

STAFF REPORT WEST ALLIS PLAN COMMISSION Wednesday, June 26, 2019 6:00 PM

Room 128 - City Hall - 7525 W. Greenfield Ave.

10. Ordinance to amend Sections 12.19 Off-Street Parking, Loading and Other Site Improvement Regulations, 12.30 RE-1 Residential Estate District, 12.31 RA-1 Residence District, 12.36 RB-2 Residence District, 12.37 RC-1 Residence District, 12.40 C-1 Central Business District, and 12.41 C-2 Neighborhood Commercial District of the Revised Municipal Code relative to short term rental uses and updating definitions within Section 12.06.

The purpose of this amendment is to update the Municipal Code, as it relates to Chapter 12, to address short-term rentals.

A short-term rental is a residential dwelling that is offered for rent for a fee and for fewer than 29 consecutive days. Short-term rental platforms, such as AirBnB and VRBO, have gained great popularity in recent years, making them an increasingly important piece of the modern tourist industry. To keep pace with this trend, communities around the country are updating their regulations and regulatory practices as they relate to short-term rentals.

2017 Wisconsin Act 59, also known as the "right to rent law," allows local governments to regulate short-term rentals, but prohibits local governments from banning short-term rentals altogether. Specifically, local governments are prohibited from banning the rental of a residential dwelling unit for a period of time of seven consecutive days or more. The State refers to a short-term rental unit as a "Tourist Rooming House."

Currently, the City of West Allis's Zoning Code does not directly address short-term rentals as a use. As a result, short-term rental units default under the "Tourist Home" definition, which requires a homeowner to go through the Special Use process in order to operate as a short-term rental unit. It is the opinion of staff, in both the Development Department and Health Department, that the Special Use process is unnecessarily long and cumbersome for this particular type of use. A more suitable approach to regulating short-term rentals, and which many other communities have adopted, is through the licensing process.

Therefore, staff is recommending several amendments to Chapter 12 (Zoning and City Planning) of the Municipal Code to account for short-term rentals / Tourist Rooming Houses from the zoning and land use perspective. Recommended amendments include updating definitions to be in closer alignment with State Statues, and adding Tourist Rooming House as a Permitted Use in residential dwellings, for building with up to 4 units. Addressing definitions, uses, and density issues are relevant to the Zoning Code.

Further, it is recommended that any additional restrictions, such as a requiring all Tourist Rooming Houses be the primary residence of the operator or requiring a guest registry, be incorporated into the regulations guiding the permitting process. These and other related restrictions are not necessarily relevant to land use and zoning, but rather are specific to the owners and occupants of those structures, which can be more directly addressed and verified

during the permitting process. These updates should be made in conjunction with the zoning updates.

Recommended Chapter 12 amendments include (Sponsor: Safety and Development Committee):

 Delete existing definitions of Hotel, Motel/Hotel, and Tourist Home. Replace with definitions of Bed and breakfast, Hotel/motel, and Tourist rooming house to closer align to State statues and definitions. Add definition for Short-term rental based on State definition. The updated definitions would read as follows:

Bed and breakfast. Any place of lodging that provides eight (8) or fewer rooms for rent to no more than a total of twenty (20) tourists or other transients, is the owner's personal residence, is occupied by the owner at time of rental, and in which the only meal served to guests is breakfast.

Hotel/motel. A place where sleeping accommodations are offered for pay to transients, in five (5) or more rooms, and all related rooms, building and areas.

Short-term rental: A residential dwelling that is offered for rent for a fee and for fewer than 29 consecutive days.

Tourist rooming house. All lodging places, other than hotels, motels, and bed and breakfasts, in which sleeping accommodations are offered for pay to tourist or transients. A short-term rental unit is a tourist rooming house.

- 2. Add "Tourist Room House" to list of Permitted Uses in Sections:
 - 12.30 RE-1 Residential Estate District,
 - 12.31 RA-1 Residence District,
 - 12.36 RB-2 Residence District (for not more than 4 units),
 - 12.37 RC-1 Residence District (for not more than 4 units),
 - 12.40 C-1 Central Business District (for not more than 4 units), and
 - 12.41 C-2 Neighborhood Commercial District (for not more than 4 units).
- 3. Replace "Bed and breakfasts, and tourist homes" with "Bed and breakfast" under Special Uses in 12.31 RA-1 Residence District.
- 4. Replace "Tourist Homes" with ""Tourist rooming house" in the 12.19 Off-Street Parking, Loading, and Other Site Improvement Regulations table.

A public hearing is scheduled for July 16, 2019.

Recommendation: Recommend Common Council approval of the Ordinance to amend Sections 12.19 Off-Street Parking, Loading and Other Site Improvement Regulations, 12.30 RE-1 Residential Estate District, 12.31 RA-1 Residence District, 12.36 RB-2 Residence District, 12.37 RC-1 Residence District, 12.40 C-1 Central Business District, and 12.41 C-2 Neighborhood Commercial District of the Revised Municipal Code relative to short term rental uses and updating definitions within Section 12.06.