Airbnb – Short Term Rentals (less than 30 consecutive days defined by The City of Tulsa)

The Willow Creek II Board of Directors has passed a resolution which prohibits Airbnb use or short-term rentals as defined by the City of Tulsa as those leasing housing for less than a consecutive 30 day period.

Anyone found in violation of this Regulation will be subject to reporting of the violation to the City of Tulsa and the possibility of a fine by the Association.

The Declaration of Unit Ownership clearly states that no unit shall be used for business, professional or commercial purposes.

ARTICLE XVIII
RESTRICTIVE COVENANTS

Without limiting or impairing in any manner any restrictions or covenants contained elsewhere in this Declaration or in the By-Laws or any administrative rules and regulations adopted pursuant to the By-Laws or contained in the Act itself, restrictions of use of each unit and the common elements covered by this Declaration shall include but not be limited to the following:

(1) Each unit shall be occupied and used by the owner or his lessee as and for a single, one family residential dwelling only, and at no time shall such unit or any portion thereof be used for business, professional or commercial purposes, subject, however, to Declarant's reserved right to utilize units owned by him for purposes of advertising or selling other units as hereinabove set forth.

The City of Tulsa requires that anyone wishing to use a single family residential property make application to operate a Bed and Breakfast business in the home and request a variance of the zoning ordinances. Because a Bed and Breakfast fall under the category of Hotel, the City also requires that the owner charge the customer a Lodging Tax of 5% which must be paid by the 30th of every month. The Lodging Tax on any occupants for lodging of less than 30 consecutive days. They also require that the applicant pay a fee between $650 to $800 with the application and permit for operation of such business.

Although the new Code has not been finalized, news articles have reported that violation of the strict adherence with the Code and Requirements, violators can be subject to a fine of $1,200 per day if the violation is reported by a neighbor. It remains to be determined if such an operation would also involve the Health Department regulations.

The following is an article from The News on Six (Channel 6) from Tuesday, September 12th, 2017.

Tulsa Airbnb Operators Need Special Permits From City

Tuesday, September 12th, 2017, 6:17 PM CDT
By **Meagan Farley**

TULSA, Oklahoma - Private home vacation rentals are becoming more popular as people open their doors to travelers. Tulsans are warming up to the idea of operating their own Airbnb, and many people showed up at the Board of Adjustments meeting wanting a special exemption to allow a bed and breakfast in their home.
For years, Janet Fadler Davie has rented the apartment in her downtown Tulsa building to long-term renters. When the most recent tenants moved out she opened her space in the East Village to people through Airbnb.

"It was just like this light bulb went off," she said. "It is concert goers at the BOK or Cain's or Brady Theater. I've had Route 66 travelers."
She leaves suggestions on where to shop and eat.

"A block, two blocks away, The Boxyard," the Airbnb operation said.
"I've done a Tulsa theme. I have This Land magazine and Route 66 cards and games," she said.

If you want to do something like this - most homes need to get zoning approval for a short-term rental.

"I think most people who are doing it have no idea," said Dwayne Wilkerson, Tulsa Board of Adjustments.

On Tuesday, September 12, City Hall was filled with people trying to officially get on the books as a bed and breakfast. But there is some opposition to Airbnb's popping up all over town.

Some neighbors worry with people coming and going all the time - you just don't know who is staying next to you. But Janet says she hasn't had any big issues - and by the looks of her guest book - people loved their stay.

"These people were here for Mayfest," she said. Her guests have been from all over - places like Alaska and California.

"I'm a people lover. I love meeting people," said Airbnb operator Janet Fadler Davie.

But remember - most scenarios for Airbnb rentals come with requirements from the City of Tulsa

"I think as people become more aware there is a process they have to go through, I think people who want to play by the rules will start showing up," Wilkerson said.

There are some exemptions to the requirements. The fee to apply for the permit can run from $650 to $800 dollars.

Another report was provided by The Tulsa World on June 29th, 2017

Tulsa Airbnb hosts can operate without permit but risk huge fines if neighbors complain

By Stetson Payne Tulsa World June 29, 2017 Tulsa World

Of more than 300 listings in Tulsa on the Airbnb website, only one of those is legal under the city's zoning code, and violators are risking heavy fines.

The online hospitality rental site shows the overnight stay average in Tulsa is about $76.

