

CITY OF CONNEAUT
HOUSING/ZONING OFFICE

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Conneaut Planning Commission
MEETING AGENDA
April 2, 2019 - 6:00 P.M.

Meeting: Call to Order

Stand for the Pledge of Allegiance

Roll Call: Joe Zingaro- President, ____ Rebecca Gaugh- Vice President ____
Dianna Spencer ____ Paul Sedmak ____ Judy Prolongo ____ Mindy Notte ____

Approval of March 5, 2019 – Transcript Meeting Minutes

Motion _____
Second _____

Old Business: Temporary Accessory Structure (Shed) – Section 1133.01 (m) General Provisions

Exhibit 1 – Ordinance 1133.01 General Provisions(m) – Accessory Structure in Residential Districts – Discussion is to eliminate the verbiage describing a Temporary shed being located one (1) foot from the property line
Exhibit 2 – Tabled Recommendation from February 5, 2019 meeting

Old Business – Bed and Breakfast Best Practices:

Old Business – Septics: Tabled until Jim, Nichele, Kyle and Brian can be present at meeting

New Business: None

Audience Comments:
Meeting Adjournment

MOTION _____
2ND MOTION _____
TIME: _____

Joe Zingaro Chairperson

Melanie Shubitowski, Clerk

(m) Accessory Structures in Residential Districts. No accessory structure(s) shall be erected in any required yard other than a rear or side yard, nor shall it occupy more than thirty percent (30%) of a required rear yard. A detached accessory structure may be located in the side yard setback except a side yard that abuts a street. Accessory structures shall not exceed fifteen (15) feet in height, unless a greater height is permitted by the Zoning Board of Appeals and shall be distant at least five (5) feet from all lot lines of adjoining lots which are in any residential district and ten (10) feet from any other structure on the same lot. On a corner lot in any residential district, an accessory structure shall be a distance from the side street lot line not less than the required front set back line.

Sheds may be located within one (1) foot of a property line if movable. Dog pens shall be located five (5) feet from a property line and the owner of the animal shall cleanup the feces from the animal so that it does not become a nuisance to the adjoining property owners. (Ord. 63-14. Passed 8-25-14.)



**CITY OF CONNEAUT
DECISION
PLANNING COMMISSION
Conneaut, Ohio**

Planning and Zoning Code

**Planning Commission recommends changes in the definition to:
Chapter 1133.01 (m) Accessory Structures in Residential Districts (Bolded)**

No accessory structure(s) shall be erected in any required yard other than a rear or side yard, nor shall it occupy more than thirty percent (30%) of a required rear yard. A detached accessory structure may be located in the side yard setback except a side yard that abuts a street. Accessory structures shall not exceed fifteen (15) feet in height, unless a greater height is permitted by the Zoning Board of Appeals and shall be distant at least five (5) feet from all lot lines of adjoining lots which are in any residential district and ten (10) feet from any other structure on the same lot. On a corner lot in any residential district, an accessory structure shall be a distance from the side street lot line not less than the required front set back line.

Sheds may be located within one (1) foot of a property line if movable. Dog pens shall be located five (5) feet from a property line and the owner of the animal shall cleanup the feces from the animal so that it does not become a nuisance to the adjoining property owners.

1. Remove Definition "Sheds may be located within one (1) foot of a property line if moveable
2. Change the definition to read:

(Please Initial Choice)

	Approve	Deny	Table	Amend	Other	Abstain
Joe Zingaro, Chair	_____	_____	AA	_____	_____	_____
Becky Gaugh, Vice	BB	_____	AAA	_____	_____	_____
Judy Parlongo	_____	_____	SEP	_____	_____	_____
Diana Spencer	DD	_____	D&S	_____	_____	_____
Mindy Notte	MN	_____	MN	_____	_____	_____
Paul Sedmak	_____	_____	_____	_____	_____	_____

Signature: 
Joe Zingaro, Chairperson

Date: 1-8-19



North Perry Examples of Regulations Related to Transient Lodging (4/2/19)

Definitions

Bed and breakfast means a single-family dwelling which is a principal residence occupied by the owner that offers sleeping accommodations in four or fewer rooms as transient lodging and one meal are provided for compensation.

Boarding house means a private residence that provides accommodations and meals for compensation to individuals for more than 30 consecutive days.

Family means one individual, any number of individuals related by blood, adoption or marriage plus no more than two (2) unrelated individuals, or not more than four (4) unrelated individuals occupying a single dwelling unit, and living as a single housekeeping unit, but not including groups occupying a hotel or motel as herein defined.

Short term rental means the rental of a single-family dwelling or portion thereof used for the purpose of providing lodging for periods of less than 30 days. A short-term rental shall not include a house-swap or home-exchange arrangement.

Standards

- (a) **Bed and Breakfast Inns.** Bed and Breakfast Inns are unique semi-commercial operations that adapt a residential environment into a lodging concept limited in scope and operation. The regulations presented herein provide a systematic set of requirements to ensure that such operations shall not adversely impact adjacent uses as a result of the commercial aspects of the structure and property. Bed and Breakfast Inns shall be subordinate to the principal use of a single-family dwelling.
- (1) In submitting an application for a conditional use permit, the applicant shall provide to the Planning Commission a floor plan illustrating the proposed operation, a site plan indicating all on-site improvements, and any additional information as required by the Planning Commission.
 - (2) The use shall only be permitted in an existing structure that is currently used, or has previously been used, for residential purposes.
 - (3) **Owner-Operator.** The owner/operator of the Bed and Breakfast Inn shall live full time on the Inn's premises. Such owner/operator shall be the record owner of no less than sixty percent (60%) interest of the property in question.
 - (4) **Guests and Guest Rooms.**
 - A. There shall be no more than four guest rooms within a single-family dwelling that are utilized by bed and breakfast guests.
 - B. A guest room shall contain no less than 100 square feet of living space, not including closets, for two guests and thirty square feet for additional guests up to a total of four guests per room.
 - C. Each paying guest may stay at a Bed and Breakfast Inn for not more than nine consecutive nights at any single visit nor more than forty-five nights in any calendar year.
 - D. **Guest Register.** A guest register listing the name, address and phone number of all paying guests shall be maintained by the owner/operator and shall be made available, with reasonable notice, for inspection by the Village Zoning Inspector.

North Perry Examples of Regulations Related to Transient Lodging (4/2/19)

- (5) Food Service.
 - A. Only one kitchen facility shall be permitted per structure for which a conditional use permit is granted to operate a Bed and Breakfast Inn. No cooking appliances shall be permitted in individual guest quarters, except for electric coffee pot, refrigerator and/or microwave oven.
 - B. Meals. Only one meal shall be served to each guest of the Bed and Breakfast Inn and that meal shall be breakfast. The sale of alcoholic beverages to paying guests is prohibited in a Bed and Breakfast Inn.
 - (6) Bathrooms. A minimum of one full bathroom, including shower, toilet and sink shall be required for every two guest rooms to be available for the exclusive use of bed and breakfast paying guests. Bed and Breakfast Inns shall be serviced by public sanitary sewer and water service.
 - (7) Parking. Off-street parking spaces shall be provided in compliance with Chapter 1137. Such off-street parking spaces may be provided in an existing driveway.
 - (8) Employees. Not more than three non-residents of the dwelling may be employed in the operation of a Bed and Breakfast Inn.
 - (9) Signage. See Chapter 1139
 - (10) Certificate of Fire and Health Officer. Certificates from the Perry Fire District and the Lake County Board of Health shall be required for each conditional use permit requesting approval for a Bed and Breakfast Inn. Each guest room shall contain a separately installed smoke detector alarm approved by the Fire Officer. No premises shall be utilized for a Bed and Breakfast Inn unless there are at least two separate exits to the outdoors.
 - (11) Special Gatherings/Events. Rental of the Bed and Breakfast Inn for special gatherings/events, such as wedding receptions and parties, shall require a special permit approved by the Village Planning Commission.
- (b) Boarding House/Rooming House. A boarding house or rooming house shall be permitted provided the persons living in the house comply with the definition of family.
- (c) Short Term Rental of Single-Family Dwelling. Use of a single-family dwelling for short term rental shall comply with the following regulations:
- (1) In submitting an application for a zoning permit, the applicant shall provide to the Zoning Inspector a floor plan illustrating the proposed operation, a site plan indicating all on-site improvements, and any additional information as required by the Zoning Inspector. *(similar to Bed & Breakfast)*
 - (2) Local Property Representative. The property owner shall designate a local property representative who shall be available 24 hours per day, seven days per week, for the purpose of: (a) responding within one hour to complaints regarding the condition, operation, or conduct of occupants of the short-term rental; and (b) taking remedial action to resolve any such complaints. The name, address, and telephone contact number

North Perry Examples of Regulations Related to Transient Lodging (4/2/19)

of the property owner and the local property representative shall be kept on file at the village. The failure to provide the contact information, failure to keep the contact information current, failure to respond in a timely manner to complaints, or the occurrence of repeated complaints may result in the suspension or revocation of the zoning permit.

- (3) Occupancy. Maximum occupancy of the rental shall be based on the International Building Code standards. The property owner shall be responsible for ensuring that the dwelling unit is in conformance with its maximum occupancy.
- (4) Restrictions on Use. The property owner shall not permit a renter to use a short-term rental for a purpose not incidental to its use for lodging or sleeping purposes. This restriction includes using the rental for a wedding, banquet, reception, bachelor or bachelorette party, concert, fundraiser, sponsored event, or any similar group activity.
- (5) Parking. Use of the property as a short term rental shall not result in increased demand for parking beyond that which is normal to a residential area nor unusual or excessive traffic to and from the premises.
- (6) Signage. No outdoor advertising signs related to the short term rental dwelling shall be allowed on the site.
- (7) The property owner shall be responsible for the following:
 - A. Ensuring that weekly solid waste collection is provided during all months that a short term rental is used for short-term rental occupancy. Weekly solid waste collection shall not be on the basis of as-needed service, but ongoing weekly solid waste service even when the unit might be unoccupied.
 - B. Providing an operating "land line" telephone in the unit for emergency notifications.
 - C. Maintaining a guest register listing the name, address and phone number of all paying guests. The owner/operator shall make the guest register available, with reasonable notice, for inspection by the Village Zoning Inspector. (*similar to Bed & Breakfast*)
- (8) Informational Packet. A packet of information shall be provided to renters and posted conspicuously in the common area of the short-term rental summarizing guidelines and restrictions applicable to the short-term rental use, including:
 - A. The short term rental's maximum occupancy.
 - B. Applicable noise and use restrictions;
 - C. Location of assigned off-street parking, if applicable.
 - D. Twenty-four (24) hour contact information for the property owner or local representative.
 - E. Renter responsibilities, which shall at minimum include: Do not trespass on private property; Do not litter; and Do not create a noise disturbance.
 - F. Notification that the renter is responsible for complying with these regulations and that the renter may be cited or fined by the village for violating any provisions of the Planning and Zoning Code.

North Perry Examples of Regulations Related to Transient Lodging (4/2/19)

- (9) Insurance. The property owner shall maintain on file at the village an up-to-date certificate of insurance documenting that the dwelling is insured as a short-term rental.
- (10) Certificate of Fire and Health Officer. Certificates from the Perry Fire District and the Lake County Board of Health shall be required for each zoning permit. Each guest room shall contain a separately installed smoke detector alarm approved by the Fire Officer. No premises shall be utilized for a short term rental unless there are at least two separate exits to the outdoors. *(similar to Bed & Breakfast)*

"Definition of family" - How would we define that
regulate Bed/Breakfast as a conditional use.
^{required} Business license requirement for B+B



MEMORANDUM

TO: City of Conneaut: Jim Hockaday, City Manager and Janet Brown, Zoning Administrator

FROM: Kristin Hopkins

DATE: April 24, 2018

RE: Best Practices for Regulating Bed and Breakfasts

At your request I have compiled and reviewed resources for regulating Bed and Breakfast Establishments. Below are both some general recommendations on how the City could address Bed and Breakfast establishments, as well as some specific regulations that could be considered for adoption as part of the supplementary regulations in Chapter 1133. In addition, I am forwarding the following resource materials:

- Salem Ohio's Bed and Breakfast zoning regulations – the most extensive regulations found for an Ohio city.
- Regulating Short-term Rentals, American Planning Association PAS QuickNotes No. 56, 2015 – a 2-page summary of general planning considerations for short-term rentals.
- Practice Short-Term Rentals, American Planning Association Zoning Practice Report, Issue #10, 2015 – an 8-page resource that discusses issues related to regulating short-term rentals.
- Ohio Bed and Breakfast Rules and Regulations. By Elizabeth Arneson, for Inspiration Hotels. This 2 page document highlights state rules that apply for short term rentals.
- Commentaries on Zoning for Bed and Breakfasts and Short-term Rentals, from <https://www.useful-community-development.org>. This 5-page resource discusses the pros and cons of regulating both types of lodging.

CT's General Recommendations/Considerations

In reviewing the City's current zoning, below are some considerations and recommendations for how Bed and Breakfast Establishments could be incorporated into the Conneaut Zoning Code.

