

COUNCIL ACTION FORM

SUBJECT: CREATION OF A NEW CHAPTER OF THE AMES MUNICIPAL CODE, KNOWN AS CHAPTER 35, SHORT-TERM RENTAL CODE- ESTABLISHING DEFINITIONS, ADMINISTRATION, STANDARDS, LICENSING, AND ENFORCEMENT FOR SHORT-TERM RENTALS AND AMENDING THE TEXT OF THE ZONING ORDINANCE (CHAPTER 29) AND THE RENTAL HOUSING CODE (CHAPTER 13) TO ALLOW THEIR USE AND ESTABLISHING A FEE FOR LICENSURE.

BACKGROUND:

City Council first reviewed a conceptual regulatory framework for short-term rentals on October 23, 2018 regarding one and two-family homes. On November 13, 2018, the City Council reviewed additional information and directed staff to proceed with drafting standards that would allow short-term rentals within apartments dwellings and to proceed with described licensing system of one and two-family homes. On February 26, 2019, City Council received a recommendation from the Planning and Zoning Commission regarding related Zoning Ordinance changes and reviewed an updated draft of the proposed ordinances and gave direction to proceed with finalizing the text for the Short-Term Rental Code and publishing notice for the text amendments to the Zoning Ordinance (Chapter 29) and the Rental Housing Code (Chapter 13). **City Council is now asked to review the proposed ordinances, hold a public hearing on the ordinances, and proceed with first reading for approval of the ordinances.**

The changes necessary to address allowing short-term rentals are extensive, as these would be a new type of principal and accessory use within the Zoning Ordinance (Chapter 29), and would establish a new category of licensure, incorporated into a new Chapter (Chapter 35) of the *Ames Municipal Code*. Clarifying text amendments are also needed within the Rental Housing Code.

A complete discussion of the proposed changes is included in the Addendum. The draft ordinances are included as Attachment 'A', and are summarized as follows:

- Rental Period. Short-term rental period is for 30 consecutive days or less.
- STRs are allowed within single family, two-family, and multi-family dwelling units with differentiated standards and licensing requirements.
- Approval. The intent is for an administrative review and approval for shared use of a home with the homeowner, Hosted Home Shares and Home Shares as accessory uses, and a Special Use Permit (approved by the Zoning Board of Adjustment) for Bed & Breakfast establishments and Vacation Rentals as a principal use.
- Occupancy Limitations. Occupancy limitations vary by unit type and are generally based on the number of guest bedrooms with a maximum number of adults allowed.

Occupancy aligns with the Rental Code for the full time short term rental housing type known as Vacation Rentals.

- Annual licensing. An annual license is required. An annual licensing fee would be required in addition to any other planning or rental permit costs. A license would be granted for rental apartment short-term rentals to the property owner for the entire parcel. Staff recommends establishing a fee of \$50.00 for the license and charge an additional inspection fee based upon the need for an inspection.
- Fire Safety Requirements. Compliance with fire safety requirements of the Rental Code (means of egress and fire protection systems) is required of all short-term rental units. A checklist will be made available and applicants will be required to indicate compliance. Inspections will occur on an as needed basis.
- Inspections. All applications would be subject to verification and inspection for compliance. Subsequent inspections would be at the discretion of the Enforcement Officer. Vacation rentals would at a minimum be subject to the Rental Code inspection frequency of 2-4 years of the Rental Code regardless of other licensing requirements.
- Renewal/Revocation Standards. The license to operate a short-term rental may be revoked if it is determined that the rental is operating inconsistent with the licensing standards or if there are verified complaints with notice of correction action regarding its operation. An appeal process to the Zoning Board of Adjustment is included.

The proposed regulations provide clear expectations with defined standards for the licensing and operating of a short-term rental, and if needed, enforcement or license revocation. The goal is to minimize possible negative impacts to surrounding residential properties and neighborhoods from use of home for transient guest stays.

Staff estimates that there are currently 50-60 properties that are advertised and that operate as short-term rentals. Staff anticipates that the number would increase with legalization and awareness of the short-term rental options available, as Staff has received many numerous inquiries from investors.

INITIAL LICENSING AND MONITORING:

The first step in achieving compliance with the adopted ordinances is public awareness of the new regulations. Staff proposes an effective date of the ordinance of July 1, 2019 with a standard that operating properties apply by September 1st for the appropriate license and permits. During the initial 60-day compliance period there would be no citations for operating an STR and if someone is in process of seeking a license they would not be subject to a citation during its review. Staff anticipates that review and approval of licensing applications can be incorporated into current inspection/planning duties.

Beyond providing public awareness, staff would have a limited ability to provide proactive compliance monitoring without address identification. The typical Airbnb listing data includes only a neighborhood map of listing, but does not where the unit is located with a property address.

Address information is not publically available without subscribing to a third party monitoring compliance software service. These types of vendors provide a proprietary evaluation of a listing to identify an address. An initial annual subscription with a monitoring compliance services for addresses and contact identification would help the City to proactively reach out to those who may be unaware of the new licensing requirements and would help to bring everyone into compliance. Staff's understanding of the pricing from one vendor indicates a price of \$1,500 based upon 50 listings in the City and a cost of \$30.00 per listing going forward.

However, Staff believes that that working through traditional methods would be effective in the initial stage of implementation due to the current estimated low number of listings. If staff is unsuccessful in efforts to obtain compliance from property owners, we can revisit the need for additional services.

LICENSING FEE:

A fee of \$50 would suffice in covering administration costs and would be in-line with the annual rental housing registration renewal fee for a single family home. In addition to the annual fee, an inspection fee would be charged with the initial application and may be charged for renewals if inspections are needed in the future. It is important to note that this license system is designed to be prospective about future use of the property, meaning a property owner is paying up front for the license, not paying for a prior year of licensure after the fact. Additionally, this license is to the property owner and a change in ownership will trigger a new license requirement and fee to issue a new one-year license.

Address identification with full contact information from a compliance monitoring service currently is priced at \$1500 for 50 listings or \$30 per address, per year. Although higher levels of compliance monitoring are available, it is not anticipated that those services would be needed at this time. City Council could choose to add the direct cost of administering the program to the annual license fee and add an estimated \$30 to the licensing fee to cover the cost of an annual subscription with an address identification service.

ALTERNATIVES:

1. The City Council can hold a public hearing and approve on first reading the attached ordinances, creating a new chapter of the *Ames Municipal Code* known as Chapter 35, Short-Term Rental Code, establishing definitions, administration, standards, licensing, and enforcement for short-term rentals, and amending the text of the Zoning Ordinance (Chapter 29) and the Rental Housing Code (Chapter 13) to allow their use, and establish a fee for initial licensure.
2. The City Council can hold a public hearing and approve on first reading, a modified version of the attached ordinances and establish a fee for short-term rental licensure with modified text provided prior to the second reading.
3. The City Council can hold a public hearing, and refer the ordinance back to staff for changes prior to the first reading.

CITY MANAGER'S RECOMMENDED ACTION:

Staff has worked with the City Attorney's office to finalize the Short-Term Rental Code and text amendments consistent with the Council's prior direction. The changes necessary to address allowing short-term rentals are extensive, as these would be a new type of principal and accessory use within the Zoning Ordinance (Chapter 29), and would establish a new category of licensure, incorporated into a new Chapter (Chapter 35) of the *Ames Municipal Code*. Clarifying text amendments are also needed within the Rental Housing Code.

