2, 2023 6:00PM El Paso Community College Admin. Services Center Building A, Board Room 9050 Viscount Blvd. Hosted by City Rep. Art Fierro</p>
<p>MONDAY, FEBRUARY 6, 2023 6PM Pebble Hills Regional Command Center 10780 Pebble Hills Blvd.</p>	<p>TUESDAY, FEBRUARY 7, 2023 6PM Westside Regional Command Center 4801 Osborne Hosted by City Rep. Brian Kennedy</p>
<p>WEDNESDAY, FEBRUARY 8, 2023 6PM Northeast Regional Command Center 9600 Dyer St. Hosted by District 4 Rep. Joe Molinar</p>	<p>THURSDAY, FEBRUARY 9, 2023 6PM Mission Valley Regional Command Center 9011 Escobar Dr. Hosted by City Rep. Henry Rivera</p>
<p>WEDNESDAY, FEBRUARY 15, 2023 6PM El Paso Hispanic Chamber of Commerce 4141 Pinnacle, Suite 120 Hosted by the EP Hispanic Chamber of Commerce</p>	<p>MONDAY, FEBRUARY 20, 2023 5:30PM Memorial Senior Center 1800 Byron Hosted by City Rep. Aleksandra Annello</p>
<p>TUESDAY, FEBRUARY 21, 2023 4PM El Paso Chamber of Commerce 303 N. Oregon St., Suite 610 Hosted by EP Chamber</p>	<p>WEDNESDAY, MARCH 1, 2023 5PM The Lunch Box 3623 Buckner St. Hosted by City Rep. Cassandra Hernandez</p>

Hybrid/Virtual Meetings	
<p>MONDAY, FEBRUARY 13 6PM</p> <p>IN-PERSON City Hall, 300 N. Campbell Main Conference Room, Second Floor</p> <p>VIRTUAL/PHONE Via Microsoft Teams -OR- (915) 213-4096 (Code:483577052#)</p>	<p>FRIDAY, FEBRUARY 24 11AM</p> <p>VIRTUAL/PHONE Via Microsoft Teams -OR- (915) 213-4096 (Code: 104855498#) Hosted by El Paso Apartment Association</p>
<p>THURSDAY, FEBRUARY 23 6PM</p> <p>VIRTUAL/PHONE Via Microsoft Teams -OR- (915) 213-4096 (Code:998238324#) Hosted by City Rep. Isabel Salcido</p>	

THURSDAY, MARCH 2, 2023 | 6PM
South El Paso Senior Center
[600 S. Ochoa](#)
Hosted by City Rep. Chris Canales



Results from Community Feedback

- City Feedback Sessions
- City Survey
- El Paso Chamber Survey



Community Feedback Sessions

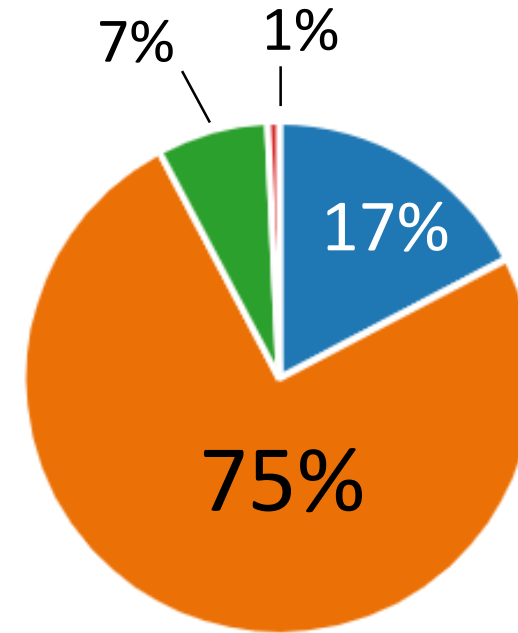
Responses:

- No Ordinance
- No permits
- No restrictions
- No Hotel Occupancy Taxes
- Self-regulatory Organization



City of El Paso STR Survey: How should the City handle short-term rentals?

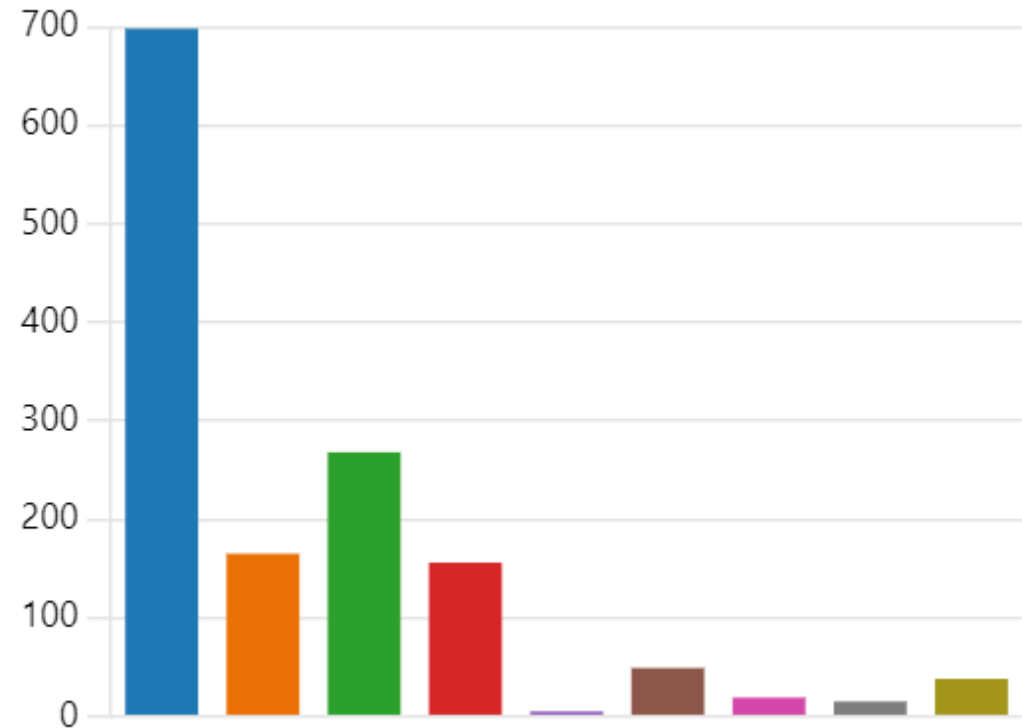
- Allow short-term rentals with regulations
- Allow short-term rentals with no regulations
- Ban short-term rentals completely
- No preference/opinion