1. Regulate Bed and Breakfast establishments as a permitted use in the B-3 (General Business Downtown) and B-4 (Coastal Business) districts. These commercial districts currently permit single-family homes.
2. Regulate Bed and Breakfast establishments as a conditional use in the R-4 and the R-5 districts. These districts are most likely to be where suitable houses for B-&-B's exist, and are suitably located near amenities and tourist attractions.

3. Develop suitable regulations for bed and breakfast establishments based on the district in which they are located.
4. Add appropriate definitions for the types of rentals anticipated. Communities are trying to distinguish between a homeowner who makes up to 2 rooms available for short-term rental – typically called “homestay” – which may not be discernable to the neighbors and bed and breakfast or vacation rentals.
 - “Bed and Breakfast Establishment” means a single-family dwelling where not more than 4 guest rooms and meals are provided for compensation. A bed and breakfast establishment does not include “vacation rental” or “homestay”
 - “Homestay” means an owner-occupied dwelling unit where a maximum of two (2) lodging rooms are provided for compensation.
 - “Vacation rental” means a structure being rented for less than thirty (30) days without concurrently being occupied by the owner/operator where the short-term lodging is provided for compensation.

Regulations to consider as part of a new Section 1133.11 Bed and Breakfast Establishments. There are a wide range of regulations/restrictions that could be appropriate for Bed and Breakfast facilities, depending on where the characteristics of the community and its capacity to administer and enforce. The text below provide some recommendations on specific regulations that are thought to be appropriate for Conneaut and could be included in the Conneaut Zoning Code for the section which has been reserved for regulations for vacation rentals. Yellow highlights indicate areas where communities differ on what is appropriate.

1133.11 SHORT-TERM RENTALS.

- (a) **Intent.** The intent of these regulations is to protect the public health, safety, and welfare within the City and to ensure that bed and breakfast establishments conform to the existing character of the neighborhood in which they are located, do not create an adverse impact on adjacent properties.
- (b) **Owner/Operator and Employees.**
 - (1) Such use shall occupy an existing structure that was previously or is currently occupied for residential purposes. Bed and Breakfast Establishments shall be served by public sanitary sewer and water service.
 - (2) The owner, operator or manager of the bed and breakfast establishment shall reside on the premises. (Some codes require the owner, operator or manager to only be living on the premises when there are guests staying at the establishment)
 - (3) A maximum of two people shall employed in the bed and breakfast who are not residents of the home. (Currently the Home Occupation regulations (1133.02) allows up to 1 nonfamily member to be employed)
- (c) **Guest Rooms and Facilities.**
 - (1) There shall be no more than four (4) guest rooms within a single family dwelling that are utilized by bed and breakfast guests.
 - (2) Neither any rented room nor the owner's dwelling space shall be located in an accessory building.

(3) No cooking or cooking appliances shall be permitted in individual guest rooms.

(4) A minimum of one (1) full bathroom, including tub or shower, toilet and sink shall be required for every two (2) guest rooms to be available for the exclusive use of bed and breakfast guests.

(d) Guest Services.

(1) Breakfast and/or other meals shall be provided only to guest room occupants and not to the general public.

(2) Each guest may stay at a Bed and Breakfast Establishment for not more than thirty (30) consecutive nights at any single visit nor more than sixty (60) nights in any calendar year.

(e) **Parking.** Parking shall be provided at the rate of one (1) parking space for each guest room in addition to the two (2) parking spaces required for the dwelling. All parking spaces for a Bed and Breakfast Establishment shall be located on the Bed and Breakfast Establishment premises. On-street parking shall be prohibited for Bed and Breakfast guests. All parking spaces shall be located in the rear of the bed and breakfast establishment. In any event, there shall not be any parking spaces in the front of any bed and breakfast establishment.

(f) Exterior Appearance.

(1) The outside appearance of the dwelling shall remain residential in appearance as a result of the operation of the bed and breakfast facility, including any additions thereto.

(2) In a residential district, one sign not exceeding four square feet in area is permitted identifying the dwelling as a "bed and breakfast establishment."

(g) Compliance with other ordinances

(1) All Building Code and Fire Code requirements for the level of occupancy of the bed and breakfast establishment shall be met.

(2) All environmental health regulations shall be met.

(3) The Bed and Breakfast Establishment shall comply with all local, county and state licensing requirements. Evidence of such compliance shall be submitted at the time of zoning approval. (Many are requiring a business license for tax purposes.)

(h) **Safety.** Smoke detectors shall be installed inside each sleeping area or as otherwise designated by the Fire Chief. Bed and Breakfast Establishments shall contain a separately installed smoke detector alarm in each guest room and on each floor as well as the basement, an approved fire extinguisher on each floor and two (2) separate exits to the outdoors. The City Fire Department shall make annual inspection based on the business aspect of the Bed and Breakfast Establishment.

(i) Any other condition or safeguard deemed as appropriate by the Commission may be required.

Ohio Bed and Breakfast Rules and Regulations

Part of a Worksheet Series for Aspiring Bed and Breakfast Innkeepers

By Elizabeth Arneson

Updated 01/20/18 Inspiration Hotels

<https://www.tripsavvy.com/bed-and-breakfast-rules-regulations-310114>

Downloaded April 23, 2018

Because of the bed and breakfast industry's quick growth, in some areas laws and regulations regarding bed and breakfast operations are still catching up with this part of the travel and tourism industry. Laws vary from state to state and even municipality to municipality.

Some of the more common laws and regulations that could apply to a bed and breakfast are listed here. For complete information, contact officials in your state or municipality.

Often, Ohio is used as an example in this article. The situation in Ohio may or may not be relevant to other areas, so be sure to do independent research. A call to the local Chamber of Commerce or a state or local bed and breakfast association could be a big help.

Building Codes

One, two, and three-family dwellings with not more than five lodgers or boarders are exempt from the requirements of the Ohio Basic Building Code. However, the requirements of your local building codes are still applicable.

With more than five lodgers or boarders, the Ohio Basic Building Code would be applicable as either transient (use group R-1) or non-transient (use group R-2) residential buildings. Transient lodgers make use of a facility for a period of less than 30 days. Again, check with your own local codes.

Fire Inspection

The local fire department has jurisdiction to inspect all bed and breakfast operations which have four or more bedrooms hired out to the transient public for sleeping accommodations.

In Ohio, all bed and breakfasts with five or more bedrooms are subject to inspections by the State Fire Marshall's office.

For additional information on fire inspection, contact your own state or local fire department.

Food Service

In Ohio, any bed and breakfast serving a meal or lunch to five or fewer guests is exempt from purchasing a food service license.

Any bed and breakfast serving a full meal or lunch to more than six guests must obtain a food service license, with the exception that there is no restriction on the number of guests that may be served a continental breakfast. A continental breakfast is defined as a beverage and pastry.

Contact your state and local health department for rules and regulations specific to your area.

Motel License

In Ohio, any bed and breakfast which has five or more rooms available for transient guests must purchase a motel license and comply with the requirements of the State Fire Marshall's office. Check with your state and local officials for any requirements in your location.

Registration of Business Name

Ohio law requires that any business name that does not fully identify the owner(s) of the business be registered with the Ohio Secretary of State. Also, if you wish to protect or keep the name that you have selected for your business, it will be necessary to apply for a trade name registration with the Ohio Secretary of State.

For more information on registering a name and/or trade name, contact your own state government. Consultation with an attorney experienced in this area may be helpful to ensure that you get as much protection of your name as possible.

Sales Tax

In Ohio, a bed and breakfast with five or more bedrooms available to transient guests is considered a hotel and the sales tax is applicable to the room rental charge. Also, a "bed tax" is applicable to a bed and breakfast with five or more rooms.

You'll need to check with your own state tax or revenue department for rules and regulations.

Zoning

In most states, zoning is handled at the local level (generally through either the county or municipal government). The requirements which apply to bed and breakfasts vary from one location to another. Contact the local zoning board for details in your area.

This series of worksheets and information was originally written by Eleanor Ames, a Certified Family Consumer Sciences professional and a faculty member at Ohio State University for 28 years. With her husband, she ran the Bluemont Bed and Breakfast in Luray, Virginia, until they retired from innkeeping. Many thanks to Eleanor for her gracious permission to reprint them here. Some content has been edited, and links to related features on this site have been added to Eleanor's original text.

Planning fundamentals
for public officials and
engaged citizens

This PAS QuickNotes was prepared by
David Morley, AICP, senior research associate
at APA and APA's PAS coordinator

QUICKNOTES

Regulating Short-Term Rentals

The concept of renting rooms or homes on a short-term basis is not new. Many cities have boarding houses that rent rooms by the week or month, just as many small towns and rural areas host bed and breakfasts. And in some tourist hotspots, dedicated vacation rentals are common. However, new online services that facilitate short-term rentals have led to a rapid proliferation of home sharing as an alternative to more traditional visitor lodging arrangements in communities across the country. In many places, this trend has sparked debates about whether or not new regulatory or enforcement mechanisms are necessary to mitigate potential effects on host communities. While different localities are likely to draw varying conclusions about the necessity of new standards or procedures, the following sections provide some context and recommendations for local policy.

Background

In many communities, home sharing is one facet of a larger trend commonly referred to as the “sharing economy.” This phrase often encompasses a wide range of transactions mediated by websites or mobile technology related to sharing property or services. Because home sharing has the potential to change the character of established residential areas, many communities are taking a closer look at how best to accommodate the demand for new types of lodging without undermining goals related to housing, land use, or transportation.

There are three basic varieties of short-term rentals: (1) hosted sharing, where the primary occupants of a residence remain on-site with guests; (2) unhosted sharing, where the primary occupants of a residence vacate the unit while it is rented to short-term guests; and (3) dedicated vacation rentals, where there are no primary occupants. Home sharing and vacation rental services can provide residents and landlords an easy way to make some extra income and, in some cases, offering residences exclusively as short-term rentals can be far more lucrative than traditional leases. Meanwhile, the properties marketed through home sharing and vacation rental sites often appeal to travelers looking for a more authentic local experience or affordable alternatives to downtown hotels and motels.

For communities with a mature short-term rental market, new regulations or enforcement mechanisms may seem unnecessary. Many of these cities and counties either already have standards and procedures addressing short-term rentals on the books or have decided, based on experience, that such provisions are unnecessary. Similarly, communities with an abundance of affordable rental housing and relatively inelastic demand for conventional short-term lodging space may not feel the need to add new standards or procedures to their codes. This is because home sharing is unlikely to create housing shortages or provide direct competition for hotels and motels. However, in places with a surge in home sharing combined with a shortage of affordable rental housing or unmet demand for rooms in hotels or motels, new standards and procedures may be appropriate.

Clarify Use Definitions

Many localities explicitly prohibit the rental of rooms or dwelling units for periods shorter than one month, unless owners comply with all applicable local regulations for boarding houses, hotels, motels, or bed and breakfasts. Meanwhile, many other cities and counties explicitly permit the short-term rental of dwelling units, subject to specific operational or location restrictions. However, few localities address short-term rentals in instances where a unit is occupied as a primary residence for the majority of the year. Often this means hosted or unhosted home sharing is either explicitly or implicitly prohibited. Given the prevalence of home sharing, it may make sense to consider adding new definitions for different types of sharing situations, such as hosted or unhosted accessory home sharing and vacation rentals as a primary use.

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In some communities with especially high demand for short-term rentals, landlords may be tempted to take units out of the long-term rental market.



American Planning Association
Making Great Communities Happen

Identify Appropriate Locations

Some cities and counties with mature short-term rental markets permit full-time sharing in zoning districts that include a mix of primary residences and vacation rentals. Others restrict vacation rentals to tourist-oriented districts. One potential risk of permitting home sharing in residential districts is that it may incentivize landlords to take rental properties off the market, creating a shortage of affordable rental housing. Another potential risk is that frequent unhosted sharing and vacation rentals may lead to increased complaints related to noise, traffic, or parking. In areas with high concentrations of home-sharing or vacation rentals, there is also a chance that the fundamental character may change from residential to quasi-commercial.

Consider New Zoning or Licensing Standards

While some cities and counties have elected to explicitly prohibit home sharing altogether, several others have made recent code amendments to accommodate short-term rentals in residential districts, subject to specific zoning or licensing standards intended to mitigate community impacts. These standards address topics such as registration and record keeping, advertising, fees or taxes, annual limits on the total number of short-term rental nights, spatial concentration, inspections, and insurance coverage.

For example, San Francisco prohibits dedicated vacation rentals and requires residents or landlords to register all hosted and unhosted short-term rental units. It limits unhosted rentals to 90 days per year and requires registrants to pay hotel taxes and carry liability insurance for claims up to \$500,000 (§41A.5.g).

Meanwhile, Portland, Oregon, recently added new standards for accessory short-term rentals to address hosted and unhosted home sharing. For units where no more than two bedrooms are offered as short-term rentals, residents or landlords must obtain an administrative permit and limit unhosted sharing to a maximum of 95 days per year. Accessory short-term rentals offering more than two bedrooms are subject to a conditional use approval process. In both cases, no more than 25 percent of units in multifamily buildings can be used as short-term rentals (§33.207).

In Aspen, Colorado, short-term vacation rentals are permitted by right in most residential districts, provided owners obtain a business license and a vacation rental permit, designate a local property manager, notify any affected home owners association, and pay sales and lodging taxes (§26.575.220).

