

To: City Council

From: Sharon Geuea Jones, Chair, Planning and Zoning Commission

Council Meeting Date: October 16, 2023

Re: Update on Short Term Rental Ordinance

The Planning and Zoning Commission is pleased to provide the following update on our work on an ordinance legalizing and regulating short term rentals in Columbia. We believe we are ready to begin public hearings on the ordinance, but would like to request additional input and direction from City Council before doing so. I am sending this memo to Council because we as a group want to make it clear that we are taking feedback, considering alternatives, and making adjustments to the ordinance as a body.

The Commissioners who attended the July 24, 2023 joint work session found input from Council Members helpful. Our takeaway from that joint session is that both bodies have similar goals of balancing the protection of property rights with the protection of residential areas and available housing. The main provisions of the ordinance are the limit of one license per person and a limit on the number of days the property can be used as a short term rental in residential areas. These provisions remain essentially the same with a few minor changes. We discussed the comments and questions from the Council Members, as well as comments from the Law Department, during additional Planning and Zoning Work Sessions and made a few adjustments to the ordinance to try to clean up and clarify the language.

Changes from the Draft presented on July 24, 2023 include:

- **Removing a distinction between “secondary residences” and “investment properties.”** After hearing the comments of the Council Members, reading the comments from the members of the public, and discussing a variety of scenarios among ourselves, the Commission agreed to simplify the ordinance by not placing different burdens on a licensee who occasionally uses the property themselves versus one who never stays in their own property. This change also means that properties that are not primarily used as a residence can apply for a Conditional Use Permit to operate in residential zones. This is the same process in place for Accessory Dwelling Units.
- **Removing a distinction between licensing for long-term tenants and property owners.** While long-term tenants still need to sign an affidavit stating they have permission from the property owner to get a Short Term Rental License, there is no longer a separate limit on the number of days a property can be rented as a short term rental.
- **Clarifying parking requirements.** There is potential conflict between the requirements for short term rentals and the general zoning district in some areas of Columbia. We clarified that the parking requirements of an underlying zoning district or overlay district would control when a conflict arises. The purpose of the parking requirement for properties used as a short term rental for more than 30 days a year was to make sure the additional traffic did not cause an issue for other residents of the area. The parking

requirement can be met by the licensee either by limiting the number of occupants allowed in the short term rental or by choosing a property that has sufficient parking.

- **Clarifying the application of the limit on days used as a short term rental.** There was some confusion whether the ordinance would allow a short term rental to only be listed for a specific number of days or whether that limit applies to days actually rented. We changed the wording to clarify the limit is on the number of days the property is actually rented out as a short term rental.
- **Additional revisions of a technical nature from the Law Department.** As the ordinance neared its final draft stage before public hearing, Attorney Thompson from the Law Department suggested a variety of technical changes that were adopted by the Commission. These changes did not alter the substance or purpose of the ordinance.

The Commission has repeatedly taken informal votes during work session and is unanimous in its support for moving forward with the draft ordinance. We recognize the passage of this ordinance is only the first step toward legalizing and regulating short term rentals. There will need to be ordinances passed to implement a licensing and taxation structure, and the Commission is not likely to be involved in those ordinances.

We recognize there will be a few property owners who have been operating unlicensed and illegal short term rentals who will not be able to bring their property into compliance with the ordinance. It is clear from the communication we have received from the Law Department that we cannot provide a legacy pathway for those properties that cannot otherwise comply with the ordinance. The commission was not in favor of undoing the protections provided in the ordinance simply because not all current operators will be able to continue to operate their current property listings as short term rentals, but remains open to an alternate pathway for legacy properties if such a pathway is identified by the Law Department.

We also recognize there will be some amount of extra work and friction during the 12-month period between approval of the ordinance and its implementation. We stand ready to do our part to advocate for additional staffing during that time, attend additional meetings of the Planning and Zoning Commission as necessary, and any other action asked of us by City Council.

[Staff Report December 19, 2022](#)

[Report from Planning and Zoning Commission December 19, 2022](#)

[Clean Draft Ordinance October 5, 2023](#)

[Short Term Rental Flow Chart](#)