With four types of proposed short-term rentals, each has unique attributes related to occupancy, parking, and the approval process. However, objective criteria are included in the text to enable review for compliance and approval. Additional scrutiny through the Special Use Permit process for Vacation Rentals and for Bed & Breakfast Establishments will help to ensure neighborhood compatibility.

Licensing allows for periodic contact with property owners and helps ensure continued compliance. An annual licensing fee similar in cost to a Single Family Rental Letter of Compliance Cost is planned for the proposed licensing process. If desired by the Council, address identification could be included to enable proactive compliance monitoring and the cost assigned to receiving the license for a STR.

Upon adoption of new STR standards, the goal would be to undergo a public education campaign to let people know of the new requirements. The effective date of the ordinance is planned for July 1st. Staff believes allowing until September 1st to receive initial applications would be appropriate, before enacting enforcement procedures.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 to approve on first reading, the attached ordinances.

Addendum

The allowance of short-term rentals in residentially zoned areas has the potential to be incompatible with surrounding residential uses. Therefore, special regulation for short-term occupancy is necessary to ensure that short-term rental uses will be compatible with surrounding residential uses and will not materially alter the character of neighborhoods in which they are located.

The short-term rental code is proposed as a new chapter of the *Ames Municipal Code*. It establishes definitions, administration, standards, licensing, and enforcement for short-term rentals. It provides reasonable and necessary regulations for the licensing and operation of short-term rental housing in order to:

- (1) Ensure the safety, welfare and convenience of renters, owners and neighboring property owners throughout Ames;
- (2) Help maintain the City's needed housing supply for household living; and
- (3) Protect the character of the City's neighborhoods by limiting the operations, number, and concentration of short-term rentals in residential zones.

Objective standards are included to enable review for compliance and approval. The short-term rental period would be 30 consecutive days or less.

The short-term rental types include: hosted home share; home share; bed & breakfast establishment; and vacation rental. Additional scrutiny through the Special Use Permit process for Vacation Rentals and for Bed & Breakfast Establishments will help to ensure neighborhood compatibility. Staff notes that Vacation Rentals are subject to the Rental Concentration Cap, where no new rental property registrations and letters of compliance are permitted. A property with a current property rental registration and letter of compliance may apply for a Vacation Rental.

Each of the four types of proposed short-term rentals has unique attributes related to occupancy, parking, and the approval process. In cases where the property owner is the primary resident, the short-term rental use may be considered as an accessory use to the use of a single-family dwelling as household living. The vacation rental is the exception as short-term lodging, where it is considered a principal use because there is no primary resident requirement. A new definition for "primary residence" helps differentiate when a short-term rental would be considered as an accessory or principal use.

The proposed text amendment to the Zoning Ordinance adds each of the short-term rental types to the list of permitted uses in Article 5. Uses would be included as either a new accessory use to Household Living or as a new principal use under Short-Term Lodging.

Hosted Home Shares

As an incidental, accessory use, hosted home shares are the least impactful of the short-term rental types. Bedrooms that may be rented are limited to a maximum of two with no more than two adults as guests per dwelling unit. The dwelling is the primary residence of the property

owner and the property owner is required to be on site and present during the rental period. This type of activity is viewed as an accessory use (subordinate and incidental to the residential use of the home). The impact of a hosted home share is not much greater than that of a private home with frequent houseguests. A licensing application is required that would be administratively approved and required to be renewed annually. The offering of a hosted home share by tenants of rental apartments is exempt from licensure. Oversight compliance would be the responsibility of the landlord.

Home Shares

This option is somewhat unique in allowing for whole-house short-term rental facilities on limited basis without the primary resident present during the stay. The short-term rental code would allow a maximum of two adults per approved bedroom, not to exceed a total of five adults per dwelling unit. Approval would be by staff as an administrative process. Rental Housing Code registration is not required given the use of the home as a primary residence with a limited number of guest stay days in a year. The cumulative total of rental days allowed per annual renewal is 90 days. The proposed limitations are also meant to distinguish the short-term rental use from a use that should actually register as Rental Housing Property subject to Chapter 13 requirements. In accordance with the Short-Term Rental definition, the maximum stay for any guest is 30 consecutive days. The offering of a home share by tenants of rental apartments is exempt from licensure. Oversight compliance would be the responsibility of the landlord.

Bed & Breakfast Establishments

Bed & breakfast establishments are private homes or residences where the property owner resides, as their principal residence. Bed & Breakfast Establishments are permitted a maximum occupancy of two adults per approved bedroom for overnight guest lodging. The Zoning Board of Adjustment determines the number of bedrooms specific to the dwelling unit through the special use permitting process. No more than five bedrooms may be approved. B&B's are exempt from the City's Rental Housing Code; however, state licensing and inspection as a food establishment is required when there are more than four guest families accommodated. (Iowa Code, section 137F.1) The short-term rental operating license would be required to be renewed annually.

Vacation Rentals

Vacation rentals are investment properties that are made continuously available for short-term rental. Occupancy limitations are aligned with the Rental Housing Code, Section 13.503. and cannot exceed a total of five adults. Of the short-term rental types, the on-going transitory use of the dwelling makes vacation rentals the most impactful on a neighborhood. As such, vacation rentals cannot be considered an accessory use to Household Living. Rather, they are considered a new type of principal use under short-term lodging. In order for vacation rentals to be licensed, the dwelling would first require registration and inspection under the City's Rental Housing Code. Properties within university-impacted areas that are restricted by a rental cap would not be eligible to create a new property registration. Additionally, vacation rentals would be subject to the scrutiny of the special use permitting process to address unique conditions of an area and individual property. A licensing application would be required that would be administratively approved, once both rental code compliance and the special use permit is granted. Rental apartments may be licensed by the property under one license per

parcel or development. However a 10% restriction is placed upon the total percentage of rental apartment units allowed as short-term rentals. Rental apartments located in a Residential Low Density (RL) zoning district are not permitted to operate as vacation rentals. Conversely, certain commercial and higher density residential zoning districts exempt rental apartments from the special use permit requirement. The zoning tables located within the Zoning Ordinance provide guidance.

PLANNING AND ZONING COMMISSION RECOMMENDATION:

The Planning & Zoning Commission reviewed the proposed ordinances for the use of single and two-family dwellings as short-term rentals on September 19, 2018 and the use of apartments as short-term rentals on January 16, 2019.

In each case, the P&Z made a unanimous recommendation of approval (5-0) with certain modifications or limitations as summarized below.

September 19, 2018 unanimous recommendation regarding single-family homes as short-term rentals:

- Two-family dwellings be included, and
- That the City Council consider proactive compliance monitoring to ensure that all short-term rental properties are licensed.

January 16, 2019 unanimous recommendation regarding apartment rentals as short-term rentals:

- Home Shares in rental apartments would be allowed as an accessory use in all zoning districts with no tenant or property owner license required; Oversight compliance would be the responsibility of the landlord with no license required.
- Vacation Rentals.
 - Prohibited within RL zoning district for nonconforming apartment building uses.
 - Allowed within all other zones by granting of one license to a property owner for the entire parcel or common development of apartment units.
 - Limited number of units to the greater of one STR unit or up to 10% of the total number of units on a parcel or common development.
 - An exemption from a Special Use Permit to establish a Vacation Rental would be allowed in certain zoning districts for rental apartments:
 - i. Exempt: RM, RH, FS-RM, NC, CCR, DSC, CSG AND DGC.
 - ii. Non-exempt: A, RM / O-SFC, UCRM, RLP, F-VR, FS-RL, F-PRD, AND S-SMD.

