

# **NOTICE OF STANDNG COMMITTEE MEETINGS**

Scheduled for  
Tuesday, December 11, 2018,  
beginning at 6:30 p.m. in

Council Chambers  
Village Hall of Tinley Park  
16250 S. Oak Park Avenue  
Tinley Park, Illinois

**PUBLIC WORKS COMMITTEE  
COMMUNITY DEVELOPMENT COMMITTEE**

A copy of the agendas for these meetings is attached hereto.

Kristin A. Thirion  
Clerk  
Village of Tinley Park

**NOTICE OF A MEETING**  
**OF THE COMMUNITY DEVELOPMENT COMMITTEE**

Notice is hereby given that a meeting of the Community Development Committee of the Village of Tinley Park, Cook and Will Counties, Illinois, will begin at 6:30 p.m. on Tuesday, December 11, 2018, in Council Chambers at the Village Hall of Tinley Park, 16250 S. Oak Park Avenue, Tinley Park, Illinois.

1. OPEN THE MEETING.
2. CONSIDER APPROVAL OF THE MINUTES OF THE COMMUNITY DEVELOPMENT COMMITTEE MEETING HELD ON SEPTEMBER 11, 2018.
3. DISCUSS SHORT TERM VACATION RENTALS – TEXT AMENDMENT.
4. DISCUSS CHANGE OF USE/OWNERSHIP POLICY.
5. RECEIVE COMMENTS FROM THE PUBLIC.

ADJOURNMENT

KRISTIN A. THIRION  
VILLAGE CLERK

**MINUTES**  
**Meeting of the Community Development Committee**  
**September 11, 2018 - 6:30 p.m.**  
**Village Hall of Tinley Park – Council Chambers**  
**16250 S. Oak Park Avenue**  
**Tinley Park, IL 60477**

Members Present:                   B. Younker, Acting Chairman  
  W. Brady, Village Trustee

Members Absent:                   M. Glotz, Chairman

Other Board Members Present: None

Staff Present:                   D. Niemeyer, Village Manager  
  P. Carr, Assistant Village Manager  
  B. Bettenhausen, Village Treasurer  
  M. Walsh, Police Chief  
  C. Faricelli, Deputy Police Chief  
  S. Klotz, Deputy Fire Chief/Suppression  
  J. Urbanski, Assistant Public Works Director  
  P. Connelly, Village Attorney  
  L. Valley, Executive Assistant to the Manager and Trustees  
  L. Godette, Deputy Village Clerk  
  L. Carollo, Commission/Committee Secretary

**Item #1** - The Community Development Committee Meeting was called to order at 6:54 p.m.

**Item #2 – CONSIDER APPROVAL OF THE MINUTES OF THE COMMUNITY DEVELOPMENT COMMITTEE MEETING HELD ON JULY 10, 2018**

– Motion was made by Acting Chairman Younker, seconded by Trustee Brady, to approve the minutes of the Community Development Committee meeting held on July 10, 2018. Vote by voice call. Acting Chairman Younker declared the motion carried.

**Item #3 – DISCUSS LICENSE AGREEMENT - BANGING GAVEL**

- The Village entered into an incentive agreement with Banging Gavel, LLC (BG) in 2017, in order to rehabilitate and repurpose the Vogt historical building into a modern dining and drink establishment. As part of the agreement, the Village and BG exchanged certain property in order to better meet needs on the site. However, during the site design phase of the project, BG informed the Village certain site improvements would encroach onto Village property. Encroachments include an accessibility ramp, garbage enclosure and a grade level deck. Therefore, a license agreement must be executed by BG in order to maintain these encroachments onto Village property. The short-term license agreement of 5 years or less fully indemnifies and insures the Village for any incidents caused or occurring on Village property due to the encroachments. The plan eventually would be to sell BG these site encroachments within 5 years or less. The Community Development Committee was provided a copy of the Revocable Encroachment License Agreement for further review and consideration.

Motion was made by Acting Chairman Younker, seconded by Trustee Brady, to recommend License Agreement - Banging Gavel be placed on the agenda for the next Village Board meeting for approval. Vote by voice. Acting Chairman Younker declared the motion carried.

**Item #4 – RECEIVE COMMENTS FROM THE PUBLIC** - Diane Galante requested clarification on the license agreement with Banging Gavel and P. Connelly, Village Attorney explained the license agreement in detail.

**ADJOURNMENT**

Motion was made by Acting Chairman Younker, seconded by Trustee Brady, to adjourn this meeting of the Community Development Committee. Vote by voice call. Acting Chairman Younker declared the motion carried and adjourned the meeting at 6:58 p.m.

lc

DRAFT



# Memo

**Date:** December 11, 2018  
**To:** Community Development Committee  
**From:** Kimberly Clarke, Planning Manager  
**Subject:** Short Term Rentals

## **Background:**

There have been recent events in the community that have given rise for the need to discuss short-term rentals in the Village. There is one home in particular that is causing disruption to the neighborhood. See Exhibit A for photos regarding this home that is rented on the Airbnb site. According to the neighbors, the owner of the property does not reside at the home and issues with traffic and noise from the guests have been going on for over a year. The Village's attorney is drafting a letter to this property owner to cease and desist renting the home until further notice. Due to this complaint, staff has been requested to provide research to the Village Board on how communities have regulated short-term rentals.

