1. What is a Short-Term Residential Rental Property?

A Short-term Residential Rental Property is any premises having one or more dwelling units that is rented on a short-term basis (less than 30 days) to a transient guest where the owner may or may not be present during the stay. While Short-term Residential Rental Property 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 and how they are used.

2. What are the pros & cons of a Short-Term Residential Rental Property?

Some benefits 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 to help with property maintenance, mortgages, etc.
- Provide alternatives to traditional hotels, motels, and bed & breakfasts
- Accommodate peak demand events, such as festivals and sporting events
- Can keep properties from becoming blighted
- Help 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, and FlipKey.

4. Is Short-Term Residential Rental Property a permitted land use under the City of Lawrence Land Development Code?

Yes, on October 2, 2018, the City Commission adopted Ordinance No. 9481, which amended the City’s Land Development Code, by establishing text amendments to the Transient Accommodation use category to permit Dwelling Units to be used as a Short-term Residential Rental Property throughout the City of Lawrence. Prior to October 2, 2018, a Short-term Rental use was not identified within the Transient Accommodation use category as a permitted land use.
In addition, on October 2, 2018, Ordinance No. 9560, (Short-term Residential Rental Property Code) was adopted, which regulates the licensing and inspection for Owner Occupied and Non-owner Occupied Short-term Residential Rental Property. The ordinance becomes effective on November 1, 2018. Similar to the long-term rental licensing and inspection program (30 days or more), the short-term rental licensing and inspection program requires an initial and annually renewed license; however, each Dwelling Unit used as Short-term Residential Rental Property must be inspected by the City annually rather than on a periodic inspection cycle.

5. **How does the Land Development Code regulate Short-term Residential Rental Property as a transient accommodation use?**

The text amendment allows Short-term Residential Rental Property to be an Accessory Use if the Dwelling Unit is Owner Occupied, or as a Special Use if it’s Non-owner Occupied (occupied by Owner less than 183 days per calendar year). An Accessory Use is one that is incidental and subordinate to the Principal Use of a Dwelling Unit that is the Owner’s residence a majority of the time (more than 182 days per calendar year). In other words, if the Dwelling Unit is Owner Occupied, Short-term Rentals are allowed provided the Owner obtains an initial Short-term Rental License, renews the license annually and the Dwelling Unit passes the required annual inspection that is regulated by the City’s Property Maintenance Code (PMC), 2018 edition and amendments thereto.

A Non-owner Occupied Dwelling Unit requires a Special Use Permit (SUP) to be granted before the Dwelling Unit can be rented as a Non-owner Occupied Short-term Residential Rental Property. Once a SUP is approved, the Dwelling Unit would be required to follow the same ordinance regulations as required for Owner Occupied Dwelling Units by completing the Short-term Rental Application and adhering to the annual license and inspection requirements.

6. **What is a Special Use Permit (SUP)?**

A SUP is a discretionary approval process that an Owner or a Resident Agent of the Owner would initiate through our Planning Division. The application process requires a public hearing at both the Planning Commission and City Commission, with the City Commission ultimately determining whether the SUP is approved or denied. The text amendments of the Land Development Code requires any Non-owner Occupied Dwelling Unit being used as Short-term Residential Rental Property to obtain a SUP prior to operating as a Short-term Residential Rental Property.

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

A Short-term Residential Rental Property is an Owner Occupied Dwelling Unit when the Owner lives within the Dwelling Unit being rented a majority of the time (more than 182 days in the 12 months preceding the licensing of the Dwelling Unit and thereon). Based on this definition of Owner Occupied, an Owner can only identify one of their Dwelling Units as being an Owner Occupied Short-term Residential Rental Property. All other Short-term Residential Rental Property must be identified as being Non-owner Occupied.

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

For an Owner Occupied Short-term Residential Rental Property, 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 Residential Rental Property, notice to neighbors within 400 feet shall be provided for the Planning Commission hearing through the SUP process.
9. Can I stop a short-term rental from being established in my neighborhood?

An Owner Occupied Short-term Residential Rental Property is a permitted Transient Accommodation use as identified within 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 a property as this required notification does not grant property owners the right to challenge the issuance of a Short-term Rental License.

As noted in question #5, a Non-owner Occupied Short-term Residential Rental Property will have to obtain a Special Use Permit (SUP). The approval process requires public hearings before the Planning Commission and City Commission. For a SUP, a valid protest petition opposing a Special Use may be submitted to the City Clerk within 14 days of the conclusion of the Planning Commission’s public hearing. When a valid protest petition is submitted, the City Commission would have to pass the request by a 3/4 majority vote of the full membership. More information on a protest petition can be found in Section 20-1306(g) of the city’s Land Development Code.

10. Where/Who do I submit a complaint if a Short-term Residential Rental Property becomes a nuisance?

Issues with a Dwelling Unit being used as a Short-term Residential Rental Property can be reported to the City’s Code Enforcement division at (785) 832-3345 or at rentallicensing@lawrenceks.org or via the city’s online code violation form.

