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# MEMORANDUM

July 11, 2018

**To:** City Council via Planning Commission

**From:** Community Development Department

**Subject:** Residential Short Term Rentals (STRs) CODE-06-18-5441  
 Amend Title 15A, Chapter 11, Special Uses, Chapters 7, 8, 9, & 10, Permitted Land Use Matrices for Residential, Commercial, Office, Industrial, Mixed Use, Transit Corridor, Research and Development, Institutional Care, and Open Space Districts, & Chapter 37, Definitions, Land Development Code, Revised Ordinances of Sandy City, 2008

**HEARING NOTICE:** *This item has been noticed on public websites, and in the newspaper at least 10 days prior to the Public Hearing.*

### REQUEST

The Community Development Department, per the direction of the City Council and Mayor, has filed a request to amend Title 15A, Chapter 11, Special Uses, Chapters 7, 8, 9, & 10, Permitted Land Use Matrices for Residential, Commercial, Office, Industrial, Mixed Use, Transit Corridor, Research and Development, Institutional Care, and Open Space Districts, & Chapter 37, Definitions, Land Development Code, Revised Ordinances of Sandy City, 2008. The purpose of the Code Amendment is to make changes to our Development Code to allow for and regulate short-term rentals (STRs) in Sandy.

PROPERTY CASE HISTORY	
Case Number	Case Summary
CA#98-H	On September 25, 1998, the City adopted Ordinance #98-35, which created new land use regulations for residential districts and a new definition for Residential Short Term Lease. Another update was made on this definition on October 21, 1999 through Ordinance #99-54. This new definition prohibited the use of short-term rentals less than 30 days in all residential districts and is the same definition we have in our current code.

**BACKGROUND**

In 1998, the City ran into issues with short-term “ski-rentals” and the enforcement of our codes in regards to this use. The City was sued by a couple of property owners that were operating short-term rentals over the enforcement of our codes. There were issues and complaints from neighbors of these properties about neighborhood stability, nuisance, and quality of life. Through this litigation process, the City was directed by the Courts to revise how we defined short-term rentals and how it was to be enforced. In March of 1998, the city invoked a pending ordinance doctrine to evaluate options to change our codes relating to short-term ski rentals. This was formally adopted with Ordinance #98-19.

Over the course of that year, the city evaluated how to address this issue. On September 25, 1998, the City adopted Ordinance #98-35, which created new land use regulations for residential districts and a new definition for Residential Short Term Lease. Another update was made on this definition on October 21, 1999 through Ordinance #99-54. This new definition prohibited the use of short-term rentals less than 30 days in all residential districts and is the same definition we have in our current code.

Since that time, companies such as Airbnb and VRBO popularized STRs and played a large part in bolstering the sharing economy movement. This movement resulted in a drastic increase of illegally operating STRs in Sandy City, estimated at somewhere around 300 (~1% of households) today.

The sharing economy movement has garnered interest from some members of the Utah State Legislature and a bill was introduced during the 2017 Legislative Session on the topic. In March of 2017, the City Council wanted to find out more about this topic and invited Representative John Knotwell to discuss the proposed HB 253. This bill, as originally written, would remove the ability of Utah Cities to regulate STR's, placing the ability in the hands of the State.

Following negotiations between members of the State Legislature, the League of Cities and Towns, and elected local officials from around the State, a compromise was reached. In exchange for the right to retain the ability to regulate STRs, Utah Cities would begin drafting local legislation to legalize STRs. Since April of 2017, the City Council Office began researching STRs and drafting an STR ordinance in coalition with City Administration.

On April 17, 2018, the City Council made a motion to direct City Staff to take their draft ordinance through the formal Code Amendment Review process. Since the Council made that directive, staff has been working with the Council Office on revisions to the draft ordinance. Staff has been refining the original proposal and reformatting it to better fit into our development code.

**ANALYSIS**

The topic of regulating short-term rentals is controversial and has both potential positives and negatives. STRs can have a positive impact on cities, in that they can:

- Contribute to local wealth by giving residents the opportunity to earn money from hosting tourists. Fewer tourism dollars go to large corporate hotel chains, and more dollars stay within the community.
- Make efficient use of space by allowing residents to host guests in a room or unit when it might otherwise be unused.
- Prevent economic hardship and displacement by allowing some residents to use STR revenue to make ends meet and stay in their homes.
- Provide both tourists and hosts with valuable social and cultural exchange.

- Spread tourist dollars beyond typical hotel and tourism districts by attracting travelers to less frequented neighborhoods and businesses.

At the same time, STRs can have a negative impact on cities, in that they can:

- Take long-term rental units off the market, creating a scarcity of housing options, and pushing up prices.
- Incentivize property owners to keep rooms and units vacant or even evict long-term tenants in order to make higher profit per night from short-term renters.
- Unfairly compete with established hotels, inns, and bed and breakfasts when STRs are not subject to the same level of taxation or regulation.
- Reduce transient occupancy tax, or "hotel tax" revenues for the city when STR hosts evade the tax or avoid remitting the tax on the grounds that they are not operating a hotel.
- Violate residential zoning codes that are intended to limit noise, traffic, parking shortages, and activities incompatible with the character of a neighborhood.
- Adversely impact community cohesion because vacation rentals house a revolving circuit of transient occupants who are not connected to or invested in the community.

For the most part, staff feels that the proposed code amendment would create sensible regulations that would allow for a limited number of STRs, and allowing the City to benefit from a use that is already operating in the City, albeit currently not legal. We also suggest that the proposed amendment would help mitigate the potential negative impacts as well.

While reformatting the document, we strived to keep the original intent of the City Council intact. In some areas, staff has suggested some refinement or revisions to the proposal to balance administrative burden, provide clarity in the language, and consistency of terms throughout the Land Development Code.

The proposed version that staff would suggest be adopted is shown in Exhibit "A" attached hereto. This version has been refined with coordination of staff and the Council Office and represents our combined best effort to reflect the recommendation from Administration Staff and the Council Office. The original version of the code that the City Council proposed is shown in Exhibit "C". A direct comparison of both versions is shown in the attached Exhibit "B" with the revised final version shown in black, and the original source sections shown in red.