## ***Short-Term Rentals***

Airbnb was founded in 2008. It's website describes itself as a "trusted community marketplace for people to list, discover, and book unique accommodations around the world-online or from a mobile phone or tablet...Airbnb connects people to unique travel experiences, at any price point, in the more than 34,000 cities and 191 countries. And with world-class customer service and a growing community of users, Airbnb is the easiest way for people to monetize their extra space and showcase it to an audience of millions." (<https://www.airbnb.com/about/about-us>).

Airbnb is but one of several short-term rental websites but it is one of the more well-known sites. Proponents of short-term rental claim they allow ordinary citizens to earn extra money that helps them make mortgage payments or pay bills. Airbnb claims that they bring visitors and money into the community, with Airbnb visitors staying longer and spending more money locally than traditional hotel guests do. Opponents of short-term rental focus on the absentee landlord that leverages the neighborhood for their profit while guests disrupt the neighborhood with parties, excessive parking, potential security risks and fail to pay their fair share of taxes.

## **Discussion:**

To facilitate the discussion, staff has provided recent articles on short-term rentals and examples of ordinances passed by other communities. The definition of short-term rental can be defined differently amongst municipalities but the general concept is "the renting of any dwelling or portion

thereof for overnight or vacation lodging for a period of less than 30 days". An ever-increasing number of communities across the country are examining this issue and adopting ordinances addressing short-term rentals. There are multiple ways to regulate this use such as establish licensing, permitting, or taxation requirements, as well as operational or procedural standards to protect safety and mitigate potential nuisances. No clear regulatory response to short-term rentals has emerged in the region and ultimately each municipality has their own unique view on the use.

**Short-Term Rentals in Tinley Park**

The Village of Tinley Park regulates "bed and breakfast". Staff has interpreted the use to be similar to the definition of a bed and breakfast use which is a only permitted in the B-3 Zoning District.

*BED AND BREAKFAST: A Bed and Breakfast facility is a transient lodging establishment, generally in a single-family dwelling or detached guesthouses, primarily engaged in providing overnight or otherwise temporary lodging for the general public and may provide meals for compensation.*

Using various sources, staff identified seven short-term rental units in Tinley Park. Table 1 below includes the results of staff's research.

**Table 1: Short-Term Rentals in Tinley Park, December 2018**

No.	Rooms/House	Reviews	Cost	Gust No.	Zoning District	Owner Occupied
1	7 rooms	46	\$60/night	2	R-3	yes
2	2 rooms	18	\$65/night	4	R-3	yes
3	2 rooms	33	\$75/night	4	R-6	not sure
4	1 room	16	\$49/night	3	R-2	not sure
5*	rooms or house	34	\$399/night	8	R-2	no
6	1 room	62	\$70/night	2	R-1	yes
7	house	0	\$750/night	10	R-2	no

*\*Two documented complaints from neighbors have been received by the Village regarding traffic and noise from guests renting the home. See exhibit A for photos.*

**Ways to Regulate**

**Licensing.** Require short-term rentals to be licensed. This would allow the Village to track and collect fees to operate the program but also improve enforcement of zoning, city codes, and reporting. The Zoning Ordinance will also need to be amended to specify the use and identify the appropriate districts they would be allowed in. Licensing can be very strict such as only allowing a property to rent one time a year or it can be a license to rent any number of times for the entire year. Attached please find a September 7<sup>th</sup> memo from the Village Attorney with verbiage, used in Oak Lawn, that restricts usage to once per year.

**Zoning.** Renting out rooms in a residential zone essentially allows commercial uses in an area that prohibits that type of use. Similar to why you don't want a neighbor running an automotive



shop out of their garage, residential neighborhoods need to be protected from the potential impacts of short-term rentals. The Village may want to consider limiting which zoning districts short-term rentals can be permitted to protect traditional single family detached neighborhoods.

**Fees.** The reason short-term rentals are so much less expensive than traditional hotels is because they are not subject to the same city fees and taxes. Some communities such as Schaumburg and Oak Park are applying the same hotel tax charged to traditional hotels to short-term rentals. Collecting this tax can be cumbersome and it may require the Village to enter into an agreement with Airbnb.

Staff has summarized regulations from other communities on short-term rentals in Table 2 below.

**Table 2: Communities regulating short-term rentals**

Municipality	Population (2010 census)	Ordinance re: Short-term rentals	Crime Free Housing Program (rentals licensed/registered)
Oak Park	51,878	YES Agreement with Airbnb : 4% tax of the gross rental receipts	NO (B&B's get business license)
Schaumburg	74,227	YES 8% tax of the gross rental receipts	YES
New Lenox	24,394	NO	NO
Lockport	24,839	NO	NO
Frankfort	17,782	NO	NO
Naperville	141,853	YES 5.50% tax	NO
Rockford	152,871	YES 5% tax	YES
Joliet	147,433	NO	YES
Evanston	74,486	YES "Vacation Rental Ordinance"	YES
Oak Lawn	56,690	YES- License required	Yes
Chicago	2,695,598	YES License and annual fee. Limits number of units to be rented on short-term basis in multi-family buildings	Not sure

Staff is further researching how a tax can be collected if there is no specific agreement with Airbnb to do so.

