

### 1. What is a Short-Term Rental?

Short-term rentals provide sleeping accommodations on a short-term basis (less than 30 days) where the property owner may or may not be present during the stay. While these have been around for a long time, improvements in technology and the expansion of the sharing economy has drastically increased the frequency in which they are used.

### 2. What are the pros & cons of Short-Term Rentals?

Some benefits of short-term rentals may include:

- Sales tax and transient guest tax revenues. Airbnb has an agreement with the State of Kansas to collect and remit sales tax and transient guest tax from Airbnb users
- Additional income for hosts/operators Additional income for hosts/operators to help with property maintenance, mortgages, etc. Help with property maintenance, mortgages, etc.
- Provides alternatives to traditional hotels, motels, and bed & breakfasts
- Accommodate peak demand events, such as festivals and sporting events
- Can keep properties from becoming blighted
- Helps guests "live like a local"

Some drawbacks of short-term rentals may include:

- Impacts to the neighborhoods, such as party houses, over-occupancy, and not knowing who is staying in the neighboring short-term rental
- Safety for hosts/operators, guests, and neighbors
- Reductions in available affordable housing
- Traffic and parking issues

### 3. What are some Short-Term Rental software platforms?

There are a number of companies that provide a platform to use short-term rentals. Some of the most common companies include: Airbnb, VRBO, HomeAway, FlipKey, etc.

### 4. Are Short-Term Rental Units currently permitted?

No, short-term rental units are not currently a permitted land use within the City of Lawrence. Enforcement of short-term rental units is a complaint driven process.

## **5. What does the proposed text amendment do?**

This text amendment would allow short-term rental units either as an accessory use if the unit is owner-occupied, or a special use if it is not owner-occupied.

An accessory use is one that is incidental and subordinate to the principal use of a dwelling unit as the owner's residence a majority of the time. In other words, if the residence is owner occupied, short-term rentals would be allowed provided the property owner obtained a license and the unit passes inspection.

A non-owner occupied unit requires a Special Use Permit to be granted before the unit could be rented as a short-term rental.

This text amendment would establish a rental inspection and licensing program for units rented as short-term rentals similar to the long-term rental licensing and inspection program, which requires an annually renewed license and annual inspection to occur.

## **6. What is a Special Use Permit?**

A Special Use Permit is a discretionary approval process allowing conditions to be placed on the use if it is approved to help alleviate the effects, if any, on surrounding neighbors. The application process requires a public hearing at both the Planning Commission and City Commission, with the City Commission ultimately determining whether the permit is approved or denied.

The proposed text amendment would require any non-owner occupied unit to obtain a special use permit prior to operating a short-term rental.

## **7. How is "owner occupied" defined?**

This means that the owner of the property lives within the unit being rented as a short-term rental unit a majority of the time (183 days in the 12 months preceding the licensing of the unit). One owner can live in only one unit at a time.

## **8. Will I be notified of a short-term rental in my neighborhood?**

For an owner-occupied short-term rental, neighbors within 200 feet will receive a one-time notice at the time the short-term rental unit is established and licensed.

For non-owner occupied short-term rentals, notice to neighbors within 400 feet shall be provided for the Planning Commission hearing through the Special Use Permit process.

## **9. Can I stop a short-term rental from being established in my neighborhood?**

An owner-occupied short-term rental can establish as a permitted use in the Land Development Code without going to the Planning Commission or City Commission for approval. Notice is provided as a courtesy to inform neighbors to expect the use at this property.

A non-owner occupied short-term rental will have to obtain a Special Use Permit, which requires public hearings before the Planning Commission and City Commission. Neighbors can provide input in this process but cannot stop a request on their own.

#### **10. Who do I submit a complaint to if a short-term rental becomes a nuisance?**

Issues with short-term rental units can be reported to the city's Code Enforcement division at (785) 832-7700 or via [online code violation form](#).

#### **11. Do I have to be home when I'm renting my unit as a short-term rental?**

No, this proposed amendment does not require the owner to be present at the time the unit is being used as a short-term rental unit. The owner may or may not be present when the unit is in use as a short-term rental unit.

#### **12. How many people can stay in a short-term rental?**

This depends on your property's zoning designation.

- Properties zoned Single Dwelling Residential Districts (RS): no more than **3** unrelated individuals.
- Properties zoned Multi-Dwelling Residential Districts (RM): no more than **4** unrelated individuals.
- For properties zoned Commercial, Industrial, MU, PUD, PRD, PCD, PID, POD, UR, U/U-KU, and OS, no more than 3 unrelated individuals within Detached Dwellings and no more than 4 unrelated persons for all other housing types.
- *Properties that have been approved as Congregate Living or as Bed & Breakfast uses may exceed the occupancy limits.*

To determine the zoning district for your property, please visit the [Interactive Map of Lawrence](#) at [lawrenceks.org/maps](http://lawrenceks.org/maps). In the layer list, you will need to select Zoning Layers.

#### **13. How is a short-term rental unit permitted if I have an accessory dwelling unit?**

By definition, an Accessory Dwelling Unit is only permitted when the owner of the premises lives in either the Accessory Dwelling Unit or the principal residence. A Short-Term Rental Unit would be permitted within a registered Accessory Dwelling Unit. The property owner

must live a majority of their time in either the accessory dwelling unit or the principal residence to allow a short-term rental to be possible.

**14. Can I make both my principal residence and accessory dwelling unit available for short-term rentals at the same time?**

No, only one unit may be rented out at a time. You must be currently residing in one of the units to permit the other to be used as a short-term rental.

**15. What are some examples of when my short-term rental unit is accessory use or would require a Special Use Permit?**

The distinction for when a short-term rental unit is accessory or requires a special use permit depends on where you reside a majority of the time. If you are making your residence available for short-term rentals, then it would be an accessory use.

A special use permit would be required anytime you are offering the property as a short-term rental when you do not reside within the dwelling unit a majority of the time (183 days in the 12 months preceding the licensing of the unit).

**16. What are some examples of what is Accessory versus a Special Use?**

Some common examples of an Accessory Use are:

When a short-term rental unit is located within a registered Accessory Dwelling Unit. (Note: the Land Development Code requires that the property owner reside in either the primary residence or the Accessory Dwelling Unit, and that the occupancy is limited to amounts listed in Section 20-601(d).

When the property is owned by a corporation, and an agent of that corporation resides in the property. An agent of the ownership group can stand as the property owner in this instance.

When located within a duplex or multi-dwelling property when the Short-Term Rental Unit is located within the same dwelling unit in which the owner resides.

Some common examples of a Special Use are:

If the short-term rental unit exists within another unit within the duplex or multi-dwelling structure in which the owner does not reside.

If the short-term rental unit is a rental property.

**17. Do I need a license from the City of Lawrence to operate a short-term rental unit?**

Yes. Licensing for short-term rental units will require an annual license.

**18. Who and when will my short-term rental unit be inspected?**

Short-term rental units will be inspected annually by the City of Lawrence inspectors.

**19. Will I have to collect and remit taxes for short-term rental income?**

Yes, to obtain a short-term rental license, a person must submit proof that, for the preceding year, the Licensee has paid in full all state retail sales tax, all local retail sales tax, and any transient guest tax that may be applicable.

**20. Will I have to show that I have insurance for short-term rental units?**

Yes, demonstrating you have adequate insurance is required to license a short-term rental unit for amount not less than \$1,000,000.00 for casualty, personal injury, and property damage.