

## Short Term Rental Ordinance Considerations

The topic of Short Term Rentals (“STR”) is one being discussed in almost every community: big, small, local, regional, state, national and international. Predictions indicate a continued increase in demand for STRs. It isn’t a trend that will be declining or going away any time soon.

Each community has to decide if an STR Ordinance is right for them and if now is the right time to enact an ordinance. It is good to keep in mind, however, that communities have found it easier, and less contentious, to enact an ordinance *before* it becomes a local crisis.

Start with:

### 1. Articulate the regulatory goals

Why are you considering this?

- Impact on neighborhood/community character
- Noise, parking and other nuisances – party towns
- Preserving affordable housing options

### 2. Understand the marketplace

What activity is currently taking place?

- Renting entire houses, bedrooms, and what are people paying
- Weigh the local government’s goals with that of neighborhoods, motels, realtors, B&Bs, Chamber of Commerce or EDC, and others

### 3. Enforcement considerations

Know that the more complex the regulations the higher the cost for enforcement

- Have to be able and willing to enforce
- Have to regulate equally and fairly

### 4. Regulation options

Local government can determine how many and by what method

- Each community may have different goals
- Approaches include:
  - No limit on the number of STRs or limit the number
  - Restrict to certain zoning districts
  - Separate by a specific distance (example: 200’ distance between STRs)

## Definitions and Applicability

Close attention should be paid to defining the terms in the ordinance. By defining a short-term rental as a “commercial” operation it strengthens the ability to have regulatory differences between a short-term rental and long-term residential uses.

You may want to exclude other types of temporary lodging types in your Zoning Ordinance from these regulations - such as Bed and Breakfasts. They have their own set of standards and requirements for a permit.

Make sure the definition of “dwelling” works with the Zoning Ordinance definition.

Most often STR Ordinances are “police power” ordinances because they are regulating an activity.

As always consult your municipal attorney on all matters when considering a new ordinance.

## Standards to Consider

Each community will have different needs. Consider which of the following apply to your community:

- Type of structure: may limit rentals to a single-family residence, or may include all dwelling units including apartment, duplexes, and condos.
- How many per parcel: may state that no more than one dwelling unit per parcel may be rented out or decide not to limit the number per parcel.
- Minimum length of rental period: ordinance may require 7 days so that the house may be rented to only one party per week – regardless of whether the length of stay is one week or just a weekend.
- Local contact person required: may require owner or agent be available to respond to calls or come to the site within a certain time period (usually a response time of 45 minutes or one hour is required).
- Notify the neighbors: may require that neighbors within a certain distance would be given notice that the home will be rented out, along with the name and contact information of local contact person.
- Maximum occupancy: may limit the number of people allowed to stay overnight.
- Maximum number of people on site: this would include daytime visitors.
- No events: may prohibit events such as weddings, parties, or any group gatherings.
- Septic system: could require a letter from the region’s health department stating the maximum number of people that can be served by the septic system on site. Also, require that the system is kept in sound working order.

- Signage: good idea to follow the local sign ordinance.
- Post the standards: may require the standards to be posted and made available to renters.
- Maintain a log: may be required for administration purposes.
- Parking: may require it to be off roadways. Could require it to not be in the yard/lawn.
- Pets: could allow, disallow, or leave the decision to STR operator.
- Fireworks: if allowed, cite the days and times they are allowed. If there is a local ordinance, refer to it.
- Noise: may have designated Quiet Hours.
- Campfires: may regulate where, when, frequency, and what can be burned.
- Trash: may require that it is kept in a closed receptacle to avoid problems with vermin. May require that operator provide trash services.
- Watercraft: may limit the number of (motorized) watercraft that can be brought to the site.
- Advertising: it is a good idea to state that any advertising a property for rental without a permit is a violation. This allows the ordinance to apply even to those who claim they haven't rented it out...yet.

## More Information

[www.hostcompliance.com](http://www.hostcompliance.com)

Host Compliance is a private firm that offers services in implementing and enforcing short-term rental ordinances. They do have a collection of worthwhile articles, webinars, and guides under their "Resources" tab on the website.

[www.nar.realtor](http://www.nar.realtor)

For information supporting STRs search this National Association of Realtor website for a host of articles and blogs on the subject.

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