



Capital of the Adirondacks™

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July 21, 2022

The attached memo outlines the work done by a short-term rental committee, which includes members from the Village's Housing Work Group that was established in order to draft the Housing Plan. The Work Group has been dissolved and replaced by the Housing Task Force.

The memo outlines recommendations for the regulation of short-term rentals in the village. The purpose of the recommendation is to provide a starting point for a community discussion about appropriate regulations for short-term rentals. The following next steps are proposed for consideration:

Early August	Public Meeting(s)
Late August	Draft final STR Regulation Recommendation
September	Legal Review and Draft Law
October	Public Hearing
October	Village Board Adopts STR Law



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Memo

To: Village of Saranac Lake Board of Trustees
From: Short-Term Rental Committee
Date: July 21, 2022
Re: Recommendations for the Regulation of Short-Term Rentals in the Village of Saranac Lake

Introduction and Background

The Village of Saranac Lake Board adopted the Housing Plan, ([Insert link here](#)) which had been developed by the Village's Housing Work Group, on January 10, 2022. One of the priorities identified in the Housing Plan is to mitigate the impact of short term-rentals (STR) on residential neighborhoods. Public input collected for the Housing Plan ranked this as the top priority going forward. In response, some members of the Housing Work Group formed a committee and worked with the Community Development Director to draft the set of recommendations below regarding STR uses in the village. Committee members included Melinda Little, Sarah Clarkin and Rachel Karp.

In recent years, short-term rentals have increased in cities, towns, and village across the U.S. Because of this growth, local leaders have had to deal with associated benefits and challenges - in particular, how to ensure an adequate stock of affordable housing and how to support local tourism and economic development goals. The purpose of the proposed STR recommendations is to promote the health, safety and general welfare of the residents and visitors of the Village of Saranac Lake, and to ensure tourist accommodations are developed and redeveloped in harmony and with respect to the surrounding neighborhood. The goal is to put safeguards and appropriate enforcement mechanisms in place for when issues arise.

The STR committee members conducted a research process that examined the local context in order to get a sense of the short-term rental market in the community. The research process included:

- [Short-Term Rental Report](#) (October 2021)

- [Village of Saranac Lake Housing Plan](#) (December 2021)
- Evaluation of existing village local laws, including zoning codes
- Review of Village of Saranac Lake Comprehensive Plan
- Review of STR laws within the region
- Evaluation of enforcement needs and analysis of local enforcement capabilities
- Interviews (including but not limited to NYCOM attorney, Lake Placid Code Enforcement Officer, Lake Placid/North Elba elected officials, Village of Saranac Lake attorney)
- Analysis of public input

Justification

While short-term rentals are not new, in recent years there has been a significant rise in investment properties and online advertising platforms, which have facilitated and mainstreamed STRs to a point where many local governments are taking action. The Village's goal is to create short-term rental policies that generate inclusive opportunities for local wealth-creation while balancing the needs of all members of the community. Ideally, the result will be an equitable policy that helps protect public interests, (including housing affordability, health and safety, neighborhood quality and integrity, and municipal revenues), while retaining reasonable opportunity for residents to host and earn money from short-term guests.

Issues Impacting the Discussion

1. Housing Market

Research is divided on whether short-term rentals contribute to the housing crisis. Regardless of the exact impact on the housing market, it is undeniable that many communities in the U.S. face a housing crisis due to a number of factors and that short-term rentals may contribute to housing unaffordability and unavailability.

There is a shortage of long-term housing for residents and potential new residents in Saranac Lake. This shortage is affecting businesses in terms of their ability to recruit employees at all levels from outside of the area.

STR data from 2019-2021 shows an increasing number of investment type STRs.

2. Quality of Life

Short-term rentals can be incompatible with the sense of privacy, community cohesiveness and character enjoyed in residential neighborhoods.

3. Public Health and Safety

Poorly regulated and unsupervised short-term rentals can threaten the safety of neighborhoods for residents and guests. Guest may ignore or be unaware of noise, trash and parking ordinances.

STRs are not currently required to follow the same health and safety standards required for hotels/motels/B&B's to ensure visitor safety.

