

ORDINANCE NO. 3119

**AN ORDINANCE AMENDING THE CITY CODE OF ORDINANCES, CHAPTER 90,
ARTICLE IV, SECTION 90-216, SHORT-TERM RENTALS**

WHEREAS, the City of Highland, Madison County, Illinois (hereinafter “City”), is a non-home rule municipality duly established, existing and operating in accordance with the provisions of the Illinois Municipal Code (Section 5/1-1-1 et seq. of Chapter 65 of the Illinois Compiled Statutes); and

WHEREAS, by previously passed Ordinance, City determined allowing Short-Term Rentals as a Special Use is a way to ensure that each Short-Term Rental establishment is known by the City, registered in the Rental Program, does not pose a safety threat, will not adversely affect neighbors or neighboring property, and is submitting hotel-motel tax; and

WHEREAS, Chapter 90, Article IV, Section 90-216 – Sort-Term Rentals, currently states:

Section 90-216 – Short-Term Rentals

A. Intent

1. The purpose of this section is to protect the public health, safety, sanitation, traffic control, solid or hazardous waste control, pollution control, and other specified circumstances in relation to short-term rentals.
2. Short-term rentals are distinct from Bed and Breakfast establishments in that prepared meals are not provided and only one group of patrons in a 24-hour period shall be allowed in a short term rental.
3. Short-term rentals are distinct from Hotel or Motel establishments in that only one group of patrons in a 24-hour period shall be allowed in a short-term rental. Further, Hotel or Motel establishments are land uses allowed only in non-residential zoning districts.

B. Requirements

1. It shall be unlawful to rent, offer for rent, or advertise for rent a short-term rental without first obtaining a Special Use Permit (SUP) issued by the City of Highland for the specific location.
2. All short-term rentals shall meet the following:
 - a. No rental or advertisement for rental for a period of time shorter than twenty (20) hours.

- b. No short-term rental may provide for food or beverage to any guests with the exception of pre-packaged food and drink items.
- c. The SUP application shall identify what living space within the principal structure is available for short-term rental. If more than one (1) living area is offered for short-term rental, those living areas shall be specifically identified and numbered on the SUP application. While a separate SUP application is not required for each living area, the applicant shall not be allowed to exceed the maximum number of short-term rentals identified in the SUP application.
- d. Any short-term rental shall be subject to the hotel and motel tax and associated requirements of Article II Hotel and Motel Tax (Sections 70-26 to 70-33).
- e. Short-term rentals shall be inspected annually for compliance with the requirements of Article VII Health Safety Inspection (Sections 33-211 to 33-260).
- f. Short-term rental owners/operators shall be required to register with the City of Highland as a landlord per the provisions of Article VI. – Landlord Registration (Sections 33-195 to 33-201).
- g. The SUP application shall include owner and property identification information, including emergency contact and insurance information, to be provided to the City of Highland Police Department.
- h. The maximum number of overnight occupants shall not exceed that allowed per the Building Code.
- i. Off-street parking locations shall be identified on the SUP application.
- j. The applicant shall be responsible for confirming that the use of the property and structure as a short-term is allowed by any applicable covenants and restrictions.

Approval of a SUP by the City of Highland shall not circumvent these covenants and restrictions.

C. SUP Criteria

In reviewing a Special Use Permit application, the Combined Planning and Zoning Board shall consider and affirmatively ascertain the following have been met:

1. The proposed short-term rental has complied with all provisions of subsection B (Short-Term Rentals – Requirements).
2. The proposed short-term rental will not cause a negative cumulative effect when considered in conjunction with the effect of other short-term rentals in the immediate neighborhood.
3. The proposed short-term rental will not have a substantial adverse impact on the use, enjoyment, or property values of adjoining properties.

4. The proposed short-term rental will not have an adverse effect upon the public health, welfare, or safety of the community.

and;

WHEREAS, City has determined it is in the best interests of public health, safety, general welfare, and economic welfare to add the following requirement for short term rentals:

(b) *Requirements.*

(2) All short-term rentals shall meet the following:

- k. Short-term rentals must be owner-controlled, meaning that a property owner may not rent the property to an individual (renter) and allow the renter to utilize the unit as a short-term rental. The owner may manage the property outright or contract an entity for professional management services so long as the contracted entity is only contracted for said services and is not leasing the property from the owner.

and

WHEREAS, City Staff recommended to the Combined Planning and Zoning Board (“CPZB”) that it should approve the text amendments as stated herein (*See* Staff Report attached hereto as **Exhibit A**); and

WHEREAS, the Combined Planning and Zoning Board recommended to the City Council that it approve the text amendment as stated herein (*See* CPZB Report attached hereto as **Exhibit B**); and

WHEREAS, the City Council finds it should approve the text amendment to Short-Term Rentals as stated in this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND AS FOLLOWS:

Section 1. The foregoing recitals are incorporated herein as findings of the City Council of the City of Highland, Illinois.