While most of the changes proposed are minor in nature, the following represent some of the more significant changes between the original version:

1. Definitions. In section B of Exhibit "C" showed many definitions that applied to this section alone. As a best practice, Staff has tried not to have a defined terms section that only apply to a certain chapter or section of the code in favor of a unified definition chapter (see Chapter 37) that applies to the entire code. Staff proposes eliminating most of those terms in favor of revised language and terms that are used throughout the Land Development Code. As a result we are only including two (2) of those original defined terms in Chapter 37, with some slight revisions. All the other terms were not used or not needed to be further defined.
2. Advertisement Notice. In section I(3) in Exhibit "C", the Council proposed a statement be required to be posted on any advertising of the STR. Staff is proposing that this section be moved to the Business License Title 5 of the Revised Ordinances of Sandy City.

3. Limited number of STRs. Staff has proposed a change from one (1) permit for every 100 households (less apartment units), to one (1) permit for every 100 single-family dwellings (see section D of Exhibit "B" to see both versions). This change would make a simpler metric that is easier to ascertain, but it would eliminate other units that may be owner occupied (i.e. townhomes, condos, twin homes, etc.). This change would be more restrictive by not counting other unit types in determining the number of STRs allowing in a particular community. So areas that have a higher percentage of units other than single-family homes, would have fewer STRs allowed in those communities.
4. Removed Waiting List. In section G(3) of Exhibit "C", it was proposed that staff administer a waiting list if the cap had been reached in a particular community. Staff has removed this from the final version due to concerns of an administrative burden. In current practice, staff has not kept waiting lists for any other use or permit that is capped (e.g. Non-Depository Institutions). It is burdensome to require holding onto applications and manage lists that may not have a new permit available for a long time. Staff does not have processes or file management systems in place to manage such a requirement.
5. Requirement to Respond to Legitimate Complaints. In section C(7) of Exhibit "B" (and F(6) and L(4) in red), it discusses a need for urgent response by the owner, or a designated representative (e.g. property manager), to respond to any legitimate complaint. In some cases, being able to respond via phone may be sufficient. In others, it may be necessary to have the owner, or their representative, to physically be there to adequately resolve the issue, especially if eviction is required to resolve the complaint(s). Without this requirement, it may result in issues going unresolved in a reasonable time and create additional burden to neighboring properties. It may also lead to resorting to city employees (i.e. Code Enforcement or Police Officers) to resolve issues that could have otherwise been done by the owner had they been present.

### **NON-CONFORMING USES**

This Code Amendment would not create any non-conforming situations.

### **LAND DEVELOPMENT CODE PURPOSE COMPLIANCE**

The Sandy City Land Development Code in 15A-01-03 lists the criteria explaining the intent and purpose of the Ordinance. The purpose is:

#### **15A-01-03 Purpose**

This Code is adopted to implement Sandy City's General Plan and to promote: public health, safety, convenience, aesthetics, welfare; efficient use of land; sustainable land use and building practices; transportation options and accessibility; crime prevention; timely citizen involvement in land use decision making; and efficiency in development review and land use administration. Specifically, this Code is established to promote the following purposes:

#### **1. General**

- a. To facilitate the orderly growth and development of Sandy City.
- b. To facilitate adequate provision for transportation, water, sewage, schools, parks, and other public requirements.
- c. To stabilize property values.
- d. To enhance the economic well-being of Sandy City and its inhabitants.



**2. Implementation of General Plan**

To coordinate and ensure the implementation of the City's General Plan through effective execution of development review requirements, adequate facility and services review and other goals, policies, or programs contained in the General Plan.

**3. Comprehensive, Consistent and Equitable Regulations**

To establish a system of fair, comprehensive, consistent and equitable regulations, standards and procedures for review and approval of all proposed land development within the City.

**4. Efficiently and Effectively Managed Procedures**

- a. To promote fair procedures that are efficient and effective in terms of time and expense.
- b. To be effective and responsive in terms of the allocation of authority and delegation of powers and duties among ministerial, appointed, and elected officials.
- c. To foster a positive customer service attitude and to respect the rights of all applicants and affected citizens.

One of the stated purposes of the City's land use ordinances is to facilitate the orderly growth and development of Sandy City. Some of the general purposes of the City's Development Code are to implement Sandy City's General Plan, and to promote the following public policies: public health, safety, convenience, aesthetics, welfare; efficient use of land; sustainable land use and building practices; transportation options and accessibility; crime prevention; timely citizen involvement in land use decision making; and efficiency in development review and land use administration.

**GENERAL PLAN COMPLIANCE**

The General Plan encourages appropriate development standards for all uses and zoning categories within Sandy City. This code amendment would further that goal and objective.

**STAFF RECOMMENDATION**

The Community Development Department requests that the Planning Commission forward a positive recommendation to the City Council to adopt the proposed ordinance amendments as shown in Exhibit "A", attached, for the following reasons:

1. Compliance with the Purpose of the Land Development Code by facilitating the orderly growth and development of Sandy City.
2. Compliance with the Goals and Policies of the General Plan by establishing appropriate development standards for all uses and zoning categories within Sandy City.

Planner:

Reviewed by:



