

STATE OF MINNESOTA
COUNTY OF WASHINGTON
CITY OF ST. MARY'S POINT

ORDINANCE 2021-01

AN ORDINANCE AMENDING ZONING CODE REGARDING SHORT-TERM AND
LONG-TERM RENTAL PROPERTIES

WHEREAS, the City of St. Mary's Point has adopted City Code Chapter 300, section 301.010-Zoning, which in turn adopts, enacts, and incorporates by reference the Washington County Model Zoning Ordinances; and

WHEREAS, the City desires to revise and update its zoning regulations relating to short-term rentals and long-term rentals. In particular, the City finds that short-term, hotel-like rental accommodations such as AirBNB, Vrbo, and similar models with transient guests using single-family residential properties like a commercial hotel or motel can be problematic and may result in disruptions, disturbances, and nuisances to residents, increased traffic, and reduction in property values in surrounding areas, and

WHEREAS, the City finds that such short-term rentals can treat the residential properties in the City like a commercial business and finds that licensing and regulation of such uses is appropriate to ensure the health, safety and welfare of the residents of St. Mary's Point; and

WHEREAS, the City finds that long-term residential rental of property to a tenant for periods of time of a month or longer are less problematic, are an appropriate residential use of properties in the City, and should be permitted in the City, while short-term rental of a property may only be permitted in accordance with the City's licensing requirements;

WHEREAS, the City Planning Commission has considered the issue, held a public hearing on July 26, 2021, and made recommendations to the City Council for approval of this Ordinance.

NOW, THEREFORE, the City Council of the City of St. Mary's Point hereby ordains that the following sections of the City Model Zoning Code are hereby amended as follows:

Existing Model Zoning Code Section 301 regarding general definitions applicable to the entire zoning code is amended to add as follows:

Section 3. Definitions

Section 301.

(143.1) **Residential Rental- Long Term.** A rental or lease of a residential dwelling, accessory apartment, room, guest house, or any portion thereof by its owner to someone other than the owner for purposes of habitation, with a lease or rental term of at least 30 days or longer, including month-to-month lease arrangements.

(143.2) **Residential Rental- Short Term.** Any rental or lease of a residential dwelling, accessory apartment, room, guest house, or any portion thereof by its owner to someone other than the owner for purposes of transient lodging for a fee or other remuneration, with a lease or rental term of less than 30 days, and regardless of whether the owner resides at the property or not, and as further defined and regulated in City Zoning Code Section 719.

The City Council further ordains that the Code is amended to add and include an entirely new subchapter, Section 719, as follows:

Section 719- Short Term Rentals.

Section 719.01. Definitions. For the purpose of this section, the following words and terms are defined as follows:

- (1) *Applicant.* A "person" as defined herein, who completes or signs an application for a license to rent real estate individually or on behalf of a business.
- (2) *Application.* An application for a license to operate a short term rental dwelling.
- (3) *City.* The City of St. Mary's Point.
- (4) *City Council.* The City Council of St. Mary's Point.
- (5) *Dwelling.* A building or one or more portions thereof occupied exclusively for human habitation, but not including rooms in hotels, motels, nursing homes, boardinghouses, nor trailers, tents, cabins or trailer coaches.
- (6) *Emergency Contact.* An individual who is available 24 hours a day, seven (7) days a week, who is available to respond to complaints regarding the condition, operation, or conduct of occupants of a short term rental dwelling at the property within sixty (60) minutes.
- (7) *Lease.* A written agreement creating a tenancy in real property.
- (8) *License.* A license to operate a short term rental dwelling, approved by the City Council.
- (9) *License holder.* The owner of property licensed to rent to occupants.
- (10) *Manager.* An individual who is hired or designated by a license holder and who has or would have the means, within the scope of the individual's duties, to enter tenants' dwelling units, including in an emergency.
- (11) *Occupant.* Any person living, sleeping, cooking, and eating in a rental dwelling.
- (12) *Operator.* A property owner, person, enterprise, or agency responsible for operating a short term rental.
- (13) *Owner.* Any person who, alone, jointly, or severally with others, shall be in actual

possession of, or have charge, care or control of, any rental dwelling within the city as titleholder (including all persons holding fee title, a life estate, or another indicia of ownership of a property), employee or agent of titleholder, operator, or trustee or guardian of the estate or person of the titleholder. Any such person representing the actual titleholder shall be bound to comply with the provisions of this section to the same extent as the titleholder.