Section 2. City has determined City Staff recommended to the CPZB Board that it approve the text amendment in Chapter 90, Article IV, Section 90-216 – Sort-Term Rentals, as stated herein. *See* **Exhibit A**.

Section 3. City has determined the CPZB Board recommended to the City Council that it approve the text amendment to Chapter 90, Article IV, Section 90-216 – Sort-Term Rentals, as stated herein. *See Exhibit B.*

Section 4. City Council approves the text amendments to Chapter 90, Article IV, Section 90-216 – Sort-Term Rentals, as stated herein.

Section 5. Chapter 90, Article IV, Section 90-216 – Sort-Term Rentals, shall be amended as follows:

Sec. 90-216. - Short-term rentals.

(a) *Intent.*

- (1) The purpose of this section is to protect the public health, safety, sanitation, traffic control, or hazardous waste control, pollution control, and other specified circumstances in relation to short-term rentals.
- (2) Short-term rentals are distinct from bed and breakfast establishments in that prepared meals are not provided and only one group of patrons in a 24-hour period shall be allowed in a short rental.
- (3) Short-term rentals are distinct from hotel or motel establishments in that only one group of patrons in a 24-hour period shall be allowed in a short-term rental. Further, hotel or motel establishments are land uses allowed only in non-residential zoning districts.

(b) *Requirements.*

- (1) It shall be unlawful to rent, offer for rent, or advertise for rent a short-term rental without first obtaining a special use permit (SUP) issued by the City of Highland for the specific location.
- (2) All short-term rentals shall meet the following:
 - a. No rental or advertisement for rental for a period of time shorter than 20 hours.
 - b. No short-term rental may provide for food or beverage to any guests with the exception of pre-packaged food and drink items.
 - c. The SUP application shall identify what living space within the principal structure is available for short-term rental. If more than one living area is offered for short-term rental, those living areas shall be specifically identified and numbered on the SUP application. While a separate SUP application is not required for each living area, the applicant shall not be allowed to exceed the maximum number of short-term rentals identified in the SUP application.

- d. Any short-term rental shall be subject to the hotel and motel tax and associated requirements of Article II Hotel and Motel Tax (Sections 70-26 to 70-33).
 - e. Short-term rentals shall be inspected annually for compliance with the requirements of Article VII Health Safety Inspection (Sections 33-211 to 33-260).
 - f. Short-term rental owners/operators shall be required to register with the City of Highland as a landlord per the provisions of Article VI - Landlord Registration (Sections 33-195 to 33-201).
 - g. The SUP application shall include owner and property identification information, including emergency contact and insurance information, to be provided to the City of Highland Police Department.
 - h. The maximum number of overnight occupants shall not exceed that allowed per the Building Code.
 - i. Off-street parking locations shall be identified on the SUP application.
 - j. The applicant shall be responsible for confirming that the use of the property and structure as a short-term is allowed by any applicable covenants and restrictions. Approval of a SUP by the City of Highland shall not circumvent these covenants and restrictions.
 - k. Short-term rentals must be owner-controlled, meaning that a property owner may not rent the property to an individual (renter) and allow the renter to utilize the unit as a short-term rental. The owner may manage the property outright or contract an entity for professional management services so long as the contracted entity is only contracted for said services and is not leasing the property from the owner.
- (c) *SUP Criteria.* In reviewing a special use permit application, the combined planning and zoning board shall consider and affirmatively ascertain the following have been met:
- (1) The proposed short-term rental has complied with all provisions of subsection (b) (Short-Term rental requirements).
 - (2) The proposed short-term rental will not cause a negative cumulative effect when considered in conjunction with the effect of other short-term rentals in the immediate neighborhood.
 - (3) The proposed short-term rental will not have a substantial adverse impact on the use, enjoyment, or property values of adjoining properties.
 - (4) The proposed short-term rental will not have an adverse effect upon the public health, welfare, or safety of the community.