Evaluate Enforcement Alternatives

Without data from home-sharing and vacation rental services, communities may be dependent on complaint-driven enforcement of regulations for short-term rentals. Instead, cities and counties may find it beneficial to establish a proactive enforcement system to ensure that registered properties are complying with applicable standards. This may involve routine monitoring of listings on home-sharing service websites. In communities with short-term rental regulations, violators are typically subject to fines or the revocation of registrations or permits.

Summary

Home-sharing and vacation rental services are growing trends that show no sign of slowing down. While some communities may ultimately decide that short-term rentals do not have a place in established residential districts, there may be no effective enforcement mechanism for a blanket prohibition. Practically speaking, the key is making regulations that are clear, easily enforced, and do not make residents or landlords out to be scofflaws unnecessarily.

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FURTHER READING

1. Published by the American Planning Association

Hutchinson, Nate. 2002. "Short-Term Vacation Rentals: Residential or Commercial Use?" *Zoning News*, March.

2. Other Resources

City Policies for Short-Term Rentals, 2015. Oakland, California: Sustainable Economies Law Center. Available at http://theale.org/sites/default/files/2015-02/02-11-15_City_Policies_for_Short-Term_Rentals.pdf.

Garvin, Elizabeth. 2015. "RMLU Corner: Thinking About Regulating the Sharing Economy." *Western Planner*, February. Available at <http://tinyurl.com/vq4Xzhtq>.

National Association of Realtors. 2015. "Field Guide to Short-Term Rental Restrictions." Available at <http://tinyurl.com/vxcdwvc>.

ZONING PRACTICE

OCTOBER 2015



AMERICAN PLANNING ASSOCIATION

➔ ISSUE NUMBER 10

PRACTICE SHORT-TERM RENTALS



Peering into the Peer Economy: Short-Term Rental Regulation

By Dwight H. Merriam, FAICP

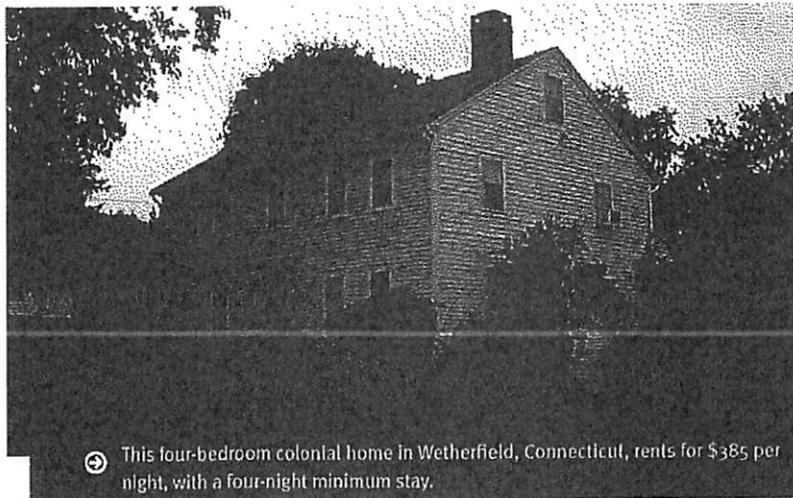
You will recall, or if you are a millennial (18 to 34 years old), you might have read about the mantra that James Carville dreamed up for President Bill Clinton's 1992 campaign: "It's the economy, stupid."

Today, for planners, thanks to the entirely new perspective brought to us by the millennials, our theme must be "It's the sharing economy, stupid." It is called variously collaborative consumption, the peer economy, and the sharing economy. More than half of millennials have used sharing services. It is permeating our daily lives in many ways.

This new ethic about our relationship to things, to transportation, to where we bed down, and even to other people has taken us away from owning and exclusively using, to not owning, not possessing, and not using alone. We see the sharing economy in three broad spheres—transportation, goods and services, and housing. While our focus here is on short-term rentals, it helps to understand the larger context for "home sharing."

RIDE-SHARING REVOLUTION

Transportation may be the most obvious and most pervasive face of the sharing economy. Millennials own fewer automobiles than other age cohorts. Millennials purchased almost 30 percent fewer cars from 2007 to 2011 (Plache 2013). Why? Because they use short-term car rentals, public transportation, and ride-sharing services. They are less likely to get driver's licenses. One-third of 16 to 24 year olds don't have a driver's license, the lowest percentage in over 50 years (Tefft et al. 2013). At the same time, so we don't get too carried away with this trend, as the millennials age, they will buy more cars. Forty-three percent said they are likely to buy a car in the next five years (Kadlec 2015).



This four-bedroom colonial home in Wetherfield, Connecticut, rents for \$385 per night, with a four-night minimum stay.

Ride sharing as a generic term encompasses short-term rentals, making your car available to others, sharing rides, and driving or riding in taxi-like services brokered online through companies like Uber.

Instead of owning a car, you can rent one on a short-term basis from companies such as Zipcar and Enterprise Rent-A-Car. Why own a car when you can conveniently pick one up curbside and use it to run errands for a few hours?

Sharing a ride and splitting the cost is made easier with services like Zimride (also by Enterprise Rent-A-Car), which links drivers with riders at universities and businesses. You boomers will remember the ride-share bulletin boards on campus. Same thing.

Got a car, not making much use of it, and interested in making some money? You can make it available to others on a short-term basis through peer-to-peer car-sharing services including Getaround, which presently operates in Portland, Oregon; San Francisco; San Diego; Austin, Texas; and Chicago. They will rent your car for you while you are away. Cars are covered with a \$1 million policy, and they even clean it for you. RelayRides connects neighbors to let them rent cars by the hour or the day, and if you're traveling more than 14 days, they will take your car at the airport, rent it for you, and pay you. You can even do it for boats with Boatbound. With the help of Spinlister, you can connect with others and rent a bicycle, surfboard, or snowboard.

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Want to make some money by driving others around in your car, or are you a rider who wants to be driven? Just about everyone has heard of Uber, the leader in this form of ride sharing, which includes other services such as Lyft and now Shuddle for ferrying children around and Sidecar for both people and packages. Wireless communications, the Internet, and smartphones have made such ride-sharing and delivery services possible. This is a big deal. Lyft and Uber are worth \$2.5 billion and \$50 billion (more than FedEx and 405 companies in the S&P 500) respectively (Dugan 2015; Tam and de la Merced 2015). And want to be a driver but don't have a car? You can rent one from Breeze just for that purpose.

GOODS AND SERVICES PEER TO PEER

Beyond transportation, the sharing economy extends to relationships between people and service providers. There is peer-to-peer or collaborative consumption through services like TaskRabbit and Skillshare which provide help, paid or bartered, or sometimes free. Instacart will grocery shop for you and claims it will deliver to your door in an hour. You can be a shopper and delivery person for them, making up to \$25 an hour.

NeighborGoods lets you share all those things you have but use so little, from leaf blowers, to pressure washers, to . . . well, take a look in your garage, that place where you used to park your car. If you live in Austin, Texas; Denver; Kansas City, Missouri; Minneapolis; or San Francisco, Zaarly seeks to create a marketplace

to help freelance home-service workers connect with home owners.

There seems no end to the sharing. Fon, touting over 7 million members, lets you share your home WiFi in exchange for access. The Lending Club connects borrowers and investors, enabling, so they say, better rates than credit cards and more return for lenders than what banks offer. Over \$11 billion has been borrowed since it started in July 2007, with investors earning a median of 8.1 percent. Poshmark lets you show your unneeded clothing in a virtual closet and get linked with people who share your sense of style. You can even share your dog, or become a sitter, with DogVacay and Rover helping you find a local dog sitter to care for your dog at your home or theirs.

The power of the Internet in facilitating collaborative consumption was probably best evidenced first when eBay and Craigslist provided an online marketplace never experienced before. Today, we have web-based services like Freecycle where people can post things they don't want, the remnants of our overconsumption, and others can take that flotsam and jetsam for free. Yes, for free. It solves the donor's solid waste disposal problem and provides free goods for the takers.

SHARING THE ROOF OVER OUR HEADS

That brings us to the subject matter of greatest interest to planners—the sharing of space.

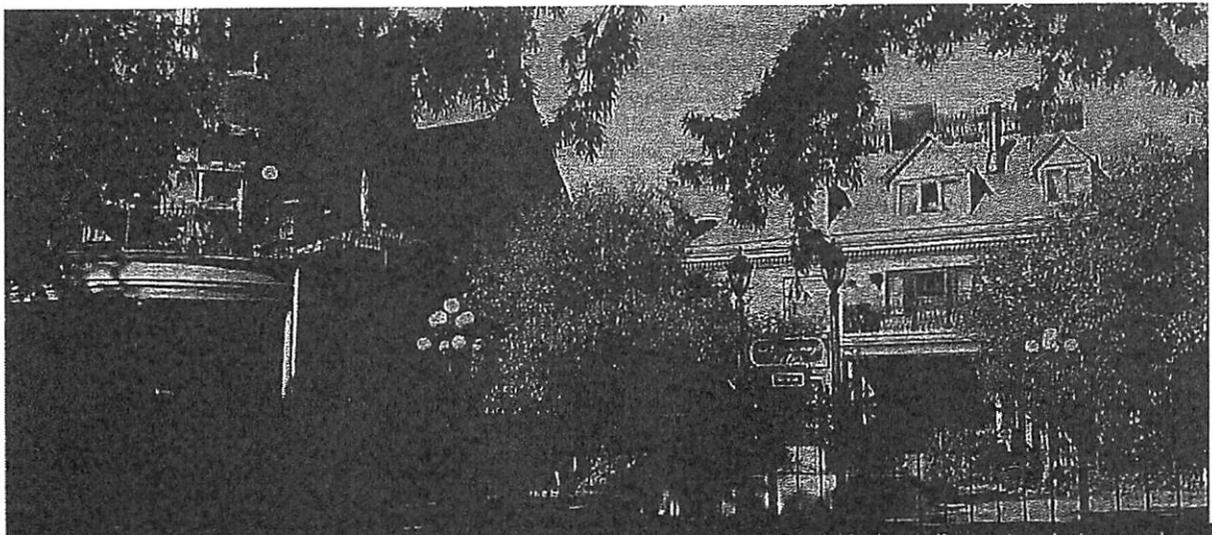
Maybe it began with the sale of timeshares in the United States in 1974. These fractional interests have proved difficult to sell. Short-term vacation rentals emerged as a better way for many, linking property owners with vacationers through companies like HomeAway and its numerous related entities, claiming over one million listings. FlipKey does much the same with what it says are over 300,000 listings in 179 countries.

But Airbnb goes beyond vacation rentals. You can rent a shared or private room for a night, a whole house, an apartment for your exclusive use for a week, a British castle (Airbnb says it has 1,400-plus castles), a teepee, an igloo, a caboose, or an eight-foot by 14-foot treehouse in Illinois (\$195 a night) if you wish.

The company, originally "AirBed & Breakfast," was founded in 2008 by Brian Chesky, Joe Gebbia, and later Nathan Blecharczyk. It began when Chesky and Gebbia, to help pay their rent, rented sleeping accommodations on three air mattresses in their San Francisco apartment living room and made breakfast for the guests (Salter 2012). The company is now worth \$25.5 billion and joins the ranks of the rest of the great ideas we wish we had thought of first (O'Brien 2015).

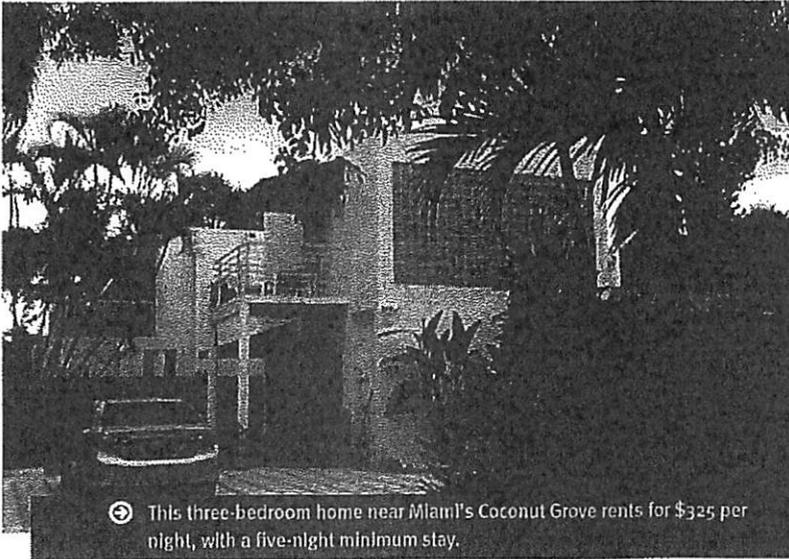
GOOD OR BAD?

Are short-term rentals good or bad for your community? Like so many things, it depends.



A second-floor condominium in this converted mansion in Denver's Capitol Hill neighborhood offers a private bedroom and bath rental for \$105 per night, with a two-night minimum stay.

Brian J. Connolly



SOREN L. NERGER

⊕ This three-bedroom home near Miami's Coconut Grove rents for \$325 per night, with a five-night minimum stay.

