

MAYOR'S NEIGHBORHOOD ROUNDTABLE SUMMARY

January 13, 2020

Tracy Corr opened the meeting on Monday, January 13, at 5:30 p.m. in the Mayor's Conference Room, City/County Building, Lincoln, NE.

Attendance

Nineteen residents and six City staff attended:

Tracy Corr – 40 th & A NA	Jennifer Powell – Country Club NA
Paula Baker – Everett NA	George Baker – Everett NA
Sue Burkey – Hartley NA	Myrna Coleman – Highlands NA
Andy Gueck – Indian Village NA	Geri Cotter – Irvingdale NA
Pat Bracken – Irvingdale NA	Dennis Hecht – Meadowlane Area RA
Andrea Gebhart – Northern Lights HOA	Russ Meyer – Taylor Park NA
Mike DeKalb – University Place CO	Bill Vocasek – West A NA
Fred Freytag – Witherbee NA	Randy Smith – Woods Park NA
Söndra Washington – City Council	Tammy Ward – City Council
Barb Baier – Lincoln Public Schools	Sarah Mason – Keep Lincoln-Lanc. Co. Beautiful
Jon Carlson – Mayor's Office	David Cary – Planning Dept
Rachel Jones – Planning Dept	Wynn Hjermstad – Urban Development Dept
Mayor Gaylor Baird	

Welcome & Introductions

Tracy Corr welcomed everyone and asked for introductions. Jon Carlson volunteered to take notes.

Mayor Gaylor Baird Comments

Mayor thanked neighborhood leaders for helping push out the City Satisfaction survey. It's an important tool for improving city programs and services and also important as input when beginning to form the upcoming budget. Mayor also encouraged people to spread the word to help increase participation in the census.

Short-Term Rentals

David Cary, Director, Lincoln/Lancaster County Planning Department, 402-441-6364, dcary@lincoln.ne.gov

David Cary gave an overview of the discussion draft of new regulations for Short Term Rentals (STR). **See Attachments 1 & 2.** Short term rentals (sometimes referred to by their operating platforms like Air BnB, VRBO, etc.) are the rental of all or a portion of a residential dwelling for no more than 30 days. Proposed regulations would apply to City of Lincoln and 3 mile extraterritorial jurisdiction. Two open houses are scheduled, both at 5:00-6:30 pm with a presentation at 5:30pm. The dates and locations are January 21st at Culler Middle School (5201 Vine Street) and January 29th at Cavett Elementary (7701 S. 36th Street). More information is available on the city website at lincoln.ne.gov, keyword "[short term rental](#)"

Attendees expressed concerns about hotel-like activities disrupting neighborhoods. Cary said enforcement by Building & Safety would typically be on a complaint basis. There are also companies like Host Compliance that contract out to license and regulate STR's. Roundtable members liked the requirement of primary residency because that addressed their worries that investors could otherwise buy up available affordable housing. Also, primary residency encourages better oversight and care.

Lincoln Public Schools – School Bond Issue

*Barbara Baier, Member, Lincoln Board of Education: 402-202-1846, bbaier@lps.org; and
Dr. John Neal, Assistant Superintendent of Governmental Relations & General Administration, Lincoln Public
Schools: 402-436-1608, joneal@lps.org.*

John Neal and Barb Baier spoke about the upcoming LPS school bond mail-in election. **See Attachment 3.** Ballots will be mailed to voters between January 20th and January 31st. The Mail-in ballot must be returned in the mail by Friday, February 7, to make the Election Commission's 5:00 pm deadline on Tuesday, February 11. The new bond is for \$290 million to be used for new schools and renovations of existing schools. If voters approve, the new bonds will replace existing bonds that are being paid off. So there will be no change in the tax rate due to the new bonds. More information is available at lps.org/2020bond.

