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

<table>
<thead>
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<th>Positive</th>
<th>Negative</th>
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<td>• Provide additional <strong>income for hosts</strong></td>
<td>• <strong>Commercial encroachment</strong> in residential neighborhoods</td>
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<td>• Support <strong>tourism</strong> and provide a financial benefit to the region</td>
<td>• Reduce neighborhood <strong>quality of life:</strong> late night activity, noise, crime, litter, property damage, fire danger, loitering, and reduced on-street parking</td>
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<td>• Help reduce blight, <strong>activate neighborhoods</strong>, and <strong>support local businesses</strong></td>
<td>• <strong>Not a level playing field</strong> with hotels, bed and breakfasts: no license, no taxes, not held to the same safety requirements, and have lower capital and operating costs</td>
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<td>• Provide <strong>income through taxes</strong> and fees</td>
<td>• Reduction in <strong>long term residents</strong></td>
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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.
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.