



City of Lake Geneva, 626 Geneva St, Lake Geneva, WI 53147- 262.248.3673
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**CITY OF LAKE GENEVA SHORT-TERM RENTAL (STR) AD HOC COMMITTEE
WEDNESDAY, May 15, 2024 - 5:00 PM
CITY HALL-COUNCIL CHAMBERS (MAIN LEVEL)**

Members:

Chairman Joel Hoiland, Emily Hummel, Caroll Pearson, Neal Kolb, Tom Keefe, Luke Pfeifer,
Jason Smolarek, Advisory Staff Member: Fred Walling or Jason Renz

CITY HALL WILL BE OPEN TO THE PUBLIC DURING ALL MEETINGS.

AGENDA

COMMITTEE REVIEW MEETING

1. Call to Order
2. Roll Call
3. Approval of the STR Ad Hoc Committee Minutes from May 1, 2024
4. Comments from the public as allowed by Wis. Stats. §19.84(2). Comments will be limited to 5 minutes
5. Review and discuss version 8 language changes to the Short-Term Rental (STR) Ordinance - Sec. 98-206
6. Other STR-related topics as time permits
7. Next Meeting - May 29, 2024
- 8. Adjournment**

This is a meeting of the Short-Term Rental Ad Hoc Committee. No official Council action will be taken; however, a quorum of the Council may be present.

**Short-Term Rental (STR) Ad Hoc Committee
Committee Review Meeting
City Hall, City Council Chambers, Lake Geneva, WI
May 1st, 2024 - 5:00 – 6:30 p.m.**

Committee Members present: Tom Keefe, Luke Pfeifer, Jason Smolarek, Emily Hummel, Jason Renz (Code Enforcer, Assistant Building Inspector), Fred Walling (Building & Zoning Administrator), and Joel Hoiland, Chairman (3rd District Alderman); Neal Kolb and Jason Smolarek attended via Zoom.

Joel Hoiland called the meeting to order at 5:00 p.m.

Roll Call of members present.

Motion to approve minutes from April 17th meeting by Thomas Keefe; Second by Luke Pfeiffer.

Note that there were members of the public present to observe the committee discussions at this meeting.

Joel stated that the purpose of today's meeting was to continue reviewing and discussing language changes to the Short-Term Rental (STR) Ordinance – Sec. 98 – 206. **Refer to STR Ordinance Worksheet v8***

Beginning with the Property Management requirements, the committee reviewed the change in the rental language from (Monday) Calendar week to the number of days, and the logic for the change.

Discussion, followed by a decision to add clarification of the Rental Booking Period, which shall be identified as the time between when one rental arrives and the next rental arrives.

Discussion regarding the legality of our working language in light of current lawsuits in the State of Wisconsin regarding the issues of the distance property managers need to live from their STR properties which led to the decision to leave this open until cases are resolved.

Discussion regarding the value of the current rule that requires each STR in Lake Geneva to have a non-booking period of 185 days per year brought up several viewpoints. Jason Smolarek asked that the committee consider reducing or eliminating the off-season booking period and permit short-term rentals 365 days of the year. He pointed out that STRs hire cleaners and other service providers to maintain STR properties (jobs), that STRs accommodate tourists and visitors who provide income to City businesses, and that year-long STR rentals would eliminate, "ghost houses" in neighborhoods. Emily Hummel spoke about the value of upholding the non-booking period to the Residents in light of preserving the sense of community and maintaining neighborhoods. Joel Hoiland stated that making changes to the "off-season booking rental period" would be more appropriate after the current ordinance has been revised and in operation. Fred Walling stated that he believes the 185-day non-booking period should stay as it is, at least for now.

Discussion regarding where information about the names of STR guests are to be kept to protect individual privacy led to the decision that the Owners will keep this information; the City staff do not need this to enforce rules and regulations.

Discussion about the idea of external signage to identify STRs led to the decision not to do so, as it would become a Public Safety issue, as identifying which houses are vacant could attract criminal activity.

There was consensus that a failure to display the STR License Number on all booking platforms, direct booking websites, and anywhere else the property is posted would be a violation of the ordinance.

Discussion regarding the Violations and Penalties language led to the decision to continue this discussion to the next meeting, with members working on the language changes.

Joel Hoiland discussed the next steps as we work toward presenting a revised ordinance. He said we would have at least one more meeting before requesting City Attorney Dan Draper, and other appropriate City staff, to review the revised STR ordinance. Joel asked Fred Walling to provide an assessment of the time it would take once the committee sends the revised ordinance to the Plan Commission and through all steps of the decision-making process before enactment. Fred agreed to provide this timeline at the next meeting.

