

ARTICLE IV. SHORT-TERM HOME RENTALS

Sec. 22-300. Purpose.

- (a) The purpose of this section is to allow short-term home rentals in the City while mitigating impacts on surrounding properties by implementing balanced regulations to protect the integrity of the City's neighborhoods as well as protect the general public health, safety and welfare.
- (b) These provisions establish the framework for City review and approval of applications for short-term home rental licenses and the standards which apply to the operation of these businesses.

Sec. 22-301. Definitions.

As used in this article, the following terms shall have the meanings indicated:

Accessory buildings or structures. A building or structure detached from and clearly incidental and subordinate to a residential dwelling located on the same lot, including, but not limited to, garages, garden and tool sheds, swimming pools, and gazebos.

Guest bedroom. A room for lodging at a short-term home rental which meets the standards for occupancy set forth in ATCP 72.10—72.15 of the Agriculture, Trade and Consumer Protection.

License. A license to operate a short-term home rental pursuant to Chapter 22, Article IV, of the Code of Ordinances of the City of St. Croix Falls.

Outdoor recreation area. Any man-made structure within or on a short-term home rental property that is used for outdoor recreational purposes which includes, but is not limited to: swimming pools, decks, patios, seating areas, gathering spaces, gazebos, children's playground equipment, and areas for smoking, playing yard games, or similar activities.

Parking mitigation plan. A plan that identifies existing parking conditions and consists of proposed parking conditions within 300 feet of a proposed short-term home rental to address the impact of the short-term home rental on traffic flow and parking in the neighborhood of the short-term home rental.

Property. The premises at which a short-term home rental is located.

Property manager. The person identified as being the person responsible for the short-term home rental, including responding to complaints and being available to address the needs of transient guests, in the absence of the property owner.

Property owner. The owner of the property being used as a short-term home rental.

Residential dwelling. Any building, structure, or part of a building or structure that is used or intended to be used as a home, residence, or sleeping place by one person or by two or more persons maintaining a common household, to the exclusion of all others.

Short-term home rental. A residential dwelling that is offered for rent for a fee and for fewer than 30 consecutive days as defined in Wis. Stat. § 66.0615(l)(dk). This includes the rental of any accessory buildings or structures, the second unit of an owner-occupied duplex, and mother-in-law apartments.

Transient guest. A person who travels to a location away from his or her primary residence for a short period of time for vacation, pleasure, recreation, culture, business, or employment and rents a short-term home rental.

Sec. 22-302. Application.

Any property owner desiring to operate a short-term home rental must apply to the City for a license. A license must be approved by the City Administrator prior to operating within the City of St. Croix Falls. The license application must be submitted on the form prescribed by the City and must include all the information requested on the application form. If approved, the licenses will not be issued until the City received a copy of the Tourist Rooming House License and Inspection report issued by the Wisconsin Department of Agriculture, Trade and Consumer Protection. Incomplete applications will not be accepted.

This article shall apply to all new short-term home rentals, except that the requirements for issuing a license under Section 22-305 (b) (2), (3), (5), (7) and (9) and Section 22-306 a (2) i. does not apply to any short-term home rentals legally in operation at the effective date of this ordinance under a conditional use permit regarding allowing the rental and any conditions imposed as part of the conditional use permit. The full requirements of this Article shall apply to any such existing short-term home rental when there is a change in ownership of the short-term home rental or an expansion of the short-term home rental building, accessory buildings, and structures, and/or property.

Sec. 22-303. Operation of a Short-Term Rental.

- (a) No property may be used or operated as a short-term home rental for more than ten (10) nights each calendar year unless granted a license by the City Administrator. ([WI Statute 66.1014 \(2\) d 2](#))

Per WI Statute 66.1014 (2) a, a city "may not enact or enforce an ordinance that prohibits the rental of a residential dwelling for 7 consecutive days or longer."

Also, if a residential dwelling is rented for periods of more than 6 but fewer than 30 consecutive days, the city may limit the total number of days within any consecutive 365-day period that the dwelling may be rented to no fewer than 180 days. The political subdivision may not specify the period of time during which the residential dwelling may be rented, but the political subdivision may require that the maximum number of allowable rental days within a 365-day period must run consecutively. A person who rents the person's residential dwelling shall notify the clerk of the political subdivision in writing when the first rental within a 365-day period begins.

The city could restrict short-term rentals of less than 6 days but fewer than 30 in various ways, such as:

1) Where they are allowed:

- All zoning districts.*
- Not allowing them in residential districts.*
- Allowing them only in commercial districts.*
- Allowing them if the owner resides on the premises.*
- Not allowing them at all.*

2) The city can also restrict the total number of days a home can be used as a short-term rental, but not less than 180 days within a 365-day period. The concern is that this is time consuming to track.