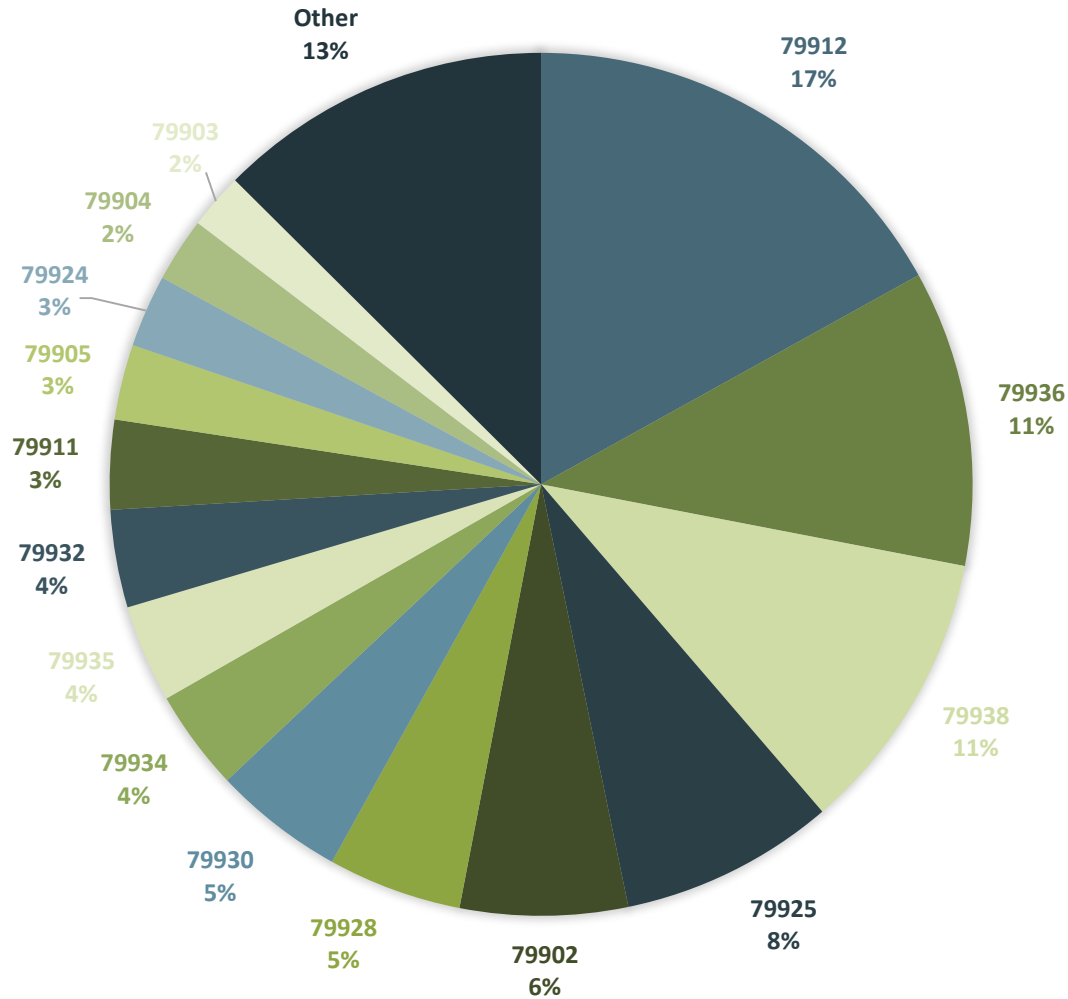
960 total responses

Responder Descriptions

● Homeowner	698
● Renter	165
● Short-term rental host	268
● Realtor	156
● Hotel industry professional	5
● Neighborhood association mem...	49
● Affordable housing provider	19
● Community-based organization	15
● Other	38



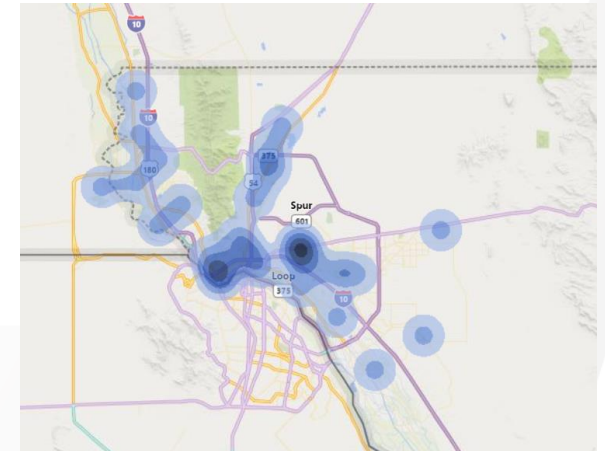
Zip Code Distribution



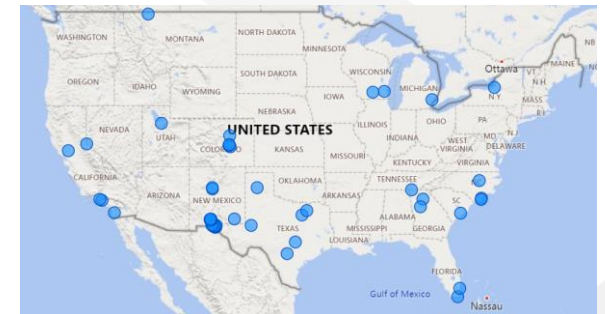
Other includes County or out-of-town responses