The single legal Airbnb site in Tulsa came after Tuesday's Board of Adjustment meeting when Allen Hynes and his daughter, Natalie,

were approved to list a home near 21st Street and Harvard Avenue.

Although the property has been ready since late May, Natalie Hynes said they waited to get approval to stay on the right side of the law.

"I think it's your own ethical decision," Natalie Hynes said. "I don't want to be looking over my shoulder and wondering."

Under Tulsa zoning code, Airbnb properties are designated as bed-and-breakfasts under short-term lodging, despite operational differences. Homeowners of traditional B&Bs typically offer hospitality service and are on the property. The Airbnb model offers lodging in host houses without owners on site, similar to a rental property. It uses a review system, similar to the Uber car-for-hire service, for hosts and visitors to rate each other.

Airbnbs are not treated like rental properties under the Tulsa zoning code because they offer lodging of less than 30 days.

Susan Miller, land development manager for the Indian Nation Council of Governments, said B&Bs, including Airbnbs, are allowed in all zoning areas but require a special exception from the Board of Adjustment.

Under the special exception granted Tuesday, which is valid for five years, Allen Hynes and Natalie Hynes are limited to hosting single bookings, meaning they may rent the entire home to a single renter. Many Airbnb listings, for comparison, offer only a room or part of a residence to short-term renters.

Although most Tulsa Airbnb hosts are technically operating illegally, enforcement is complaint-based, Miller said. For confirmed violators, homeowners face up to a $1,200 fine, determined by a municipal judge. However, continual violations add up each day, meaning $1,200 for each day an Airbnb rental is made after a citation is issued.

Allen Hynes said the possibility of fines and interfering with customers' plans was too big a risk. "What are you gonna do?" he said. "Rent it out and get shut down, or get fined $1,000 a day? No, that's not something we're going to do. If someone is here and has to leave, they're going to be really angry. And they're definitely not going to write anything good to Airbnb."

Miller said she expects the number of Tulsa Airbnb registrations to grow as the service becomes more prevalent.

“It’s definitely a thing now when it wasn’t before,” Miller said. “I think that’s because people are realizing what they have to work with.”

Miller said she will meet with Mayor G.T. Bynum’s office after July 4 to discuss updating codes to specifically handle Airbnb listings.

Three special exception applications are on the agenda for the next board of adjustment meeting July 11. The applicants must notify neighbors, post a large sign in the front yard and pay costs of $500 plus expenses for signage and postage.

One of Hynes’ neighbors spoke against the Airbnb exception at the meeting.

Carolyn Gaither and her husband have lived in the neighborhood for 60 years and worry the Airbnb will clog the streets, which already have limited parking space. She fears other homes in the area will join the Airbnb trend.

“Pretty soon, what do they say, ‘There goes the neighborhood,’ ” Gaither said. “This is what you’re up against. I don’t want them to open the floodgates. I figure the next house that goes up for sale, someone will want to just make money off of it.”

But not all of the Hynes’ neighbors are apprehensive.

Resident Patti Barker lives down the street from the property and said she loves the idea of an Airbnb as an alternative to nearby rental properties. She bases this on having hospitality experience.

“As a consumer of VRBO, HomeAway and Airbnb properties myself, I know the scrutiny that you go through to rent those properties,” Barker said. “I know what it takes to rent them; I know you have to put down a hefty deposit.

“An Airbnb property is much more regulated and scrutinized, so I’m super excited.”

Allen Hynes paid $766 to obtain the special exception, which he says will be made up quickly by the income made on the home.

Natalie Hynes said they expect the house to do well because of its proximity to the Tulsa Fairgrounds, offering an alternative to nearby hotels.

“We’re ready to try a new business,” she said. “We’re excited to see how it goes.”

The following is an Article by the News on 9.

Zoning Laws Make Using Airbnb Difficult For Tulsans

Thursday, May 25th 2017, 9:23 PM CDT

By Annie Chang

City officials said anyone who wants to list their home on a website like Airbnb first needs to get legal permission.

TULSA, Oklahoma - A Tulsa woman said she was making extra money renting out bedrooms in her house until the City shut it down.

City officials said that's because anyone who wants to list their home on a website like Airbnb first needs to get legal permission.

Airbnb is a website for people who want to rent, or rent out their homes, but some Airbnb hosts in Tulsa say the City is making it difficult.