Joel confirmed that the STR ordinance revisions are still a work in progress and that further discussion and work will need to continue. He then asked each committee member for final comments on today's discussions, which led to more suggestions and ongoing concerns:

1. Will the City hire a software company or outside resources to help enforce the STR Ordinance?
2. What will the mechanism be for citizens to report suspected STR Ordinance violations?

Joel stated that our next STR Ad Hoc Committee meetings will be on May 15th & May 29th at 5:00 p.m. at City Hall. He also stated that after the Committee agrees on a revised ordinance there will be several opportunities for public comments at each of the next steps.

The meeting was adjourned at 6:30 pm, approved by Luke Pfeiffer and seconded by Emily Hummel.

SHORT-TERM RENTAL ORDINANCE

Sec. 98-206. Short-term rental.

Description: Includes all lodging places and tourist cabins and cottages, other than hotels and motels, in which sleeping accommodations are offered for pay to tourists and transients for more than six but fewer than 29 consecutive days. It does not include private boardinghouses or rooming houses not accommodating tourists or transients, or bed-and-breakfast establishments regulated under ACTP 73. [Ord. No. 19-16] (hereinafter "STR")

1. Permitted by right: all zoning districts where "residential dwellings" are permitted, as that term is defined in § 66.1014, Wis. Stats. [Ord. No. 19-16]

a. **Land use requirement.** An STR shall only be located as an accessory land use within zoning districts that allow residential dwellings, as that term is defined in § 66.1014, Wis. Stats.

b. **Annual city license required.** STRs shall operate only during the valid period of an annual City of Lake Geneva STR license (hereinafter "Annual License") for each consecutive 365-day period. If the STR is transferred or there is any change of ownership of the STR during the valid period of an Annual License, the new owner must apply for a license as defined in this ordinance prior to operating the STR. Licensees may not be transferred. ~~License may only be assumed by the transferee for the remaining period of the license.~~ When the license is issued, it will include a registration number (hereinafter "STR License Number") that must be displayed as defined in this ordinance. Operating an STR without a current version of a valid Annual License shall be considered a violation of this chapter, and subject to the penalties of Section 98-936. The following information shall be provided on an annual basis, ~~prior to~~ before issuance of said Annual License:

i. Completed City of Lake Geneva short-term rental application, which includes the property owner's name, address, and phone number; the Designated Operator's name (as defined in 1(c)vii), address, and phone number; and the period of operation of up to 180 days in a 365-day period, which must be consecutive;

ii. A current floor plan for the STR, at a minimum scale of one-inch equals four feet, and a site plan of the property at a minimum scale of one-inch equals 10 feet showing on-site parking spaces, all bedrooms, size of beds in each bedroom, and trash storage areas;

iii. General Building Code inspection by the City, and submittal of official Building Code inspection report with no outstanding compliance orders remaining;

iv. Proof of valid property and liability insurance for the dwelling unit; [5]

[5] Editor's Note: Former Subsection b. iv, requiring a Fire Code inspection and report, was repealed on 3-28-2022 by Ord. No. 22-02. This ordinance also redesignated former Subsection (8)(y)1bv through x as Subsection (8)(y)1biv through viii, respectively.

v. State of Wisconsin tourist rental house license;

vi. City of Lake Geneva room tax permit;

vii. City of Lake Geneva general business license; [6]

[6] Editor's Note: Former Subsection (8)(y)1bvii, requiring a seller's permit, was repealed on 3-28-2022 by Ord. No. 22-02. This ordinance also redesignated former Subsection (8)(y)1bv through x as Subsection (8)(y)1biv through viii, respectively.

viii. Payment of an administrative fee, set by City Council resolution, to cover the costs to the City of administering the above. The City of Lake Geneva ~~short-term rental~~**Annual License** shall be issued with the completion of the above requirements and compliance with the City's Room Tax Ordinance. [7]

[7] Editor's Note: See Ch. 70, Taxation, Art. III.

c. **Property management requirements.** Each **STR** shall be managed consistent with the following requirements:

i. The total number of days of operation within any 365-day period of an **Annual License** shall not exceed 180 consecutive days ~~of~~**(hereinafter "Rental Season")**. This period of **STR** operation shall be specified by the property owner in the required Lake Geneva ~~short-term rental~~**Annual License** application.

ii. The stay of a guest in a **STR (hereinafter "Rental")** is calculated on the number of nights stayed between the arrival date and departure date.