4. Economic Development and Tourism

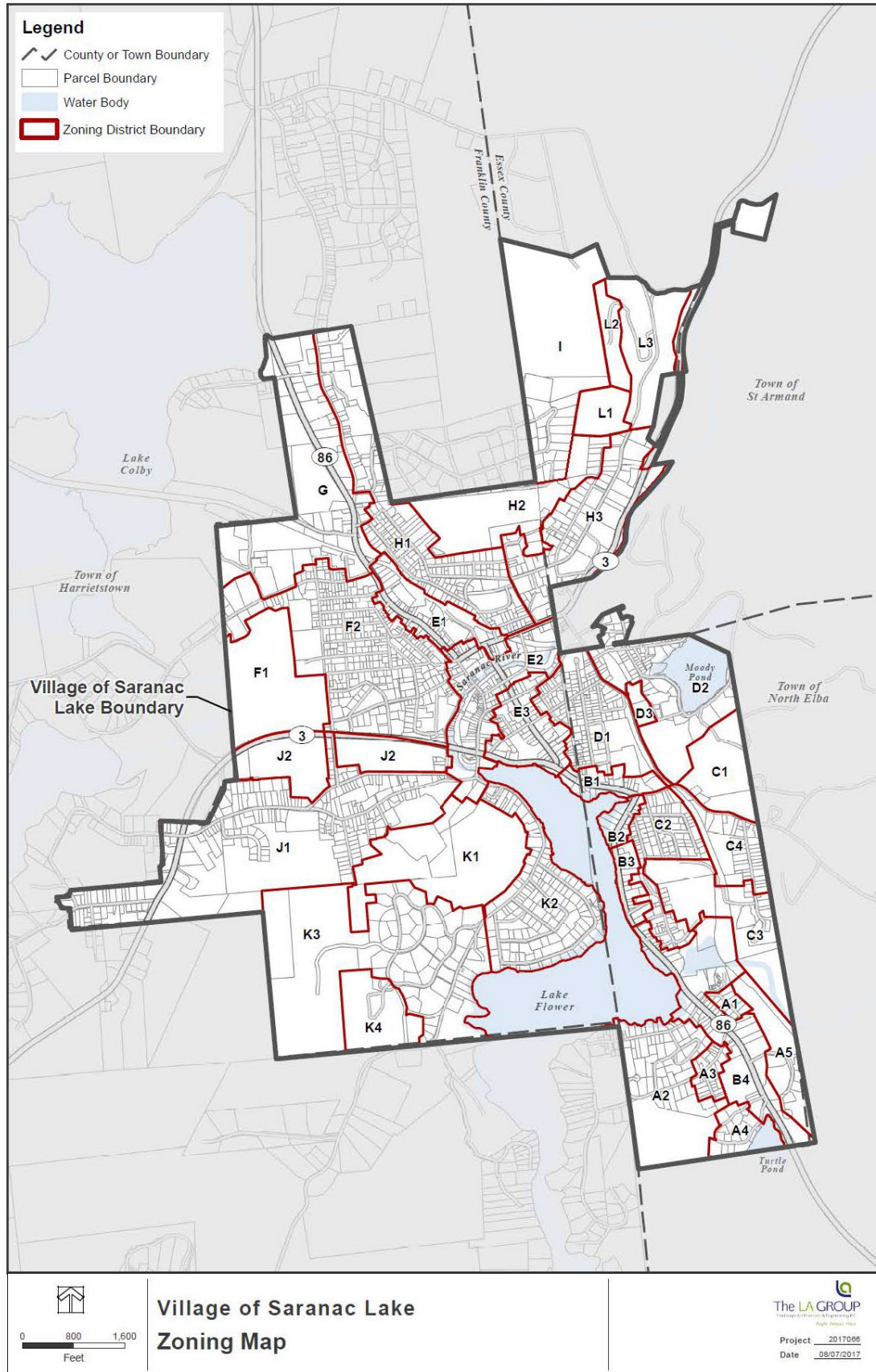
STRs can attract visitors to the Village and can provide an additional source of income to village residents.

Planning Objectives

The following planning objectives were identified based on goals from a village board work session; planning strategies outlined in the Village of Saranac Lake Comprehensive Plan; input from the Village Board of Trustees; input from the Housing Work Group's survey, public forums and stakeholder meetings; and available data.

- Maintain the character and integrity of residential neighborhoods in zoning districts A, C, D, F, H, J and K which is an identified strategy in the Comprehensive Plan
- Maintain quality of life for village residents
 - Allow home sharing; limit investment properties within neighborhoods
 - Enable residents to earn some additional income
 - Limit the number of properties lost to residential rentals
- Maintain neighborhood Integrity
 - Limit investment properties within traditional neighborhoods
- Safety – create protections for the well-being of guests and neighbors
- Housing availability – prevent conversion of housing stock and preserve residential use
- Strike a balance between the need for year-round workforce housing and tourist accommodations

DEVELOPMENT CODE
106 Attachment 3



What Can Communities Regulate?

PROVISIONS	DETAILS
LOCATION AND USE	<p>Geographic limits: municipalities can decide to limit the availability of STRs in specific areas, such as particular residential neighborhoods or neighborhoods with specific historic character.</p> <p>Commercial-residential distinctions: municipalities can establish different rules for properties in residential and commercial areas to account for the different community interests in each of these areas.</p>
TIMING	<p>Primary residence requirements: municipalities can require that the STR is occupied by the host for most of the year, and/or that the rental is in or part of the owner's primary residence</p>
MANNER OF RENTAL	<p>Registration and licensing: municipalities can require hosts to register their properties with the municipality.</p> <p>Occupancy limits: municipalities can limit the number of guests per stay, usually by establishing a guest-per-bedroom or per-property cap.</p> <p>Health and safety regulations: municipalities can require STRs to have fire safety equipment and carbon monoxide detectors; display emergency information for guests; adopt measures to maintain a sanitary residence; and adopt plan for emergencies, among other requirements.</p> <p>Noise and event regulations: municipalities can restrict the use of STRs for large gatherings and events, and they may explicitly require that guests comply with existing noise, trash, and parking ordinances.</p>

Source: [Short-Term Rental Regulations: A Guide for Local Governments, National League of Cities](#)

Recommendations for Short-Term Rental Regulation

The following amendments to the Development Code are recommended in order to regulate short-term rentals in the Village of Saranac Lake.

