

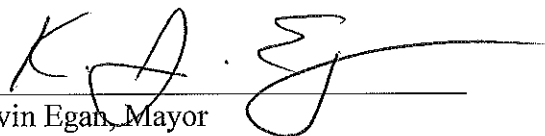
**ORDINANCE SUMMARY
ORDINANCE NO. 2018-02, FIRST SERIES
AMENDING THE LAKE SHORE CITY CODE
FOR RESIDENTIAL SHORT TERM RENTALS
OF PROPERTY WITHIN THE CITY OF
LAKE SHORE, COUNTY OF CASS, STATE OF MINNESOTA**

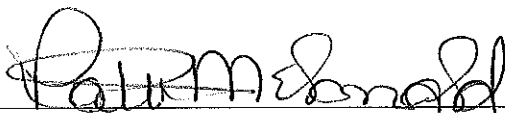
The following is the official summary of Ordinance No. 2018-02, approved by the City Council of the City of Lake Shore, on the 26th day of November, 2018.

The purpose of this Ordinance is to amend the City of Lake Shore's Land Use and Subdivision Ordinance for residential short term rentals within the City of Lake Shore to include additional application requirements and general standards.

A printed copy of the Ordinance is available for inspection by any person at the office of the City Clerk.

Passed by the Council this 26th day of November, 2018, by a 5/5ths vote of the Council.

By: 
Kevin Egan, Mayor
City of Lake Shore

By: 
Patti McDonald, City Clerk
City of Lake Shore

**ORDINANCE NO. 2018-02, FIRST SERIES
AN ORDINANCE DEALING WITH SHORT TERM
RENTAL PROPERTY
WITHIN THE CITY OF LAKE SHORE
COUNTY OF CASS, STATE OF MINNESOTA**

The City of Lake Shore ordains:

Section 1. **Intent.** To amend the City of Lake Shore Land Use and Subdivision Ordinance concerning the short-term rental of residential property within the City of Lake Shore.

Section 2. **Amendments.**

Section 47 of Chapter IV shall be amended as follows:

47. Short-Term Rentals of Residential Property.

47.1 **Purpose.** The purpose of this section is to allow short-term vacation rentals of residential properties where appropriate while mitigating impacts upon surrounding properties by implementing balanced regulations to protect the integrity of the area's neighborhood as well as protect the general public health, safety, and welfare.

47.2 Definitions:

47.2.1 "Short-term vacation rental." As set forth herein, "short-term vacation rental" is defined as the letting or leasing of residential real estate for less than a one (1) month period. "Short-term vacation rental" shall include but is not limited to Airbnb postings, Vacation Rental By Owner (VRBO), and any other form of short-term rental.

47.3 **Requirements.** It is unlawful for any person to use property for a short-term vacation rental unless it complies with all of the provisions of this paragraph and ordinance.

47.3.1 Annual Permit Application. An application for an annual short-term vacation rental permit must be submitted on the form prescribed by the Planning Commission. To be considered complete, the application must contain all the information requested on the application form and all of the following:

47.3.1.1 A site plan, drawn to scale, showing locations and dimensions of property lines, showing parking, driveways, garbage disposal, all structures and outdoor recreational areas that guests will be allowed to use, which shall include, but not be limited to, deck/patio, barbeque grill, recreational fire, pool/hot tub or sauna, and any other information which may be reasonably required by the Planning and Zoning Administrator to evaluate the request;

47.3.1.2 A floor plan of the home, which shall identify those rooms which will be used as guest bedrooms. Dining rooms and kitchens shall not be counted or used as a guest bedroom. In each bedroom and any room used for sleeping, show the dimensions of egress windows on the drawing and the style (double hung, sliding or casement).

47.3.1.3 The owner shall keep on file with the City the name and telephone number of a contact person who shall be responsible for responding to questions or concerns regarding the operation of the short-term rental. This information must be kept current. This information also shall be posted in a conspicuous location within the dwelling unit. The contact person must be available to accept telephone calls on a 24 hour basis at all times that the short-term rental is rented and occupied. The contact person must have a key to the rental unit and be able to respond to the short-term rental within sixty (60) minutes to address issues or must have arranged for another person to address issues within the same timeframe. The requirement for identifying a contact person applies to each person or entity making arrangements for renting a given short term rental.

