



Inver Grove Heights City Council
Monday, March 6, 2023 at 6:00 PM
8150 Barbara Avenue, Inver Grove Heights, MN 55077

AGENDA

NOTICE TO RESIDENTS: Individuals may submit written public comments in advance of the meeting by emailing comments to Rebecca Kiernan (rkiernan@ighmn.gov). Comments received prior to 4:00 p.m. on Monday, March 6, 2023, will be provided to the Council at or before the March 6, 2023 meeting.

NOTICE of REMOTE ATTENDANCE: Mayor Brenda Dietrich is expected to attend the meeting remotely from the following location: 1957 Allison Ave, Panama City Beach, FL, 32407. Councilmember Sue Gliva is expected to attend the meeting remotely from the following location: 2600 Hollywood Blvd, Hollywood, FL, 33020.

1. **Call to Order**
2. **Roll Call**
3. **Discussion Items**
 - A. Business Licensing
 - B. Regulation of Short-Term / Vacation Rentals
4. **Adjourn**

This document is available upon a three (3) business day request in alternate formats such as braille, large print, audio recording, etc. Please contact Rebecca Kiernan, City Clerk, at 651.450.2513 or rkiernan@ighmn.gov.

Request for Council Action

SUBJECT: Business Licensing

MEETING DATE: March 6, 2023
ITEM TYPE: Discussion Items
CONTACT: Kris Wilson, City Administrator, 651.450.2511
Rebecca Kiernan, City Clerk, 651.450.2513

ACTION REQUESTED

The Council is asked to receive an overview of the City's current business licensing requirements and provide feedback on possible improvements and needed clarifications.

BACKGROUND

Under the current City Code, the following types of businesses are required to have a license from the City in order to operate in Inver Grove Heights:

Alcoholic Beverage Sales – On and Off Sale
Pawnbrokers & Precious Metal Dealers
Bowling Alleys
Motor Vehicle Sales
Automobile Service Stations
Automobile Junkyards
Massage Businesses
Body Art Establishments
Peddlers & Solicitors
Dog Daycare & Kennels
Trash Haulers

All of the above license requirements are contained within Title 4 of the City Code, with the exception of Dog Daycare and Kennel Licensing, which is in Title 5, and Trash Hauler Licensing, which is in Title 8. Other types of businesses may be licensed by other entities – such as the county or the state, but do not need to obtain a city license. A table listing each license type, their term and renewal schedule, and the number of each currently issued is attached for Council's information.

City staff is proposing to eliminate a few of these existing city licenses, to add a new license and to clarify the requirements for others and is seeking Council questions, comments or concerns on the front end of the process.

Proposed for Elimination

1. **Bowling Alley License.** The first license proposed for elimination is the Bowling Alley License in Title 4, Chapter 3. Despite the provisions of the City Code and the fact that there is at least one bowling alley operating within the city, current City staff can find no record of Bowling

Alley Licenses having been issued at least as far back as 1988. It is unclear to current staff why this is the case. Bowling Alleys typically have liquor licenses, which are also issued by the City, and they would continue to need this type of license if they serve alcoholic beverages, but staff finds no reason or benefit to continuing the Bowling Alley License.

2. **Motor Vehicle Sales.** The Minnesota Department of Public Safety's Driver and Vehicle Services Division licenses businesses who sell, lease, auction or broker the sale of new or used vehicles. City staff questions what value add the city licensing process is providing to the business or local consumers and would therefore propose that this license requirement be repealed from the City Code. If the Council is supportive of this change, it would be desirable to do so soon, as the current licenses are set to expire on April 30. A repeal of this section of the City Code prior to that date would allow both the City and impacted businesses to avoid starting another round of license renewals for these businesses. There are currently 17 businesses licensed for motor vehicle sales in Inver Grove Heights, and the City would be forgoing approximately \$5,500 in revenue if the license is no longer required.
3. **Service Stations.** The third business license that staff believes should be considered for elimination is the license for Automobile Service Stations. The Minnesota Department of Commerce inspects and regulates gas stations from a consumer protection perspective, and other sections of City Code provide a reasonable means to regulate building conditions and code enforcement of these businesses. There are currently 15 active Service Station licenses, and the licensing timeline is the same as noted above for Motor Vehicle Sales Licenses. Eliminating this license would likely result in a revenue reduction for the City of approximately \$1,300 per year.

Proposed Additional License

1. **Tobacco Sales.** There are approximately 40 businesses that sell tobacco in IGH. Dakota County currently licenses these retailers within IGH, even though all of the other large cities in the county issue this license at the city level. Dakota County Public Service and Revenue Division is interested in having IGH take over the licensing process for tobacco retailers. This would include the IGH Police Department taking over the code compliance and violation process, similar to its current compliance role with businesses that sell alcoholic beverages. The current tobacco sales licenses issued by Dakota County to businesses operating in IGH are set to expire on December 31 of this year, giving the City time to get a local licensing ordinance in place and communicated to retailers.

Clarification Needed

1. **Trash/Rubbish Haulers.** Title 8, Chapter 6 of the City Code requires a city license to engage in "the collection of construction debris, recyclable materials, or mixed municipal solid waste, including garbage, rubbish, yard waste, industrial solid waste, and refuse." The Code goes on to limit the number of licenses that can be issued. The original limit was set at 17 licenses, but the code includes a provision that when a license holder goes out of business or otherwise gives up their license, it cannot be issued to another business. As a result, the number of available licenses declines naturally over time. At the current time, there are 15 hauler licenses in IGH.

The purpose of limiting the number of trash haulers that can operate within the city is to reduce wear and tear on the City's streets. Heavy garbage trucks are very hard on City

streets and cause them to need more frequent maintenance and replacement, which is expensive. In the future, if the number of licensed haulers were to see a rapid or dramatic decline for some reason, the City might wish to consider amending the code to a fixed number of licenses, so that some degree of choice and competition could be maintained, but this does not appear to be a problem at this time.

The clarification that staff feels is needed at this time is whether companies providing roll-off containers, or dumpsters, need to have one of the City licenses in order to operate in IGH. Currently, there are 5 businesses with a city license that offer this service, but staff is aware of other businesses that are delivering and picking up roll-off containers in IGH without a City-issued hauler's license. Under the current provisions of the code, there are no new licenses to be had – so staff cannot contact those unlicensed businesses and tell them they need to get a license. Instead, the message would be they cannot operate in IGH and those needing this service would have to get it from one of the 5 businesses that already have a license. The alternatives would be to either a.) establish a license specifically for businesses delivering and picking up roll-off containers, or b.) clarify in the Code that this type of business does not need a hauler's license, thereby allowing any number of businesses to provide this service in IGH.

FISCAL IMPACT

Elimination of certain licenses would result in a minor revenue loss for the City, but taking over tobacco licensing from Dakota County would result in those license fees coming to the City as new revenue.

RECOMMENDATION

ATTACHMENTS

1. Current Business License Categories & Quantities

Overview of Current City of Inver Grove Heights Licenses

Title 4	Term	Expiration Date	Current number of Licenses
1: Alcoholic Beverages	1 year	December 31 st	32
2: Pawnbrokers & Precious Metal Dealers	1 year	December 31 st	0
3: Bowling Alleys	1 year	December 31 st	No licenses issued going back to 1988
4: Dance Halls & Cabarets	Repealed 9-28-2015	N/A	N/A
5: Motor Vehicle Related			
Article A – Motor Vehicle Sales	1 year	April 30 th	17
Article B – Automobile Service Stations	1 year	April 30 th	15
Article C – Automobile Junkyards	1 year	April 30 th	0
6: Contractors	1 year	December 31 st	54
7: Gambling – Premise Permit	1 time approval by council	N/A	8 Establishments
8: Massage Business & Therapists	1 year	April 30 th	11 / 19
9: Body Art Establishments	1 year	December 31 st	1
10: Lodging Tax	Submitted monthly	N/A	4
11: Peddlers and Solicitors			
Peddlers	1 year	1 year from issue	0
Solicitor Registration	1 year	1 year from issue	63
12: Tobacco – in 2024		December 31 st	Dakota County
13: Rental License	3-year rotation	April 1 st	237
14: Large Assemblies	1-day	N/A	N/A
15: Excessive Consumption of City Services	N/A	N/A	Varies on violation
Title 5:	Term	Expiration Date	Current number of Licenses
4-9: Animal Control			
Chickens	2 year	February 28 th	35
Commercial Daycare and Non-commercial Kennels	2 year	February 28 th	7
4-15: Temporary harboring & keeping of goats	30-day	N/A	0
Title 8: Chapter			
6-3: Collector Licensing Provisions			
Trash Haulers	1 year	April 30 th	15

Request for Council Action

SUBJECT: Regulation of Short-Term / Vacation Rentals

MEETING DATE: March 6, 2023

ITEM TYPE: Discussion Items

CONTACT: Kris Wilson, City Administrator, 651.450.2511

ACTION REQUESTED

The Council is asked to provide direction to staff regarding the desired next steps, if any, concerning possible regulation of short-term / vacation rentals.

BACKGROUND

In the summer of 2022, city officials and staff started receiving complaints from residents regarding the use of residential properties in various locations around the city as short-term or vacation rentals. The complaints noted noise and parking disruptions, and raised concerns about such rentals being at an advantage over local hotels, who are required to collect the City's lodging tax.

The topic was discussed at the Council's August work session, including a range of possible City responses. Initial direction was given to staff to draft an ordinance amending City Code to establish a minimum rental period of 30-days for any residential rentals within the City. A first reading of this ordinance was approved at the August 22 City Council meeting. However, when the issue was brought forward for a second reading at the September 26, 2022 City Council meeting, the Council tabled the item and asked staff to meet with owners of local short-term rentals to see if there was alternative ordinance amendments that might address resident concerns. Following that meeting, the item returned to the Council at its December 12 meeting, for further discussion, but no action was taken.

With the new make-up of the City Council in 2023, staff is seeking updated direction from the Council regarding what, if any, steps it wishes to see taken on this topic. At the moment, there is no regulation of short-term rentals in Inver Grove Heights and the lodging tax is not being collected.

