

# Requirements for Short-Term Rental Ordinances

*(Position Paper – PA Association of Bed & Breakfast Inns)*

The Pennsylvania Association of Bed & Breakfast Inns (PABBI) and the PA Restaurant and Lodging Association (PRLA), whose members include hoteliers and Destination Marketing Organizations (DMOs) also known as Convention & Visitors Bureaus (CVBs), have been working together to level the playing field with short-term rentals in terms of providing safe and comfortable lodging and fair business operating requirements (licensing, insurance, occupancy limits, etc.).

Short-term rentals, home sharing, vacation rentals, Airbnb: regardless of what you call the concept, it is clear that the sharing economy has worked its way into virtually every residential area in the country. Short-term rentals are defined as the rental of all or part of a residential dwelling unit for a duration of occupancy of less than 30 days.

Short-term rentals, especially Airbnb, have revolutionized the lodging market. Some of these online home-sharing companies offer more listings than the top five major hotel brands have, combined. Unsurprisingly, these additional lodging options have kept both bed and breakfasts and hotel rates in check. Hotel rooms that would often sell out now typically remain open during peak periods. This industry has always welcomed competition; however, it is essential that any competitor experience fair and equitable regulation and treatment like our hotels and bed and breakfasts.

Among other things, hotels and bed and breakfasts are required to:

- Obtain a license/occupancy permit to operate and are subject to the Uniform Construction Code for new construction and renovations;
- Remit hotel occupancy tax and local county/city room tax;
- Purchase commercial insurance;
- Have annual inspections of boilers, fire extinguishers, etc.;
- Adhere to local zoning ordinances; and
- Have adequate parking available.

PABBI is requesting Townships/Boroughs/Cities to develop and implement a short-term rental ordinance that provides protection to neighborhoods and residents as well as levels the playing field with hotels/motels/inns and bed and breakfasts.

PABBI has reviewed a number of Short-Term Rental Ordinances and feel strongly that the information presented below should be included as part of the development process in writing a short-term rental ordinance.

### **Define where Short-Term Rentals are Permissible**

- The Ordinance shall contain definitions of terms such as bedroom, dwelling unit, person in charge, short-term rental, and short-term rental permit.
- In accordance with the Zoning Ordinance, define the areas where short-term rentals are permissible.
- The Ordinance shall not apply to a resort, camp, hotel/motel/inn, bed and breakfast, Boarding house, or group home, as defined within the Zoning Ordinance.

### **Develop a Short-Term Rental Application** to contain (at minimum) the following information:

- Name, address, telephone number and email address of the owner. If the owner does not have a managing agency, agent or local contact person then the owner shall provide a 24-hour telephone number. If the owner uses a managing agency, agent or local contact person then that managing agency, agent or local contact person shall have written authorization to accept service for the owner. If the owner resides at a location over approximately 15 miles from the short-term rental property, an agent or local contact person must be selected to act as Person in Charge for the property.
- The name, address and 24-hour telephone number of the managing agency, agent or local contact person.
- Total number of bedrooms and maximum number of overnight guests.
- If the building is a multi-unit structure, the total number of dwelling units in the structure and the number of dwelling units being used as short-term rentals.
- A diagram showing the location and number of on-site parking spaces.
- If not on a central sewer system, a septic system evaluation certifying the existing system is functioning as intended and proof the tank was pumped within the past three years for approval by the Sewage Enforcement Officer. Maximum occupancy shall be limited by the capacity of the sewage disposal system.
- Copies of County Hotel Room Excise Tax Certificate and current Pennsylvania Sales and Use Tax Permit.
- Signatures of both the owner and the local contact person that must be at least 18 years old.
- Trespass waiver signed by the owner allowing access to the property for the Enforcement Officer for the purpose of inspection to verify compliance with the Ordinance.
- Copy of the current recorded deed for the property establishing ownership.
- Each owner shall maintain at least \$500,000 in general liability insurance on the short-term rentals for the full duration of their license term and provide proof of the same to the Township/Borough/City.
- Written notice to the home owner's association, indicating the intent to make application for and use the subject residential property for short-term rental, when applicable.

## Identify the Short-Term Rental Standards

- Overnight occupancy shall be limited to no more than [insert number] persons per bedroom, plus [insert number] additional persons, or a maximum of [insert number] occupants, whichever is less.
- Maximum number of days guests allowed at any one time, in addition to the overnight occupants, shall be 75% for the maximum overnight occupancy of the short-term rental.
- Number of bedrooms permitted shall not exceed the number of bedrooms approved for the dwelling unit on the sewage permit issued for such property.
- Outdoor parking for overnight and day guests shall be limited to available parking areas on the short-term rental property. In no event shall parking for short-term rental guests include spaces in any public street right-of-way or on any lawns or vegetated areas.
- Neither short-term rental occupants nor guest shall engage in disorderly conduct or disturb the peace and quiet of any nearby neighborhood or person by loud, unusual or excessive noise, by tumultuous or offensive conduct, public indecency, fighting or creating a dangerous or physically offensive condition.
- The owner shall use best efforts to assure that the occupants or guests of the short-term rental do not create unreasonable noise or disturbances, engage in disorderly conduct, or otherwise violate provisions of the [insert] Township/Borough/City Code or any state laws pertaining to noise or disorderly conduct including, but not limited to, notifying the occupants of the rules regarding the short-term rentals and responding when notified that occupants are violating laws, ordinances or regulations regarding their occupancy.
- The owner, upon notification that occupants or guests of the short-term rental have created unreasonable noise or disturbances, engaged in disorderly conduct or otherwise violated provisions of the [insert] Township/Borough/City Code or state law pertaining to noise or disorderly conduct, promptly use best efforts to prevent a recurrence of such conduct.
- Identify whether or not overnight occupancy of recreational vehicles, camper trailers and tents at the property where the short-term rental is located are allowed. This could be included in the application process as to the type of property i.e., provide accommodations for guests traveling with horse trailers or RV's pulling horse trailers.
- A short-term rental shall not have any outside appearance indicating a change of use from the surrounding residential uses.
- Fireworks and floating lanterns are prohibited.
- Subleasing all or a portion of the dwelling unit is prohibited.
- All short-term rentals shall have a clearly visible and legible notice posted within the dwelling unit on or adjacent to the front door containing the following information:
  - Name of the owner or local authorized contact and a phone number that is reachable on a 24-hour basis.
  - The E-911 address of the property.
  - The maximum number of occupants permitted at any one time.