Affordable Housing

Short-term rentals (STRs) increase the stock of furnished, short-term accommodations. Because many of the rentals involve renting a room in a permanently occupied dwelling, they are often less expensive than commercial lodging. The benefit for home owners or long-term tenants who host STR guests is additional income, which can help offset mortgage or rent payments.

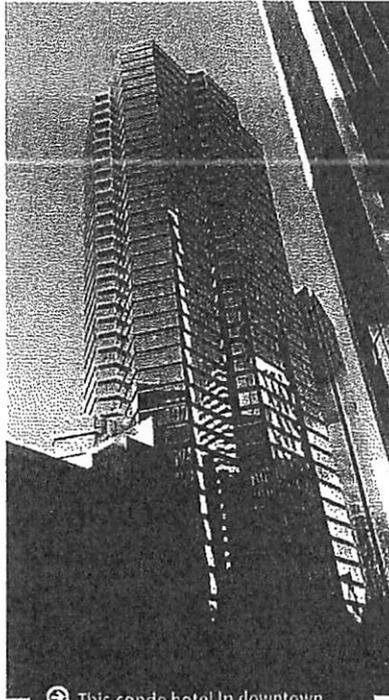
Some contend that STRs may exacerbate the shortage of lower cost rentals because landlords, attracted by the higher revenue stream from STRs, are taking apartments out of long-term rentals, especially in tight markets like New York and San Francisco (Monroe 2014; Moskowitz 2015). Others say high tenant demand and demographics are the cause of the problem, not STRs, which are a small share of the market (Lewyn 2015; Rosen 2013).

Aging in Place

Short-term rentals of rooms in homes and apartments not only provide additional revenue for those aging in place, but they may provide an opportunity for sharing of chores and bartering for services, just as accessory apartments do. This can enable older people to stay in their homes longer before transitioning to an independent or assisted living facility.

Commercial Lodging

The only possible benefit of STRs with regard to existing commercial lodging is that it may stimulate competition and lower prices for the consumer. The negatives are several. Short-



ROBERT H. THOMAS

⊕ This condo hotel in downtown Honolulu includes owner- and long-term renter-occupied units, privately owned units available for daily rental through the building's hotel operator, units owned by the hotel operators, and privately owned units available for short-term rental through Airbnb and similar sites.

term rentals may reduce commercial lodging revenues. In many situations STRs have an advantage over commercial lodging because the STRs do not pay the occupancy taxes paid by commercial lodging. Short-term rentals generally do not need the service workers employed in commercial lodging. Unions and service workers often oppose STRs.

State and Local Government

Revenues to state and local government may go down as a result of STRs because, as noted, such rentals usually do not pay the occupancy and other taxes levied on commercial lodging. Airbnb does provide 1099 forms to hosts to report their income, and it has begun collecting and remitting hotel and tourist taxes in San Francisco; San Jose, California; Chicago; and Washington, D.C. (Hantman 2015).

Health and Safety

Much of the STR market today is unregulated. Those who rent typically do not have their premises inspected to determine compliance with health, building, housing, and safety codes. For its part, Airbnb does clearly state in its terms of service that some localities have zoning or administrative laws that prohibit or restrict STRs and that "hosts should review local laws before listing a space on Airbnb."

Airbnb also provides a guide to responsible hosting on its website, and what they do address is good guidance for local planners and regulators, and thus worth reading. How many hosts read and follow up on the suggestions is another matter. Airbnb's list is still a good starting point for local action.

Many STR hosts do not have home owners and liability insurance to cover losses that may result from occupancy. There is a life safety issue here, and in the event of death, injury, or property damage, there may not be insurance coverage or sufficient assets available to cover the liability.

AN OUNCE OF PREVENTION IS WORTH A POUND OF CURE

So said Benjamin Franklin, and it is apt here. You need only take a few relatively easy steps to get out ahead of the potential problems with STRs and capitalize on the good that such rentals can provide your community.

Moratorium

This is not a recommendation, but something worth considering. As you work down this list of

steps you will have the sense that you need to do six things at once. You do. One way to get a grip on it is take a "planning pause" moratorium on all STRs for, say, six months, during which time no one can rent. However, given that the number of such rentals in many places is still relatively small, it is unlikely that much harm will come from letting them continue on while you plan and prepare to regulate. It may not be worth the effort to have a moratorium. A moratorium takes time—for drafting, maybe some legal advice, and the expenditure of political capital in most cases—and may cause some pushback from those already renting, all of which may cost more than the planning pause is worth. Moratoria sometimes serve only to delay the inevitable hard work and are often extended. Back to Ben Franklin: "Don't put off until tomorrow what you can do today."

Education

Learn what is available out there now by going to all of the websites and services that you can find, most of which are identified here. Look online to see what STRs are being offered in your community. You may be surprised at how many of your friends and neighbors are already in the STR business. Don't forget to check Craigslist as well, and use an online search engine, such as Google, with a few key terms, like "rentals Anytown" and "house-sharing Anytown," to find other STR activity.

Conduct educational sessions in your community ("Everything You Need To Know About Short-Term Rentals") even before trying to regulate, to sensitize present and potential hosts to the need for proper code compliance, fire prevention, emergency response, following rules for rent controlled units, first aid, protecting privacy (e.g., disclosing security cameras), insurance coverage, parking, noise, smoking, pets, childproofing, operation of heating and ventilating systems (including fireplaces and heating stoves), safe access, occupancy limits, deciding what to tell neighbors, home owners association approval, tax obligations, and any required zoning approvals. These sessions may also provide an opportunity to learn who is renting and to connect with them. Consider establishing a section of your municipal website as a resource portal. You will not have all the answers to all the questions as you start, but you need to start.

Planning

Yes, planning. The rational planning model in its simplest terms is what do you have, what do

you want, and how do you get it. You need to know who is renting and what is being rented to whom for how long. You need to determine what you may expect in the future. What do you think the demand is for STRs, in what mix of accommodations, and for what length of tenancy? This will prove useful to deciding whether you need to limit the number of units available for STR and to regulate the length of occupancy.

Regulate

Regulation probably will come in two forms: licensing of individual hosts to insure code compliance and general regulation (either through zoning or licensing standards) as to location, number of units, and terms of tenancy. You will have to draw the line somewhere as to what is an STR and what is simply an unregulated rental.

Conduct educational sessions in your community even before trying to regulate, to sensitize present and potential hosts to the need for proper code compliance.

Is an STR a rental of less than 30 days or 90 days, or some other somewhat arbitrary number of days, and everything else is just an unregulated rental? It is for you to decide. You will also want to consider whether owner-occupied STRs might be regulated less strictly, given that the owner is present during the STR.

Austin, Texas, has a robust program with licensing. They carve out three types of STRs: owner-occupied single-family, multifamily, or duplex units (Type 1); single-family or duplex units that are not owner occupied (Type 2); and multifamily units that are not owner occupied (Type 3). There is a three percent limit by census tract on the Type 2 single-family and duplex STRs, a three percent limit per property on Type 3 STRs in any noncommercial zoning district, and a 25 percent limit per property on Type 3 STRs in any commercial zoning district. However, each multifamily property is allowed at least one Type 3 STR, regardless of these limits.

Austin has separate application forms for Type 1 primary, secondary, and partial STRs. All of these forms include owner and property identification information as well as insurance information, number of sleeping rooms, occupancy limit, and average charge per structure. To qualify as a Type 1 primary STR, the unit must be owner occupied at least 51 percent of the time and can only be rented out in its entirety and for periods of 30 days or less. To qualify as a Type 2 secondary STR, the unit must be accessory to an owner-occupied principal residence and can only be rented out in its entirety and for periods of 30 days or less. To qualify as a Type 1 partial unit, namely a room rental, the unit must provide exclusive use of a sleeping room and shared bathroom access. Only one partial unit can be rented out at a time, to a single party of individuals, and for periods of 30 days or less. Owners must be present for the duration of the rental.

The annual licensing fee for STRs in Austin is \$235. Applicants must also pay a one-time notification fee of \$50.

Of course, as with all regulation there are those with schemes to beat the regulation. There are sites online that advise potential STR hosts to avoid posting on Craigslist, use Airbnb's community and social features to screen the reservations (presumably to avoid enforcement types), "hide your home" by using Airbnb's public view that only shows a large circle within which the unit is located, use word of mouth (or social networking sites) to rent the unit, and "get lost in the crowd" in that there are thousands of listings in large places like Austin (but not in the rural counties, suburbs, and small towns). This advice to those interested in breaking the law suggests that it will not always be easy for code enforcement to find the STRs. Perhaps some notice to all property owners, maybe a note with the tax bill, telling them of the need to register would help. Free, simple, online registration might increase compliance. The critical issue is life safety—you need to find all of these STRs to make sure they are safe.

San Francisco has an Office of Short-Term Rental, and in 2014 the city adopted major revisions to its planning codes for STRs. Those amendments include some useful definitions of hosting platform, primary residence, residential unit, short-term residential rental, and tourist or transient use. The code requires registration, occupancy of the unit by the owner not less than 275 days a year, maintenance of records for two years, certain insurance coverage, payment of transient occupancy taxes, compliance with the

housing code, posting the registration number on the hosting platform's listing, and a clearly printed sign inside of the front door with the locations of all fire extinguishers in the unit and building, gas shut-off valves, fire exits, and pull fire alarms. The application fee and renewal fee every two years is \$50. The hosting platform has numerous responsibilities, and there are fines for violations. It is a good model from which to start.

Isle of Palms, South Carolina, regulates STRs through zoning, defining an STR to be three months or less. The city's STR standards limit the number of overnight occupants to six and daytime occupants to 40 (can we assume a wedding party or the like?), set a minimum floor area per occupant, and establish off-street parking requirements.

Monterey County, California, also regulates STRs in its zoning code, defining STRs as rentals between seven and 30 consecutive calendar days. The county considers stays of less than seven days to be a motel/hotel use. The regulation provided for administrative approval of all STRs in operation at the time of its adoption in 1997 if the property owners applied within 90 days. Most of the existing, legal STRs date from that initial round of approvals. Since then, there have been some discretionary approvals, and many STRs are believed to be operating without the required permits.

San Bernardino County, California, permits STRs, defined as rentals of less than 30 days, by zoning in the "Mountain Region" by special use permit exempting multifamily condominium units in fee simple and timeshares with a previous land-use approval. The development standards include code compliance, maximum occupancy based on floor area per occupant and the number of beds, off-street parking requirements, and signage specifications. Conditions of operations address the contents of the rental agreement, posting of the property within the unit with all the conditions of use, and details of fire safety and maintenance, even including a prohibition on the use of extension cords.

Miami Beach, Florida, prohibits STRs in all single-family homes and in many multifamily buildings in certain zoning districts.

Registering all these STRs can be burdensome. Since May 1, 2015, Nashville has issued 1,000 permits, and staff estimates the city still has 800 illegal hotels and motels (Bailey 2015). Wait times for all types permits went from 30 minutes to four hours because of all the STR registrations (Bailey 2015).

THE MAKINGS OF WORKABLE PROGRAM

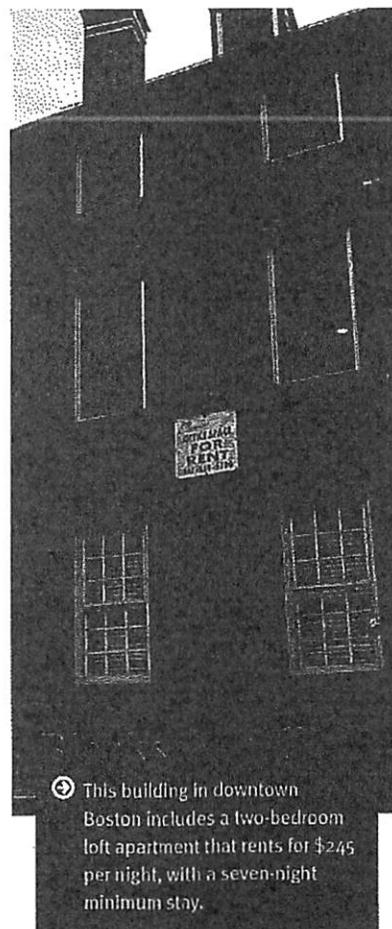
Overarching issues to consider include the nature of the activity you aim to regulate, the management structure of the STR, and the limits on STR use.

What Is the Nature of the Activity You Will Regulate?

Presumably, hosting a STR is a private enterprise and almost certainly not a commercial lodging business. It is a type of lodging that is largely advertised online, through social media, and on bulletin boards. How will you draw the line between that modest, private activity and a commercial operation?

How Is It Managed?

Does the host have to be the owner, and does the host need to be there during the rental? If not, will you regulate differently in terms of numbers of units allowed, number of days per year, or terms of occupancy?



Karla L. Chaffee

What Is the Limit of Use?

Will you require the host to live in the residence at least some minimum number of days per year? Will you limit rentals to some maximum number of days per year? Will you define STR as a rental of 30 consecutive days or less and not regulate longer rentals in any way? Will you regulate whole-house, exclusive-use rentals differently, for example by only regulating when the house is rented for less than a week or two weeks? And will you regulate renting of rooms on a different schedule, for example by including room rentals only if they are less than one month and otherwise not regulating longer room rentals, which may be covered by zoning anyway, possibly under the definition of a rooming house? There are so many questions to be answered and so many lines to be drawn.