The staff reports and various versions of draft ordinances from previous Council discussions of this topic are attached as background information.

FISCAL IMPACT

RECOMMENDATION

ATTACHMENTS

1. August 2 2022 CC Work Session - Short Term Rentals
2. August 22 2022 CC Meeting -- 1st Reading Short Term Rentals
3. Sept 26 2022 CC Meeting - 2nd Reading Short Term Rentals

4. Dec 12 2022 CC Meeting - continued 2nd Reading Short Term Rentals

Request for Council Action

SUBJECT: **Regulation of Short-Term / Vacation Rentals**

MEETING DATE: August 1, 2022

ITEM TYPE: Discussion Items

CONTACT: Kris Wilson, City Administrator, 651.450.2511

ACTION REQUESTED

The Council is asked to discuss and provide direction to staff regarding the topic of short-term / vacation rentals and if or how the City should regulate this use within the community.

BACKGROUND

Recent years have seen the continued rise in popularity of short-term rentals, often used as sites for vacations or special celebration gatherings by individuals, families and groups of various sizes. While the Police Department has received complaints over the years regarding disturbances caused by short-term rental properties, both staff and Council have seen an uptick in resident questions and concerns in recent months. *(Three examples of recent resident emails on the subject are attached.)*

As a result, staff is seeking direction from Council on what, if any, action it wishes to see taken in regards to this type of property use. Along a continuum of regulation approaches that a city might consider, there are numerous options, including:

1. No regulation. Individual occupants and property owners would be subject to just those city code requirements that apply to all properties. This would cover items such as no long grass or weeds, compliance with the general noise ordinance, etc. The Police Department would continue to respond to reports of excess noise or disruptions as such calls are received, but there would be no specific ordinances or license required to operate a short-term rental.
2. Requirement that the property owner obtain a standard City rental license, under the existing terms and conditions of city code.
3. Requirement that the property owner obtain a specific short-term rental license (would need to be created/established via the ordinance process).
4. Limitation of short-term rentals to certain properties, such as only to homesteaded properties. This would be intended to ensure that the primary purpose of a residential property is to serve as an ongoing residence (either through owner occupancy or a long-term rental) while allowing for the occasional short-term rental if the owner wished to take advantage of major events in the Twin Cities or a longer than average period away from their home.

5. Prohibition of short-term rentals. This is generally accomplished by requiring all rental properties to be rented for a minimum period of 30 days.

To date, City staff has not interpreted the City's current rental licensing ordinance to prohibit short-term rentals or to apply to short-term rentals. Over the years, the IGH City Council appears to have had numerous discussions regarding the licensing of rental properties, but nothing specific to short-term rentals has moved all the way through the process to be added to city code.

Staff has concerns about attempting to apply the existing rental licensing ordinance to short-term rentals (Option #2), as it has certain requirements that would be difficult to apply to short-term rentals (such as the Crime Free Lease Addendum) and lacks certain other terms that would speak to those areas where we are receiving the most complaints.

If the Council elected to pursue Option #3 – a rental license specific for short-term rentals – some topics a short-term rental licensing ordinance might address include:

- Minimum rental period. An example might be a minimum rental period of one-week, thereby controlling how often renters are checking-in and checking-out of a property, which has been reported to be disruptive to surrounding properties.
- Requirement that lodging taxes be paid on short-term rentals, placing them on more even footing with local hotels.
- Specific standards to ensure off-street parking, the limitation of noise, the prevention of overcrowding, etc.
- Limitations on the number and/or concentration of short-term rentals in a given area or neighborhood.
- Provisions for rescinding a license in the case of significant police calls or other problematic use of the property.

In determining how best to address this issue, it may be useful to identify and/or prioritize the intent or purpose behind the City's actions. This might be:

1. To limit the potential negative impacts of short-term rentals on surrounding property owners/residents.
2. To prioritize the use of residential property as ongoing homes for individuals and families and to support opportunities for home ownership by discouraging the buy up of homes to be operated as a business.
3. To ensure the safety of guests and visitors to Inver Grove Heights, by ensuring properties used as short-term rentals have proper safety features, such as working smoke detectors, operable windows, etc. (This would likely require an inspection component.)
4. To place short-term rentals on more even footing with local hotels.

There may be other goals or purposes of the City enacting regulations of short-term rentals, or the Council may wish to address some combination of the above purposes.

Because the city is not licensing them currently, and because listings seem to come and go from the handful of major vacation rental listing sites, such as Airbnb and VRBO, it is challenging to determine exactly how many properties in Inver Grove Heights are currently being utilized as short-term rentals. A brief search of the Airbnb and VRBO sites on the day this memo was prepared showed two small properties (individual bedrooms or small guest houses), two mid-sized properties (one advertising 4 beds and the other 9 beds) and five large group properties (advertising that they sleep 16, 19, 20, 30 and 32 people, respectively.)

FISCAL IMPACT

Undetermined.

RECOMMENDATION

This is an initial discussion item to better understand the Council's goals and priorities relative to this subject. Staff has no specific recommendation at this time.

ATTACHMENTS

1. Resident Emails About Short-Term Rentals

From: [Weber, Jillian \(Legal\)](#)
To: [Kris Wilson](#)
Subject: IGH Short Term Rentals
Date: Tuesday, June 28, 2022 10:18:51 AM
Attachments: [image001.png](#)

Hi Kris

Joe Atkins pointed me in your direction regarding an issue we are having regarding a short term rental in my area.

I am inquiring as we have a new VRBO next door to us where the owners live in another city and are using this property as a 30 person party house. Each weekend we have 20-30 people renting out the house for various parties and as you can imagine is an extreme nuisance.

The biggest issues I see with these are;

- The investors have no ties to the city, they are running a commercial operation but are avoiding all commercial taxes. This puts potential buyers who wish to occupy the homes at a disadvantage, the same with corporations grabbing up homes for the same reason. They have no interest in the community other than running a commercial business with none of the tax obligations.
- This is taking away from local revenue to hotels. This spot in particular advertises up to 30 people a night, this HAS to violate some type of fire code as it is at most 5 bedroom house. If you think of 30 people in hotels 52 weeks a year that is a lot of potential lost revenue.
- It's a huge pain point for current residents. We have had many issues already with this home in particular. It's a drain on city resources to have the residents complaining about these properties.

Just wondering if any restrictions or possibly bans on these are on the horizon. Any info you can provide is greatly appreciated.

Here is the link to the one in question: <https://www.vrbo.com/2601455?adultsCount=15&arrival=2023-01-06&departure=2023-01-08&unitId=3171913>

Thanks!

Jillian Weber

Kris Wilson

Subject: FW: Air BNB & VRBO Rentals in IGH

From: Brenda H <brenda.h59@yahoo.com>

Sent: Tuesday, July 26, 2022 8:53 AM

To: Tom Bartholomew <tbartholomew@ighmn.gov>; Brenda Dietrich <bdietrich@ighmn.gov>; Sue Gliva <sgliva@ighmn.gov>; John Murphy <jmurphy@ighmn.gov>; Rosemary Piekarski-Krech <rpiekarskikrech@ighmn.gov>

Subject: Air BNB & VRBO Rentals in IGH

Hello

I currently reside on the East end of the city towards the river. I am writing today to express my concern over the lack of rules or restrictions around short term rental properties. These types of properties seem to have no place in a growing community and are causing nothing but issues for the local residents. We have been impacted by a local rental with different groups coming and going 3-5 times a week. 4-6 cars at the house at a time and loud disturbances at all hours. I hate to burden the police with this as I know they have more pressing matters on their hands. The properties seem to be used for nothing positive. We are also concerned about this negatively affecting our property value. I would ask that these be reviewed and hoping that IGH could follow suit with some surrounding areas and ban these to best serve its residents. The burden of policing these properties shouldn't be put on the tax paying residents.

Thank you for your time.

Brenda

Kris Wilson

Subject: FW: Short Term Rentals

From: Townhome Assc <townhomeassc@yahoo.com>

Sent: Tuesday, June 14, 2022 7:24 AM

To: bartholomew@ighmn.gov <bartholomew@ighmn.gov>; Brenda Dietrich <bdietrich@ighmn.gov>; Rosemary Piekarski-Krech <rpiekarskikrech@ighmn.gov>; Sue Gliva <sgliva@ighmn.gov>

Subject: Fw: Short Term Rentals

City Council Members

We are writing to you today for request action from the City Council on the issue of short-term rentals in Inver Grove Heights

As you know, there are currently zero regulations surrounding these types of VRBO/Air Bnb rentals. This is causing issues for current homeowners who wish to peacefully live in single family dwellings.

The particular issue we want to bring forward is regarding 1735 70TH ST W

This property is being marketed as a vacation home for up to 30 people. This ensures that there is a party every single weekend at this property with up to 30 people. This is of concern for many reasons laid out below.

1-The owners of the property do not reside in the residence. They are strictly using this as a for profit business. I do not believe that the city would allow me to use my townhome for an auto mechanic shop or salon without a business license much less not even residing on the property. A business would not be allowed in a residential area as should be the case here.

2-This property is being marketed and regularly housing 30 people for a weekend. This includes cars for all which can be 10-15 at a time. I do not believe this would be allowed in any single-family dwelling. This also has to be a fire code violation as there are not enough legal bedrooms to house 30 people. Simply put this is being run as a "resort" and is a constant disturbance to the residents.

3-This is a residential area, not an appropriate place for a business that is marketed for parties.

4-This is taking away from local hotel and rental business profits. It may not seem like a lot, but if these people all stayed in local hotels and supported local public gathering spots, 52 weekends a year for 20-30 people we are talking about a lot of lost hotel income.

5-Almost all surrounding cities have regulations on these types of short-term rentals. Inver Grove is behind the game on this one. Eagan had the foresight to protect its residents and ban these types of short term rentals as have many other cities. The ones that don't have very strict regulations.

6-I know there have been police called to this particular residence at least once in the past month for a noise complaint. This is a drain on the police system and will only continue not only with this residence, but others as people realize our city has no regulations at all on these dwellings. What is preventing people from buying up a block of homes and running them all as short term rentals with zero restrictions?