Section 6. This ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form as provided by law.

Passed by the City Council of the City of Highland, Illinois, and deposited and filed in the Office of the City Clerk, on the 19th day of July 2021, the vote being taken by ayes and noes, and entered upon the legislative records, as follows:

AYES: Sloan, Frey, Bellm

NOES: None

ABSENT: Hipskind

APPROVED:



ATTEST:

Kevin B. Hemann, Mayor
City of Highland
Madison County, Illinois

Barbara Bellm, City Clerk
City of Highland
Madison County, Illinois



City of Highland
Building and Zoning

Meeting Date: July 7, 2021

From: Breann Speraneo, Director of Community Development

Text Amendment: Article IV, Section 90-216 – Short-term rentals

Description: Amending the supplemental regulations for short-term rentals

Proposal Summary

The City of Highland is requesting a text amendment to Section 90-216 of the Municipal Code to amend the supplemental regulations for short-term rentals.

Upon further review of the supplemental regulations for short-term rentals, staff found that there was no language stating that a short-term rental unit must be owner-controlled. Staff believes it is important to add this language in order to ensure that the owner of the property is the party in control of the short-term rental.

Article IV, Section 90-216 – Short-term rentals.

Note: Red text is new text.

Sec. 90-216. - Short-term rentals.

(a) *Intent.*

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- (2) Short-term rentals are distinct from bed and breakfast establishments in that prepared meals are not provided and only one group of patrons in a 24-hour period shall be allowed in a short rental.
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(b) *Requirements.*

- (1) It shall be unlawful to rent, offer for rent, or advertise for rent a short-term rental without first obtaining a special use permit (SUP) issued by the City of Highland for the specific location.
- (2) All short-term rentals shall meet the following:
 - a. No rental or advertisement for rental for a period of time shorter than 20 hours.
 - b. No short-term rental may provide for food or beverage to any guests with the exception of pre-packaged food and drink items.



City of Highland Building and Zoning

- c. The SUP application shall identify what living space within the principal structure is available for short-term rental. If more than one living area is offered for short-term rental, those living areas shall be specifically identified and numbered on the SUP application. While a separate SUP application is not required for each living area, the applicant shall not be allowed to exceed the maximum number of short-term rentals identified in the SUP application.
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 - i. Off-street parking locations shall be identified on the SUP application.
 - j. The applicant shall be responsible for confirming that the use of the property and structure as a short-term is allowed by any applicable covenants and restrictions. Approval of a SUP by the City of Highland shall not circumvent these covenants and restrictions.
 - k. **Short-term rentals must be owner-controlled, meaning that a property owner may not rent the property to an individual (renter) and allow the renter to utilize the unit as a short-term rental. The owner may manage the property outright or contract an entity for professional management services so long as the contracted entity is only contracted for said services and is not leasing the property from the owner.**
- (c) *SUP Criteria.* In reviewing a special use permit application, the combined planning and zoning board shall consider and affirmatively ascertain the following have been met:
- (1) The proposed short-term rental has complied with all provisions of subsection (b) (Short-Term rental requirements).
 - (2) The proposed short-term rental will not cause a negative cumulative effect when considered in conjunction with the effect of other short-term rentals in the immediate neighborhood.
 - (3) The proposed short-term rental will not have a substantial adverse impact on the use, enjoyment, or property values of adjoining properties.
 - (4) The proposed short-term rental will not have an adverse effect upon the public health, welfare, or safety of the community.



City of Highland
Building and Zoning

Exhibit "C"
Determination for Zoning Text Amendment

Date Advertised: 6/16/21 & 6/17/21
Public Hearing Date: 7/7/21

On July 7, 2021, the City of Highland Combined Planning and Zoning Board at its regular meeting approved/denied a Zoning Text Amendment for the following:

The City of Highland is requesting a text amendment to Section 90-216 of the Municipal Code to amend the supplemental regulations for short-term rentals. .

The City Council will consider the recommendation of the Combined Planning and Zoning Board at the July 19, 2021 meeting of the City Council.

In recommending APPROVAL (action) of this Zoning Text Amendment, the Combined Planning and Zoning Board considered all standards listed in the zoning regulation and all other conditions listed for that use in other sections of these regulations. In addition, the Combined Planning and Zoning Board found that the proposed use did not provide safeguards to assure its compatibility with the surrounding area.

Conditions (if any): NONE

Chairperson of the Combined Planning and Zoning Board

7/7/21

Date