

## Private/Vacation Home Rental for the City of Osakis

COPY

### 1. Purpose and Intent

a. The City of Osakis and the surrounding area have a long history as a tourism and recreational destination. Private/vacation home rentals appear to benefit the City of Osakis economically in the areas of tourism and real estate. However, the use of residential properties for short-term vacation rental can have a negative impact on neighbors. The City of Osakis identified the following findings concerning private/vacation home rentals:

(1). Private/vacation rentals provide primarily economic benefits to the community that may be realized through tourism revenue, increased sales of vacation properties, increased property taxes, improved maintenance of properties, all contributing to a greater property tax base.

(2). Some behavior of tenants using private/vacation rentals can impact neighboring residents with disruptive or annoying noise; traffic, congestion, and inappropriate parking; and unknowing or purposeful trespass.

(3). Frequent and continuous short-term rental use may affect health and safety of communities through impacts on air quality from campfires, over-use of septic systems, and risky or illegal behaviors.

(4). Inconsistent management, lack of rental policies, and limited communications between owners/managers and renters, neighbors, and regulators can exacerbate issues.

(5). Laws, statutes, and rules that control noise, and parking, have not been widely adopted at the city level, and at the state level are largely aimed at criminal activity rather than recurring nuisances.

(6). State and City regulations exist to address health and safety concerns relate to short-term lodging, but current definitions exempt private/vacation home rental from the requirements.

b. The intent of these proposed amendments to the zoning ordinance is to allow the use of private/vacation home rentals in appropriate zoning districts but establish standards with the intent of mitigating or eliminating potential impacts to the health, safety, general wellbeing of neighboring property owners and tenants. Specifically, the amendments are intended to:

(1). Establish basic performance standards for health and safety, and controls to address nuisance issues, that can be enforced through the licensing of private/vacation home rental properties.

(2). Require licensing of private/vacation home rentals to address most health, safety, capacity, and sanitation issues specific to this use.

(3). Establish rental management standards that require owners or managers to be informed and locally available, as well as to proactively communicate with renters, neighbors, and the City to ensure the vacation rental is operated in compliance with state and local regulations while maintaining a positive relationship with neighboring homeowners.

(4). Hold rental property owners and managers responsible for guest conduct through clearly defined enforcement measures, the severity of which should increase with the documentation of repeated violations.

(5). Collection of lodging taxes for our jurisdiction for private/vacation home rentals.

## 2. License/Permits

a. All uses that meet the definition of private/vacation home rental shall be licensed by the City (and through Horizon Public Health), for each year in which the rental use occurs and shall meet all requirements of the applicable sections of the City of Osakis Ordinances.

b. License holder must post the current license number on all advertisements or web-based reservation service pages.

c. The following information shall be submitted to Horizon Public Health annually with the license application:

(1). Name and contact information for the local contact, per subpart 4., a., below.

(2). The aerial image of property and features, per subpart 4., c., (4.), below.

(3). A current septic compliance inspection form showing the system to be compliant, if one is requested.

d. A conditional use permit shall be required for private/vacation home rental where:

(1). There is more than one rental unit on a parcel and/or where two (2) or more private/vacation home rentals are on contiguous parcels under common ownership (including immediate family members).

(2). The overnight guest occupancy, in subpart 3., d., will be exceeded.

(3). Events exceed the maximum capacity of persons on the property as set forth in subpart 3., g.

e. An interim use permit is required for zoning districts C-1 and C-2.

f. Short term rental permits are required in all residential zoning districts.

### 3. General Requirements

a. Noise levels shall comply with City of Osakis Ordinance, 90.18.

b. Parking shall meet the standards listed herein:

(1). Public streets and right-of-way shall not be used for parking of trailers or overnight parking of vehicles by tenants.

(2). On-site vehicle parking shall be on designated improved surface (gravel, class-5, asphalt, concrete, pavers).

(3). Trailer parking shall be designated and meet setback requirements below.

(4). Designated parking shall be set-back 10-feet from property boundaries.

c. The boundaries of the rental property shall be visually demarcated by signs, a fence, vegetation, landscaping, or other method as approved by the City of Osakis Planning and Zoning Commission. The City of Osakis Planning and Zoning Commission may require the installation of a fence, consistent with City of Osakis' Ordinances, to demarcate the boundary, for purposes of screening, noise reduction, or for other purposes.

d. Three (3) overnight guests per bedroom is allowed.

e. The use of detached or temporary sleeping accommodations such as RVs, tents, fish-houses, campers, or others to increase the overnight capacity shall be prohibited.

f. Not more than one private/vacation home rental unit shall be allowed on a parcel. More than one rental unit on the same parcel or single units on contiguous parcels under common ownership shall require a conditional use permit where the use is conditionally permitted.

g. The property capacity is the total number of overnight guests allowed to be present on the property at any given time. The property capacity shall not exceed subpart 3., d., above, unless a conditional use permit has been granted.

h. Visitors are allowed to be present on the property during daytime hours. Visitors are not included in the property capacity of the total number of overnight guests as per subpart 3., g., above.