With more and more new homes being built in the area this will continue to be an issue. It is all at the expense of the homeowners with none of the tax benefit to even the city.

We are a group of townhome owners along with all of our neighbors that deserve to not have a party house, again not occupied by residents only being used as a for profit business next door.

Copy of the rental: [Gorgeous Lake Home with Huge Hot Tub - Sleeps 30 - Inver Grove Heights](#)

We would appreciate if the council will bring this up for discussion and include our collective thoughts on this issue.

We will look forward to seeing this on the council agenda soon and will follow up accordingly
We understand there are many issues filling the council agenda, but feel this is important and an issue that impacts the city as a whole.
Thank you for your time and consideration

CAUTION: This email originated from outside of the organization.
Do not click links or open attachments unless you recognize the sender and know the content is safe.



Request for Council Action

SUBJECT: 1st Reading of Ordinance Amending City Code Title 4, Chapter 13 Related to Rental Licenses

MEETING DATE: August 22, 2022

ITEM TYPE: Regular Business

CONTACT: Bridget Nason, City Attorney, 651.451.1831

ACTION REQUESTED

The Council is asked to approve the first reading of an ordinance amending certain sections of the City's rental licensing ordinance.

BACKGROUND

The City Council has begun discussing the City's rental licensing ordinance and areas where the ordinance could benefit from revision. The attached reflects somewhat of a "Phase 1" when it comes to addressing concerns and making improvements to the existing codes. Additional phases are likely to be brought forward for Council consideration later this fall, but staff felt there was some urgency in moving these specific components forward now.

The attached ordinance is intended to accomplish the following:

1. Prohibit short-term or vacation rentals with IGH. This is accomplished via the addition of a requirement that there is a minimum lease term of 30 consecutive days.
2. Improve the definition of "family." An issue with this recently came up when considering a rental license for a single family home. As drafted, the ordinance would still allow up to four unrelated individuals to live as roommates in a single family home, but it attempts to prevent rentals to multiple individuals that do not intend to occupy the property as a single household.
3. Addition of a six-month waiting period to re-apply for a license in cases where a license has been revoked or denied.
4. Clarification of the language regarding the application fee and the fact that it is non-refundable in cases where an application is withdrawn or denied.

FISCAL IMPACT

n/a

RECOMMENDATION

Staff recommends that Council approve the first reading of the attached ordinance amending the city's rental licensing requirements.

ATTACHMENTS

1. Ordinance Revising Rental Licensing Standards (1st Reading)

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

ORDINANCE NO. _____

**AN ORDINANCE AMENDING INVER GROVE HEIGHTS CITY CODE, TITLE 4,
CHAPTER 13, RELATED TO RENTAL LICENSES**

THE CITY COUNCIL OF THE CITY OF INVER GROVE HEIGHTS ORDAINS AS FOLLOWS:

Section One. Amendment. Section 4-13-2 of the Inver Grove Heights City Code is hereby amended as follows. The ~~struck-out text~~ shows the deleted wording and the underlined text shows the language added to the code:

4-13-2: DEFINITIONS:

FAMILY: An individual, or two (2) or more persons related by blood, marriage or adoption, or a group of not more than four (4) persons not so related, living together as a single housekeeping unit maintaining a common residence and sharing using common cooking facilities, bathroom(s), and living spaces.

Section Two. Amendment. Section 4-13-3 of the Inver Grove Heights City Code is hereby amended as follows. The ~~struck-out text~~ shows the deleted wording and the underlined text shows the language added to the code:

4-13-3: LICENSE REQUIRED:

- A. General Rule: No person, partnership, business entity, or corporation shall operate a rental dwelling or rental dwelling unit in the city without a license. The licensee shall be the owner. No dwelling or dwelling unit, other than those exempt from the licensing requirements of this Chapter, shall be rented or let for a period of less than thirty (30) consecutive days.
- D. Application Fees: ~~Rental dwelling owners shall pay a fee as set by resolution adopted by the city council. The license fee is not refundable.~~ Applicants for a license shall pay an application fee in amount set annually by the City Council via resolution. The application fee is due at the time the license application is submitted. The application fee is not refundable, even if the application is withdrawn or denied.

Section Three. Amendment. Section 4-13-8(C) of the Inver Grove Heights City Code is hereby amended as follows. The underlined text shows the language added to the code:

4-13-8: LICENSE HEARING:

4. Reapplication Following License Revocation or Denial: Upon denial or revocation of a license, the owner may not reapply for a license for the same rental dwelling or rental dwelling unit for a period of six months.

Section Four. Effective Date. This Ordinance shall be in full force and effect upon its passage and publication as provided by law.

Passed in regular session of the City Council of the City of Inver Grove Heights on the ____ day of _____, 2022.

CITY OF INVER GROVE HEIGHTS

By: _____

Thomas Bartholomew, Mayor

ATTEST:

Rebecca Kiernan, City Clerk



Request for Council Action

SUBJECT: **2nd Reading of Ordinance Amending City Code Title 4, Chapter 13 Related to Rental Licenses**

MEETING DATE: September 26, 2022
ITEM TYPE: Regular Business
CONTACT: Bridget Nason, City Attorney

ACTION REQUESTED

The Council is asked to approve the second reading of an ordinance amending certain sections of the City's rental licensing ordinance, and to consider whether to direct staff to make additional revisions to the ordinance prior to its third reading.

BACKGROUND

The City Council has begun discussing the City's rental licensing ordinance and areas where the ordinance could benefit from revision. The attached second reading version of the ordinance, which is identical to the first reading version of the ordinance considered by the Council at its August 22 meeting, reflects somewhat of a "Phase 1" when it comes to addressing concerns and making improvements to the existing codes. Additional phases are likely to be brought forward for Council consideration at future meetings, but staff felt there was some urgency in moving these specific components forward now.

The attached ordinance is intended to accomplish the following:

1. Prohibit short-term or vacation rentals with IGH. This is accomplished via the addition of a requirement that there is a minimum lease term of 30 consecutive days.
2. Improve the definition of "family." An issue with this recently came up when considering a rental license for a single family home. As drafted, the ordinance would still allow up to four unrelated individuals to live as roommates in a single family home, but it attempts to prevent rentals to multiple individuals that do not intend to occupy the property as a single household.
3. Addition of a six-month waiting period to re-apply for a license in cases where a license has been revoked or denied.
4. Clarification of the language regarding the application fee and the fact that it is non-refundable in cases where an application is withdrawn or denied.

The draft ordinance was sent to all current rental license holders within the city, as well as to the owners of properties City staff identified as rental properties from the Airbnb and VRBO websites, along with information advising them that the Council would be considering the second reading of this ordinance at its September 26 meeting. Email comments received thus far in response to this notice are attached for Council's information.

As noted above, while no changes were made to this version of the ordinance after its first reading, two issues have been identified by staff that Council may wish to provide direction on prior to preparation of the third reading version of the ordinance. First, questions were raised related to whether a rental license is required for accessory dwelling units. Secondly, clarification related to the classification of townhomes and condominiums as single-family or multi-family residential dwellings for rental license purposes is requested. The attached memo is included for Council discussion and direction prior to the preparation of the third and final reading version of the ordinance.

FISCAL IMPACT

n/a

RECOMMENDATION

Staff recommends that Council approve the second reading of the attached ordinance amending the city's rental licensing requirements, and provide feedback to staff regarding the items discussed in the attached memo.

ATTACHMENTS

1. Ordinance Revising Rental Licensing Standards (2nd Reading)
2. Additional Rental License Ordinance Policy Considerations
3. Short Term Rental Comments Received by 9-21-22

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

ORDINANCE NO. _____

**AN ORDINANCE AMENDING INVER GROVE HEIGHTS CITY CODE, TITLE 4,
CHAPTER 13, RELATED TO RENTAL LICENSES**

THE CITY COUNCIL OF THE CITY OF INVER GROVE HEIGHTS ORDAINS AS FOLLOWS:

Section One. Amendment. Section 4-13-2 of the Inver Grove Heights City Code is hereby amended as follows. The ~~struck-out text~~ shows the deleted wording and the underlined text shows the language added to the code:

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FAMILY: An individual, or two (2) or more persons related by blood, marriage or adoption, or a group of not more than four (4) persons not so related, living together as a single housekeeping unit maintaining a common residence and sharing using common cooking facilities, bathroom(s), and living spaces.

Section Two. Amendment. Section 4-13-3 of the Inver Grove Heights City Code is hereby amended as follows. The ~~struck-out text~~ shows the deleted wording and the underlined text shows the language added to the code:

4-13-3: LICENSE REQUIRED:

- A. General Rule: No person, partnership, business entity, or corporation shall operate a rental dwelling or rental dwelling unit in the city without a license. The licensee shall be the owner. No dwelling or dwelling unit, other than those exempt from the licensing requirements of this Chapter, shall be rented or let for a period of less than thirty (30) consecutive days.
- D. Application Fees: ~~Rental dwelling owners shall pay a fee as set by resolution adopted by the city council. The license fee is not refundable.~~ Applicants for a license shall pay an application fee in amount set annually by the City Council via resolution. The application fee is due at the time the license application is submitted. The application fee is not refundable, even if the application is withdrawn or denied.

Section Three. Amendment. Section 4-13-8(C) of the Inver Grove Heights City Code is hereby amended as follows. The underlined text shows the language added to the code:

4-13-8: LICENSE HEARING:

4. Reapplication Following License Revocation or Denial: Upon denial or revocation of a license, the owner may not reapply for a license for the same rental dwelling or rental dwelling unit for a period of six months.

Section Four. Effective Date. This Ordinance shall be in full force and effect upon its passage and publication as provided by law.

Passed in regular session of the City Council of the City of Inver Grove Heights on the ____ day of _____, 2022.