As of close of survey

Local response density

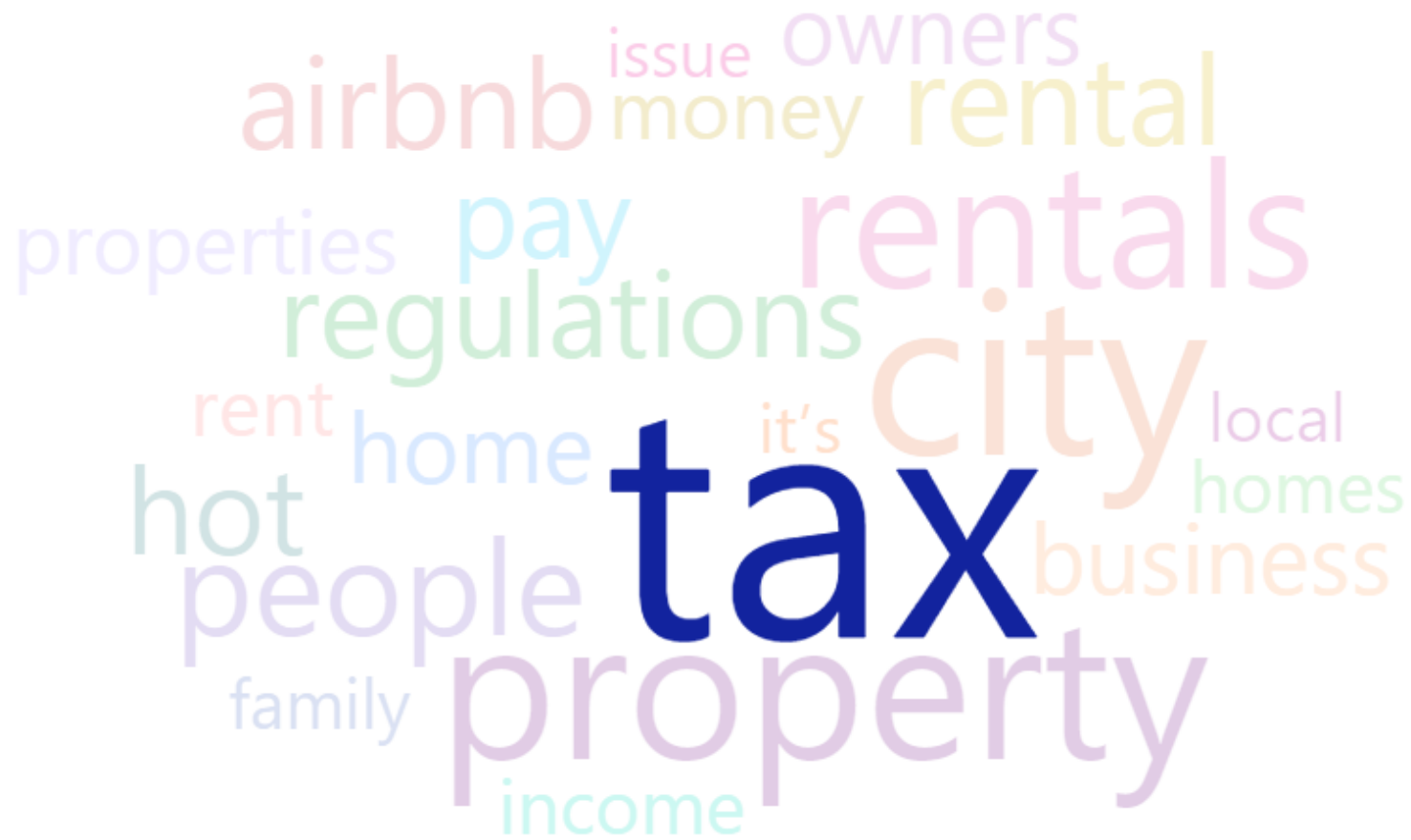


National response locations



Word Cloud of Survey Responses

Taxation was the most common topic





- On February 28th, the El Paso Chamber's Board of Directors voted to oppose the proposed ordinance establishing regulations on short-term rentals.
- Over 77% of the responses received from the Chamber's survey were against any kind of regulations on short-term rentals, citing that the ordinance would greatly reduce the short-term rental operators' ability to conduct a profitable business.



