

**CITY OF CHANHASSEN
CARVER AND HENNEPIN COUNTIES, MINNESOTA**

ORDINANCE NO. 698

**AN ORDINANCE AMENDING CHAPTER 1, GENERAL PROVISIONS, AND
CHAPTER 20, ZONING, OF THE CHANHASSEN CITY CODE**

**THE CITY COUNCIL OF THE CITY OF CHANHASSEN, MINNESOTA
ORDAINS:**

Section 1. Section 1-2 of the Chanhassen City Code is amended to add the following definitions:

Enterprise means any corporation, association, firm, partnership, limited liability partnership, or other legal entity. (20)

Managing Agency or Rental Agent means a person, enterprise, or agency representing the owner of the short-term home rental unit. (20)

Remuneration means compensation, money, or other consideration given in return for occupancy, possession, or use of real property. (20)

Rent means the consideration or remuneration charged whether or not received, for the occupancy of space in a short-term vacation unit, valued in money, whether to be received in money, goods, labor, or otherwise, including all receipts, cash, credits, property, or services of any kind. Rent may include consideration or remuneration received pursuant to an option to purchase whereby a person is given the right to possess the property for a term of less than thirty (30) days. (20)

Rental means an arrangement between a transient and a homeowner whereby rent is received in exchange for the right to possess a residential structure. (20)

Short-term Rental means any residential property, a dwelling unit, or a portion thereof that is rented to a transient for less than thirty (30) consecutive days. (20)

Transient means any person who, at their own expense or at the expense of another, exercises occupancy or possession, or is entitled to occupancy or possession, by reason of any rental agreement, concession, permit, right of access, option to purchase, license, time-sharing arrangement, or any other type of agreement for a period of less than thirty (30) consecutive calendar days. (20)

Section 2. The Chanhassen City Code is amended to add Section 20-961 to read as follows:

Section 20-961 Short-term Rentals

(a) *Intent.* The City recognizes that short-term rentals provide an opportunity for residents to use their property to generate supplemental income; and, when properly managed, short-term rentals have a minimal impact on surrounding properties. When not properly managed, short-term rentals have the capacity to generate noise, traffic, and trash beyond what is typically present in a residential neighborhood creating a nuisance. These issues can be especially acute when the owner of the property does not reside in the home. In order to promote the health, safety, general welfare, aesthetics, and image of the community, the City facilitates and regulates the use of residential properties for short-term rentals by:

- (1) Requiring the licensure of short-term rentals.
- (2) Establishing standards pertaining to noise, maximum occupancy, parking, and waste generation for short-term rentals.
- (3) Establish procedures for revoking the licenses of short-term rentals violating the provisions of this section.

(b) *License Required.* No property shall be used as a short-term rental without a license issued by the City. The license once issued shall be valid for a period of one year from the date of issuance and must be renewed annually. The procedure for receiving a license shall be as follows:

- (1) Application for a license shall be made to the city upon a form furnished by the City. A nonrefundable fee in the amount established by the ordinance adopting fees shall be paid to the City when the application is filed.
- (2) In order to be issued a license the applicant must:
 - a. Provide the name and contact information, including a 24-hour telephone number, for the party responsible for managing the property.
 - b. State the maximum occupancy of the short-term rental.
 1. The maximum occupancy shall be two adults per bedroom plus an additional two adults.
 2. Accompanying children shall not count towards the occupancy limit.
 3. A property owner may request a higher occupancy limit in writing at the time of the application. The City may approve or deny a higher occupancy limit after considering factors such as home size, number of beds, and distance from neighboring properties.
 - c. State the maximum number of vehicles that may be parked overnight on the property. The maximum number of vehicles that may be parked overnight on the property shall be two vehicles plus one for each available garage stall.
 1. A property owner may request a higher overnight parking limit in writing at the time of the application. The City may approve or deny a higher parking limit after considering factors such as the presence of

off-street parking pads, driveway length and width, and availability of street parking.

- d. Agree that the City has permission to access exterior areas of the property when responding to a reported violation of the standards in this section in order to ascertain if a violation has occurred.
- e. Not have any unresolved Code Enforcement or Property Maintenance cases.
- f. Not have had a short-term rental license revoked by the City of Chanhassen within the last seven years.
- g. If the owner of a short-term rental fails to apply for a license within thirty days of being notified of the need for a license by the City, they shall be ineligible for a license for a period of one year from the date of the notice.