CITY OF INVER GROVE HEIGHTS

By: _____

Thomas Bartholomew, Mayor

ATTEST:

Rebecca Kiernan, City Clerk

Additional Rental License Ordinance Discussion Items

1. Whether a rental license should be required for an attached and/or detached accessory dwelling unit (ADU).

The City's zoning ordinance allows accessory dwelling units as accessory uses to single family dwellings in the A, E-1, E-2, R-1A, R-1B and R-1C Zoning Districts, subject to certain requirements, including a requirement that the property owner must reside in either the primary residence or the ADU as their permanent residence. An ADU is defined as "a subordinate habitable dwelling unit, which has its own basic requirements of shelter, heating, cooking and sanitation, added to or created within a single-family dwelling or detached accessory structure." ADUs may be permitted within a single-family dwelling or within a detached accessory structure on lots greater than one acre in size. The zoning ordinance states that "[a] rental license for the non-owner-occupied unit shall be obtained if required by this Code."

Currently, the City's rental license ordinance specifically states that no rental license is required for accessory dwelling units. This is similar to another existing exemption in the rental licensing ordinance that exempts single-family homes in which an individual owns the single-family home and resides in a portion of the building in which there is a rental dwelling unit and there are a total of no more than three (3) persons within the rental dwelling unit that are unrelated to the owner and to each other from the City's rental license ordinance requirements. The idea behind these exemptions may be that if the property owner resides in the house (or ADU) on the property, the likelihood of the issues that can arise in a situation where the owner of the property is not continually on-site and sharing space with the tenant is reduced.

Staff would like direction from the Council regarding whether any changes to this rental license exemption for accessory dwelling units is desired, for example, to require that if an ADU is being rented to a non-family member then a rental license is required, or to require that a rental license is required, but only for detached ADUs.

2. Clarification regarding what constitutes a multi-family dwelling for rental licensing fee purposes.

No rental dwelling or rental dwelling unit may be rented without the owner of the dwelling or dwelling unit obtaining a rental license from the City. Questions have arisen related to the classification of certain multiple-family dwellings, and the licensing requirements for units in buildings owned entirely by one entity, where individual units in the building are owned by multiple owners, or where one owner owns multiple single-family residences.

The Council is asked to provide guidance to the staff related to amending the city code and City fee schedule to clarify that license shall be required as follows:

2-year license, with a \$50 rental license fee per dwelling unit:

- Single Family Dwellings
- Twin Homes and Two-Family Dwellings
- Townhomes and Condominiums located in a building containing: a) two or fewer dwelling units; or b) three or more dwelling units where the units are not under common ownership

2-year license, with a \$150 fee per building plus a \$15 fee per dwelling unit:

- Townhomes, condominiums, apartments, and other multiple-family buildings containing three or more dwelling units under common ownership

Additionally, clarification is requested to confirm that:

- A rental license is required for each dwelling unit, including all units in a multiple-family building
- A rental license can be suspended or revoked for each dwelling unit or for an entire multiple-family building

Staff seek council direction to confirm that the clarifications identified above are acceptable to council; if so, they will be made to the third reading version of the rental licensing ordinance and to the City's fee schedule.

From: [Pam Glenn](#)
To: [Rebecca Kiernan](#)
Subject: Topic: Airbnb
Date: Monday, September 19, 2022 10:39:30 PM
Attachments: [AIRBNB Letter for IGH City Council September 2022.docx](#)

Rebecca,

I received your name from the Airbnb hosts in town, since this has recently become a topic of focus for the IGH City Council.

Please review my letter regarding the benefits of Airbnb in the attachment below.

Please also let me know ASAP if you are able to send this to each City Council member prior to the next meeting, or if I need to send this to each one individually.

Thank you!

Pam Glenn
6959 Archer Court
Inver Grove Heights, MN 55077
651-247-0201

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September 18, 2022

Inver Grove Heights City Council,

It was brought to my attention that the topic of Airbnb stays has again become a focus of the IGH City Council. Specifically, the council is considering placing a restriction on the duration of Airbnb stays.

I am an Airbnb host and have also utilized Airbnb as a guest.

In brief, restrictions placed on Airbnb hosts by the IGH City Council has multifactorial negative implications for our citizens and our community.

Here are some points for your review and consideration:

- Airbnb provides in many cases, a necessary income to keep up with important home maintenance items. This not only adds value to a residence, but also has a positive impact on the community as a whole.
- Airbnb hosts are also likely to invest more into their homes to be sure to meet the standards of Airbnb. This also leads to positive reviews from their guests—which then leads to future bookings. Again, having residences which are well kept-up has a significant positive impact on the community overall.
- Some Airbnb hosts have purchased a residence with extra space specifically intended for Airbnb guests, providing future income supplementation. Placing limitations on hosting opportunities adds a significant burden to this investment goal.
- Likewise, with the present economy, some IGH citizens have found themselves searching for creative ways to use their residences for much-needed income. Restricting this option leads to unnecessarily challenging and even heart-wrenching situations for our citizens.
- A couple years ago, the IGH City Council considered a requirement to only allow “extended Airbnb stays.” This was due to a couple incidences reported in which a host rented their place for 1-2 nights and the guests ended up having a large party, which was disruptive to the community. Limiting the time a guest stays at an Airbnb residence does not necessarily prevent this from occurring. Rather, the Airbnb host can identify rules to prevent this type of activity. For example, one of my rules for a guest is they cannot bring another person into my home until they check in with me first. This situation however begs the question: Is it reasonable to set up a city policy which significantly and negatively impacts Airbnb hosts when the vast majority of hosts have been extremely responsible?
- It has been proposed that Aibnb hosts be charged a “licensing fee” of approximately \$100. This would then go toward any future police calls which, it is assumed, would occur. I would argue that a police call can result from any number of situations, totally unrelated to Airbnb, for example simply involving a visitor to my home. This type of policy discriminates against Airbnb hosts. Again, this is a punitive measure toward

Airbnb hosts, for which the vast majority have been responsible. Rather, I would have the City Council consider a fine if an Airbnb host situation results in, for example, 3 police calls involving the same Airbnb guest.

- Airbnb insurance: *“Host liability insurance, a part of AirCover for Hosts, provides Hosts with \$1 million in coverage.”* Thus, the ability to rent space via Airbnb makes sense for both hosts and guests from a liability perspective.
- Airbnb is set up to proactively establish rules for guests. Airbnb also provides direct assistance to hosts if there are any conflicts with guests (and vice-versa). Thus, the Airbnb system is comprehensive in helping to prevent conflicts and issues, and if they do occur, which is rare, the system is set up to address any issues that arise.
- It is important to point out that many Airbnb hosts remain in their residence while guests rent a part of their space.
- Having Airbnb guests here in IGH, no matter how long the stay, leads to guests patronizing our local businesses, including IGH restaurants, gas stations, movie theaters, etc. This also leads to a positive financial gain for the local businesses and IGH overall.
- As an example, I've been doing airbnb for nearly 10 years. Although I took a break from hosting during the first two years of covid, I have had 3 long-term bookings this past year: 2 students doing internships (one at CHS in IGH, and another within 1/2 mile from here) and another guest who needed housing after getting a new job in the area. Up to this point, there has not been a police call for any disorderly conduct of any kind. Likewise, all 3 guests, along with their visiting families, regularly patronized the business of IGH.
- It seems rather disheartening that time and energy are being spent on limiting Airbnb hosting time periods, something which significantly benefits our citizens and community, when time could instead be spent on addressing more serious issues which require the IGH City Council's prompt attention.

It is my hope that the IGH City Council will give serious consideration to the points above.

Please let me know if you have any further questions.

Thank you,

Pam Glenn

6959 Archer Court

Inver Grove Heights, MN 55077

651-247-0201

Dear Inver Grove Heights City Council Members and Administration:

9/20/2022

We have been Airbnb hosts since 2018, renting out a suite in the lower level of our home, on a short term basis. We are both retired, and are comforted knowing that we can always rent out part of our home to make some additional money. We have invested thousands of dollars into our home, which was built in 1960, to have a nice product to offer short term rental guests and to maintain a nice home. Additionally, we only rent out the space when we are in residence, as we are not comfortable having people in our home if we are not there, even though the suite is locked off and they can't enter our space, and they have their own entrance.

Since February 2018, we have rented out the suite on a short term rental basis 147 times. We have not had any complaints from neighbors, and most don't even know that we have a rental in our lower level. We have never generated any police calls or complaints to the city.

We have a list of requirements that the guests must meet to rent our space: at least one person in the group has to be between the ages of 25-70, we have a two night minimum stay, and the guests must show ID upon arrival. Once the guest arrives we have a list of rules/requests: quiet hours, locations to smoke, etc. Our guests want to meet our requirements and follow our rules, because they want to get a good review from us. A guest that does not get a good review, is not allowed to rent on the rental platform in the future, whether it be : Airbnb, VRBO, etc.

We have had guests book a reservation at our place for the following reasons:

Used to live in the area, and are returning for short visits to see grandchildren, family, and friends.

Visit the Mall of America, MN Zoo, Science Museum, Viking Football Complex

Jobs: to take flying lessons at the South St Paul Airport, to bring in animals to the MN Zoo from other places, work at Koch/Flint Hills/Pine Bend refinery, Union Pacific Railroad, etc.

Building new houses/ moving house, and are between houses.

Receive medical care.

Local people who need a respite from being a caretaker, want a break to relax, canoe, fish, etc.

Here to settle estates/put homes on market for family, who have passed away or moved into nursing homes.

We have a father rent our suite at least twice a year, from France, to spend time with his 10 year old son, who now lives in Cottage Grove. Last visit, the father also brought his mom, so she could spend time with her grandson. They stay for 2-3 weeks at a time, and Calvi, the son, goes to school from our home. The son has made a Youtube channel which you could watch to see what our rental space is like: " Calvi and Papa." It is written, filmed, and produced by a 10 year old. It would be sad to have to see them have to stay in a hotel for 2-3 weeks.

If we were required to only take reservations of a month or longer, it would really make it difficult for potential renters to arrange the kind of housing that they prefer.

