

## For the Planning Commission Meeting of April 18<sup>th</sup>, 2024

**To:** Planning Commission  
**From:** Liz Hayden, Planning Director  
**Subject:** **AGENDA ITEM #4 – New Business**

**APPLICANT:** City of Hamilton  
**LOCATION:** City-wide  
**REQUEST:** Proposed amendments to the Short-Term Rental License in the City Ordinance, Chapter 758

**Date:** March 27<sup>th</sup>, 2024

### Section A: 2024 Short Term Rental Update Process

#### ***Section A.1: Background***

In 2020, after 18 months of research and public input including a city-wide survey, the City of Hamilton established a Short-Term Rental license program. Since the program has been enacted, 96 short-term rentals have been registered throughout the city.

From 2021 to spring of 2023, the number of incidents at short-term rentals in Hamilton and the amount of citizen concern regarding short-term rentals was minimal. However, in the summer of 2023, Planning staff started receiving more concerns from Hamilton citizens about short-term rentals and more complaints about the negative impact that some short-term rentals were having in Hamilton neighborhoods. Therefore, Planning staff launched a public input effort to update the Short-Term Rental License program.

#### ***Section A.2: Short-Term Rental Public Input***

This public input effort was kicked off with a public meeting August 7, 2023 that was well attended in person and also televised through TvHamilton. At that meeting, the City launched a public input survey for short-term rentals and distributed it digitally and in paper. City staff shared it via email, social media, and at all 17Strong neighborhood meetings.

The Short-Term Rental License Survey received 257 responses (225 residents, 32 non-resident stakeholders), with about 12% of respondents being short-term rental owners (48% resident, 52% non-resident), and 36% living near a short-term rental. Resident respondents were predominantly from Highland Park (28%), New London (19%), and Washington (10%). The remaining 43% of residents (96 people) were from the 13 other Hamilton neighborhoods.

Overall, people have mixed feelings about short-term rentals, with 49% voting to allow short-term rentals city-wide and 43% voting not to allow this (the remaining 8% did not indicate yes or no). 79% of the respondents who indicated they did not want to allow short-term rentals City-wide indicated that they specifically did not want them in residential areas.

Most respondents agree that short-term rentals provide a place for visitors to stay and enjoy Hamilton (60%), but few indicated a perception of positive impact on neighborhoods (25%). At the same time, 51% indicated short-term rentals have no negative impact on neighboring properties, and only 37% indicated they should not be in residential areas at all.

The biggest issues reported by neighbors of short-term rentals (36% of responses) were decreased street parking (47%), the presence of strangers (48%), less housing stock (33%) with increased property values (39%), and noise issues (30%). 64% of Highland Park respondents were opposed short-term rentals city wide, in contrast to 43% of survey respondents opposed.

### ***Section A.3: Highland Park***

Through the original city-wide survey and petition initiative for Highland Park, it is clear that Highland Park residents are less comfortable with short-term rentals than in other communities. Within the original city-wide survey, of the almost 79% of respondents uncomfortable with City-wide short-term rentals who expressed keeping short-term rentals out of residential areas, 45% of responses were from Highland Park. Additionally, 64.1% of Highland Park respondents did not support allowing city-wide short-term rentals, a large difference from the overall response of 43%. Most of the respondents concerned with housing scarcity were in Highland Park. Of the “no” votes for City-wide short-term rentals, 25% expressed written concern about housing scarcity, and 56% of those expressing this concern were from Highland Park.

At the conclusion of the survey, residents of Highland Park led a petition initiative to prohibit short-term rentals within the neighborhood, citing increased safety, preservation of neighborhood customs, and increasing the influence of long-term homeowners. This petition led to 442 people from 342 homes out of a total 804 homes within Highland Park supporting this initiative. Planning staff determined that this feedback warranted a public hearing to further discuss a prohibition in this neighborhood.

### ***Section A.4: Hickory Woods***

After the city-wide survey, Planning staff felt that more input was required from the Hickory Woods subdivision. A handful of residents were expressing their desire for a short-term rental prohibition in the neighborhood, but Planning staff wanted to make sure that a wider group of property owners provided input on the matter. In Hamilton’s 2024 Hickory Woods Property Owner Short-Term Rental Survey, with 42 responses both online and through letters, 78.6% of respondents supported prohibiting short-term rentals in the neighborhood, with 33 of 34 (97.1%) property owners supporting this prohibition out of the 75 in the subdivision.

## **Section B: Proposed Short Term Rental Updates**

### ***Section B.1: Top Priorities***

Based on this public input initiative, the Planning Department is proposing the following changes to the Short Term Rental License:

- Short-term rentals will be prohibited in Highland Park and Hickory Woods.
- Strengthening the violation/penalty section for short-term rentals.
- Improving the regulations around common problems such as too many vehicles and noise violations.
- The Planning Department will send out a letter to all property owners within 100 feet of the short-term rental notifying them that the property is being utilized as a short-term rental, providing the emergency contact information, and also providing the best contact information at the City for problems.

### ***Section B.2: Additional Information***

Existing short-term rentals will not be affected, licenses can be renewed by the short-term rental property owner

## **Section C: Attachments:**

- 1) **Exhibit A – 2023 Short-Term Rental Analysis**