Mike Wilcox  
Zoning Administrator



**Exhibit "A"**  
**(Proposed Final Version)**

**15A-11-25 Residential Short Term Rental (STR)**

- A. **Purpose.** This section is established to provide regulations and design standards for residential short-term rentals (STRs) related to single family and multi-family neighborhoods. These standards seek to allow for STRs while also protecting the safety and general welfare of Sandy residents and preserving the residential character of Sandy neighborhoods. In allowing STRs, it provides existing property homeowners economic relief who might otherwise be forced to leave a neighborhood, thus promoting and preserving affordable housing in Sandy City. This section also intends to stabilize neighborhoods by promoting home ownership and preserving long term rental housing in the market.
- B. **Residential Short Term Rental (STR).** A STR is prohibited in all residential dwellings, residential districts, residential PUD districts and residential SD districts without first obtaining a STR special use permit as regulated in this section and issued a valid short-term rental business license (STRL). The following are exempt and shall not be subject to the provisions of this section:
1. A residential lease of 30 or more consecutive days.
  2. Bed and Breakfasts, hotels, and motels, as described and regulated in the Sandy Land Development Code and the Revised Ordinances of Sandy City, shall not be subject to the provisions of this section.
- C. **General Standards and Requirements.** A STR use may be allowed within any existing legal residential dwelling by an administrative special use permit from the Community Development Department, wherein the application demonstrates compliance with requirements found in the Sandy Land Development Code and the Revised Ordinances of Sandy City and all of the following standards and requirements:
1. **Application.** A completed application form as provided by Sandy City.
  2. **Property Description.** A detailed written description and/or drawing of the property that identifies the use of each room of the dwelling and defines the portions of the dwelling to be used for a STR shall be provided. Only one (1) designated STR area is allowed for a property.
  3. **Owner Occupancy.** The owner of the subject property shall live in the primary dwelling in which a STR is desired, and must reside therein as their primary residence.
    - a. An individual shall prove ownership of the property as evidenced by a copy of a transfer deed listing the applicant as the fee title owner. Fee title owner may be an individual or trustor of a family trust that possesses 50% or more ownership of the proposed STR. Fee title owner may not be a corporation, partnership, limited liability company, or similar entity.
    - b. To establish that the property is the owner's primary residence, the owner shall:
      - (1) Present the owner's most recent state and federal tax returns both listing the property as the owner's primary residence; and
      - (2) Present a government issued identification document listing the address of the property as the address of the owner; and
      - (3) A signed affidavit sworn before a notary public shall be provided by the owner stating that the proposed property is the primary residence of the owner, wherein they reside at least 183 days per calendar year.
  4. **Occupancy During Rental Period.** The subject property shall comply with the following occupancy restrictions:

- a. The maximum renter occupancy shall be no more than eight (8) related people or four (4) unrelated people in the area to be used for a STR and the maximum occupancy shall not include the owner.
  - b. The property shall not be rented to more than one renter at any given time, and the owner shall not divide and rent out portions of the dwelling to multiple renters at the same time.
  - c. A property shall not be rented as a STR for more than 182 nights per year.
    - (1) The owner may reside on the property while it is occupied by a renter.
    - (2) The property shall only be rented for a minimum duration of one (1) night and a maximum of ten (10) consecutive nights.
    - (3) There must be a renter vacancy period of three (3) consecutive nights between each rental.
  - d. A property with a valid accessory apartment conditional use permit may use the apartment as a STR and have the accessory apartment be rented for up to 365 nights per year. The owner may not reside in or use the accessory apartment unit while it is occupied by a renter.
5. **Parking Plan.** A detailed written description and/or a drawing of an off-street parking plan must be provided to ensure that all occupants of the home and STR can be accommodated on-site at all times. Parking shall be limited to the existing garage, driveway, and dedicated parking spots of the residential unit and may not include any on-street parking. Any proposed parking improvements may also be included in the off-street parking plan, so long as they are completed prior to issuance of a STRL. All elements of the parking plan must be in compliance with all other requirements of this title.
6. **Conflict of Private Restrictions.** The owner shall provide a signed affidavit sworn before a notary public that certifies to the City that the subject property has no existing private covenants, conditions, or restrictions prohibiting STRs.
7. **Urgent Response.** The owner, or a designated representative, shall be available to immediately respond 24 hours/day, 365 days/year by telephone, and when necessary, be able to physically respond within one hour of any legitimate complaint. If the owner is unreachable after three (3) attempted contacts by Sandy City, a notice of violation will be issued.
8. **Property Maintenance Requirements.** All short-term rentals shall adhere to the Revised Ordinances of Sandy City, including, but not limited to:
- a. **Maintenance.** Owners must adhere to the Property Maintenance chapter of the Revised Ordinances of Sandy City including, but not limited to, requirements for weed abatement, landscaping, garbage removal, structure maintenance, and fence/wall maintenance.
  - b. **Snow Removal.** Owners shall remove all snow from the sidewalks of the property within 24 hours after snowfall in accordance with the Revised Ordinances of Sandy City.
  - c. **Noise and Nuisance Control.** Owners shall ensure that renters adhere to the noise control chapter of the Revised Ordinances of Sandy City. Should a renter violate the noise control chapter more than once in any given 72-hour period they shall be immediately evicted from the property by the owner.
9. **Noticing and Posting Requirements.**
- a. One nameplate sign that includes the name and the 24/7 contact information for the owner, or a designated representative, must be posted on the exterior side of the main entrance of the STR.
  - b. An informational packet must be posted in a highly visible place within the dwelling or STR area, and must include all of the following:
    - (1) City issued STRL.
    - (2) 24/7 owner, or a designated representative, contact information.
    - (3) Parking requirements.
    - (4) Maximum occupancy.
    - (5) The noise ordinance of the Revised Ordinances of Sandy City.

- (6) Garbage pick-up dates, and a written description of where garbage receptacles must be placed for pick-up.
- (7) Contact information for the Sandy City Police and Fire Departments.
- (8) Other contact information as required by the Community Development Department.
- (9) Any other appropriate requirements as specified by the Community Development Director, through the special use permit process.

D. **Limited Number of STRs.** The total number of STR special use permits issued within Sandy City shall be limited as follows:

1. The maximum number of STR special use permits shall be calculated for each Community within Sandy City. Each Community shall have a minimum base of two (2) STR permits plus one (1) permit for every 100 single-family dwellings within the Community boundary.
2. The total number of available permits shall be recalculated biennially based on an estimated number of single-family dwellings within Sandy City derived by the Community Development Department.

E. **Violations.** It shall be a violation for any person to operate a STR:

1. Without first obtaining a STR special use permit, as regulated in this section, and issued a valid STRL; or
2. That does not comply with the requirements of this chapter, the Revised Ordinances of Sandy City, or the Sandy City Land Development Code.

F. **Enforcement and Fines.** Upon a determination that a violation exists, the Community Development Director, or designee, will contact the owner requiring such owner to halt, eradicate, destroy, remove, or otherwise cure the violation within 48 hours, or such later time the Director, or designee, may determine.