The income we make on our short term rental is all documented. The short term rental platform we use is Airbnb. Airbnb collects the money from the guests, and Airbnb pays us our portion- we don't collect money directly from the guests. We pay sales tax to the State of MN on the gross sales. We pay income taxes on the net income. We pay property taxes on our property. The short term Airbnb guests also spend money in the community. They obviously buy groceries, eat in restaurants, many buy clothes - because there is no sales tax in MN, many go to The Grove to exercise and golf at Inver Hills, etc. We try to get the guests to engage in the local community as much as possible, and have brochures on all the local amenities. Many guests comment on how beautiful the area is, and how convenient the location is for driving to other parts of the Twin Cities, Northfield, Rochester, etc.

We have enjoyed staying in Airbnbs as we travel, and have rented everything from a room in someone's basement that had the washer and dryer in the same room, to entire homes for funerals and family holidays. We took a 15 day, 5,000 mile road trip in February. During that trip we stayed in: hotels, timeshares, airbnbs, and with friends. It was nice to be able to have so many options, as during different times in the trip we had different housing needs. It is positive that in the city of IGH, people also have options.

We are requesting that you table the short term rental ordinances for a period of one year, to give the owners time to resolve the issues that were mentioned in the complaints. If the short term rental owners are notified of complaints, they can make changes to the management of their properties, everything from adding Ring systems and Minut Noise Monitoring, to shoring up the rules and regulations and having stricter renter qualifications. We think that the short term rental owners can do their own policing and managing of problems.

Respectfully submitted,

Richard Carlson and Tamara Kappauf , MBA
Lakeside Blue Bungalow
612-308-8042 & 612-868-6628

Dear Mayor and City Council,

I'm writing about possible changes to the rental licensing and ordinances that exclude short-term rentals in Inver Grove Heights.

Thank you in advance for reading this. I know you are busy and have many other issues to address. Hopefully, I can clearly explain some of the benefits of Short term rental to the city and the solutions that can mitigate the current issues.

Inver Grove Heights may not seem like a town that people would visit; however, its proximity to Downtown, the Airport, the Mall of America, and Vikings Training Camp does bring people in, as well as local citizens use short-term rentals for their extended family's needs.

Traditionally short-term rental is when people rent out all or part of their house for a period of time less than 30 days. A visitor would often stay at a short-term rental because they offer additional amenities that hotels typically don't.

Some examples are:

- Community members hosting relatives from out of town don't have enough room in their current homes and temporarily need a larger, more intimate space to gather than a hotel.
- Grandparents bring their children and grandchildren on vacation, needing several bedrooms and a place to gather.
- A family with small children who don't sleep well in a hotel room. They are often looking for multi-bedrooms and a kitchen to cook meals.
- A business in town for a conference looking for lodging and a place to meet and plan future endeavors.
- A local business that is bringing their staff to town for meetings.
- A family with special needs needing more room for service animals.

Below is what our guests list as why they came to Inver Grove Heights:

Hetty M.

"Hi Faith and David! We are coming from Los Angeles with our teen and adult daughter and visiting with our sister and her family who live in Inver Grove. We love this home (especially the pool table room!) and can't wait to spend the weekend there together! It looks really special!"

"I was just double checking that it is ok for my sister to bring her dog" "He serves as emotional support for one of their children. Is it ok if we bring him?"

Josh S.

"Hi Faith and David, I will be coming to town for a funeral and looking for a place where we can have 7 adults and 1 child stay overnight."

Julie K.

"Good Morning, Faith and David! My sister and I and our adult children are planning to celebrate Christmas together in the MSP area for the 2nd year in a row! Hopefully, your lovely home is available!"

Dave N.

"Hello, your place looks amazing. I'm looking for a place to take my engineering group to do an offsite workshop. A bunch of geeks with computers. There would be 7 of us staying overnight and 3 that would join during the daytime."

Visitors select homes because they offer a quieter, more intimate environment than a hotel. If we remove short-term rentals, we also remove these visitors and families from our communities.

Benefits of Short term rentals:

Having good guests in our communities who often visit with family members who live here benefits local businesses.

- Per the data source below, the average guest spends \$33.00 on food alone daily during a visit. Our property alone adds up to a low estimate of over **\$52,177** going directly to local restaurants annually. I would easily estimate that all the short-term rentals in Invergrove heights bring in well over **\$500,00.00** in business to local restaurants annually. That revenue will be gone if you remove this from the community.
- Homeowners can rent out their homes or rooms when they are not using them to generate extra income to support their families.
- Property owners whose properties may not traditionally generate enough rent to pay their mortgage have an option of this additional source of income, allowing them to earn money and fund the upkeep of their property.
- These homes are taken extremely well care of and are in excellent condition; this supplies jobs to the community in the form of upkeep on the property: for example,

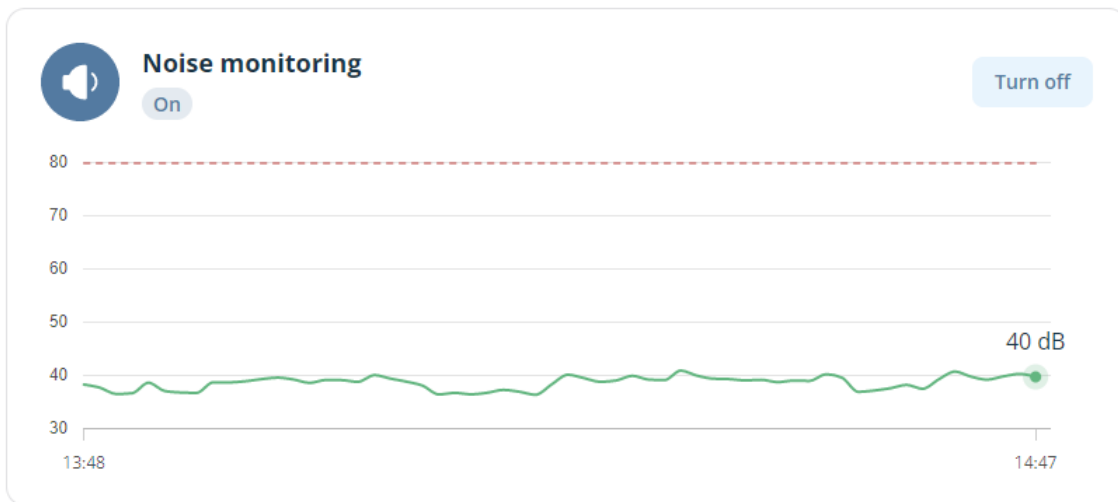
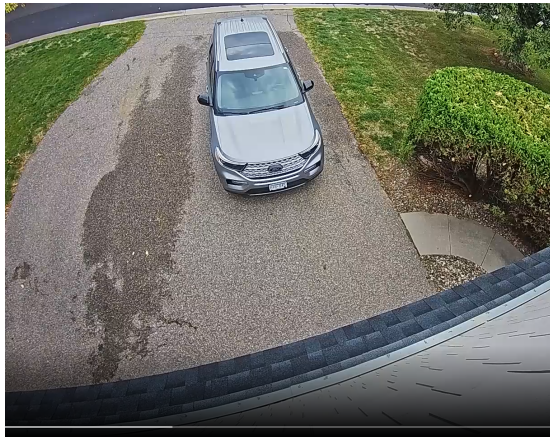
house cleaning, lawn service, and maintenance. These jobs go to the local IGH community businesses.

The Issue: My understanding of the main issue seems to be with large parties that happened primarily during Covid. The property owner seemed unaware of the issue before the neighbors were disturbed.

Why I believe our properties have never had any issues:

At our properties, we closely vet anyone staying and have never had a neighbor complaint or city call. Some of the preemptive strategies we take are:

- We only take reservations for two or more nights.
- We only take advanced reservations, never last-minute stays.
- Requiring guests to have a positive past stay history on any platform we use. (positive rating)
- Due to our guests also being reviewed by us and desiring a good review, they tend to be highly respectful when staying at the property.
- We clarify with guests their reason for visiting Inver Grove Heights.
- We have house rules and quiet hours that respect our neighbors.
- We're willing to cancel anyone disrespectful to our home or neighbors immediately. However, we have never had to.
- Listing that there are cameras on the property and noise detection devices. I can see how many cars are on our property, how many people are there, and how loud they are. Having these items causes anyone looking to do anything but a traditional quiet family stay to look elsewhere. See examples below:



I list this only to say that there are steps property owners can take to solve the issues that happened in the past.

What I believe the Council should do to solve this issue:

- Consider that many violations may have been due to restaurants and traditional gathering places being closed due to Covid, this issue may fix itself now that they are open.
- Follow Minneapolis and many surrounding cities, which are more at risk of disturbances than Inver Grove Heights but see the value that short-term rental brings to the community.
- Expand your rental license as many other cities have to include any rental of a property. The city should have property owners' contact information.
- Exclude owner-occupied rentals from the license as the city currently does.
- Have owners submit a management plan

- Require Neighbor Notification with contact information.
- Fine properties with future violations of city ordinances.
- Terminate the rental license of property owners with violations who can not maintain a positive property for the city.

Short-term rentals should be easy to manage via licensing and the existing ordinances already in place. Enforcement should already be in place via existing channels for traditional rentals and other violations in the city. Adding a license gives the city the additional option of terminating the license. If we choose to ban short-term rentals, we have the same issues of enforcing ordinances either way. Most of these properties will change to traditional rentals, which often have different problems.

In closing, I would encourage you to take a case-by-case approach to this issue via licensing. Please consider the community who uses these properties, the local businesses who benefit from them, and the property owners who do a great job serving the community, using short-term rentals as income to help support their families. My wife and I are 100% in favor of any regulations to prevent neighborhood disturbances. That is our goal as well. Still, I encourage you not to limit short-term rentals at the expense of property owners who are not causing any issues in the city, only improving it.

Thank you,

David and Faith Kappel
 612-220-7678
 651-283-9532
info@kappelproperties.com
faith.kappel@gmail.com

* Americans spend an average of \$33 per day on food when on a vacation

<https://www.valuepenguin.com/average-cost-vacation#:~:text=The%20Cost%20of%20Food%20on,on%20food%20they%20prepare%20themselves.>

From: [Jake Kappel](#)
To: [Rebecca Kiernan](#)
Subject: Short Term rental comments/proposals to include in counsel packet
Date: Wednesday, September 21, 2022 11:38:40 AM

Dear Council members and Mayor of Inver Grove Heights,

I am writing in regards to the recent conversation between property owners and their rights to short term rentals in your city. I understand your concerns related to regulation are mostly to minimize noise complaints.