The Planning & Zoning Commission's recommendations were incorporated in the preliminary ordinances reviewed by the City Council on February 26, 2019 and are included in the attached ordinances presented herein.

ORDINANCE NO.

AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY ENACTING NEW SUBSECTIONS 29.201(14.1), 29.201 (17.1), 29.201(19.1), 29.201(98.1), 29.201(100.1), 29.201(160.2), 29.201(191.1), 29.201(191.2), and 29.201(235.1) AMENDING CHAPTER 29 THEREOF, FOR THE PURPOSE OF HARMONIZING CHAPTER 29 WITH CHAPTER 35, SHORT-TERM RENTAL CODE; REPEALING ANY AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT TO THE EXTENT OF SUCH CONFLICT; PROVIDING A PENALTY; AND ESTABLISHING AN EFFECTIVE DATE.

BE IT ENACTED, by the City Council for the City of Ames, Iowa, that:

Section One. The Municipal Code of the City of Ames, Iowa shall be and the same is hereby amended by enacting new subsections 29.201(14.1), 29.201(19.1), 29.201(98.1), 29.201(100.1), 29.201(160.2), 29.201(191.1), 29.201(191.2), and 29.201(235.1) and by amending Chapter 29 as follows:

“Sec. 29.201. DEFINITIONS.

Except as otherwise defined in this Ordinance or unless the context may otherwise require, the following words are defined for the purpose of this Ordinance as follows:

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(14.1) **Apartment Rentals** means three or more residential dwelling units located on one parcel, under one ownership, and rented for household living purposes. The term includes what is commonly known as an apartment building, but does not include dwellings under separate ownership.

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~~*** Basement. See subsection 250.~~

...

(18.1) **Basement.** That floor level of a building between the upper surface of a floor and the ceiling or floor joists next above, which has at least 50% of the total area of its perimeter of foundational walls located below natural and finished grade.

...

(19.1) **Bed & Breakfast Establishment** means the short-term rental of a portion of a dwelling unit that is the primary residence of the property owner, where the property owner provides lodging and may provide breakfast for overnight guests. A Bed & Breakfast Establishment is a short-term lodging use and is a category of short-term rental licensed under Chapter 35.

...

(98.1) **Home Share** means the limited short-term rental of the entire dwelling unit that is the primary residence of the property owner, while the property owner is not present. A Home Share is an accessory use to household living and is a category of short-term rental licensed under Chapter 35.

...

(100.1) **Hosted Home Share** means the short-term rental of a portion of a dwelling unit that is the primary residence of the property owner, while the property owner is present. For the purposes of this Title, “present” means the property owner is staying in the dwelling overnight. A Hosted

Home Share is an accessory use to household living and is a category of short-term rental licensed under Chapter 35.

...

(160.2) **Primary Residence** means a residence that is the only place where a person has a true, fixed, and permanent home, and to where, whenever the person is briefly and temporarily absent, the person intends to return. A person may have only one primary residence.

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(191.1) **Short-Term Rental** means the advertising, offering, renting, or otherwise availability of use of a dwelling unit for the overnight lodging by paying guests for a period of thirty consecutive days or less. A short-term rental does not include any hotel or motel facility.

(191.2) **Short-Term Rental License** means the regulatory license required by Chapter 35.

...

(235.1) **Vacation Rental** means the short-term rental of an entire dwelling unit with a single guest contract, which is not required to be the owner's primary residence. A Vacation Rental is a short-term lodging use and a category of short-term rental licensed under Chapter 35.

...

~~(250) **Basement.** That floor level of a building between the upper surface of a floor and the ceiling or floor joists next above, which has at least 50% of the total area of its perimeter of foundational walls located below natural and finished grade.~~

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Sec. 29.406. OFF-STREET PARKING.

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**Table 29.406(2)
Minimum Off-Street Parking Requirements**

PRINCIPAL LAND USE	ALL ZONES EXCEPT DOWNTOWN AND CAMPUSTOWN SERVICE CENTER ZONES	DOWNTOWN AND CAMPUSTOWN SERVICE CENTER ZONES
RESIDENTIAL DWELLINGS		

<u>Group Living</u>		
Boarding houses, rooming houses, and lodging houses	1 space/bed	0.5 space/bed
College and University housing, fraternities and sororities	1 space/3 beds	NONE
Group Living Nursing and convalescent homes	1 space/5 beds, plus 1 space/2 staff members of the largest shift	NONE
<u>Short-Term Lodging</u>		
<u>Bed & Breakfast Establishment</u>	<u>1 space/guest bedroom, plus 1 space for the owner</u>	<u>N/A</u>
Short-Term Lodging Hotel/Motel, including ancillary uses	1 space/guest room; plus 6 spaces/1,000 sf of ballroom, meeting, bar and restaurant areas; plus 1 space/2 employees of the largest shift	1 space/guest room; plus 6 spaces/1,000 sf of ballroom, meeting, bar and restaurant areas; plus 1 space/2 employees of the largest shift
<u>Vacation Rental*</u>	<u>1 space/bedroom, maximum of five spaces required</u>	<u>1 space/bedroom, maximum of five spaces required</u>

*Rental apartments in zones with less parking required are not subject to this standard.

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Sec. 29.500. PURPOSE.

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Sec. 29.501. CLASSIFICATION OF USES.

(3) **Accessory Uses.** Unless otherwise stated in this Ordinance or otherwise indicated in the Use Tables for each zone:

...

(e) Accessory Uses; ~~are incidental and customary to and commonly associated with the operation of the Principal Use;~~

i. Are ~~Is~~ clearly incidental and customary to and commonly associated with the operation of the Principal Use;

ii. Are ~~Is~~ operated and maintained under the same ownership or by lessees or concessionaires of the owner, and on the same zone lot as the Principal Use;

iii. ~~Do~~ Does not include structures or structural features inconsistent with the Principal Use;

iv. May include the short-term rental of all or a portion of a Household Living dwelling unit that is the primary residence of the property owner, such as Hosted Home Shares, and Home Shares;

v. Does not include residential occupancy in conjunction with uses other than ~~other than~~ hotels, motels, tourist homes and similar uses offering transient housing accommodations, which is also not permitted except by owners and employees employed on the premises and of the immediate families of such owners and employees; and

vi. ~~Has~~ Have a gross floor area that, in combination with all other uses accessory to Principal Uses located in the same structure or on the same lot, does not exceed 25% of the gross floor area utilized by all Principal Uses. ~~The This~~ 25% floor area limitation, however, shall does not apply to off-street parking. Hosted Home Shares, and Home Shares are exempt from the 25% floor area limitation.

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Table 29.501(4)-1 RESIDENTIAL USE CATEGORIES

Accessory Uses

Home Share

Hosted Home Share

Short-Term Lodging

Definition. Facilities offering ~~transient~~ lodging accommodations to the general public, where the ~~average~~ length of stay is ~~less than 60-30 days or less~~. Short-term lodging is subject to State of Iowa definitions, permits, and rules, including remittance of hotel and motel tax.

