

Board of County Commissioners Agenda Request

Title of Item: Second Reading - Amendment to Vacation Short-Term Rental Ordinance

5C
Agenda Item #

Requested Meeting Date: January 23, 2024

✓ REGULAR AGENDA	Action Requested:		Direction Requested
CONSENT AGENDA	Approve/Deny Motion		Discussion Item
INFORMATION ONLY	Adopt Resolution (attach dr		Hold Public Hearing* earing notice that was published
Submitted by: Andrew Carlstrom		Department: Environmental Services	
Presenter (Name and Title): Andrew Carlstrom, Environmental Services Director			Estimated Time Needed: 10 Minutes
Summary of Issue:			
On the November 28, 2023 first reading before the Board of Commissioners, three new amendments were proposed to the General Zoning Ordinance Section 17 - Vacation / Short-Term Rentals (VSTR). A public notice was published in the Aitkin Age on December 13, 2023. Previously, three public hearings have been held before the Aitkin County Planning Commission on June 26, August 21, and November 20, 2023. In accordance with MN Statute 394 and Rule 11 of the Aitkin County Ordinances and Procedures of the Board of Commissioners Meeting Procedures and Rules of Business Board of Commissioners, two readings shall be conducted prior to the adoption of the amendment. The three proposed amendments brought forth by Commissioners and in addition to what the Planning Commission previously recommended approving, are as follows: 1. Section 17.01(B) & 17.05(B): Annual inspections of VSTR by Aitkin County with per bedroom fee. 2. Section 17.01(D): VSTR are to be allowed on Natural Environmental Lakes with conditions and restriction of no motorized watercraft allowed by guests. 3. Section 17.04(A)(3-4): The use of holding tanks shall be permitted providing owner meets all requirements of Environmental Services to include commercial alarm technology to safeguard. Please see attached resolution and proposed Draft 13, Section 17 - Vacation / Short-Term Rentals Ordinance. New amendments are in red. Green are additional amendments recommended from January 2, 2024 and approved by			
County Attorney. Attached for review also are letters from Terry Neff, former Director of Environmental Services.			
Alternatives, Options, Effects on Others/Comments: Motion to deny Vacation Short-Term Rental ordinance "as amended" and not adopt resolution.			
Recommended Action/Motion: Motion to approve Vacation Short-Term Rental ordinance "as amended" and adopt resolution.			
Financial Impact: Is there a cost associated with this What is the total cost, with tax and Is this budgeted? Yes	-		Vo

CERTIFIED COPY OF RESOLUTION OF COUNTY BOARD OF AITKIN COUNTY, MINNESOTA PROPOSED January 23, 2024

By Commissioner:

20240123-xxx

Aitkin County Zoning Ordinance Amendment of Vacation /Short-Term Rentals

WHEREAS, Aitkin County currently regulates Vacation/Short-Term Rentals and desires continuation of this allowed use, with standards in place to mitigate possible adverse impacts to the health, safety, and welfare of surrounding properties and environments; and

WHEREAS, Aitkin County is experiencing and is expected to experience a continued marked increase in conditional use applications for Vacation/Short-Term rentals; and

WHEREAS, Aitkin County desires to amend the current ordinance in order to improve organization, understandability, and enforceability of Vacation/Short-Term Rentals; and

NOW, THEREFORE BE IT RESOLVED, the Aitkin County Board of Commissioners does hereby authorize the proposed amendments of Section 17.0 "Vacation/Short-Term Rentals" to the Aitkin County Zoning Ordinance

All Members Voting

STATE OF MINNESOTA)
COUNTY OF AITKIN)

I, Jessica Seibert, County Administrator, Aitkin County, Minnesota do hereby certify that I have compared the foregoing with the original resolution filed in the Administration Office of Aitkin County in Aitkin, Minnesota as stated in the minutes of the proceedings of said Board on the 23rd day of January 2024 and that the same is a true and correct copy of the whole thereof.

