



PLANNING & ZONING COMMISSION

TO: City of Peoria Planning & Zoning Commission
FROM: Development Review Board (Prepared by Kerilyn Weick & Sara Maillacheruvu)
DATE: February 6, 2020
CASE NO: PZ 19-L
REQUEST: Hold a Public Hearing and forward a recommendation to City Council on the request of the City of Peoria to amend Appendix A, the Unified Development Code related to Short Term Rentals.

SUMMARY OF PROPOSAL

Staff respectfully requests a deferral of the case to the Commission's March meeting.

Staff has incorporated feedback from the December 9, 2019 public meeting. A summary of key points from the meeting is below, and meeting minutes are attached. Staff is currently working to ensure that all aspects of the City Code, as well as City licenses and applications, utilize the same, standard terminology and figures concerning short term rentals. Once the ordinance has been finalized and standardization has occurred, City staff will circulate the revised copy to stakeholders prior to the Commission's meeting.

Summary of Meeting Minutes:

In response to the request by the November Planning and Zoning Commission, a public meeting was held on December 9, 2019 to discuss the proposed text amendment. The major findings of this meeting, which are reflected in the proposed text amendment, include the following:

- Regulation of the use is warranted. Special use approval is overregulation.
- Registration equivalent to the existing residential property registration code is reasonable.
- Hotel license and tax levy is an accepted practice in other communities.
- Existing City codes address many of the complaints (i.e., noise, traffic, property maintenance). Additional standards are not needed or seen as redundant.
- The online nature of the use, where comments and ratings are made public, creates a market that, to some extent, self-regulates the conditions of short term rentals and can be used to screen guests.

DEVELOPMENT REVIEW BOARD RECOMMENDATION

The Development Review Board recommends deferral to the Commission's March meeting.

ATTACHMENTS

1. Minutes from December 9, 2019 Public Meeting

**MEETING MINUTES
FOR THE
PUBLIC MEETING REGARDING A PROPOSED TEXT AMENDMENT
RELATED TO SHORT TERM RENTALS**

A public meeting was held Monday, December 9, 2019 beginning at 6:00 PM in City Hall, Room 400, 419 Fulton Street, Peoria IL.

Director of Community Development Ross Black opened the public meeting at 6:00 PM.

Council members John Kelly, Zach Oyler, Sid Ruckriegel were present. Fourteen members of the public were present.

Mr. Black gave an overview of the purpose and intent of the proposed text amendment.

Council member Jim Montelongo arrived.

Mr. Black summarized the recommendation that was sent to the Planning and Zoning Commission as well as an alternative administrative approval process that could be sent to the commission. Mr. Black explained the timeline for review of a text amendment.

Mr. Black opened the meeting to public comment. The following comments or questions were made from those in attendance. Questions are followed by the response made at the hearing.

- Has the City researched the number of short term rentals in the city limits?
 - Presently, short term rental use is illegal. Initial review of short term rental host websites revealed several dozen listings in the city. Staff began research of the use after the request of council members, after receiving an increase in inquiries about starting the use, and after receiving an increase in complaints about the use.
- Is the use illegal or is it just not regulated?
 - The City of Peoria Unified Development Code is a permissible ordinance. If the use is not listed, it cannot be done. The City supports short term rental as a use. The intent of the proposed ordinance is to establish a level playing field to allow the use.
- A citizen in the Randolph Roanoke Residential Association shared her experience with hosting a short term rental from her residence. She said the association supports her use. She questioned how the proposed text amendment would affect her use.
 - If the use is a bed and breakfast, she would follow existing regulations on bed and breakfast, which requires special use approval.
 - If the use is a short term rental, there is currently no regulation. The intent of the proposed ordinance is to allow short term rentals while protecting neighborhoods and those staying at the short term rental.
- What is the difference between short term rental nuisance and long term rental nuisance?
 - The City is not proposing any changes to the nuisance code. The same rules would apply to either type of use.
- What are the types of complaints and how many?
 - Community Development Department alone has received approximately 6 complaints in the last 2-3 months. Complaints are about noise, traffic, over

occupancy. The zoning code prohibits more than 3 unrelated adults in a dwelling. If regulations are in place for the short term rental use, it will be easier for staff to respond to complaints.

