**Department of Building and Housing**
**COUNCIL SUMMARY**

Ordinance No.: 1282-2026

Legislative Description:

A modification to an ordinance that established a comprehensive regulatory structure and licensing for short-term rentals within the City of Cleveland (561-2026).

The proposed modifications add the requirement of obtaining a Certificate Approving Rental Occupancy prior to applying for the Short-Term Rental License, which eliminates costly IT process, duplication of effort, and creates better clarity for the applicant. The penalty section is modified and condensed for ease of administration. There is a modification of process used to calculate density for short-term rentals in a geographic area.

The legislation is intended to provide for consistent short-term rental activity while balancing the interests of property owners and the short-term rental industry with the City's interest in protecting residential neighborhoods and ensuring compliance with applicable health, safety, zoning, and tax requirements.

Legislative Purpose:

The purpose of this legislation is to modify, in order to effectively implement, the ordinance that established a comprehensive regulatory structure for short-term rentals within the City of Cleveland, by creating uniform requirements for the licensing, operation, administration, and enforcement of short-term rental properties while minimizing confusion, expense of administration and duplication of effort. The legislation is intended to provide clear and administratively practicable standards for short-term rental activity, promote compliance with applicable health, safety, zoning, occupancy, and neighborhood requirements, and establish appropriate mechanisms for oversight and enforcement.

The proposed amendments further seek to align the short-term rental requirements with existing City processes and regulatory requirements and to ensure that the program can be administered efficiently using existing City resources. The Department of Building and Housing proposes the following amendments to the approved ordinance 561-2026:

**Certificate of Occupancy for Commercial Units**. Require a certificate of occupancy only for commercial units: 1-3 family homes rarely have a certificate of occupancy unless newly constructed and forcing owners to obtain one would be overly burdensome to staffing resources. It would be important to require them for commercial units to establish legal use of the parcel.

**Removal of Separate Lead Safe Certification Requirement.** Remove the lead safe certification (because it is already required to obtain a Certificate Approving Rental Occupancy).

**Certificate of Rental Registration.** Remove exception for STRs from certificate of rental registration, as once they are in the rental registry with a Certificate Approving Rental Occupancy, they would be able to rent to any tenant-short or long-term.

**Streamlining of Civil Penalties.** Streamline civil penalties (current workflows do not allow for penalties to be assigned and assessed in accordance with the ordinance, but consolidating them would make it less duplicative and easier to administer while achieve the same results).

**Adjust the Mechanism for Calculating Density.** Adjust the calculation of density for short-term rentals on a block from a percentage density assessment to a square footage buffer. Linear buffers from parcels provide easier administration and keep STRs from clustering in one area of the street.

Impact:

Citywide

Estimated Cost:

No additional cost