



Update on Short Term Rentals (STRs)



**Presentation to
Town Council**
March 6, 2020

Anya Grahn, Senior Planner

Types of Short Term Rentals:

Type 1: Hosted Rental



- Primary resident is on site with guests
- Rental of a spare bedroom or accessory dwelling unit

Type 2: Unhosted Rental



- Primary resident is not on site with guests
- Rental of an accessory dwelling unit or the whole unit

Type 3: Dedicated Rental



- There is no primary resident
- Whole-unit rental

Short Term Rentals (STRs): Background

Date	Milestone
Prior to June 2019	Town received complaints about STRs Staff found that the Land Use Management Ordinance (LUMO) did not address this use Began looking into STRs
June 12, 2019	CHALT, Chamber, and local hoteliers submit a petition
June 2019	Town Council directed staff to develop STR ordinance
October 2019	Town Council appointed members to the STR Task Force
October 2019- February 2020	STR Task Force met monthly to discuss ordinance provisions
March 6, 2020	CCES Meeting with Town Council

Short Term Rental (STR) Task Force



- Developed a set of findings on possible ordinance provisions
- Findings reflect different opinions of the stakeholders, as represented by the Task Force members
- Findings address:
 - Geographic & quantitative limitations
 - Operations
 - Health & safety standards
 - Existing STRs

Moving Forward

- Council direction needed on STR Task Force findings
- Staff has prepared alternatives for Council to consider, based on community feedback and research
- Staff will take Council's recommendations and incorporate into the draft ordinance



From Findings to Recommendations

Geographic & Quantitative Requirements:

1. Where/in what zones should Dedicated STRs be permitted?

STR Task Force Findings:	Alternatives to consider:
<ul style="list-style-type: none">• Allowed anywhere residences are allowed; or• Only in areas where overnight lodging is allowed; or• Allowed anywhere	<ul style="list-style-type: none">A. Permit all existing STRs to remain in operation, no matter the zoning district; and/orB. Going forward, only permit new dedicated STRs to operate in commercial and mixed use zoning districts; and/orC. Create a cap on the number of permits issued for new STRs

From Findings to Recommendations

Operational Requirements:

2. Occupancy Cap for Dedicated STRs

STR Task Force Findings:	Alternatives to consider:
<ul style="list-style-type: none">All agreed there should be a cap<ul style="list-style-type: none">2 guests/bedroom + 4 guests; orCap based on Fire Code	<ul style="list-style-type: none">A. 2 guests/bedroom + <u>4 guests</u>, excluding children under 12 years; orB. 2 guests/bedroom + <u>2 guests</u>, excluding children under 12 years

From Findings to Recommendations

Operational Requirements:

3. Designated Responsible Party for Dedicated STRs:

STR Task Force Findings:	Alternatives to consider:
<ul style="list-style-type: none">All agreed there should be one<ul style="list-style-type: none">Must be available by phone 24/7 and available to respond within 2 hours in case of emergency/nuisance	<ul style="list-style-type: none">A. Designated responsible party/their proxy should be available by phone 24/7 and available to respond <u>on site</u> within <u>2 hours</u> in case of nuisance/emergency; orB. Designated responsible party/their proxy should be available by phone 24/7 and available to respond <u>on site</u> within <u>1 hour</u> in case of nuisance/emergency

From Findings to Recommendations

Health & Safety:

5. Safety Checklist for Designated STRs:

STR Task Force Findings:	Staff Recommendation:
<ul style="list-style-type: none">• All agreed there should be standards<ul style="list-style-type: none">• Safety standards should be displayed along with 911 address	<ul style="list-style-type: none">• Town Manager to prescribe the safety standards checklist, based on initial input from STR Task Force; and/or• STR operators complete a self-inspection with a signed affidavit at registration



Operational Requirements:

4. Other Staff Recommendations (not discussed by Task Force):

- Reminder on application regarding STR-specific insurance
- No simultaneous rentals to more than one party per parcel
- Must provide adequate parking
- Three strikes, you're out

Hosted & Unhosted Rentals - Proposed Regulations

Hosted Rentals	Unhosted Rentals
Resident is on-site with guests	Resident is not on-site with guests
Unlimited number of days/calendar year	Available to guests up to 90 days/calendar year
Maximum number of bedrooms shall be one less than the total number of bedrooms, not to exceed a total of 3 bedrooms	No limit on number of bedrooms

Hosted & Unhosted Rental Regulations

Staff Recommendations for Hosted and Unhosted Rentals:

- Hosted and Unhosted Rentals require STR Permit
- Allowed anywhere residential uses are permitted
- Occupancy limited to 2 guests/bedroom, excluding children under age 12.
- No simultaneous rental contracts to more than one party under separate rental contracts
- May rent either the primary residence/accessory dwelling but not both at the same time under separate contracts.



Existing Short Term Rentals



- Required to register with the Town
- Must demonstrate they were in operation before March 25, 2020 (date of public hearing)
- Permitted in any zoning districts
- Allowed to have simultaneous rental agreements
- Comply with:
 - Occupancy Caps
 - Designated Responsible Party
 - Safety Standards

Enforcement:

- Some on the STR Task Force supported initial Town-led safety inspections
- Staff Recommendation:
 - Self-inspection with a signed affidavit at registration and permit renewal
 - Town-led inspections on a complaint basis
- “Three strikes, you’re out” policy for validated complaints



TENTATIVE timeline moving forward:

March 6, 2020	Council Committee on Economic Sustainability (CCES)- STR Check-in
March 16, 2020	Public Information Meeting/Open House on STR Ordinance Provisions
March 25, 2020	Call for public hearing on STR ordinance
April 7, 2020	Planning Commission review and recommendation to Town Council
April 22, 2020	Town Council opens public hearing
May 2020	Town Council public hearing and possible action
June 2020	Educational outreach about new ordinance