#### 4. Rental Property Management and Notifications

- a. The rental owner, operator, or manager shall designate a local contact who meets the following requirements:
  - (1). Is available 24 hours per day, seven days per week.
  - (2). Can respond by phone within 60 minutes and in-person within 120 minutes of notification.
  - (3). Has administrative authority over the property and guests.
  - (4). Has knowledge of the vacation rental unit, the property, rental and City rules, standards, and procedures.
- b. The rental owner, operator, or manager shall provide the name and phone number of the contact in subpart a., above, to the City at the time of licensing and to all property owners within 200 feet of the rental property boundary. Any changes of contact or contact information shall be noticed as above to the City and neighbors within 10 days of the change.
- c. The following information shall be posted within the rental unit in a prominent location to be easily visible and read by the guests.
  - (1). The full name and phone number of the owner or operator;
  - (2). The full name and phone number of the local contact person or local management agent;
  - (3). Local emergency contact information (police, fire, ambulance, public works);
  - (4). Aerial image of the property clearly showing property boundaries, parking areas, shore recreational facilities, garbage receptacles, septic treatment systems.
  - (5). The maximum number of overnight guests and total guest capacity of the property.
  - (6). The maximum number of parking spaces.
  - (7). Any applicable City ordinances governing noise, parking, pets, or lakes (AIS laws, water surface zoning), including this Ordinance.
  - (8). A copy of the City's *Good Neighbor Brochure*, as well as any amendments to the same.

- d. The total permitted overnight guest occupancy and the total number of persons permitted on the property shall be included on all advertisements or web-based reservation service pages.
- e. Prior to occupancy, the owner, operator, or manager shall:
  - (1). Obtain the full name, address, vehicle license plate information from the person renting the property.
  - (2). Record the number of guests and dates of the rental.
  - (3). Require the guest(s) to formally acknowledge responsibility for the compliance by all tenants or guests with the applicable laws, rules, and ordinances pertaining to vacation rentals in the City of Osakis.
  - (4). Maintain a copy of the above records for one year and make available to the City upon request.

## 5. Sanitation

- a. The private/vacation home rental shall be served by central sanitary sewer.
- b. A private/vacation home rental with individual septic treatment system must have a current compliance inspection sheet and available to the city if requested.
- c. Garbage, refuse, or recycling shall be stored completely enclosed within designated refuse containers. The owner or operator of the rental unit shall provide sufficient trash storage containers and service to accommodate the demand of occupants.

## 6. Definitions.

**Private/vacation home rental**- any home, cabin, condominium, bedroom or similar building that is advertised as, or held out to be a place where sleeping accommodations are furnished to the public on a nightly, weekly, or for less than 30-day time period, and is not a bed and breakfast, resort, hotel, or motel.

**Bedroom**- a part of the inside of a private/vacation home that is divided from other areas by walls and a doorway and that has its own floor and ceiling that is furnished primarily as sleeping quarters, containing a bed or furniture that can convert to a bed, and having more than one egress.

**Good Neighbor Brochure-** a brochure to be given to guests that includes a summary of the City's regulations relating to private/vacation home rentals; local rules or ordinances related to lakes, aquatic invasive species, and water use; and best practices for neighborly behavior.

**Person-** a natural person over the age of 5 years, that is patronizing, staying, or visiting a private/vacation home either as the renter of the facility or a guest of the renter; or an individual, firm partnership, association, or corporation or other entity including the United States government, any interstate body, the state, and any agency, department, or political subdivision of the state.

**Resort-** An establishment that includes buildings, campgrounds, lodges, structures, dwelling units/sites, homes, enclosures or any part thereof kept, used, maintained or advertised as or held out to the public to be, a place where sleeping accommodations are furnished to the public and primarily to those seeking recreation, for periods of one (1) day, one (1) week, or longer, and having for rent two (2) or more homes, cabins, units, campsites or enclosures. All cabins, rooms, dwelling units/sites or enclosures must be included in the resort rental business. The entire parcel(s), lot(s), or tract(s) of land must be controlled and managed by the licensee.

**Lodging Establishment-** Lodging establishment means a building, structure, enclosure, or any part thereof used as, maintained as, advertised as, or held out to be a place where sleeping accommodations are furnished to the public as regular roomers, for periods of one week or more, and having five or more beds to let to the public. For the purpose of this ordinance, lodging establishment shall also include boarding establishment, hotel, motel, private/vacation home rental, and resort.

The above amendments to the Zoning Ordinance were approved by the Osakis City Council on \_\_\_\_\_ and shall be in effect immediately.

Those voting yes:

Those voting no:

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ATTEST

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