iii. The minimum rental **booking** period shall be a minimum of seven consecutive days by any one party. **"Rental Booking Period" shall be identified as the date between one rental arrival and the next rental arrival. A Rental must be for at least two nights and may not arrive within 7 days of the prior guest arriving at the STR. For example, if a rental arrives on June 1, the earliest the next Rental could arrive is on June 8.**

iv. **During the days of the Annual License that is outside of the Rental Season ("Rental Off-Season") the Rental Booking Period shall be a minimum of 29 days. For example, if the property is rented November 1-7, it cannot be rented again until December 1.**

v. Similar facilities in which single-family detached homes are available for less than seven days, more than 180 ~~days~~**nights**, or throughout the year, are a different land use that falls within the indoor commercial lodging land use category.

vi. The maximum number of occupants shall not exceed the total number licensed by the State of Wisconsin ~~or two per bedroom plus two additional occupants, whichever is less.~~

vii. The **STR** shall be operated by the property owner or by a property manager explicitly designated in the valid Lake Geneva ~~short-term rental~~**Annual License** application as the **"Designated Operator."** ~~A manager is someone who has~~**The Designated Operator must have all of the powers of the STR owner in the STR owner's absence.**

viii. The property owner's and the **Designated Operator's** names, addresses, and twenty-four-hour phone numbers shall be provided in the City of Lake Geneva ~~short-term rental~~**Annual License** application and shall be updated within 24 hours upon any change in the ~~property manager~~**Designated Operator** or the ~~property manager~~**Designated Operator's** contact information.

ix. The **Designated Operator** must reside within or have their business located within 25 miles of the **STR** parcel.

x. The **D**esignated **O**perator must be available by phone 24 hours, seven days a week, during the period of operation designated in the Lake Geneva ~~short-term rental~~**Annual License** application.

xi. Each ~~owner/operator~~**Designated Operator** shall ~~provide and~~ maintain a guest register for each ~~short-term Rental~~ and shall require the primary all-guests to register their true names and addresses before allowing occupancy. ~~The guest register shall also include the Rental arrival date, Rental departure date, and consideration paid for the Rental.~~ The guest register shall be kept intact and available by the designated operator for inspection by representatives of the City for at least one year from the day of the conclusion of the period of operation.

xii. Each short-term rental ~~owner/operator~~ shall maintain the following written business record for each rental of short-term rental: the true names and addresses of any person renting the property, the dates of the rental period (which must be a minimum of seven consecutive days), and the monetary amount or consideration paid for the rental. The business record shall be kept intact and available by the designated operator for inspection by representatives of the City for at least one year from the day of the conclusion of the period of operation.

xii. ~~Short-term rental~~**Annual L**icense and emergency contact information must be posted in a conspicuous area within the property at all times.

d. ~~Property~~**STR** operational requirements. Each **STR** shall be operated per the following requirements:

i. The "Requirements for Short-Term Rental Guests" form provided by the City of Lake Geneva to summarize City requirements for **STRs**, and the site plan for the subject property clearly depicting guest parking spaces and the rear yard, shall be posted on the inside of the front door of each throughout its period of operation.

ii. **Parking requirements:**

a. A minimum of two off-street parking spaces shall be provided on the subject property for each **STR**. If the **STR** provides three or more bedrooms, an additional on-site parking space is required for each additional bedroom over two, plus one space for each employee on the largest shift, if applicable.

~~b. All guest parking for vehicles and trailers shall be within a parking space designated on the site plan, on an area paved with concrete or asphalt.~~

~~c. All guest vehicles and trailers may only park on-site. Street parking for guests is not permitted.~~

b. No parking is permitted on gravel, lawn, or planter bed areas.

iii. **Site appearance requirements:**

a. Aside from a changing mix of guests and their vehicles, there shall be no evidence of the property being used as an **STR** visible on the exterior of the subject property.

b. No exterior signage related to the **STR** is permitted, other than the property address.

c. No outdoor storage related to the **STR** land use is permitted, except for typical

residential recreational equipment, seating and outdoor cooking facilities which are permitted only within the rear not permitted in the front yard. The STR and property must abide by the Zoning Ordinance defined in Municipal Code section 98.

d. No recreational vehicle, camper, tent, or other temporary lodging arrangement shall be permitted to accommodate guests.

iv. Neighborhood impact requirements:

a. STRs, including guests, must abide by City ordinances, including those defined in Municipal Code section 46-4 regarding loud and/or unnecessary noise.

