



LEO S. LUTZ  
Mayor

EVAN M. GABEL  
Solicitor

HEATHER ZINK  
Borough Council President

MARK E. STIVERS  
Borough Manager

## COLUMBIA BOROUGH COUNCIL – WORK SESSION

Paul W. Myers Council Chamber, 308 Locust Street, Columbia

March 7, 2023 | 7:00 PM

### AGENDA

*This meeting will be live streamed to the borough's Facebook page as a convenience and is not meant to replace in-person participation in the meeting.*

1. Call to Order and Roll Call
2. Invocation/Moment of Silence
3. Pledge to the Flag
4. Announcement of Executive and Information Session(s)
5. Additions, deletions, and reorganization of agenda
  - a. Consider approval of Agenda
6. Citizen Comments (Non - Agenda Items Only – 5 Minute time limit per person)

***Civility and Decorum:*** Borough officials and members of the public are expected to conduct themselves with civility and to accord each other a measure of dignity and respect. Shouting, foul language, personal insults, threats, and attacks or any conduct that disrupts the flow of business is out of order.

7. Mayor Lutz/Chief Brommer
8. Workshop Items:
  - a. History and overview of the Lancaster County Land Bank program here in Columbia
  - b. Discussion on Short Term Rentals
9. Borough Council Comments
  - a. Council Members
10. Announcement of Next Meeting. At 7:00 PM on March 14, 2023, Council will hold a regularly scheduled meeting
11. Adjournment

**If you are a person with a disability wishing to attend this meeting and require an accommodation to participate in the meeting, please contact the Columbia Borough Office at (717) 684-2467 at least 24 hours prior to the meeting.**





# **Columbia Borough – Land Bank Report**

## **February 24, 2023**

### **Overview**

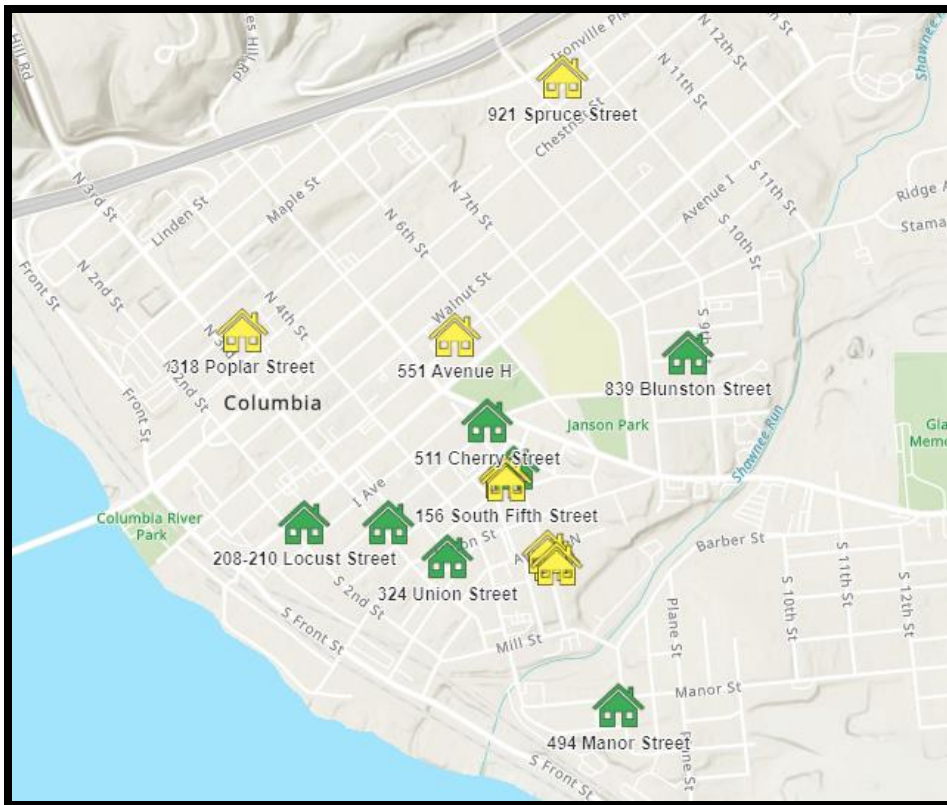
Columbia Borough entered the Land Bank as a member municipality in January 2017. Since then, a total of 16 properties have been acquired through the Land Bank. 7 have been completed, while the remaining 9 are in various stages of redevelopment.

In sum, the impact of the Land Bank’s work on Columbia Borough’s property assessment values has been remarkable. Based on Lancaster County Property Assessment data, of the 7 completed Land Bank properties, the assessed values have increased from before rehabilitation, to after, by a total of **\$328,900.00**. They have increased in value by an average of **\$46,985.71**, or **62.7%** above their original assessment.

### **Why is this significant?**

As the following images will demonstrate, the aesthetic improvements the Land Bank has provided to its properties are evident. More importantly, though, increases in property assessed values correspond to increases in municipal and school district tax revenue, as real estate taxes are taken directly as a percentage of assessed value. Land Bank property rehabilitation work has provided improved opportunities for homeownership, physical improvements to Columbia’s neighborhoods, and significant increases in tax revenue for the Borough, allowing Columbia to continue to make improvements and provide services that benefit residents.

## Map of Completed and Ongoing Projects



### Completed Projects

The above map shows the location and status of completed and ongoing Land Bank projects throughout Columbia Borough. Ongoing projects may be at several stages of redevelopment, whether they are currently being held by the Land Bank as we prepare plans to proceed, nearing sale to a developer for redevelopment, or actively being rehabilitated.