- A citizen of Peoria shared his experience with hosting two short term rentals and with staying at short term rentals in other cities.
- What is the fee for hotel tax? Do short term rental host sites pay the tax to communities?
 - The City of Peoria hotel/motel tax rate is 8% per night. There is also a state hotel tax that currently applies to all short term rentals. Host sites sometimes collect and remit the tax to the local jurisdiction.
- What would all the fees be for a short term rental?
 - The proposed text amendment recommends the hotel tax be required for a property used as a short term rental. The non owner occupied registration fee would not be imposed.
- A citizen of Peoria shared her experience with hosting properties in the East Bluff. She is concerned regulating short term rentals is duplicating the regulations made by Airbnb. The hospitality and property maintenance she provides in the East Bluff is a benefit to the East Bluff and the city.
- A citizen of Peoria expressed an understanding for the need to create regulations but is concerned about the unintended consequences. He is also concerned regulations will not stop some the complaints.
- A citizen of Peoria shared her experience with hosting a property in Weaver Ridge. She is concerned any additional fee might close down short term rentals. Short term rentals are a positive use. Owner needs to maintain the property in order to attract the next guest. She has not received any complaints from her neighbors. She is confused and frustrated by an anonymous complaint.
- A citizen of Peoria expressed concern with regulating the use that is neither commercial nor residential. The use has economic benefits. Nuisance complaints should be addressed by police instead of changing regulations.
- A citizen, commenting for a second time, is concerned the cost of a special use will discourage the use. If taxed, the tax amount should not be the same as a hotel.
- Is the proposed text amendment different from that which was brought to the Planning & Zoning Commission in November?
 - The recommendation discussed at this meeting is the same as the recommendation to the Commission in November. The Commission requested this meeting be held before hearing more on the recommendation. The administrative approval option, discussed tonight, was not brought to the Commission in November.
- Will the non owner occupied registration fee and hotel/motel tax be imposed on short term rentals?
 - The intent of the proposed text amendment is for one or the other.
- Is the hotel/motel tax collected only for stays less than 30 days? Need to include changes to definitions in the tax code.
 - Yes. For example, extended stay hotels do not pay the hotel/motel tax for the longer stays.

- Would a property owner that wants to rent out the house for only one week a year still need to obtain a special use?
 - Such case requires refinement of the proposed text amendment
- Will the City hire a new staff member?
 - The need for a staff member will depend on the final ordinance. If the ordinance requires payment of hotel tax and no other change, then more staff is not needed. If the ordinance is staff intensive then the City may need a new staff member.
- A citizen of Peoria appreciated the public meeting. The proposed text amendment needs to consider the cost/benefit of imposing a tax or registration fee and impact on staff time. Need to keep the changes simple and allow neighborhoods to be showcased.
- A citizen commenting for a third time, shared his experience hosting property. Expressed concern priorities should be to address unkempt property over short term rentals that provide a benefit.
- A citizen, commenting for a second time, shared short term rental hosts can screen guests.
- What happens to existing short term rentals?
 - If the use is for stays less than 30 days, the owner/operator will need to meet the new standards. A use that was not legal to start cannot be grandfathered in.
- A citizen, commenting for a second time, suggested instead of new regulations, license the use.
- A citizen, commenting for a second time, expressed concern for absentee owners/operators.
- President of the Peoria Area Landlord Association requested the association be invited to participate in any redrafting of the proposed text amendment.
- A citizen, shared her experience with hosting property. She questioned how the hotel/motel tax is used, what staff would be inspecting. She expressed the host for short term rentals receive ratings so must keep property safe.
 - The City of Peoria hotel/motel tax is used to fund events in the city meant to attract visitors. Collecting the hotel/motel tax from short term rentals is the most common approach by municipalities.
- A citizen, commenting for a third time, stated Airbnb defines a host as a landlord.
- In the proposed text amendment, are the first three performance standards required of all houses?
 - Yes. Often regulations are needed to respond to the worst case scenarios. Not all properties are maintained the same.