**Request:**

Staff is looking for direction from the Village Board on how they wish to regulate Short-term rentals in the Village.



**Exhibit A**

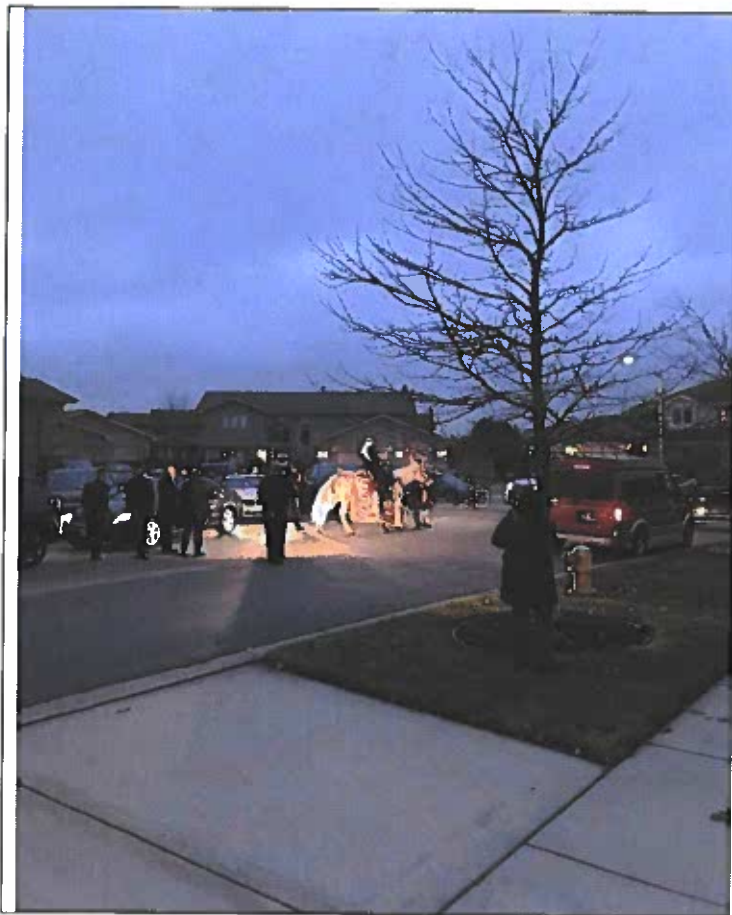


Complaint received 7.29.18 from neighbors of this short-term rental.



2<sup>nd</sup> complaint received 12.3.18 from neighbors regarding traffic and noise from this short-term rental from the same house as the photo above.





Same house as above from 12.3.18.  
Police were called regarding this  
complaint.

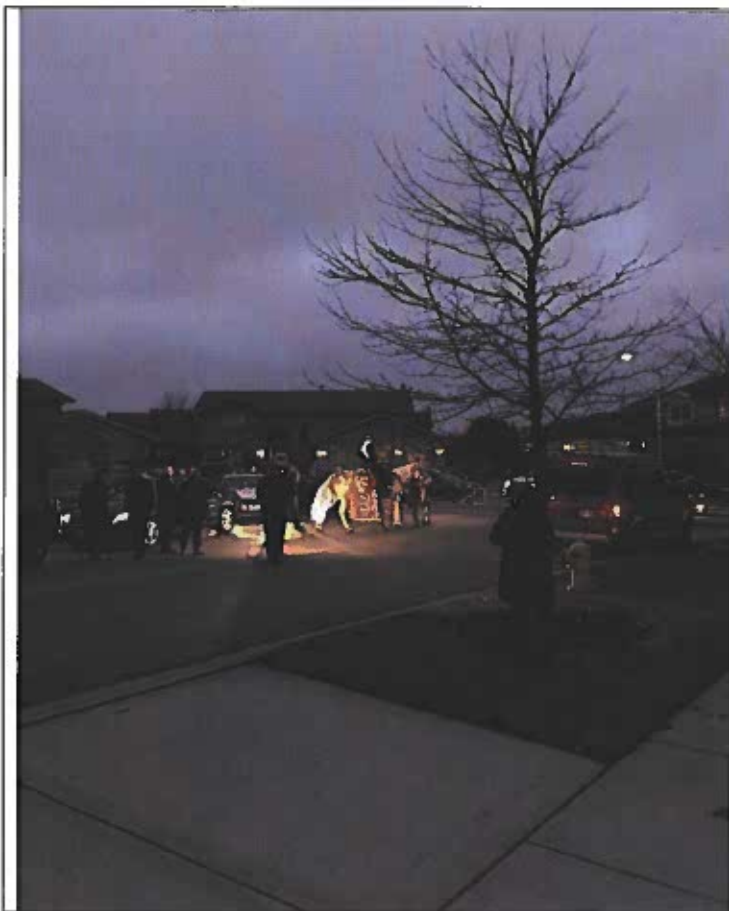
**Exhibit A**



Complaint received 7.29.18 from neighbors of this short-term rental.



2<sup>nd</sup> complaint received 12.3.18 from neighbors regarding traffic and noise from this short-term rental from the same house as the photo above.