Proposed Definitions

SHORT-TERM RENTAL: A room or housing unit that is rented in whole or part to any person or entity for a period of less than 30 consecutive nights and includes any residential buildings, apartments, townhouses, guesthouses, cottages, cabins or accessory dwellings which are rented as living quarters. This definition excludes hotel/motel, bed and breakfasts and dormitories.

OWNER OCCUPIED RESIDENCE: A housing unit, including accessory structures, on a single tax parcel in which an owner resides for a minimum of 51% of the year.

OWNER OCCUPIED STR: A short-term rental where the owner occupies the dwelling unit as their primary residence for at least 51% of the year and is generally present for the duration of the rental period.

VACATION RENTALS: A vacation rental is an entire residential unit that is not a primary residence and is rented to guests on a short-term basis.

Delete Housekeeping Cottage from the definitions and Schedule 1 Allowed Uses in the Development Code.

Proposed Changes to Schedule 1 – Allowed Uses

Amend Use Table to reflect the following:

1. Allow *Owner Occupied STRs* to operate in all zoning districts
 - Require Administrative Approval and Short-Term Rental Permit
 - Permits are not required for properties that are rented for 14 days or less within a calendar year.

2. Allow *Vacation Rentals* in zoning districts B (Lake Flower Avenue corridor) and E (downtown) only
 - Require Administrative Approval and Short-Term Rental Permit

- Existing Vacation Rentals in other zones will be permitted for up to three years allowing owners to recoup their investment.

Note: The committee has noted one potential exception. There is a concentration of existing short-term rentals in zoning district K-2 (Riverside Drive peninsula) principally along the shoreline including the old Harbor Hill Cottages. Given the long history of commercial use along the shoreline, consider the creation of a Shoreline Overlay as a subset of the zoning regulations to allow for Vacation Rentals as a continued commercial use within waterfront area. That said, the cottages have been sold as individual properties in recent years. The number one planning strategy in the Comprehensive Plan for the K-2 sub-area is to maintain the character and integrity of the residential area.

Administration and Enforcement

Expenses/Resources/Needed Capacity

- Identify/assign village staff to be liaison with the community to ensure effective communication and assist with compliance
- Develop a one-stop webpage, including online registration
- Maintain third-party platform to help with data collection and enforcement (e.g. Rentalscape or similar);
 - Current annual cost for Address Identification only is \$2,850
 - Complaint tracking/reporting, 24/7 hotline, and permit portal are available for additional cost
- Code enforcement officer/other staff to run monthly reports, identify and flag offenders
- Hire staff or contract for to set up and service a complaint hotline
- Establish a Short-Term Rental Review Board so that property owners can appeal administrative decisions/actions
- Set a dedicated evaluation period following adoption of short-term rental regulations; make it clear that the regulations may change at the end of the evaluation period. 12 months is the recommended evaluation period.

Revenues

- Annual Permit fees
 - Sliding scale fee schedule, for example:

Studio-2 bedrooms	\$
2-5 bedrooms	\$\$
5+ bedrooms	\$\$\$

**See appendix for example fine schedule*

- Fines for violations
 - Fines should be proportionate to or more than the economic gains that potential violators can realize from breaking the rules, and should escalate for repeat violators, with the threat of revocation of a permit. Average daily rate for a short-term rental is currently \$233 (as of 6.7.22)
 - Draft the law so that unpaid fines can be levied to taxes in a timely manner

Process/Next Steps

These recommendations are meant to be the start of a community discussion about enacting appropriate mechanisms to keep competing priorities and interests balanced.

1. Village Board Work Session - presentation & discussion
2. Define an enforcement process
3. Public Presentation & Public Hearing
4. Enactment of proposed changes to the Development Code
5. Set a dedicated evaluation period following the adoption of any short-term rental regulations; make it clear that the regulations may change at the end of the 12 month evaluation period

Proposed Permit Requirements

- Proof of primary residency in the form of STAR exemption for owner-occupied STR
- Local 24/7 emergency contact. The designated representative must be reachable 24/7 and live within a 30-minute drive to the short-term rental unit. This person may be the owner as long as those criteria are met. It is the owner's responsibility to contact the Village of Saranac Lake within 48 hours if there is a change of representative.
- Signed affidavit stating that the property meets all health and safety standards, including:
 - (1) There shall be one functioning smoke detector in each bedroom and at least one functioning smoke detector in at least one other room, one functioning fire extinguisher in the kitchen and in each room with an open flame source, and at least one carbon monoxide detector.

(2) Exterior doors shall be operational and all passageways to exterior doors shall be clear and unobstructed.

(3) Electrical systems shall be serviceable with no visual defects or unsafe conditions.