47.3.1.4 Certificate of Compliance. A current certificate of compliance for the sub surface treatment system (septic system) shall accompany the application. A certificate of compliance is valid for three years.

47.3.1.5 Water test. A current water test from an accredited laboratory with test results for nitrate-nitrogen and coliform bacteria.

47.3.1.6 Parking. A parking layout must accompany the rental application. At a minimum, at least one parking space shall be provided for each bedroom up to three (3) bedrooms. Properties with four (4) or more bedrooms shall have the number of parking spaces equal the number of bedrooms, minus one space.

47.3.2 Permit Fee. The application for a permit shall not be deemed complete unless it is accompanied by payment in full of the required annual short-term vacation rental permit application fee. The permit application fee amount will be as determined by the City Council in its fee schedule.

47.3.3 Issuance. Short-term vacation rental permits shall be issued administratively by the Planning and Zoning Administrator. The Planning and Zoning Administrator may place conditions on the permit as the Planning and Zoning Administrator determines are reasonable and appropriate. Every short-term vacation rental permit is conditioned on compliance with the standards and requirements of this section, this Ordinance, and all applicable federal, state, and local laws, rules, regulations, and ordinances. Each short-term vacation rental permit shall indicate the number of

bedrooms which are on the property, as determined at the time of application. No property may be rented to a number of individuals greater than the structure's bedroom and septic capacity.

47.3.4 Permit Renewal. Annual short-term vacation rental permits expire on December 31 each year regardless of when it was issued in the year. No short-term vacation rental of a property may occur in the subsequent year until a new annual short-term vacation rental permit has been issued for that year.

47.4 General Standards. The following general standards shall apply to all annual short-term vacation rental permits issued under this section. Failure to comply with the general standards in this paragraph, or any other provision in this section, may result in the revocation of the short-term vacation rental permit as provided in this section.

47.4.1 Maximum occupancy will be based on two (2) adult people per bedroom or the number compliant with septic capacity, whichever is smaller

47.4.2 Residential properties may not be rented or leased more than six (6) times in a twelve (12) month period.

47.4.3 Residential properties may not be rented or leased to more than one separate party in a seven (7) day period.

47.4.4 Additional occupancy by use of recreational vehicles, tents, accessory structures, garages, boathouse, pole barn, shed, fish houses or similar structure is not permitted.

47.4.5 The dwelling unit must meet all residential building, health department, and safety codes.

47.4.6 Parking shall not encumber the minimum greenspace requirements for that particular zoning district and no on-street parking is allowed for guests. Parking must be setback a minimum of 5' from a property line.

47.4.7 Non-Transferable. Annual short-term vacation rental permits are non-transferable and any such permit shall automatically terminate upon the sale or other conveyance of the property.

47.4.8 No Vested Right. Annual short-term vacation rental permits issued under this section constitute a revocable, limited right. Nothing herein shall be construed as granting a vested property right in the short-term vacation rental of the property.

47.4.9 Number of Bedrooms. No permittee shall advertise the property as containing any more than the number of bedrooms identified in the short-term vacation rental permit. The number of bedrooms, as indicated on the permit, shall be used for all calculations required herein.

47.4.10 Guest Records. Each permittee shall maintain a transient guest record for the property. At a minimum, such guest record shall include the following information on all guests staying at the property:

- 47.4.10.1 Name;
- 47.4.10.2 Address;
- 47.4.10.3 Phone number;
- 47.4.10.4 Number of guest per stay; and
- 47.4.10.5 Record of sales tax collected.

47.4.11 Annual Report. Each permittee shall annually provide the city with a written report at the end of every permit term. The report shall include a copy of guest records for each stay.