Same house as above from 12.3.18.  
Police were called regarding this  
complaint.

[REDACTED]  
Sent: Wednesday, November 28, 2018 8:58 PM

To: Jacob Vandenberg; Kristin Thirion; Michael Pannitto; Brian Younker; Cynthia Berg; William Brady; Michael Glotz

Subject: Re: [REDACTED] - AIRBNB Rental

To Whom It May Concern,

I would like to follow up on my email dated 9/5/2018. In that email, I brought to your attention a problem that is affecting our neighborhood. One of our neighbors has decided to turn his house located at 19701 Summerhill Court into a hotel/party venue. This past weekend, we hit a breaking point. On Sunday, 11/25/2018, there was a large party, that physically took over our entire cul-de-sac.

The weekend started out like many others this year in which random cars, with out of state license plates, are pulling in and out of our cul-de-sac, all of them going to [REDACTED]. The problem quickly got out of control Sunday afternoon with cars speeding up and down the cul-de-sac. Over the course of a few hours, our cul-de-sac, was literally filled with cars, several of which were parked illegally in the middle of the cul-de-sac, blocking neighbors driveways and in front of a fire hydrant. A livestock trailer was parked in front of our neighbor's home.

The party culminated with a large group of people forming a procession out of the house, into the middle of the cul-de-sac, playing loud music (drums, bag pipes, cheering), at which time a HORSE was led down the street and eventually mounted by one gentleman. After the ceremony concluded, all of the cars that filled the cul-de-sac attempted to leave at the same time and there was a *traffic jam* leaving the cul-de-sac.

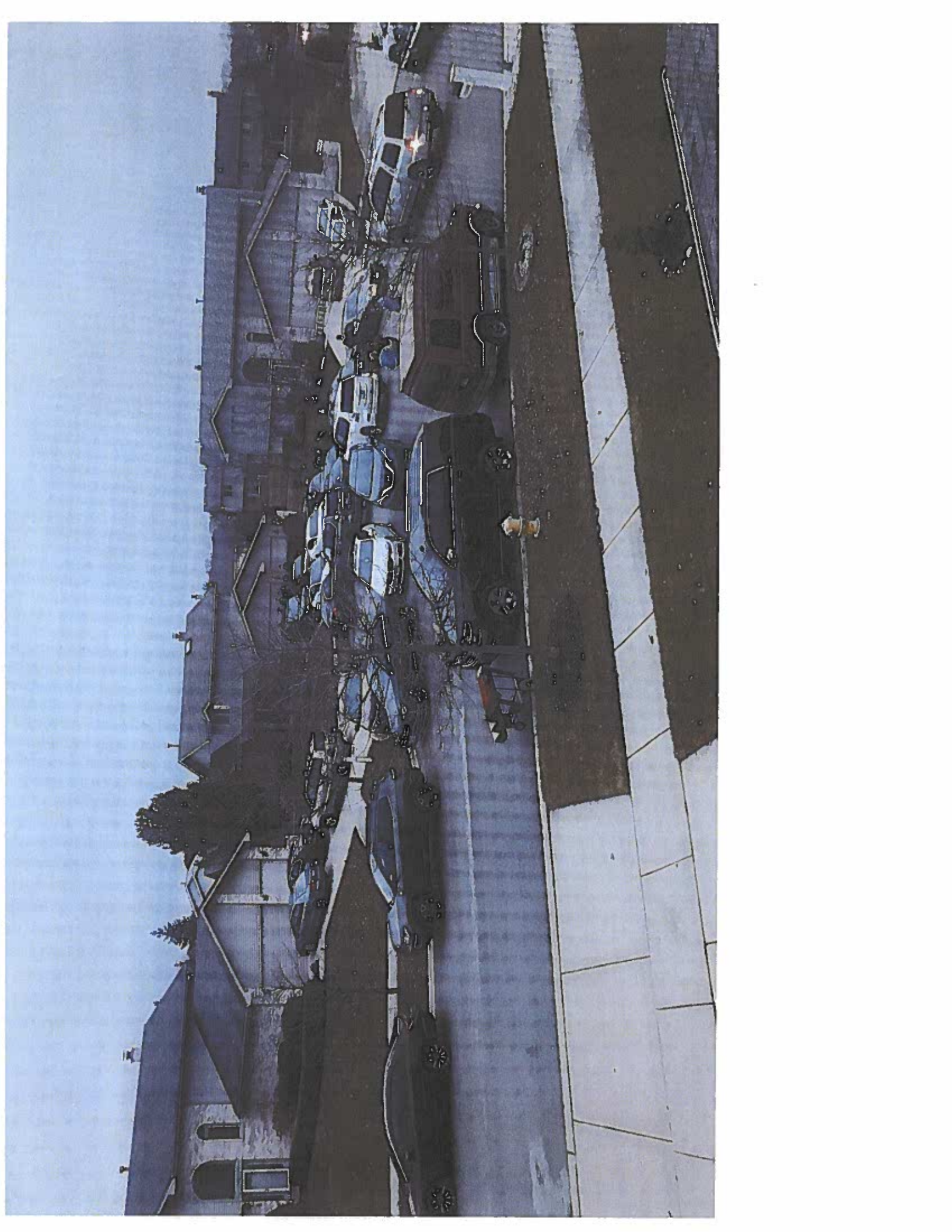
My complaint is not just about this specific incident but about the larger trend that has been happening. How is this acceptable activity in a residential neighborhood? This kind of activity would not be acceptable at a hotel, how is it acceptable in a residential setting?

