

ORDINANCE NO. O-23-01

AN ORDINANCE AMENDING CHAPTER 2 (DEFINITIONS) AND CHAPTER 6 (RESIDENTIAL DISTRICTS) OF TITLE 5 (ZONING) OF THE CITY CODE PERTAINING TO SHORT-TERM RENTAL PROPERTIES

WHEREAS, the City of Prospect Heights, Illinois, (the “City”) has enacted City Code regulations for the purpose of improving and protecting the public health, safety, comfort, convenience and general welfare of the people; and

WHEREAS, short-term rental properties have been developing throughout the residential real estate market and have become a popular alternative for people to use instead of hotels; and

WHEREAS, the City does not currently regulate short-term rental properties and has determined it is in the best interests of the public safety, health and general welfare to enact reasonable zoning standards and restrictions to alleviate any potential adverse impacts for the future.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Prospect Heights as follows:

SECTION 1: The recitals set forth above are incorporated herein.

SECTION 2: Chapter 2 (Rules and Definitions) of Title 5 (Zoning) of Code of the City of Prospect Heights is hereby amended by adding the bold underlined language follows:

5-2-3: DEFINITIONS:

* * *

SHORT-TERM RENTAL MARKET PLACE: A platform through which the owner or authorized agent of the owner of the single-family or residential dwelling unit offers a short-term/vacation rental to an occupant/customer.

SHORT-TERM RENTAL PROPERTY: A single-family dwelling that is offered for rent for a period shorter than thirty (30) consecutive days to any person other than a member of the owner's family. The term "short-term rental" shall not include hotels, motels, or lodging establishments licensed pursuant to this Code or a unit that is used for non-residential purposes such as educational, healthcare, retail, restaurant, banquet space, event center, or other similar uses.

* * *

SECTION 3: Chapter 6 (Residential Districts) of Title 5 (Zoning) of the City of Prospect Heights is hereby amended by adding the underlined language as follows:

5-6-1: R-1 SINGLE-FAMILY RESIDENTIAL DISTRICT:

A. Permitted Uses: The following uses are permitted:

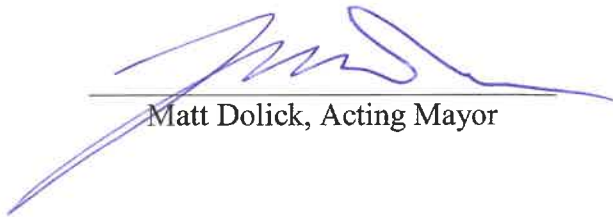
* * *

Short-term rental properties, in accordance with the provisions of title 3, chapter 7 of the city code.

SECTION 4: Severability. If any provision of this Ordinance or application thereof to any person or circumstances is ruled unconstitutional or otherwise invalid, such invalidity shall not affect other provisions or applications of this Ordinance that can be given effect without the invalid application or provision, and each invalid provision or invalid application of this Ordinance is severable.

SECTION 5: Effective Date. This Ordinance shall be in full force and effect upon its passage and approval as required by law.

PASSED and APPROVED this 27th day of February 2023.



Matt Dolick, Acting Mayor

ATTEST:



Deputy Clerk Schultheis

AYES: Dolick, Dash, Ludvigsen, Cameron, Morgan-Adams
NAYS: None
ABSENT: None

Published in pamphlet form: February 27, 2023





City of Prospect Heights

Department of Building & Zoning
8 North Elmhurst Road, Prospect Heights Illinois, 60070-6070
Office: 847/398-6070 x 211-FAX: 847/590-1854
www.prospect-heights.il.us

MEMORANDUM

Date: February 22, 2023

To: Acting Mayor Dolick and Aldermen

Cc: Joe Wade, City Administrator

From: Daniel A. Peterson, Director of Building & Development

Subject: PZBA Case #23-01 TA – Text Amendment
Ordinance #O-23-01 Text Amendment to Title 5 Chapters 2 & 6 Short-Term Rentals

ISSUE:

Consideration of Ordinance #O-23-01 a Text Amendment to Title 5 Chapter 2 Definitions and Chapter 6 Section 1 adding Short-Term Rentals as a Permitted Use in the R-1 Single-family Residential District; and Ordinance #23-04 amending Title 3 Chapter 7 Property Rental Code.