When I reached out to the city in regards to short term rental rules/regulations in August, I was told that there were not any regulations at that time and they were not being discussed as of that time. I ended up purchasing a property in August 2022. In doing so I put up my entire savings of \$70,000 in hopes to build a better future for me and my family. Hearing now that the city is discussing banning short term rentals is rather infuriating, as if forced to do a long term rental contract I do not believe that we will be able to make the mortgage payment. In saying this, we will be forced to sell the property most likely at a large loss.

From my understanding there have been a few complaints on parties/noise in houses rented out on various platforms. I believe that each of these situations should be handled on a case by case scenario. Just because one property owner is causing issues, I don't think it is fair to penalize the rights of another. Along with this, I do not believe that banning short term rentals is going to solve the issue of parties/noise complaints. Just as there may be a nuisance tenant in a short term rental, there is just as likely a chance there will be a nuisance tenant in a long term rental, the only difference is that in a short term rental the nuisance tenant is gone in a few days.

In saying this, I believe that as long as someone is not violating the rights of others or endangering them, they should be free to do with their own property as they wish. Of course, I am open to discussion about penalties for having nuisance tenants at my property. I do believe that a smart way for the city to combat this issue is by considering rental licenses in your city that will be approved or denied based on issues that may arise from a property.

There are many benefits to short term rentals that should be considered:

- A way for residents to afford their mortgage
- More visitors to a city creates more spending in a city and will help grow the economy, this has been proven in many cities throughout the United States.
- Someone may need a short term rental before moving into a new house or doing renovations.
- May be visiting for a funeral, wedding, event, family reunion, and hotels may not have what they need as a collective etc.
- Provide jobs for cleaners/landscapers/snow removal workers, etc
- Property maintenance, short term rental hosts are much more aware of maintenance issues than long term hosts, and they can be addressed quickly.

- Tenants can be removed immediately if they violate the terms of agreement of the platform they rented on.
- The majority of tenants that come through a rental platform want a good rating so they can continue to enjoy communities around the world. This does not eliminate nuisance tenants but it does help mitigate most issues.

There have been many Cities/States throughout the United States that have sided with Short Term rental rights, the most recent being the city of Austin Texas. A small group of plaintiffs, represented by the Texas Public Policy Foundation argued that by restricting short term rentals, the City of Austin prevents homeowners from using their property as they see fit, and treats short term rentals differently than long term rentals. The courts deemed banning short term rentals unconstitutional.

Being that elected officials have a responsibility to all of those that they govern. I believe it is your job to protect private property rights and to protect public health and safety as defined by the Constitution of the United States. Property rights are defined as the exclusive and best use rights to a property and in banning short term rentals I believe this is a direct violation of the Constitution.

Please consider the above mentioned before making a final decision.

Thank you,

-Jake Kappel
651-285-5212

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

From: [John Stiles - Bridge Realty](#)
To: [IGH City Clerk](#)
Subject: IGH Short term rentals
Date: Wednesday, September 21, 2022 10:28:33 AM

Dear City Council & Mayor,

My family and I live in one unit of a duplex that we own in the city of Inver Grove Heights.

The unit that we do not live in is a 1 bedroom apartment that would be perfect for a short-term renter. There are numerous people who travel to our area for work or leisure. Sometimes it's a traveling nurse or other professional. Sometimes it's someone coming for a sporting event or concert. And sometimes it's someone coming for a family reunion or a wedding. I know this because we used to operate a short-term rental in another nearby city before we moved here. These people often want a different experience than a typical hotel. Something with a little more home-feel. Or maybe a place that is more pet friendly.

Renting out our owner-occupied duplex to short-term renters would allow us to earn more money than a typical long-term tenant. Taking care of the turnovers and maintaining the property would provide a great opportunity for my family and I. Based on our experience of doing this before - living on-site allows us to closely monitor who comes to and goes from the property and we can quickly respond if there were any issues.

I believe it is my right as the property owner to decide the length of stay that I allow my guests. To me it would be an overreach for the city to limit me on this and it seems like the proposed ordinance is trying to solve a problem that doesn't exist in my situation.

I ask that you please reconsider this ordinance and look for other solutions.

Thank you for your consideration.

--

John Stiles
Cell: 612-554-7794

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

After watching the city council work session from August 1st, I saw firsthand just how little information the councilmembers were provided regarding short-term rentals. Due to a lopsided amount of evidence against short term rentals, it is clear that the city councilmembers have categorized all short-term as “party houses” when this is certainly not the case. As a short-term rental owner since 2014, I would like to take this opportunity to shed some light on short term rentals.

- 1) Short-term rentals provide the opportunity for a basic human right: connection to family. Families want to get together under one roof but often they do not have a home large enough to support that type of gathering. The city administrator, Kris Wilson, referenced in the August 1 work session that she recently came back from this type of gathering at a short term rental in which her family respected the house rules and met the requirements of the neighbors for noise limitations. We all have a right to gather together and if the short-term renter can agree to gather without disturbing the neighbors, then it should be allowed. By banning these rental homes, you take away that opportunity for everyone in an effort to prevent a potential party. Please take the time to read this review I just received from a former guest, Carl, at one of my properties, because this is an example of one family’s experience that would not take place under the proposed ban: “Beautiful house, perfect location, and plenty of room for our family of five. Owner was incredibly helpful and communicative. House had everything we needed to enjoy our time. Incredible location on lake with all the toys to enjoy! Kids loved it so much they wanted to stay forever! Looking forward to staying again in the future!” Here is another recent message I received from someone booking for December: “We were looking to take a trip down south but with airfare so expensive we decided to AIRBNB in Minneapolis instead. Our adult children live in Minneapolis but we wanted it to be more of a trip away from home. So we looked for someplace in the area and we were really impressed with your property. It sounds and looks beautiful. We are not a party type group and are very respectful of property. We would check in at 3:00 p.m.” With the proposed ban, these people would never get the opportunity to stay at my home.
- 2) Our typical customer is families and 99% of the time, there is zero issue with the neighbors. Since 2014, I personally have hosted a total of 1,024 stays with an average of 2.5 nights per stay, so that is out-of-town families and friends staying at my houses for a total of 2,056 nights, equivalent to 7 years. Even if there have been 20 emails about specific incidents at my properties (which I highly doubt), that still would only represent an issue with less than 1% of the nights I have rented my homes. The best analogy is if airplanes were just invented and the people on the ground complained to city council, requesting them to cancel airplanes because they create noise for 1% of the day in which the planes are flying overhead. To cancel short-term rentals is equivalent to council members grounding all airplanes out of deference to the neighbors who think it should be quiet 100% of the time instead of 99% of the time. There has to be some tolerance for short-term rentals. If we give tolerance to other important job-creating industries like airlines, car manufacturers, the garbage companies, the roofers, etc, then why is there a zero-tolerance policy for any noise created by short-term rentals. That is an unfair double standard.
- 3) If short term rentals are in fact a drain on the city’s resources, the short term rental owners would like proof of that. I personally know that the only police calls I ever received were well in my past, before I knew how to prevent the issues. There was a learning curve at the

beginning and the system of vetting tenants has changed dramatically in just 8 years since I began. I know that my last police visit was on 7/19/17, so this is over 5 years ago. The days of uncontrolled parties are ancient folklore due to the new systems.

- 4) Below are the several changes to my rental properties to ensure that the families staying in my homes are respectful of the neighbors:
 - a. I have security cameras on all entrances of the house
 - b. I require a list of names of all people on my property and anyone left off the list will result in immediate cancellation of the rental agreement
 - c. Quiet hours are set at 10pm and I tell my guests they cannot even be outside at this time, so if I see them on my cameras, I send them a message and if they do not respond, I go over to the house to inform them quiet hours are in effect.
 - d. I collect a \$500 security deposit that is just for quiet hours. If I hear a complaint from the neighbors or the police, that deposit is kept and disbursed to the neighbor.
 - e. I require an age limit of 25 or older. I am open to this changing to 30 years or older if the councilmembers are interested in further increasing the age limit. It probably would help.
 - f. I have a 2-night minimum. All problems I ever had in the past were due to a 1-night minimum
 - g. The AirBNB system will automatically block any bookings that they think are at high risk of a party due to a multitude of factors. There is a specific “no parties” rule for all bookings through the AirBNB website which represents 80% of the stays in short term rentals.
 - h. AirBNB has a guest-review system which is new as of 6 years ago. Short term rental guests want good reviews so they can continue to rent on the platform so this is extra incentive to follow all house rules as the homeowners set forth.
- 5) Short-term rentals are good for many reasons
 - a. As stated earlier, humans have a need for gathering with their families. Why would Inver Grove Hts be one of just a small handful of cities that does not support this?
 - b. Short term rentals bring money into our community and introduces people to Inver Grove Hts businesses. These guests always ask me, “Steve, do you have a recommendation of local restaurants.” And of course I point them to the local businesses right here in Inver Grove Hts. Rosemary Piekarski-Krech said in the work session “of course we hope people come visit us”. There is no city in the world that would deny tourism as an important source of money for the local economy.
 - c. It improves our property values. When you have an asset, the more things you can do with that asset, the more valuable it is. By putting such a limitation on the house, you reduce the value of the houses. This affects every homeowner.
 - d. Short term rentals create jobs. To help me with my Airbnb, I hire people from the community, including my handyman, my cleaner, and my lawn/snow guy. When I buy supplies or need to fix my AC unit, I am buying those from the community. When I need to furnish my homes, I go on Facebook marketplace, buying furniture from members of the community. The money I earn doesn’t just stay in my pocket, it is flowing through the community in one form or another.