1. Each day that a violation occurs or continues is a separate violation
2. For any violation of this section, the issuing officer may issue a written citation or notice of violation to the owner, specifying the violation and the penalty to be imposed.
  - a. For the first violation within any 12-month period, the penalty shall be \$500.
  - b. For a second violation within any 12-month period, the penalty shall be \$750.
  - c. For a third violation within any 12-month period the penalty shall be \$1,000 and revocation of the STRL and special use permit. The owner shall be ineligible for a STR special use permit and a STRL for a period of two years from the date of the third notice of violation.
  - d. For any violation within any 12-month period following the third violation, the penalty shall be \$1,000 and the STR owner shall be banned from receiving a STR special use permit and a STRL.





**15A-08-02 Permitted Land Use Matrix by the Commercial, Office, Industrial, Mixed Use, Transit Corridor, and Research and Development Districts**

**B. Table of Uses.**

Land Use Category	CBD	CBD-P	CBD-O	CBD-A&C	CR-PUD	RC	BC	CC	CN	CVC	CN(HSN)	HBD	LC	PO	ID	AM (Dealership)	AM (Commercial)	MU	TC	RD	
<del>Residential Lease, Short Term</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>	<del>N</del>
Residential Short Term Rental (STR)	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S

**15A-09-03 Permitted Land Uses by the Institutional Care District**

**B. Table of Uses**

<b>Table 15A-09-03 – Land Uses in Institutional Care</b>	<b>IC</b>
<del>Residential Lease, Short Term</del>	<del>N</del>
Residential Short Term Rental (STR)	S

**15A-10-02 Permitted Land Uses in the Open Space District**

**B. Table of Uses.**

<b>Table 15A-10-02 – Land Uses in Open Space District</b>	<b>OS</b>
<del>Residential Lease, Short Term</del>	<del>N</del>
Residential Short Term Rental (STR)	N

## Exhibit "B"

(Proposed Final Version in Black & Original City Council Version in Red)

### 15A-11-25 Residential Short Term Rental (STR)

- A. **Purpose.** This section is established to provide regulations and design standards for residential short-term rentals (STRs) related to single family and multi-family neighborhoods. These standards seek to allow for STRs while also protecting the safety and general welfare of Sandy residents and preserving the residential character of Sandy neighborhoods. In allowing STRs, it provides existing property homeowners economic relief who might otherwise be forced to leave a neighborhood, thus promoting and preserving affordable housing in Sandy City. This section also intends to stabilize neighborhoods by promoting home ownership and preserving long term rental housing in the market.
- A. **Purpose.** To regulate short-term rentals in Sandy City in order to:
1. Protect the safety and general welfare of Sandy residents.
  2. Preserve the residential character of Sandy neighborhoods.
  3. Promote and preserve affordable housing in Sandy City.
- B. **Residential Short Term Rental (STR).** A STR is prohibited in all residential dwellings, residential districts, residential PUD districts and residential SD districts without first obtaining a STR special use permit as regulated in this section and issued a valid short-term rental business license (STRL). The following are exempt and shall not be subject to the provisions of this section:
1. A residential lease of 30 or more consecutive days.
  2. Bed and Breakfasts, hotels, and motels, as described and regulated in the Sandy Land Development Code and the Revised Ordinances of Sandy City, shall not be subject to the provisions of this section.
- C. **Short-term Rental Prohibited.** No person shall lease, or allow to be leased, any dwelling for a lease term less than 30 days without first obtaining STR special use approval.
- D. **Exceptions.**
1. Rentals of 30 or more consecutive days shall not be subject to the provisions of this section.
  2. Bed and Breakfasts, hotels, and motels, as described and regulated in the Sandy Land Development Code and the Revised Ordinances of Sandy City, shall not be subject to the provisions of this section.
- C. **General Standards and Requirements.** A STR use may be allowed within any existing legal residential dwelling by an administrative special use permit from the Community Development Department, wherein the application demonstrates compliance with requirements found in the Sandy Land Development Code and the Revised Ordinances of Sandy City and all of the following standards and requirements:
- E. **Where Permitted.** STR's are a special use permitted for any existing legal residential use.
- F. **Special Use Approval.** The owner shall obtain a special use approval from the Community Development Department. A STR must adhere to all requirements found in the Sandy Land Development Code and the Revised Ordinances of Sandy City. Prior to receiving an STR special use approval the owner shall complete the following for the proposed STR unit:



1. Application. A completed application form as provided by Sandy City.

F(1) An application on a form as provided by Sandy City.

2. Property Description. A detailed written description and/or drawing of the property that identifies the use of each room of the dwelling and defines the portions of the dwelling to be used for a STR shall be provided. Only one (1) designated STR area is allowed for a property.

F(3) A detailed written description or drawing of the STR unit that identifies the use of each room.

3. Owner Occupancy. The owner of the subject property shall live in the primary dwelling in which a STR is desired, and must reside therein as their primary residence.

a. An individual shall prove ownership of the property as evidenced by a copy of a transfer deed listing the applicant as the fee title owner. Fee title owner may be an individual or trustor of a family trust that possesses 50% or more ownership of the proposed STR. Fee title owner may not be a corporation, partnership, limited liability company, or similar entity.

b. To establish that the property is the owner's primary residence, the owner shall:

- (1) Present the owner's most recent state and federal tax returns both listing the property as the owner's primary residence; and
- (2) Present a government issued identification document listing the address of the property as the address of the owner; and
- (3) A signed affidavit sworn before a notary public shall be provided by the owner stating that the proposed property is the primary residence of the owner, wherein they reside at least 183 days per calendar year.

B(4) Owner: An individual who:

- a. Possesses fifty (50) percent or more ownership in a STR unit; or
- b. Is a trustor of a family trust which possesses fifty (50) percent or more ownership of a STR unit.

B(4) Primary Residence: The place where an individual resides for at least 183 days per year, and which has the same address as the address shown on the person's:

- a. Most recent state and federal tax returns.
- b. Current driver license or other state issued identification.
- c. Signed Affidavit of Understanding swearing primary residency.