The following pages describe each of the 7 projects completed since Columbia Borough's entry into the Land Bank in 2017. Before and after images of the property's façade are shown to demonstrate physical improvements, followed by information about the property's assessed values with the following labels (values come from the Lancaster County Property Assessment Office database):

- **Acquisition** – Assessed value of property at time of Land Bank acquisition
- **Sale** – Assessed value of property after rehabilitation and resale to a homeowner
- **\$ Increase** – Dollar amount increase in assessed value from time of Land Bank acquisition, to homeowner resale after rehabilitation
- **% Increase** – Percentage increase in assessed value from time of Land Bank acquisition, to homeowner resale after rehabilitation

## 304 Cherry Street



*Before*



*After*

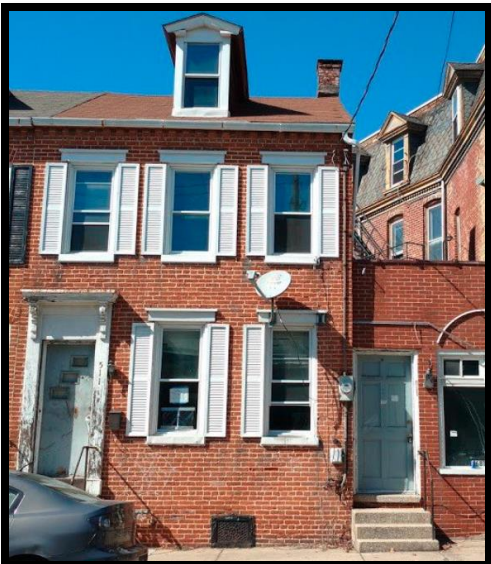
**Acquisition:** \$69,700

**Sale:** \$103,700

**\$ Increase:** \$34,000

**% Increase:** 48.8%

## 511 Cherry Street



*Before*



*After*

**Acquisition:** \$63,600

**Sale:** \$95,300

**\$ Increase:** \$31,700

**% Increase:** 49.8%



## 208 Locust Street



*Before*



*After*

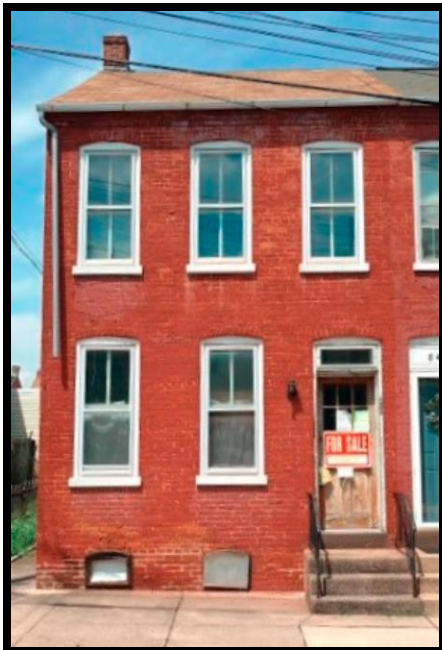
**Acquisition:** \$72,400

**Sale:** \$108,100

**\$ Increase:** \$35,700

**% Increase:** 49.3%

## 839 Blunston Street



*Before*



*After*

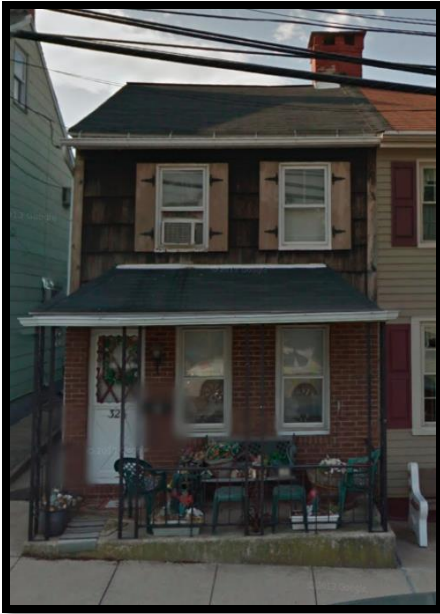
**Acquisition:** \$48,500

**Sale:** \$96,900

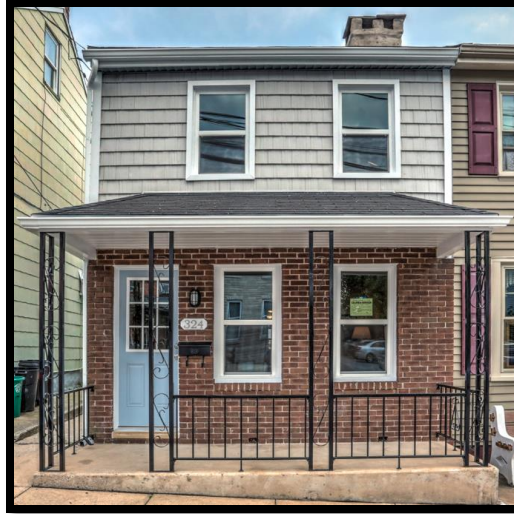
**\$ Increase:** \$48,400

**% Increase:** 99.8%

## 324 Union Street



*Before*



*After*

**Acquisition:** \$62,000

**Sale:** \$93,700

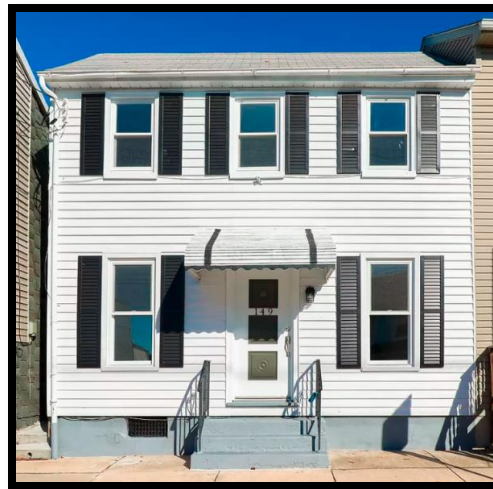
**\$ Increase:** \$31,700

**% Increase:** 51.1%

## 149 South Fifth Street



*Before*



*After*

**Acquisition:** \$67,800

**Sale:** \$102,300

**\$ Increase:** \$34,500

**% Increase:** 50.9%



# 494 Manor Street



*Before*



*After*

**Acquisition:** \$126,000

**Sale:** \$238,900

**\$ Increase:** \$112,900

**% Increase:** 89.6%

## Conclusion

To conclude, the projects that the Land Bank has completed thus far in Columbia Borough have clearly had significant blight reduction and tax increase effects. The 9 currently ongoing projects throughout Columbia will only increase these impacts throughout the year, and for many years to come.

We at the Lancaster County Land Bank Authority encourage community involvement, so always feel free to contact us with any questions, or suggestions for ongoing activities.

**BOROUGH OF COLUMBIA, LANCASTER COUNTY, PENNSYLVANIA**

**ORDINANCE NO. 912 - 2019**

**INTRODUCED BY COUNCIL – June 25, 2019**

**ADOPTED BY COUNCIL – June 25, 2019**

AN ORDINANCE OF THE BOROUGH COUNCIL OF THE BOROUGH OF COLUMBIA, LANCASTER COUNTY, PENNSYLVANIA, AMENDING CHAPTER 220 OF THE CODE OF THE BOROUGH OF COLUMBIA — ZONING, TO AUTHORIZE, UNDER SPECIFIED CONDITIONS, SHORT-TERM RENTAL DWELLING USES AND DEFINING THE USE; PROVIDING FOR THE REPEAL OF INCONSISTENT ORDINANCES; PROVIDING FOR THE SEVERABILITY OF THE ORDINANCE; AND PROVIDING THAT THE ORDINANCE SHALL TAKE EFFECT IN ACCORDANCE WITH PENNSYLVANIA LAW.