Witness my hand and seal this 23rd day of January, 2024

Jessica Seibert County Administrator

[SECTION 17-Draft 13]

VACATION/SHORT-TERM RENTAL

17.00 Purpose:

It is the purpose and intent of this Section to regulate Vacation/Short-Term Rentals within Aitkin County, to continue the allowed use of Vacation/Short-Term Rentals in Aitkin County, and to mitigate possible adverse impacts to the health, safety, and welfare of surrounding properties and environments.

17.01 Permit Required:

The following standards apply to vacation or private homes renting for thirty (30) days or less except those located within Planned Unit Developments whose legal documents regulate unit rentals.

- A. The owner of a Vacation/Short-Term Rental must apply for and receive an Interim Use Permit from the County. The Interim Use Permit will be valid for three (3) years and must be renewed every three (3) years in order to determine the compliance level of the owner with the conditions of approval.
- B. All existing Vacation/Short-Term Rentals prior to this enactment will require annual inspections (see 17.05 (B-C)) from Aitkin County Environmental Services within the month they were permitted. Subsequent three (3) year IUP renewals will begin the year their current IUP expires and will be subject to this amendment and Ordinance. All new Vacation/Short-Term Rentals as of the enactment date of this Ordinance shall obtain a permit from the County prior to commencing operations. All Vacation/Short-Term Rentals shall reapply for an IUP every three (3) years, or as determined by the Planning Commission. An example is as follows: 2024-IUP issued, 2025-annual inspection, 2026-annual inspection, 2027-IUP issued, etc.
- C. Vacation/Short-Term Rentals are allowed in all five zoning classifications found in Appendix A of this General Zoning Ordinance. Vacation/Short-Term Rentals are allowed on General Development (GD) and Recreational Development (RD) lakes in Aitkin County.
- D. Vacation/Short-Term Rentals are allowed on Natural Environmental (NE) Lakes and will be regulated by the conditions imposed by the Aitkin County Planning Commission. Guests of Vacation/Short-Term Rentals on NE Lakes will not be allowed motorized watercraft; non-motorized only will be allowed. Non-motorized watercraft include the following examples, but not strictly limited to: canoes, kayaks, rafts, sailboats, paddle boards, and paddle boats.

- E. Applicant, owner, or authorized agent of the Vacation/Short-Term Rental shall be present at the scheduled Planning Commission Meeting.
- F. Termination of the IUP will be when there is a change in ownership of the Vacation/Short-Term Rental property.

17.02 Lodging License:

- A. For all Vacation/Short-Term Rentals renting for time periods of less than 7 days, a lodging license through the Minnesota Department of Health (MDH) shall be required, as defined by Minnesota State Statute 157.
- B. If applicable, the owner of any Vacation/Short Term Rental shall demonstrate issuance of a yearly lodging license from the MDH. These shall be provided to Aitkin County Environmental Services upon request.

17.03 Application Requirements:

- A. The application for an Interim Use Permit shall include at a minimum:
 - 1) All information required for a Conditional Use Permit.
 - 2) Floor plan of the structure drawn to scale, including the number of bedrooms with dimensions and all other sleeping accommodations, smoke detector and carbon monoxide detector locations. In each bedroom and any room used for sleeping purposes, show the dimensions of egress windows on the drawing and the style (double hung, sliding, or casement).
 - A to-scale site plan of the property which details the locations and dimensions of all property lines, the structure intended for licensing, accessory structures, parking areas, shore recreational facilities (docking plan, fire pit area, swim beach, etc.) and sewage treatment systems.
 - 4) A certificate of compliance on the septic system less than three (3) years old or a certificate of installation less than five (5) years old.
 - 5) A current water test taken from an accredited laboratory within 1 year prior to application submission, with passing results for nitrate-nitrogen and coliform bacteria. (Note: MDH must also approve drinking water supply and well standards in accordance with MN Administrative Rules Chapters 4720 and 4725).

