



Memorandum

To: Stillwater Township Planning Commission

Reference: Potential Zoning Ordinance Amendment – Residential Short-Term Rentals

Copies To: Barbara Riehle, Clerk

Project No.: 18410.000

From: Evan Monson, Planner

Routing: _____

Date: July 28, 2022

SUBJECT: Potential Ordinances for Residential Short-Term Rentals

MEETING DATE: August 18, 2022

BACKGROUND

A short-term residential rental is a house that would be rented for a period of time of less than 30 days. In the last few years, homeowners have opened up their homes for rent online by visitors who typically rent for a week or weekend. As noted previously, the township has no ordinances or rules addressing short-term residential rentals. The Planning Commission has reviewed and discussed the topic at a number of meetings now over the last few months.

The last meeting included review and discussion on two potential draft ordinances. The consensus of the commissioners was to move forward with a draft ordinance similar to the ordinance used by Marine on St Croix. This ordinance would create a licensing system, which residents will have to apply for in order to use their residence as a short-term rental.

POTENTIAL ORDINANCE DRAFT

Included in the meeting materials is a draft ordinance. It outlines terms/definitions, licensing of a short-term residential rental (license application, length of license, and revocation of licenses), standards for a short-term residential rental, and penalties for violations.

Legal Questions

At the last meeting, the commissioners discussed different items that would need responses from the Township's attorney. One of the issues was in regards to the issue of legal nonconforming uses or 'grandfathered' uses. If a use is permitted in the zoning ordinance, and then the ordinance is amended to no longer permit the use, those such uses that are existing are permitted to continue if they were legally established prior to the ordinance being amended. Since the proposed ordinance is a standalone ordinance, this issue would not be applicable.

Another question was regarding liability and inspections. The township would not be required to conduct or perform inspections as part of a licensing program such as this, and would therefore not have liability. As was discussed at the last meeting, the proposed draft includes language requiring proof of a liability insurance policy.

Items to still consider

Based off previous meetings, the following items or issues should be discussed and considered by the Planning Commission:

- Length of license
 - Example: License runs 365 days from time of issue vs renew every year on January 1
- Maximum # of days to rent
 - Flat number per year (72 days, 100 days, etc.)
 - Limit number of weekends or days rented in a month
- Issuance of license
 - Issued by staff vs issued by the Town Board

ACTION REQUESTED

The Planning Commission is encouraged to review the attachments and note possible changes or issues. If, based on review and discussion the commissioners finds the draft acceptable, a motion can be made to recommend the draft be reviewed by the Town Board at a future meeting for potential adoption.

Attachments

- Draft of potential ordinance (draft 4)