Municipal Code section 46-4(b) Loud and/or unnecessary noise prohibited. It shall be unlawful for any person to make, continue or cause to be made or continued any loud and/or unnecessary noise between the hours of 9:00 p.m. and 7:00 a.m. on weekdays and between the hours of 9:00 p.m. and 8:00 a.m. on weekends. [Amended 6-22-2020 by Ord. No. 20-05]

No outdoor activity shall occur between the hours of 9 p.m. and 7:00 a.m.

b. At all times, no noise, lighting, odor or other impacts from the subject property shall be detectable at the property line at levels exceeding the requirements of Article 7 of this chapter.

c. No vehicular traffic shall be generated by the short term rental at levels exceeding those typical for a detached single family dwelling unit.

v. STR advertising:

a. No outdoor advertising is allowed on the subject property.

b. The STR shall not be advertised for availability in any form of media until the required State of Wisconsin Tourist Rooming House and the City of Lake Geneva short-term rental Annual License have been issued.

c. The STR shall not advertise a maximum capacity that exceeds the license provided by the State of Wisconsin.

d. All listings, websites, posts, and advertisements ("Rental Marketing") must display the Lake Geneva STR Number, except for when the advertisement includes a web link/URL and the Lake Geneva STR Number is displayed on the page presented to the user when viewing the web link/URL. For clarity, if Rental Marketing does not contain a web link/URL with the STR Number displayed on it and contains other means for a consumer to make contact about a STR or to book a Rental, the Lake Geneva STR Number must be displayed. Examples of these other contact methods include but are not limited to mailing address, physical address, phone number, email, messaging of any kind, and any form in which a consumer's contact information is captured. All listings on websites, including direct websites, must include the Lake Geneva STR License Number.

e. All Rental Marketing must include the maximum on-site parking spaces available at the Property per this ordinance before offering rate information and allowing a booking of a Rental.

e. Access and inspections.

i. The City shall be authorized at all reasonable times upon reasonable notice to the owner, and with

either the owner's consent or a special inspection warrant under § 66.0119, Wis. Stats., except in cases of emergency where no special inspection warrant is required, and as provided in § 66.0119(2), Wis. Stats., to enter and examine any building, structure, or premises, for the purpose of ensuring compliance with this chapter. If the owner declines to consent to an inspection without a warrant, the City may not conduct an inspection under this section without first obtaining a special inspection warrant under § 66.0119, Wis. Stats., except in cases of emergency where no special inspection warrant is required, and as provided in § 66.0119(2), Wis. Stats. The owner, agent or occupant of any such premises who refuses to permit, or prevents or interferes with any entry into or upon the premises by any such inspector with a special inspection warrant or in cases of emergency where no inspection warrant is required and as provided in § 66.0119(2), Wis. Stats., shall be in violation of this section. It is not a violation of this section to refuse to grant voluntary consent to an inspection.

ii. The City has adopted the Knox-Box® key box system providing for the installation of miniature vaults that are placed upon the exterior buildings, gateposts or other applicable locations. Contained within the vault are the keys that will allow access to the STR in emergency situations.

iii. Designated operators and owners are encouraged, but not required to install the Knox-Box® Systems on their STRs. Designated Operators and owners of STRs acknowledge that the City shall not be obligated for damages occurring to STRs in the event emergency access to an STR is required and there is no Knox-Box® System installed on the property.

f. Penalties and license revocation.

i. Operating an STR without a Tourist Room House License from the State of Wisconsin and a Short-Term Rental Annual License from the City of Lake Geneva is not prohibited. Properties found to be operating without the proper permits will be cited \$1,000 per day and required to pay room taxes and penalties for prior Rentals if not yet paid with penalty per Municipal Code 70. Violations of the requirements for STRs, the provisions of the short-term rental Annual License, and all others of this subsection (8)(y) are subject to separate daily fines-citations per Section 98-936 and this ordinance. Citations for violations of this chapter will be issued to and will be the responsibility of the property owner.

ii. Major violations of this ordinance are subject to fines-citations and license revocation. The following are considered major violations:

a. Rental Marketing that does not advertise or falsely advertises information as required in this ordinance, including but not limited to maximum capacity and available on-site/off-street parking as provided with the Annual License as defined in 1(d) of this ordinance.

b. No property manager-Designated Operator within 25 miles. The Designated Operator must have all of the powers of the STR owner in the STR owner's absence.

c. Failure to display the STR License Number on all direct booking platforms/websites. (company website, Airbnb, VRBO, Booking.com, etc.) as defined in 1(d) of this ordinance.

d. Failure to pay Room Tax and to submit timely reporting. Room Tax that is more than 30 days late may constitute a violation.