- 6) Emergency contact information shall be posted (police, fire, hospital, septic tank pumper) in a conspicuous place inside the Vacation/Short-Term Rental.
- 7) If Vacation/Short-Term Rental is located on a lake, information and map shall be provided with DNR public access location. A current recreational vehicle handbook shall also be provided at all Vacation/Short-Term Rentals. These items can be found online, through the DNR, and/or through the Aitkin County Licensing Center.
- 8) A contact person shall be designated and contact information be provided to Aitkin County Environmental Services at the time of application.
- 9) A solid waste and recycling plan including the name of the Aitkin County licensed garbage hauler and frequency of garbage service.
- 10) Applicant must submit a pet policy.
- 11) Provide a list of all advertising sources pertaining to the Vacation/Short-Term Rental and notify Environmental Services with any changes to the advertising within 30 days.
- B. After a complete application is submitted and prior to the approval of the IUP, Aitkin County Environmental Services shall inspect (interior/exterior) proposed Vacation/Short-Term Rental to determine compliance with the requirements of this ordinance.
- C. Prior to approval of the Interim Use Permit, the owner shall provide a visual demarcation of the property lines to include a vegetative or man-made property marker.

17.04 General Requirements:

A. Septic/Solid Waste:

- 1) The Vacation/ Short-Term Rental shall be connected to an approved Subsurface Septic Treatment System (SSTS). The SSTS shall be designed and constructed with a design flow of seventy-five (75) gallons of water per person per day to handle the maximum number of guests for which the facility is permitted.
- 2) The SSTS shall include a flow measuring device. Flow measurement readings and monitoring of the SSTS shall be recorded monthly and records shall be made available to the Aitkin County Environmental Services on a

- yearly basis, or upon request. Installed flow measuring device will be verified by Environmental Services Department staff before issuing permit to operate the Vacation/Short-Term Rental.
- The use of holding tanks for Vacation/Short-Term Rentals shall be permitted provided that the Vacation/Short-Term owner fully comply with the Aitkin County Environmental Services staff and application requirements. During the application process, owner shall obtain an operating permit which shall be renewed by the owner every three years, share three previous years of pumping records, provide proof of a current pumping agreement, and submit tank integrity report by a licensed septic maintainer. In addition, to provide extra environmental safety, owner shall install commercial technology measures as required and approved by Environmental Services staff. Commercial technology measures include, but are not limited to, the following: sealed holding tank cover(s), leak-proof clean-outs, leak-proof inspection pipes, and a remote monitoring system to safeguard against unanticipated septic discharge.
- 4) If septic system fails causing an imminent threat to public health, Aitkin County Environmental Services will immediately issue cease & desist order and notify MDH of violation. If owner remains non-compliant, the Aitkin County Planning Commission will review and may revoke permit to operate the Vacation/Short-Term Rental. In this instance, and upon rectifying the septic system failure, the Vacation/Short-Term Rental owner is required to re-apply for a new IUP to include new fees, inspections, and hearing before the Aitkin County Planning Commission.

B. Occupancy:

- 1) The occupancy (overnight occupants) of a Vacation/Short-Term Rental shall be limited to no more than two (2) persons per bedroom (see (4) below for allowable number of occupants per bedroom) plus two (2) additional persons per building, or no more than one (1) person for every seventy-five (75) gallons of water per day that the building subsurface sewage treatment system (SSTS) is designed to handle, whichever is less.
- 2) The maximum number of occupants, including both overnight and nonovernight occupants, shall not exceed twice the approved overnight guests.
- 3) Attempting to obtain additional occupancy by use of recreational vehicles, tents, accessory structures or fish houses is prohibited.
- 4) Rooms used for sleeping shall be provided with egress windows that comply with the Minnesota State Building Code and with smoke detectors in locations

that comply with MN Statute chapter 299F. Every room occupied for sleeping purposes by one person shall contain at least 70 square feet of usable floor space, and every room occupied for sleeping purposes by more than one person shall contain not less than 60 square feet of usable floor space for each occupant thereof. Carbon monoxide detectors shall be installed in locations that comply with MN Statute section 299F.51.

5) No more than two (2) Vacation/Short-Term Rentals will be allowed on a parcel. More than two (2) Vacation/Short-Term Rentals on the same parcel or on contiguous parcels under common ownership shall constitute a resort and must meet the standards set forth in Section 15 and/or 16 of this ordinance and Section 7 of the Aitkin County Shoreland Management Ordinance.