Uses Included

~~Boarding, rooming or lodging houses and single room occupancy (SRO) hotels, where the average length of stay is less than 60 days.~~

~~Bed and breakfasts~~

Bed & Breakfast Establishment

Hotels

Motels

Recreational Vehicle Parks

Vacation Rental

Accessory Uses

Coffee shops and dining areas primarily for use by guests or residents of the facility.

Sec. 29.600. "A" AGRICULTURAL.

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Table 29.600(2)
Agricultural (A) Zone Uses

USE CATEGORIES	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			
Group Living	N		
<u>Household Living</u>			

Household Living Accessory Uses			

<u>Home Share</u>	<u>Y</u>		<u>Staff</u>
<u>Hosted Home Share</u>	<u>Y</u>		<u>Staff</u>
Short term Lodgings <u>Short-Term Lodging</u>	N		
<u>Bed & Breakfast Establishment</u>	<u>Y</u>	<u>SP</u>	<u>ZBA/Staff</u>
<u>Vacation Rental</u>	<u>Y</u>	<u>SP</u>	<u>ZBA/Staff</u>
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Sec. 29.701. "RL" RESIDENTIAL LOW DENSITY.

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Table 29.701(2)
Residential Low Density (RL) Zone Uses

USE CATEGORIES	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

Household Living Accessory Uses			

<u>Home Share</u>	<u>Y</u>		<u>Staff</u>
<u>Hosted Home Share</u>	<u>Y</u>		<u>Staff</u>
Short term Lodgings <u>Short-Term Lodging</u>	N, except Bed and Breakfast permitted as a Home Occupation.	HO	<u>ZBA/Staff</u>
<u>Bed & Breakfast Establishment</u>	<u>Y</u>	<u>SP</u>	<u>Staff</u>
<u>Vacation Rental</u>	<u>Y, except in apartment rentals*</u>	<u>SP</u>	<u>ZBA/Staff</u>

*Apartment rentals are NOT permitted to be used as a Vacation Rental in RL.

Sec. 29.702. "RM" RESIDENTIAL MEDIUM DENSITY.

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Table 29.702(2)
Residential Medium Density (RM) Zone Uses

USE CATEGORIES	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

Household Living Accessory Uses			

<u>Home Share</u>	<u>Y</u>		<u>Staff</u>
<u>Hosted Home Share</u>	<u>Y</u>		<u>Staff</u>
Short term Lodgings <u>Short-Term Lodging</u>	N, except Bed and Breakfast permitted as a Home Occupation.	HO	ZBA/Staff
<u>Bed & Breakfast Establishment</u>	<u>Y</u>	<u>SP</u>	<u>ZBA/Staff</u>
<u>Vacation Rental</u>	<u>Y</u>	<u>SP*</u>	<u>ZBA/Staff</u>

*Apartment rentals used as a Vacation Rental in zoning districts RM are exempt from the Special Use Permit requirement; however, apartment rentals used as a Vacation Rental in zoning district RM / O-SFC are not exempt.

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Sec. 29.703. "UCRM" URBAN CORE RESIDENTIAL MEDIUM DENSITY ZONE.

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Table 29.703(2)
Urban Core Residential Medium Density (UCRM) Zone Uses

USE CATEGORIES	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

Household Living Accessory Uses			

<u>Home Share</u>	<u>Y</u>		<u>Staff</u>
<u>Hosted Home Share</u>	<u>Y</u>		<u>Staff</u>
Short term Lodgings <u>Short-Term Lodging</u>	N, except Bed and Breakfast permitted as a Home Occupation	HO	ZBA/Staff
<u>Bed & Breakfast Establishment</u>	<u>Y</u>	<u>SP</u>	<u>ZBA/Staff</u>
<u>Vacation Rental</u>	<u>Y</u>	<u>SP</u>	<u>ZBA/Staff</u>

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Sec. 29.704. "RH" RESIDENTIAL HIGH DENSITY.

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Table 29.704(2)
Residential High Density (RH) Zone Uses

USE CATEGORIES	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

Household Living Accessory Uses			

<u>Home Share</u>	<u>Y</u>		<u>Staff</u>
<u>Hosted Home Share</u>	<u>Y</u>		<u>Staff</u>
Short term Lodgings <u>Short-Term Lodging</u>	N, except Bed and Breakfast permitted as a Home Occupation	HO	ZBA/Staff
<u>Bed & Breakfast Establishment</u>	<u>Y</u>	<u>SP</u>	<u>ZBA/Staff</u>
<u>Vacation Rental</u>	<u>Y</u>	<u>SP, except apartment rentals</u>	<u>ZBA/Staff</u>

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Sec. 29.705. "RLP" RESIDENTIAL LOW DENSITY PARK ZONE.

Table 29.705(4)
Residential Low Density Park (RLP) Zone Uses

USE CATEGORY	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

<u>Household Living Accessory Uses</u>	-	-	-
<u>Home Share</u>	<u>Y</u>		<u>Staff</u>
<u>Hosted Home Share</u>	<u>Y</u>		<u>Staff</u>
Short term Lodgings <u>Short-Term Lodging</u>	N	-	
<u>Vacation Rental</u>	<u>Y</u>	<u>SP</u>	<u>ZBA/Staff</u>

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Sec. 29.801. NEIGHBORHOOD COMMERCIAL ZONING STANDARDS

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Table 29.801(2)
Neighborhood Commercial (NC) Zone Uses

USE CATEGORY	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

<u>Household Living Accessory Uses</u>	-	-	-
<u>Home Share</u>	<u>Y</u>		<u>Staff</u>
<u>Hosted Home Share</u>	<u>Y</u>		<u>Staff</u>
Short term Lodgings <u>Short-Term Lodging</u>	N	-	
<u>Bed & Breakfast Establishment</u>	<u>Y</u>	<u>SP</u>	<u>ZBA/Staff</u>
<u>Vacation Rental</u>	<u>Y</u>	<u>SP, except apartment rentals</u>	<u>ZBA/Staff</u>
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Sec. 29.802. “CCN” COMMUNITY COMMERCIAL NODE.

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Table 29.802(2)
Community Commercial Node (CCN) Zone Uses

USE CATEGORY	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

Household Living	N		
Short term Lodgings <u>Short-Term Lodging</u>	<u>Y, except Bed & Breakfast Establishment, Vacation Rental</u>	SDP Minor	Staff

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Sec. 29.804. "HOC" HIGHWAY-ORIENTED COMMERCIAL.

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Table 29.804(2)
Highway-Oriented Commercial (HOC) Zone Uses

USE CATEGORY	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

Short-term Lodgings <u>Short-Term Lodging</u>	<u>Y, except Bed & Breakfast Establishment, Vacation Rental</u>	SDP Minor	Staff

...

29.805. "PRC" PLANNED REGIONAL COMMERCIAL.

...

Table 29.805(2)
Planned Regional Commercial (PRC) Zone Uses

USE CATEGORY	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

Short-term Lodgings <u>Short-Term Lodging</u>	<u>Y, except Bed & Breakfast Establishment, Vacation Rental</u>	SDP Minor	Staff
***			-

...

Sec. 29.806. "CCR" COMMUNITY COMMERCIAL/RESIDENTIAL NODE.

