

City of Cambridge Executive Department

LISA C. PETERSONDeputy City Manager

August 7, 2017

To the Honorable, the City Council:

I am hereby transmitting for your consideration, a revised version of the Short-Term Rentals zoning petition text, incorporating changes from the July 5, 2017 Ordinance Committee hearing.

Louis De Paquale

Very truly yours,

Louis A. DePasquale City Manager

LAD/mec Attachment(s)





CITY OF CAMBRIDGE

Community Development Department

IRAM FAROOQ

Assistant City Manager for Community Development

Sandra Clarke

Deputy Director Chief of Administration To: Louis A. DePasquale, City Manager

From: Iram Farooq, Assistant City Manager for Community Development

Re: Modifications to City Council Short-Term Rentals Petition

Date: July 27, 2017

Attached is a revised version of the Short-Term Rentals zoning petition text, incorporating changes from the July 5, 2017 Ordinance Committee Hearing.

KELLEY AMENDMENTS TO COUNCIL PETITION [7/5/17 VERISION WITH TRACKED EDITS]

Zoning Ordinance Section 4.60—Short-Term Rentals

4.60 Short-Term Rentals

4.61 *Purpose.* This Section 4.60 "Short-Term Rentals" is intended to make the operation of short-term rentals legal for Cambridge residents, protect the safety of renters and residents, ensure that the primary use remains residential, and ensure that short-term rentals will not be a detriment to the character and livability of the surrounding residential neighborhood.

4.62 Definitions

- a. <u>Short-term rental</u>. Any rental of a residential dwelling unit, or of a bedroom within a dwelling unit, in exchange for payment, as residential accommodations for a duration of less than thirty (30) consecutive days.
- b. <u>Short-term renter.</u> Any person or persons occupying a dwelling unit, or a bedroom within a dwelling unit, as a short-term rental for a duration of less than thirty (30) consecutive days.
- c. <u>Short-term rental operator</u>. The person or persons offering a dwelling unit or bedroom for short-term rental, who may be either the owner or the primary leaseholder of the dwelling unit.
- d. <u>Operator-occupied short-term rental.</u> The short-term rental of a dwelling unit, or of no more three (3) individual bedrooms within such dwelling unit, that is the primary residence of its operator.
- e. Owner-adjacent short-term rental. The short-term rental of a dwelling unit that is not the primary residence of the operator, but is located within a residential building with a total of four or fewer dwelling units where all dwelling units in the building are owned by the operator, and one of the dwelling units in the building is the primary residence of the operator.
- **4.63** Applicability. The requirements of this Section 4.60 shall apply to all districts where residential uses are allowed, but shall not apply to principal transient accommodations.
- **4.64** Requirements. Short-term rentals are permitted as an accessory residential use in existing dwellings in all districts where residential use is permitted, subject to the following requirements:
 - 1. Only operator-occupied short-term rentals and owner-adjacent short-term rentals are permitted.

- 2. All short-term rental operators shall register with the Inspectional Services Department prior to short-term rental use and occupancy in conformance with Section 4.67 below.
- 3. A dwelling unit or bedroom offered for short-term rentals shall comply with building code requirements for occupancy.
- 4. A dwelling unit or bedroom offered for short-term rentals shall comply with all standards and regulations promulgated by the Commissioner of Inspectional Services.
- 5. A short-term rental operator may make available no more than one (1) dwelling unit for operator-occupied short-term rentals, which may include the separate short-term rental of no more than three (3) individual bedrooms, and one (1) dwelling unit for owner-adjacent short-term rentals.
- 6. Operators of short-term rentals shall remit to the appropriate body all fees and taxes as required by the City and/or State authorities.
- 7. Short-term rental operators shall maintain liability insurance appropriate to cover the short-term rental use.
- 8. An owner-adjacent short-term rental may be rented only as a whole unit to one party of short-term renters at any one time and not rented as separate bedrooms to separate parties.
- 9. An operator-occupied short-term rental during which the operator is away from the dwelling unit for more than seven (7) consecutive days may be rented only as a whole unit to one party of short-term renters at any one time and not rented as separate bedrooms to separate parties.
- 10. The number of individual bedrooms made available for operator-occupied short-term rentals within a dwelling unit shall not be greater than the number of lawful bedrooms in the dwelling unit.
- 11. Renting for an hourly rate, or for rental durations of less than ten (10) consecutive hours, shall not be permitted.
- 12. Commercial meetings and uses are prohibited in short-term rentals.

4.65 *Procedural Requirements.*

- 1. The following information shall be provided to all short-term renters and posted in all owner-adjacent short-term rentals in a manner to be determined by the Inspectional Services Department:
 - a. Instructions for disposal of waste per the City's recycling and composting programs.

- b. An emergency-exit diagram in all bedrooms used for owner-adjacent short-term rentals and on all egresses from the dwelling unit.
- c. Contact information for the short-term rental operator, or when the operator is not present, the contact information for a locally available contact designated to respond to all emergencies and problems that may arise during the rental period, whether from renters, neighbors or municipal authorities.
- d. The certificate of registration for the short-term rental.
- 2. The operator of an owner-adjacent short-term rental shall keep accurate books and records, make them available upon request of the Inspectional Services Department, and maintain such books and records for a period of three years.

3. Notification

- a. All operators of short-term rentals must prepare a notification letter that:
 - i. Describes the operation and number of bedrooms that will be rented to short term renters; and
 - ii. Includes information on how to contact the operator and a backup contact by phone.
- b. All operators shall mail or deliver the notification letter to all residents and owners of abutting property and across the street from the short-term rental unit(s).
- **4.66** Regulations. The Commissioner of Inspectional Services shall have the authority to promulgate regulations to carry out and enforce the provisions of this Section 4.60 "Short-Term Rentals."
- **4.67** *Registration.*
 - 1. All dwelling units offered for short-term rentals shall register with the City and secure a certificate of registration according to standards set forth by the Commissioner of Inspectional Services, and pay all associated fees. The certificate of registration shall require the operator to agree to abide by the requirements of this Section 4.60, and document that the required notification requirements have been met. If the operator is not the owner of the property, the operator shall provide evidence that the owner has consented to the short-term rental use of the property. All operators shall provide the City with proof that one of the units in the structure is used as the operator's primary residence, either by: 1) providing proof of enrollment in the Cambridge residential tax exemption program, or 2) providing an affidavit, signed under the pains and penalties of perjury, stating that the dwelling being used for short-term rental is the operator's

- primary residence, a property title or tenancy agreement along with a photo ID, and a government or utility correspondence with operator's name and address issued within the last three (3) months.
- 2. Prior to issuing a certificate of registration, the Inspectional Services Department shall conduct an inspection to verify that each dwelling unit and bedroom to be rented to short-term renters:
 - a. Meets all building code requirements for occupancy.
 - Meets all other requirements of this Section 4.60 "Short-Term Rentals" and regulations promulgated by the Commissioner of Inspectional Services.
- 3. It is the responsibility of the short-term rental operator to renew its certificate of registration every two years.
- 4.68 Enactment Effective Date. The provisions of this Section 4.60 "Short-Term Rentals" shall take effect on April 1, 2018. Beginning on October 1, 2017, or on an earlier date as may be determined by the Commissioner of Inspectional Services, the City may receive applications for registration, conduct inspections, and issue certificates of registration for short-term rentals to operators who apply before the effective date of enactment.