C. Parking:

- 1) On-site parking shall be provided which is sufficient to accommodate the occupants of the Vacation/Short-Term Rental. Public streets and septic systems may not be used for calculating parking by renters or guests. Offstreet parking shall be provided with a minimum of one space per bedroom and one space for the Vacation/Short-Term Rental operator. Parking cannot restrict access by emergency vehicles of the traveling public and shall not impede any ingress or egress of the property owner. No parking shall be allowed on the roadway or within the road right-of-way.
- 2) Parking areas shall meet property line setbacks when feasible, but shall not be less than five (5) feet from the property lines.

D. Property Contact Information:

- 1) The applicant/owner shall keep on file with Aitkin County Environmental Services, the name and telephone number of a contact person who shall be responsible for responding to questions or concerns regarding the operation of the Vacation/Short-Term Rental. Aitkin County Environmental Services will ensure annually that all information is kept current. This information shall also be posted in a conspicuous location within the dwelling unit. The contact person must be available to accept telephone calls on a 24-hour basis at all times that the Vacation/Short-Term Rental is rented and occupied. The contact person must have a key to the Vacation/Short-Term Rental and be able to respond to the Vacation/Short-Term Rental within 60 minutes to address issues or must have arranged for another person to address issues within the same timeframe.
- 2) Each Vacation/Short-Term Rental must have a property information handbook available for renters that includes the name and contact information for the owner and/or caretaker; quiet hours as per approved IUP; maximum number

of overnight occupants; maximum number of non-overnight occupants; property rules related to the use of outdoor features such as decks, patios, fire pit, sauna and other recreational facilities; list of the conditions that were placed on the approved IUP; and a notice that all ordinances and IUP conditions will be enforced by the Aitkin County Sheriff's Office and Aitkin County Environmental Services.

3) The owner shall keep a report dating back one year, detailing the use of the Vacation/Short-Term Rental by recording the full name, address, and vehicle license number of guests using the property. A copy of the report shall be provided to Aitkin County Environmental Services upon request and in accordance with MN Statutes 327.10.

E. Advertising:

- 1) Websites and all other advertising of the rental property must be in compliance with the occupancy allowance and all other conditions per approved application. Environmental Services staff will regularly monitor online advertising to ensure Vacation/Short-Term Rental is complying with conditions agreed upon for IUP.
- 2) On premise advertising signs are prohibited.

F. Other Regulations:

1) The Planning Commission may impose conditions that will reduce the impacts of the proposed use on neighboring properties, public services, and nearby water bodies as well as other concerns including, but not limited to, public safety and safety of guests. Said conditions may include, but not be limited to: fencing or vegetative screening, native buffer along the shoreline, noise standards, duration of permit, restrictions as to the docking of watercraft, and number of guests.

17.05 Enforcement/Violations:

- A. For Vacation/Short-Term Rentals with compliance issues during the term of their IUP, investigations will be conducted by Aitkin County Environmental Services, and information will be gathered for the future consideration by the Aitkin County Planning Commission for subsequent renewals.
- B. Future compliance will be monitored through the regular review of the IUP and annual inspections of the Vacation/Short-Term Rental by Aitkin County Environmental Services. During the annual inspection, the Vacation/Short-Term Rental owner will be assessed an annual re-inspection fee plus per bedroom fee with

payment due prior to the annual inspection. Non-compliance will be brought before the Aitkin County Planning Commission.

- C. The conditions imposed by the Aitkin County Planning Commission and agreed upon by the Vacation/Short-Term Rental owner must be complied with during the term of the IUP.
- D. If substantiated complaints/violations have occurred during the term of the IUP, the IUP may be subject to a revocation hearing before the Aitkin County Planning Commission.
- E. If the IUP is revoked, MDH will be notified and the lodging license will be terminated.
- F. Any person, firm or corporation, or agent, employees or contractors of such, who violate, disobey, omit, neglect, refuse to comply with, or who resist enforcement of any of the provisions of Section 17 may be subject to the forfeiture of their IUP. Violations of Section 17 shall be deemed a misdemeanor. Each day that a violation continues to exist shall constitute a separate offense.
- G. Vacation/Short-Term Rentals discovered to have been renting prior to applying for and receiving an IUP, shall be assessed a five (5) times after-the-fact-fee at the time of issuance by Aitkin County Environmental Services.
- H. Any Vacation/Short-Term Rental operating without a permit as of the enactment date of this Ordinance, has 90 days to comply.