47.4.12 Guest Disclosures. Each permittee shall provide a written disclosure to each short term vacation rental guest. Such written disclosure shall include, at a minimum, the following information:

- 47.4.12.1 Name, phone number, and permanent address of the owner; and operating lessee or managing agent/representative;
- 47.4.12.2 The maximum number of guests permitted to stay at the property pursuant to the short-term vacation rental permit;
- 47.4.12.3 The maximum number of vehicles permitted to be parked upon the property, as well as a visual display showing the permitted parking locations on the property;
- 47.4.12.4 A visual display along with a staked out area showing where the property's septic system is located, if not served by municipal services, to reduce the potential of the system being damaged;
- 47.4.12.5 Property rules related to use of outdoor features such as decks, patios, grills, recreational fires, pools, hot tubs, saunas, and other recreational facilities;
- 47.4.12.6 Notice that all city nuisance ordinances will be enforced by the Lake Shore Police Department or the Cass County Sheriff's Department, including reduced noise levels between 10 PM and 7 AM.

47.4.13 Display of Permit. Each permittee shall post or publish their annual short-term vacation rental permit number upon all print, poster, or web advertisements offering the property for short-term vacation rental.

47.4.14 Garbage. All garbage must be kept in suitable containers that are stored out of view of a public street and shall be disposed of at least once a week or as guest depart the property.

47.4.15 Additional Inspections. The City of Lake Shore may conduct ongoing compliance inspections of every short term rental property.

47.4.16 All short term rentals operating prior to the effective date of these standards, shall be in compliance with this section by February 1, 2019.

47.5 Enforcement and Permit Revocation. In the event of a violation of this ordinance the first substantiated and relevant complaint or violation shall be \$500. The administrative fine for the second shall be \$1000. The administrative fine for the third violation shall be \$1500. In addition, upon a finding that a permittee has violated a provision of this section, this Ordinance, or the City of Lake Shore's Code on three (3) separate occasions within a twelve (12) month period, the Planning Commission may revoke the annual short-term vacation rental permit. Prior to such revocation, city staff shall mail written notice of the permit violations to the permittee. The permittee shall have ten (10) days to request a hearing regarding such revocation before the Planning Commission. Failure to request such a hearing shall constitute waiver of the right to be heard on such revocation. If a timely request for a hearing is received, the Planning Commission shall hold a hearing at a regular meeting, provide the permittee an opportunity to be heard, and shall then act on whether to revoke the annual short-term vacation rental permit. If the Planning Commission does not revoke the permit, it may add conditions to the permit as it determines is appropriate to mitigate further violations.

47.5.1 Effect of Revocation. Upon revocation of an annual short-term vacation rental permit, the permittee shall be ineligible to apply for a new short-term vacation rental permit for a period of twelve (12) months from the date of revocation. Such prohibition shall apply not only to the property for which the permit was revoked, but also to any other property held or owned by the permittee within the City of Lake Shore.

47.5.2 Violation. Each violation of any term of this section is punishable by an administrative citation and or misdemeanor. Each day that such violation occurs shall constitute a separate offense. Failure to license as a short term rental is considered a violation.

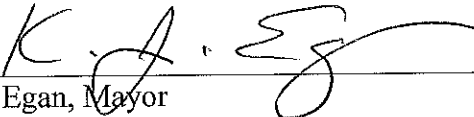
47.5.3 Complaints. All complaints against a short-term vacation rental shall first be directed to the managing agent or a local contact. If the managing agent or the local contact fail to respond to the complaint, then the complaint shall be addressed to either law enforcement or Lake Shore city staff. A complaint shall include the type of violation, along with the date and time it occurred.

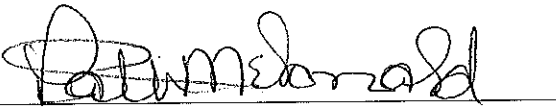
47.5.3.1 Any person who makes a false complaint regarding a short-term vacation rental is guilty of a misdemeanor.

Section 3. **Repeal.** This ordinance shall supercede and repeal all ordinances or policies inconsistent herewith.

Section 4. **Effective Date.** This ordinance shall become effective upon its passage and publication as provided by law.

Passed by the City of Lake Shore Council this 26 th day of November, 2018 by a 5/5ths vote.


Kevin Egan, Mayor

Attest: 
Patti McDonald, City Clerk