Announcements

- The **2020 Neighborhood Forum** will be January 25, 2020, from 9:00 am to Noon, 2640 R Street, the Sower Church, also known as Candlewood Church. For more information, visit: <https://nwlincoln.org/>. Register at: <https://www.neighborhoodforum4.eventbrite.com>. For additional information, please contact Pat Anderson-Sifuentez at pat.anderson@nwlincoln.org or 402-477-7181, ext. 106.
- **2050 Comprehensive Plan Kickoff** will be on Thursday, February 6th, from 5:00 pm -7:00 pm at the Pinnacle Bank Arena, 400 Pinnacle Arena Drive. Presentation at 5:30pm.

Next Meeting/Agenda

Next meeting will be February 10th. Topics will be Spring clean ups and the 2020 US Census.

Adjournment

The meeting adjourned at approximately 6:30 p.m.

Respectfully submitted, Jon Carlson

Short-Term Rentals

Discussion Draft for Proposed Regulations

Regulations would apply within the City of Lincoln and its 3-mile extraterritorial zoning jurisdiction.

A **short-term rental (STR)** is the temporary rental of residential rooms or homes. The type of rental can vary from a whole house, apartment, or room(s) within a dwelling.

City of Lincoln regulations do not directly address STRs. Previously, they were considered a hotel use in commercial zoning districts and allowed as a home occupation in residential districts.



Image © 2019 Google

In March 2019, the Nebraska Legislature passed Legislative Bill 57 (LB57), which limited the regulations that municipalities can impose on STRs while allowing typical zoning and building code issues to be addressed.

The City of Lincoln needs to update its Municipal Code to better address LB57 by establishing licensing and life safety standards for STRs. The following proposal was created for discussion and comment by the public. Public hearings on the changes are anticipated to take place during early 2020.

What would the zoning requirements be?

It is proposed to allow STRs in residential zoning districts and a number of commercial and industrial districts, most of which allow hotels. Thus, the use of a dwelling for an STR would be allowed in the R-1 through R-8, O-1, O-3, B-1, B-2, B-3, B-4, B-5, H-1, H-2, H-3, H-4, I-1, I-2 and I-3 districts under the following conditions:

- Licensing** The operator (host) must obtain a license from the Building & Safety Department.
- Residency** The short-term rental must be the operator's primary residence.
- Accessory Dwellings** An accessory dwelling unit could be used as a short-term rental if the above conditions are met.

How would Short-Term Rentals be defined?

“The rental of all or a portion of a residential dwelling for accommodations by the person or persons maintaining the dwelling as their primary residence for a length of stay per guest visit of no more than 30 consecutive days. Short-Term Rental does not include rental of a dwelling unit for meetings including but not limited to luncheons, banquets, parties, weddings, fund raisers, or other similar gatherings for direct or indirect compensation.”

The table below describes several possible use scenarios and whether they would be allowed under the proposed rules.

Allowance	Scenario	Conditions
Allowed	Rental of bedroom(s) within a house or apartment.	Allowed as long as the house or apartment is the operator’s primary residence, a license is obtained, and the lease (if applicable) allows the rental. The maximum rental period per guest stay is 30 days. No limit on frequency of rentals or total days rented per year.
Allowed	Rental of an entire house or apartment.	Allowed as long as the house or apartment is the operator’s primary residence, a license is obtained, and the lease (if applicable) allows the rental. The dwelling can be rented for a maximum of 30 days per guest stay. No limit on frequency of rentals or total days rented per year.
Allowed	Rental of an accessory dwelling such as a mother-in-law suite or detached accessory dwelling unit.	Allowed as long as the accessory dwelling is the operator’s primary residence, and the lease (if applicable) allows the rental. The accessory dwelling can be rented for a maximum of 30 days per guest stay. No limit on frequency of rentals or total days rented per year.
Prohibited	Rental of a house or other dwelling for use as a party space and not for lodging.	<u>Not</u> allowed. This use would be considered a commercial event space rather than accommodations.

How would Short-Term Rentals be licensed?

All STR operators would be required to obtain a license from the Building & Safety Department for each dwelling being rented. The license could be revoked in the event of multiple City violations cited against the operator, such as noise violations.