- (14) *Person(s)*. One (1) or more natural persons; a partnership, including a limited partnership; a corporation, including a foreign, domestic, or nonprofit corporation; a trust; a political subdivision of the State; or any other business organization.
- (15) *Property*. The real estate upon which a residential building is held out for short term rental.
- (16) *Qualifying relative*. A parent, stepparent, child, stepchild, grandparent, grandchild, brother, sister, uncle, aunt, nephew or niece. This relationship may be either by blood or marriage, or it may be established pursuant to a foster care arrangement.
- (17) *Rent*. Leasing, subleasing, letting, or hiring for occupancy.
- (18) *Rental*. An arrangement between an operator and transient whereby compensation in the form of money, goods, labor, consideration, or otherwise is charged, whether or not received, in exchange for the right to use or occupy a residential building.
- (19) *Rental charge*. Any compensation, either monetary or "in lieu of" payments, such as, but not limited to, utilities, upkeep, or repair.
- (20) *Rental dwelling*. A dwelling or portion thereof of a residential building held out for rent that is occupied by people other than the owner and/or qualifying relatives. A single dwelling held out for rent as contemplated by this section is referred to herein as a "unit."
- (21) *Residential building*. A structure designed and used for residential rather than commercial or industrial purposes.
- (22) *Short term rental*. A process by which any residential building, or portion thereof, is rented to a transient for less than thirty (30) consecutive days in a residential zoning district or planned unit development residential development zoning district.
- (23) *Tenant*. Any adult person, who at their own expense or at the expense of another, exercises or is entitled to occupancy or possession of a rental dwelling unit, by reason of any rental arrangement, agreement, charge, concession, permit, right of access, option to purchase, license, time sharing arrangement, or any other type of agreement.
- (24) *Transient*. Any tenant for a period of less than thirty (30) consecutive days. Any individual who is a qualifying relative to the owner is not a transient.

Section 719.02. License Required.

No person shall operate a short term rental dwelling anywhere within the City without first having applied for, obtained a, and then issued an annual license and paying a license fee as set forth herein.

- 1) Application. An application for the annual license to conduct short term rental of property shall be made on a form provided by the City. The application shall include the full name of the applicant, owner, operator, and manager; the applicant, owner, operator and manager business address(es), e-mail address(es), and telephone number(s), including a twenty-four (24) hour contact phone number, which may or may not be an emergency contact number; the name of the proposed license holder; and the address for which the license is sought. The completed application along with the application fee shall be submitted to the City Zoning Administrator for review. If the City Zoning Administrator determines that an application is incomplete, he or she shall return the application to the applicant with notice of the deficiencies. Should any application information change during the license period, the applicant shall notify the city within seven (7) business days. Failure to do so may be considered a license violation.
- 2) Action. The City Council may either approve or deny the license, or may delay action for up to sixty (60) days to permit the City to complete any investigation of the application or the applicant, owner, operator, or manager as deemed necessary. If the City Council approves the license, then the initial license shall be promptly issued to the applicant. If the City Council denies the application, a notice of denial shall be issued to the applicant at the business address provided on the application along with the reasons for the denial. The notice shall also inform the applicant of its right to appeal the decision to the City Board of Adjustments and Appeals pursuant to the process set forth in City Code. If a license is mistakenly issued or renewed to an applicant or license holder, it shall be revoked by the City Zoning Administrator upon the discovery that the applicant or license holder was ineligible for the license under this section.
- 3) Term. All licenses are issued for a period of one (1) year, beginning January 1 and expiring on December 31 of that year.
- 4) Fees. License fees shall be set by City Council resolution. Refunds of license fees will not be issued. For all licenses approved after January 1 in a given year, the license fee shall be prorated.
- 5) Adverse License Action. Any license issued under this section may be suspended, revoked or not renewed as provided in City Code Section 719.03 and Chapter 1102.
- 6) Transfers. All licenses issued under this section shall be valid only on the property for which the license was issued and only for the applicant to whom the license was issued.
- 7) Renewals. The renewal of a license under this section shall be handled in the same manner as the original application. Sixty (60) days prior to the expiration of a license, the City will

notify the license holder of the upcoming renewal deadline within which to file the license renewal application. The license renewal application shall be submitted a minimum of thirty (30) days prior to the then current license expiration. Renewal applications received after the due date but before the license expiration date shall be subject to late fees as determined by City Council resolution. The issuance of a license under this section shall be considered a privilege and not an absolute right of the applicant and shall not entitle the license holder to an automatic renewal of the license.