**BACKGROUND**

WHEREAS, the Borough of Columbia, Lancaster County, Pennsylvania, recognizes that in solely residential zoning districts the expectation of relative stability and permanence in the composition of the neighborhood is inherent in the use of single-family dwellings; and

WHEREAS, the Borough of Columbia recognizes that a new housing type of single-family dwellings has emerged as a commercial use; and

WHEREAS, the Borough of Columbia wishes to provide a balance between the new commercial use and nearby single-family residential uses; and

WHEREAS, the Borough of Columbia recognizes the need to regulate the commercial use of single-family dwellings to protect against those adverse community impacts; and

WHEREAS, the Borough of Columbia recognizes the need to regulate such short-term residential uses of single-family homes for the protection, health, and safety of its residents; and

WHEREAS, the Borough of Columbia wishes to allow neighborhoods to maintain their character and allow homeowners in neighborhoods to maintain their quality of life.

NOW, THEREFORE, BE AND IT IS HEREBY ORDAINED AND ENACTED by the Borough Council of the Borough of Columbia, Lancaster County, Pennsylvania, as follows:

**SECTION 1.** Chapter 220 of the Code of the Borough of Columbia — Zoning, Section 220-19, Definitions, be and hereby is amended to include the following definitions:



“Deficiency-Free” — Free from health and safety issues as listed on the Columbia Borough Change of Occupant Checklist.

“Detached” — A dwelling structure having open-yard areas on all sides.

“Mixed Use” — A building containing a residential use and a non-residential use.

“Overnight Guest” — A person not originally part of the Single Entity scheduled to occupy the short-term rental.

“Person in Charge” — The person who leased the property or represents the entity that leased the property for the short-term rental. The person in charge shall be noted as such by the property owner when notifying the Borough of Columbia of the new occupancy and shall be the person to be contacted in the event of an issue of the property. The person in charge must personally occupy the short-term rental during the period of rental.

“Short-Term Rental” (“STR”) — Any dwelling unit meeting the definition of “hotel,” as defined in Lancaster County Ordinance No. 45, enacted September 15, 1999, and offered for rent for a period of less than thirty-one (31) days.

“Single Entity” — A person or a group occupying the short-term residence.”

SECTION 2. Chapter 220 of the Code of the Borough of Columbia — Zoning, Section 220-25, Table of Permitted Uses by District, Primarily Non-Residential Districts, be and hereby is amended to add the following use under the heading Residential Uses:

	INSR	DC & NC	MDRB	LB	CR	HC	RC	LI & GI
Short-Term Rental	N	N	P	N	N	N	N	N

SECTION 3. Chapter 220 of the Code of the Borough of Columbia — Zoning, Section 220-30, Additional Requirements for Specific Principal Uses, Subpart A, be and hereby is amended by adding Subpart 45, Short-Term Rental Dwellings, as follows:

“(45) Short-term rental dwellings must be in a detached dwelling, a detached mixed used building, or a detached accessory building. A minimum of two off-street parking spaces must be provided. The spaces may be located in a garage immediately available to the property for vehicular storage. This short-term rental dwelling shall be occupied as a unit by a single entity. There shall be no individual room rentals to separate entities.

The property shall be registered annually and be compliant with the Borough of Columbia's Rental Residential Registration and Inspection Requirements as contained in the Existing Structures and Property Maintenance Code.

The property shall be compliant with all Federal, State, County and Local laws, ordinances, and regulations.

No persons other than members of the entity renting the short-term rental shall be allowed on the premises during the period of occupancy. No planned "personal or business events" as described in the Short-Term Rental Registration Form shall be held at the short-term rental site.

The use of recreational vehicles, campers, or tents for occupancy is prohibited.

There shall be no overnight guests other than members of the entity renting the facility.

Occupancy shall be limited to no more than two persons per designated bedroom.

No pets shall be allowed other than service animals as defined by the Americans with Disabilities Act.

The property shall be cleaned and made deficiency free following each occupancy.

Following each occupancy, the property shall be inspected by the property owner or its agent before the property is re-occupied and must be deficiency free before being re-occupied.

Before each new occupancy, the property owner or his agent shall email or fax the Borough of Columbia with a list of the number of tenants contracted to occupy the dwelling.

A Knox Box shall be installed in an approved manner and shall contain all keys to the property.

The property shall be supplied with a basic first aid kit, a tool kit, the contact information for the owner or manager, trash and recycling collection information, and a list of local emergency contacts."

**SECTION 4.** Chapter 220 of the Code of the Borough of Columbia — Zoning, Section 220-31, Additional Requirements for Accessory Uses shall be and hereby is amended by adding Subpart 13, Short-Term Rental Dwelling, as follows:

“13.A. Short-term rental dwellings must be in a detached dwelling, a detached mixed used building, or a detached accessory building. A minimum of two off-street parking spaces must be provided. The spaces may be located in a garage immediately available to the property for vehicular storage. This short-term rental dwelling shall be occupied as a unit by a single entity. There shall be no individual room rentals to separate entities.

13.B. The property shall be registered annually and be compliant with the Borough of Columbia’s Rental Residential Registration and Inspection Requirements as contained in the Existing Structures and Property Maintenance Code.

13.C. The property shall be compliant with all Federal, State, County and Local laws, ordinances, and regulations.

13.D. No persons other than members of the entity renting the short-term rental shall be allowed on the premises during the period of occupancy. No planned “personal or business events” as described in the Short-Term Rental Registration Form shall be held at the short-term rental site.

13.E. The use of recreational vehicles, campers, or tents for occupancy is prohibited.

13.F. There shall be no overnight guests other than members of the entity renting the facility.

13.G. Occupancy shall be limited to no more than two persons per designated bedroom.

13.H. No pets shall be allowed other than service animals as defined by the Americans with Disabilities Act.

13.I. The property shall be cleaned and made deficiency free following each occupancy.

13.J. Following each occupancy, the property shall be inspected by the property owner or its agent before the property is re-occupied and must be deficiency free before being re-occupied.