Community Concerns

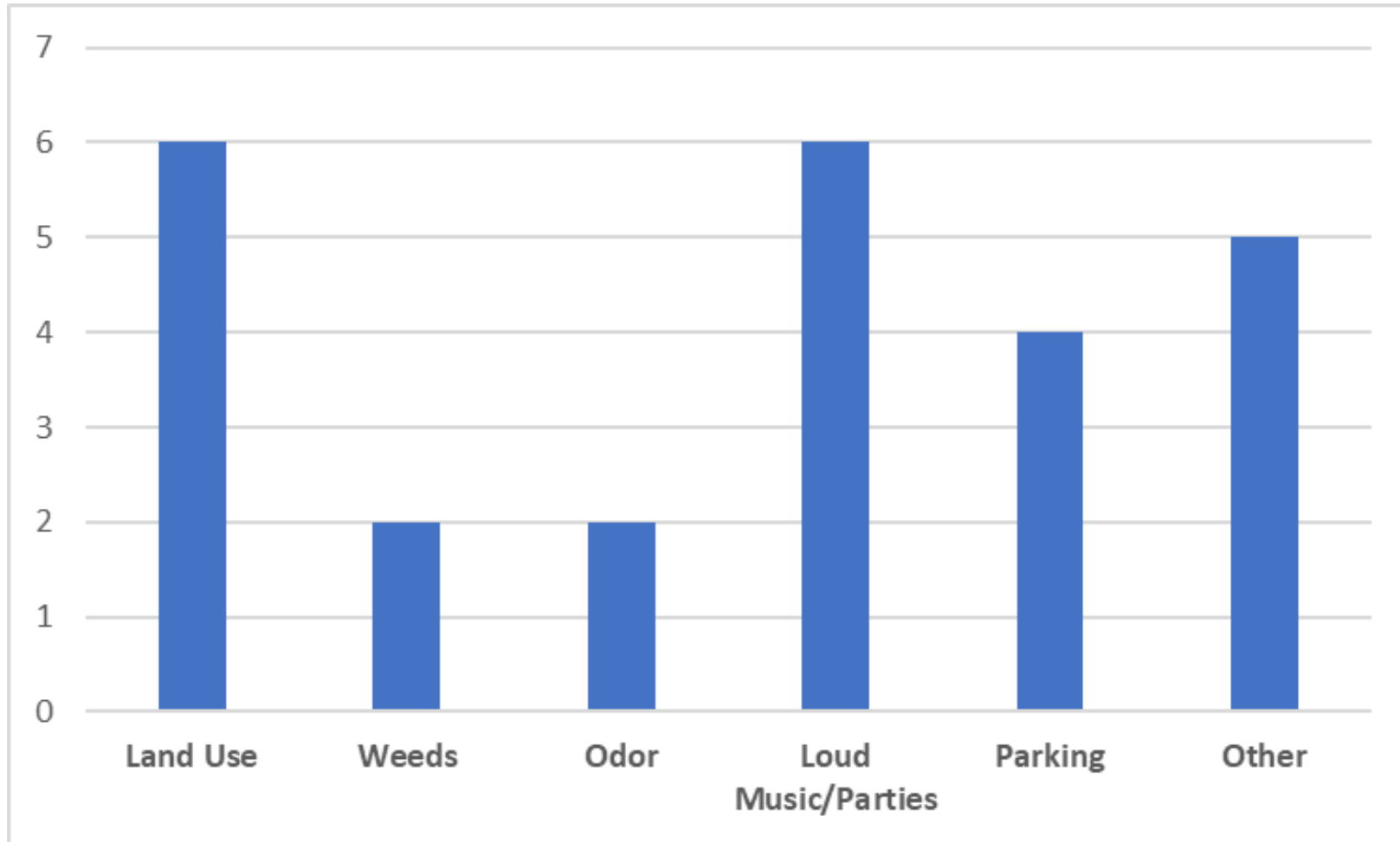
WHICH OF THE FOLLOWING ISSUES RELATED TO SHORT-TERM RENTALS HAVE YOU PERSONALLY EXPERIENCED IN YOUR NEIGHBORHOOD?

- Excessive noise
- Special Events or Parties being held at a Short-term rental
- Excessive trash
- Parking shortage
- Traffic



Other Concerns/Issues

From City of El Paso's Accela Citizen Access



Other includes excessive trash, zoning verification, junked vehicle, etc.

CO-CREATION WORKSHOP – 3 DAY

Design thinking:
understand, generate and deliver

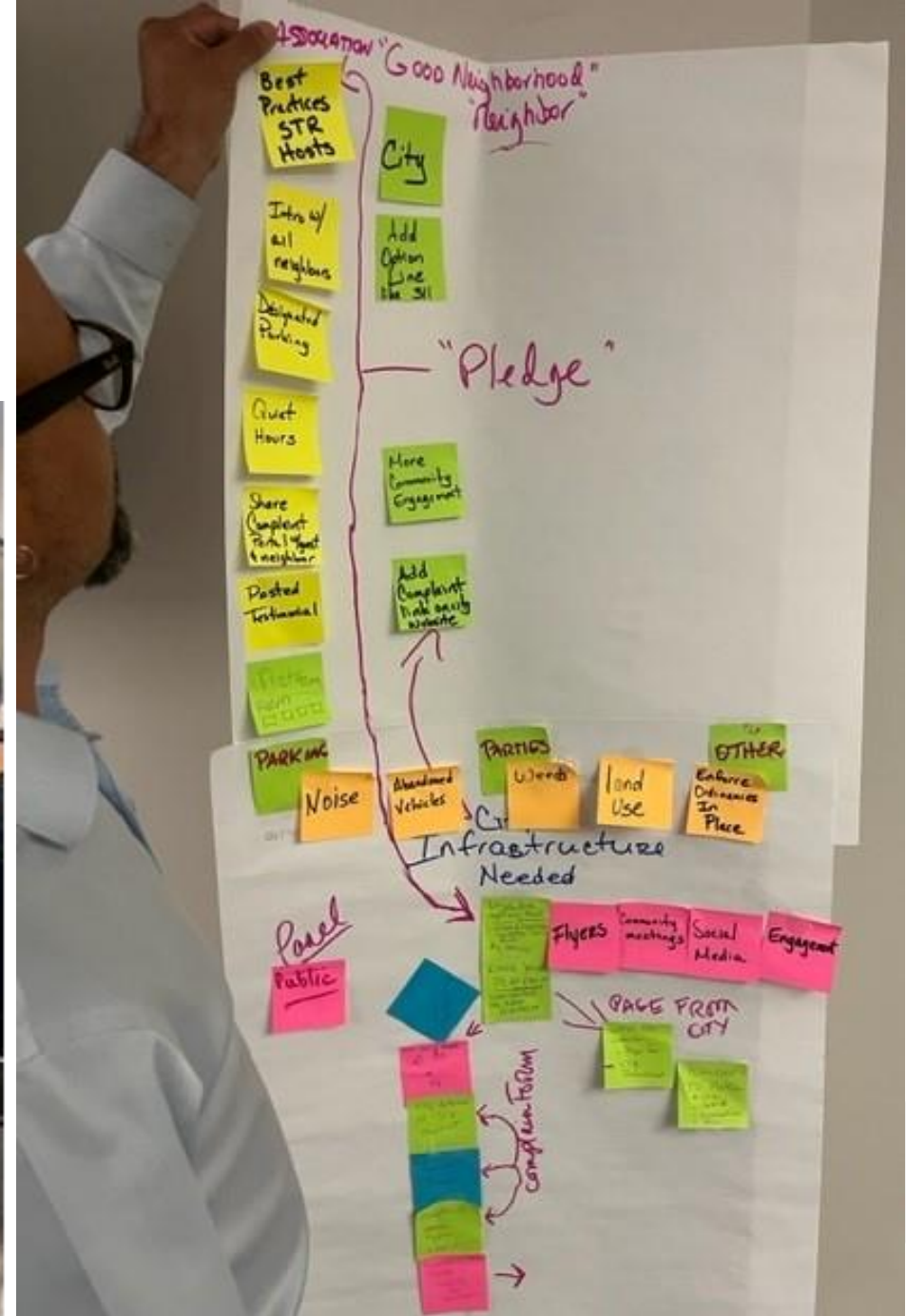
We will **empathize**
(experiences/preferences
shared through community
feedback)