- 8) License Standards. No license for a short term rental may be issued or renewed unless all of the following conditions are met.
 - a) Emergency Contact. The owner shall provide the City and any tenant with an emergency contact that will be available to respond to complaints regarding the condition, operation, or conduct of occupants of a rental at the property within sixty (60) minutes.
 - b) The property must have a visible house number that can be easily seen from the adjacent street both day and night.
 - c) Advertising. All advertising for the short term rental shall include the City issued license number.
 - d) Signage. No exterior signage or advertising of is allowed of the short term rental on the property.
 - e) Occupancy. Maximum of two (2) transient tenants per bedroom; plus two more transient tenants. Children under age 16 are omitted from the calculation of transient tenants . Only one (1) short term rental dwelling unit per property is allowed at a time.
 - f) Duration. Maximum of two short term rentals within a seven-day period.
 - g) Minimum Tenant Age. The primary overnight and daytime occupant of a short term rental must be an adult twenty-one years of age or older. This adult must provide a telephone number to the owner and shall be accessible to the owner by telephone at all times.
 - h) Parking. Minimum of two off street parking spaces shall be provided. The maximum number of vehicles allowed at a short term rental property shall be limited to the number of available off-street parking spaces. Limit of one (1) recreation vehicle and two (2) watercraft at each short term rental property.
 - i) Utilities. The residential building hosting the short term rental must have operating gas, electric, water, and sewer service, as applicable.
 - j) Solid Waste. The owner of a property shall provide sufficient trash and recycling collection containers and service to meet the demands of the occupants.
 - k) Quiet Hours. Quiet hours shall be from 10:00 p.m. – 8:00 a.m. Noise shall not carry beyond property line and shall be subject to the City’s noise regulations for all properties.
 - l) Fencing. A fence may be required at City’s discretion, subject to impacts related to

potential outdoor activity.

- m) Outdoor Use. No special events, camping, fireworks, or discharge of firearms allowed; all recreation facilities/amenities must be noted on the site plan to be provided with the application (deck, patio, grill, sauna, pool, spa, game court, etc.).
 - n) Insurance. Owner must carry and provide proof of rental and liability insurance.
 - o) Each residential building, where short term rental occurs, shall meet the following property standards and site specifications:
 - (i) All bedrooms must be located in principal dwelling; no accessory structure bedrooms allowed;
 - (ii) Short term rental dwelling must have access to a kitchen area; and
 - (iii) Short term rental dwelling must have access to a working interior bathroom facility.
 - (iv) Short term rental dwelling must be compliant with building, fire and safety codes, including but not limited to smoke and carbon monoxide detector rules.
- 9) Denials. The following shall be grounds for denying the issuance or renewal of a license under this section. The following list is not exhaustive or exclusive, and the city may rely on other grounds for denial, in the sole and absolute discretion of the City Zoning Administrator and the City Council.
- a) The applicant has more than one (1) license to lease rental property revoked within the preceding twelve (12) months of the date of the application.
 - b) The applicant fails to provide any information required on the application or license fee, or provides false or misleading information.
 - c) The existence of a development contract or land use requirement that restricts rental units.
 - d) The applicant fails to meet or comply with the license standards enumerated in Section 719.02(8).
 - e) The applicant fails to take any other action or meet any other obligation required by City Code.
- 10) Consideration of Suspension or Revocation. At any time during the license period, if a property does not meet or exceed the criteria established for the current license, the license may be brought forth to the City Council for consideration of license suspension or revocation. Written notice will be provided by the city to the license holder at least 14 days before the City Council will consider license suspension or revocation.

Section 719.03. License Suspension, Revocation and Nonrenewal.