License Cost and Renewal

The license application fee is anticipated to range from approximately \$150 to \$300. The actual fee will be determined based upon the cost of staff resources. There would be an annual license renewal required to ensure the information stays current and re-affirm that life safety standards are met.

Life Safety Requirements

To obtain a license, the operator must affirm that the dwelling meets the basic life safety requirements listed below. Several of the requirements are taken from current building and maintenance codes.

- Smoke alarms are present and operational in all rooms intended for sleeping purposes, immediately outside of each sleeping area, and in each story within a dwelling, including basements and cellars, and in common areas outside of bedrooms and on each level of a building.
- Carbon monoxide detectors are present and operational on each level of buildings with fuel burning appliances and in attached garages.
- All areas used for sleeping purposes have two means of egress in working order unless an approved sprinkler systems is installed.
- The building's street address numbers are plainly visible from the street and maintained as such.
- All furnished appliances, finishes, windows, doors, handrails, guardrails, plumbing drains and fixtures, HVAC/mechanical systems, and electrical systems are maintained in good working order.
- The property will not be leased to more than two persons per bedroom / sleeping area.
- Prior to a Short-Term Rental occurring, the licensee will inform the renter(s) which areas are permitted to be used for bedrooms / sleeping areas.

Demonstrating Primary Residency

The STR operator must demonstrate that the dwelling they want to rent out is their primary residence. A person can only have one primary residence at a time. The primary residence would be defined as the place where the applicant resides for at least 6 months out of a 12 month period.

Applicants will be required to submit at least two (2) forms of proof of address from the following list as part of the licensing process:

- Motor vehicle registration
- Government-issued identification
- Voter registration
- Tax documents
- Utility bill



How would the Hotel Occupation Tax apply to Short-Term Rentals?

The Hotel Occupation Tax would be collected by the City on each STR listing at the rate of 4% of gross revenue. To clarify this requirement, Section 3.28 of the Lincoln Municipal Code would be revised to address STRs. It will be the operator's responsibility to track and pay this tax. An informational handout will be made available to assist operators with calculating and paying the tax.

In addition to the locally imposed Hotel Occupation Tax, the State of Nebraska collects sales and lodging tax on STRs through the hosting platforms such as Airbnb.

Questions or comments?

For more information or to submit a comment, visit the web site at <https://www.lincoln.ne.gov/city/plan/dev/shortterm/shortterm.htm>

Questions can be directed to Rachel Jones, (402) 441-7603 or rjones@lincoln.ne.gov.

Lincoln-Lancaster County Planning Department
555 S. 10th Street, Suite 213
Lincoln, NE 68508
Phone: (402) 441-7491

Attachment 2

SHORT-TERM RENTALS

Mayor's Neighborhood Roundtable

January 13, 2020

What is a short-term rental? (STR)

- Temporary rental of residential rooms or homes. Includes rental of a whole house, apartment, or room(s) within a dwelling.
- Common platforms are Airbnb, VRBO and HomeAway.



Residence – A residential use lasting more than 30 days.

Hotel – A commercial use typically renting for 30 days or less.

STR – A residential use lasting 30 days or less. It falls somewhere between a Residence and a Hotel.

How does the City allow STRs today?

- STRs are not directly addressed in the City Code.
- However, they have been allowed as a home occupation in Residential zoning districts and considered a hotel in Commercial and Industrial zoning districts.

Legislative Bill (LB) 57

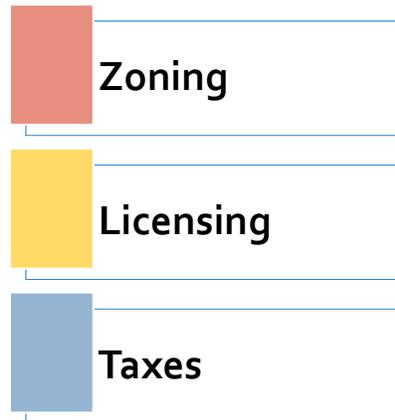
- Approved March 2019 by the Nebraska Legislature.
- Prevents municipalities from banning STRs.
- Allows regulation of issues such as zoning, fire and building codes, and noise.
- City ceased enforcement when LB57 was enacted until a new ordinance is adopted.