(4) All fireplaces, fireplace inserts or other fuel burning heaters and furnaces shall be vented and properly installed, and flues cleaned within 12 months of application for permit.

(5) Each bedroom shall be in compliance with the New York State Building Code.

- Map/sketch and description of parking plan provided to guests. Description and plan showing where the spots will be located on the property (not on-street parking) that you will provide to your guests.
 - The maximum number of motor vehicles for a short-term rental shall be one vehicle per bedroom. Parking spaces may not be located on any part of the lawn or on any part of a sidewalk.
 - Properties located within downtown (zoning district E) are exempt from the parking map requirement.
- Franklin or Essex County Room Occupancy Tax Registration Certificate
- Parcel ID number-Tax Map ID
- Occupancy Limit: 2 people per bedroom plus 2 (studio apartment occupancy limit is 2 people). Each bedroom shall be in compliance with the NYS Building Code.
- A signed agreement to comply with the following rules, which will be posted in plain view of all renters:
 - Maintain quiet hours between 10pm and 7am
 - Provide weekly garbage pick-up during rental periods
 - Provide garbage containers with tight fitting covers at all times and be placed where they are not clearly visible from the street except as required for pick-up times
 - Maintain a house number visible from the street or road at all times
 - Dogs (if permitted by the owner) shall be leashed at all times when outside and picked up after

APPENDIX

[Saranac Lake Development Code Definitions](#)

[Saranac Lake Development Code Schedule 1 - Allowed Uses](#)

Example Fine Schedule

Example Fine Schedule

	1 st violation	2 nd violation	3 rd violation	4 th violation
Fine for advertising a property for short-term rent (online or offline) without first having obtained a permit or complying with local listing requirements	\$200 per day	\$400 per day	\$650 per day	Upon the fourth or subsequent violation in any twenty-four month period, the local government may suspend or revoke any permit. The suspension or revocation can be appealed.
Fine for violating any other requirements of the local government's short-term rental regulation	\$250 per day	\$500 per day	\$750 per day	
<p>Notes:</p> <p>a. Any person found to be in violation of this regulation in a civil case brought by a law enforcement agency shall be ordered to reimburse the local government and other participating law enforcement agencies their full investigative costs, pay all back-owed taxes, and remit all illegally obtained short-term rental revenue proceeds to the local government.</p> <p>b. Any unpaid fine will be subject to interest from the date on which the fine became due and payable to the local government until the date of payment.</p> <p>c. The remedies provided for in this fine schedule are in addition to, and not in lieu of, all other legal remedies, criminal or civil, which may be pursued by the local government to address any violation or other public nuisance.</p>				

Source: Host Compliance

SHORT-TERM RENTAL REPORT

Village of Saranac Lake



October 7, 2021
Community Development Department

Introduction

Rentalscape data was finalized on 9/9/21.

The data included in this report was generated from Rentalscape on 9/16/21.

The data includes only short-term rental listings that are *Live Now*, which means the listing is active and the owner is accepting bookings. Rentalscape does show additional properties, but they are not identified since they are not currently being advertised on any online platform. The number of Live Now listings does change over time as owners list new properties or inactivate listings.

Existing Conditions

Identified STRs: 70 Properties (117 Listings)

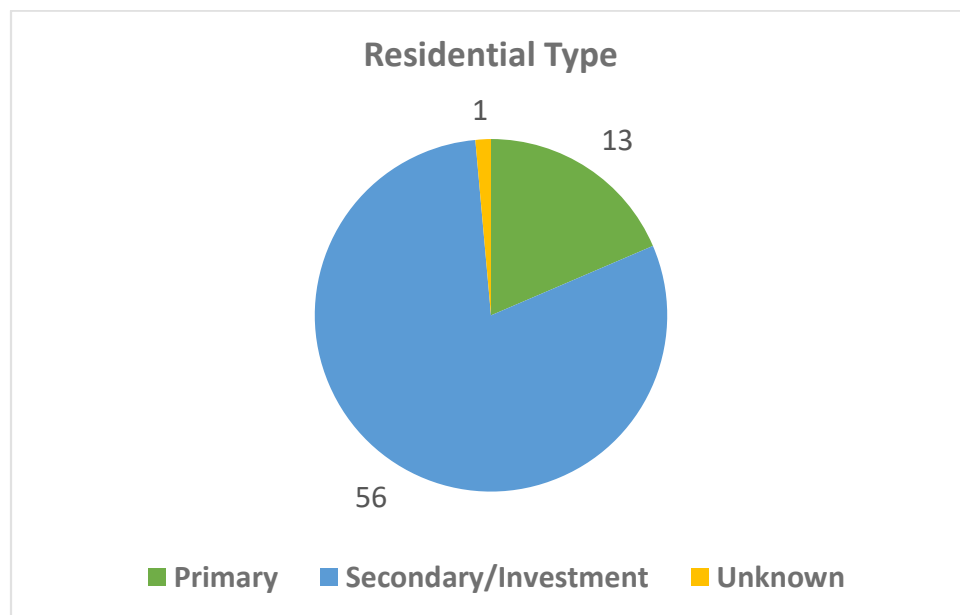
This is the total number of properties that were being advertised on the day the data was reviewed.