11. Do I have to be home when I'm renting my unit as an Owner Occupied Short-term Rental Residential Property?

As noted in question #7, an Owner only needs to reside within the Dwelling Unit for more than 182 days per calendar year for the Dwelling Unit to be classified as an Owner Occupied Short-term Residential Rental Property. As long as that requirement is met, the Owner may or may not be present when the Dwelling Unit is used as Short-term Residential Rental Property throughout the year.

12. How many people can stay within a Dwelling Unit of a Short-term Residential Rental Property?

This depends on your Short-term Residential Rental 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. In the layer list, you will need to select Zoning Layers.
13. Is a Short-term Residential Rental Property permitted if I have an Accessory Dwelling Unit on the Premises?

By definition, an Accessory Dwelling Unit is only permitted when the Owner of the Premises lives in either the registered Accessory Dwelling Unit or the Principal Building on the Premises. A Short-term Residential Rental Property use is permitted within a registered Accessory Dwelling Unit. As noted in question #7, the Owner must live a majority of their time (more than 182 days per calendar year) in either the registered Accessory Dwelling Unit or the Principal Building to permit the Transient Accommodation use of a Short-term Residential Rental Property on the Premises.

14. Can I make both my principal residence and Accessory Dwelling Unit available for Short-term Rentals at the same time?

No, only one Dwelling Unit may be used as a Short-term Residential Rental Property on a Premises where there is a registered Accessory Dwelling Unit. You must be currently residing in one of the Dwelling Units as Owner Occupied to permit the other Dwelling Unit to be used as a Short-term Residential Rental Property.

15. What are some examples of when my short-term rental unit would be considered an allowed accessory use or when it would require a Special Use Permit (SUP)?

An Owner Occupied Dwelling Unit is always a permitted as an Accessory Use of a Short-term Rental when the required Short-term Rental Application is completed and a Short-term Rental License is issued. As identified in Question #6, any Non-owner Occupied Dwelling Unit must be go through the SUP application process to be established as a Short-term Residential Rental Property.

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

Some common examples of an Accessory Use are:
- When a Short-term Rental 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) and as identified in Question #12.
- 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 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 exists within another unit within the duplex or multi-dwelling structure in which the owner does not reside.
- If the Short-term Rental is a rental property.

17. Do I need a license from the City of Lawrence to operate a Short-term Residential Rental Property?

Yes, as noted in Question #4, licensing for a Short-term Residential Rental Property will require an annual license.
18. When will my Short-term Rental Property be inspected?

Short-term Residential Rental Property will be inspected annually by the City of Lawrence inspectors shortly after the initial license issuance and annually thereafter when the licensed is renewed. Renewal of licenses will be approved only if the Dwelling Unit’s previous inspection was approved by City Code Enforcement staff.

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 provide documents to verify I have insurance for Short-term Rentals?

No, proof of casualty, personal injury and/or property damage insurance is not required in order to obtain a Short-term Rental License; however, the Owner (or their authorized Resident Agent) must sign page 5 of the Short-term Rental License application to acknowledge the following:

- In accordance to Section 6-13A15, Neither I nor my Resident Agent (if designated) will intentionally violate the occupancy regulations set forth therein and will advise all of my Transient Guest(s) of these occupancy regulations prior to their tenancy of my Short-term Residential Rental Property.

- In accordance to Section 6-13A06(d), I or my Resident Agent have completed the public notice requirement by mailing a written notice to all adjacent property owners within 200’ of my Dwelling Unit to declare the use of an Owner-Occupied Short-term Residential Rental Property.

- In accordance to Section 6-13A06(e), I or my Resident Agent have no employees associated with the Short-term Residential Rental Property, or if we have employees, we have the required certificates of worker’s compensation insurance as required by law.

- In accordance to Section 6-13A06(g), I nor my Resident Agent will discriminate against any person or persons on the basis of race, color, sex, religion, national origin, ancestry, disability, sexual orientation, sexual identity, gender identity, or age when my Short-term Residential Rental Property is occupied by a Transient Guest.

21. Will I have to provide any documentation in regard to taxes paid for my Short-term Residential Rental Property?

There are no requirements to submit tax receipts upon the initial licensing of a Short-term Residential Rental Property. When a Short-term License is renewed annually for each Dwelling Unit used as a Short-term Residential Rental Property, the Owner or Owner’s Resident Agent will be required to submit proof that for the preceding year, the Licensee has paid in full all state sales tax, all local sales tax, and any transient sales that may be applicable. This documentation must be submitted with renewal stub and license and inspection fees.
22. Can a Tenant of a Dwelling Unit that is used as Long-term Residential Rental Property use the Dwelling as a Short-term Residential Rental Property?

Yes, however, the Tenant would need to have the Owner’s or Resident Agent authorization to initiate the SUP approval process as the SUP application requires the Owner’s written permission for another person to act in the Owner’s behalf. If the SUP application is approved, the Owner or Resident Agent would need to keep the Long-term Rental License active and also apply for a Short-term Rental License.