17.06 Appeals:

Appeals from any order, requirement, decision or determination made by the Environmental Services Department shall first be made to the Board of Adjustment in accordance with Section 10.04 of this ordinance.

Date: January 16, 2024

To: Aitkin County Board of Commissioners

RE: Proposed Amendments to the Vacation/Short Term Rentals Standards

On January 23, 2024 you will be holding a second reading of the proposed amendments to Section 17 - Vacation/Short Term Rental, of the Aitkin County Zoning Ordinance. Attached are comments I submitted to the Planning Commission on August 7, 2023. With the changes that were made from Draft 12 to Draft 13 some of the concerns I have on NE Lakes have been addressed. However, I would like to offer the following for consideration:

- 1) Private roads in my letter to the Planning Commission (PC) I suggested language be added to require all VSTR have direct access to a publicly maintained road. I still highly recommend this language be added to the VSTR standards. I explain my reasons for this language in the attached letter to the PC. It is a big issue for us that live on private roads and have to expend our time, money and equipment to improve and maintain these roads. As I mentioned in the letter to the PC, I maintain a ½ mile section of road that has 14 other residences and not one has contributed any time or money to help with the maintenance. Any added traffic will only increase the amount of time and money we will spend on these roads with no additional funding to offset these costs. Why would a public entity allow a commercial use on a private road without that road being upgraded and the maintenance taken over by a public entity before allowing a commercial use? This makes no sense and will only create tension and hostility between the landowners along the road.
- 2) Holding tanks My concerns haven't changed in my attached letter. Holding tanks are a last resort in the septic system hierarchy. Type 3 systems should be required before the use of holding tanks. I see staff has proposed some control devises to minimize, not prevent, the discharge of sewage from the holding tanks. These will only work on discharges to the ground surface and not from backing up into the residence (which is a high imminent threat to public health).
- 3) In the proposed language 17.01, D the second sentence, I suggest this sentence read "Guests of Vacation/Short-term Rentals on NE Lakes will not be allowed the use of motorized watercraft; ..." At the end of this paragraph, I suggest adding "Guests of Vacation/Short Term Rentals on NE Lakes will not be allowed the use of ATV/UTV vehicles on properties that do not have direct access to a publicly maintained road, or a County/State trail approved for ATV/UTV use."

The use of these vehicles creates holes from excessive acceleration and spin marks which increase the maintenance on the roads. In addition, many of these vehicles generate loud noise. The users can trailer them to a public road or trail.

4) 17.04, 4 – Imminent threats to public health are to be abated within 10 days according to MN Statutes 145A. Stronger language needs to be included in addition to going to the Planning Commission. If non-compliance after 10 days a citation should be issued and the file forwarded to the MPCA for further action according to MN Rules Chapter 7080.

I hope my suggested changes will be incorporated into the proposed amendments to Section 17 VSTR standards. Thank you for the opportunity to submit these comments!

Terry Neff, Aitkin County Citizen and retired Environmental Services Director

Aitkin County Planning Commission

At the June 26, 2023 Planning Commission meeting there were a couple of people who spoke in favor of the allowance of vacation rentals on Natural Environment (NE) Lakes and allowing the use of Holding Tanks for vacation rentals. Those people have a vested interest in these changes to the ordinance. None spoke on protecting the other land owners rights on the lake.

There was mention of staff having discussions with Crow Wing, Douglas and Cook Counties and comparing of the regulations for each County. These counties did not get ahead on the influx of vacation rentals like Aitkin County. We were one of the first counties to adopt an ordinance regulating these rentals. The other counties had hundreds (over a thousand in some cases) before they created regulations. They were unable to establish regulations such as ours because of the volume already in operation. So do not compare Aitkin County's ordinance to others and relax our standards. The present standards are based on 9 years of experience and have proven to be a balanced set of standards between the applicants and residents on the lake.

