

## MEMORANDUM

**TO:** Mayor Kyriacou and Members of the City Council  
of the City of Beacon

**FROM:** Keane & Beane, P.C.

**RE:** Short-Term Rental Local Law

**DATE:** March 18, 2020

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As a follow up to the Council's last workshop meeting, this memorandum outlines questions the City Council should consider regarding the regulation of short-term rentals. A short term rental is an entire dwelling unit, or a room or group of rooms or other living or sleeping space, made available to rent, lease or otherwise assigned for a tenancy of less than 30 consecutive days. The term "short-term rental" does not include dormitories, hotels or motel rooms, bed and breakfast inns or lodging houses.

- Is the City satisfied with the definition of owner occupied provided below?
  - Owner-Occupied: A one-family or two-family house or multiple dwelling building used by the owner as his or her or their domicile or principal residence.
  - Under the draft local law, it is unlawful to use, establish, maintain, operate, occupy, rent or lease any property as a short-term rental if the property is not owner-occupied. The property used as short-term rental must be the principal residence of the owner at all times during the term of the short-term rental permit.
- Does the City want to allow any property owner to obtain short-term rental permits?
  - **No:** Who is permitted to obtain short-term rental permits? The current draft of the local law only allows property owners to obtain short-term rental permits for properties which are owner-occupied.
  - **Yes:** Any property owner may obtain a short-term rental permit. However, does the City want to establish restrictions or conditions based on owner status (see below).

- If any property owner can obtain a short-term rental permit (regardless of whether it is owner-occupied), does the City want to set restrictions based on whether a unit is owner-occupied or not owner-occupied?
  - **Yes:** Does the City want to impose different requirements for non-owner occupied short-term rentals? (i.e. non owner-occupied units can be rented for less days annually than owner-occupied units, restrict the number of permits available for non owner-occupied permits).
  - In the Town of Woodstock, only the property owner is permitted to register a short term rental unit. An individual property owner can register or have an interest in only one non-owner occupied short term rental. Non-owner occupied short term rental is defined as a supplementary business in a private home or habitable accessory structure in which the entire private residence is rented for less than 30 days and no owner is present.
- Does the City want to allow tenants to obtain short-term rental permits for their rented spaces?
  - **Yes:** Must the tenant obtain approval from the landlord? Should the short-term rental permit application be signed by both the tenant and the landlord? Does the City want a copy of the lease?
  - Under the current draft local law, tenants may not apply for short-term rental permits.
- Can corporations register short term rental units?
  - Under the current draft local law, corporations, limited-liability companies, partnerships, associations, trustees, mortgagees, lien holders and other business entities may not apply for a short-term rental permit.
- Does the City Council want to allow short term rentals in multifamily homes or buildings?
  - **Yes:** How many units can be short-term rentals?
  - Under the current draft local law, short-term rentals are not allowed in multifamily homes or buildings.
- Does the City want to allow short-term rentals in all Zoning Districts?
  - The draft local law only allows short-term rentals as an accessory use in single family homes in residential districts.

- Does the property owner need to be on-site when the short-term rental unit is rented?
  - **No:** Does the City want to require the owner to engage the services of an agent if the owner leaves the City or County? The Village of Rhinebeck requires an owner leaving Dutchess County overnight during the rental period to engage the services of an agent with the right to enter and maintain possession of the dwelling. This agent must be available twenty-four (24) hours a day to respond to tenant and neighborhood concerns and be capable of responding within two hours of notification from the Village.
- Can property owners make their accessory apartments short term rentals?
  - **Yes:** What if the accessory apartment is located in the house or in a detached garage? The current draft local law does not address this question.
  - Under the current draft local law, owners may use accessory apartments as short term rentals. Owners may not use any part of the property as a short-term rental that is not approved for residential use, including but not limited to, vehicles parked on the property, a storage shed, recreation room, trailer, garage, or any temporary structure such as a tent.
- Are pets permitted? Does the City want to adopt regulations that prohibit renters from bringing pets to the rental unit? The current draft local law does not address this question.
- Does the City want to set up a distance requirement between short-term rentals?
  - **Yes:** What should the distance requirement be? Is it based on lot or short-term rental unit? Does the City want to consider establishing a regulation that there shall only be one rental unit per lot?
  - For example, the Village of Rhinebeck states that no short-term rental permit may be allowed for any lot located within two lots from a lot where a current permit has been issued from a public lottery draw.
  - The current draft local law does not include a distance restriction.
- Should notice be provided to adjoining property owners when a short-term rental permit is submitted?

- **Yes:** What should the notice radius be? At what point should notice be provided (i.e. when a permit is used or after an application is submitted)?
- For example, in the Village of Rhinebeck, notice of a short-term rental application prior to the issuance of a permit must be provided to adjoining property owners within 250 feet of the property on which the permit has been issued.
- The current draft local law does not require notice.
- Does the City want to establish a maximum number of occupants per dwelling or a maximum number per bedroom?
  - In Rhinebeck, there shall be no more than six occupants as lodgers at any given time, with a maximum of two occupants per bedroom.
  - In the Town of Woodstock, the Town Board sets caps on the number of both owner occupied short-term rentals and non-owner occupied short term rentals permitted within the Town.
  - In the Town of Cornwall, no more than three adult persons can occupy any one bedroom, provided, however, that maximum occupancy under the State Building and Fire Safety Code cannot be exceeded.
  - The current draft local law does not establish a maximum number of occupants.
- Does the City want to limit how many days in a year a property may be rented for?
  - The Village of Rhinebeck provides that short term rentals are limited to 16 days in any one calendar year and there must be a seven day period of no rental activity between rentals.
  - The current draft local law does not establish a limit on the number of days a unit may be rented.
  - If the City allows all property owners and tenants to obtain short-term rental permits, the City may limit the number of days a unit may be rented based on ownership.
- Does the City want to establish parking regulations for short-term rentals?

- The Village of Rhinebeck provides, any additional parking shall not be allowed in front of a principal structure by expanding use of an existing driveway.
- In the Town of Cornwall, short term rental tenants and their guests or invitees shall not block or otherwise impede ingress or egress over the street on which the short term rental property is located and/or to or from any driveways of other property on the said street.
- The current draft local law requires short-term rental units to have the number of parking spaces required for single family homes, no additional requirements are set forth in the draft local law.
- Does the City want to require residents with short-term rental permits to display some sort of plaque or sign on their property?
  - The current draft local law does not require this.
- How long is a short-term rental permit valid for? Must it be renewed annually or every five years or another period of time?
  - The current draft states that all short-term rental permits issued shall be for a period of two years and shall be renewable for subsequent two-year terms upon application. An inspection of the premises must occur prior to any permit renewal.
- Does the City want to establish a maximum number of short-term rental permits to issue?
  - The current draft local law does not discuss a maximum number.
  - If the City allows all property owners and tenants to obtain short-term rental permits, the City may establish a maximum number of permits based on ownership.