Mr. Black summarized to the public that comments tonight indicate the concern is about the level and type of regulation but those in the room are not opposed to a registration and fee.

- A citizen, commenting for a third time, suggested staff consider the ordinance in Champaign. He expressed concern the reason for proposing changes is the use is now happening in affluent areas of the city. He suggested including short term rentals in the existing non owner occupied registration.
- A citizen, commenting for a third time, suggested staff consider the ordinance in Peoria Heights.

With no further comment, Mr. Black thanked those in attendance. Comments and any changes to the recommendation will be sent to the Planning & Zoning Commission hearing on January 6, 2020. The meeting was closed at 7:30 PM.



PLANNING & ZONING COMMISSION

TO: City of Peoria Planning & Zoning Commission
FROM: Development Review Board (Prepared by Sara Maillacheruvu)
DATE: February 6, 2020
CASE NO: PZ 20-B
REQUEST: Hold a Public Hearing and forward a Recommendation to City Council on the request of the City of Peoria to amend Appendix A, the Unified Development Code, relating to Setback Regulations.
(All Council Districts)

SUMMARY:

The proposed text amendment focuses on construction along State- and County-designated highways and thoroughfares as indicated on the official thoroughfare map of the City of Peoria.

Under the current code, the City requires a setback encroachment agreement to be signed for all construction that falls within one hundred (100) feet of the centerline or twenty-five (25) feet from the right-of-way, whichever is greater, of State or County-designated highway or primary thoroughfares. An applicant may seek recourse from City Council, should she want to waive the setback encroachment agreement requirement. Often, the agreement requirement is activated for proposed freestanding signage along thoroughfares, such as University Street or Knoxville Avenue, as well as for proposed detached garages in the Heart of Peoria, which fall within 100 feet of the thoroughfare's centerline.

Through this amendment, the City moves to reduce the setback encroachment zone to sixty (60) feet from the centerline or twenty-five (25) feet from the right-of-way, whichever is greater, of State or County-designated highway or thoroughfares. These setback encroachment zones were established in conversation with engineering staff from the City's Public Works Department. Public Works echoed the belief that the current setback encroachment zone could be lessened, suggesting instead that 60 feet from the centerline and 25 feet from the right-of-way should provide the requisite land to implement street repairs and improvements.

In addition to reducing the setback encroachment zone, the proposed text amendment moves to make the encroachment agreement relief process administrative rather than legislative. This means that a petitioner would submit an application demonstrating hardship to the Development Review Board, which would assess and issue a decision. As Public Works and Planning & Zoning staff are members of the Development Review Board, relevant parties would be involved in the decision-making process. Should the petitioner have their request denied, she could seek recourse from the Zoning Board of Appeals.

DEVELOPMENT REVIEW BOARD RECOMMENDATION

The Development Review Board recommends approval of the proposed text amendment.

ATTACHMENTS

1. Proposed ordinance (changes to text underlined)
2. To-scale graphic demonstrating proposed change
3. Examples of thoroughfare widths

**AN ORDINANCE AMENDING APPENDIX A THE UNIFIED DEVELOPMENT CODE
OF THE CITY OF PEORIA RELATING TO SETBACK REGULATIONS**

WHEREAS, the City of Peoria is a home rule municipality pursuant to Article VII, Section 6, of the Illinois Constitution of 1970; and

WHEREAS, as a home rule municipality, the City may exercise any power and perform any function pertaining to its government and affairs including zoning regulations and uses; and

