

# Short Term Rentals



**ZONING STUDY AND  
PROPOSED AMENDMENTS**

**PLANNING COMMISSION  
PUBLIC HEARING  
JUNE 2, 2017**

# City Council initiated a study in 2016



- To see if zoning and licensing regulations exist for the use
- To see if visitors, landlords, and neighbors are safe and protected
- To see if lodging and sales taxes being collected

# What the study revealed



- About **250** in the city, but hard to locate due to platform privacy rules
- They generate **few complaints** or police calls
- **No** current zoning or license regulations
- Taxes are **not** being collected, generally
- These are residential uses with **commercial impacts**
- **Some cities regulate**, others do not
- Host platforms **do not ensure compliance** with local rules

# National perceptions: Impacts of short term rentals



## Positive

- Provide additional **income for hosts**
- Support **tourism** and provide a financial benefit to the region
- Help reduce blight, **activate neighborhoods**, and **support local businesses**
- Provide **income through taxes** and fees

## Negative

- **Commercial encroachment** in residential neighborhoods
- Reduce neighborhood **quality of life**: late night activity, noise, crime, litter, property damage, fire danger, loitering, and reduced on-street parking
- **Not a level playing field** with hotels, bed and breakfasts: no license, no taxes, not held to the same safety requirements, and have lower capital and operating costs
- Reduction in **long term residents**

# City Council Directive to PED and DSI



- Develop zoning amendment
- License host platforms
- Require fire certificate of occupancy for non-owner occupied units for life safety concerns
- Collect taxes via host platforms

# Workgroup and Listening Sessions



- Workgroup met in December and February
- Host platform representatives, owner and non-owner occupied hosts, bed and breakfast operators, hospitality industry and Visit Saint Paul, a Planning Commissioner
- Listening session held in January to respond to plans for regulating

# How Saint Paul plans to regulate



## Permit with Minimal Regulation

- **Licensing** — license platforms and individual hosts; provide city with requested data; pull noncompliant host listings from the platform
- **Fire Certificate of Occupancy** — required for non-owner occupied 1 and 2 family homes and all buildings with 3+ units
- **Zoning**

# Elements of Zoning Amendment



- Make the use **legal**, **define** the use, and establish standards for the use
- Create off-street **parking requirement** for the use
- Establish a **minimum stay**
- **Prohibit signage** in residential districts
- **Prohibit** commercial and social **events**
- 1 and 2 family zones **1 per lot** (2 in duplex if owner present)
- **50 percent of units** in a building can be short term rental, **up to 4** – can exceed 4 with a CUP
- **Occupancy** limited by definition of “**family**” - can exceed with a CUP in large 1 and 2 family houses with large lots
- **Amend B&B** language regarding use of dining and other facilities to be consistent with short term rentals



# Questions?



## Number of Short Term Dwelling Units Permitted



Single family home  
1 short term rental dwelling unit permitted



Duplex  
Non-owner occupied  
1 short term rental dwelling unit permitted  
Owner occupied – and owner present  
2 short term rental dwelling units permitted



Three unit building (triplex)  
1 short term rental dwelling unit permitted



Four unit building  
2 short term rental dwelling units permitted



Six unit building  
3 short term rental dwelling units permitted



Eight unit building  
4 short term rental dwelling units permitted



Larger apartment/condo building\*  
4 short term rental dwelling units permitted

\*The number of short term rental dwelling units may exceed 4 if a building owner obtains a conditional use permit for a larger number of units.

# Proposed Zoning Amendment



- **Sec. 65.645. Short term rental dwelling unit Reserved.**
- A dwelling unit, or a portion of a dwelling unit, rented for a period of less than thirty (30) days.
- *Standards and conditions:*
- (a) In RL – RT1 districts, there shall be no more than one (1) short term rental dwelling unit on a zoning lot unless a duplex is owner occupied and the owner is in residence during the rental period. In other districts, one (1) or up to 50 percent of dwelling units on a zoning lot, to a maximum of four (4), may be short term rental dwelling units, except that more than four (4) short term rental dwelling units may be permitted when a conditional use permit is obtained by the building owner for a specific number of short term rental dwelling units.
- (b) No more than one (1) rental of a short term rental dwelling unit shall be permitted per day. Use of a short term rental dwelling unit for any commercial or social events is prohibited.
- (c) No exterior identification sign of any kind shall be permitted in residential districts.
- (d) Total occupancy of a short term rental dwelling unit shall not exceed the definition of family in Section 60.207 allowed in a single housekeeping unit except that occupancy in excess of the definition of family may be permitted with a conditional use permit, on a case by case basis, for large one- and two-family dwellings on large lots.