- The maximum number of all vehicles allowed to be on the property and the requirement that all guest parking must be parked in the available parking areas on the property and not in or along any private, community or public street right-of-way or on any lawn or vegetated areas on the property.
- The trash pick-up day and notification that trash and refuse shall not be left or stored on the exterior of the property.
- Notification that an occupant or guest may be cited and fined for creating a disturbance or for violating other provisions of the [insert] Township/Borough/City Code, including parking and occupancy limits.
- Notification that short-term rental occupants and guests are required to make the dwelling unit available for inspection by the Enforcement Officer upon request.
- All Short-Term Rentals shall be equipped with the following:
  - Smoke detectors in each bedroom;
  - Smoke detectors outside each bedroom in common hallways;
  - Smoke detectors on each floor;
  - GFI outlets for outlets located within six feet of water source;
  - Aluminum or metal exhaust from dryer;
  - Carbon monoxide detector;
  - Fire extinguisher in kitchen and on each floor; and
  - Stairs (indoor and outdoor) in good condition.
- Violation of the Short-Term Rental standards may result in a revocation of that permit by the Enforcement Officer.

### **Identify Fees, Terms and Renewals**

- Cost of the annual fee for the Short-Term Rental permit.
- Length of time the permit is valid and when it must be renewed.
- Renewal applications shall request any changes made from the preceding application with respect to matters governed by this Ordinance.
- Verification that all owed hotel and sales taxes have been paid before Permit renewal is granted.
- Short-Term Rental Permit and renewal permit shall require an inspection.

### **Develop an Enforcement Plan**

- Appoint an Enforcement Officer who has the responsibility and authority to administer and enforce all provisions of the Ordinance.
- All short-term rentals shall be subject to inspections by the Enforcement Officer to verify application information, Permit, Permit renewal and/or operating requirements.
- If there is reason to believe that any provision of the Ordinance is being violated, the Board of Supervisors/Borough or City Council may through an authorized representative of the Township/Borough/City, entry onto premises for the purpose of inspection of any

and all premises, properties, buildings, and/or structures located within the Township/Borough/City for ascertaining the existence of violations.

- Marketing of a short-term rental in which the advertised occupancy exceeds the maximum occupancy requirements permitted by the Ordinance, or which promotes any other activity which is prohibited by this Ordinance, shall be a violation of the Ordinance.
- If it appears to an Enforcement Officer that a violation of the Ordinance exists or has occurred, the Enforcement Officer shall send a written Notice of Violation to the owner by personal delivery or by both US first class and certified mail. The Enforcement Notice shall identify the premises which is the subject of the violation, enumerate the conditions which constitute the violation, cite the specific sections of the Ordinance which are violated, indicate the action required to correct the violation, and provide a timeframe (established by the Enforcement Officer based upon the nature of the violation) to correct the violation.
- In the interest of promoting the public health, safety and welfare, and minimizing the burden on Township/Borough/City and community services and impacts on residential neighborhoods posed by short-term rentals, a violation of any of the provisions in the Ordinance is declared to be a public nuisance.

#### **Establish Violations and Penalties**

- Establish what entity will be responsible for issuing penalties. For example, actions may be brought before a Magisterial District Judge in the same manner provided for the enforcement of summary offenses under the Pennsylvania Rules of Criminal Procedure. Any person, partnership, corporation or other entity who or which violates or permits a violation of the provisions of this Ordinance shall, upon conviction in a summary proceeding, pay a fine of not less than \$100 nor more than \$1,000 per violation, plus all court costs and reasonable attorney's fees incurred by [insert] Township/Borough/City in the enforcement proceedings, and/or be imprisoned to the extent allowed by law for the punishment of summary offenses. Each day or portion thereof that a violation exists or continues shall constitute a separate violation.
- The Enforcement Officer may revoke, or deny any application to renew, a short-term rental permit for three uncured or repeated violations of this Ordinance in any rolling 12 calendar month period. The revocation or denial to renew a short-term rental permit shall continue for six months for the first set of three uncured or repeated violations, and continue for one year for any subsequent sets of violations.

### **Define the Appeal Process & Hearings**

- The Ordinance shall contain language on how an appeal can be filed based on the determination of the Enforcement Officer to deny or revoke the short-term rental permit.
- A process should be established for the Board of Supervisors/Borough or City Council to conduct hearings and make decisions for submitted appeals.

*The above material was taken (with permission) from the Monroe County Short-Term Rental Model Ordinance (July 2019).*