Leah Krautter's midtown home is one of the most popular listings on Airbnb in Tulsa. She rents out two bedrooms through the website, which stands for Air bed-and-breakfast.

But if you ask Krautter, “I'm not, I'm not a bed-and-breakfast. I'm just a single mom renting a couple of rooms on Airbnb in my home, like over 100 other people in the city."

The City of Tulsa, on the other hand, legally considers her home a bed-and-breakfast.

"It may be a little different from the traditional bed-and-breakfast, but it still has people coming and going, staying the night. From the way it functions and impacts the neighborhood, there's really no difference," said Susan Miller with INCOG.

City laws say homeowners like Krautter, who want to rent out rooms through Airbnb, have to get a special exception from the Board of Adjustment - a process that costs at least $500 - otherwise they could get cited.

"Technically, if you're operating an Airbnb in Tulsa, you're operating illegally," Krautter said. "And at any moment, you can have a notice slapped on your door saying, 'Shut her down,' your guests get left out in the breeze, and that's it."

Tulsa homeowners aren't the only ones dealing with these kinds of laws.

"A lot of communities all over the nation are facing the same issue," Miller said.

But other cities, like Oklahoma City, changed zoning laws to adapt to these home-sharing websites.

Krautter said, "It's a pretty new thing, and the city zoning codes are antiquated, and they just really don't address it."

We have also attached the City of Tulsa requirements for properties classed as Hotels. This category does include Bed and Breakfast and Airbnbs.

Lodging Tax

The City Lodging tax is a consumer tax paid by occupants for lodging and related services of less than 30 consecutive days. The owner/operator is responsible for collecting the tax from the occupant. Lodging Taxes are used primarily to promote tourism and fund convention facilities within the City of Tulsa.

Who has to pay the lodging tax?
The occupant of the room in a hotel located within the City of Tulsa must pay the tax. Hotel operators, including but not limited to owners, proprietors, lessee, or any other person operating such a hotel, are required to collect the tax from the occupant and remit the tax to the City.

The term "hotel" includes hotels, motels, tourist homes, houses or courts, boarding houses, bed-and-breakfast, apartment not occupied by "permanent residents", and all facilities where rooms or sleeping facilities or space are furnished for a consideration.

What is the lodging tax rate?
The City of Tulsa imposes a lodging tax of 5 percent. The tax must be paid on the occupancy, or the right of occupancy, of room(s) in a hotel.

Who is exempt from the tax?

- A permanent resident – One who occupies or has the right to occupy any room or rooms in the hotel for at least 30 consecutive days
- The United States – A person conducting Federal Government business when room rent and taxes are paid directly by the United States government
- The State of Oklahoma – A person conducting State of Oklahoma Government business when room rent and taxes are paid directly by the State. This exemption applies to Oklahoma public schools and political subdivisions of the State.

Are non-profits and charities exempted from lodging taxes?
No. Only those listed above are exempt from lodging taxes. Non-profits are exempt from sales taxes but not from lodging taxes.

When is the tax due?
The tax is due the last calendar day of the month following the date of collection. However, filers can claim a 3 percent discount if the return and payment is delivered to the City by the 15th of each month.

How often do I file a return?
Lodging tax returns and taxes are due monthly.

Is the lodging tax different from sales tax?
Yes. Sales taxes are collected by the Oklahoma Tax Commission based on State statutes. The Tax Commission collects sales taxes on behalf of the State, City and the County.

Lodging taxes are collected by the City of Tulsa for businesses within City limits, based on City of Tulsa ordinances.

How do I file and pay my taxes online?
A customer number is required when paying your taxes online. Please contact the City of Tulsa Treasury Division, (918) 596-7140, or **lodgingtaxes@cityoftulsa.org** to obtain a customer number.

You can file your lodging tax return and **pay your taxes online**.

How do I register to collect taxes?
A lodging tax license application is required from the operator, remarketer or owner who collects and remits lodging taxes to the City. All new hotels or hotels having a change in ownership within the City of Tulsa are required to obtain and post the license within public view. Send an email to **lodgingtaxes@cityoftulsa.org** to obtain a license application.

Who do I contact with questions?
You may email your questions to **lodgingtaxes@cityoftulsa.org** or call (918) 596-7140.