- 1) The following actions by owners or license holders are misdemeanors and are subject to civil penalties and/or administrative fines, may constitute the basis for suspension, revocation, or nonrenewal of licenses, and may result in injunctive action by the City. The owner shall be responsible for the conduct of its agents and employees while engaged in normal business activities on each property subject to a license. Any violation of this section shall be considered an act of the owner or license holder for purposes of imposing a civil penalty or license suspension or revocation. If a license is suspended or revoked it is unlawful for the owner to permit new occupancy of any vacant short term rental unit, or any units that become vacant due to a license suspension or revocation.
- 2) Basis for Sanctions. Following the procedures of City Code Chapter 1102, the City Council may revoke, suspend, or decline to renew any license issued under this section for part or all of a residential building or rental dwelling upon any one or more of the following grounds.
 - a) More than one substantiated complaint, in the judgment of the city, within a calendar year.
 - b) Leasing without a license. Leasing residential dwelling units for short term rental purposes without a license, or leasing such units that are subject to license suspension or revocation.
 - c) Violations of Codes. Violation of the building, fire, or safety code, after notice received therefor.
 - d) Commission of a Felony. Commission of a felony related to the licensed activity by the owner, license holder, operator or manager.
 - e) Updated Application Information. Failure to timely provide updated application information during the license period, upon request of the city.
 - f) False Statements. False statements on any application or other information or report required by this section to be given by the applicant, license holder, owner, operator, or manager.
 - g) Fees. Failure to pay any application fee or penalty required by this section or City Council resolution.
 - h) Delinquent Taxes or Fines. Real estate or personal property taxes have become delinquent, or unpaid fines payable to the City exist.
 - i) Delinquent Utility Charges. Failure to pay any utility charge imposed by the city.
 - j) Failure to Meet License Standards. Failure to meet the license standards enumerated in City Code Section 719.02.
 - k) Disorderly Use. Violation of or Failure to take any action required by City Code Section 719.05.
- 3) Upon suspension, revocation or other enforcement action on a license, the city will notify all

affected tenants of the action against the license. If the license is revoked or suspended the owner and/or license holder may not lease, rent, or allow to be occupied any vacant rental dwelling units, or any rental dwelling units that become vacant due to the revocation or suspension.

- 4) If a license is revoked due to a violation of this section, an applicant must wait a minimum of twelve (12) months from the date of revocation to reapply for a license for the same property.

Section. 719.04. Inspections and Compliance Procedures.

- 1) The City may conduct an inspection of the property as deemed necessary or prudent prior to issuance or renewal of a license and/or based upon any complaints or alleged violations that occur.
- 2) Any City Code violation noted by the City must be remedied in a timely fashion by the owner and re-inspected for compliance by the City. The owner is responsible for any re-inspection costs.
- 3) The City may inspect premises in existence as an unlawful short term rental, or which is reasonably believed to be in violation of the prohibitions of this section to verify compliance. The City also may require a property owner to produce a rental agreement, lease, contract, or similar documentation to verify the subject property is not being used as a short term rental.

Section 719.05. Disorderly Use by Tenants.

The owner shall ensure that the occupants and guests of a short term rental do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate any provision of the City Ordinances (including but not limited to City Code Chapters 1501, 1503, 1504 or 1601 722, 723, or 724, or City General Code Chapters or any State law pertaining to noise, disorderly conduct, overcrowding, the consumption of alcohol by minors, or the use of illegal drugs. Owners are expected to take any measures necessary to abate disturbances including, but not limited to, directing the occupants and guests of a short term rental to cease the disturbing conduct, removing the occupant(s) and/or guest(s) or taking any other action necessary to immediately abate the disturbance.

Section 719.06. Penalties.

- 1) A violation of this section is a misdemeanor under state law. In addition, the City may impose a civil penalty in the amount of up to one thousand dollars (\$1,000) for renting, leasing, or occupying a residential building or rental dwelling or part thereof for less than 30 days without a license. Failure to pay civil fines or penalties may result in future license ineligibility. Nothing in this section may be construed to limit the city's other available legal remedies for any violation of law. Each day that the property owner or license holder is in violation of this section constitutes a separate violation.
- 2) The City may bring a civil action to restrain, enjoin, or abate violations of this section.

The City Council further ordains that existing Section 604 shall be amended to add the following:

	Conservancy	Comm Food Pord (CFP)	Ag A1&A2	Resid R1 & R2	Resid R3 & R4	Commercial-RBT	Commercial (RB)	Commercial (GB)	Industrial
Residential Rental- Long Term (See Code § 506 for CC terms)	P	P	P	P	P	N	N	N	N
Residential Rental- Short Term See Code § 719 for terms)	N	N	N	CC	CC	N	CC	CC	CC

EFFECTIVE DATE: *This Ordinance shall be in full force and effect from and after its passage and approval and publication, as required by law.*

Adopted by the City of St. Mary's Point this 3rd day of AUGUST, 2021.
(Day) (Month)

Attest: _____

Mayor
Jay Roettger

Attest: Cindie J. Reiter

City Clerk
Cindie J. Reiter



This instrument drafted by:
Kevin S. Sandstrom
Eckberg Lammers, P.C.
1809 Northwestern Avenue
Stillwater, MN 55082