My final point is that America has a long-standing tradition of celebrating risk-takers, entrepreneurs and business owners. I personally have 3 mortgages totaling over \$1.2 million in debt. I have invested well over \$300,000 of my own money into these properties, not to mention all my hard work. I have risked everything I have to purchase these homes and make these investments for the sole reason of renting out as a short-term rental. Short-term rentals were always legal and it was always my understanding that I was doing a good thing by investing in my community. I took homes that were unused, out-of-date, and rundown and I put all my time and money into them so they could be shared with other families. This is what all the short-term rental owners here are doing. We are beautifying Inver Grove Hts, generating jobs, and reinvesting in our community, yet somehow we are now being asked to defend our jobs. So today, we are asking the city council members to reconsider their opinion of short-term rentals. You never had the full story of short-term rentals. We are asking the city council to stop villainizing the short-term rental owners. We are not the problem. Our properties are not the problem. Let's address the actual problem of increased noise and traffic together by licensing our properties and holding the short-term rental owners to a high standard of keeping our neighbors satisfied with low noise levels. I am confident that the city and the homeowners can work together to achieve the desired end result of a peace-filled community where residents and short-term renters can cohabitate.

Stephen Dick

2nd Reading of Ordinance Amending Code Language on Rental Licensing

*Kris Wilson, City Administrator
September 26, 2022*



CITY OF
INVER GROVE
HEIGHTS

DEPARTMENT NAME

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Background

- City Council adopted a rental licensing ordinance in the fall of 2016
- Current code language does not speak specifically to short-term / vacation rentals
- Process of administering the current code language has raised several issues / challenges

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1st Change – 30 day minimum lease

- **“No dwelling or dwelling unit, other than those exempt from the licensing requirements of this Chapter, shall be rented or let for a period of less than thirty (30) consecutive days.”**
- Intended to address increasing resident complaints about neighboring properties being utilized as a business rather than as a residence and generating disruptive noise / excessive vehicles.

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2nd Change – definition of family

- “an individual or two (2) or more persons related by blood, marriage or adoption; or”
- “not more than four (4) persons not so related, living together as a single housekeeping unit **maintaining a common residence and sharing** common cooking facilities, **bathroom(s) and living spaces.**”
- Intended to address concern about single-family residence being rented as a multi-family residence – while still allowing for true “roommates”.

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3rd Change – waiting period to reapply

- Current City Code is silent on this subject
- Proposed change requires a 6 -month waiting period before re-applying for the same property, in cases where a license is denied or revoked

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4th Change – fee clarification

“Applicants for a license shall pay an application fee in an amount set annually by the City Council via resolution. The application fee is not refundable, even if the application is withdrawn or denied.”

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Tonight

Public Comment

Additional Policy Considerations:

- Should a rental license be required to rent out an accessory dwelling unit?
- What properties should be charged the single-family rental license fee and what properties should be charged the multi-family rental license fee?

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Accessory Dwelling Units (ADU)

City Code allows only if the property owner lives in the main dwelling or the ADU

Considerations:

- Should a rental license be required, given that the owner is on site?
- Should a rental license be required only if the unit is rented to a non-family member?
- Does it matter if the rented unit is attached or detached? The primary unit or the ADU?

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Licensing Fee

Current fee schedule:

Single-family home, condo or townhome unit = \$50

Duplex, triplex, fourplex and apartment building = \$150 per building plus \$15 per unit.

Issues:

Which category does a building with 8 townhomes under one roof fall into? Should they be considered townhomes and pay 8 fees at \$50 each for a total of \$400?

Or should they pay as a multi-family - which would equal out to \$270?

What makes something a townhome? Separate entrance? Separate ownership? Separately metered utilities?

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Questions?

Desired Changes?

Direction on additional policy considerations?

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Request for Council Action

SUBJECT: **Continuation of 2nd Reading of Ordinance Regarding the Licensing of Rental Housing and Short-Term Rentals**

MEETING DATE: December 12, 2022
ITEM TYPE: Regular Business
CONTACT: Kris Wilson, City Administrator, 651.450.2511

ACTION REQUESTED

The Council is asked to consider and provide feedback on an alternative ordinance to address the issue of short-term rental housing.

BACKGROUND

At multiple meetings earlier this year, the City Council discussed concerns about the impacts of short-term rental housing on the surrounding neighborhoods. The Council initially directed staff to prepare an ordinance that would require a minimum lease period of 30-days for any rental property within the City. The first reading of this ordinance was approved, but the second reading was tabled, following public comment on the proposed ordinance.

Since that time, staff has completed additional research regarding how other metro-area cities regulate short-term rental housing and met with several interested parties who currently operate short-term rentals within IGH. The Council has also received communication and comment from additional residents concerned about the impacts of short-term rentals.

Attached for Council's consideration is the original ordinance, which establishes a 30-day minimum rental period, and addressed a few other housekeeping items related to the City's existing rental licensing program, as well as an alternative ordinance that would allow rentals of less than 30-days under a short-term rental licensing program. The alternative ordinance, as currently drafted, contains several sections that are highlighted in yellow. Many of these are reflective of requirements for short-term rentals in other cities. They do not necessarily have to be included, or included in their current wording, in an Inver Grove Heights ordinance, but are presented for discussion. These are specific areas where the Council will need to make a policy decision and provide direction to staff regarding what is desired in a subsequent draft of any IGH ordinance.

Staff will outline the terms of both ordinances in the presentation at the December 12 meeting and seek feedback and direction from Council regarding how it wishes to proceed on this topic.

FISCAL IMPACT

RECOMMENDATION

ATTACHMENTS

1. Alternative Ordinance on Short Term Rental Licensing Ord
2. Ordinance Revising Rental Licensing Standards (from original 2nd Reading)

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

ORDINANCE NO. _____

**AN ORDINANCE AMENDING INVER GROVE HEIGHTS CITY CODE, TITLE 4,
CHAPTER 13, TO ADD ARTICLE A RELATED TO RENTAL LICENSES FOR
SHORT-TERM RENTALS**

THE CITY COUNCIL OF THE CITY OF INVER GROVE HEIGHTS ORDAINS AS
FOLLOWS:

Section One. Amendment. Title 4, Chapter 13 of the Inver Grove Heights City Code is hereby amended to add Article A as follows:

ARTICLE A; SHORT-TERM RENTALS

4-13-A-1: Policy; Purpose; Objective; Intent

It is the purpose of this Article to protect and preserve the stability and character of residential areas within the city by establishing standards for the operation of short-term rental housing. The operation of short-term rental properties is a business enterprise that includes certain responsibilities. Rental owners, operators and managers are responsible to take such reasonable steps as are necessary to ensure that the guests who occupy such rental dwelling units, as well as neighboring properties, may pursue the quiet enjoyment of the normal activities of life in surroundings that are safe, secure, and sanitary, free from noise, nuisances and annoyances, and free from unreasonable fears about safety of persons and property.

4-13-A-2: Definitions

Except as expressly provided in this Article, words, terms and phrases used in this Article have the meanings given them by Section 4-13-3. In cases where conflicting definitions of a word, term or phrase make its precise meaning unclear in its application to particular facts, the city administrator is authorized to resolve the definition. For purposes of this Article, the following terms below have the meanings given them:

SHORT TERM RENTAL: The letting of a dwelling or dwelling unit for a period of less than thirty (30) consecutive days.

4-13-A-3: License Required

- A. General Rule: No person, partnership, business entity, or corporation shall operate a short-term rental dwelling or short-term rental dwelling unit in the city without first obtaining a short-term rental license. The licensee shall be the owner.
- B. Exemptions: No short-term rental license is required for the following:
 - 1. Hospitals.

2. State licensed residential care facilities.
 3. Assisted living facilities.
 4. Nursing homes.
 5. Hotels or motels.
 6. Single-family homes in which an individual owns the single-family home and resides in a portion of the building in which there is a rental dwelling unit and there are a total of no more than three (3) persons within the rental dwelling unit that are unrelated to the owner and to each other.
 7. Accessory dwelling units pursuant to section 10-18-1 of this code.
 8. Supervised student housing pursuant to subsection 10-14-2H of this code.
- C. Non-Transferable: A short-term rental license is nontransferable. If there is a change in the ownership of the rental dwelling or rental dwelling unit, a new license is required.
- D. License Term: The term of the license shall be two years, beginning on April 1 of all odd-numbered years.
- E. License Fees: Applicants for a license shall pay a fee as set by resolution adopted by the City Council. The license fee is not refundable, even if the application is withdrawn, denied, revoked or suspended or the applicant ceases to operate the property as a short-term rental during the term of the license.
- F. Renewal And Late Fees:
1. An application for license renewal must be filed at least sixty (60) days prior to the license expiration date.
 2. An applicant who fails to submit a completed renewal application at least sixty (60) days prior to the expiration date shall pay a late fee equal to fifty percent (50%) of the license fee, in addition to the required license fee for the renewal.

4-13-A-4: License Application

Application for a license must be made to the city by the owner of a short-term rental dwelling or dwelling unit upon forms provided by the city. After the city has received a completed application, including all required documentation and application fee, and the appropriate fees, the license will be reviewed by city staff and then submitted to the city council for consideration. Incomplete applications will be rejected by city staff and will not be submitted to the city council.

