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Proposed Zoning Amendment Regarding Short-Term Rental Units (ODNC00141) Planning Board Report and Recommendations May 17, 2023

In accordance with MGL c.40A s.5, the Planning Board submits to the City Council this report with recommendations concerning ODNC00141, a proposed amendment to the zoning ordinance to allow Short-Term Rental Units (STRUs).

The Planning Board discussed the proposed zoning ordinance amendment in a joint public hearing with the City Council's Planning and Development Committee on February 16, 2022; and in the Board's meetings on May 3 and May 17, 2023. The Board adopted this report at its meeting on May 17, 2023.

The Planning Board recognizes that it is necessary to adopt zoning regulations to define both the locations where STRUs may be located and the standards for such uses. The Board generally supports the overall approach represented by the current proposed ordinance, which contains separate regulations and standards for three classes of STRUs: owner-occupied, investor, and Plum Island. The proposed ordinance appropriately recognizes Plum Island's distinct history and character as a beach community with numerous seasonal short-term rentals, while being more restrictive of STRUs in mainland residential neighborhoods.

Board members (as well as residents) have raised concerns about the following specific issues with the proposed ordinance:

- Owner-Occupied STRU definition: An STRU "located on the same lot as the Operator's Primary Residence" is not very different in nature or neighborhood impact from an Investor STRU, particularly where the owner of an Investor STRU may live in the same neighborhood as the STRU. It may be more appropriate to regulate a second unit on an owner-occupant's lot in the same way as an Investor STRU.
- Owner's absence from Owner-Occupied STRU: The 120-day allowance for an owner-occupant to be absent from the STRU blurs the line between owner-occupants and investors, especially in the case of an Owner-Occupied STRU that is not the owner's principal residence (i.e., a second unit on the same lot as the owner's residence). If the definition of Owner-Occupied STRU is changed to apply only to the owner's primary residence, the 120-day nonresidency provision could remain; but otherwise it should be reduced.
- Number of bedrooms and occupants: The proposed ordinance sets limits on both the number of bedrooms and the number of guests but links the off-street parking requirement only to the number of bedrooms. This creates a potential ambiguity in determining the required number of parking spaces. This ambiguity could be resolved by tying the number of occupants to the number of bedrooms (e.g., two occupants per bedroom).
- Neighborhood input: Some Planning Board members strongly believe that a formal process for notice to and input from abutters and other neighbors should be required for all STRUs in residential neighborhoods. As a consequence, these members oppose allowing any STRUs as

of right (“P”) in these neighborhoods, which would mean requiring a special permit for all STRUs.

- Treatment of existing STRUs: There are a number of investor-owned STRUs in the residential zoning districts, and also a number of STRUs (both owner-occupied and investor-owned) that do not comply with the off-street parking requirements of the proposed ordinance. Some Planning Board members would like to see an allowance in the ordinance for continued STRU use of such units. This allowance could be in the form of a time-limited “amnesty” provision or an owner-limited exception such as the one included in Salem’s STRU ordinance.
- Licensing and enforcement: Although the Planning Board’s purview is limited to advising the Council on the zoning ordinance, the issue of enforcement – and thus the licensing ordinance – seems inextricable from the zoning discussion. There is a concern that the City does not have the resources to respond effectively and expeditiously to ordinance and license violations or to neighbor complaints, particularly on weekends when problems may be more likely.

The Planning Board recommends that the above issues be further reviewed and addressed before a final ordinance is enacted.

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