The following are problems with the proposed ordinance changes:

1) NE Lakes - Description from the Shoreland Management Ordinance: NE lakes are generally small, often shallow lakes with limited capacities for assimilating the impacts of development and recreational use. They often have adjacent lands with substantial constraints for development such as highwater tables, exposed bedrock, and unsuitable soils. These lakes are in rural areas and do not have much existing development or recreational use. These lakes usually have less than 150 total acres and less than 60 acres per mile of shoreline, less than 3 dwellings per mile of shoreline and are less than 15 feet deep.

Of the 163 listed NE lakes - 124 are less than 100 acres in size.

These lakes are the Jewel of Aitkin County, arguably the most precious resource we have. They are fragile and can not handle the impacts like General Development and Recreation Development lakes. Trumpeter Swans seek these lakes out due to their remoteness, low development and recreational use. They are quiet lakes.

The vast majority of these lakes are accessed by private roads that are not maintained by a public entity. The citizens that live on the roads are the ones that maintain them. I can speak from experience that not all people living on or using the roads pitch in on the maintenance. My wife and I maintain our road that has 14 other owners, none of which are permanent residences. We pay for the grading of the road. In the spring we do the ditching of water and filling the potholes with our number 9 shovels and use our own gravel. No one else has offered to help pay or assist us. This is a huge issue if vacation rentals are allowed on these roads. This isn't just a NE lake problem.

I am strongly opposed to allowance of vacation rentals on NE lakes. It is never a good idea to go backwards in the protection of our resources, especially with our most precious/sensitive resources. If the Commission chooses to recommend approval for vacation rentals on the NE Lakes with a public access, then there needs to be a definition, in this section of the ordinance, of a public access. I suggest the following - "A MN DNR improved public access that allows for launching and removal of watercraft by use of a truck/car and trailer. Access must have a dock". There is an invasive species concern when launching and removal of

boats from our lakes. An improved access, such as in the recommended language, will allow for inspection of watercraft.

I also recommend that there be an addition to the ordinance that all vacation rentals be accessed by a publicly maintained road! Not just on NE lakes but for all vacation rentals regardless of lake or zoning classification.

Carollo

2) THE USE OF HOLDING TANKS: This is not a good idea for obvious reasons. People who will be renting these structures will be coming from areas with city sewer and water. They are not use to conserving water and if they hear an alarm will just shut the alarm off and go on with there vacation. This is how we discovered vacation rentals in the first place - year 2013. Holding tanks are the last resort in the septic system hierarchy. They are to be used when no other option exists.

If an alarm goes off while the place is being rented there may be a days reserve capacity in the tank. What happens if it is 2 or 3 days before it can be pumped? The renters sure are not going to stop using the toilet, sink or showers! So we now have a discharge to the ground surface and potentially to the water resource!

If the PC is considering the allowance of holding tanks, I would certainly hope not, but if you are then further discussion is needed on allowing time dosing for the smaller sized drainfields. These are a step up on the septic system hierarchy from holding tanks. These systems have their issues as well but the main issue is on proper sizing (dosing) of the system. There is also a maintenance requirement when alarms are activated. Knowledgeable trained staff are needed to review designs and inspect these systems.

3) The proposed ordinance changes are having the IUP renewals come back to the planning commission. Logistically this will become more difficult based on the number of renewals and other CUP/IUP applications. If there are no validated complaints, and an inspection by the Environmental Services staff verifies the applicant is operating in compliance with the permit and conditions, then I suggest the Department reissue the IUP for another 5 years (no need to bring back to the PC).

And lastly, Section 17.04,(1)(d) – there is no reason to notify the MDH on all imminent threats to public health, they only need to be notified if the IUP requires an MDH license. A notification to the MPCA is more appropriate.

Thank you for the opportunity to comment on the proposed changes to the zoning ordinance! If you would like to discuss any of the above, I would be more than happy to sit down and answer questions or expand on my comments.

Sincerely,

Terry Neff

Citizen and retired Env. Serv. Director