A checklist of considerations for hosts and public officials for planning, regulation, and operation might include current zoning requirements; applicable codes (sanitation, health, building, occupancy among many); business licensing; business organization (none, limited liability corporation, general or limited liability partnership, Subchapter S, etc.); home owners association covenants and restrictions; other easements, covenants, restrictions on the land; lodging to be offered (room, whole house, host-occupied, length of stay); 911 marking at the street; emergency notifications; food service (permitted? licensed?); federal, state, and local taxes; safety inspections; fire, smoke, CO₂, and other detectors; fire extinguishers; child safety; parking; insurance; emergency notifications; water and septic; safe hot water temperature; electrical and plumbing in good repair; pest/vermin-free (especially bed bugs); ventilation, heat, air conditioning adequate; no hazards; no mold or excessive moisture; working doors, windows, and screens; adequate means of egress; linen sanitation; and pool and spa maintenance.

YOU'VE MADE YOUR BED . . .

So goes the idiom from the French as early as 1590: "Comme on fait son lit, on le trouve" (As one makes one's bed, so one finds it). In planning for and regulating STRs, you will indeed be the ones making the bed, and you will have to lie in it. There are benefits and burdens in how you permit STRs and many considerations to be weighed. If you start with life-safety issues first, you can be quite certain the most important aspect of this rapidly emerging sharing economy phenomenon will be addressed. After that, it is the usual planning and politics.

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DOES YOUR COMMUNITY
REGULATE SHORT-TERM
RENTALS?

10

Community Development – Commentaries on Zoning for Bed and Breakfasts and Zoning for Short-Term Rentals *(Website links are included at the end of each topic)*

Zoning for Bed and Breakfast Inns May Enliven Neighborhood

Zoning for bed and breakfast uses may entail simply adding them to a zoning district, or it could include quite a list of regulations. The rising popularity of B&Bs is a real boon to small towns and cities off the beaten path that can't attract chain motel operators. And many sociable people dream of running them. This page gives you, the community leader, quite a list of potential problems to consider.

Not every town has a zoning ordinance, so in some places, licensing for a bed and breakfast may be a matter of meeting state requirements for fire safety and for sanitation related to the food service and to providing rooms for rent.

Many states exempt very small operations, such as the common bed and breakfast of one or two rooms within an owner-occupied structure. But if the town, township, or county where the proposed B&B is to be located does not have a zoning ordinance, be sure to check anyway for these other pertinent county or state inspection requirements.

Good Zoning for Bed and Breakfast Requirements

Since the bed and breakfast wasn't really an identified establishment as zoning ordinances were being written across the country, most places are now having to decide where these uses fit in their ordinance.

And some places have shown considerable uncertainty as to how they should be treated under the zoning ordinance. Sometimes zoning inspectors have simply overlooked such uses if only one or two rooms are involved.

However, it is a better practice for the municipality to provide for zoning for bed and breakfast uses within the zoning ordinance.

You might not be starting from zero in providing the regulations; many older ordinances provide for what were called **rooming houses or boarding houses**. Those regulations might or might not help you think through what you'd like you see in your neighborhoods. **(Conneaut does not address rooming or boarding houses)**

Typically small establishments can be **permitted within any residential zoning district**, although you will want to add qualifying statements to the phrase permitting them. An example would be incorporating a long paragraph such as the following in your list of permitted uses in a particular residential zoning district:

"Bed and breakfast establishments, providing that not more than two rooms are devoted to the bed and breakfast use; that all state and local fire, sanitation, and food service provisions are met; that the owner also occupies the residence; that any food service is limited to breakfast for those purchasing lodging and is not advertised to the general public as a restaurant; and that at least one off-street parking space is provided per guest room. "

Of course each of these clauses is debatable. I personally am a big fan of B&Bs, but I wouldn't want to see more than two rooms offered without the requirement of a conditional use permit that would specify how parking, food service, owner occupancy, **sign regulation**, outdoor lighting, and other matters are to handled.

Community Development – Commentaries on Zoning for Bed and Breakfasts and Zoning for Short-Term Rentals

Most municipalities are requiring zoning for bed and breakfast use to be granted only to owner occupants. You can do otherwise. If the owner is comfortable living across town, next door, or far away, maybe the municipality could be equally trusting of the owner's screening requirements.

Almost all of the zoning for bed and breakfast ordinances I've seen prohibit adding buildings to the property to add rooms. If an owner needs to add other buildings, they are constructing a hotel or some other use.

Sometimes zoning ordinances require that no room additions can be made to accommodate the bed and breakfast. If you are actively trying to encourage the development of such establishments, to solve your need for a few rooms of lodging, be aware that such provisions may slow your path to meeting this policy goal.

If you want to prohibit room additions to preserve neighborhood character or local historic districts, those are worthy motives.

Perhaps you can consider a mechanism for room additions to be permitted, however, if they would be permitted to other homeowners in that same zoning district.

Handling the extra parking also seems problematic. I prefer to see an off-street space required for each room for rent, but the result sometimes becomes a very wide and ugly driveway. Better would be off-street parking arrangements in the rear yard off an alley, with fencing or a hedge to screen the parking.

Parking alone seems to be sufficient reason to require every application for zoning for bed and breakfast inns to require a special use or conditional use permit.

One small sign seems imperative if the B&B has more than a couple of rooms. Permitted maximum surface areas of the sign vary from three to eight square feet; I think the smaller end of that range is sufficient.

You have the choice to require the sign to be mounted on the building face or to allow the sign to be free-standing in the front yard. Review this on a case-by-case basis, or choose the option that is more compatible with the look and feel of the neighborhood.

If you do not wish to allow any signage, one way to handle wayfinding is to require extra large house numbering. You should require every house to be numbered anyway, for the sake of fire and emergency response, so just require the bed and breakfast to have large numbering.

Beyond a couple of rooms, you probably should require a site plan approval, and then cover some operational items in a conditional use permit. You need to make sure that public services are adequate, so you would like review of fire safety, electrical capacity, and adequacy of water and sanitary service lines.

Take into account your state's laws governing hospitality establishments and restaurants (see attached), and it's possible that what suddenly seemed to be an adequate water supply wouldn't be so satisfactory any more.

Some states and/or municipalities will limit the food service to pre-packaged items, or spell out that only a continental type of breakfast with commercially furnished pastries is permitted. To me, that loses some of the joy of being a bed and breakfast guest, but follow state law.

Some bed and breakfast inns of the larger variety (and what constitutes a "home," an "inn," and so forth might vary from state to state) also have been known to serve an optional dinner.

Community Development – Commentaries on Zoning for Bed and Breakfasts and Zoning for Short-Term Rentals

In that instance you might want to move more toward county or state restaurant regulations, but on the other hand, if this is a two- or three-room B&B, you would be regulating the equivalent of a private dinner party.

Speaking of private matters, express your community standards in deciding whether you want to allow shared bathrooms or not. Many places do allow that practice, which after all is common even in larger hotels in Europe.

Occasionally municipalities grant the zoning for bed and breakfast homes or inns for a finite number of years, presumably to allow them to reimpose any new standards that may be required or suggested as "state of the art" in fire safety, hotel sanitation, or food safety.

Sometimes zoning for bed and breakfast uses allows for revocation of that zoning-related approval, whether it is a conditional or special use, after a public hearing.

Advantages and Disadvantages of Allowing B&Bs

Most city neighborhoods, small towns, and small cities should encourage bed and breakfast development in charming parts of town. This can be a vital part of growing a **tourism and economic development strategy**.

So do not make it too tough on an owner-occupied household to treat two of its bedrooms as guest bedrooms. Just write your regulations in such a way that the municipality has maximum flexibility to dictate terms and conditions, and to revoke the deal if it isn't working.

You don't want to destroy neighborhood character merely to provide tourist lodging. But on the other hand, zoning for bed and breakfast accommodations provides an appealing alternative that allows tourists to experience your ambiance.

Understanding of your local culture breeds a kind of brand loyalty that will lead to return visits.

Importantly, allowing the bed and breakfast also provides a way to allow folks of rather ordinary means to afford to restore some eccentric old mansion that otherwise would deteriorate and eventually become an empty building. Quirkiness that would make homes less than marketable as single-family homes sometimes becomes a good justification for zoning for bed and breakfast establishments.

<https://www.useful-community-development.org/zoning-for-bed-and-breakfast.html>

Short Term Rental Zoning May Be Strictly Regulated or Not

When it comes to short term rental zoning, communities have to decide on a policy that fits their history and ideals. This issue arises where tourists or a transient population are interested in temporary rentals of single-family residences, without the owner being on the premises.

With the rise of the sharing economy, online businesses such as Airbnb have made renting out a room or two an easy option for homeowners in areas not considered especially touristy. So this problem is increasing in frequency and potential for controversy.

Often the question is handled through the zoning ordinance, but sometimes a stand-alone ordinance may be enacted governing the conditions under which such a land use is permitted. Often the short term rental zoning provisions define short term as less than 30 days. The same concept may be called transient rentals, or short term transient rentals. A few examples of a seasonal zoning regulation have been found as well, in which different regulations apply if the rental is for more than 30 days but less than 180 or so.

If the zoning ordinance is where short term rentals are regulated, the ordinance of course will spell out which zoning districts allow such a use. Sometimes ordinances require a special use permit, which usually leads to a level of public hearings and action by the governing body equivalent to the process required for a rezoning.

With the advent of the sharing economy, rentals of entire homes, apartments, or just rooms through online services, such as Airbnb, the question has become newly relevant for many towns and cities that have never been seen a demand for short term rentals before now. This applies to areas that are near tourist attractions in large cities, but which have never thought of themselves as tourist destinations until now. What we have to say on this page applies to these sharing services as well.

Standards for Short Term Rental Zoning

In any event, the zoning ordinance is likely to set forth standards for short term rental zoning. Topics regulated might include:

- Posting or availability at the town hall of one or even two local contact persons who will be responsible for handling any problems that arise with the property. We think this is the most important regulation, and one that should be strictly enforced.
- Requirements for providing off-street parking. Unless the unit in question is very well served by public transportation, this is a must. Typically the requirement could be met by extra driveway space, but if even homeowners park on the street, be quite careful to include a sufficient regulation.
- Noise and nuisance provisions, or reference to other ordinances addressing such situations.
- Requirements that garbage collection be maintained, and limiting the hours before and after collection when the garbage receptacles can be in front of the home.
- Minimal required spacing between short term rentals. A particular interval of feet may be used to assure that an entire block does not turn into a short term rental district.
- Reinforcement of the normal occupancy limits (number of persons who may live in the home) for a particular zoning district as applying also to short term rental tenants.
- Proof of code compliance, fire safety measures, adequate water and sewer service, or other utilities or infrastructure that may be of particular concern.

Community Development – Commentaries on Zoning for Bed and Breakfasts and Zoning for Short-Term Rentals

- Requirements for notifying neighbors, or even for their agreement.
- Limitations on the turnover. Renting to six different tenants within a month probably won't be allowed in many places. There may be a minimum stay, perhaps of a week.
- Limitations on particular areas of the town or city where short term rental either is not allowed at all or is not restricted. Such statements within a zoning ordinance would amount to establishing an overlay district pertaining just to the subject of transient rentals.
- Imposition of a special use permit or conditional use permit requirement, allowing for scrutiny of the particular facts of a site before allowing such a use.

If the rental of homes for a short time is not covered in the zoning ordinance, or the town or city does not have a zoning ordinance, a separate law sometimes is enacted. Probably it would deal with the same types of limitations and requirements described above, as considered appropriate and necessary by the local government.

If your town is targeting regulations toward Airbnb and its competitors, you may want to discuss a requirement that the building is owner-occupied. This prevents the situation of an off-premises owner who may be conscientious but not aware of tiny problems that might arise each night. Yet it also allows homeowners with plenty of space and parking capability to be able to earn some extra income in a manner relatively harmless to the neighborhood.

Trends in Brief Rentals

In the case of both short term rental zoning and free-standing transient rental regulations, many communities that are aware of the connections between **tourism and economic development** have a tendency to begin with minimal regulation and to add requirements on the basis of particular problems that arise. If the town becomes divided over the issue, however, of course the regulations are likely to be more strict and more creative.

Still other towns choose to ignore the issue that some residents or property owners rent out homes for a very short term, considering this practice to be the prerogative of the property owner.

We see the opposite tendency in towns that do not consider themselves to be tourism oriented. Often they are very suspicious of allowing people to rent out rooms in their residence for a few days, thinking that it undermines the sanctity of single-family residential neighborhoods. They have a good point actually.

We advise you to think this through before it becomes a big issue though--there may be some zoning districts and even some particular lot configurations where any potential disruption would be minimal, but where the economic benefits to property owners could be real.

Particularly in an unattractive real estate market, allowing short term rental zoning is probably not a bad idea, as long as the percentage of the housing stock devoted to this use is small. Our advice would be to require a stay of at least three days but preferably five to seven.