- City cannot specify the period of time of the rental.*
- City can require the days run consecutively.*
- Owner notifies city when first rental starts.*

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- (b) Each short-term rental is required to have the following licenses or permits.
- (1) A Wisconsin license for a tourist rooming house issued under Wis. Stats. § 254.64 and ATP 72.04.
 - (2) A seller's permit issued by the Wisconsin Department of Revenue.

Note: A homeowner who sells or furnishes lodging to the public for periods less than one month, must report and pay Wisconsin state sales tax on such rentals. One month means a calendar month or 30 days, whichever is less, counting the first day of the rental and not counting the last day of the rental. If a marketplace lists or advertises lodging on behalf of the homeowner and also processes the payment, directly or indirectly, from the purchaser of lodging, the marketplace is a marketplace provider. The marketplace provider, not the homeowner, is responsible for remitting tax on the entire sales price charged to the purchaser of lodging. The marketplace provider must notify the homeowner that the marketplace provider is collecting and remitting Wisconsin sales or use tax on taxable sales.

- (c) *License standards.* Each short-term home rental shall comply with all the following to qualify for a license, and the property owner must certify on the license application that all applicable standards and requirements found in this article are satisfied, including:
- (1) A short-term home rental license is effective for a one-year period from May 1—April 30, and must be renewed annually subject to City Administrator approval or denial. The short-term home rental license is not transferable and shall automatically expire upon change of ownership of the property.
 - (2) The licensee and/or property owner agrees to advertise per their approved application and site plan, specifically regarding the number of bedrooms, occupancy, and parking spaces available.
 - (3) Compliance with any other applicable state, county, or local regulations that are not otherwise identified as part of this Article.
 - (4) Each short-term home rental shall provide a register and require all guests to provide their true names and addresses before occupancy of the short-term rental. The register shall be kept intact and available for inspection by a representative of the City of St. Croix Falls for at least one year.
 - (5) Each license shall be posted and visible within five feet of the main entrance.
 - (6) Guest disclosure posting. Each short-term home rental shall post inside, visible near the main entrance, in writing, the following rules and regulations and must submit a copy of the disclosure to the City with the license application and renewal applications.
 - a) The name, phone number and address of the property owner or property manager.
 - b) The maximum number of transient guests allowed at the property, calculated as set forth in Subsection (a) of this section.
 - c) The maximum number of vehicles allowed at the property and where they are to be parked.
 - d) Property rules related to the use of outdoor recreation areas, such as decks, patios, grills, recreational fires, pools and other recreational facilities.
 - e) City nuisance ordinances will be enforced by the City, including reduced noise levels between 5:00 p.m. and 9:00 a.m.
 - f) City sanitary sewer regulations.
 - g) Any regulations promulgated by a Homeowner's Association or other legal common ownership structure. The city does not enforce these regulations, but only requires their posting.
 - (7) City Room Tax.
 - (a) Each short-term home rental house shall comply with the accommodation tax reporting requirements of the city Municipal Code Chapter 16, Article IV.

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- (b) Each property owner or property manager shall file room tax returns for the managed short-term rental.
 - (c) All tax returns and supporting documentation filed with the clerk are confidential and subject to the protections provided under city Municipal Code subsection 70-35(l), and Wis. Stats. § 66.0615(3) and Wis. Stats. § 77.61.

Note: The homeowner or marketplace provider that is responsible for collecting and remitting Wisconsin state sales tax to DOR is also responsible for collecting and remitting municipal room tax if the lodging is furnished in a Wisconsin municipality that imposes a municipal room tax under sec. 66.0615(1m), Wis. Stats. The homeowner or marketplace provider should contact the Wisconsin municipality in which it sells short-term lodging to determine if additional registration is required, the applicable room tax rate, and how to file and pay the room taxes.

- (8) **Property Manager.** If the owner does not reside on the property or does not live within 30 miles of the property, he or she must utilize a property manager. The manager shall be authorized by the property owner to act as the agent for the owner for the receipt of service of notice of violation of this article's provisions and for service of process pursuant to this article and shall be authorized by the owner to allow city employees, officers and their designees, to enter the owner's property for purposes of inspection and enforcement of this article and/or the Code. The local property manager must be within 30 miles of the short-term rental property and must be available 24 hours a day. The property owner must notify the city within 24 hours of a change in management contact information for the short-term rental.

