Memorandum

To:	Stillwater Township Planning Commission	**Project Reference:**	Short-Term Rental (STR) Ordinance Review
Copies To:	Barbara Riehle, Town Clerk		
	Mark Caroon, CSO	**TKDA Project No.:**	21102.000
From:	CJ Sycks, Planner	**Client No.:**	
	Evan Monson, Planner		
Date:	July 15, 2024		

SUBJECT: A review of Stillwater Township's Short-Term Rental ordinance

MEETING DATE: July 23, 2024

ITEMS REVIEWED: Stillwater Township Ordinance No. 196, 5/16/24 Town Board Meeting minutes, and ordinances from other municipalities.

BACKGROUND

In April 2021, the Planning Commission began to discuss adopting an ordinance to regulate short-term rentals (STR) in the Township. Ordinance No. 196 was adopted by the Town Board on March 23rd, 2023. There are three active STRs in the Township. One of which is not licensed. The unlicensed property owners have been notified and are working towards applying for a license.

At the May 16th, 2024, Town Board meeting, the Board moved to direct the Planning Commission to review the STR ordinance standards in regard to the following areas: noise/quiet hours, outdoor games/activities, number of allowed vehicles/parking spots, documentation of renting beyond scope of STR license, and the process for reporting issues/potential violations. Each of these are outlined following the table comparing performance standards.

CURRENT ORDINANCE

Ordinance No. 196 defines Short-Term Residential Rental as: "Short-Term Residential Rental Dwelling Unit that is occupied by people other than the owner for a time of no longer than 30 consecutive days. This land use does not include Bed and Breakfast Inns, Boarding Houses, Hotels, Motels, or property licensed as a nursing home, boarding care home and other state licensed residential facilities by the State of Minnesota Department of Health."

Section 4 of the STR ordinance includes licensing requirements. A license is required for all STRs. Licenses are to be renewed annually, expiring December 31st of each year. The maximum number of licenses permitted at one time is 10. Any applications considered after the maximum number has been issued, will be placed on a waitlist.

Section 5 of the STR ordinance includes license renewal requirements. Applicants shall file a renewal application at least 60 days prior to expiration (November 1st). A report of the number of guests rented to, a list of days and weekends rented out, and the total number of days rented out in the previous year must be included with the renewal application.

Section 6 discusses revocation of a license. Licensees that receive two or more violations during one license period will be penalized by revocation. Complaints of violations are forwarded to the Community Service Officer (CSO). The CSO will investigate and bring forward information of valid complaints to the Town Board for consideration of revocation.

Section 7.1 includes the performance standards for STRs:

a) There must be two parking spaces off-street for tenants. Number of vehicles is limited to the number of available off-street parking spaces on-site.
b) Sufficient trash collection must meet the demand of the occupants.
c) The STR may be rented out for a maximum of two weekends a month. STRs on lots larger than 20 acres are not limited on number of weekends per month.
d) The STR may not be rented out for more than 75 days total in a year.
e) All codes and ordinances must be met.
f) A house number must be easily seen from the street both day and night.
g) STRs may not be used for events.
h) The property owner shall provide information to tenants on Township and County laws.
i) The property owner shall provide emergency contact information to adjacent property owners.
j) All advertising shall include the Township issued license number.
k) The primary occupant of an STR must be 21 years of age. They must price a telephone number to the owner and shall be accessible at all times.

Section 7.2 regulates disorderly use by tenants. Quiet hours are 10pm to 7am. Any violation pertaining to noise, disorderly conduct, overcrowding, alcohol, drugs are the responsibility of the owner. The owner shall take any measures necessary to immediately abate the disturbances.

Section 8 states the $1,000 civil penalty for operating an STR without a license. Each day the property owner is in violation constitutes a separate violation.

OTHER COMMUNITIES' PERFORMANCE STANDARDS

Stillwater Township's STR ordinance is similar to that of nearby communities. There are some minor discrepancies in performance standards. Below is a table comparing other communities' ordinances.

