

Ordinance 561-2026 Short-Term Rentals

- **Ordinance 561-2026 will regulate short-term rentals (STRs) as businesses through a licensing process**
- **provides a licensing procedure and regulations for the use and operation of STRs in residential neighborhoods**
- **All STRs must be licensed.**
- **STRs are allowed in one-family residential districts, subject to a density limitation:**
 - ***Density limitation*** of at least one or no more than 10% of the total residential units on the block or in a multi-unit building, whichever is greater.
 - A ***variance*** is needed to exceed the density limitation. Even with a variance, *an STR must be licensed.*
- An **owner** of the property **or a tenant** with written authorization **may operate** the property as an STR.
- An **operator** may be the owner or a designated local responsible party who will manage the STR.
- All STRs must have a **local contact** designated to serve as the **local representative for the owner or operator**, who **responds to complaints and must be available at all times** while the STR is occupied and must be able to be present at the premises within 1 hour of receiving a call.

Specifics:

1. *“Short-term rental” defined:* the temporary rental of a dwelling unit by an owner, operator, or through a booking agent, to accommodate transient guests where the accommodation of any transient guest is for not more than 30 consecutive days. (Section 686B.02)

2. *License required - application:* \$150 fee; yearly renewal \$150; liability insurance \$500,000. (Section 686B.03)

3. *Approval/denial standards; suspension:* Commissioner of Assessment & Licenses sends license application to B&H, City Planning, Health and Safety for verification and approval; notice to council member; dwelling must meet all health, fire, safety and building code standards; departments consider if owner has violated, does not meet or has not complied with terms of the license, or applicable city or state laws, rules,

regulations; denial may be appealed. License may be suspended under certain conditions. (Section 686B.04)

4. *Revocation:* license *shall be revoked* if nuisance activities occur: any 3 nuisance activities as set forth in 630.01 at or from the property within 12 months; or any one occurrence of certain listed nuisance activities at or from the property; or any one occurrence of any offense of violence defined in Revised Code 2901.01; a criminal conviction, citation or arrest is not necessary; upon revocation, the Commissioner in his discretion may revoke any other license issued to the owner or operator for an STR at another property; the dwelling unit cannot be operated as an STR during an appeal of a suspension or revocation; if revocation is sustained on appeal, the owner/operator may re-apply for a license one year from the date of the revocation. (Section 686B.04)

5. *General conditions* of STR licenses: cannot advertise, offer for rent, or complete reservations without a license; license must be displayed inside main entrance of STR; rental registration not needed if operated as an STR; a dwelling unit operated as an STR is not eligible for tax abatement. (Section 686B.05)

6. *Regulations and standards* for STRs: eg. cannot rent for a period of more than 30 consecutive days; maximum number of people is 2 per bedroom plus 2 additional people; excessive or unnecessary noise in violation of the Code, including Section 605.10, is prohibited; owner/operator must provide guest with the name and contact information of local contact; after receipt of license and before an STR is occupied by a 3d party, owner/operator shall provide written notification to all surrounding residential properties of the name and contact information of the local contact. (Section 686B.06)

7. *Density limitation:* in a residential district, STRs are limited to at least one or no more than 15% of the total residential units on the block or in a multi-unit building, whichever is greater. (Section 686B.07(a))

8. *Variance exception:* Need variance to exceed density limitation; ordinance sets forth factors for BZA to consider whether to allow variance. (Section 686B.07 (b))

9. *Grandfather conditions:* STRs are not subject to the density limitation if operated as limited lodging for *at least one year prior* to the effective date of ordinance *and operated always in compliance* with the Code, including Section 337.251 (limited lodging for fewer than 91 days/calendar year and to any lodger for not more than 30 consecutive days) and no recorded complaints. *Still must have license.* (Section 686B.07(e))

10. *Booking agents* are required to register and provide name, address, phone number of at least one person authorized to accept service of process on behalf of booking agent, manage collection and remittance of transient occupancy taxes and take remedial action to address any violation of owner's or operator's responsibilities under the Code. (Section 686B.08)

11. *Civil penalties:* failure to obtain a license –\$5,000 fine; advertising without a license - \$1,000 per violation; completing a reservation without a license - \$1,000 per offense; failure to display license - \$1,000 per violation; offering an STR in violation of regulations or standards - \$1,000 for 1st offense, \$3,000 for 2d and subsequent offense; operation without a variance - \$5,000 fine; booking agent failure to register - \$1,500 each year of non-compliance. Appeals process. (Section 686B.99)
12. *Criminal penalties:* failure to obtain a license and operation without a variance are 1st degree misdemeanors (up to \$1,000 fine and/or imprisoned not more than 6 months.) (Section 686B.991)
13. *Transient occupancy tax.* Amends Chapter 193 to clarify that STRs are subject to the transient occupancy tax. (amendments to Sections 193.01 - 193.03 and 193.121)
14. The enactment, amendments and repeal of the code sections in the ordinance *take effect 180 days after passage.*

4/24/26