Residential Type

This category identifies whether the property is the primary residence of the owner or used as a second home or investment property.

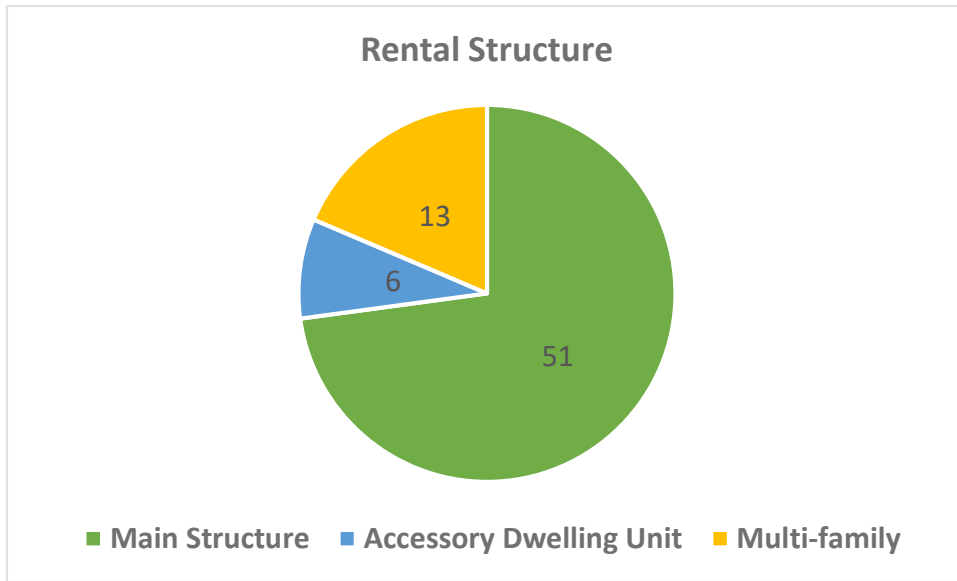
Primary = owner occupied (identified based on STAR program)

Secondary/Investment = second home or investment property



Rental Structure

This category identifies the type of structure that is being rented to guests.

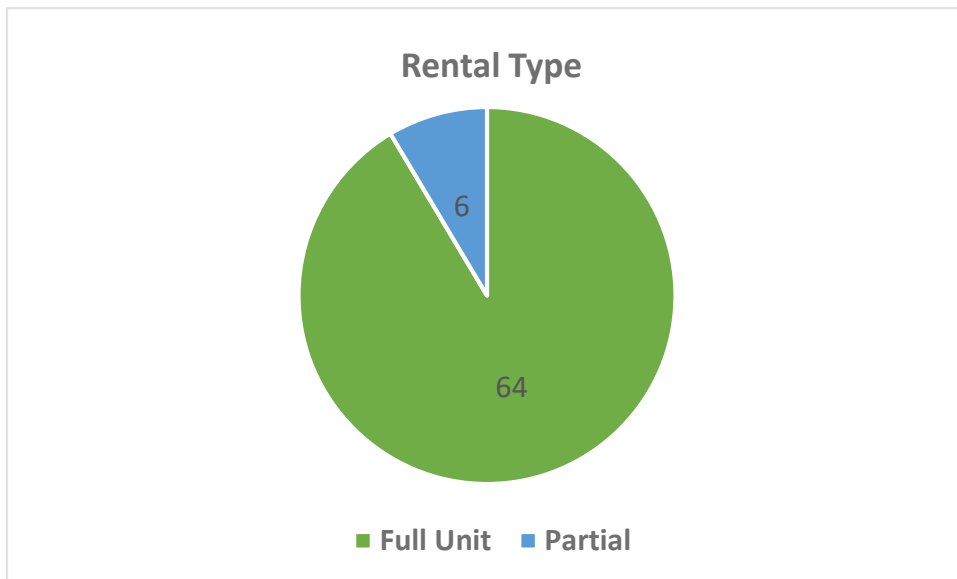


Rental Type

This category identifies the type of unit that is being rented to guests.