Otherwise, you have an absentee bed and breakfast situation. While some bed and breakfast apartments run themselves, it's best to require a meaningful stay if there is no on-premise owner or manager. This allows the neighbors to monitor the situation better. If new people can come in every night, neighbors will tend to shrug their shoulders about anything strange they see.

<https://www.useful-community-development.org/short-term-rental-zoning.html>

PAS Essential

INFO PACKET

PAS EIP-37

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Regulating Short-Term Residential Rentals

The Planning Advisory Service (PAS) researchers are pleased to provide you with information from our world-class planning library. This packet represents a typical collection of documents PAS provides in response to research inquiries from our subscribers. For more information about PAS visit www.planning.org/pas.



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Foreword

The concept of renting rooms or homes on a temporary basis is not new. Vacation rentals have long been common in beachfront communities, resort towns, and other destination hotspots. But with the recent rise of web-based booking services such as Airbnb or HomeStay, the number of short-term residential rentals (usually defined as rentals of less than 30 days) has grown dramatically and heightened awareness of this practice within more communities. And in addition to more traditional, commercially focused vacation rental properties, more and more home owners (and in some cases tenants) are offering the use of their residences — or rooms within their residences — as temporary rentals, either sporadically or on an ongoing basis.

In the pre-Airbnb era, many tourism-based communities addressed vacation rentals in their codes directly through licensing or zoning requirements to allow this important local economic activity to occur while mitigating any potential negative impacts. Typical standards for these short-term rentals often require property owners to obtain short-term rental permits and business licenses; establish minimum and maximum rental timeframes and maximum occupancies for rental units; address potential nuisance issues such as noise, parking, and trash removal; and in some cases require one-time or annual inspections.

The post-Airbnb era has brought new opportunities and challenges, however. Advocates praise the new prospects arising for owners to supplement their incomes and make use of underutilized spaces by offering rooms or entire homes to visitors for remuneration, and they promote the economic ripple effects of housing tourists in neighborhoods throughout a city rather than in a single hotel district. Detractors point to the potential nuisance impacts of new short-term residential rentals on adjacent homes and apartments, have concerns about the economic impacts of unregulated competition to hotels and traditional bed and breakfast establishments as well as the loss of local revenue from transient occupancy taxes, and question the bigger impacts of short-term residential rentals on local rental housing markets and affordability.

From a regulatory standpoint, local governments without short-term rental provisions in their codes have no way to address concerns, while those with existing vacation rental ordinances find most Internet-mediated rentals to be illegal units whose owners have not obtained required licenses or paid required taxes (and who may not even realize such requirements exist). Industry advocates propose establishing a new use category for this new species of Internet-mediated short-term residential rentals to differentiate it from bed and breakfast, boarding house, or hotel uses, and recommend adopting regulations sanctioning short-term rentals with an easy-to-complete registration with the locality, a modest permit fee, and the payment of all applicable taxes.

An ever-increasing number of communities across the country are examining this issue and adopting ordinances addressing short-term rentals. Most of these ordinances follow the general framework described above: they define short-term residential rentals as a distinct use and establish licensing, permitting, or taxation requirements, as well as operational or procedural standards to protect safety and mitigate potential nuisances. But nearly every community has its own twist. Some differentiate between traditional vacation rental properties and rentals of owner-occupied units; some base their requirements on whether the owner is present in the home during the rental or whether the entire unit or individual rooms are being rented. Some communities have passed zoning amendments specifying permitting requirements for short-term residential rentals and imposing performance standards or separation requirements on these units; others simply use business licensing ordinances to focus on registration of units and payment of any applicable taxes and fees.

Practically speaking, the key is coming up with regulations that are clear, easily enforced, and do not make residents out to be scofflaws unnecessarily. The use of these online booking sites is growing and shows no sign of slowing down, making it a drain for communities to enforce blanket prohibitions or onerous regulations. Though some communities have hired additional code enforcement officials to scan online hosting platform postings and carry out proactive "sting" operations, most communities rely on a complaints-based system to enforce compliance.

This Essential Info Packet provides a wide-ranging look at the topic of short-term residential rentals and how communities are addressing this issue. A section of background resources provides articles, reports, and websites that examine the potential impacts of short-term residential rentals on communities, analyze the ways in which local governments are responding, and advocate for various ways to address short-term rentals in local codes and ordinances. The next section offers a number of staff reports from a number of local governments, both those that are just beginning to explore the issues involved with regulating short-term rentals as well as those who have drafted and adopted new regulations for this use. These reports provide a comprehensive look at the many issues surrounding short-term rentals and the costs and benefits local governments are weighing as they contemplate and move forward with regulatory actions. And finally, a collection of sample zoning and licensing ordinances from more than 20 cities and counties across the country demonstrates the many ways in which local governments have codified regulatory controls on short-term residential rentals. Where city websites offer a webpage for information on short-term rentals, those URLs have been included.

Short-term residential rentals are a hot topic and a dynamic area of discussion and regulatory action. Though all the ordinances presented in this packet were current as of publication, many of the cities represented told PAS that updates to adopted ordinances were either already in process or being contemplated by local officials. As it appears that codes will be changing especially quickly around this topic, be sure to check municipal websites or code hosting sites for the most up-to-date versions going forward.

Background Resources — APA

Merriam, Dwight H. 2015. "Peering into the Peer Economy: Short-Term Rental Regulation." *Zoning Practice*, October.

- Article discusses short-term residential rentals in the context of the sharing economy and explores the issues involved in regulating them.

Background Resources — Additional Online Resources

California Legislative Analyst's Office. 2015. *Overview of Sharing Economy and Short-Term Rentals*. Sacramento: Legislative Analyst's Office.

http://lao.ca.gov/handouts/state_admin/2015/Sharing-Economy-Rentals-031815.pdf

- Briefing paper summarizes how short-term rentals are affecting the lodging industry in the state, and lists attributes and concerns of short-term rentals from a public policy standpoint.

Napa Valley Vacation Rental Alliance. 2010. *Codifying Vacation Rentals Now Is Common-Sense Public Policy When Millions Are At Stake*. January.

www.white.com/nvvra/media/WHY%20CODIFYING%20VACATION%20RENTALS%20NOW%20IS%20GOOD%20PUBLIC%20POLICY.pdf

- Position paper advocating for a permissive approach to short-term rentals in Napa County, California.

National Association of Realtors. 2015. "Field Guide to Short-Term Rental Restrictions."

www.realtor.org/field-guides/field-guide-to-short-term-rental-restrictions

- Website offers a collection of articles and other resources discussing issues related to short-term rentals.

New York State Office of the Attorney General. 2014. *Airbnb in the City*. Albany, N.Y.: Office of the New York State Attorney General. www.ag.ny.gov/pdfs/Airbnb%20report.pdf

- Report examines data from 2010 to 2014 on short-term residential rentals in New York City and shares key findings on the industry's impacts on housing in the city.

Robinson and Cole. 2011. *Short-Term Rental Housing Restrictions*. Prepared for National Association of Realtors. www.realtor.org/sites/default/files/reports/2011/short-term-rental-housing-restrictions-white-paper-2011-09.pdf

- White paper examines short-term rental restrictions, looking at impacts of rentals, legal issues raised by restrictions, and strategies for regulating these units. Includes a typology of regulations.

Samaan, Roy. 2015. *Airbnb, Rising Rent, and the Housing Crisis in Los Angeles*. Los Angeles: Laane. www.laane.org/wp-content/uploads/2015/03/AirBnB-Final.pdf

- Worker advocacy group's paper examines the history of Airbnb and its impacts on the housing market in Los Angeles; argues that short-term rental policies should protect neighborhoods and force Airbnb to share enforcement burdens.

Short Term Rental Advocacy Center. www.stradvocacy.org/

- Information clearinghouse created by partnership of Airbnb, HomeAway, TripAdvisor, and FlipKey to help "responsibly foster this growing industry." Includes case studies and "best practices" promoted by the short-term rental industry.

Staff Reports

Arroyo Grande (California), City of. 2014. "Memorandum: Consideration of Development Code Amendment 14-002 Regarding Vacation Rentals and Homestays; Location – Citywide; Applicant – City of Arroyo Grande." May 27.

- Staff report discusses a range of considerations relating to a proposed ordinance sanctioning owner-occupied homestays and non-owner occupied vacation rentals in residential districts.
- See adopted ordinance below.

Berkeley (California), City of, Department of Planning and Development, Land Use Planning Division. 2015. "Staff Report: Draft Ordinance on Short-term Rental Regulations." September 16.

- Staff report discusses potential definitional and code enforcement concerns with proposed ordinance-in-progress as the city begins thinking about how to regulate short-term residential rentals.

Charlottesville (Virginia), City of. 2015. "City Council Agenda: Ordinance Adoption, ZM14-00011 – Transient Lodging (Homestay)." August 17. Also, "Memorandum: Proposed Zoning Text Amendment, Tourist (Temporary) Lodging Offered Within Residential Dwellings." December 9, 2014.

- Staff report discusses city's need to regulate the use of residential dwelling units as temporary lodging for tourists or other temporary stays; proposed ordinance regulates "homestays" as a home occupation requiring a provisional use permit.
- See adopted ordinance below.

Mill Valley (California), City of. 2015. "Study Session: Policy Direction for Regulating 'Short-Term' Rentals." July 14.

- Study session staff report discusses three approaches to regulating short-term rentals in the city – allowing them by right, conditionally permitting them, or prohibiting them – and enumerates various regulatory mechanisms that could be further investigated. Staff recommends a pilot program allowing short-term rentals by right with business license registration.
- As an initial step, the city is requiring short-term rental operators to register their units with the city and pay transient occupancy taxes. See city website, "Living Accommodations – Short-Term Rental Requirements": www.cityofmillvalley.org/Index.aspx?page=1679

Pacific Grove (California), City of. 2015. "Agenda Report: Conceptual Modifications To Amend PGMC Chapter 7.40 Regarding Short-Term Rentals." September 16. Also, "A Vision for Pacific Grove in a Sharing Economy." November 4.

- Staff report and paper discuss pros and cons of stricter regulations for short-term rentals, and outline conceptual qualitative and quantitative approaches to regulating these uses.

Piedmont (California), City of. 2015. "Council Agenda Report: Consideration of Short-term Rentals." September 21.

- Staff report for public hearing on short-term rental regulation possibilities. Initial recommendations include considering single-family vacation rentals (unhosted unit rentals) with restrictions and performance standards and prohibiting homestays (hosted room rentals) or considering them with registration and performance standards. Includes extensive matrix of how other California communities address (or do not address) STRs.

San Diego (California), City of, Office of the Independent Budget Analyst. 2015. *Report: Comparative Information on Short-Term Rentals*. April 17.

- Report examines short-term rental regulations in six peer cities, focusing on municipal registration and administration of STRs, as well as collection of appropriate taxes.

San Jose (California), City of. 2014. "Memorandum: An Ordinance Amending Title 20 of the San Jose Municipal Code (Zoning Code) to Allow and Regulate Transient Occupancy as an

Incidental Use to Primary Residential Uses, to Modify Permitting Requirements and Occupancy Limitations for Bed and Breakfast Inns, to Amend and Add Long-Term Room Rental Limitations and to Make Other Technical, Nonsubstantive, or Formatting Changes Within Those Sections of Title 20." November 21.

- Staff reports discussing considerations around and final tweaks for proposed ordinance for short-term residential rental regulations.
- See adopted ordinance below.

San Luis Obispo (California), City of. 2015. "Council Agenda Report: Consideration of an Ordinance Allowing Owner-Occupied Homestay Rentals." January 6.

- Council report discusses proposed ordinance that would permit owner-occupied homestay rentals while prohibiting short-term vacation rentals and regulating bed and breakfast uses. Includes environmental assessment report.
- See adopted ordinance below.

Santa Monica (California), City of. 2015. "City Council Report: Vacation Rentals and Home-Sharing." April 28. Also, "A Vision for Pacific Grove in a Sharing Economy."

- Staff report discusses proposed ordinance to reaffirm city's prohibition against vacation rentals while legalizing and regulating home-sharing uses.
- See adopted ordinance below.

Sample Ordinances*

Ashland (Oregon), City of. 2015. *Ordinance No. 3108: An Ordinance Amending Chapters 18.2.2, 18.2.3, 18.4.3, 18.4.7, and 18.6.1 of the Ashland Land Use Ordinance Relating to Definitions and Accessory Travelers' Accommodations in Various Residential Zoning Districts.*

- 2015 ordinance permits "travelers' accommodations" and "accessory travelers' accommodations." Operators of accessory travelers' accommodations must be present during the rental period; rentals are limited to a single reservation at a time. Both are considered commercial uses in multifamily districts and require conditional use approval and site design review. Standards and business licensing regulations apply.
- See also city website, "Short-term Travelers' Accommodations": www.ashland.or.us/Page.asp?NavID=15727

Arroyo Grande (California), City of. 2014. *Ordinance No. 663: An Ordinance of the City Council of the City of Arroyo Grande Amending Title 16 of the Arroyo Grande Municipal Code Regarding Vacation Rentals And Homestays.*

- 2014 ordinance establishes definitions and performance standards for "vacation rentals" (non-owner-occupied structures) and "homestays" (owner-occupied dwelling units, maximum of two lodging rooms). Both uses require minor use permits; vacation rentals also require business licenses.