Table 1: STR standards in other communities

	City of Afton	City of Marine-on-St Croix	City of Stillwater	Chisago County	City of Ham Lake (Article 07)
Parking	Parking must be on-site.	One vehicle per bedroom, maximum four. Parking must be on-site.	Parking must meet zoning district regulations and be on-site.	Parking cannot restrict emergency access. Parking must be on-site.	Parking must meet zoning district regulations and must be on-site.
Number of Guests Allowed	Two guests per bedroom, plus two. Children under 12 are not included in the calculation	Two guests per bedroom, plus two.		Two guests per bedroom, plus two. Trailers, campers, etc. for additional guests are prohibited.	Six overnight guests. Children under three years of age are not included in the overnight limit.
Maximum Days Rented	*	Two weekends per month, 14 days per month and 72 days per year.	No maximum	No maximum	No maximum

Events	Prohibited	No mention	Prohibited	No mention	No mention
Noise	10pm – 8am quiet hours	"No person shall make, cause, or permit unreasonable noise to be emitted from the Short-Term Rental"	10pm – 8am quiet hours (included separately in the Nuisance Ordinance)	10pm – 8am quiet hours	10pm – 7am quiet hours
Owner Availability	For Type D* STRs, owner must be within 30-minutes traveling distance	Owner must be within 30-minutes traveling distance and available by cellphone.	Must provide 24-hour contact info and must be within 60-minutes traveling distance.	Must provide 24-hour contact info. Must respond to an issue within 3-hours.	Must provide 24-hour contact info.

*Afton identifies short term rentals in 4 different ways:

1. Type A: No license required, rented less than 14 days per year.
2. Type B: Licensed, owner is present on property, guests stay for less than 30 consecutive days.
3. Type C: Licensed, guests stay for less than 30 consecutive days.
4. Type D: Licensed, guests stay for less than 30 consecutive days, property does not serve as a primary residence.

REVIEW OF SPECIFIED AREAS OF CONCERN

Noise/Quiet Hours

The Township's STR quiet hours are 10 PM – 7 AM, per Section 7(2)a of the current STR ordinance. As shown in Table 1, this is consistent with neighboring communities' STR ordinances. Noise concerns from neighbors should be addressed to the owner of the property and to the CSO if violations occur.

Regulations regarding outdoor games/activities.

Ordinance No. 196 currently allows outdoor games and activities at a Short-Term Rental, if they do not violate Section 7(2)a (disorderly conduct, noise disturbance between 10pm and 7am, illegal drug use, etc.). Section 7(1)g of the ordinance prohibits indoor or outdoor events such as gatherings for sponsored events, conferences, retreats, concerts, weddings, dances, parties, etc.

The Township currently does not monitor nor restrict outdoor games and activities for any residential properties in the Town. The Commission should discuss if restrictions specifically for STRs are necessary to add and if so, how activity at STR homes is different from a non-rental property and how enforcement would occur.

Number of Allowed Vehicles/Parking Spots

In Section 7(1)a, the ordinance states that there must be at minimum two parking spaces off-street for tenants. The number of vehicles is limited to the number of available off-street parking spaces on-site. This is consistent with other communities' ordinances. Chisago County requires all parking be on-site and that parking must not restrict emergency access.

If the Commission wants to recommend changes, they should discuss potential parameters to adopt and enforcement options.

Documentation of renting beyond scope of the STR License

Ordinance No. 196, Section 5, requires "a report or log indicating the number of guests rented to, a list of days and weekends rented out each month, and the total number of days rented out in the previous year" with each license renewal application.

At the 5/16/24 TB meeting, it was suggested that the Commission consider a more in-depth review of STR activity. The Commission should discuss what may be reviewed, the reasoning for additional review, the staff time required to conduct it, and how it would be conducted.

Reporting Issues and Violations

In Ordinance No. 196, Section 6(5), "complaints of potential violations shall be forwarded to the… CSO". The CSO may then forward valid complaints to the Town Board for review. Section 7(1)i requires property owners of STRs to share their emergency contact information with adjacent property owners.

Attached is a complaint form that Marine-on-St. Croix uses to streamline resident complaints. Chisago County uses a third-party online service, Granicus, to monitor short-term rental compliance and enforcement. The Commission may want to consider a more formal process to collect and acknowledge complaints, such as a complaint form. A complaint form and a policy on how to review and address complaints would not require an ordinance amendment.

ACTION

The Planning Commission has the following options:

1. Recommend the Board amend Ordinance No. 196.
   a. If recommending amendments, the Commissioners should discuss potential changes.
2. Recommend the Board not amend Ordinance No. 196.
3. Table the item for further review/study.

RECOMMENDATION

Planning Staff finds Ordinance No. 196 to be consistent with ordinances of other communities. Clarification on how complaints are received and processed would appear to address some of the recent concerns raised to the Town Board. This can be accomplished without amending the Ordinance.

If the Planning Commission recommends amending Ordinance No. 196, a recommendation should be made to have staff draft a proposed amendment for the Town Board to review and vote on at a future Town Board meeting.

Attachments

1. STR License Application
2. Ordinance No. 196
3. Marine on St. Croix Complaint Form

CIS.epm