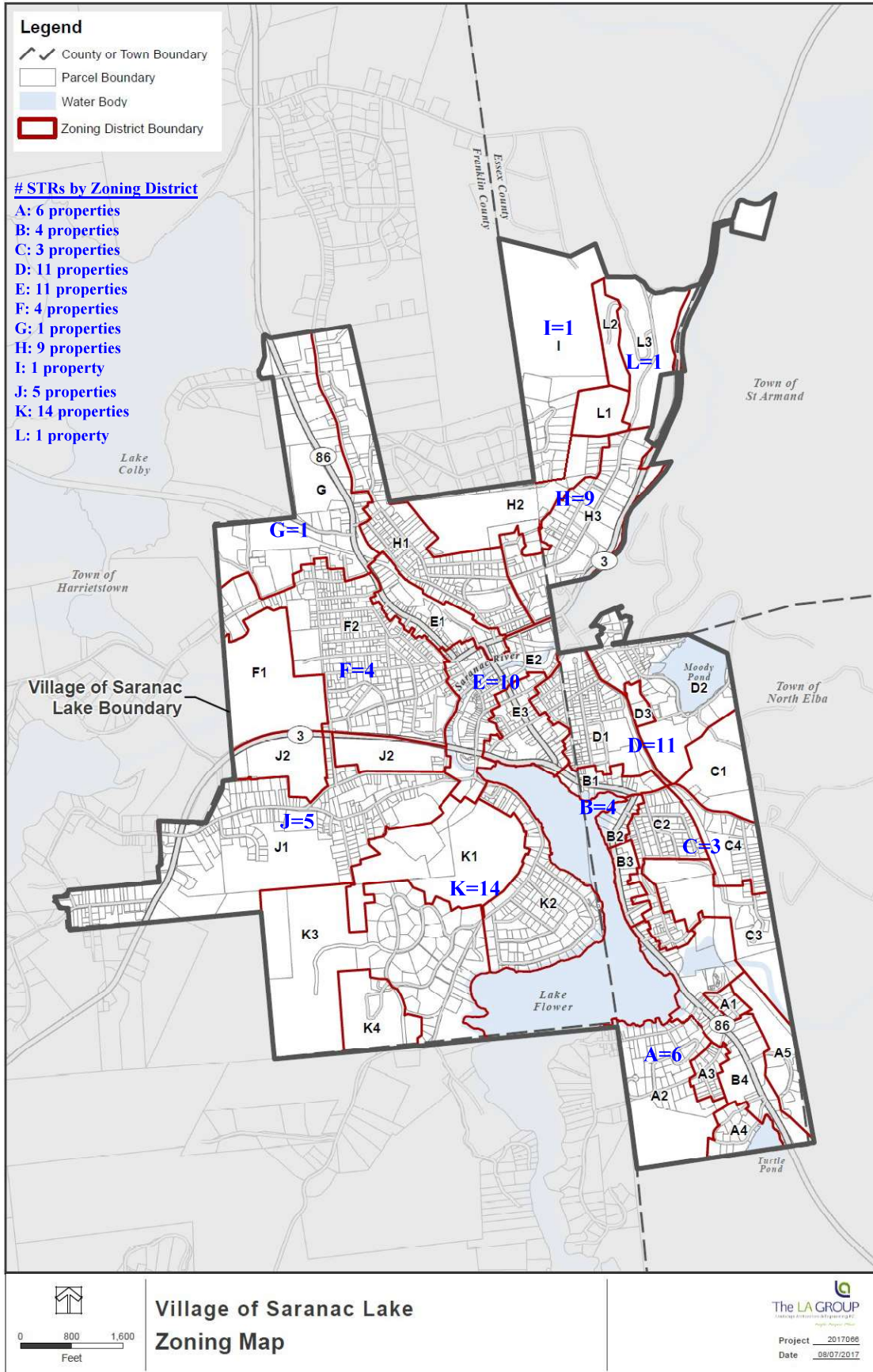
Full Unit = guest will have access to entire home or apartment

Partial = guest will be staying in a room or suite within the home or apartment



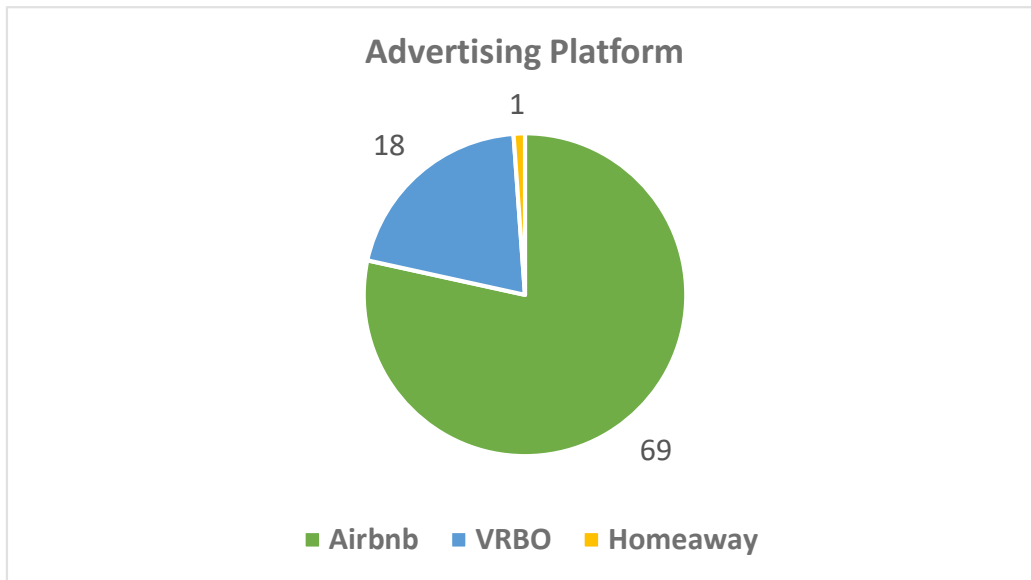
Zoning District

The maps shows the number of short-term rentals that are located in each zoning district.