H. **Owner Occupancy Requirement.** The owner of a STR must reside at the STR unit as their primary residence.

1. An individual shall prove ownership of a STR unit as evidenced by one of the following:
  - a. Deed listing the individual as the owner or trustor of the family trust.
  - b. Deed of Trust listing the individual as the owner or trustor of the family trust.
  - c. Documents for any loan presently applicable to the STR unit where the individual is listed as a primary borrower or trustor of the family trust.
2. To establish that the STR unit is the owners' primary residence, the owner agrees to provide the following documentation:

- a. One copy each of the owners most recent state and federal tax returns both listing the proposed STR unit as the owner's primary residence.
  - b. Current driver license or other state issued identification listing the address of the STR unit as the address of the owner.
  - c. A signed Affidavit of Understanding swearing that the proposed STR unit is the primary residence of the owner.
4. Occupancy During Rental Period. The subject property shall comply with the following occupancy restrictions:
- a. The maximum renter occupancy shall be no more than eight (8) related people or four (4) unrelated people in the area to be used for a STR and the maximum occupancy shall not include the owner.
  - b. The property shall not be rented to more than one renter at any given time, and the owner shall not divide and rent out portions of the dwelling to multiple renters at the same time.
  - c. A property shall not be rented as a STR for more than 182 nights per year.
    - (1) The owner may reside on the property while it is occupied by a renter.
    - (2) The property shall only be rented for a minimum duration of one (1) night and a maximum of ten (10) consecutive nights.
    - (3) There must be a renter vacancy period of three (3) consecutive nights between each rental.
  - d. A property with a valid accessory apartment conditional use permit may use the apartment as a STR and have the accessory apartment be rented for up to 365 nights per year. The owner may not reside in or use the accessory apartment unit while it is occupied by a renter.

- J. **Occupancy Requirements.** A STR unit shall not be occupied by more than the maximum occupancy as permitted by the special use approval.
1. The maximum occupancy, shall be no more than: (1) Eight related people or; (2) Four unrelated people.
  2. A STR unit shall not be rented to more than one renter at any given time, and the owner shall not subdivide and rent out the STR unit to multiple renters at the same time.
  3. A STR unit with a valid accessory apartment conditional use permit may be rented for up to 365 nights per year.
    - a. The owner may not reside in the STR unit while it is occupied by a renter.
  4. A STR unit without a valid accessory apartment conditional use permit shall not be rented for more than 182 nights per year.
    - a. The owner may reside in the STR unit while it is occupied by a renter and the maximum occupancy shall not include the owner.
    - b. The STR unit shall be rented for a minimum of 1 night and a maximum of 10 consecutive nights.
    - c. There must be a renter vacancy period of 3 consecutive nights between each rental.
5. **Parking Plan.** A detailed written description and/or a drawing of an off-street parking plan must be provided to ensure that all occupants of the home and STR can be accommodated on-site at all times. Parking shall be limited to the existing garage, driveway, and dedicated parking spots of the residential unit and may not include any on-street parking. Any proposed parking improvements may also be included in the off-street parking plan, so long as they are completed prior to issuance of a STRL. All elements of the parking plan must be in compliance with all other requirements of this title.



F(2) A detailed written description or a drawing of an off-street parking plan as described in this section.

**K. Parking Requirements.** The owner shall ensure compliance to the approved off-street parking plan.

1. Parking shall be limited to the garage, driveway, and dedicated parking spots of the STR unit unless other off-street, improved, hard-surface parking areas are included in the off-street parking plan, approved by the Community Development Department, and included with the special use approval.

6. Conflict of Private Restrictions. The owner shall provide a signed affidavit sworn before a notary public that certifies to the City that the subject property has no existing private covenants, conditions, or restrictions prohibiting STRs.

E(1) Homes located in planned, covenanted communities may be bound by covenants, conditions, and restrictions (CC&R's) that describe requirements and limitations imposed on the home by the CC&R's. In many cases the requirements and limitations are administered by a home owner's association (HOA). In some cases, CC&R's include additional limitations on the operation of short-term rentals (STR). An existing HOA may alter the CC&R's for their community to limit or restrict the operation of STR's. Where an HOA and/or CC&R's do not exist for a specific home or group of homes, they may be created.

F(5) Provide proof that no existing private covenants, conditions, or restriction related to STR's prohibit the proposed STR unit.

7. Urgent Response. The owner, or a designated representative, shall be available to immediately respond 24 hours/day, 365 days/year by telephone, and when necessary, be able to physically respond within one hour of any legitimate complaint. If the owner is unreachable after three (3) attempted contacts by Sandy City, a notice of violation will be issued.

F(6) Provide 24 hours/day, 365 days/year contact information of the owner who shall be available by telephone within one hour of any external complaint.

8. Property Maintenance Requirements. All short-term rentals shall adhere to the Revised Ordinances of Sandy City, including, but not limited to:

a. Maintenance. Owners must adhere to the Property Maintenance chapter of the Revised Ordinances of Sandy City including, but not limited to, requirements for weed abatement, landscaping, garbage removal, structure maintenance, and fence/wall maintenance.

b. Snow Removal. Owners shall remove all snow from the sidewalks of the property within 24 hours after snowfall in accordance with the Revised Ordinances of Sandy City.

c. Noise and Nuisance Control. Owners shall ensure that renters adhere to the noise control chapter of the Revised Ordinances of Sandy City. Should a renter violate the noise control chapter more than once in any given 72-hour period they shall be immediately evicted from the property by the owner.

**L. Property Maintenance Requirements.** All short-term rentals shall adhere to the Revised Ordinances of Sandy City, including, but not limited to:

1. Maintenance. Owners must adhere to the Property Maintenance chapter of the Revised Ordinances of Sandy City including, but not limited to, requirements for weed abatement, landscaping, garbage removal, structure maintenance, and fence/wall maintenance.



2. Snow Removal. Owners shall remove all snow from the sidewalks of the STR unit within 24 hours after snowfall in accordance with the Revised Ordinances of Sandy City.
3. Noise and Nuisance Control. Owners shall ensure that renters adhere to the noise control chapter of the Revised Ordinances of Sandy City. Should a renter violate the noise control chapter more than once in any given 72-hour period they shall be immediately evicted from the STR unit by the owner.
4. Response time. An owner shall respond to any external complaint within one hour of receiving it. If the owner is unreachable after 3 attempted contacts by Sandy City, a notice of violation will be issued.

