



City of Cambridge

O-5
IN CITY COUNCIL
April 24, 2017

COUNCILLOR KELLEY
COUNCILLOR DEVEREUX
VICE MAYOR MCGOVERN
COUNCILLOR TOOMEY

WHEREAS: Over the past year, this Council has received a wealth of public commentary regarding short-term rentals, communicated through public testimony, working groups, community meetings, hearings in both the Ordinance and Joint Housing and Public Safety Committees, meetings with various stakeholders, and through scores of emails, and together these communications have given ample examples of the opportunities and challenges that short-term rentals pose in Cambridge; and

WHEREAS: The many owner-occupied operators who have shared their experiences with the Council are a testament to why Cambridge remains such a welcoming City to visitors the world over, and the provisions put forward in this proposal have benefited from their input; and

WHEREAS: The attached proposal creates a regulatory framework to ensure the City's short-term rentals are legal, safe, and fair; now therefore be it

ORDERED: That the attached amendments to the Cambridge Zoning Ordinance be forwarded to the Ordinance Committee and Planning Board for a hearing and report.

In City Council April 24, 2017.

Adopted by the affirmative vote of eight members.

Attest:- Donna P. Lopez, City Clerk

A true copy;

ATTEST:-

Donna P. Lopez, City Clerk

Zoning Ordinance Chapter 4.60—Short-Term Rentals

4.60 Short-Term Rentals

4.61 *Purpose.* This ordinance shall provide regulations to make the operation of short-term rentals legal for Cambridge residents, protect the safety of renters and residents, ensure that the primary use remains residential, and to ensure that short-term rentals will not be a detriment to the character and livability of the surrounding residential neighborhood.

4.62 *Definitions*

- a. Short-term rental. Any rental in a residential dwelling stipulated to be less than 30 consecutive days and used for residential purposes only.
- b. Short-term renter. Any person or persons occupying a short-term rental in exchange for payment for a duration of less than 30 consecutive days.
- c. Owner-occupied unit. Any dwelling unit with short-term rentals that is also the primary dwelling unit for its operator, or occupied by the primary leaseholder, with three or fewer rooms for rent for fewer than 30 consecutive days each.
- d. Owner-adjacent unit. Any dwelling unit used for short-term rentals, not occupied by the owner, in a residential building with four or fewer total units where all units are owned by the same person, and one of the four units is used as the primary place of residence for the owner.

4.63 *Applicability.* The regulations of this chapter shall apply to all districts where residential uses are allowed.

4.64 *Requirements.* Short-term rentals are permitted in all districts where residential use is permitted subject to the following limitations.

1. All short-term rentals are either in owner-occupied units or owner-adjacent units.
2. All short-term rental operators are registered with the Inspectional Services Department prior to use and occupancy.
3. The dwelling unit is compliant with all standards and regulations established by the Inspectional Services Department and Fire Department for the safety and wellbeing of short-term renters.
4. The proprietor of a short-term rental operates no more than one (1) owner-occupied unit and one (1) owner-adjacent unit.
5. Operators of short-term rentals remit to the appropriate body all fees and taxes as promulgated by the City and/or State authorities.

6. The operator maintains liability insurance appropriate to cover the short-term rental use of not less than \$1,000,000 to cover bodily injury and property damage arising from use.

An owner-adjacent unit may be rented out only as a whole unit to one party of short-term renters at any one time and the number of unrelated guests must be in compliance with the City's existing limits on unrelated individuals cohabitating.

The number of short-term rentals in an owner-occupied unit shall be limited by the number of bedrooms licensed for occupancy in the unit and by the City's existing limits on unrelated individuals cohabitating.

Advertising or renting for an hourly rate, or less than ten (10) consecutive hours, shall not be permitted.

Commercial meetings and uses are prohibited with short-term rentals.

4.65 *Standards.*

1. The following information shall be posted in all owner-adjacent units in a manner as defined by the Inspectional Services Department:
 - a. Compliance with the City's recycling and composting programs.
 - b. An emergency-exit diagram in all bedrooms used for occupancy and on all egresses in the unit.
 - c. When the operator of a short-term rental is not present, the contact information for a locally available contact designated to respond to all emergencies and problems that may arise during the rental, whether from renters, neighbors or municipal authorities.
 - d. Compliance with all Inspectional Services Department and Fire Department codes.
2. The Inspectional Services Department must verify that each bedroom to be rented to short-term guests:
 - a. Meets all building code requirements for bedroom occupancy. Bedrooms to be offered for short-term rental are required to be inspected within 30 days of registration to ensure compliance with standards set by the Inspectional Services Department and then on a regular timetable to be set by that same department.
 - b. Meets all requirements set forth by the Fire Department.

3. No owner-adjacent unit may be rented or advertised on any short-term rental platform before an inspection has been completed, or 30 days has transpired since registration was submitted by the operator, whichever comes first.
4. The operator of an owner-adjacent unit shall keep accurate books and records, make them available upon request of the Inspectional Services Department, and maintain such books and records for a period of three years.
5. Short-term rentals shall not adversely affect the residential character of the neighborhood nor shall the use generate noise, vibration, glare, odors, or other effects that unreasonably interfere with any person's enjoyment of his or her residence.

4.66 *Registration.* All dwelling units offered for short-term rental shall register with the city and secure a permit according to guidelines issued by the License Department, and pay all associated fees. All operators shall provide the City with proof that one of the units in the structure is used as the operator's primary residence, either by: 1) providing proof of enrollment in the Cambridge residential tax exemption program, or; 2) providing an affidavit, signed under the pains and penalties of perjury, stating that the building being used for short-term rentals is the operator's primary residence, and a copy of their most recent Massachusetts income tax returns.

It is the responsibility of the short-term rental operator to obtain the permit every two years. The permit requires the operator to agree to abide by the requirements of this section, and document that the required notification requirements have been met.

1. Notification

- a. All operators of short-term rentals must prepare a notification letter that:
 - (a) Describes the operation and number of bedrooms that will be rented to overnight guests; and
 - (b) Includes information on how to contact the operator and a backup contact by phone.
- b. All operators will mail or deliver the notification letter to all residents and owners of abutting property and across the street from the short-term rental unit(s).

4.67 *Enactment.* The requirements of this chapter shall take effect on January 1, 2018. The City may inspect and issue permits for short-term rentals to operators who voluntarily seek to register before enactment. If a short-term rental operator complies with all other sections of this chapter and completes registrations with the Inspectional Services Department within 60 days of the enactment of this chapter, they may continue to operate until an inspection has been completed. Operators that register after 60 days has transpired since the enactment of this chapter will be subject to the provisions of 4.65.3.