We will **encourage**
participation at every table

We will **synthesize ideas**



Ideation





Co-Creation 3-Day Workshop

- Work to address the concerns or issues expressed in complaints or at the feedback sessions
- Identify potential solutions by fostering a collaborative environment with the City of El Paso, STR Hosts and neighborhoods

Create a Pilot that addresses these three areas:

- 311 Focus – capture and monitor data on complaints/issues
- Good Neighbor Industry Action
- Identify and outreach stakeholder group



311 Focus

- Change script to include a question asking if the caller believes it is a rental
- Include language to track public safety responses identified as a rental
- Cross-reference potential short-term rental properties with existing complaints
- Offer an opportunity on the website for complaints or concerns about rental properties.

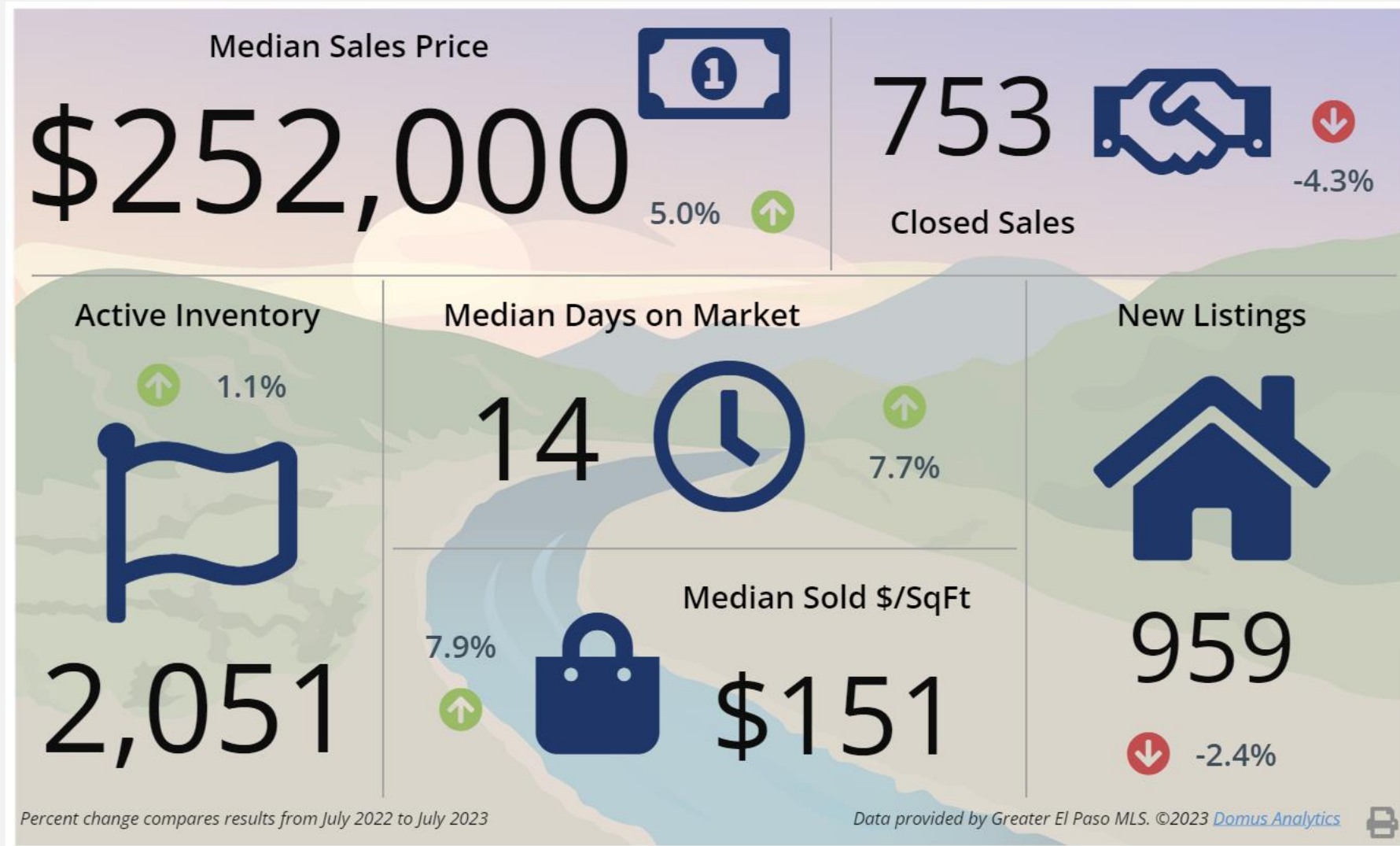
Greater El Paso Association of REALTORS®

- Scott Kesner
- Greater El Paso Association of REALTORS®
Governmental Affairs Chair