9. Noticing and Posting Requirements.

- a. One nameplate sign that includes the name and the 24/7 contact information for the owner, or a designated representative, must be posted on the exterior side of the main entrance of the STR.
- b. An informational packet must be posted in a highly visible place within the dwelling or STR area, and must include all of the following:
  - (1) City issued STRL.
  - (2) 24/7 owner, or a designated representative, contact information.
  - (3) Parking requirements.
  - (4) Maximum occupancy.
  - (5) The noise ordinance of the Revised Ordinances of Sandy City.
  - (6) Garbage pick-up dates, and a written description of where garbage receptacles must be placed for pick-up.
  - (7) Contact information for the Sandy City Police and Fire Departments.
  - (8) Other contact information as required by the Community Development Department.
  - (9) Any other appropriate requirements as specified by the Community Development Director, through the special use permit process.

I. Noticing and Posting Requirements.

1. One nameplate sign that includes the name and the 24/7 contact information for the owner must be posted on the exterior side of the STR units main entrance.
2. An informational packet must be posted in a highly visible place within the common area of the STR unit, to include:
  - a. City issued STRL.
  - b. 24/7 owner contact information.
  - c. Parking requirements.
  - d. Maximum occupancy.
  - e. The noise ordinance of the Revised Ordinances of Sandy City.
  - f. Garbage pick-up dates, and a written description of where garbage receptacles must be placed for pick-up.
  - g. Contact information for the Sandy City Police and Fire Departments.
  - h. Contact information for Sandy City Hall.
  - i. Any other appropriate requirements as specified by the Community Development Director, or his designee.
3. ~~Any licensed STR in Sandy City shall include the following statement in any online advertisement for the STR unit: *This short-term rental is legally permitted by Sandy City short-term rental permit #\_\_\_\_\_ and short-term rental business license #\_\_\_\_\_. Any short-term rental in Sandy City operating without a permit and business license number included within*~~

~~its online advertisement is operating illegally. Renters beware. (Moved to Title 5 – Business License)~~

- D. **Limited Number of STRs.** The total number of STR special use permits issued within Sandy City shall be limited as follows:
1. The maximum number of STR special use permits shall be calculated for each Community within Sandy City. Each Community shall have a minimum base of two (2) STR permits plus one (1) permit for every 100 single-family dwellings within the Community boundary.
  2. The total number of available permits shall be recalculated biennially based on an estimated number of single-family dwellings within Sandy City derived by the Community Development Department.

- G. **Limit on Number of STR's.** The total number of STR special use approvals issued within Sandy City shall be limited as follows:
1. The maximum number of STR special use approvals shall be calculated for each Community within Sandy City.
    - i. Each Community shall have a minimum base of 2 STR approvals.
    - ii. Each Community shall have a maximum of 2 approvals plus 1 approval for every 100 households.
  2. The total number of available approvals shall be recalculated biennially based on an estimated number of households within Sandy City derived by the Community Development Department.
    - i. Apartments shall not be included when calculating the estimated number of households.
  3. If a complete application meeting all other requirements for approval is received after the maximum number of approvals has been issued for the community the proposed STR unit is located within, the application shall be placed on a waiting list in order of the date of receipt of a completed application. This list shall be reviewed on an annual basis. No fees will be due until a special use approval becomes available. A complete application shall include completion of all requirements of subsection F above.

- E. **Violations.** It shall be a violation for any person to operate a STR:
1. Without first obtaining a STR special use permit, as regulated in this section, and issued a valid STRL; or
  2. That does not comply with the requirements of this chapter, the Revised Ordinances of Sandy City, or the Sandy City Land Development Code.

- M. **Violations.** It shall be a violation for any person to operate an STR:
1. Without first obtaining a special use approval and a STR Business License; or
  2. That is not in compliance with the requirements of this chapter, the revised ordinances of Sandy City, or the Sandy City Land Development Code.

- F. **Enforcement and Fines.** Upon a determination that a violation exists, the Community Development Director, or designee, will contact the owner requiring such owner to halt, eradicate, destroy, remove, or otherwise cure the violation within 48 hours, or such later time the Director, or designee, may determine.

1. Each day that a violation occurs or continues is a separate violation
2. For any violation of this section, the issuing officer may issue a written citation or notice of violation to the owner, specifying the violation and the penalty to be imposed.



- a. For the first violation within any 12-month period, the penalty shall be \$500.
- b. For a second violation within any 12-month period, the penalty shall be \$750.
- c. For a third violation within any 12-month period the penalty shall be \$1,000 and revocation of the STRL and special use permit. The owner shall be ineligible for a STR special use permit and a STRL for a period of two years from the date of the third notice of violation.
- d. For any violation within any 12-month period following the third violation, the penalty shall be \$1,000 and the STR owner shall be banned from receiving a STR special use permit and a STRL.

**N. Enforcement and Fines.** Upon a determination that a violation exists, the Community Development Director or his/her designee, will contact the owner requiring such owner to halt, eradicate, destroy, remove, or otherwise cure the violation within 48 hours, or such later time the Director or his designee may determine.

1. Each day that a violation occurs or continues is a separate violation
2. For any violation of this section the issuing officer may issue a written citation or notice of violation to the owner, specifying the violation and the penalty to be imposed.
  - a. For the first violation within any 12-month period the penalty shall be \$500.
  - b. For a second violation within any 12-month period, the penalty shall be \$750.
  - c. For a third violation within any 12-month period the penalty shall be \$1,000 and revocation of the STRL and special use approval. The owner shall be ineligible for a STR special use approval and a STRL for a period of two years from the date of the third notice of violation.
  - d. For any violation within any 12-month period following the third violation the penalty shall be \$1,000 and the STR owner shall be banned from receiving a STR special use approval and a STRL.

**O. Appeal.** Denial, suspension, or revocation of STR special use approval may be appealed to the Board of Adjustment in accordance with the provisions of this title. **Removed, as this section is redundant.**

## 15A-37-02 "A" Definitions

**Community Area** - A smaller geographic unit of the political subdivision of Sandy City as adopted by city ordinance (see adopted Community Map).

**Renter** - A single person or group of people who provide compensation, in any form, in exchange for occupancy of a dwelling unit, or portion thereof, under one lease or rental agreement.