Advertising Platform

This chart shows the number of properties that are advertising on each short-term rental platform. All properties are being advertised on Airbnb. Some owners advertise their listings on an additional platform.



Property Ownership

Number of Properties Owned

- 67 STR property owners own 1 property
- 2 STR property owners own 2 properties
- 1 STR property owner owns 5 properties
- 12 of the property owners are identified as an LLC, trust or company name

Primary Address of Owner(s)

- 43 STR properties are owned by individuals living in Saranac Lake
- 7 STR properties are owned by individuals living outside of Saranac Lake and within New York State
- 6 STR properties are owned by individuals living outside of New York State

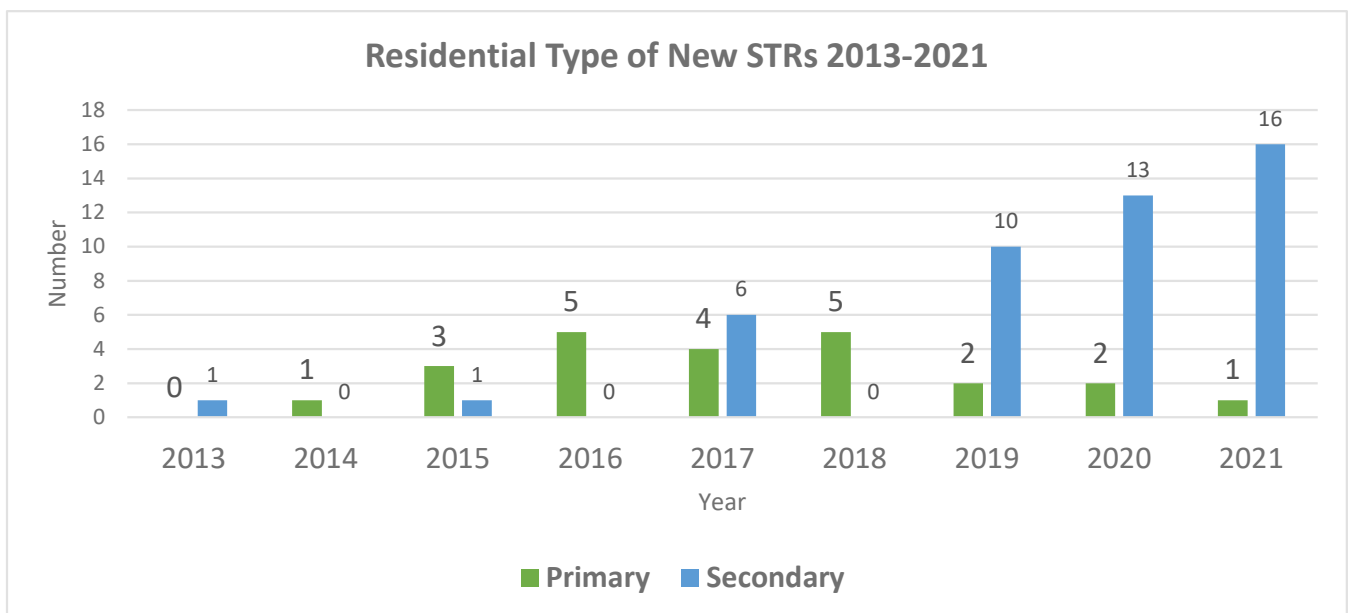
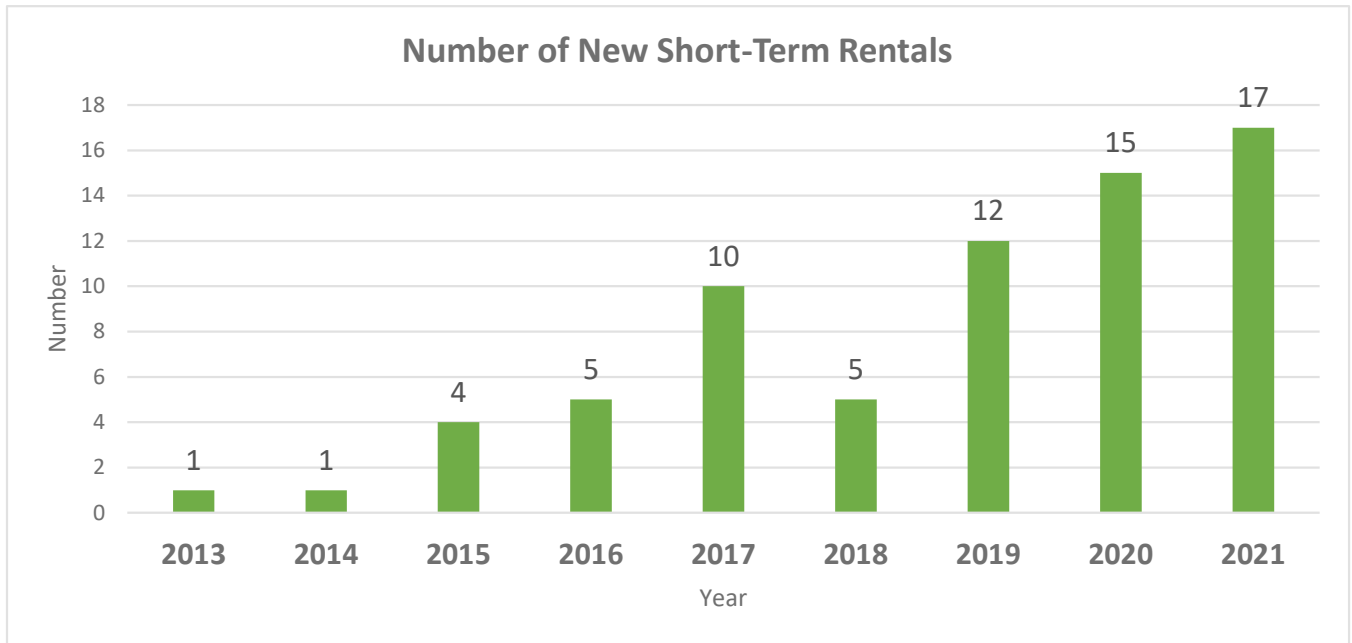
Hosts