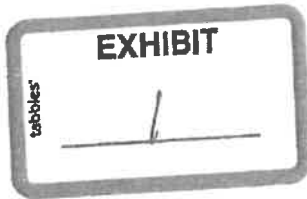
BACKGROUND:

At the January 9, 2023 City Council meeting, staff made a presentation of the Property Rental Code and the necessity to amend the City's Zoning and Health and Sanitation codes to address Short-Term Rentals (STR). Staff received concurrence to present a text amendment to the PZBA for public hearing and recommendation.

The PZBA held a public hearing on January 26, 2023, to consider the text amendment application and supporting changes to the Health & Sanitation Code. Director Peterson represented the application, the reasons why the changes are necessary to protect the health safety and welfare of the residential districts and the recommended changes to the ordinances.

Staff presented the proposed ordinance for first reading at the February 13, 2023 City Council meeting. Alderman Ludvigsen wanted staff to review the definitions for Short-Term Rental properties. Upon review staff and legal revised the definition of short-term rental properties to clearly define short-term rental properties applies to only single-family properties. The change was made to both Ordinance #O-23-01 and Ordinance #O-23-04.

RECOMMENDATION: City Council approves Ordinance #0-23-01 Amending Title 5 Chapters 2 and 6 of the Zoning Ordinance pertaining to Short-Term Rentals. (Second Reading)



FOR OFFICE USE ONLY:
 FEE PAID _____
 DATE _____
 RECV'D BY _____
 CASE # _____
 MEETING DATE _____

**PLAN/ZONING BOARD OF APPEALS
 APPLICATION**

Special use (\$400) _____
 Variation (\$150) _____
X Text Amendment (\$300) _____

Map Amendment (Refer to Ord. 0-03-18) _____
 Subdivision/PUD (Refer to Ord. 0-03-18) _____
 Lot Consolidation (Refer to Ord. 0-03-18) _____
 Appearance Review _____

In addition to the application fee a refundable deposit not <\$500 nor >\$5,000 shall be required for all zoning applications to offset the direct costs of the application incurred by the City. If costs exceed the available escrow balance applicant will be required to replenish account. If balance remains the money will be refunded or applied to any building permit cost. (Refer to Ord. 0-18-06: 5-10-7(D))

APPLICANT: City of Prospect Heights – Daniel A. Peterson, Director
 ADDRESS: 8 N. Elmhurst Rd
Prospect Heights, IL 60070

PHONE: 847-398-6070

E-MAIL: dpeterson@prospect-heights.org

ADDRESS OF SUBJECT PROPERTY: City Wide – Text Amendment

PROPERTY IS LOCATED IN THE R-1 Single-Family Residential ZONING DISTRICT.

APPLICABLE SECTION OF ORDINANCE: Title 5 Chapter 2 and Chapter 6 Section 1A

DESCRIPTION OF REQUEST: Amending the zoning code to add Short—Term Rentals as a permitted use.

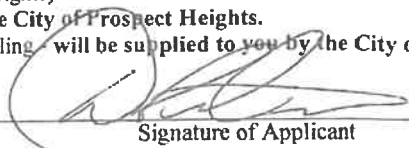
Are there any covenants, conditions, restrictions or floodplain issues concerning type of improvements, setbacks, area or height requirements, occupancy or use limitations, etc. placed on the property and now of record: YES _____ NO _____
 If yes, please describe: Not applicable

Has the property been the subject of previous or pending administrative legislative or court action:
 YES _____ NO _____ If yes, give details: Not applicable

The follow items MUST be submitted at time of filling:

1. Application (12 copies)
2. Plat of Survey (12 copies) – must be drawn to scale and indicate the location of the proposed addition or construction and must contain the legal description of the property, along with additional information to support the application. (12 copies) *Note - please include one copy for file no longer than 11x17.
3. Proof of Ownership (1 copy)
4. Letter indicating Hardship (for variations only 12 copies)
5. Application Fee (cash or check made payable to: City of Prospect Heights)
6. Notice to Property Owners (1 copy) – will be supplied to you by the City of Prospect Heights.
7. List of Property Owners (1 copy) for Notice to Property Owners mailing – will be supplied to you by the City of Prospect Heights.