...

Table 29.806(2)
Community Commercial/Residential Node (CCR) Zone Uses

USE CATEGORY	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

Short-term Lodgings <u>Short-Term Lodging</u>	<u>Y, except Bed & Breakfast Establishment</u>	SDP Minor	Staff
<u>Vacation Rental*</u>	<u>Y</u>	<u>SP, except apartment rentals</u>	<u>ZBA/Staff</u>

*Vacation Rental has a different approval process from other Short-Term Lodging uses; however, apartment rentals used as a Vacation Rental in CCR are exempt from the Special Use Permit requirement.

...

Sec. 29.808. "DSC" DOWNTOWN SERVICE CENTER.

...

Table 29.808(2)
Downtown Service Center (DSC) Zone Uses

USE CATEGORY	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

Short-term Lodgings <u>Short-Term Lodging</u>	<u>Y, except Bed & Breakfast Establishment</u>	SDP Minor	Staff
<u>Vacation Rental*</u>	<u>Y</u>	<u>SP, except apartment rentals</u>	<u>ZBA/Staff</u>

*Vacation Rental has a different approval process from other Short-Term Lodging uses; however, apartment rentals used as a Vacation Rental in DSC are exempt from the Special Use Permit requirement.

...

Sec. 29.809. "CSC" CAMPUSTOWN SERVICE CENTER .

...

Table 29.809(2)
Campustown Service Center (CSC) Zone Uses

USE CATEGORY	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

Short-term Lodgings <u>Short-Term Lodging</u>	<u>Y, except Bed & Breakfast Establishment</u>	SDP Minor	Staff
<u>Vacation Rental*</u>	<u>Y</u>	<u>SP, except apartment rentals</u>	<u>ZBA/Staff</u>

*Vacation Rental has a different approval process from other Short-Term Lodging uses; however, apartment rentals used as a Vacation Rental in CSC are exempt from the Special Use Permit requirement.

...

Sec. 29.903. Research Park Innovation District (RI)

...

Table 29.903(2)
RI Zone Uses

USE CATEGORIES	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

Short term Lodgings <u>Short-Term Lodging</u>	<u>Y, except Bed & Breakfast Establishment, Vacation Rental</u>	SDP Minor	Staff

...

Sec. 29.1003 S-SMD SOUTH LINCOLN SUB AREA MIXED-USE DISTRICT

...

Table 29.1003(2)
South Lincoln Sub Area (S-SMD) Mixed-Use District

USE CATEGORY	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

Household Living Accessory Uses			

<u>Home Share</u>	<u>Y</u>		<u>Staff</u>
<u>Hosted Home Share</u>	<u>Y</u>		<u>Staff</u>
Short term Lodgings <u>Short-Term Lodging</u>	N, except Bed and Breakfast permitted as a Home Occupation	HO	ZBA/Staff
<u>Bed & Breakfast Establishment</u>	<u>Y</u>	<u>SP</u>	<u>ZBA/Staff</u>
<u>Vacation Rental</u>	<u>Y</u>	<u>SP</u>	<u>ZBA/Staff</u>

...

Sec. 29.1004 "DGC" DOWNTOWN GATEWAY COMMERCIAL

...

Table 29.1004(2)
Downtown Gateway Commercial Uses

USE CATEGORY	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

Short term Lodgings * <u>Short-Term Lodging</u>	<u>Y</u> , except Bed & Breakfast Establishment	SDP Minor	Staff
<u>Vacation Rental</u> *	<u>Y</u>	<u>SP</u> , except apartment rentals	<u>ZBA/Staff</u>

*Vacation Rental has a different approval process from other Short-Term Lodging uses; however, apartment rentals used as a Vacation Rental in DGC are exempt from the Special Use Permit requirement.

...

Sec. 29.1101 "O-SFC" SINGLE FAMILY CONSERVATION OVERLAY

(4) Permitted Uses.

(a) Subject to the Building/Zoning Permit requirements of Section 29.1501, land, buildings and structures may be used for the following purposes in an O-SFC Zone without City Council approval, in accordance with standards and regulations of the Base Zone as set forth in Table 29.1101(4)(a) below:

Table 29.1101(4)(a)
Single Family Conservation Overlay (O-SFC) Uses

<u>USE CATEGORIES</u>	<u>STATUS</u>	<u>APPROVAL REQUIRED</u>	<u>APPROVAL AUTHORITY</u>
<u>RESIDENTIAL USES</u>	-	-	-
<u>Household Living</u>	-		-
<u>Single-Family Dwelling</u>	<u>Y</u>		<u>Staff</u>
<u>Two-Family Dwelling</u>	<u>Y</u>		<u>Staff</u>
<u>Household Living Accessory Uses</u>	-	-	-
<u>Home Share</u>	<u>Y</u>		<u>Staff</u>
<u>Hosted Home Share</u>	<u>Y</u>		<u>Staff</u>
<u>Short-Term Lodging</u>			
<u>Bed & Breakfast Establishment</u>	<u>Y</u>	<u>SP</u>	<u>ZBA/Staff</u>
<u>Vacation Rental</u> *	<u>Y</u>	<u>SP</u>	<u>ZBA/Staff</u>

*Apartment rentals used as a Vacation Rental in RM/O-SFC are NOT exempt from the Special Use Permit requirement.

~~(i) Dwelling—Single Family~~

~~(ii) Dwelling—Two Family~~

(b) All uses and structures conforming to the Base Regulations and all lawfully vested nonconforming uses and structures that exist in the O-SFC on the effective date of the amendment of the official zoning map to

show the O-SFC are hereby deemed to be conforming with the terms of this Section. The O-SFC shall not be deemed to create a nonconforming use or structure within the scope of Section 29.307.

Sec. 29.1201. “F-VR” VILLAGE RESIDENTIAL DISTRICT.

...

**Table 29.1201(5)
Village Residential (F-VR) Floating Zone Uses**

USE CATEGORY	NEIGHBORHOOD CENTER	NEIGHBORHOOD GENERAL	NEIGHBORHOOD EDGE
RESIDENTIAL*			

*Household Living Short-Term Rental Accessory Uses are subject to the requirements of Chapter 35.

...

Sec. 29.1202. “F-S” SUBURBAN RESIDENTIAL ZONE.

...

**Table 29.1202(4)-1
Suburban Residential Floating Zoning
Residential Low Density (FS-RL) Uses**

USE CATEGORIES	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

Household Living Accessory Uses			

<u>Home Share</u>	<u>Y</u>		<u>Staff</u>
<u>Hosted Home Share</u>	<u>Y</u>		<u>Staff</u>
Clubhouse	N		
Short term Lodgings <u>Short-Term Lodging</u>	N, except Bed and Breakfast permitted as a Home Occupation	HO	ZBA/Staff
<u>Bed & Breakfast Establishment</u>	<u>Y</u>	<u>SP</u>	<u>ZBA/Staff</u>
<u>Vacation Rental</u>	<u>Y</u>	<u>SP</u>	<u>ZBA/Staff</u>

...