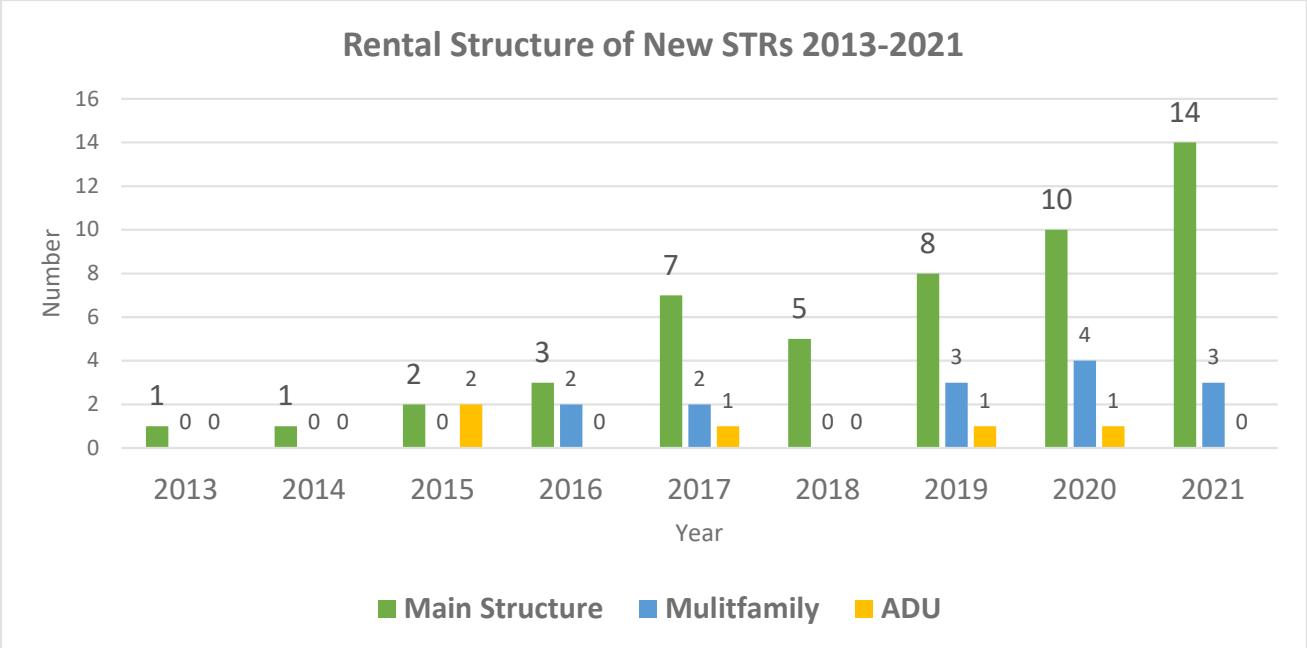
- 64 individuals are listed as hosts for 1 property
- 5 individuals are listed as hosts for 2 properties
- 1 individual is listed as a host for 3 properties

Trends

Rentalscape does not identify when a property was first listed on an advertising platform, so the data regarding trends is based on the date that the first review was written for each identified short-term rental property. This data was collected only for the properties that are Live Now (currently active listings). The following data does not represent the total number of short-term rentals that were active each year as it does not include listings that are no longer active. The purpose for presenting this data is to identify general trends in the number of and type of short-term rentals that are located in the Village of Saranac Lake.

Number of New Rentals 2013-2021





Next Steps

The proposed next steps are identified in the DRAFT Strategic Housing Plan.

- Resume the gathering of public input about the benefits, issues and impacts of short-term rentals.
- Complete policy research: examine relevant laws in the village; examine STR regulatory structure in similar communities; analyze enforcement capabilities.
- Define planning objectives - establish priorities to inform planning objectives and regulatory structure.
- Recommend a short-term rental regulatory structure.