Austin (Texas), City of. 2013. *Ordinance No. 20130926-144: An Ordinance Amending City Code Chapters 25-2 And 25-12 Relating To The Regulation Of Short-Term Rental Residential Uses And Other Regulated Lodging Establishments; Authorizing The Limited Refund Or Credit For Certain Fees Paid; And Waiving The Review Requirement Of Section 25-1-502.*

- 2013 ordinance allows for three types of short-term rentals in multiple districts, including single family home districts, with license requirements, \$285 fee, inspection requirements, and tax requirements. Type 1 is for owner-occupied units, and may include rental of less than an entire dwelling unit with the owner present; Type 2 is for non-owner-occupied single-family/duplex units; Type 3 is for non-owner-occupied multifamily units.
- Austin is currently reviewing proposed updates to its short-term rental ordinance.
- See also city website, "Vacation Rental Licensing": www.austintexas.gov/str

Charlottesville (Virginia), City of. 2015. *Ordinance of 9-08-2015: An Ordinance Amending and Reordaining Article IX and Article X of Chapter 34 of the Code of the City of Charlottesville, 1990, as Amended, to Establish a Special Category of Home Occupation to be Known as a "Homestay."*

- 2015 ordinance establishes "homestay" as a home occupation use for a primary residence. Requires a provisional use permit. Establishes occupancy and safety standards, allows for inspections, provides for revocation of permit with complaints.

Dania Beach (Florida), City of. 2015. *Code of Ordinances*. Chapter 16, Vacation Rentals. Tallahassee, Fla.: Municipal Code Corporation.

- 2011 ordinance covers vacation rentals of minimum 5-night stays within single-family, two-family, three-family, and four-family dwellings. Business tax payment and vacation rental certificate required with annual certification fee. Provides requirements for certificate application; inspection of unit required. Provides requirements for vacation rental agents, vacation rental occupants (limited to 2 persons per bedrooms plus two persons, up to a maximum of 10 people), and vacation rental units.

Durango (Colorado), City of. 2014. *Land Use and Development Code*. Chapter 2, Zones, Uses, And Development Yield; Article 2-1, Zones And Land Uses; Division 2-1-3, Use / Zone Matrices; Section 2-1-3-3, Residential, Transient Residential, and Overnight Accommodations Use / Zone Matrix. Article 2-2, Special, Limited, And Conditional Use Standards; Division 2-2-3, Specific Standards for Special, Limited, and Conditional Uses; Section 2-2-3-4, Standards for Transient Residential Land Uses and Overnight Accommodations; part G. Vacation Rental Homes. Chapter 4, Site Design And Natural Resource Stewardship; Article 4-5, Parking And Loading; Division 4-5-2, Parking and Loading Calculations; Section 4-5-2-2, Required Off-Street Parking Spaces (Parking Tables). Chapter 7, Word Usage, Measurements, Calculations, And Definitions; Article 7-3, Definitions; part V. www.EnCodePlus.com.

- 2009 ordinance tightens regulation of vacation home rentals in to mitigate negative impacts of this use on residential neighborhoods. Vacation home rentals require special/conditional use permit; ordinance sets 500' distancing requirement and 1-week minimum rental period, limits renters to 2 per bedroom plus 2 additional, requires local contact person. Provides permit application requirements.
- See also city website, "Vacation Rentals in Durango": www.durangogov.org/index.aspx?nid=800

Encinitas (California), City of. 2015. *Code of Ordinances*. Title 9, Public Safety, Peace, and Welfare; Section 9.38, Regulating Short-Term Rentals. Seattle: Quality Code Publishing.

- 2006 ordinance requires permit for short-term rentals of residential units. Ordinance focuses on operational requirements to minimize adverse nuisance impacts of noise, disturbances, disorderly conduct, code violations, parking, and trash disposal. Must pay transient occupancy tax.

Evanston (Illinois), City of. 2013. *Ordinance 50-O-13: Enacting a New Title 5, Chapter 9 of the City Code to Require the Licensing of Vacation Rentals*.

- 2013 ordinance establishes licensing procedures for short-term (less than 30 days) rentals of dwelling units or portions thereof. Includes findings criteria for approving the license; includes requirements and standards, including 24-hour minimum rental period and prohibition of providing food or beverages to any guest.

Madison (Wisconsin), City of. 2013. *File # 31136: Ordinance Amending Sections 28.032, 28.061, 28.072, 28.082, 28.091 28.151, and 28.211 of the Madison General Ordinances to add Tourist Rooming House to the Zoning Code*. Also, "City of Madison FAQ: Tourist Rooming House."

- 2013 ordinance establishes "tourist rooming house" (also regulated by the state) as a conditional use in all districts. Requires licensure with initial and annual fees, registration with the treasurer's office, payment of room tax, and a 500-foot spacing requirement.

- FAQ brochure lists zoning regulations applicable to tourist rooming houses along with other requirements and offers information regarding various short-term residential rental scenarios.

Monterey (California), County of. 2015. *Code of Ordinances*. Title 21, Zoning; Chapter 21.64, Special Regulations; Section 21.64.280, Administrative Permits for Transient Use of Residential Property for Remuneration.

- 1997 ordinance amended in 2009 allows transient use of residential property for remuneration with an administrative permit. Rental periods must be no less than seven and no more than 30 consecutive days. Local contact required; on-site advertising prohibited.
- The county is currently working on an update to the code, as the permit costs established by this version have made the process too cumbersome and expensive to encourage people to apply.

Nashville–Davidson County (Tennessee), Metropolitan Government of. 2015. *Ordinance No. BL2014-951: An Ordinance to Amend Chapter 6.28 of the Metropolitan Code Pertaining to Short Term Rental Property*. Also, *Substitute Ordinance No. BL2014-909: An Ordinance to Amend Title 17 of the Metropolitan Code, Zoning Regulations, Pertaining to Short Term Rental Property (Proposal No. 2014Z-021TX-001)*.

- 2014 ordinances define and allow short-term rental properties ("STRPs") as an accessory use in all zoning districts that allow residential uses with permit. Maximum of 4 sleeping rooms permitted, simultaneous rental to more than one party is prohibited, minimum stay is 24 hours. Annual STRP permit required; may be revoked after 3 complaints.
- See also city website, "Short Term Rental Property: Permit Information": www.nashville.gov/Codes-Administration/Construction-and-Permits/Short-Term-Rentals.aspx

Palm Desert (California), City of. 2012. *Ordinance No. 1236: Adding Chapter 6.10, Short-Term Rentals*. Also, *Ordinance No. 1243: Amending Sections 5.10.050, 8.20.02, 9.24.075 and 9.25.020, Dealing with Property Maintenance Issues*.

- 2012 ordinance highlighted as a "sensible" approach by the Short Term Rental Advocacy Center. Sanctions short-term rentals in residential districts with a short-term rental permit. Requires a minimum 3-day, 2-night stay, caps occupants at 2 per bedroom (with a maximum of 20), and stipulates numerous operational requirements, including a provision that operators must be available to respond to complaints within 60 minutes.
- See also city website, "Short Term Rentals": www.cityofpalmdesert.org/Index.aspx?page=712

Portland (Oregon), City of. 2015. *Municipal Code*. Title 33, Planning and Zoning; Chapter 33.207, Accessory Short-Term Rentals. Also, *Ordinance as Amended 1-14-2015: Amend Transient Lodgings Tax to Add Definitions and Clarify Duties for Operators of Short-Term Rental Locations (Ordinance; Amend Code Chapter 6.04)*.

- 2014 ordinance amended in 2015 sanctions two distinct types of accessory short-term rental uses of primary residences. Type A covers rentals of no more than 2 bedrooms; requires short-term rental permit, notification of adjacent properties. Type B covers rentals with 3 to 5 bedrooms; requires conditional use review and approval.
- Amendment to Special Taxes title requires short-term rental Booking Agents to provide Host Information and to collect and remit transient lodging taxes to the city.
- See also city website, "Accessory Short-Term Rental Permits": www.portlandoregon.gov/bds/65603

Saco (Maine), City of. 2014. *City Code*. Part II, General Legislation; Chapter 173, Seasonal Property Rental. Rochester, N.Y.: General Code.

- 2000 ordinance adopted to regulate short-term rentals of residential properties to protect public health and safety. Seasonal rental license with inspection required.

San Buenaventura (California), City of. 2015. *Code of Ordinances*. Division 6, Business Regulations; Chapter 6.455, Short-Term Vacation Rentals. Tallahassee, Fla.: Municipal Code Corporation.

- 2007 business licensing ordinance amended through 2009. Permit, nuisance response plan, and surety bond of \$1,500 required. Detailed performance standards provide restrictions on minimum length of stay and other operational and administrative requirements.
- See also city website, "Short Term Vacation Rentals": www.cityofventura.net/ft/STVR

San Francisco (California), City and County of. 2015. *Administrative Code*. Chapter 41A, Residential Unit Conversion and Demolition. Cincinnati: American Legal Publishing Corporation.

- 2014 ordinance updated in 2015 intended to stop the proliferation of online short-term rentals (and concomitant loss of affordable housing) by requiring all short-term rentals to be registered with the city and comply with business and tax code regulations. Requires online hosting platforms to collect and remit required Transient Occupancy Taxes. Establishes penalties for noncompliance.
- See also city website, "Office of Short-Term Rental Registry & FAQs": www.sf-planning.org/index.aspx?page=4004

San Jose (California), City of. 2015. *Code of Ordinances*. Title 20, Zoning; Chapter 20.30, Residential Zoning Districts; Part 2, Uses Allowed; Section 20.30.110, Incidental Uses. Chapter 20.40, Commercial Zoning Districts And Public/Quasi-Public Zoning District; Part 2, Uses Allowed; Section 20.40.115, Incidental Use, Residential. Chapter 20.70, Downtown Zoning Regulations; Part 2, Uses Allowed; Section 20.70.130, Incidental Use, Residential. Chapter 20.75, Pedestrian Oriented Zoning Districts; Part 3, Use Regulations; Section 20.75.230, Incidental Use, Residential. Chapter 20.80, Specific Use Regulations; Part 2.5, Transient Occupancy as an Incidental Use to a Residence. Tallahassee, Fla.: Municipal Code Corporation.

- 2014 ordinance establishes incidental transient occupancy of primary residences in all districts as a permitted use subject to compliance with performance standards, including limitations on occupancy based on size of unit and whether a host is present and payment of transient occupancy tax.

San Luis Obispo (California), City of. 2015. *Ordinance No. 1611: Amending Title 17 (Zoning Regulations) of the Municipal Code Regarding Homestay Rentals and Approving the Negative Declaration of Environmental Impact*.

- 2015 ordinance creates distinctions between homestays (owner-occupied short-term rentals), vacation rentals (non-owner-occupied short-term rentals), and bed and breakfast (commercial transient lodging in dwellings). Allows homestays with homestay permit, compliances with performance standards; prohibits vacation rentals.
- See also city website, "Permits for Home Owners and Renters — Homestay Applications Now Available": www.slcity.org/how-do-i/apply-for/permits/permits-for-home-owners-and-renters

Santa Fe (New Mexico), City of. 2015. *Land Development Code*. Article 14-6, Permitted Uses and Use Regulations; Section 14.6-2, Use-Specific Standards; part A(5), Residential Uses - Short-Term Rental of Dwelling Units – Residentially Zoned Property.

- 2009 ordinance allows short-term rentals of dwelling units with permits. All residents may rent their units twice in a calendar year without a permit; certain other rentals are allowed (accessory dwelling units, rentals where the owner lives on a contiguous lot, rentals within a resort development); city caps number of additional permits at 350. No more than one rental permitted in a seven-day period; limited to 17 rental periods per calendar year. Permit application requires notifying all neighbors within 200 feet.
- Santa Fe is in the process of amending their ordinance to meet increased demand for short term rental permits while also addressing the problems associated with illegal short term rentals.
- See also city website, "Short Term Rentals": www.santafenm.gov/short_term_rentals

Santa Monica (California), City of. 2015. *Ordinance Number 2484: An Ordinance Of The City Council Of The City Of Santa Monica Adding Chapter 6.20 To The Santa Monica Municipal Code Clarifying Prohibitions Against Vacation Rentals And Imposing Regulations On Home Sharing*. Also, "City of Santa Monica Home-Sharing Ordinance Rules." June 12.

- 2015 ordinance authorizes home-sharing, where a primary resident lives on-site during the visitors' stay, with a business license. Hosting platforms must collect and remit transient occupancy taxes. Prohibits "vacation rental" uses.
- See also city website, "Overview of the Home-Sharing Ordinance": www.smgov.net/Departments/PCD/Permits/Short-Term-Rental-Home-Share-Ordinance/

Solana Beach (California), City of. 2015. *Municipal Code*. Title 4, Business Taxes, Licenses, and Regulations; Chapter 4.47, Short-Term Vacation Rental Permit. Seattle: Code Publishing Company.

- 2003 ordinance to control noise, vandalism, and overcrowding generated by short-term residential rentals. Annual permit required; rentals of fewer than 7 days prohibited. Applicants are expected to prevent unreasonable disturbances and disorderly behavior and to respond to complaints within 24 hours.