(c) *Standards.* The following standards apply to all short-term rentals:

- (1) Listings advertising the property's availability for rent must state the license number, maximum occupancy permitted by the license, and the maximum number of vehicles that may be parked overnight on the property.
- (2) An appropriate number of waste containers must be present to accommodate the amount of trash generated by the short-term rental. Waste may not be stored outside of approved containers. All waste containers must be stored outside of public view, except on day of collection.
- (3) Between 10:00 p.m. and 7:00 a.m. no more than the maximum number of overnight guests stipulated in the license may be present on the property.
- (4) Between 10:00 p.m. and 7:00 a.m. parking is limited to the maximum number of vehicles stipulated in the license. At no time may vehicles be parked on grass or so as to obstruct access to neighboring residences, the public right-of-way, or emergency vehicle access.
- (5) The Good Neighbor Brochure provided by the City must be posted on the inside of the front door and the primary door to the backyard, or in a conspicuous location near each such door.
- (6) Property must have working smoke and carbon monoxide detectors in each bedroom or sleeping area and the owner must provide any transient renting the property with information regarding emergency egress.
- (7) Property must be in compliance with all state and local laws and regulations.

(d) *Violations*

- (1) **Unlawful Acts:** It shall be unlawful for a person, firm or corporation to be in conflict with or in violation of any of the provisions of this Section or other provisions of this code.
- (2) **Notice of Violation:** The code official shall serve a notice of violation on the licensee.
- (3) **Prosecution Of Violation:** If the notice of violation is not complied with, the code official shall institute the appropriate proceeding at law or in equity to restrain, correct or abate such violation, or to require the termination of the unlawful

occupancy of the structure in violation of the provisions of this chapter or of the order or direction made pursuant thereto.

- (4) **Violation Penalties:** Any person who shall violate a provision of this section, or fail to comply therewith, or with any of the requirements thereof is guilty of a misdemeanor. Each day that a violation continues after due notice has been served shall be deemed a separate offense. Licenses may be revoked or suspended for violations of this section.
- (5) **Abatement of Violation:** The imposition of the penalties herein prescribed shall not preclude the city attorney from instituting appropriate action to restrain, correct or abate a violation, or to prevent illegal occupancy of a building in violation of this section, structure or premises, or to stop an illegal act, conduct, business or utilization of the building, structure or premises.
- (6) **Fees and Charges:** The property owner of record shall be responsible for any city costs in enforcing the provisions of this chapter including inspection fees, or other fees, charges or penalties that are imposed as permitted by law.

(e) *Suspension and Revocation.*

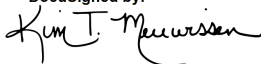
- (1) In the event of any potential health or safety violations, the City Manager may suspend the license until the violation is corrected.
- (2) If a property with a short-term rental receives three notices of violation within a 365-day period, its short-term rental license shall be revoked. The license may be revoked after a single violation if the violation is not immediately corrected pursuant to a notice of violation.

(f) *Appeal.* The licensee may appeal the occupancy limit, parking limit, denial, suspension, or revocation to the city council. The licensee must file with the city clerk a notice of appeal within ten days of an issuance, denial, suspension, or revocation. The council shall consider the appeal at a regularly or specially scheduled council meeting on or after 15 days from service of the notice of appeal upon the city clerk by the licensee. Hearing on the appeal shall be open to the public and the licensee shall have the right to appear and be represented by legal counsel and to offer evidence in behalf of licensure. At the conclusion of the hearing, or as soon thereafter as practicable, the council may order:


- (1) The denial, suspension, or revocation of the license.
- (2) The denial, suspension, or revocation by the city manager be lifted and the license be returned to the licensee.
- (3) Additional terms, conditions and stipulations to be imposed on the licensee to mitigate problems.
- (4) A higher occupancy or parking limit than approved by the City.

Section 3. This ordinance shall be effective January 1, 2023.

PASSED AND ADOPTED this 10th day of October, 2022 by the City Council of the City of Chanhassen, Minnesota

DocuSigned by:

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Kim Meuwissen, City Clerk

DocuSigned by:

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Elise Ryan, Mayor

(Summary Ordinance 698 published in the Chanhassen *Villager* on October 20, 2022)