1. **Neighbor Notification:** Prior to submitting a license application, the applicant must notify the owner of any neighboring property abutting to the side, rear or across the street from their property of their intent to seek a short-term rental license. Such notification shall be on a form provided by the City.
2. **Required Applicant Information:** The following information shall be required with each application for a short-term rental license.
 - A. **Natural Person:** If the applicant is a natural person, the applicant must provide the information required in Section 4-13-3(B)(1).
 - B. **Partnership:** If the applicant is a partnership, the applicant must provide the information required in Section 4-13-3(B)(2).
 - C. **Corporation:** If the applicant is a corporation or other organization, the applicant must provide the information required in Section 4-13-3(B)(3).
 - D. **Additional Information From All Applicants:** All applicants must provide the information required in Section 4-13-3(B)(4).
 - E. **Property Contact Information:** All applicants must provide the information required in Section 4-13-3(4)
 - F. **Number And Type Of Units:** The license application must contain the number of units and types of units (condominium, apartment, townhome, etc.) within the rental dwelling. If the number or types of units change, the licensee must notify the city.
3. **Changes On Application:** An applicant must notify the city in writing of any changes to the name(s) provided on the application including, but not limited to, owners, the property management company, property managers, twenty-four (24) hour contact information, or agents responsible for management of the rental dwelling or rental dwelling unit. Any changes may result in additional background checks, as required by this Article, if deemed necessary by the city
4. The applicant must file with the city proof of insurance as required in Section 4-13-3(E). The applicant may not cancel or change the insurance without fifteen (15) days' prior written notice to the city by certified mail. The certification of insurance must be continuously in effect until fifteen (15) days after receipt of the written notice of cancellation or change, provided however, the certification must not extend for more than two (2) years.
5. **Criminal Background Investigation.**

a. In order to protect the general welfare of the public for all applications, criminal history background reports from the BCA must be submitted with the application for any owner who has or would have the means to enter rental dwelling units or any manager who has or would have the means within the scope of the individual's duties, to enter rental dwelling units. To satisfy this requirement:

1. An owner who has or would have the means to enter rental dwelling units must provide a copy of a BCA public criminal conviction history report, which must be dated within twenty-four (24) months of the date of the application.
2. A manager must provide a BCA public criminal conviction history report and a response from the superintendent of the BCA required by Minnesota statutes section 299C.68, both of which must be dated within twenty-four (24) months of the application.

If not a Minnesota resident, a criminal conviction history report from the appropriate government agency in the state of residency is also required.

b. Authorization: At the time of making applications for an initial or renewal license, the applicant must provide written authorization to the city to investigate all facts set out in the application. The information obtained from the investigation shall be used to assist the police chief in making a recommendation as to whether the applicant should be granted a license.

c. Police Chief Recommendation: The Police Chief or their designee shall make a recommendation to the City Council as to whether the applicant should be a granted a license, based on any of the following criteria:

- a. Whether the owner or manager subject to the investigation required in this Article was convicted of a crime or offense in the last five (5) years involving or directly relating to the business for which a license is sought; or
- b. Whether the owner or manager subject to the investigation required in this Article was convicted of a "background check crime" as defined by Minnesota statutes section 299C.67, subd. 2, or as it may be amended, within the last ten (10) years; or
- c. Whether there is a material misrepresentation in the application or other grounds for denial of the license application.

4-13-A-5: License Hearing

a. New Or Renewal Application Consideration:

1. Action: The city council must take action on each new and renewal license application within a reasonable time following receipt of a completed application and recommendation from the police chief or their designee regarding the application.

2. Procedure: At the city council meeting at which the license application is considered, any person must be provided an opportunity to be heard for or against the license. The city council may then take any of the following actions:
 - a. Approve the license,
 - b. Deny the license,
 - c. Approve the license with reasonable conditions,
 - d. Approve the license on a provisional basis, or
 - e. Continue the license application for additional information.
- b. Denial, Suspension, or Revocation of License or License Application: At the recommendation of a city official, the city council or its designee may hold a hearing to take action on a short-term rental license to deny, suspend, or revoke a license or to consider other actions against the license holder. In addition to those grounds enumerated in section 3-2-10 of this code, any license may be denied, suspended, issued on a conditional or provisional basis, or revoked for one or more of the following reasons listed in section 4-13-8(B).
- c. Suspension Or Revocation Hearing: Short-term rental license may be suspended or revoked following the procedures in Section 4-13-8(C).
- d. Reapplication Following License Revocation or Denial: Upon denial or revocation of a license, the owner may not reapply for a license for the same rental dwelling or rental dwelling unit for a period of six months.

4-13-A-6: Performance Standards

All short-term rental dwellings and short-term rental dwelling units shall be subject to the following performance standards.

- A. Maintenance Standards: The licensee must ensure that every short-term rental dwelling and short-term rental dwelling unit is maintained in compliance with all city codes and state laws, including:
 1. The City's Building code (title 9, chapter 1 of this code)
 2. The City's Zoning code (title 10 of this code),
 3. Animal control requirements (title 5, chapter 4 of this code),
 4. Fire prevention code (title 9, chapter 2 of this code),
 5. Property nuisances (title 5, chapter 9 of this code),
 6. Miscellaneous offenses (title 5, chapter 5 of this code),
 7. The applicable provisions of the 2021 International property maintenance code as adopted and with the exceptions found in Section 4-13-1-E.
- B. Parking Requirements: In all zoning districts, all renter and/or guest parking for a short-term rental dwelling or short-term rental dwelling unit must be on an

improved driveway or improved parking surface located on the premise or property where the short-term rental unit is located.

C. Events: Events are not allowed to be hosted by renters or guests on the premises. For purposes of this section, an event means a gathering on the premises of more than three un-registered individuals.

D. Required Postings

1. Display Of License Certificate: The license certificate must be exhibited in a conspicuous place at or near the entrance to the short-term rental dwelling or short-term dwelling unit. One license certificate must be displayed for each building.
2. Display of Property Address and Emergency Contact Information.

E. Tenant Register: As a condition of the license, the licensee must, as a continuing obligation, maintain a current register of tenants and other persons who have a lawful right to occupancy of short-term rental dwellings or short-term rental dwelling units. In its application, the applicant must designate the name of the person or persons who will have possession of the register and must promptly notify the city of any change in the identity, address or telephone numbers of such person. The register must be available for inspection by city officials at all times and must be kept for a period of twelve (12) months.

F. Payment of Lodging Taxes: The property owner must pay all applicable federal, state and local taxes related to the short-term rental. In addition, the licensee is required to collect and remit to the city on a quarterly basis the lodging tax imposed under Title 4, Chapter 10 of this code. If no sales are made during a quarter, a report must be submitted to the city stating that no sales were made or lodging tax collected during that quarter.

G. Responsibility for Acts of Managers: Licensees are responsible for the acts or omissions of their managers as it pertains to the short-term rental dwelling.

4-13-A-6: Inspections; Compliance Orders

Inspections of short-term rental dwellings and dwelling units may be inspected in the same manner and per the process found in Section 4-13-6. Violations of this Article may be addressed by the issuance of compliance orders and criminal citations in the same manner and per the process found in Section 4-13-7.

4-13-A-7: Summary Action

A. Emergency: When the conduct of any owner or owner's agent, representative, employee or lessee, or the condition of the rental dwelling or rental dwelling unit, or the property in or on which it is located, is detrimental to the public health, sanitation, safety and general welfare of the community, or residents of the rental dwelling or rental dwelling unit so as to constitute a nuisance, fire hazard, or other unsafe or dangerous condition and thus give rise to an emergency, the chief building official has the authority to summarily condemn or close individual rental dwelling units or areas of the rental dwelling as the chief building official

deems necessary. The chief building official will post the date the rental dwelling or rental dwelling unit shall be vacated and no person shall reside in, occupy or cause to be occupied that rental dwelling or rental dwelling unit until the chief building official permits it.

- B. Notice: No person shall remove the posted notice, other than the chief building official or their designated representative.

4-13-A-8: No Warranty by City

By enacting and undertaking to enforce this Article, neither the city nor its city council, agents or employees warrant or guaranty the safety, fitness or suitability of any short-term rental dwelling or rental dwelling unit in the city. Owners and occupants should take appropriate steps to protect their interests, health, safety and welfare.

4-13-A-9: Violations

A violation of this Article is a misdemeanor.

Section Two. Effective Date. This Ordinance shall be in full force and effect upon its passage and publication as provided by law.

Passed in regular session of the City Council of the City of Inver Grove Heights on the ____ day of _____, 2022.

CITY OF INVER GROVE HEIGHTS

By: _____

Thomas Bartholomew, Mayor

ATTEST:

Rebecca Kiernan, City Clerk

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

ORDINANCE NO. _____

**AN ORDINANCE AMENDING INVER GROVE HEIGHTS CITY CODE, TITLE 4,
CHAPTER 13, RELATED TO RENTAL LICENSES**

THE CITY COUNCIL OF THE CITY OF INVER GROVE HEIGHTS ORDAINS AS FOLLOWS:

Section One. Amendment. Section 4-13-2 of the Inver Grove Heights City Code is hereby amended as follows. The ~~struck-out text~~ shows the deleted wording and the underlined text shows the language added to the code:

4-13-2: DEFINITIONS:

FAMILY: An individual, or two (2) or more persons related by blood, marriage or adoption, or a group of not more than four (4) persons not so related, living together as a single housekeeping unit maintaining a common residence and sharing using common cooking facilities, bathroom(s), and living spaces.

Section Two. Amendment. Section 4-13-3 of the Inver Grove Heights City Code is hereby amended as follows. The ~~struck-out text~~ shows the deleted wording and the underlined text shows the language added to the code:

4-13-3: LICENSE REQUIRED:

- A. General Rule: No person, partnership, business entity, or corporation shall operate a rental dwelling or rental dwelling unit in the city without a license. The licensee shall be the owner. No dwelling or dwelling unit, other than those exempt from the licensing requirements of this Chapter, shall be rented or let for a period of less than thirty (30) consecutive days.
- D. Application Fees: ~~Rental dwelling owners shall pay a fee as set by resolution adopted by the city council. The license fee is not refundable.~~ Applicants for a license shall pay an application fee in amount set annually by the City Council via resolution. The application fee is due at the time the license application is submitted. The application fee is not refundable, even if the application is withdrawn or denied.

Section Three. Amendment. Section 4-13-8(C) of the Inver Grove Heights City Code is hereby amended as follows. The underlined text shows the language added to the code:

4-13-8: LICENSE HEARING:

4. Reapplication Following License Revocation or Denial: Upon denial or revocation of a license, the owner may not reapply for a license for the same rental dwelling or rental dwelling unit for a period of six months.

Section Four. Effective Date. This Ordinance shall be in full force and effect upon its passage and publication as provided by law.

Passed in regular session of the City Council of the City of Inver Grove Heights on the ____ day of _____, 2022.

CITY OF INVER GROVE HEIGHTS

By: _____

Thomas Bartholomew, Mayor

ATTEST:

Rebecca Kiernan, City Clerk