13.K. Before each new occupancy, the property owner or his agent shall email or fax the Borough of Columbia with a list of the number of tenants contracted to occupy the dwelling.

13.L. A Knox Box shall be installed in an approved manner and shall contain all keys to the property.



13.M. The property shall be supplied with a basic first aid kit, a tool kit, the contact information for the owner or manager, trash and recycling collection information, and a list of local emergency contacts.”

SECTION 5. Any renting of a property as a short-term rental, without the property being registered, shall constitute a separate violation of this Ordinance.

SECTION 6. Failure to renew a short-term rental registration shall give rise to a presumption that the short-term rental use of the property has been abandoned.

SECTION 7. Three violations of this Ordinance within a two-year period shall be sufficient cause to revoke the short-term rental of the property for the unexpired term of the registration. An owner is prohibited from applying for a new registration until the term of the revoked unexpired registration has expired.

SECTION 8. A schedule of fees may be established from time to time by Borough Council.

SECTION 9. All ordinances or resolutions or parts of ordinances or resolutions insofar as they are inconsistent herewith are hereby repealed and rescinded.

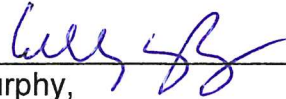
SECTION 10. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any of the remaining provisions, sections, sentences, clauses or parts of this Ordinance; it being the intent of the Borough of Columbia that the remainder of the Ordinance shall be and shall remain in full force and effect.

SECTION 11. This Ordinance shall become effective as provided by the laws of the Commonwealth of Pennsylvania.



DULY ORDAINED AND ENACTED this 25 day of June, 2019, by the Borough Council of the Borough of Columbia, Lancaster County, Pennsylvania, in lawful session duly assembled.

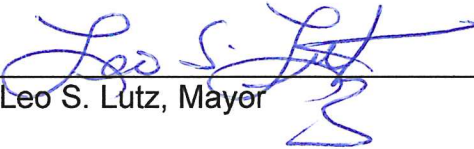
BOROUGH OF COLUMBIA,  
LANCASTER COUNTY, PENNSYLVANIA

By:   
Kelly Murphy,  
President of Borough Council

ATTEST:

  
Rebecca S. Denlinger,  
Borough Manager/Secretary

Examined and approved this 25 day of June, 2019.

  
Leo S. Lutz, Mayor





Covered Bridge Cottage, Historic Poole Forge, Churchtown

## SHORT-TERM RENTAL REGULATION

02

Community Planning Tool #02

January 2019

LANCASTER COUNTY  
**PLANNING  
COMMISSION**



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## ***ABOUT THIS SERIES***

This report is one in a series of Community Planning Tools that have been created to assist municipal officials in a variety of planning topics, and to craft tools to implement the goals of local plans and the seven catalytic goals of the Lancaster County Comprehensive Plan, places 2040. It is the intent of this series to provide timely discussion and recommendations for specific planning issues relevant to many County municipalities.

The format of each of these reports begins with a general background of the topic, including past planning and regulatory approaches followed in both Lancaster County and elsewhere, as well as some new planning challenges that have arisen. This general discussion will be followed by a series of questions directed at municipal officials to gauge local opinions on specific topics.

The final part of the report is to use the decisions made by local officials to craft implementable planning and regulatory language. Sample ordinance provisions will be recommended for consideration by the municipality. The Lancaster County Planning Commission staff is also always available to assist municipal officials and to tailor the recommendations of the Community Planning Tool to local needs.

# SHORT-TERM RENTAL REGULATION

Internet-based, short-term rentals (STRs) has been a major issue for local governments for a few years now. From the consumers' perspective, they are more popular than ever, but many local governments are still wrestling with questions about whether this industry should be regulated and, if so, how?

One of the major impacts of STRs is that they are moving visitors into residential areas that were never meant for such an influx of travelers. For some areas, the arrival of STRs is a way to stimulate tourism and for local families to generate some extra income. For other areas, it has been accompanied with stories about neighborhood-related challenges and reductions in long-term rental availability, especially in urban areas.

With the advent of technology-based online platforms that facilitate the marketing of STRs, this market has expanded into Lancaster County. Some municipalities in recent years have often been faced with decisions regarding the appropriate scale and location of these uses in their community. The Pennsylvania Municipalities Planning Code (MPC) gives local municipalities the authority through comprehensive plans and ordinances to set provisions regulating operation and maintenance of short-term rental units. There are municipalities in Lancaster County that have recently implemented or are considering some form of short-term rental regulation. The most common reasons municipalities regulate short-term rentals include:

1. Residential character of the neighborhood. There may be concerns about what impact short term rentals may have on the residential character of a neighborhood.
2. Property Maintenance. There may be concerns that, in some instances, short term rentals with no owner-occupant present will be less cared for than permanent residences.
3. Revenue. For some communities, particularly those with a robust tourist industry, short-term rentals may represent a significant source of tax revenue. Communities may require registration or licensing of

short-term rentals as a means of identifying such properties, in part, for the collection of occupancy taxes.

4. Fairer competition with licensed lodging. Short-term rental regulation may also be viewed to level the playing field between these properties and competing hotels, motels, and bed and breakfasts that are regulated under state or local law.
5. Protection and Safety. Short-term rental regulations may include operational restrictions and inspection requirements to ensure that proper health and safety standards are maintained.
6. Impact on Affordable Housing. Another issue of concern is the impact of short-term rentals on a community's affordable housing supply. In this case, the concern isn't necessarily about a homeowner renting out a room or backyard cottage to help with monthly mortgage payments. Instead, the fear is that property owners will purchase residential units and rent them out on a short-term basis to out-of-town visitors, thereby taking them out of the year-round rental housing supply.

Before adopting ordinance regulations for STRs, municipalities should review the land use goals and objectives identified in their comprehensive plan and the purpose statements for specific zoning districts in their zoning ordinance. These planning documents provide a context to evaluate the appropriateness of specific uses in specific areas of the municipality.

A balanced approach to address concerns on both sides of the issue is the trend. Neither outright prohibition, nor absence of regulation are typically used as a means of addressing this use by any of the benchmarked communities. The trend is generally a type of compromise with oversight by local government.



