

FIRST PASSAGE

On September 13, 2018, the Salem City Council adopted for first passage an amendment to the City's General Ordinance relative to short-term rentals. Due to the length of the amendment, and in accordance with City Ordinances and the General Laws, a summary of the amendment follows. A full copy may be obtained by visiting the City Clerk's office, 93 Washington St., Salem, MA or on the City Clerk's webpage at www.salem.com.

AMENDMENT SUMMARY

The City of Salem Code of Ordinances is amended to include a new section, PART III, CHAPTER 15 SHORT-TERM RENTALS, permitting and regulating the use of certain residential units as short-term (under 30 days) rentals.

Allowed Short-Term Rental Uses

1. An Operator may use his or her entire **Home Share Unit** (defined as an entire Residential Unit offered as a Short-Term Rental that is the Operator's Primary Residence) provided it is his/her Primary Residence without a limitation as to the number of days per year. Individual rooms within Home Share Units may not be offered as separate Short-Term Rentals.

2. An Operator may use his or her **Limited Share Unit** (defined as a Residential Unit that is the Operator's Primary Residence, a portion of which is offered as a Short-Term Rental while the Operator is present) without limitation as to the number of days per year. Occupancy shall be limited to three bedrooms including the bedroom of the Operator in a Limited Share Unit.

3. An Operator may use his or her **Owner-Adjacent Unit** as a Short-Term Rental (defined as an entire Residential Unit offered as a Short-Term Rental that is not the Owner's Primary Residence but that is located within the same dwelling or is otherwise within the same property) without limitation as to the number of days per year. Rentals of Owner-Adjacent Units must be for the entire unit; individual rooms within Owner-Adjacent Units may not be offered as separate Short-Term Rentals.

4. An Operator may use his or her **Non-Owner Occupied Unit** as a Short-Term Rental only if the Operator was engaged in the Short-Term Rental of the property as of the date this Ordinance was filed (July 19, 2018) and provided that the Operator obtains a Special Permit from the Zoning Board of Appeals. Qualifying Operators must petition for a Special Permit within 60 days of the date of passage of this Ordinance in order to be eligible for this exception. Rentals of Non-Owner Occupied Units must be for the entire unit; individual rooms within Non-Owner Occupied Units may not be offered as separate Short-Term Rentals. Non-Owner Occupied Units shall be required to pay a trash fee under section 36-6.

5. Currently licensed lodging houses, existing bed and breakfasts, residential units contracted for hospital stays, residential units used for furnished institutional or business stays are not considered short-term rentals for the purposes of this Ordinance.

Ineligible for Short-Term Rental Use

1. Residential Units where the Operator or Owner does not live in either the unit, the building, or within the property and it is not the Operator's primary residence, unless it was in existence as a Short-Term Rental as of the date the Ordinance was filed and receives a Special Permit from the Board of Appeals.

2. Residential Units that are located within properties designated as a "Problem Property."

3. Residential Units that are the subject of three or more findings of violations of this or of any municipal ordinance or state law or code relating to excessive noise, improper disposal of trash, disorderly conduct, or other similar conduct within a six-month period.

4. Residential Units located within a property subject to any outstanding building, sanitary, zoning, or fire code violations, orders of abatement, stop work orders, unpaid taxes, water/sewer or tax liens, or other existing judgments or penalties imposed by the City.

Additional Requirements for Short-Term Rentals

1. The owner and/or operator of the Short-Term Rental must register their property and obtain a certificate of fitness pursuant to Section 2-705.

2. When registering, an Operator must provide his or her name and contact information, and/or the name and contact information of an individual who is able to respond in person to any issues or emergencies that arise during the Short-Term Rental within two hours of being notified. Contact information must include a telephone number that is active 24 hours per day.

3. The Operator shall retain and make available to ISD, upon written request, records to demonstrate compliance with this section for a period of three years from the date the Residential Unit is last registered for a certificate of fitness inspection.

4. The Operator shall furnish each guest with a Community Information Card containing emergency telephone numbers for the Salem Police and Fire Departments, a description of any on-street parking regulations, information regarding trash and recycling requirements and collection dates, and a copy of the City's noise ordinance. The Operator shall also post a sign providing guests with information on the location of all fire extinguishers, exits, and alarms in the unit.

5. The Operator, upon listing or modifying a Short-Term Rental with a Booking Agent shall file with the City an exact duplicate of the listing, including property address and shall also furnish a copy of the Community Information Card at the time of registration or inspection.

6. Booking Agents shall provide quarterly reports to the City which shall include a breakdown of where the listings are located, type of listing, the number of nights each unit was reported as occupied, and the Operator's name and full contact information.

7. Should an excise tax be adopted applicable to Short-Term Rentals, the Operator is solely responsible for collecting and remitting the applicable tax although the Booking Agent may collect and remit the tax to the City.

Violations and Enforcement

1. Complaints shall be made to the Inspectional Services Department and may, if proven, result in a warning or an Ordinance ticket and the maximum appropriate fine.

2. The provisions of this section may be enforced in accordance with the noncriminal disposition process of M.G.L. c. 40, § 21D and/or by seeking to restrain a violation by injunction.

3. The City shall enter into agreements with Booking Agents whereby the Booking Agent agrees to remove a listing from its platform that is deemed ineligible for use as a Short-Term Rental and agrees to prohibit a host from listing any Short-Term Rental without proof of registration. Any Booking Agent that fails to enter into such agreements to with respect to ineligible listings shall be prohibited from conducting business in the City.

4. The Ordinance is severable and if any provision is invalidated by subsequent legislation regulation, or court decision, then the remainder of the Ordinance shall remain in full force and effect.

5. This ordinance shall take effect on April 15, 2019.

ATTEST:

ILENE SIMONS
CITY CLERK