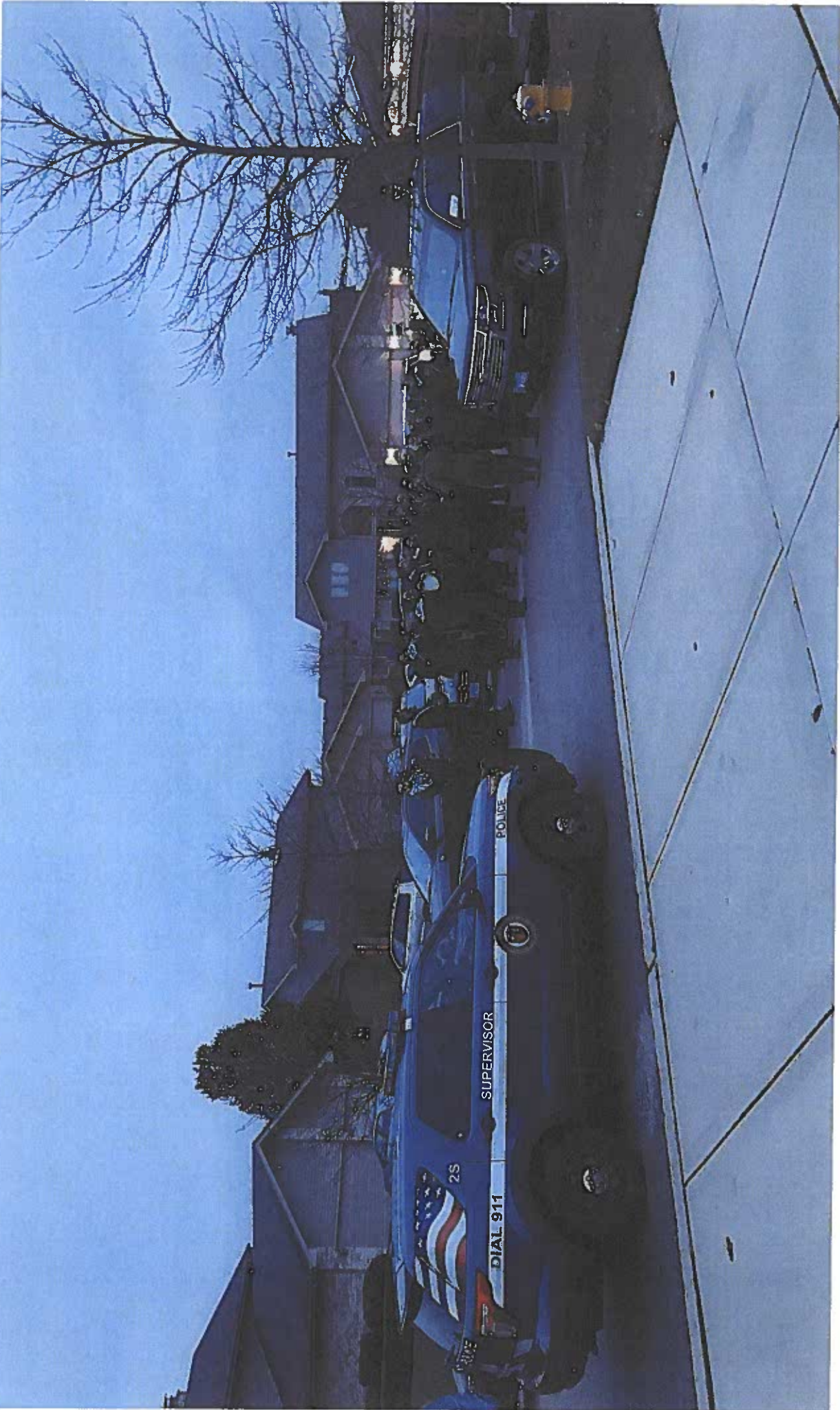
Me and several of my neighbors have spoken with Doug Alba and he indicated that since the homeowner took his "crime free housing class" his hands are now tied and there is nothing further he can do. Major Vandenberg indicated that he was going to speak with the city attorney to see what he could do regarding regulating these types of rentals, but I never heard anything further.