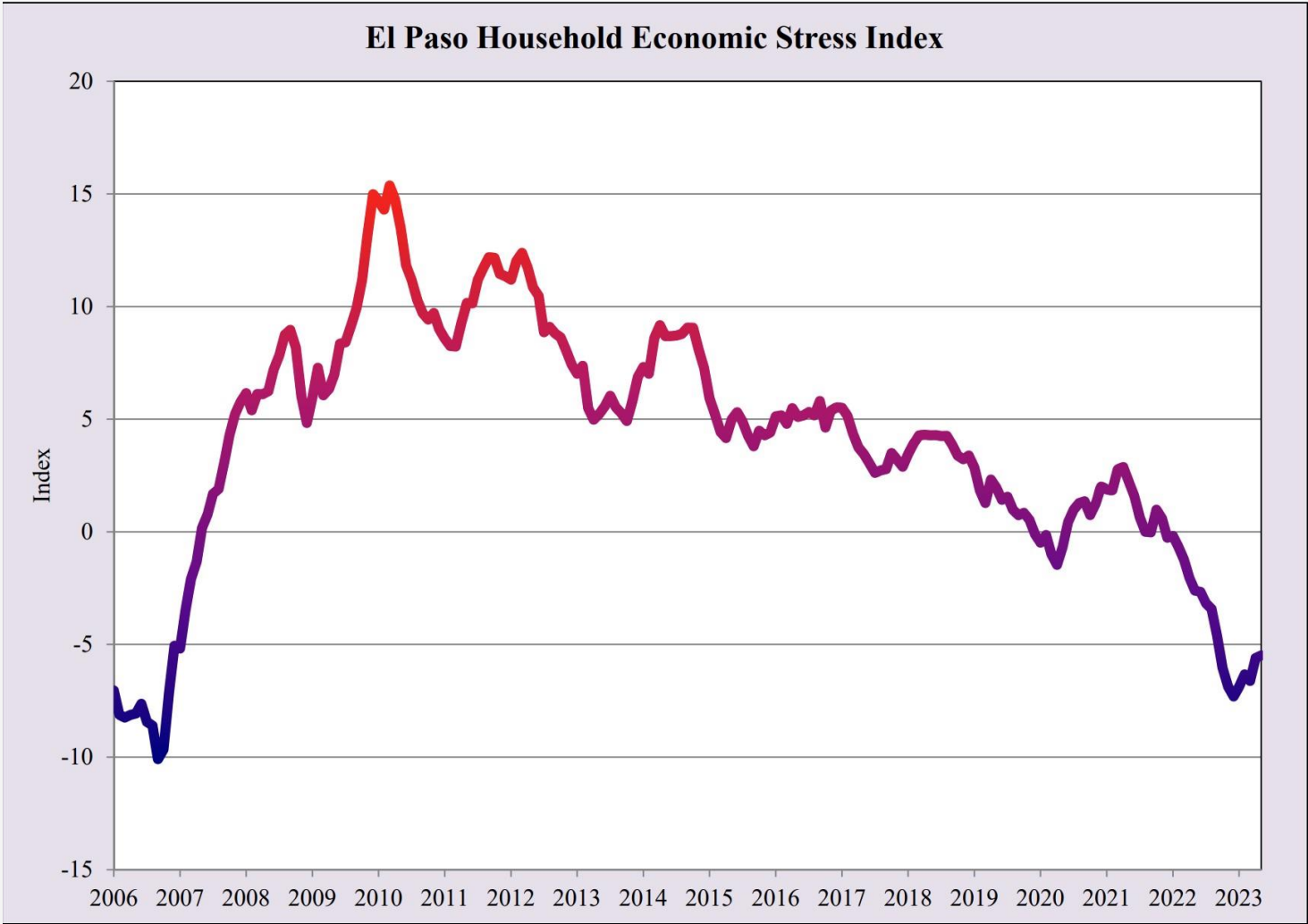
Greater El Paso Association of REALTORS®