# Short-Term Rentals Regulations FAQs

## I. *What is a short-term rental?*

A short-term vacation rental (also called a vacation rental or STR) is most often defined as a rental of a residential dwelling unit or accessory building for periods of less than 30 consecutive days. In some communities, short-term rental housing may be referred to as vacation rentals, transient rentals, short-term vacation rentals or resort dwelling units. Short-term rentals are often divided into:

	<i>Owner-occupied dwellings</i>	<i>Unoccupied dwellings</i>
<b>Entire homes</b>	Example: An owner living in their residence most of the time but renting out the entire home for a few days or weeks (up to consecutive 30 days) a year.	Example: An absentee-owner who rents out his/her property in increments of less than 30 days one or more times per year.
<b>Accessory dwellings</b>	Example: An owner who rents out a garage apartment or back cottage on the same property as their primary home for short periods is operating an accessory dwelling STR.	Example: An absentee-owner who rents out an accessory dwelling on his/her non-primary residence in increments of less than 30 days one or more times per year.
<b>Rooms</b>	Example: An owner who rents out one or more rooms in his/her primary home in increments of less than 30 days.	Example: An absentee-owner who rents out one or more rooms in his/her non-primary residence in increments of less than 30 days one or more times per year.

The level of rental property regulation varies. Some communities regulate whether an owner or manager is required to be present during the time of the rental.

There could be further distinctions between:

1. Short-term rental properties that are classified as single-family homes vs. properties that are classified as multi-family homes.
2. Short-term rental properties located in areas zoned as residential vs properties located in in areas zoned as commercial or multi-use areas.
3. Short-term rentals for which the owner is present during the entire rental period vs. short-term rentals for which the owner is not present.

As a first step in creating regulations, municipal officials should discuss these scenarios and determine if any of these scenarios are compatible with the existing communities and are enforceable within their jurisdictions. For example, **Elizabethtown Borough** determined that STRs within the Borough must be owner-occupied:

- *SHORT-TERM LODGING ACCOMMODATION. An owner-occupied dwelling unit that provides rooms for transient occupancy, as defined in this Part, to individuals unrelated to the occupants of the dwelling unit.*

In this draft amendment from **West Cocalico Township**, it is determined that all short-term rental scenarios are allowed:

- *SHORT-TERM RENTAL. Any dwelling unit owned or managed by a person, firm or corporation which is rented or leased for a period of less than 30 days.*

## **II. What is the sharing economy and home-sharing?**

The sharing economy refers to the increasing number of peer-to-peer transactions being performed for services such as car transportation and, as pertinent here, home-sharing. Home-sharing is the term used when home property owners can connect with potential short-term lodgers through internet platforms.

## **III. Is there a need to adopt specific regulations for Short-Term Rentals?**

In general, short-term rental restrictions are typically adopted under the specific authority of a state zoning enabling statute or the general police power delegated to local governments by the state constitution, or by statute. A municipality could regulate the land use impacts of short-term rentals through the zoning ordinance and have a separate regulation governing other aspects of short-term rentals, such as licensing, that can't be governed through zoning. Zoning regulations that restrict short-term rentals in residential areas have been upheld where the restrictions are found to be substantially related to land use impacts in the area. Prohibiting short-term occupancy in single-family areas has been held to be within the lawful scope of the zoning power.

Municipal officials should be aware that unclear zoning regulations of short-term rentals can be problematic. Recently, the Pennsylvania Commonwealth Court has decided a case, [\*Reihner v. City of Scranton Zoning Hearing Board\*](#), involving the application of ambiguous zoning regulations of short-term residential rentals.

*Reihner* originated with a notice of violation issued in response to neighbor complaints about the use of a single-family home, or portion thereof, as a short-term rental property. Critically, the municipality had not amended its zoning ordinance to address short-term rentals. Rather, the City relied on existing regulations and terms as the basis for enforcement. In this case, the Commonwealth Court determined that the treatment of the newly popular rental activity was ambiguous under the existing applicable zoning regulations, and that Section 603 of the MPC requires interpretation of ambiguous terms in a zoning ordinance to be in favor of the property owner, i.e. in a manner that allows the broadest use of the property. While the specific definitions and regulations at issue in a case are unique to each municipality's ordinance, the court's application of the rules of interpretation to address the evolving use is relevant throughout the state.

Based on this Commonwealth Court case and similar cases that preceded it, the Commonwealth Court has made it clear that a municipality must have distinct terms and regulations for STRs. Complications can arise when municipalities do not amend their zoning ordinances to reflect new and evolving uses. One potential result is language that pre-dated a new or newly popular use becoming ambiguous when applied to that use. The resulting ambiguities can create confusion within municipal governments and among their residents, risking financial loss and delay by all parties. Accordingly, property owners and municipalities alike should seek clear zoning parameters that balance owners' use of their property and the health, safety, and welfare of others. The first step in drafting ordinance provisions for STRs is to create terms that distinguishes STRs from residential dwellings and other lodging accommodations. Here are terms found in a draft zoning amendment from West Cocalico Township and the adopted zoning amendment from Elizabethtown Borough meant to distinguish residential and other lodging uses from STRs:

*continued next page*



**Definitions.**

**BED-AND-BREAKFAST ESTABLISHMENT.** *The use of an owner-occupied, single-family, detached structure or portion thereof providing for compensation, sleeping accommodations, and breakfast for transient occupants. {Elizabethtown Borough Zoning Code}*

**DWELLING.** *A building or structure designed for living quarters for one or more families, including industrialized housing and manufactured homes which are supported either by a foundation or are otherwise permanently attached to the land. A dwelling shall not include transient occupancy unless otherwise permitted as a bed and breakfast establishment or short term lodging accommodation. {Elizabethtown Borough Building Code}*

**FAMILY.** *Any number of individuals living and cooking together as a single housekeeping unit, including not more than three unrelated individuals. The term "unrelated individual" shall include any individual who is unrelated by blood, marriage, legal adoption or foster relationship to any other individual in the dwelling unit. A family shall also expressly include any number of unrelated persons who reside within a licensed group home, as defined herein. It is the express intent of the Borough to comply with all provisions of the Federal Fair Housing Act, as amended, and regulations promulgated thereunder, in the construction of this term. {Elizabethtown Borough Zoning Code}*

**HOTEL/MOTEL.** *A building or group of buildings where more than individual sleeping quarters that may have separate entrances are offered for compensation, to transient occupants as defined in this Part, licensed under applicable laws and regulations. Such a use may have ancillary services such as recreational facilities, dining services, meeting rooms, and or fitness centers. {Elizabethtown Borough Building Code}*