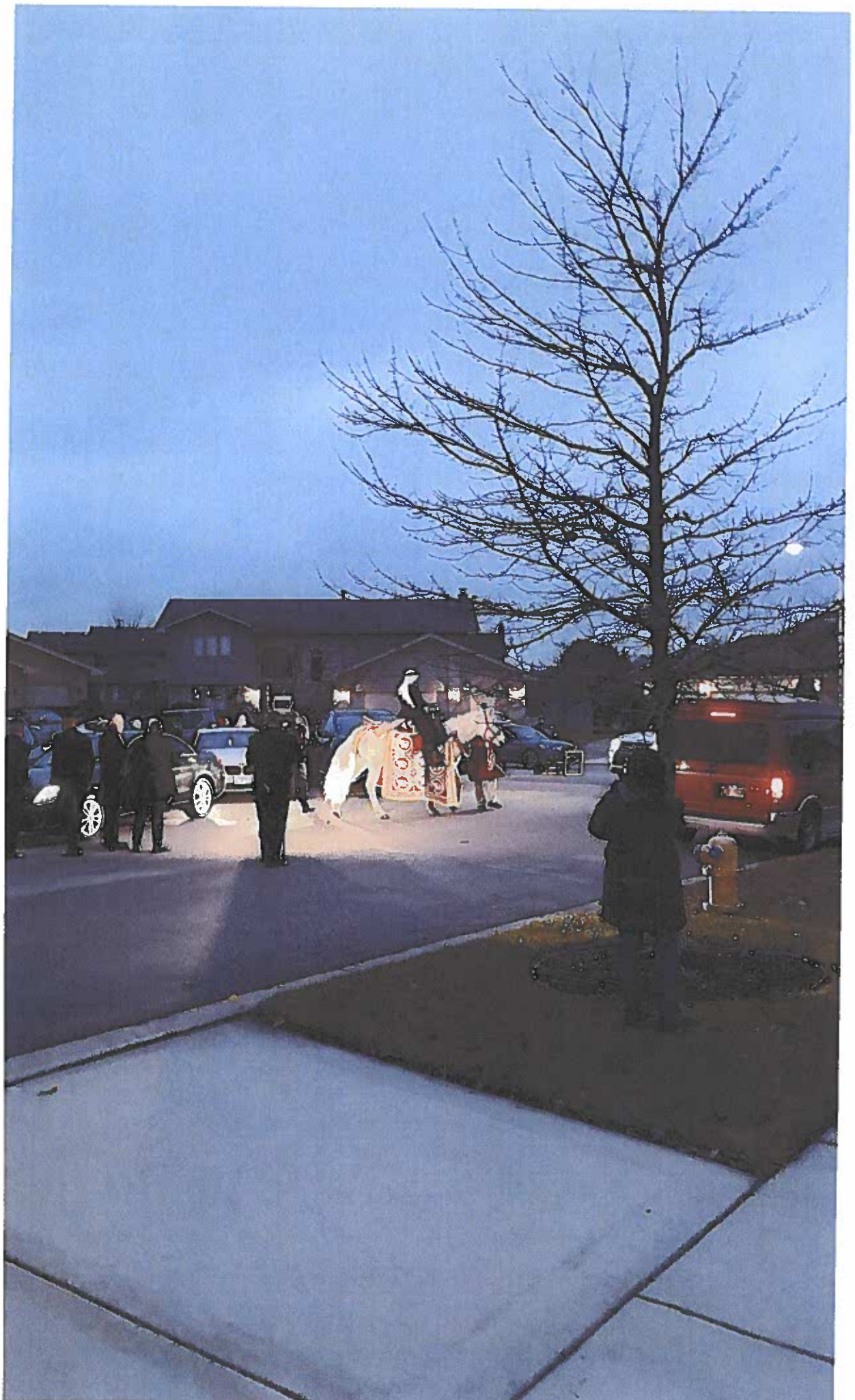
What options are available to regulate these types of rental activities in Tinley Park? I will be at the next Village meeting and would appreciate the opportunity to speak to each of you about these incidents.

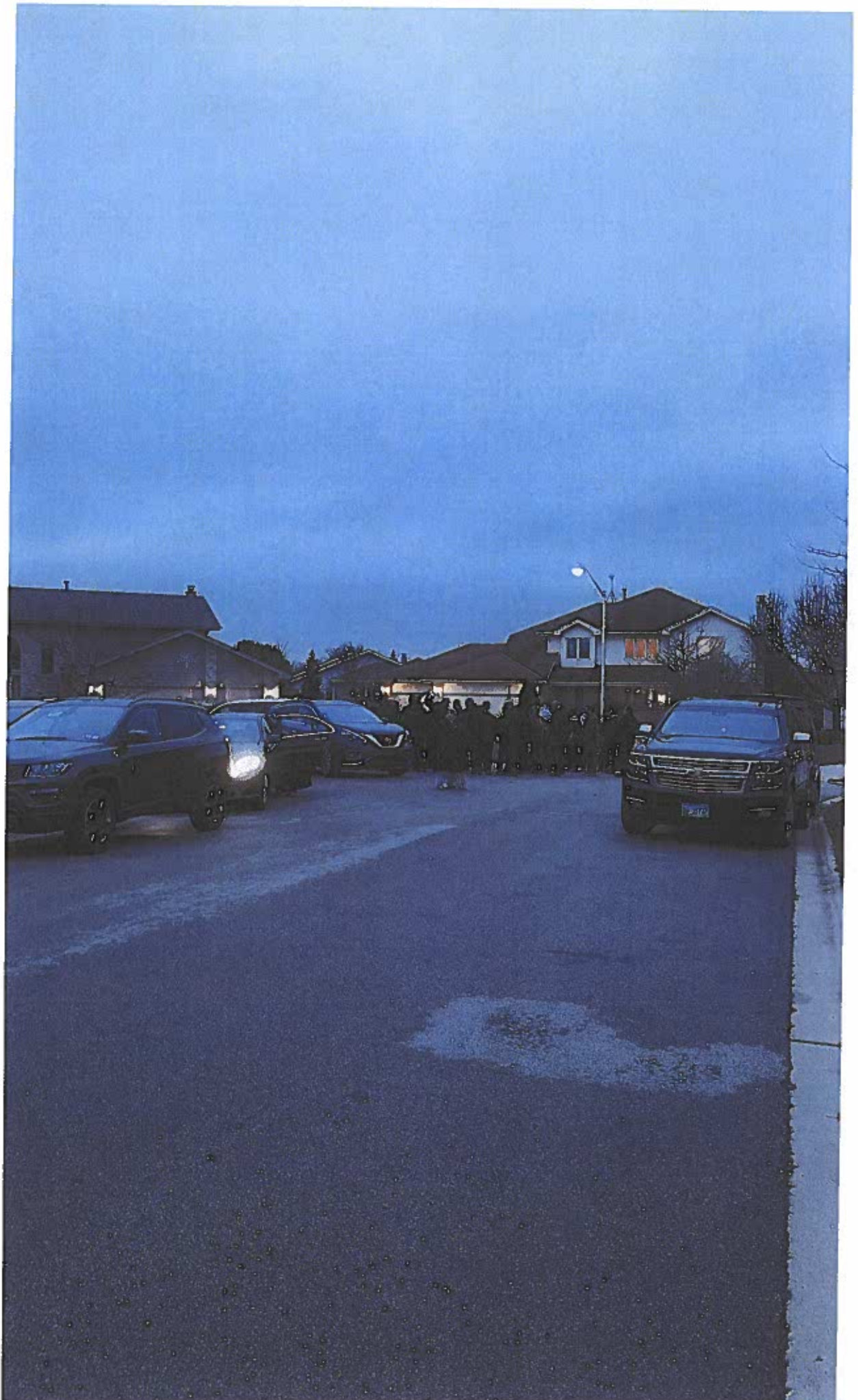
Attached are pictures from Sunday.