What changes are being considered?

- The City of Lincoln needs to update its Municipal Code to better address LB57 by establishing licensing and life safety standards for STRs.
- Comments will be considered and incorporated into a finalized proposal with hearings at Planning Commission and City Council.
- **A Discussion Draft describing one way to regulate STRs was created to start the community discussion.**

Discussion Draft



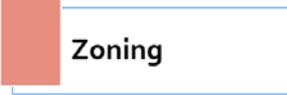
Discussion Draft



Definition:

“The rental of all or a portion of a residential dwelling for accommodations by the person or persons maintaining the dwelling as their primary residence for a length of stay per guest visit of no more than 30 consecutive days. Short-Term Rental does not include rental of a dwelling unit for meetings including but not limited to luncheons, banquets, parties, weddings, fund raisers, or other similar gatherings for direct or indirect compensation.”

Discussion Draft



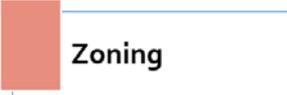
Zoning

Allow STRs in residential zoning districts and most commercial and industrial districts (R-1 through R-8, O-1, O-3, B-1, B-2, B-3, B-4, B-5, H-1, H-2, H-3, H-4, I-1, I-2 and I-3).

Conditions:

- 1) **The operator (host) must obtain a license.**
- 2) **The STR must be the operator's primary residence.**
- 3) **An accessory dwelling unit could be used if the above conditions are met.**

Discussion Draft



Zoning

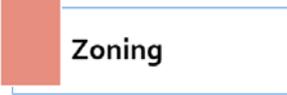
A reminder of our land use categories:

Residence – A residential use lasting more than 30 days.

Hotel – A commercial use typically renting for 30 days or less.

STR – A residential use lasting 30 days or less.

Discussion Draft

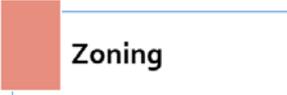


Zoning

Why Primary Residency?

- Distinguishes an STR from a Hotel, which would not normally be allowed or desired in neighborhoods.
- There may also be implications for increased concern for neighbor impacts and property maintenance.

Discussion Draft



Zoning

Scenario	Allowed?
Rental of bedroom(s) within a dwelling.	Yes
Rental of an entire house or apartment.	Yes
Rental of an accessory dwelling unit.	Yes
Rental of a dwelling for use as a party space.	No – considered a commercial event space.

Discussion Draft

Licensing

- All operators would be required to obtain a license from the Building & Safety Department for each dwelling being rented.
- License could be revoked in the event of multiple City violations.
- License application fee and annual renewal.

Discussion Draft

Licensing

- The operator must affirm that the dwelling meets the basic life safety requirements such as:
 - Smoke alarms
 - Carbon monoxide detectors
 - Egress for sleeping areas
 - Electrical, HVAC, appliances, doors and windows, etc. in working order
 - Visible street address numbers
 - Max. 2 persons per bedroom/sleeping area
 - Inform renters which areas are permitted to be used for bedrooms/sleeping areas

Discussion Draft

Licensing

Primary Residency

- The STR must be the operator's primary residence.
- One primary residence at a time; the place where the applicant resides for at least 6 months out of a 12 month period.
- Applicants must submit at least 2 forms of proof of address (government-issued ID, voter registration, utility bill, etc.)

Discussion Draft

Taxes

Several types of taxes could apply:

- **Hotel Occupation Tax** - locally imposed tax collected by the City of Lincoln. An amendment to Title 3 of the LMC would revise the definition of "Hotel" to include STRs. If approved, Hotel Occupation Tax would be imposed on each STR listing at the rate of 4%, regardless of the number of bedrooms rented.
- In addition, the State of NE collects state and county lodging tax and local sales tax. Many larger hosting platforms already collect these taxes.