The city can regulate the response time for the property manager. Other communities utilized a distance as noted above, usually within 20 to 40 miles. Depending on the situation distance and time often do not directly correlate. Concerns expressed in the input session were the 30-mile distance may allow for too long a response time. Others expressed concern that being too restrictive would inhibit use of the property and that there are very few instances where a short response time is warranted.

- (9) Performance standards as set forth in Section 22-306 below.

Sec. 22-304. Application fee.

The license application form must be accompanied by payment in full of the required license application fee for short-term home rental. The application fee amounts will be as determined by the City Council in the City fee schedule.

Sec. 22-305. License Issuance and Procedure

- (a) License Issuance.

- (1) All short-term home rentals are required to have an administratively issued license from the City, issued by the City Clerk, as set forth in Section 22-303 above.
- (2) Licenses are non-transferable and shall automatically expire upon change of ownership of the property.
- (3) A license constitutes a limited license granted to the applicant by the City and in no way creates a vested zoning right or property right to operate a short-term home rental.

- (b) License Procedure. All applications for a short-term home rental license shall be filed with the city clerk on the forms provided. Applications must be filed by the property owner. No license shall be issued unless the completed application form is accompanied by payment of the required fee. Each application shall include the following information and documentation for each short-term home rental:

- (1) A copy of Wisconsin license for a tourist rooming house issued under Wis. Stats. § 254.64 and ATCP 72.04;

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- (2) A copy of a completed City of St. Croix Falls inspection form dated within two months of the issue date;
 - (3) A copy of seller's permit from the Wisconsin Department of Revenue;
 - (4) Stated number of bedrooms and requested maximum occupancy number;
 - (5) Site plan identifying available on-site parking;
 - (6) Property management agreement (if applicable);
 - (7) Designation of the property manager;
 - (8) Attestation from the property owner that the property meets the requirements of this article;
- (c) *Application review procedure.* When satisfied that the application is complete, the city clerk shall forward the initial application for the licenses to the City Administrator for approval. If the City Administrator determines that the application does not meet the requirements of this article, the City Administrator may deny the application. If approved by the City Administrator, the license will not be issued until the requirements of Sec. 22-305 (d) are satisfied.
- (d) No license shall be issued or renewed unless there is filed with the clerk a Tourist Rooming House License and the accompanying inspection report issued by the Wisconsin Department of Agriculture, Trade and Consumer Protection. All short-term rentals must meet the health and safety requirements as outlined in ATCP 72.10—72.15 of the Agriculture, Trade and Consumer Protection, Chapter 72.
- (f) No short-term rental license shall be issued or renewed if the applicant or property has outstanding fees, taxes or forfeitures owed to the city, unless arrangements for payment have been approved by the treasurer, and the room tax return filings are current.

Sec. 22-306. Performance standards.

- (a) *Maximum occupancy.* The property owner is not allowed to designate sleeping areas in spaces that are not typically for sleeping purposes for additional occupancy.
- (b) *Parking.*
- (1) Except as set forth in Subsection (d)(2) of this section, outdoor parking for transient guests shall be limited to available parking on the property. This includes motor vehicles and recreational vehicles such as ATV's and UTV's. In no event shall parking for transient guests include spaces in any public street right-of-way or other public property. Parking by transient guests is also prohibited on private property not owned by the property owner unless the property owner has received written permission from the private property owner.
 - (2) In Residential Zoning Districts, transient guest parking shall comply with the following:
 - i. A minimum of one parking space per bedroom is required.
 - ii. Parking must either be accommodated entirely on the Property, or a Parking Mitigation Plan must be approved by the City.
- (c) *Exterior signage.* There shall be no commercial signage of the short-term home rental or property or other visible evidence of the conduct of a short-term home rental, except an additional on-site parking sign, of no more than one square foot, may be added to accommodate transient guests.
- (d) *Refuse.* As required by City of St. Croix Falls Code Chapter 22, waste shall be kept in approved receptacles or containers with closed tops and shall be stored out of view as much as possible.

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- (e) *Noise.* Use of outdoor recreation areas or any other outdoor spaces at the short-term home rental property must comply with all applicable noise and nuisance ordinances, including but not limited to City Code Chapter 14. There shall be no amplified outdoor sound after 5:00 p.m. or before 9:00 a.m.
 - (f) *Health and safety.* Short-term home rentals shall be equipped with the following:
 - (1) Smoke detector and carbon monoxide detectors in accordance with Wisconsin statutes on each floor level and sleeping area.
 - (2) A 2A10BC fire extinguisher shall be placed in the kitchen area.
(Note: A 2A10BC fire extinguisher is a type of fire extinguisher that can be used to put out fires involving flammable liquids, electrical equipment, and ordinary combustibles.)
 - (g) Short-term home rentals shall comply with all requirements of Chapter 26 of the City's Code, as applicable.
 - (h) *Inspections.* Upon prior notice to the property owner or property manager, as applicable, and at reasonable times, unless an emergency exists, City departments, including police, fire and building inspections, have permission to inspect the property to investigate any complaints or possible violations.
 - (i) No recreational vehicles (RVs), campers, tents, or other temporary lodging arrangements shall be permitted onsite as a means of providing additional accommodations for paying transient guests or other invitees.