**Table 29.1202(4)-2
Suburban Residential Floating Zoning
Residential Medium Density (FS-RM) Uses**

USE CATEGORIES	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
RESIDENTIAL USES			

Household Living Accessory Uses			

<u>Home Share</u>	<u>Y</u>		<u>Staff</u>
<u>Hosted Home Share</u>	<u>Y</u>		<u>Staff</u>
Short-term Lodgings <u>Short-Term Lodging</u>	N, except Bed and Breakfast permitted as a Home Occupation	HO	ZBA/Staff
<u>Bed & Breakfast Establishment</u>	<u>Y</u>	<u>SP</u>	<u>ZBA/Staff</u>
<u>Vacation Rental</u>	<u>Y</u>	<u>SP, except apartment rentals</u>	<u>ZBA/Staff</u>

...

Sec. 29.1203. “F-PRD” PLANNED RESIDENCE DISTRICT

...

**Table 29.1203(4)
Planned Residence District (F-PRD) Floating Zone Uses**

Permitted Principle Uses	Permitted Accessory Uses
***	<p>Accessory uses of the Household Living category provided for in <u>Table 29.501(4)-1 Section 29.500</u> of this ordinance.</p> <p><u>Short-Term Rentals are subject to the standards of Chapter 35.</u></p> <p>Garages</p> <p>Open space uses</p> <p>Home occupations subject to standards of Section 29.1304 of this ordinance</p> <p>Home Day Care subject to the standards of Section 29.1304</p> <p>Office and Trade use where the property owner can demonstrate through a written Market Study that the Office and Trade use can be supported by the residents of the Planned Residence District Project</p> <p>Rental services offices not to exceed 5,000 square feet</p> <p>Assisted Living, for the residents of the PRD</p>

Sec. 29.1302. SHORT-TERM RENTAL REQUIREMENTS. BED & BREAKFAST ESTABLISHMENTS.

- (1) **Special Use Permit.** Bed & Breakfast Establishments and Vacation Rentals must obtain a Special Use Permit from the Zoning Board of Adjustment prior to receiving a short-term rental license. Apartment rental units located in certain zoning districts are exempt from the Special Use Permit requirement: RM*, RH, FS-RM, NC, CCR, DSC, CSC, and DGC. *Apartment rentals in zoning district RM / O-SFC are not exempt.

- ~~(2) Apartment rental units located in the following zoning districts are exempt from the special use permit requirement: RM, RH, FS RM, NC, CCR, DSC, CSC, and DGC.~~
- (1) To obtain a Special Use Permit for a Bed & Breakfast Establishment, all criteria in "Home Occupations," set forth in Section 29.1304, must be met, in addition to the following:
- (2) **Guest Rooms.** A maximum of 5 per structure in the RM and RH Zones and a maximum of 2 per structure in the RL Zone. The Zoning Board of Adjustment may restrict the number of guest rooms to a lesser number.
- (3) **Breakfast shall be the only meal served.** This service must occur before 11:00 a.m. Only guests residing in the structure or persons living in the premises may be served. The structure shall not be remodeled into a commercial kitchen unless required by Environmental Health rules and regulations established pursuant to Municipal Code Chapter 11.
- (4) (2) **Guest Rooms.** Bed & Breakfast Establishments may have no more than five approved guest bedrooms. The Zoning Board of Adjustment will determine the number of bedrooms specific to the dwelling unit.
- (5) (3) **Off-Street Parking Requirements.** Bed & Breakfast Establishments must have one reserved space per guest room, plus one space for the owner. Vacation Rentals must have one space per guest bedroom, maximum of five spaces required; rental apartments in zones with less parking required are not subject to this standard. The parking spaces shall meet standards established by Section 29.406 of this Ordinance.
- (6) **Guests shall register** upon arrival, stating their names, current residence address and the license plate number of the vehicle that is being used by the guest. The registration form shall be kept by the owner for a period of 3 years and shall be made available for examination by a representative of the City upon one day's notice.
- (7) **Guest stays shall be limited to 2 weeks.**
- (8) **The Special Use Permit is not transferable to a subsequent owner or to another property.**
- (4) **Local and State Regulations.** The short-term rental establishment must comply with local and state regulations regarding all applicable permits and licenses including, but not limited to fire, health, food service, hotel, liquor, revenue, building/zoning permits and licenses.

...

Sec. 29.1304. HOME OCCUPATIONS.

(1) Permitted, Special and Prohibited Home Occupations.

...

(viii) Bed and breakfast operations;

..."

Section Two. Violation of the provisions of this ordinance shall constitute a municipal infraction punishable as set out in Ames Municipal Code Chapter 29.

Section Three. All ordinances, or parts of ordinances, in conflict herewith are hereby repealed to the extent of such conflict, if any.

Section Four. This ordinance shall be in full force and effect from July 1, 2019 and after its passage and publication as required by law. Enforcement of this ordinance shall begin on September 1, 2019.

Passed this _____ day of _____, _____.

Diane R. Voss, City Clerk

John A. Haila, Mayor

ORDINANCE NO.

AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY ENACTING A NEW SECTION 13.100(5)(b) THEREOF, FOR THE PURPOSE OF HARMONIZING CHAPTER 13 WITH CHAPTER 35, SHORT-TERM RENTAL CODE; REPEALING ANY AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT TO THE EXTENT OF SUCH CONFLICT; PROVIDING A PENALTY; AND ESTABLISHING AN EFFECTIVE DATE.

BE IT ENACTED, by the City Council for the City of Ames, Iowa, that:

Section One. The Municipal Code of the City of Ames, Iowa shall be and the same is hereby amended by enacting a new Section 13.100(5)(b) as follows:

“Sec. 13.100 GENERAL

...

(5) Exceptions.

The following residential structures are exempt from these rules:

...

(b) the use of a dwelling unit, wholly or partially, as a Bed & Breakfast Establishment, Home Share, or Hosted Home Share licensed under Chapter 35; Vacation Rentals as defined in Chapter 29 are not exempt.

... ”

Section Two. Violation of the provisions of this ordinance shall constitute a municipal infraction punishable as set out in Ames Municipal Code Chapter 13.

Section Three. All ordinances, or parts of ordinances, in conflict herewith are hereby repealed to the extent of such conflict, if any.

Section Four. This ordinance shall be in full force and effect from July 1, 2019, and after its passage and publication as required by law. Enforcement of this ordinance shall begin on September 1, 2019.

Passed this _____ day of _____, _____.

Diane R. Voss, City Clerk

John A. Haila, Mayor

ORDINANCE NO.

**AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF
THE CITY OF AMES, IOWA, BY ENACTING A NEW
CHAPTER 35, SHORT-TERM RENTAL CODE THEREOF FOR
THE PURPOSE OF REGULATING SHORT-TERM RENTALS
IN THE CITY OF AMES, IOWA; PROVIDING A PENALTY;
AND ESTABLISHING AN EFFECTIVE DATE.**

BE IT ENACTED, by the City Council for the City of Ames, Iowa, that:

Section One. The Municipal Code of the City of Ames, Iowa shall be and the same is hereby amended by enacting a new Chapter as follows:

“[NEW] Chapter 35 SHORT-TERM RENTAL CODE

Sec. 35.100. TITLE, PURPOSE AND SCOPE.

These regulations shall be known as the Short-Term Rental Code of the City of Ames, hereinafter referred to as “this code.”