(was e) Failure to advertise off-street parking requirements as defined in 1(d) of this ordinance.

e. Renting outside the requirements defined in 1(c) of this ordinance, including but not limited to **having more than one Rental arrive in a Rental Booking Period.**

- 1) Having more than one Rental arrive in a 7-day ~~6-night~~ period during the Rental Season
- 2) Renting to more than 1 party per month ~~29 nights~~ outside of the Rental Season

iii. Penalties for major violations of this ordinance are based on the number of violations in a **rolling 12 months period** as follows:

- a. 1st: Written warning & possible **\$250 citations and court costs** (citations are per day of violation). For example, the owner rents a 4-day weekend beyond the permitted time, which equals four tickets for **that Rental.**
- b. 2nd: **\$500 fine citations and court costs** (citations are per day of violation) and **suspension of Annual License for 3 months.**
- c. 3rd: **\$1,000 fine citations and court costs** (citations are per day of violation) and **suspension of Annual License of 1 year.**
- d. 4th: Permanent revocation of **Annual License** and **future ability to get an Annual License for the STR property.**

iv. Minor violations, caused by **renters or guests of a Rental.**

- a. Examples include excessive noise, disruptive behavior, and related incidents that require law enforcement intervention.

v. Minor violations penalty method. **If renters or guests of a Rental receive five citations from the Police Department for violations that occur at the same STR in separate Rentals within a rolling 12 months, this shall constitute a major violation of this ordinance.**

~~vi. The Annual short term rental License and the property may be revoked for more than two violations of the requirements specific to the STR, the license, or the remainder of this chapter. STR operators found noncompliant with the terms of this subsection (8)(y) shall be considered in violation and shall be subject to all applicable penalties up to and including revocation of their short-term rental Annual License.~~

2. Resident Reporting. Residents who witness and experience major or minor STR violations are encouraged to report violations to the property owner, the property operator, the City of Lake Geneva Citizen Action Request / Complaint Form, or the Police Department **non-emergency line (262-248-4455)**. In addition, it may be helpful to document the violations. The reporting method is dependent on the severity of the violation. No adverse action will be taken against a resident for reporting STR violations. ~~However, if a resident is involved in an altercation with renters, owners, operators, city staff, or law enforcement officers the resident may be held accountable for his/her actions.~~

a. Chronic Nuisances. If a resident is determined to be a chronic nuisance concerning short-term rentals, the City of Lake Geneva will act according to Chapter 46, Article II. Nuisances. Chronic Nuisances.

~~3. A committee appointed by the Mayor and approved by the Common Council will be formed to review and recommend license suspensions as well as appeals by Property Owners of violations issued. This committee shall be comprised of 1 Alderperson, 2 City of Lake Geneva Residents, The Building and Zoning Administrator, 1~~

~~Plan Commissioner who is not an Alderperson, and 1 Short Term Rental Operator with a City of Lake Geneva STR licensed property. A Short-Term Rental Operator may not participate or otherwise vote regarding any violations to properties they own or operate. The Building and Zoning Administrator, or his/her designee, shall be an advisory member.~~

Task List:

1. *Timeline to Enactment: Develop a timeline from the point when the committee recommends a revised ordinance and sends it to the Plan Commission followed by adoption by the City Council. Fred*
2. *Minimum Rental Period: Gather documentation supporting the recommended language in “c. Property management requirements. li. The Minimum rental booking period.”*
3. *STR Reporting to BZD: What can be provided to BZD to assist with monitoring rental activity? Fred, All*
4. *Committee: Section 3. REMOVED If a defendant wishes to appeal a court decision, there are appeal options available in the judicial code; WI Statute 800.14 - Appeal from municipal court decision.*
5. **At a later date ...**
6. *Offseason Rental Period Considerations: Study conditions that might justify relaxing the 180 STR minimum for exemplary performance by issuing Limited Conditional Use Permits (L-CUPs). Fred, ALL*
7. *Administrative Suggestion: Hold an annual STR owner/operator mandatory meeting to communicate requirements, changes, and any other issues that need to be covered. Fred*
8. *After submitting a revised ordinance, identify resident education and communication tools to address STR problems, and identify cost-effective monitoring and enforcement systems to manage STRs effectively. All*
10. *Design an STR online listing that identifies where licensed STRs are located including license numbers and other identifiers.*