**OWNER OCCUPIED OR OCCUPIED BY OWNER –** *A dwelling unit that is the primary, permanent residence and domicile of a natural person who is identified as the owner or one of the owners on the deed for the property. In order for a dwelling unit to be considered owner occupied, the dwelling must be considered the domicile of the record owner or at least one of the record owners under Pennsylvania law, and the owner must physically reside in the dwelling not less than six (6) months each calendar year, and the owner cannot be registered to vote at any other address, and the owner must use the dwelling at the owner's address for payment of taxes including, but not limited to, earned income taxes. {Elizabethtown Borough Building Code}*

**RESIDENTIAL RENTAL UNIT.** *(1) a dwelling unit let for rent, or (2) a rooming unit, or (3) a bed-and-breakfast establishment, or (4) a short-term lodging accommodation, or (5) an accessory dwelling unit, or (6) a dwelling unit that is not occupied by the owner, is a residential rental unit. Each individual townhouse dwelling, each individual apartment unit, each individual unit in a multi-family building, each individual bed-and-breakfast establishment, each individual rooming unit, and each individual short-term lodging accommodation shall be considered a residential rental unit whether the owner or a relative of the owner also resides in the structure. A residential rental unit includes dwelling units under lease-purchase agreements or long-term (greater than six months) agreements for sale. A residential rental unit shall not include a hotel/motel as defined herein or a hospital room utilized for medical services. It shall include an institutional facility room. {Elizabethtown Borough Building Code}*

**TRANSIENT OCCUPANCY.** *Use, occupancy, and/or possession of a dwelling unit or portion thereof for a period of thirty (30) consecutive calendar days or less. {Elizabethtown Borough Zoning Code}*

**TRANSIENT OCCUPANT.** *A person who uses, possesses, or occupies a dwelling unit or portion thereof for a period of thirty (30) consecutive calendar days or less. {Elizabethtown Borough Building Code}*



#### **IV. *What taxes apply to a rental of a room?***

There are several taxes that may apply to a rental of a room. An occupancy tax is a tax on the rental of rooms that local governments may require. In many places, an occupancy tax can also be known as a transient occupancy tax, lodging tax, a bed tax, or a tourist tax. Usually the occupancy tax is determined at the county level, but some cities may also have a city tax in addition to the county occupancy tax. A hotel tax, often referred to as a sales tax, may be required by state government. The concept of these taxes is relatively straightforward: guests pay a small additional amount as a percentage of their lodging rate, and that tax is then paid by the business owner to local and state governments on a monthly or quarterly basis. In some instances, the collection and use of occupancy tax revenue is administered directly by county commissioners or city council members, in the same way that other local tax revenues such as property taxes are administered.

In some instances, a lodging guest will need to pay occupancy taxes collected by two different governmental entities. They're generally owed on the accommodations price plus any fees for other items, like cleanings or extra guests. In some places, occupancy tax is required on a per person, per night basis. There are typically long-term stay exceptions that exempt stays over a certain number of nights (i.e. 30 nights). Occupancy tax is generally paid by the guest, but the obligation to remit the taxes to the government usually falls on the short-term landlord / host.

Under Pennsylvania law, anyone who rents out their property to provide lodging for less than 30 days to the same person must collect and remit the Pennsylvania hotel occupancy tax to the Department of Revenue. The tax rate is the same as the Commonwealth's sales tax, 6 percent. Some counties impose an additional tax collected by the county treasurer. Lancaster County, for example, has an occupancy tax that covers all lodging properties in the entire county, and the municipality where the lodging is located may have their own occupancy tax in addition to that county's tax. For more information about the Lancaster County occupancy tax on STRs, visit the County Treasurer website at <https://co.lancaster.pa.us/588/Hotel-Tax>.

#### **V. *Do short-term rentals impact housing cost?***

The rise and growth of short-term rental housing has created plenty of debate amongst local governments, housing activists, and residents about the impact of such rentals on the availability of affordability of long-term rental housing. Municipalities should analyze their own housing markets and vacancy rates and consider whether short-term rentals may impact housing affordability in their community.

To ensure that residential neighborhoods are not inadvertently turned into tourist areas, municipalities should analyze the legal implications of limiting the number of short-term rental permits allowed in any given neighborhood, or adopt a "permanent residency requirement" for short-term rental permit holders.

#### **VI. *How can a municipality minimize public safety risks and possible noise and trash problems?***

A registration process for a permit or license for short-term rentals is typically used to track their locations, perform health and safety inspections, and to allow for the collection of occupancy taxes. This method has proven to be effective if a municipality has adopted short-term rental requirements. The municipality should include requirements such as:

1. Short-term rental permit holders listing a "local contact" that can be reached 24/7 and immediately take corrective action in the event any non-emergency issues are reported (i.e. deal with suspected noise, trash or parking problems.) All emergency situations should be immediately reported to the police, fire department, or other public safety officials.



2. Required physical safety inspections to be conducted by municipal staff or the local fire/police force which can cover a variety of potential safety hazards. Such inspections should ensure that all rentals provide a minimum level of protection to the renters who are sleeping in unfamiliar surroundings and therefore may be disadvantaged if forced to evacuate the structure in the event of an emergency. Some administrative searches require a warrant and municipalities should consult their solicitor before enacting an ordinance.
3. Put in place a specific limit on the number of people that can stay on the property at any given time. The “people limit” can be the same for all permitted properties (i.e. a max of 10 people) or be correlated with the number of bedrooms. In addition, the regulation should formally specify that any advertisement of the property (offline or online) and all rental contracts must contain language that specifies the allowed “people limit” to make it clear to renters that the home cannot be used for large gatherings.

The **Elizabethtown Borough** zoning code sets transient capacity by individual zoning districts and provides the use requirements for STRs:

*The owner shall, upon notification that occupants or guests of the short-term rental have created unreasonable noise or disturbances, engaged in disorderly conduct or violated provisions of this chapter or state law pertaining to noise, or disorderly conduct, promptly use their best effort to prevent a recurrence of such conduct by those occupants or guests.*

- *R-1 Residential District:*
  - *Short-Term Lodging Accommodations not to exceed \_\_\_\_\_ transient occupants.*
- *R-2 Residential District:*
  - *Short-Term Lodging Accommodations not to exceed \_\_\_\_\_ transient occupants.*
- *R-3 Residential District:*
  - *Short-Term Lodging Accommodations not to exceed \_\_\_\_\_ transient occupants.*

**Short-Term Lodging Accommodations.**

*Operators of short-term lodging accommodations shall conform to the following standards:*