Latest Market Update as of 8/4/23 – Source elpasotx.com



Greater El Paso Association of REALTORS®

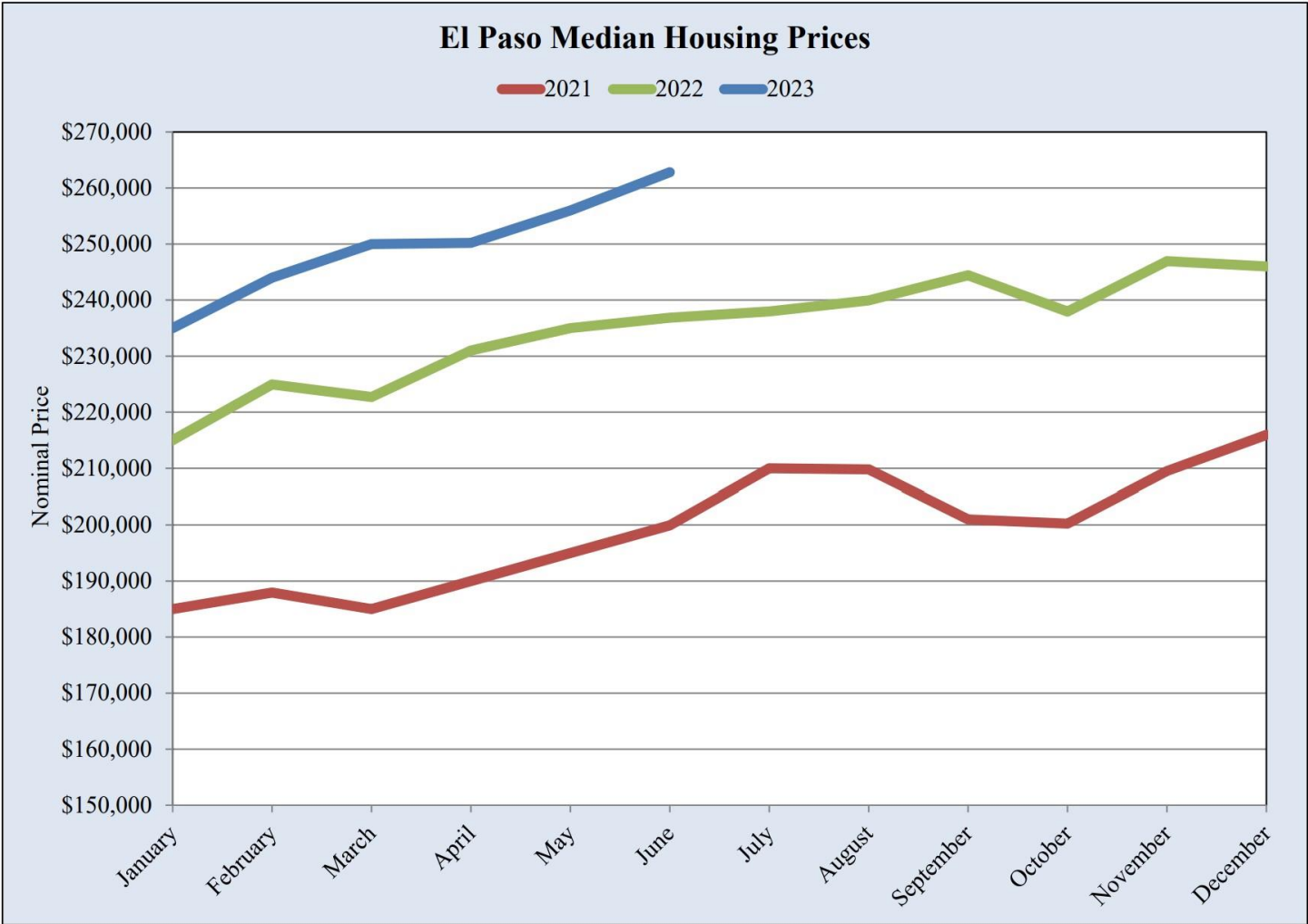
Latest Data from UTEP BorderPlex Business Barometer. Presentation given by Dr. Tom Fullerton at GEPAR 8/17/23



Source: UTEP Border Region Modeling Project

Greater El Paso Association of REALTORS®

Latest Data from UTEP BorderPlex Business Barometer. Presentation given by Dr. Tom Fullerton at GEPAR 8/17/23

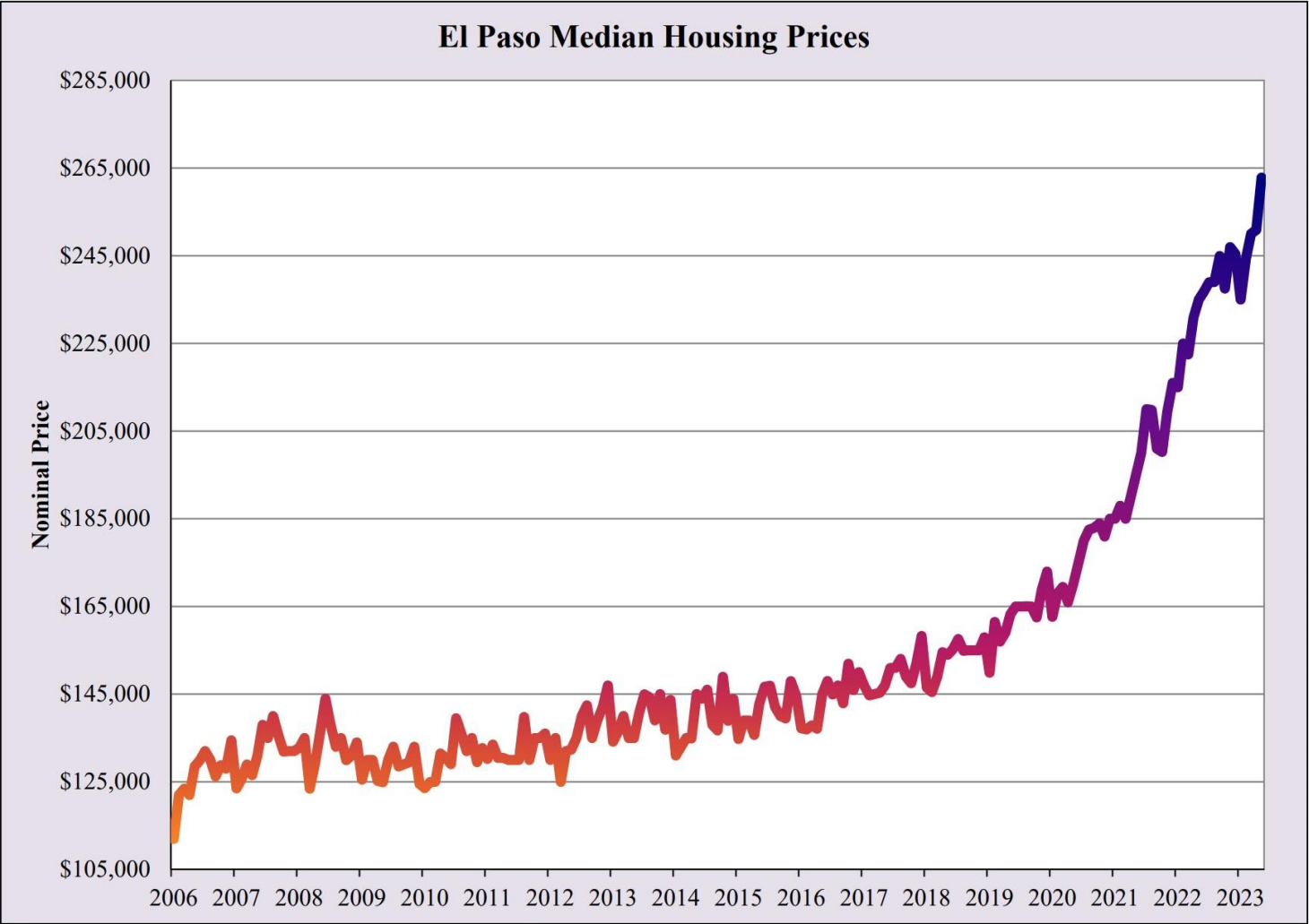


Source: UTEP Border Region Modeling Project using Texas A&M Real Estate Center Data

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Latest Data from UTEP BorderPlex Business Barometer. Presentation given by Dr. Tom Fullerton at GEPAR 8/17/23

Breakdown of Home Prices since 2006.



