ITEM NO. 5 SPECIAL USE PERMIT FOR SHORT TERM RENTAL; 630 INDIANA ST (LRM)

SUP-18-00625: Consider a Special Use Permit for a non-owner occupied short-term rental, located at 630 Indiana St in RS5 (Single-Dwelling Residential) Zoning District. Submitted by Charles and Leda Sedlock, property owners of record.

STAFF PRESENTATION

Luke Mortensen presented the item.

Commissioner Carttar shared ex parte communications. He said he received an email from his sister-in-law, Mary Frances Ellis, today. He read it out loud:

"To the Metropolitan Planning Commission,

I am writing today in response to a letter I received regarding the special use permit for a non-owner occupied short-term rental property located at 630 Indiana St. in an RS5 Zoning District. I live across the street (633 Indiana) from the above referenced home. My husband, Paul Carttar, and I have a strong objection to this type of non-owner occupied short term rental property. It is a direct contradiction to the single dwelling residential neighborhood we thought we moved into a year ago.

In the past year there have been 2 disturbing incidents related to this property:

- 1. My daughter was awakened by gunshots outside of our house at 1 am in the morning about 9 months ago. When we woke, a police car was in front of our house investigating the gunfire. The police officer told us that someone had shot and hit the car belonging to the renters at the airbnb across the street. The shot went through the front door and out the other side.
- 2. My husband and I were sitting in our family room a month ago when we heard someone rattling our doorknob trying to get into our house. My husband opened the door to see a confused man. He didn't remember the address of his airbnb but knew the door was unlocked so he was trying random doors to see if any would open. This was particularly disturbing as it was fairly late in the evening and we were obviously startled by this frightening intrusion.

I have spoken to other neighbors on our block just doors away from the property in question who say they did not receive the notification I did but who are not in favor of this type of non-owner occupied short term rental in a single family residential neighborhood.

This type of housing has a destabilizing influence in a neighborhood and reduces the friendships you make with your neighbors. For these reasons we are opposed to non-owner occupied short term rentals."

APPLICANT PRESENTATION

Charlie Sedlock said he and his wife previously lived at 630 Indiana Street and they loved the neighborhood. He said he was a 'super host' on Airbnb with a 5-star rating. He encouraged Planning Commission to look at the ratings and reviews. He said most of his guests were Kansas University alumni visiting Lawrence. He said most of the guests only drive one vehicle to the site. He felt the appearance and character of the property fit into the neighborhood. He said regarding the gun shot last year during March Madness the police investigated it (police report L18019646) and they determined it was a random shot from a passerby and would have happened regardless of the short-term rental use. He said he was very concerned about the gun shot but that it had no correlation to the use of his property. He said a number of the neighbors had provided him with positive feedback so he was unaware of any other issues. He recalled Mary Frances Ellis and Paul Carttar inquiring about possibly renting 630 Indiana Street over the holidays. He said he was not competing with a hotel because it was a different kind of guest who wants to experience Lawrence.

Commissioner Carpenter asked if the property had been used as a long-term rental.

Sedlock said yes. He said it was a long-term rental since the late 1990's but had recently become tougher to rent. He said renters were more interested in living in newer complexes with amenities such as covered parking, swimming pool, etc.

Commissioner Carpenter asked when the property was switched to short-term rental.

Sedlock said about a year ago.

PUBLIC HEARING

No public comment.

COMMISSION DISCUSSION

Commissioner Carttar asked the applicant if the neighbors could be provided with his contact information.

Sedlock said he would be more than happy to share his contact information with the neighbors.

Commissioner Ashworth expressed concern about the number of short-term rentals possibly taking away affordable housing stock.

McCullough said it was a small enough scale today not to impact the housing stock. He said there were many articles that highlight that exact issue and impact in other cities. He said even in those cities where it causes an impact it was very hard to say it can't be done. He said most cities were taking the route of regulating it. He said the conventional wisdom was to regulate them, know where they are, understand the impacts, and react accordingly.

Commissioner Willey said this could be a response to the competition from the influx of large luxury multifamily complexes.

Commissioner Carttar wondered about the threshold at which it was appropriate to decline a Special Use Permit short-term rental. He wondered about the revocation of the permit.

McCullough said when a Special Use Permit is revoked it is because they are not complying with conditions or the Code in some way. He said if they remain in compliance with the Code then the benefits of the permit should remain.

Commissioner Willey said there was not currently a threshold to the number of short-term rentals in a neighborhood and that would be part of the ongoing discussion. She asked if Planning Commission had concerns about the unique parking situation.

Commissioner Sands said it was already non-conforming. He had concerns about the parking but felt it could not prohibit approval of the Special Use Permit since it was by no fault of the owner.

ACTION TAKEN

Motioned by Commissioner Weaver, seconded by Commissioner Struckhoff, to approve the Special Use Permit, SUP-18-00625, for a non-owner occupied *Short Term Rental* use located at 630 Indiana Street and forwarding the request to the City Commission with a recommendation of approval, subject to the following conditions:

- 1. Per Section 20-554(3)(i) of the Land Development Code, all properties containing a *Short-Term Rental* Use shall comply with the occupancy limits of the zoning district in which the property is located. The subject property is zoned RS5 (Single-Dwelling Residential) District. The zoning district in this area is single-family residential; therefore, a maximum of 3 unrelated occupants are permitted per dwelling unit.
- 2. Per Section 20-601 of the Land Development Code, the maximum number of available guest rooms associated with the non-owner occupied *Short-Term Rental* use may not exceed the number of off-street vehicle parking spaces available on the property. The off-street parking available for the subject property

is zero spaces; therefore, the maximum number of guest rooms that may be rented on a short-term basis is limited to two.

- 3. Per Section 20-554(3)(iii), the dwelling unit and site shall remain residential in appearance and characteristics. Internal or external changes that will make the dwelling unit and site appear less residential in character or function are prohibited. Examples of such prohibited alterations include, but are not limited to: construction of parking lots, paving of required setbacks, or the addition of commercial-like exterior lighting.
- 4. Per Section 6-13A04(a) of the City Code, a short-term rental license is required to be obtained annually from the Planning and Development Services Department. If the short-term rental license lapses for a period more than 12 consecutive months, the special use permit will be assumed to be abandoned. Reinstatement of the use will require review and approval of a new special use application.

Commissioner Struckhoff not sure whether an arbitrary parking limit of two was good.

Commissioner Sands said as Planning Commission develops additional criteria for short-term rentals police calls for service would be good information to have.

Commissioner Willey said there were many factors that may go into a police call for service.

Commissioner Carttar said he would support examining the prospect for amending the Code to allow for some sort of renewable permit in the future.

Unanimously approved 9-0. Commissioners Ashworth, Carpenter, Carttar, Paden, Sands, Sinclair, Struckhoff, Weaver, and Willey voted in favor.

McCullough recapped Planning Commission discussion regarding short-term rental suggestions; revise application to seek voluntary information on platform user comments, include a snapshot of rental map in packet information, explore requiring occupancy limits on the software platform as either a Special Use Permit condition or Code requirement for the entire program, require contact information be shared with neighbors, and time limits on Special Use Permits.