Sec. 22-307. Appeal of licensing decisions; filing complaints; license revocation; appeal procedure; judicial review.

- (a) *License decision.* The City Administrator's decision to deny an initial license or to deny renewal of a license shall be in writing and shall specify the reason(s) for such denial. Prior to the time for the renewal of the license, the City shall notify the licensee, in writing, of the City's intention not to renew the license and notify the licensee of his or her right to an appeal hearing as provided in Subsection (b) of this section.
- (b) *Appeal procedure.* The applicant or licensee, as applicable, may appeal the City Administrator's decision to deny an initial license or to deny renewal of a license to the City Council by filing a written appeal with the Clerk within 20 business days after the date of mailing of the written notice of the City Administrator's decision denying such license or renewal license. The City Council shall conduct a due process hearing within 30 business days of the Clerk's receipt of the written appeal. The Clerk shall provide a minimum of ten calendar days' notice to the appellant of the date, time, and location of the hearing. At the hearing, the appellant may produce and cross-examine witnesses, present relevant evidence, and be represented by counsel of the appellant's/licensee's choosing and at the appellant's/licensee's expense. The City Council shall issue a written decision on the appeal within 20 business days of the hearing. If the City Council finds the reason(s) for the City Clerk's decision to be consistent with the requirements of this article, the decision shall be affirmed. If the City Council finds the reason(s) for the City Administrator's decision to be inconsistent with the requirements in this article, the decision shall be reversed, and the license shall be granted and issued. The City Council's written decision on the appeal must specify the reason(s) for its determination. The Clerk shall give written notice of the City Council's decision to the applicant or licensee.
- (c) *Revocation.* A license may be revoked by the City Council during the term of a license as set forth in subsection Section (c) of Section 22-305 above and following a due process hearing as described in Subsection (b) of Section 22-307 for one or more of the following reasons:
 - (1) Licensee's failure to timely pay any and all fees, taxes, special charges, forfeitures or other debt the licensee owes to the City.
 - (2) Licensee's failure to maintain all required local, county and state licensing requirements.
 - (3) Failure to make timely payment of City of St. Croix Falls room tax including submittal of the required Marketplace Provider Municipal Room Tax Return.

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- (4) Three or more citations of building or health department laws, rules or regulations, nuisance activities or other law violations within a 12-month period.
 - (5) Any violation of local, county or state laws or regulations which, based upon their number, frequency and/or severity, and their relation to the short-term home rental property, its owner(s), tenant(s), occupant(s) or visitor(s), substantially harm or adversely impact the surrounding neighborhood.
- (d) *Complaint—Violations.* Any resident of or owner of property within the City may file a sworn written complaint with the City Clerk at St. Croix Falls City Hall, alleging one or more violations of Subsection (c) of Section 22-307 as grounds for revocation of a short-term home rental license issued under this article. Upon the filing of the complaint, the Clerk shall notify the licensee of the complaint by certified mail, return receipt requested, and provide the licensee with a copy of the complaint. The notice shall direct the licensee to appear before the City Council on a day, time and place included in the notice, not less than ten days and not more than 30 days from the date of the notice and show cause why his or her license should not be revoked. The hearing shall be conducted as provided in Subsection (b) of Section 22-307. If a license is revoked by the City Council, the Clerk shall give notice of revocation to the licensee by certified mail, return receipt requested. No part of the fee paid for any license so revoked may be refunded.
- (e) *Judicial review.* Any party to the proceeding resulting in a final action of the City Council in granting or renewing, refusing to grant or renew, or revoking a license under this article may seek review thereof by certiorari within 30 days of receipt of the final determination by the City Council pursuant to Wis. Stat. § 68.13.

Sec. 22-309. Violations and penalties.

- (a) Any person who violates any provision of this article shall be subject, upon conviction thereof, to a forfeiture of not less than \$250.00 nor more than \$750.00 for each offense, together with the costs of prosecution. Each violation and each day a violation occurs or continues to exist shall constitute a separate offense.
- (b) The penalties set forth in this section shall be in addition to all other remedies of injunction, abatement or costs, or any other remedy available under this article or Wisconsin or federal law.