Open Houses

- January 21, 2020 at Culler Middle School
- January 29, 2020 at Cavett Elementary School

From 5:00 pm to 6:30 pm. A presentation by City staff will begin at 5:30 pm.

Website (keyword: short term rental)

- View the Discussion Draft
- Open House dates & times
- Submit comments via a questionnaire

The screenshot shows the City of Lincoln Planning Department website. The main heading is 'Development Review' with a sub-heading 'SHORT TERM RENTALS'. The text explains that a short-term rental (STR) is the temporary rental of residential rooms or homes. It mentions that in March 2019, the Nebraska Legislature passed Legislative Bill 57 (LB57), which limited regulations that municipalities can impose on STRs while allowing typical zoning and building code issues to be addressed. A 'Discussion Draft' section states that the City of Lincoln needs to update its Municipal Code to better address LB57 by establishing licensing and the safety standards for STRs. The page also includes a 'Discussion Draft for Proposed Regulations' link and a 'How do other communities regulate STRs?' link. The right sidebar contains contact information for the City of Lincoln Planning Department, including the address (603 S. 10th St., Ste. 210, Lincoln, NE 68502 USA), phone number (402-441-6971), fax number (402-441-6377), hours (8:30 am - 4:30 pm weekdays), and a 'Send to your Address Book' button. There are also social media icons for Facebook and Twitter, and a 'Sign for what's hot' button. The bottom right corner features the 'LPTLINK' logo and a 'Request an application, more info or pictures, request form here, etc.' link.

Key topics for discussion:

- How best should STRs be allowed in residential areas?
- Should the owner/resident be present during the rental stay?
- Should the rental be the operator's primary residence?
 - 6-month minimum for being considered a "primary resident".

Bond Issue 2020

FAST FACTS ABOUT THE BOND ISSUE OF 2020

Lincoln Public Schools | Lincoln, Nebraska

On December 10, the Lincoln Board of Education passed a resolution calling for a special election on February 11, 2020 asking voters to approve a \$290 million bond issue to address building needs throughout the school district identified in the updated LPS 10-year Facility and Infrastructure Plan. More information about the bond election can be found on our website at lps.org/2020bond.

Why a Bond Issue?

- Increased student population
- Addresses the need for high school capacity
- Addresses facility and capacity needs in existing schools
- Continues the commitment to maintain existing school buildings



Why a Special Election in February?

- Maximizes the 2020 summer construction season
- Cost savings from earlier construction schedule
- Increasing high school capacity in 2022 and 2023

Financial Facts: The analysis and planning for the 2020 bond issue indicates that it can be funded based on the current building and bond levy rate with **no planned levy increase** in the combined bond and building fund. The updated 10-year Facility and Infrastructure Plan includes:

High School Facility Investments

- Two new high schools - one at South 70th & Saltillo Road, one at NW 48th and Holdrege streets
- Six current high schools and focus programs: facility enhancements and renovations, including an investment in athletic and activity facilities
- Future site acquisition and development

Middle School Facility Investments

- Park Middle School: Upgrading windows, finishing, lighting, heating and cooling systems
- Scott Middle School: Additional classrooms and physical education space
- Dawes, Lefler, Lux, Mickle and Schoo: Addition of physical education and multi-purpose spaces
- All middle schools: enhancements and renovations of specialized learning spaces

Elementary School Facility Investments

- Everett Elementary School: Upgrading windows, finishing, lighting, heating and cooling systems
- A new elementary school at approximately 102nd and Holdrege streets
- Wysong: Addition of classroom space
- Arnold Elementary School: Additional space to serve pre-kindergarten and kindergarten students

Infrastructure Needs for All Schools

- Playground equipment and surfacing
- Roof recapping and replacements
- Interior lighting upgrades
- Traffic flow improvements
- Bleachers
- Parking lot paving
- Future site acquisition

HIGH-QUALITY PUBLIC SCHOOLS BRING VALUE TO OUR COMMUNITY