

Summary of proposed regulations to short-term rentals

Revised September 20, 2023

The proposed language can be summarized as doing the following:

- A short-term rental would be defined as renting up to two (2) bedrooms in a home/apartment/dwelling or an entire home/apartment/dwelling for <u>less than</u> 30 days
 - The max of two (2) bedrooms is used to avoid overlap with regulations on boardinghouses, rooming houses, and other situations in the building codes
 - Does not include hotels, motels, inns, bed-and-breakfasts, or boarding homes.
 - Short-term rentals include what many people refer to as "AirBnB's", but it includes rentals listed on many other platforms besides AirBnB, and not all rentals posted on AirBnB are considered short-term (which is less than 30 days).
- Differentiates between hosted and non-hosted short-term rentals. Hosted is
 defined as the owner, or operator, residing either in the same building as the unit being
 rented, or on the same property if renting an accessory dwelling unit (ADU). Non-hosted
 is where neither the owner, nor the operator, resides in the same building (or property if
 renting an ADU); this is regardless of whether or not property management services are
 provided for the rental unit.
 - All short-term rentals, whether hosted or non-hosted, would be allowed in all residential zones and commercial zones where residential is allowed
 - The full list of affected zones is: URD-1, URD-2, M&SD, NSD, USD, DDD, WDD, LDR, HDR, S&PS, GC&S, and RR&A
 - Non-hosted rentals are capped at 1% of the dwelling units in the City, which will be determined yearly based on assessing data (currently stands at roughly 15,300 units, so a cap with current data would be roughly 153 nonhosted rentals)
 - In multi-family buildings, all short-term rentals, whether hosted or non-hosted, would be capped at 50% of the units in a building (would not apply to units that are under different ownership (i.e. condominiums); only applies to units that are all under the same ownership)

- Any person or entity is limited to 5 short-term rental units
- All short-term rentals, whether hosted or non-hosted, would be required to obtain a license and subject to an inspection to ensure the unit meets fire and life safety requirements.
 - Licenses would require annual renewal and an inspection every 3 years in order to renew the license (an inspection would also be required prior to first obtaining the license).
 - The fee for new licenses and renewal licenses that require inspection is proposed to be \$250. The fee for renewal licenses that do not require inspection is proposed to be \$100.
 - If the rental unit fails inspection, the license holder will be notified of the deficiencies and may be allowed re-inspection to ensure that the items of concern have been addressed prior to receiving a new or renewed license. An additional license fee of \$100 is required for each additional inspection.
 - To be considered a hosted rental, the property must be considered the primary residence of the owner/operator. Allowances are made for those in the armed forces on active duty.
 - To acquire the license for the short-term rental, documentation is required from the owner/operator demonstrating that the property is their primary residence.

The language will not become effective until six months after the passage of the ordinance in order to notify current operators of short-term rentals in the City and allow time for them to become compliant with the Code. Since short-term rentals are not currently allowed by zoning in the City, there will be no non-conforming protections (also called "grandfathering") for existing rentals.