- *Shall not provide meals for compensation.*
- *May provide off-street parking for transient guests, but is not required.*
- *Shall apply for and receiving a residential rental license.*
- *The length of stay per transient occupant shall be limited to a maximum of \_\_\_\_\_ days.*
- *Short-term lodging accommodations shall not exceed the number of transient occupants allowed within the applicable zoning district.*
- *Operator(s) of short -term lodging accommodations shall not operate more than \_\_\_\_\_ cumulative days in a year, and must operate such uses in strict conformance to all applicable provisions of the Elizabethtown Borough Code of Ordinances.*



**Middle Smithfield Township in Monroe County** has a zoning code that regulates the locations, individual zoning districts and provides the use requirements for STRs:

**Short-term rental of residential dwelling units.**

*The following supplementary regulations shall apply to the short-term rental of residential dwelling units:*

- When a residential dwelling unit use is permitted in the Conservation, Rural Reserve, R1 Residential, R2 Residential, and R3 Residential Zoning Districts ("Residential Zoning Districts"), short-term rental of the dwelling unit for residential purposes shall also be permitted, provided that the short-term rental use of the dwelling unit shall not exceed, in total, a maximum of \_\_\_\_\_ days in a calendar year. Short-term rental that exceeds the limitation shall be considered a hotel/motel/inn use, which is limited to the Commercial Zoning District, and prohibited in the Residential Zoning Districts.*
- Short-term rental of a residential dwelling unit in the Commercial and Industrial Zoning Districts shall be permitted, without a limitation on the number of days of short-term rental use in a calendar year.*
- Short-term rental use of a dwelling unit shall comply with all applicable federal, state and local government laws, rules, ordinances and/or regulations, including without limitation, other provisions of the Zoning Ordinance which would be applicable to the use of the property as a dwelling unit when not subject to short-term rental.*
- The commencement of short-term rental activity of a dwelling unit shall be considered a change in use of the property, and shall not occur without the property owner first applying for, and receiving, a zoning permit from the municipality for such change in use.*
- A separate short-term rental permit is required for each dwelling unit; for two-family or multi-family dwellings; a separate permit shall be required for each dwelling unit being rented as a short-term rental.*
- A short-term rental permit is effective for a period of \_\_\_\_\_ year(s), or until any of the conditions of the short-term rental are changed.*

When drafting zoning regulations, it's important for municipalities to review other code requirements in their codified ordinances. **Middle Smithfield Township** also has a code specific to STR regulation. This language is from the Standards for Operation section of the code:

- Overnight occupancy of a short-term rental shall be limited to no more than \_\_\_\_\_ persons per bedroom.*
- The maximum number of day guests allowed at any one time, in addition to the overnight occupants, shall be \_\_\_\_\_ % for the maximum overnight occupancy of the short-term rental.*

*The number of bedrooms permitted for a short-term rental shall not exceed the number of bedrooms approved for the dwelling unit on the sewage permit issued for such property. Where there is no sewage permit on record, the short-term rental shall be limited to three bedrooms unless proof is provided to the Sewage Enforcement Officer that the septic system is adequate to handle additional flows. Any short-term rental advertising more than \_\_\_\_\_ bedrooms shall provide proof that the septic system is adequate to handle such flows by having the system approved by the*

*continued next page*



*Sewage Enforcement Officer, or by providing a septic permit previously issued by a Sewage Enforcement Officer. If a sewage system malfunction occurs, short-term rental of the dwelling unit shall be discontinued until the malfunction is corrected in accordance with Township and Pennsylvania Department of Environmental Protection requirements.*

For rural communities in Lancaster County that don't have home rental permit requirements in place, LCPC recommends that if those municipalities add permit requirements for STRs, to make the requirements flexible to address these facilities on a case by case basis. Also, these municipalities should include provisions that require properties that are not served by public sewer and public water have sufficient sewage capacity and safe drinking water. In a recent draft ordinance from **West Cocalico Township** many of these aspects are addressed. The Township is proposing for STR's to be allowed as special exception uses within the Agricultural and Woodland zoning districts. It would require for applicants to go through a permitting process where the Zoning Hearing Board will set conditions for that specific STR operation. Here's the draft zoning language:

### **Short-Term Rental**

- *No more than one short-term rental unit may be located in a structure, and a short term rental unit may not be located in a structure which also contains one or more dwelling units.*
- *The applicant for a special exception shall demonstrate that the proposed short-term rental unit contains or meets all of the following:*
  - *Smoke detector in each bedroom.*
  - *Smoke detector outside each bedroom in the common hallway.*
  - *Smoke detector on each floor.*
  - *GFI outlet required if outlet located within six feet of water source (all sinks, sump pumps, etc.).*
  - *Aluminum or metal exhaust from dryer (if a dryer is provided).*
  - *Carbon monoxide detector if open flame (oil or gas) furnace or gas fireplace.*
  - *Carbon monoxide detector if garage is attached.*
  - *Fire extinguisher in kitchen.*
  - *Stairs (indoor and outdoor) in good condition.*
  - *Covers on all outlets.*
  - *If not served by a municipal water supply, the owner shall provide proof that a potable water supply is available for the unit.*
  - *If not served by a public sewer system, evidence that the sewer system is adequate to serve the maximum number of occupants of the short-term rental unit.*

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- Fully functioning bathing and toilet facilities.
- Fully functioning kitchen (if one has been installed).
- The Pennsylvania Uniform Construction Code as adopted by the Township.
- T. The applicant shall prepare and present to the Zoning Hearing Board a notice which shall be prominently and continuously posted at the short-term rental unit which shall contain all of the following information:
  - The name of the local contact person or owner of the short-term rental unit and a telephone number at which that party may be reached on a 24-hour basis.
  - The 911 address of the property.
  - The maximum number of occupants permitted to stay in the short-term rental unit.
- The maximum number of all vehicles allowed to be parked on the property and the requirement that parking is not permitted in any public road right-of-way unless such designated right-of-way is not parking restricted.
- Notification that trash and refuse shall not be left or stored on the exterior of the property except in secure, water-tight metal or plastic cans or similar containers designed for such storage with a limit of secured containers.
- Notification that an occupant may be cited and fined for creating a disturbance or for violating other provisions of applicable Township Ordinances.
- Notification that the occupants must complete a manifest identifying the occupants and emergency contact information and place such manifest in the outdoor box installed to contain such manifest.
- The applicant shall designate a local contact person who shall have access and authority to assume management of the short-term rental unit and take remedial measures. An owner who resides within the Township or within 30 miles of the short-term rental unit may designate himself/herself as the local contact person. If the special exception is approved, the local contact person shall respond to the Township or to a police officer after being notified by such official of the existence of a violation of this chapter or any disturbance requiring immediate remedy or abatement. If the local contact person is not the owner, the local contact person shall immediately advise the owner of any notification of a violation. There shall be a local contact person at all times the short-term rental unit is operated. The owner may change the local contact person only after written notice to the Zoning Officer, and any new local contact person shall meet all requirements of this subsection.
- The applicant shall demonstrate that the applicant has installed an outdoor box which will be used to contain a manifest of the occupants of the short-term rental unit and emergency contact information for such occupants.
- If the special exception is granted, the applicant shall provide the Zoning Officer with confirmation that the applicant has taken all action required to register with the Lancaster County Treasurer to enable the applicant to pay the hotel and/or room taxes imposed by Lancaster County. The Zoning Officer shall not issue a certificate of occupancy for the short-term rental unit until the applicant presents such confirmation of registration.
- A short-term rental unit may be rented only to a person 21-years of age or older.