December 22, 2022
 Date:


 Signature of Applicant

Zoning Review



Date: January 20, 2023
Reviewer: Daniel A. Peterson, Director of Building & Development
Applicant: City of Prospect Heights
Subject Property: R-1 Single Family Residential District
Application: ZBA #23-01 TA – Text Amendments

Project: Amend Sections: 5-2: Definitions and 5-6-1 A

Documents Reviewed:

A. Application prepared by: Daniel A. Peterson, Director of Building & Development

Applicable Zoning Code Sections: Amendments 5-10-10
R-1 Single-Family Residential District: 5-6-1A

Current Zoning: R-1
Proposed: R-1 with amendment adding Short-Term Rentals as a permitted use and definitions related to Short-Term Rentals.

Current Use: Single-Family Residential
Proposed: Single-Family Residential
Use Area ±: N/A
Parking: Class 1 = 2 per dwelling unit – No Changes
Proposed Parking: Per table of off street parking

5-10-10: AMENDMENTS:

- A. Authorization: The regulations imposed and districts created by this title may be amended by ordinance from time to time in the manner provided by this title and the applicable Illinois statutes. (Ord. 0-77-27, 7-18-1977)
- B. Initiation Of Map And Text Amendments: Text amendments may be proposed in writing by the city council, the plan/zoning board of appeals, by any person having proprietary interest in the property in the city, or by any interested citizen of the city.

Response: The City staff can initiate the public hearing.

Map amendments may be proposed by the owner of the property involved, by the city council, by the plan/zoning board of appeals, or by other city officials.

- C. Standards For Map And Text Amendments: No map or text amendments shall be recommended by the plan/zoning board of appeals unless said board shall find: (Ord. 0-77-27, 7-18-1977; amd. Ord. 0-03-35, 9-15-2003)

1. That the net impact of the proposed amendment, if granted, will be beneficial to the entire community and will not be harmful to the local area in particular.

Response: The amendments will be beneficial to the community and not be harmful. The City currently allows rentals of single-family residents without rules governing the type of rentals. The proposed amendment will provide requirements to ensure the use will be beneficial and not be harmful to the district.

2. That a need exists for the general type of use proposed and that the specific proposal will indeed satisfy it more closely than the other possible uses.

Response: The proposed use currently does not exist within the City. To address the change in how people travel for work and pleasure the short-term rental of single-family homes has increased in market share.

3. That the use proposed is compatible with the current comprehensive land use plan of the city of Prospect Heights, in effect on the date of the application.

Response: The proposed use is in line with current practices of allowing rentals of single-family properties.

4. That the proposed use is compatible and harmonious with uses in the surrounding general area. (Ord. 0-77-27, 7-18-1977)

Response: Establishing the use and associated ordinance changes will insure that the use is compatible and harmonious with use in the general areas.

5. That the area described in the petition does not lie wholly or partly in the floodplain as defined by the Illinois department of transportation, division of water resources, or, if it does lie wholly or partly within the floodplain, that adequate provisions for storage, runoff control and floodwater retention, as appropriate, have been made or can be made. (Ord. 0-89-25, 6-5-1989)

Response: The R-1 District does have property that lies within a floodplain, but the use will not negatively impact the floodplain.

D. Notice Of Hearing: Public notice of such hearing shall be published at least once, not less than fifteen (15) days nor more than thirty (30) days before such hearing, in a newspaper published within the city of Prospect Heights. Such notice shall contain the date, time and place of the hearing, the street address or common description of the property involved, legal description of the property involved, and a brief description of the proposed amendment. The board may give such additional notice as it may, from time to time, by rule provide. Any party in interest may appear and be heard at the hearing in person, by agent, or by attorney. (Ord. 0-77-27, 7-18-1977)

Response: Public Notice was properly made.

Recommendation:

Staff concurs and recommends approval of the requested Text Amendments.