B(6) **Renter:** A single person or single group of people whose primary residence is at another location and who provide compensation, in any form, in exchange for occupancy in a short-term rental unit.

**Residential Short Term Rental (STR)** - Any single-family or individual multi-family dwelling or portion thereof that is available for use for temporary sojourn or transient visit of guests, for direct or indirect remuneration, for a period of less than 30 consecutive days.

B(7) **Short-term rental:** Use of a dwelling for temporary sojourn or transient visit for a period of less than 30 consecutive days by a renter.

**Residential Lease, Short Term** shall mean:

A. ~~The use, occupancy, rent or lease, for direct or indirect remuneration, of a structure or any portion thereof constructed for single family or multifamily occupancy or of any other residential property for an effective term of thirty days or less.~~

B. ~~The commercial use, by any person, of residential property for hostel, hotel, inn, lodging, motel, resort or other transient lodging uses where the term of occupancy, possession or tenancy of the property by the person entitled to such occupancy, possession or tenancy is for thirty (30) consecutive calendar days or less.~~

~~For the purposes of this section remuneration means compensation, money, rent, or other bargained for consideration given in return for occupancy, possession or use of real property.~~

~~Short term residential leases are prohibited in all residential districts, residential PUD districts and residential SD districts.~~

~~B. **Definitions.** For the purposes of this section, the following terms shall be defined as:~~

- ~~1. **External Complaint:** A complaint concerning a STR from any person other than the renter of the STR unit being complained about.~~
- ~~2. **Front door:** The main exterior door that allows entrance to and from a short-term rental unit.~~
- ~~3. **Maximum Occupancy:** The highest number of individuals permitted to occupy a short-term rental unit at any time.~~
- ~~8. **Short-term rental unit:** The individual house, apartment, condominium, townhome, or other dwelling being used for short-term rental; and shall include the front, back, and side yards and any additional structures found therein~~
- ~~9. **STR:** Short-term rental.~~
- ~~10. **STRL:** Short-term rental business license.~~

**Exhibit “C”**  
**(Original City Council Version)**

**Chapter 15A-11-25 Short-term Rentals**

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- A. Purpose
- B. Definitions
- C. Short-term Rental Prohibited
- D. Exceptions
- E. Where Permitted
- F. Special Use Approval
- G. Limit on number of STR's
- H. Owner Occupancy Requirement
- I. Noticing and Posting Requirements
- J. Occupancy Requirements
- K. Parking Requirements
- L. Property Maintenance Requirements
- M. Violations
- N. Enforcement and Fines
- O. Appeal

## Chapter 15A-11-25 Short-term Rentals

- A. **Purpose.** To regulate short-term rentals in Sandy City in order to:
1. Protect the safety and general welfare of Sandy residents.
  2. Preserve the residential character of Sandy neighborhoods.
  3. Promote and preserve affordable housing in Sandy City.
- B. **Definitions.** For the purposes of this section, the following terms shall be defined as:
1. External Complaint: A complaint concerning a STR from any person other than the renter of the STR unit being complained about.
  2. Front door: The main exterior door that allows entrance to and from a short-term rental unit.
  3. Maximum Occupancy: The highest number of individuals permitted to occupy a short-term rental unit at any time.
  4. Owner: An individual who:
    - a. Possesses fifty (50) percent or more ownership in a STR unit; or
    - b. Is a trustor of a family trust which possesses fifty (50) percent or more ownership of a STR unit.
  5. Primary Residence: The place where an individual resides for at least 183 days per year, and which has the same address as the address shown on the person's:
    - a. Most recent state and federal tax returns.
    - b. Current driver license or other state issued identification.
    - c. Signed Affidavit of Understanding swearing primary residency.
  6. Renter: A single person or single group of people whose primary residence is at another location and who provide compensation, in any form, in exchange for occupancy in a short-term rental unit.
  7. Short-term rental: Use of a dwelling for temporary sojourn or transient visit for a period of less than 30 consecutive days by a renter.
  8. Short-term rental unit: The individual house, apartment, condominium, townhome, or other dwelling being used for short-term rental; and shall include the front, back, and side yards and any additional structures found therein
  9. STR: Short-term rental.
  10. STRL: Short-term rental business license.
- C. **Short-term Rental Prohibited.** No person shall lease, or allow to be leased, any dwelling for a lease term less than 30 days without first obtaining STR special use approval.
- D. **Exceptions.**
1. Rentals of 30 or more consecutive days shall not be subject to the provisions of this section.
  2. Bed and Breakfasts, hotels, and motels, as described and regulated in the Sandy Land Development Code and the Revised Ordinances of Sandy City, shall not be subject to the provisions of this section.
- E. **Where Permitted.** STR's are a special use permitted for any existing legal residential use.
1. Homes located in planned, covenanted communities may be bound by covenants, conditions, and restrictions (CC&R's) that describe requirements and limitations imposed on the home by the CC&R's. In many cases the requirements and limitations are administered by a home owner's association (HOA). In some cases, CC&R's include additional limitations on the operation of short-term rentals (STR). An existing HOA may alter the CC&R's for their



## Chapter 15A-11-25 Short-term Rentals

community to limit or restrict the operation of STR's. Where an HOA and/or CC&R's do not exist for a specific home or group of homes, they may be created.