St. Helena (California), City of. 2015. *Municipal Code*. Title 17, Zoning; Chapter 17.134, Short-Term Rentals. Seattle: Code Publishing Company.

- 2012 ordinance requires special operator permit and fee for short-term rentals in residential districts; caps total number of permits and requires neighbor notification and hearing for permit approval. Sets operational standards to minimize nuisance potential.
- The city is reviewing this topic and may revise its ordinance in 2016.
- See also city website, "Short-Term Rentals": www.cityofstheleena.org/content/short-term-rentals-0

Tillamook (Oregon), County of. 2012. *Amendment #1, Ordinance #69: An Ordinance Amending Provisions for Regulating Short Term Rentals, Establishing Standards, Providing for a Permit, Establishing Fees and Creating Penalties for Violations of this Ordinance*.

- 2009 ordinance amended in 2012 establishes annual short-term rental permit program overseen by the Building Official. Requires inspection, subjects short-term rentals to a number of standards related to noise levels, safety, maintenance and construction.
- See also county website, "Community Development - Short Term Rental": www.co.tillamook.or.us/gov/comdev/ShortTermRental/STR.htm

**The code excerpts contained in this Essential Info Packet are current as of December 2015, but do not reflect any amendments made after this date. Please visit municipal websites or websites of the code publishers for access to the most current versions of local codes.*

Background Resources

- Merriam, Dwight H. 2015. "Peering Into the Peer Economy: Short-Term Rental Regulation." *Zoning Practice*, October.

Additional Online Resources

- California Legislative Analyst's Office. 2015. *Overview of Sharing Economy and Short-Term Rentals*. Sacramento: Legislative Analyst's Office. http://lao.ca.gov/handouts/state_admin/2015/Sharing-Economy-Rentals-031815.pdf
- Napa Valley Vacation Rental Alliance. 2010. *Codifying Vacation Rentals Now Is Common-Sense Public Policy When Millions Are At Stake*. January. www.white.com/nvvra/media/WHY%20CODIFYING%20VACATION%20RENTALS%20NOW%20IS%20GOOD%20PUBLIC%20POLICY.pdf
- National Association of Realtors. 2015. "Field Guide to Short-Term Rental Restrictions." www.realtor.org/field-guides/field-guide-to-short-term-rental-restrictions
- New York State Office of the Attorney General. 2014. *Airbnb in the City*. Albany, N.Y.: Office of the New York State Attorney General. www.ag.ny.gov/pdfs/Airbnb%20report.pdf
- Robinson and Cole. 2011. *Short-Term Rental Housing Restrictions*. Prepared for National Association of Realtors. www.realtor.org/sites/default/files/reports/2011/short-term-rental-housing-restrictions-white-paper-2011-09.pdf
- Samaan, Roy. 2015. *Airbnb, Rising Rent, and the Housing Crisis in Los Angeles*. Los Angeles: Laane. www.laane.org/wp-content/uploads/2015/03/AirBnB-Final.pdf
- Short-term Rental Advocacy Center. www.stradvocacy.org/

1190.04 DEVELOPMENT STANDARDS.

- (a) **Single Family Dwelling.** Bed and Breakfast Homes shall be permitted with a conditional use permit in a single family dwelling if it is a permitted use under the Zoning Code.
- (b) **Owner-Operator.** The owner/operator of the Bed and Breakfast Home shall live full time on the home's premises. Such owner/operator shall be the record owner of no less than fifty percent (50%) interest of the property in question.
- (c) **Guest Rooms.** There shall be no more than four (4) guest rooms with a maximum of sixteen (16) persons within a single family dwelling that are utilized by bed and breakfast guests. A guest room shall contain no less than 100 square feet of living space, not including closets, for two guests and thirty square feet for additional guests up to a total of four guests per room.
- (d) **Parking.** All parking spaces for a Bed and Breakfast Home shall be located on the Bed and Breakfast Home premises and shall consist of one (1) parking space for each guest room in addition to the two (2) parking spaces required for the dwelling. On-street parking shall be prohibited for Bed and Breakfast guests.
- (e) **Employees.** Only one (1) nonresident of the dwelling may be employed on site, at any given time, in the operation of a Bed and Breakfast Home.
- (f) **Signage.** One (1) Post Sign shall be permitted in accordance with Section **1195.05(b)(2)A., B., C., D., F., G., H.** The sign shall not be internally illuminated and a Zoning Permit shall be required.
- (g) **Safety.** Bed and Breakfast Homes shall contain a separately installed smoke detector alarm in each guest room and on each floor as well as the basement, an approved fire extinguisher on each floor and two (2) separate exits to the outdoors. The Salem City Fire Department shall make annual inspection based on the business aspect of the Bed and Breakfast Home. The Bed and Breakfast Home shall be in compliance with the Salem City Housing Code and shall be subject to regular inspections similar to non-owner occupied dwellings. Based on home configuration, inspections may reveal the requirement of, but not limited to, additional smoke detector alarms and/or fire extinguishers.
- (h) **Consecutive Nights.** Each guest may stay at a Bed and Breakfast Home for not more than fourteen (14) consecutive nights at any single visit nor more than sixty (60) nights in any calendar year. There shall be a minimum of forty-eight (48) hours between each guest stay or visit at a Bed and Breakfast Home.
- (i) **Kitchen Facilities.** Only one kitchen facility shall be permitted per structure for which a conditional use permit is granted to operate a Bed and Breakfast Home. No cooking or cooking appliances shall be permitted in individual guest rooms.
- (j) **Meals.** Only one (1) meal shall be served to each guest of the Bed and Breakfast Home and that meal shall be breakfast. The sale of alcohol beverages to guests is prohibited in a Bed and Breakfast Home.
- (k) **Bathrooms.** A minimum of one (1) full bathroom, including tub or shower, toilet and sink shall be required for every two (2) guest rooms to be available for the exclusive use of bed and breakfast guests. Bed and Breakfast Homes shall be served by public sanitary sewer and water service.
- (l) **Exterior Lighting.** Exterior Lighting shall be in compliance with Zoning Code Chapter **1192.** Excepting from this requirement shall be Section **1192.03** Exterior Lighting Plan.
- (m) **Guest Register.** A guest register listing the name, address, phone number and length of stay of all guests shall be maintained by the owner/operator and shall be made available for inspection by the enforcing official which is the Zoning Officer.
- (n) **Special Gatherings/Events.** Rental, or use by guests, of the Bed and Breakfast Home and premises for special gatherings such as, but not limited to, wedding receptions and parties shall be prohibited in all residential zoning districts.
- (o) **Annual Fee.** The annual nonrefundable fee to operate a Bed and Breakfast Home shall be one-hundred and fifty dollars (\$150.00).
- (p) **Bed Tax.** The bed tax applying to Bed and Breakfast Homes shall be the same as the lodging tax for hotels and motels currently addressed in Chapter **185** or as may be rewritten and revised hereafter.
- (q) **Board of Zoning Appeals Rating.** Upon the granting of a conditional use permit for a Bed and Breakfast Home, the Salem Board of Zoning Appeals shall rate the home for the number of guest rooms permitted, the number of guests permitted to stay in each room and the total number of guests permitted to stay in the Bed and Breakfast Home. The enforcing official shall provide a conditional use permit

certificate containing said rating and said certificate shall be prominently displayed in the Bed and Breakfast Home in a manner that it will be visible for examination by all persons.

(r) State of Ohio Compliance. The Bed and Breakfast Home owner/operator requesting a rating capacity for more than five(5) people in the home, excluding residents, shall apply and receive a change of use, Certificate of Occupancy Permit from the Ohio Department of Commerce, Division of Building Code Compliance. Evidence of said permit shall be presented to the Zoning Officer prior to the start of operations of the Bed and Breakfast Home.

(s) Neighborhood Impact. Bed and Breakfast Homes will be located within single family residential zone districts. Careful attention must be given to the neighborhood impact and rights of the adjacent property owners. All contiguous property owners of a proposed Bed and Breakfast Home shall be notified by the City of Salem. Said property owners shall have twenty (20) days from the date of said notice to file a written notice with the Salem City Zoning Office indicating approval or disapproval of said conditional use permit. The Salem Board of Zoning Appeals shall have broad discretion in granting a conditional use permit for a Bed and Breakfast Home designation and may deny an application based on a contiguous neighbor providing a reason for denial.

(t) Public Nuisance. Bed and Breakfast Homes shall not be permitted , and a conditional use permit shall be revoked or suspended by the Salem Board of Zoning Appeals, whenever the operation endangers, offends or interferes with the safety or rights of others so as to constitute a nuisance, or the owner/operator is in substantial violation of this Chapter or any conditions specified pursuant to Chapter 1139 in the granting of the conditional use. The zoning provisions relating to home occupations shall not apply to Bed and Breakfast Homes.

(Ord. 091104-75. Passed 10-18-10.)

3. Develop suitable regulations for bed and breakfast establishments based on the district in which they are located.
4. Add appropriate definitions for the types of rentals anticipated. Communities are trying to distinguish between a homeowner who makes up to 2 rooms available for short-term rental – typically called “homestay” – which may not be discernable to the neighbors and bed and breakfast or vacation rentals.
 - “Bed and Breakfast Establishment” means a single-family dwelling where not more than 4 guest rooms and meals are provided for compensation. A bed and breakfast establishment does not include “vacation rental” or “homestay”
 - “Homestay” means an owner-occupied dwelling unit where a maximum of two (2) lodging rooms are provided for compensation.
 - “Vacation rental” means a structure being rented for less than thirty (30) days without concurrently being occupied by the owner/operator where the short-term lodging is provided for compensation.

Regulations to consider as part of a new Section 1133.11 Bed and Breakfast Establishments. There are a wide range of regulations/restrictions that could be appropriate for Bed and Breakfast facilities, depending on where the characteristics of the community and its capacity to administer and enforce. The text below provide some recommendations on specific regulations that are thought to be appropriate for Conneaut and could be included in the Conneaut Zoning Code for the section which has been reserved for regulations for vacation rentals. Yellow highlights indicate areas where communities differ on what is appropriate.

1133.11 SHORT-TERM RENTALS.

- (a) **Intent.** The Intent of these regulations is to protect the public health, safety, and welfare within the City and to ensure that bed and breakfast establishments conform to the existing character of the neighborhood in which they are located, do not create an adverse impact on adjacent properties.
- (b) **Owner/Operator and Employees.**
 - (1) Such use shall occupy an existing structure that was previously or is currently occupied for residential purposes. Bed and Breakfast Establishments shall be served by public sanitary sewer and water service.
 - (2) The owner, operator or manager of the bed and breakfast establishment shall reside on the premises. (Some codes require the owner, operator or manager to only be living on the premises when there are guests staying at the establishment)
 - (3) A maximum of two people shall employed in the bed and breakfast who are not residents of the home. (Currently the Home Occupation regulations (1133.02) allows up to 1 nonfamily member to be employed)
- (c) **Guest Rooms and Facilities.**
 - (1) There shall be no more than four (4) guest rooms within a single family dwelling that are utilized by bed and breakfast guests.
 - (2) Neither any rented room nor the owner's dwelling space shall be located in an accessory building.

(3) No cooking or cooking appliances shall be permitted in individual guest rooms.

(4) A minimum of one (1) full bathroom, including tub or shower, toilet and sink shall be required for every two (2) guest rooms to be available for the exclusive use of bed and breakfast guests.

(d) Guest Services.

(1) Breakfast and/or other meals shall be provided only to guest room occupants and not to the general public.

(2) Each guest may stay at a Bed and Breakfast Establishment for not more than thirty (30) consecutive nights at any single visit nor more than sixty (60) nights in any calendar year.

(e) **Parking.** Parking shall be provided at the rate of one (1) parking space for each guest room in addition to the two (2) parking spaces required for the dwelling. All parking spaces for a Bed and Breakfast Establishment shall be located on the Bed and Breakfast Establishment premises. On-street parking shall be prohibited for Bed and Breakfast guests. All parking spaces shall be located in the rear of the bed and breakfast establishment. In any event, there shall not be any parking spaces in the front of any bed and breakfast establishment.

(f) Exterior Appearance.

(1) The outside appearance of the dwelling shall remain residential in appearance as a result of the operation of the bed and breakfast facility, including any additions thereto.

(2) In a residential district, one sign not exceeding four square feet in area is permitted identifying the dwelling as a "bed and breakfast establishment."

(g) Compliance with other ordinances

(1) All Building Code and Fire Code requirements for the level of occupancy of the bed and breakfast establishment shall be met.

(2) All environmental health regulations shall be met.

(3) The Bed and Breakfast Establishment shall comply with all local, county and state licensing requirements. Evidence of such compliance shall be submitted at the time of zoning approval. (Many are requiring a business license for tax purposes.)

(h) **Safety.** Smoke detectors shall be installed inside each sleeping area or as otherwise designated by the Fire Chief. Bed and Breakfast Establishments shall contain a separately installed smoke detector alarm in each guest room and on each floor as well as the basement, an approved fire extinguisher on each floor and two (2) separate exits to the outdoors. The City Fire Department shall make annual inspection based on the business aspect of the Bed and Breakfast Establishment.

(i) Any other condition or safeguard deemed as appropriate by the Commission may be required.