In the adoption of this code, the City finds that the short-term rental of dwelling units has the potential to be incompatible with surrounding residential uses. Therefore, special regulation for short-term occupancy is necessary to ensure that these uses will be compatible with surrounding residential uses and will not materially alter the character of neighborhoods in which they are located. This code provides reasonable and necessary regulations for the licensing and operation of short-term rental housing in order to:

- (1) Ensure the safety, welfare and convenience of renters, owners and neighboring property owners throughout Ames;
- (2) Help maintain the City’s needed housing supply for household living; and
- (3) Protect the character of the City’s neighborhoods by limiting the operations, number, and concentration of short-term rentals in residential zones.

Sec. 35.200. DEFINITIONS.

For the purposes of this code, the following words, terms and phrases have the meanings set forth herein. Where terms are not defined herein but are defined elsewhere, such as in *Ames Municipal Code Chapter 13, Rental Housing Code* or *Chapter 29, Zoning Ordinance*, such terms have the meanings ascribed therein.

Apartment Rentals means three or more residential dwelling units located on one parcel, under one ownership, and rented for household living purposes. The term includes what is commonly known as an apartment building, but does not include dwellings under separate ownership.

Applicant means a property owner or agent of a property owner who has filed an application for a short-term rental license.

Bed & Breakfast Establishment means the short-term rental of a portion of a dwelling unit that is the primary residence of the property owner, where the property owner is present and provides lodging, and may provide breakfast for overnight guests.

Bedroom, Approved Bedroom means any room or space used or intended to be used for sleeping purposes that is found to be in compliance with the standards of Chapter 13.

Enforcement Officer means that person or persons designated by the City Manager who is responsible for the administration and enforcement of this code.

Dwelling Unit means a single unit providing complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation.

Guest Contract means one or more persons who act as a single group and as a single reservation and payment for a short-term rental.

Home Share means the limited short-term rental of the entire dwelling unit that is the primary residence of the property owner, while the property owner is not present.

Hosted Home Share means the short-term rental of a portion of a dwelling unit that is the primary residence of the property owner, while the property owner is present. For the purposes of this definition, “present” means the property owner is staying in the dwelling overnight during the short-term rental.

Letter of Compliance means a document issued by the Inspection Division, stating the premises have been inspected and found to be in compliance with *Ames Municipal Code Chapter 13, Rental Housing Code*, on the date of inspection.

Owner means any person, agent, operator, firm or corporation having a legal or equitable interest in the property; or recorded in the official records of the state, county or municipality as holding title to the property; or otherwise having control of the property, including the guardian of the estate of any such person, and the executor or administrator of the estate of such person if ordered to take possession of real property by a court.

Primary Residence means a residence that is the only place where a person has a true, fixed, and permanent home, and to where, whenever the person is briefly and temporarily absent, the person intends to return. A person may have only one primary residence.

Rent means payment of money, goods, labor, service or otherwise for use of a dwelling unit.

Short-Term Rental means the advertising, offering, renting, or otherwise availability of use of a dwelling unit for overnight lodging by paying guests for a period of thirty consecutive days or less. A short-term rental does not include any hotel or motel facility.

Short-Term Rental License means the regulatory license required by this code.

Vacation Rental means the short-term rental of an entire dwelling unit, which is not required to be the owner’s primary residence and which is generally offered for investment purposes through an online marketplace as a form of short-term lodging. A Vacation Rental may be offered on an ongoing basis throughout the year as long as each guest contract is for 30 days or less.

Sec. 35.300. SHORT-TERM RENTAL LICENSING

- (1) **License Required.** No person or entity may advertise, offer, operate, rent, or otherwise make available a short-term rental without a current short-term rental license issued by the City of Ames in accordance with the provisions of this code.
- (2) **Exemptions.** Apartment tenants offering Home Shares or Hosted Home Shares may operate without a license in all districts allowing short-term rentals.

35.400 SHORT-TERM RENTAL STANDARDS

- (1) **Application.** Any property owner or entity intending to allow or carry on the business of offering a short-term rental on their property must submit a written application with the Enforcement Officer demonstrating that the proposed short-term rental meets the required standards of this code. To receive approval, an applicant must demonstrate that all applicable standards listed below have been met:
 - (a) **Applicant is the Property Owner.** A license must be obtained and renewed annually by the property owner and will be issued in the property owner’s name. Single-family, two-family and condominiums are licensed individually by unit (one unit per license). Apartment rentals are licensed by parcel (one license for all units located within the parcel under one ownership).
 - (i) **Primary Residence.** The dwelling unit is the primary residence of the property owner for Home Shares, Hosted Home Shares and Bed & Breakfast Establishments.

- (ii) **Local Contact Information / Property Representative.** Home Shares and Vacation Rentals are required to have a local property representative with access to the unit who is authorized to make decisions regarding the use or condition of the unit. For a Hosted Home Share or Bed & Breakfast Establishment, the local representative is the property owner.
- (b) **Housing Type.** There is no restriction on the type of housing in which a short-term rental may be licensed.
- (c) **Zoning.** The dwelling unit is located in a zoning district permitting their use as a short-term rental, as identified in the zoning use tables found in Chapter 29, Zoning Ordinance. Generally, short-term rentals are allowed in any of the following zoning districts: A, RL, RM, UCRM, RLP, RH, F-VR, FS-RL, FS-RM, F-PRD, S-SMD, NC, CCR, DSC, CSC, and DGC, with the exception that apartment rentals located within the RL zoning district may NOT be utilized as short-term vacation rentals.
- (d) **Occupancy.**
 - (i) Hosted Home Shares are limited to a maximum of two approved bedrooms and two adults as guests per dwelling unit. The applicant must specify which portions of the dwelling unit will constitute the licensed premises available for use for the short-term rental.
 - (ii) Bed & Breakfast Establishments are permitted a maximum occupancy of two adults per approved bedroom. The Zoning Board of Adjustment determines the number of bedrooms specific to the dwelling unit. No more than five bedrooms may be approved.
 - (iii) Home Shares are limited to a maximum of two adults per approved bedroom, not to exceed a total of five adults per dwelling unit.
 - (iv) Vacation Rentals must align with the occupancy limitations of the *Ames Municipal Code Section 13.503*. No Vacation Rental shall exceed a total of five adults per dwelling unit.
 - (v) Any dwelling unit subject to a Letter of Compliance is bound by the Rental Code Occupancy Limitations, even if the Letter of Compliance is not required herein.
- (e) **Off-Street Parking.** Parking is provided according to the requirements of the *Zoning Ordinance Section 29.406* and the following:
 - (i) Hosted Home Shares - No additional parking required.
 - (ii) Bed & Breakfast Establishments - 1 reserved space per guest bedroom, plus 1 space for the owner.
 - (iii) Home Shares - 1 space per bedroom (maximum required - 5 spaces).
 - (iv) Vacation Rentals - 1 space per bedroom (maximum required - 5 spaces). Rental apartments in zones with less parking required are not subject to this standard.
- (f) **Fire Safety Requirements.** All units must complete a checklist for fire safety (means of egress and fire protection systems) and ensure continued compliance with fire safety regulations included in *Ames Municipal Code Chapter 13, Division VIII*.
- (g) **Tax Compliance.** At time of renewal, documentation must be provided indicating that required taxes for the previous year have been paid pursuant to *Ames Municipal Code Section 24.3*.
- (h) **Housing Rental Code Compliance (for Vacation Rentals).**
 - (i) It is unlawful for a short-term vacation rental to advertise or operate without a valid Letter of Compliance in effect.
 - (ii) Vacation Rentals must apply for a Letter of Compliance, prior to making application

for a short-term rental license. See *Ames Municipal Code Chapter 13*.