Source: UTEP Border Region Modeling Project using Texas A&M Real Estate Center Data

Greater El Paso Association of REALTORS®

Amount Financed	Texas First-time Buyers	Texas Repeat Buyers
Less than 50%	9%	16%
50% to 59%	*	7%
60% to 69%	5%	5%
70% to 79%	5%	9%
80% to 89%	16%	28%
90% to 94%	16%	11%
95% to 99%	34%	11%
100% – Financed the entire purchase price with a mortgage	16%	14%
Median percent financed	95%	85%

Good financial investment	85%
Better than stocks	50%
About as good as stocks	28%
Not as good as stocks	7%
Not a good financial investment	3%
Don't know	12%

Savings	44%
Proceeds from sale of primary residence	43%
Sale of stocks or bonds	5%
Gift from relative or friend	7%
401k/pension fund including a loan	6%

Greater El Paso Association of REALTORS®

Closed Single Family

	2021	2022	2023	2019
Total	10,802	9,773	5,491	9,183
VA	2,378 22%	2,391 24%	1,442 26%	1,913 21%
FHA	2,926 27%	2,019 21%	1,446 26%	2,889 31%
Conv	3,750 35%	3,487 36%	1,578 29%	2,881 31%
Cash	1,558 14%	1,693 17%	859 16%	1,165 13%
Rentals	2021 – 3,057 units / \$1,444	2022 – 3536 Units / \$1,535	2023 – 2588 Units / \$1,623	

Texas Leads in Institutional Purchasers -

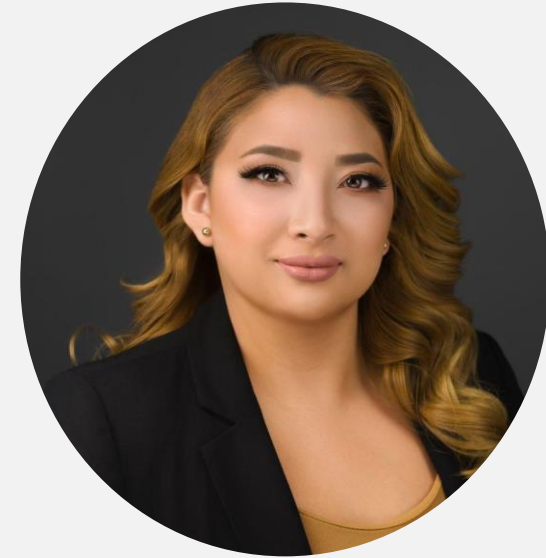
Tarrant County 52% - Rockwall County 45% - Midland County 44% - Dallas County 43% -
El Paso County below 13%

EPSTRA: El Paso Short Term Rental

Alliance

El Paso STRA believes in the power of collaboration and fostering strong relationships among short term rental (STR) owners, local residents, and businesses.

We are committed to responsible hosting practices among our members, and we uphold high standards of professionalism, guest satisfaction, and community respect.



We founded this alliance for the city of El Paso to bring peace and prosperity between all stakeholders and neighborhoods of our city. We hope that by bringing this education to new and seasoned STR owners, El Paso's community can continue to be exemplary neighbors, enhancing our shared vision and beautifying our city.

Heidi Seoenz

President, El Paso STRA

Did you know...



90%

OF STR HOSTS OWN JUST 1 PROPERTY

El Paso is a mom-and-pop market, with many hosts simply seeking to help cover the second highest property tax rates in the country.



0.5%

OF EL PASO'S HOUSING SUPPLY IS STRS

This tiny fraction has no effect on local housing supply or real estate prices.



6%

STRS PAY THE SAME STATE HOTEL OCCUPANCY TAX

These tax dollars support essential TX services, such as public safety, education, parks, roads, and infrastructure.

We encourage our members to be respectful neighbors, maintain properties responsibly, and contribute to the overall well-being of our community.

EPSTRA Community Resources



MEMBERSHIP

- Free to join
- Free resources & education
- Responsible hosting guidelines

COMPLIANCE

- Overview of Current Laws
- Basic Compliance Help
- Tax Information
- FAQs

NEWS/RESOURCES

- Hosting best practices
- Local updates
- OTA Neighborhood Support
- STR Facts

ALLIANCE EVENTS

- Monthly Community STR Meetings
- City meetings pertaining to STRs
- Educational events/webinars

For more information, visit: www.elpasostra.org

Next Steps



Recommended Council Action:

- Direct City Manager to monitor the pilot program through 311 for complaints, concerns or any community issues;
- Bring an update to City Council in one year



Short Term Rental
Alliance



El Paso Chamber



Greater El Paso
Association of
REALTORS

MISSION



Deliver exceptional services to support a high quality of life and place for our community.

VISION



Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government.



VALUES

Integrity, **R**espect, **E**xcellence,
Accountability, **P**eople

MISIÓN



Brindar servicios excepcionales para respaldar una vida y un lugar de alta calidad para nuestra comunidad

VISIÓN



Desarrollar una economía regional vibrante, vecindarios seguros y hermosos y oportunidades recreativas, culturales y educativas excepcionales impulsadas por un gobierno de alto desempeño



VALORES

Integridad, Respeto, Excelencia,
Responsabilidad, Personas