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- *The owner shall use his/her best efforts to assure that the occupants of the short-term rental unit do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate provisions of Township Ordinances or any state law pertaining to noise or disorderly conduct by notifying the occupants of the rules regarding short-term rental units and responding when notified that occupants are violating laws regarding their occupancy.*
- *The owner shall, upon notification that occupants of the short-term rental unit have created unreasonable noise or disturbances, engaged in disorderly conduct or violated provisions of Township Ordinances or state law pertaining to noise, or disorderly conduct, promptly use their best effort to prevent a recurrence of such conduct by those occupants or guests.*
- *The owner of the short-term rental unit shall apply each year for a permit to authorize continued operation of the short-term rental unit, accompanied by any fee which the Board of Supervisors may establish by resolution. The application shall require that the owner provides sufficient inform for the Zoning Officer to confirm the name and contact information for the local contact person, confirm that the short-term rental unit meets all requirements of this Section \_\_\_\_\_ and confirm that the short-term rental unit meets all other applicable Township Ordinances. If the Zoning Officer confirms that the short-term rental unit meets such requirements, the Zoning Officer may issue a permit to authorize continued operation of the short-term rental unit for a one year period. Operation of a short-term rental without the required annual permit is a violation of this Chapter.*

## **VII. How does our municipality regulate parking issues connected to Short-Term Rentals?**

Municipalities should adopt a formal permit requirement and put in place a specific limit on the number of motor vehicles that short-term renters can park on/near the property. The “motor vehicle limit” can be consistent with existing requirements for residential uses (i.e. a max of 2) or be dependent on the number of permanent parking spots available on the property. In addition, the regulation could also formally specify that any advertisement of the property (offline or online) and any rental contract must contain language that specifies the allowed “motor vehicle limit” to make it clear to (potential) renters that bringing more cars is disallowed. For example, The **West Cocalico Township** draft amendment proposes a STR parking requirement of one space per bedroom.

## **VIII. Should Short-Term Rentals be regulated the same as Bed & Breakfasts?**

There is no “official” legal definition of a Bed & Breakfast (B&Bs) in Pennsylvania. However, the definitions below for “BED AND BREAKFAST” is used in legislation that exempts owners of B&Bs from being required to have a commercial kitchen license. B&Bs that want to serve meals other than breakfast or if their property has over ten rooms, a special license must be obtained through the Department of Agriculture.

**Bed and Breakfast:** A residence with ten or fewer bedrooms for rent and in which breakfast is the only meal served and is included in the price of the accommodation.

**Bed and Breakfast Inn:** A larger property with more than 10 rooms, but still breakfast is the only meal served.

**Country Inn:** Can be as large as 25 rooms with full service dining available along with the accommodations.

**Farm Vacation:** Similar to a bed and breakfast, but having a farm setting. Often guests are invited to share in the working of the farm.

Bed and breakfasts (B&Bs) are small businesses that are typically owner-occupied and serve guests breakfast. Bed and breakfast regulations vary depending upon local ordinances and are subject to the statewide building code, the Uniform Construction Code (UCC) that is administered and enforced locally and at the state level. Some examples in variation of regulations are: areas allow a B&B to not be owner occupied, define the number of required rooms to obtain a B&B occupancy permit, and limit the number of consecutive nights that a room can be rented. However, there is consistency with most safety measures. Local ordinances will address fire escapes, fire extinguishers (safety tested yearly), smoke alarms and/or fire alarms (battery-operated or wired in with battery backup), boiler inspections, and even fire doors within their codified ordinances. In most cases, B&B's have registered to operate as a business within their community/state, carry commercial insurance, provide ample parking for guests, and remit local occupancy and state taxes.

Lodging at a STR property is similar to staying at a B&B. If STRs are specified in a local ordinance, municipalities can hold STR facilities to the same safety and performance provisions that are required of B&Bs and long-term rental properties. However, STR facilities are a little more difficult to identify. For the safety and protection of operators, lodgers, neighbors and the larger community, requiring STR's to register helps to determine that these properties meet the potential requisite health and safety inspections and have proof of liability insurance.

***IX. Are there special building code regulations we should be aware of? What about Americans with Disabilities Act (ADA) requirements for accessibility?***

Like safety and performance provisions, when specified, municipalities can require STR facilities to comply with the same ADA accommodations that are required of B&Bs. Each situation should be analyzed on a case-by-case basis. The Fair Housing Act outlines how a STR can be made to comply to ADA requirements set in a local codified ordinance. [Sec. 36.406\(c\), "Places of Lodging,"](#) in the 2010 ADA Title III Regulations was intended to clarify that places of lodging, including certain timeshares, condominium hotels, and mixed-use and corporate hotel facilities, shall comply with the provisions of these standards, including, but not limited to, the requirements for transient lodging. Whether a residence that includes a short-term rental is classified as a "residential dwelling" under the Fair Housing Act depends on whether it is intended to be used as a residence for more than a brief period. As a result, the operation of each residence needs to be examined carefully to determine whether it is intended to contain STR facilities. Municipalities should refer to the above-mentioned ADA guidelines and consult their building code officials to make these determinations.

The following is a link to the ADA Guidelines: <https://www.ada.gov/regs2010/2010ADAStandards/2010ADAstandards.htm#406c>





Community Planning Tool #02– SHORT-TERM RENTAL REGULATION

**Lancaster County Planning Commission**

150 North Queen Street • Suite 320 • Lancaster, PA 17603

717-299-8333 • F 717-295-3659

[www.lancastercountypanning.org](http://www.lancastercountypanning.org)

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