- (iii) Should an existing Letter of Compliance expire or be revoked during the licensing period, the short-term license will be considered as suspended.
- (iv) Special Apartment Restrictions or Exemptions.
 - a. RL Zoning. Apartment rentals located within the RL zoning district may NOT be utilized as short-term vacation rentals.
 - b. Percentage of Apartment Rentals within One Parcel. The short-term rental use of apartment rentals as vacation rentals [by the property owner] within a single parcel or common development is restricted to the greater of one short-term rental unit or up to 10% of the total number of units located within a parcel or common development.

(i) **Special Use Permit.**

- (i) Bed & Breakfast Establishments and Vacation Rentals must obtain a Special Use Permit from the Zoning Board of Adjustment, prior to receiving a short-term rental license.
 - (ii) Exemptions. Apartment rental units located in certain zoning districts are exempt from the special use permit requirement. These zoning districts include: RM, RH, FS-RM, NC, CCR, DSC, CSC, AND DGC.
- (j) **Inspection.** Upon application for a license all short-term rentals must be made available for City verification and inspection for compliance. Refusal by the applicant to allow such inspection shall be grounds for denial of a license. Subsequent inspections may be conducted as part of a regular periodic inspection program or as required to verify correction of deficiencies, or as necessitated by complaints.

(k) **Additional Operational Requirements.**

- (i) **Concurrent Guest Contracts Not Allowed Within a Dwelling Unit.** Accommodations must be offered as one guest contract only. Bed & Breakfast Establishments are exempt from this limitation and may offer one guest contract per approved bedroom.
- (ii) **Maximum Number of Days per Annual Renewal Period (for Home Shares only).** Unlike a Vacation Rental, which may be offered on an ongoing basis throughout the year, Home Shares are limited to a total of 90 days per annual renewal period, with each guest contract including a period of 30 days or less.
- (iii) **Mandatory Postings of License.** A copy of the short-term rental license issued by the City must be displayed in a prominent location within the interior of the dwelling near the front door. Apartments may post in common area.
- (iv) **Registry of Guests.** Each owner must keep a registry of short-term rental guests accommodated during the licensing period.
- (v) **Responsiveness to Complaints.** The owner or representative must respond to complaints in a reasonably timely manner and shall maintain a record of the actions taken in response.
- (vi) **Ongoing Compliance.** The short-term rental standards must operate as continuing code compliance obligations of the applicant.

Sec. 35.500. ADMINISTRATIVE PROCEDURES.

- (1) **Administrative Rules.** The Enforcement Officer shall have the authority to establish administrative rules and regulations consistent with this code, for the purpose of interpreting, carrying out, and enforcing it.
- (2) **Application Review and Issuance of License including Renewal.**

- (i) **Application Form.** Application for a short-term rental license or license renewal must be on forms provided by the City.
- (ii) **License Fee.** The application fee for a short-term rental license or license renewal must be as established by resolution of the City Council. These fees are in addition to any other permit or registration fees that may be required.
- (iii) **Application Submittal and Review.** Complete and accurate information must be provided to the City.
 - a. **Staff review.** The application will be reviewed by staff within five working days for completeness.
 - b. **Incomplete Application.** Any application that does not include all required information will be considered incomplete. In such cases, the City will notify the applicant in writing, explaining the information required. If the applicant does not provide the required information within 30 days of the notice, the application will be deemed withdrawn/denied for lack of responsiveness with no return of application fees.
 - c. **Inspection.** All premises being considered for licensure as a short-term rental must be subject to inspection by the City for the purpose of investigating and determining compliance with the requirements of this code. Should the premises not be made available for inspection when requested, the application will be considered incomplete.
 - d. **Approval.** A complete application in compliance with this code will be approved and granted a one-year license.
 - e. **Conditional Approval.** When circumstances do not warrant a full one-year license, a conditional approval may be granted. A conditional approval allows an applicant to operate while coming into full compliance or while correcting a violation. A conditional approval is time limited for no more than three months and is not renewable.
 - f. **Denial including Non-Renewal.** Any violation of the provisions of this code may be considered during the application review and may result in denial or non-renewal. Verified complaints with notice of corrective action involving violations of the zoning code, building code, and/or applicable laws or regulations may be a basis for denying a license. A property owner may not reapply for a period of 12 months if denied a short-term rental license based upon this section.
 - g. **Notification.** Within 30 days of determining the receipt of a complete application, the applicant will be notified of approval, denial, or additional information needed to approve the request.

(3) **Term.**

- (i) All licenses shall terminate after one year. Annual renewal applications must be submitted by the property owner of record, prior to expiration.
- (ii) If a short-term rental license expires, the dwelling unit may not be used or occupied as a short-term rental until such time as a subsequent license has been granted for that unit or in the case of apartment rentals, no dwelling unit may be used as a short-term rental until such time as a subsequent license has been granted for that parcel.

(4) **Transferability.** The license must be issued in the name of the property owner and is not transferable to a subsequent owner or to another property.

(5) **Revocation.**

- (i) The Enforcement Officer may immediately revoke or temporarily suspend a short-

term rental license based upon any of the following, if it is found that:

- a. A required Letter of Compliance has either expired or been revoked;
 - b. The licensee, designated operator, or guest has violated or failed to meet any of the provisions of this code or conditions of the license;
 - c. The applicant has made a false statement of material fact on an application for a short-term rental license;
 - d. The licensee, designated operator, or guest has violated any federal, state, or city law or regulation pertaining to the use of the property as a short-term rental; or
 - e. The Chief of Police or Fire Chief and/or their designees have determined that the short-term rental would pose a serious threat to public health, safety, or welfare.
- (ii) The Enforcement Officer shall send or deliver written notice to the property owner stating the basis for the decision of revocation or suspension, the effective date of the revocation or suspension, the right to appeal the decision, and the procedure for filing an appeal. Any notice of suspension must include information about possible corrective action and time for compliance, as applicable.
 - (iii) Upon revocation of a license, the dwelling unit or parcel described in the license is ineligible to receive another license pursuant to this code for one year from the date of revocation.
- (6) **Violations and Penalties.** In addition to the aforementioned actions of revocation, suspension, denial or non-renewal of a license, any violation of any provision of this code may also be enforced as a municipal infraction by the Enforcement Officer. The penalty for a first violation shall be \$500. The penalty for each subsequent violation shall be \$750.

Sec. 35.600. APPEALS.

Any party aggrieved by the Enforcement Officer's decision to deny, suspend, revoke, or issue a license may appeal the determination to the Zoning Board of Adjustment within 30 days, under the procedures set forth in *Zoning Ordinance Section 29.1403(8)*.

Section Two. Violation of the provisions of this ordinance shall constitute a municipal infraction punishable as set in this ordinance.

Section Three. All ordinances, or parts of ordinances, in conflict herewith are hereby repealed to the extent of such conflict, if any.

Section Four. This ordinance shall be in full force and effect from July 1, 2019 and after its passage and publication as required by law. Enforcement of this ordinance shall begin on September 1, 2019.

Passed this _____ day of _____, _____.

Diane R. Voss, City Clerk

John A. Haila, Mayor