WHEREAS, the City of Peoria desires to amend Appendix A, the Unified Development Code;

NOW, AND THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PEORIA, ILLINOIS AS FOLLOWS:

Section 1: Appendix A of the Peoria City Code, being Ordinance No. 17,403 as adopted on October 11, 2016, is hereby amended by deleting the following stricken words and adding the following underlined words:

3.0 DISTRICTS ESTABLISHED

3.5 REQUIREMENTS APPLICABLE TO ALL DISTRICTS

3.5.6 Setback Regulations

No lot area lying between the building setback line and the corresponding street property line shall be used for storage of materials or equipment nor shall any hedge, tree or ornamental shrubbery be permitted in this area that will be an obstruction to the view at street intersections and no building, structure, sign, concrete masonry wall, no fence which cannot be viewed through, or other improvement shall be erected or structurally altered so that any part thereof is nearer to the established center line of the following roads and streets than the distances as set forth below.

State and county designated highways and thoroughfares as indicated on the official thoroughfare map of the City of Peoria: all buildings sixty (60) feet from the centerline or twenty-five (25) feet from the right-of-way, whichever may be greater. The Zoning Administrator may reduce this requirement if a lesser setback has already been established in the immediate area, but in no event can he/she reduce the setback to less than the normal yard requirements specified in the pertinent zoning district. Any such reduction must be accompanied by a written agreement wherein the owner of the property and his/her heirs or assigns agree to remove the structure at his/her expense and to hold the City of Peoria harmless from any expense or liability arising out of the removal or relocation of the structure if the full setback requirement or a portion thereof is needed for public improvement. Upon proper petition by the owner of property affected by the above requirements, the Development Review Board and appropriate state or county officials may waive the signing of the above statement. Said petition shall show that a strict application of the terms of said agreement will impose a demonstrable hardship upon the petitioner, and that it is more likely than not that the full setback requirement stated above will not be required by the city, county or state at a future date. In no event shall the Development Review Board reduce the setback to less than the normal requirements specified in the pertinent zoning district.

Section 2. This Ordinance shall be in full force immediately and upon passage and approval according to law.

PASSED BY THE CITY COUNCIL OF THE CITY OF PEORIA, ILLINOIS, THIS

_____ DAY OF _____, 2020

APPROVED:

Mayor

ATTEST:

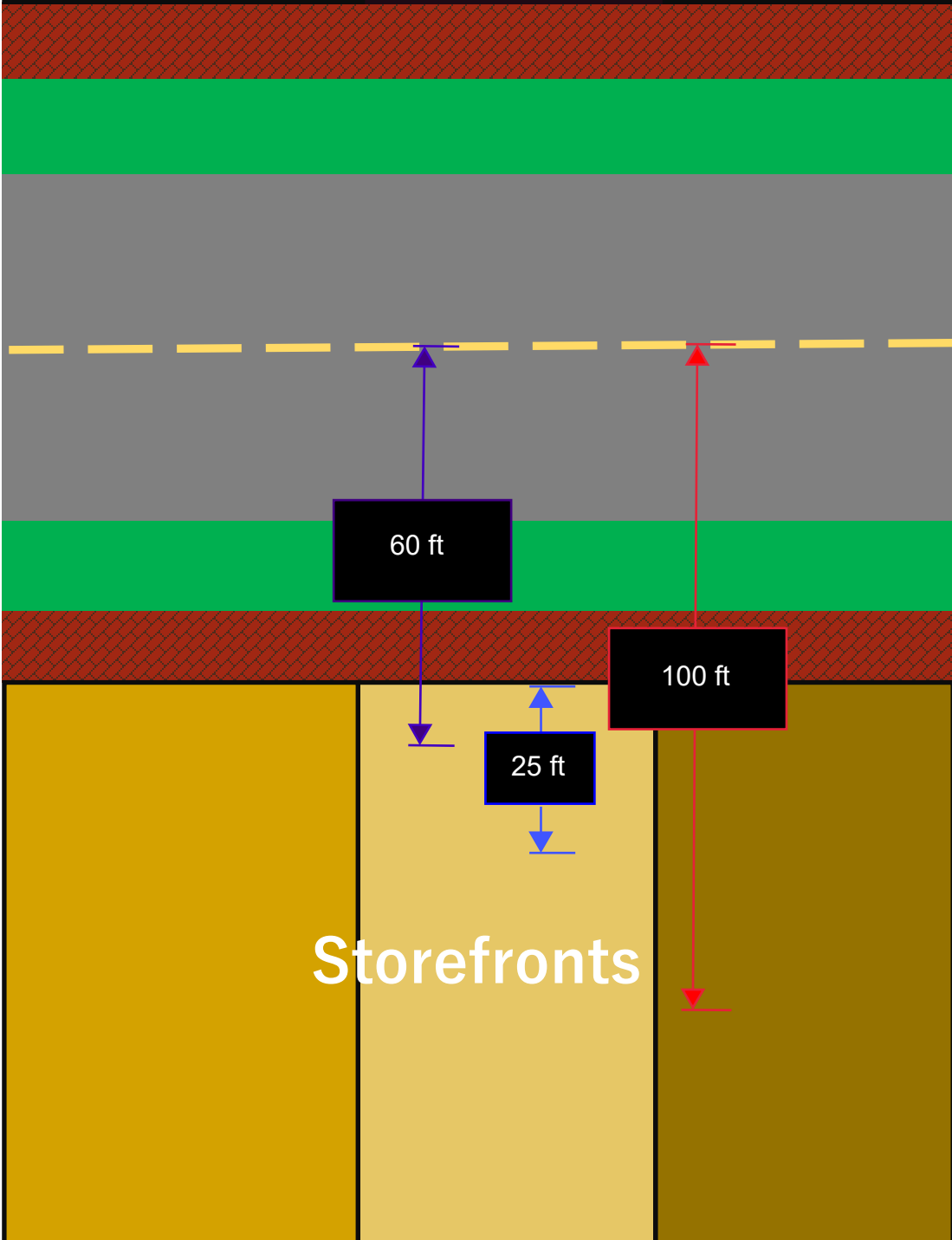
City Clerk

EXAMINED AND APPROVED:

Corporation Counsel

Scale:
1 in = 25 ft

Storefronts



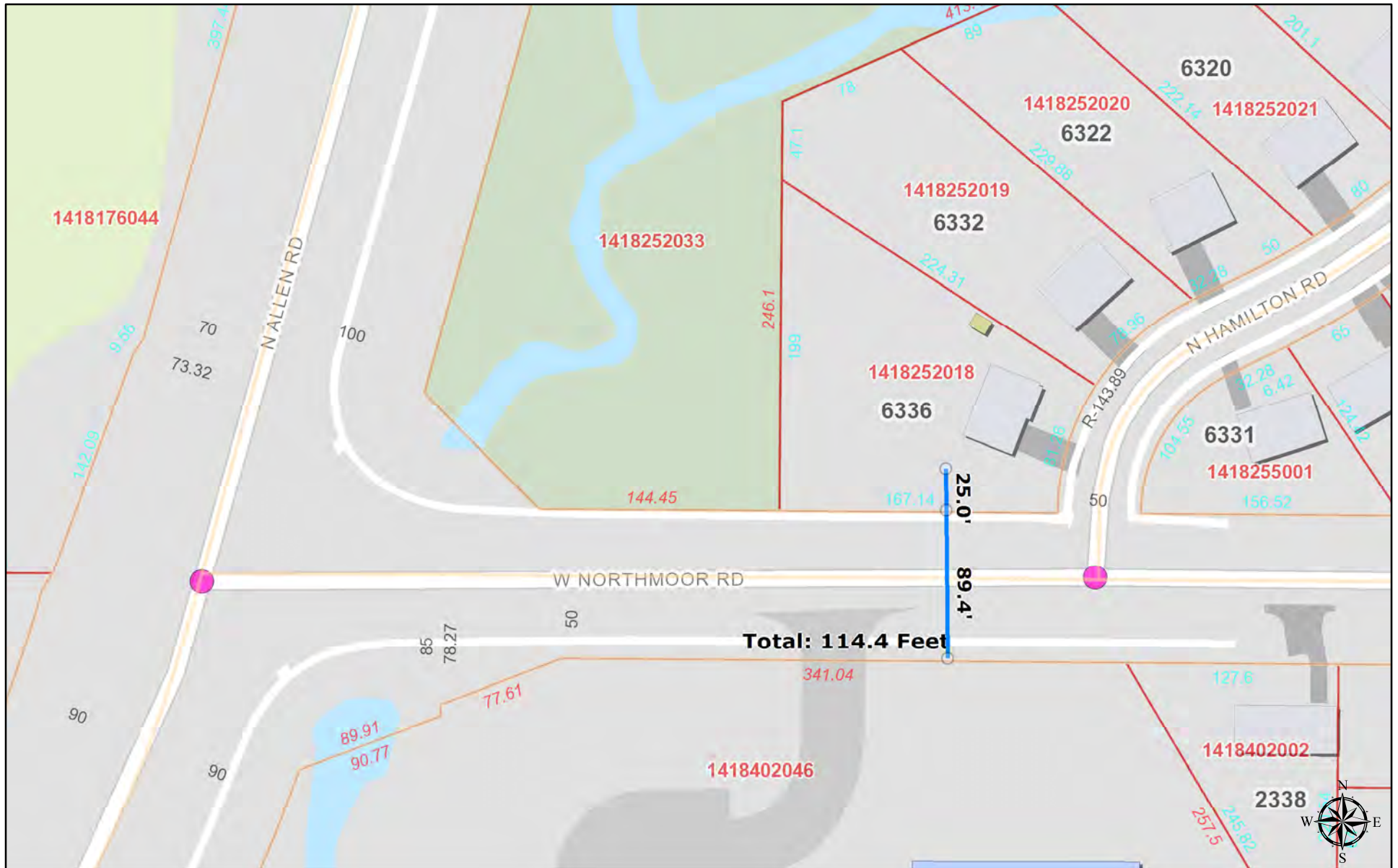
60 ft

100 ft

25 ft

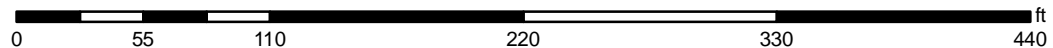
Storefronts

Northmoor Road & Allen Road



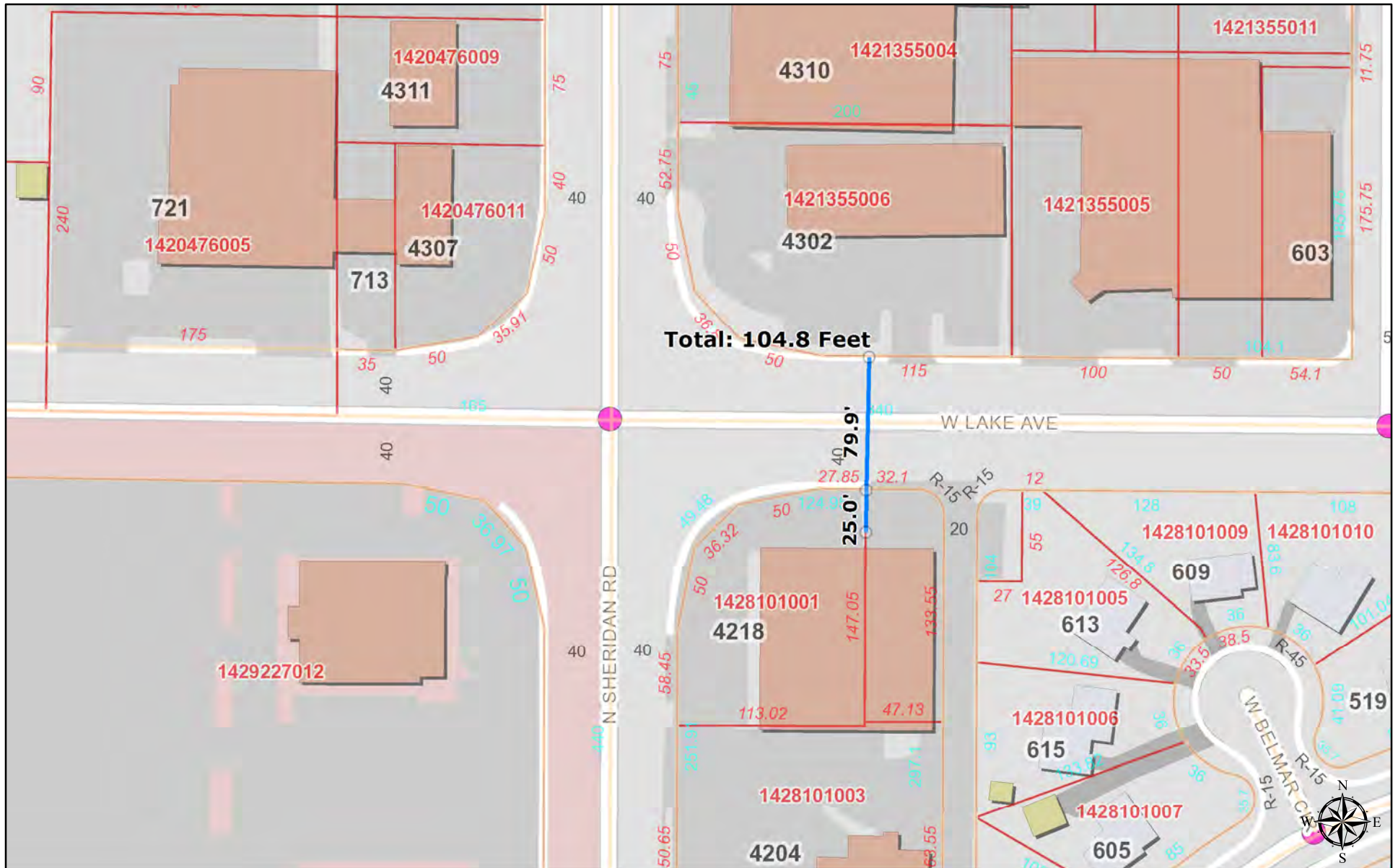
Peoria County, IL, HERE, USGS

1 inch = 83 feet



Disclaimer: Data is provided 'as is' without warranty or any representation of accuracy, timeliness or completeness. The burden for determining fitness for, or the appropriateness for use, rests solely on the requester. The requester acknowledges and accepts the limitations of the Data, including the fact that the Data is in a constant state of maintenance. This website is NOT intended to be used for legal litigation or boundary disputes and is informational only. -Peoria County GIS Division

Sheridan Road & Lake Avenue

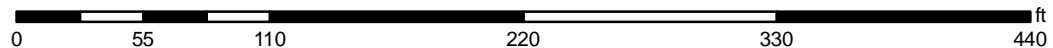


Total: 104.8 Feet



Peoria County, IL, HERE, USGS

1 inch = 83 feet



Disclaimer: Data is provided 'as is' without warranty or any representation of accuracy, timeliness or completeness. The burden for determining fitness for, or the appropriateness for use, rests solely on the requester. The requester acknowledges and accepts the limitations of the Data, including the fact that the Data is in a constant state of maintenance. This website is NOT intended to be used for legal litigation or boundary disputes and is informational only. -Peoria County GIS Division