

Initial Planning Commission Findings:

Short Term Rentals

June 18, 2019

For discussion purposes only

Background

In response to a growing interest in short term rentals (STRs) The City Council directed the Planning Commission to research and develop an ordinance regarding STRs in the City of Marine on Saint Croix (City).

The Planning Commission has reviewed the ordinances and considerations of communities including, but not limited to, Stillwater, Bayport, Winona, Cook County, Minneapolis, St. Paul, Osceola, St. Croix Falls, Taylors Falls and Burnsville. In addition, the Planning Commission has heard from residents in written comments, at Planning Commission meetings, and in individual conversations.

When advising on matters such as the zoning code, the Planning Commission's responsibility is to consider the short- and long-term interests of the entire community. On this matter, the Planning Commission has conducted research on STRs keeping in mind the importance of maintaining the quality of life enjoyed by residents and with compelling interest in protecting the character of the community and its neighborhoods. The availability of STRs can be an asset to homeowners and businesses in a community such as Marine on St. Croix, however, left unregulated, STRs have shown the potential to disrupt.

Based on feedback heard from the community thus far, the Planning Commission has begun drafting two ordinances, one that would not allow STRs in the City and one that would allow STRs with the overarching goal of balancing these community concerns and values.

What follows are suggestions based on the Planning Commission's work on this topic so far, regarding the potential to allow regulated STRs in the City. This summary of initial findings is provided for the community's consideration and comment.

1. Definition:

An STR consists of a dwelling or portion of a dwelling unit that is rented for a period of less than thirty (30) days.

Additional components of STR definition,

STRs are only allowed in properties where the owner's primary purpose for owning the unit is for the owner's use and enjoyment. No dedicated vacation units would be allowed in the City.

Owners are required to occupy the premises for at least the same number of nights that it is rented on a short-term basis in any calendar year.

All residential properties offering STRs need to be owner-occupied, except for multi-dwelling properties. Multi-dwelling and/or multi-unit properties cannot have any more than 50% of the total units in STR use, and the requirement that the owner occupy at least as many nights as rented does not apply.

In the situation of a primary residence with an accessory apartment, the owner must occupy one of the units at least as many nights as rented, but not both.

Ownership is not an LLC or other business entity.

2. Type

- a. Hosted
 - a. Owner lives on the property year-round or temporarily
 - b. Part of the unit is rented
 - c. Owner is present during the rental period
- b. Non-hosted
 - a. Owner lives on the property year-round or temporarily
 - b. The entire unit is rented
 - c. Owner is not present during the rental period

No STRs will be allowed in recreation vehicles.

3. Location allowances considerations:

STRs are allowed in all Residential and the Village Center zoning districts.

Each District could be initially limited to four STRs, or a percentage of units could be used to establish a limit.

The Schoolhouse units are excluded from the count.

Proximity of STRs not regulated.

4. Use

STR operations will conform to all existing applicable standards in the Zoning Code, including but not limited to parking, excess loading, noise, and sanitation. Specifically, Ordinances 406.1 and 404.7 apply.

STR owners/operators are required to provide parking consistent with the Zoning Code.

Signage indicating the STR is not permitted on the premises. Only the address of the property is allowed on the premises.

An STR cannot be used for private, commercial or social events. And, fireworks are not allowed.

Quiet hours consistent with the Zoning Code.

Maximum number of guests allowed is two per bedroom, plus an additional two guests. For example, a three-bedroom home could have a maximum of eight guests.

5. Application and Licensing

No STR may be operated without a valid license issued by the City.

All STR licenses will expire annually on the last day of the month in which the license was issued. License renewal applications must be submitted within 45 days of expiration for consideration.

Property must have working smoke and carbon monoxide detectors in each bedroom or sleeping area.

Property must have insurance.

At the time of permit application and prior to making their property available as an STR, property owners must notify and provide contact information for the owner and any designated representative to all neighbors abutting the side, rear, and across the street from their property.

The Minnesota Department of Health (MDH) requires a lodging license to be issued by their agency prior to an operator renting a unit to the public. It is the operator's responsibility to contact the MDH about their licensing requirements and to obtain a license.

The property owner must pay all Federal, State and local taxes, including local lodging tax.

Once the application is deemed acceptable, a fee of \$200 will be required to secure the license.

A license to operate an STR does not transfer to a new owner if a property is sold.

Any complaints must be filed with the City via the complaint form. Depending upon the severity of the complaint, license may be immediately revoked. With three significant complaints, license will be revoked.

6. Operations

Guest records are required for annual reporting purposes.

City to provide a “Welcome packet” template for owners to complete and provide to the City to view prior to issuing a license.

If owner is not on premises, owner or owner-designee must be within 30 minutes of the City and available by cell phone during short-term rental use duration.

Required 24-hour “Who to call” information pages to be posted on the premises.

A “Who to call” page on the City website for residences concerned with activity at any STR.

Supplemental materials:

Application Form

Welcome Packet form

Complaint Form