- F. **Special Use Approval.** The owner shall obtain a special use approval from the Community Development Department. A STR must adhere to all requirements found in the Sandy Land Development Code and the Revised Ordinances of Sandy City. Prior to receiving an STR special use approval the owner shall complete the following for the proposed STR unit:
1. An application on a form as provided by Sandy City
  2. A detailed written description or a drawing of an off-street parking plan as described in this section.
  3. A detailed written description or drawing of the STR unit that identifies the use of each room.
  4. Provide all required documents identifying the owner of the STR unit and proof of primary residence.
  5. Provide proof that no existing private covenants, conditions, or restriction related to STR's prohibit the proposed STR unit.
  6. Provide 24 hours/day, 365 days/year contact information of the owner who shall be available by telephone within one hour of any external complaint.
  7. Pay all fee(s) established by the City Council.
- G. **Limit on Number of STR's.** The total number of STR special use approvals issued within Sandy City shall be limited as follows:
1. The maximum number of STR special use approvals shall be calculated for each Community within Sandy City.
    - i. Each Community shall have a minimum base of 2 STR approvals.
    - ii. Each Community shall have a maximum of 2 approvals plus 1 approval for every 100 households.
  2. The total number of available approvals shall be recalculated biennially based on an estimated number of households within Sandy City derived by the Community Development Department.
    - i. Apartments shall not be included when calculating the estimated number of households.
  3. If a complete application meeting all other requirements for approval is received after the maximum number of approvals has been issued for the community the proposed STR unit is located within, the application shall be placed on a waiting list in order of the date of receipt of a completed application. This list shall be reviewed on an annual basis. No fees will be due until a special use approval becomes available. A complete application shall include completion of all requirements of subsection F above.
- H. **Owner Occupancy Requirement.** The owner of a STR must reside at the STR unit as their primary residence.
1. An individual shall prove ownership of a STR unit as evidenced by one of the following:
    - a. Deed listing the individual as the owner or trustor of the family trust.
    - b. Deed of Trust listing the individual as the owner or trustor of the family trust.
    - c. Documents for any loan presently applicable to the STR unit where the individual is listed as a primary borrower or trustor of the family trust.
  2. To establish that the STR unit is the owners' primary residence, the owner agrees to provide the following documentation:

## Chapter 15A-11-25 Short-term Rentals

- a. One copy each of the owners most recent state and federal tax returns both listing the proposed STR unit as the owner's primary residence.
- b. Current driver license or other state issued identification listing the address of the STR unit as the address of the owner.
- c. A signed Affidavit of Understanding swearing that the proposed STR unit is the primary residence of the owner.

### I. Noticing and Posting Requirements.

1. One nameplate sign that includes the name and the 24/7 contact information for the owner must be posted on the exterior side of the STR units main entrance.
2. An informational packet must be posted in a highly visible place within the common area of the STR unit, to include:
  - a. City issued STRL.
  - b. 24/7 owner contact information.
  - c. Parking requirements.
  - d. Maximum occupancy.
  - e. The noise ordinance of the Revised Ordinances of Sandy City.
  - f. Garbage pick-up dates, and a written description of where garbage receptacles must be placed for pick-up.
  - g. Contact information for the Sandy City Police and Fire Departments.
  - h. Contact information for Sandy City Hall.
  - i. Any other appropriate requirements as specified by the Community Development Director, or his designee.
3. Any licensed STR in Sandy City shall include the following statement in any online advertisement for the STR unit: *This short-term rental is legally permitted by Sandy City short-term rental permit #\_\_\_\_ and short-term rental business license #\_\_\_\_. Any short-term rental in Sandy City operating without a permit and business license number included within its online advertisement is operating illegally. Renters beware.*

### J. Occupancy Requirements. A STR unit shall not be occupied by more than the maximum occupancy as permitted by the special use approval.

1. The maximum occupancy, shall be no more than: (1) Eight related people or; (2) Four unrelated people.
2. A STR unit shall not be rented to more than one renter at any given time, and the owner shall not subdivide and rent out the STR unit to multiple renters at the same time.
3. A STR unit with a valid accessory apartment conditional use permit may be rented for up to 365 nights per year.
  - a. The owner may not reside in the STR unit while it is occupied by a renter.
4. A STR unit without a valid accessory apartment conditional use permit shall not be rented for more than 182 nights per year.
  - a. The owner may reside in the STR unit while it is occupied by a renter and the maximum occupancy shall not include the owner.
  - b. The STR unit shall be rented for a minimum of 1 night and a maximum of 10 consecutive nights.
  - c. There must be a renter vacancy period of 3 consecutive nights between each rental.

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- K. Parking Requirements.** The owner shall ensure compliance to the approved off-street parking plan.
1. Parking shall be limited to the garage, driveway, and dedicated parking spots of the STR unit unless other off-street, improved, hard-surface parking areas are included in the off-street parking plan, approved by the Community Development Department, and included with the special use approval.
- L. Property Maintenance Requirements.** All short-term rentals shall adhere to the Revised Ordinances of Sandy City, including, but not limited to:
1. Maintenance. Owners must adhere to the Property Maintenance chapter of the Revised Ordinances of Sandy City including, but not limited to, requirements for weed abatement, landscaping, garbage removal, structure maintenance, and fence/wall maintenance.
  2. Snow Removal. Owners shall remove all snow from the sidewalks of the STR unit within 24 hours after snowfall in accordance with the Revised Ordinances of Sandy City.
  3. Noise and Nuisance Control. Owners shall ensure that renters adhere to the noise control chapter of the Revised Ordinances of Sandy City. Should a renter violate the noise control chapter more than once in any given 72-hour period they shall be immediately evicted from the STR unit by the owner.
  4. Response time. An owner shall respond to any external complaint within one hour of receiving it. If the owner is unreachable after 3 attempted contacts by Sandy City, a notice of violation will be issued.
- M. Violations.** It shall be a violation for any person to operate an STR:
1. Without first obtaining a special use approval and a STR Business License; or
  2. That is not in compliance with the requirements of this chapter, the revised ordinances of Sandy City, or the Sandy City Land Development Code.
- N. Enforcement and Fines.** Upon a determination that a violation exists, the Community Development Director or his/her designee, will contact the owner requiring such owner to halt, eradicate, destroy, remove, or otherwise cure the violation within 48 hours, or such later time the Director or his designee may determine.
1. Each day that a violation occurs or continues is a separate violation
  2. For any violation of this section the issuing officer may issue a written citation or notice of violation to the owner, specifying the violation and the penalty to be imposed.
    - a. For the first violation within any 12-month period the penalty shall be \$500.
    - b. For a second violation within any 12-month period, the penalty shall be \$750.
    - c. For a third violation within any 12-month period the penalty shall be \$1,000 and revocation of the STRL and special use approval. The owner shall be ineligible for a STR special use approval and a STRL for a period of two years from the date of the third notice of violation.
    - d. For any violation within any 12-month period following the third violation the penalty shall be \$1,000 and the STR owner shall be banned from receiving a STR special use approval and a STRL.
- O. Appeal.** Denial, suspension, or revocation of STR special use approval may be appealed to the Board of Adjustment in accordance with the provisions of this title.