[REDACTED]  
[REDACTED]  
[REDACTED]

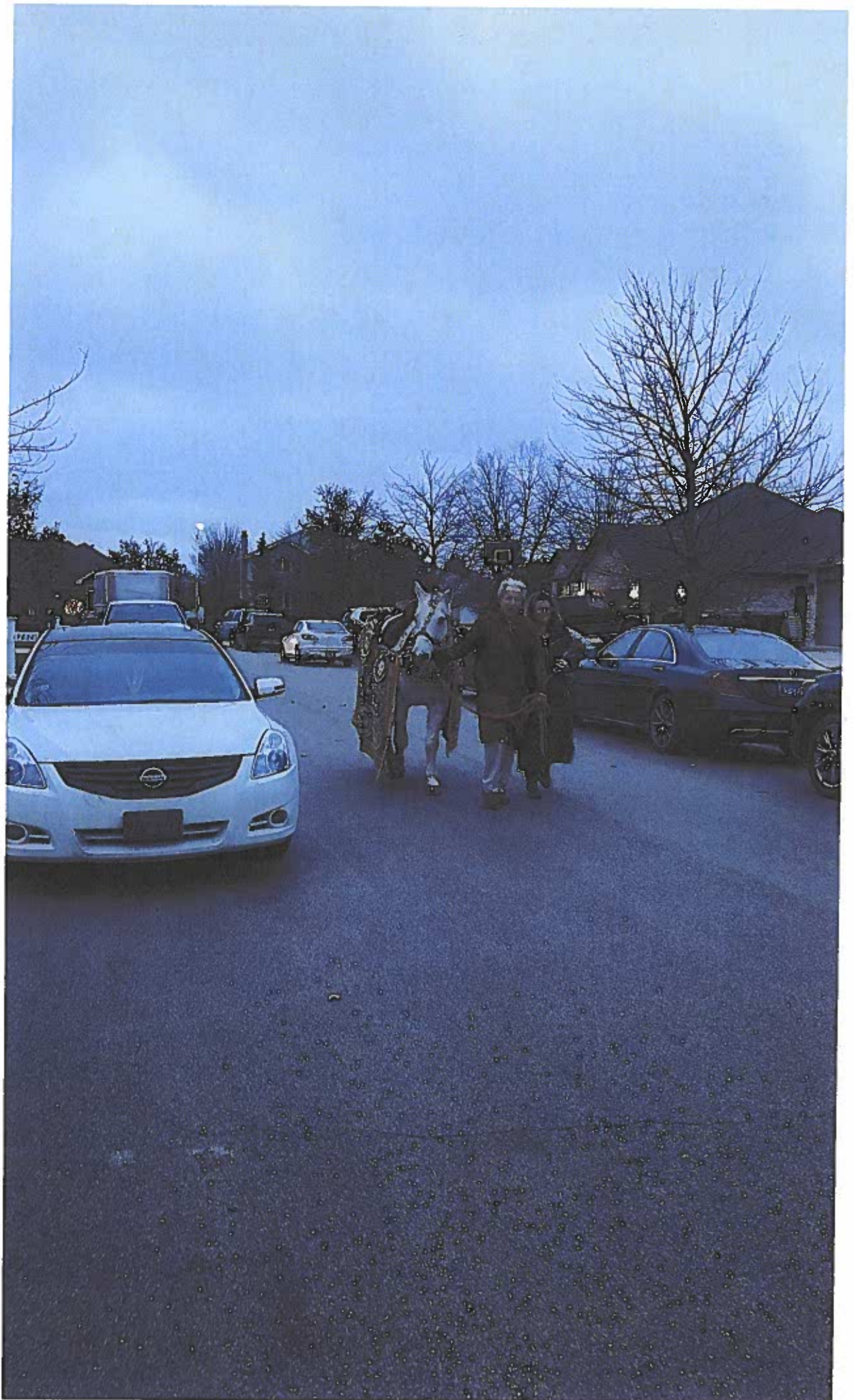




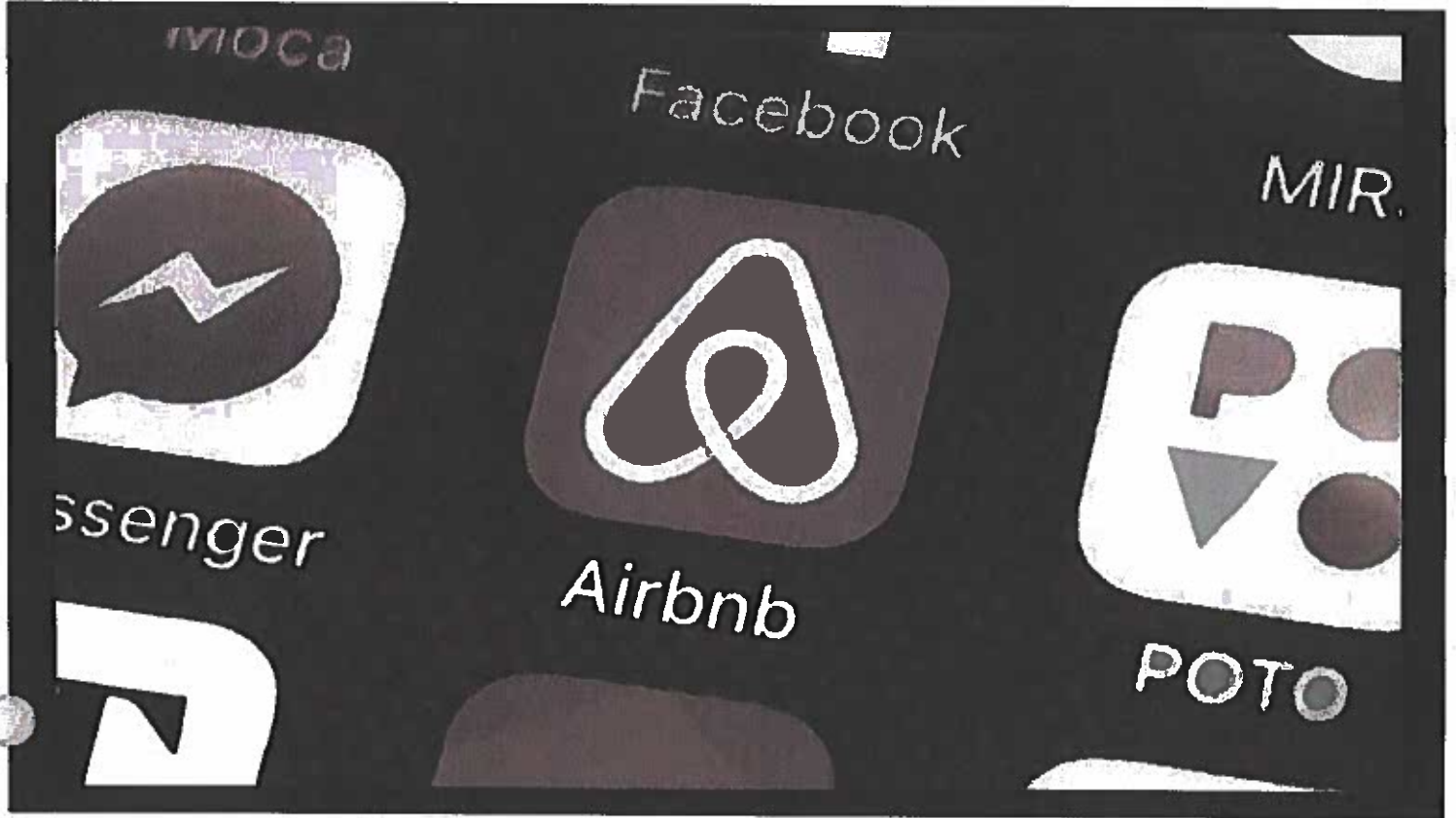








# Airbnb renters in Schaumburg to start paying 8 percent tax



Carl Court / Getty

By **Lee V. Gaines**  
Chicago Tribune

MAY 26, 2017, 6:15 PM

**S**chaumburg is the latest Illinois community to enter into an agreement with Airbnb that will allow the village to begin receiving taxes from the online vacation rental giant.

Starting Thursday, an 8 percent hotel and motel tax will be added to the cost of Airbnb rentals in the village, according to the home-sharing business and Schaumburg officials.

News of the agreement comes nearly a year after the village board approved an ordinance to make it clear that short-term vacation rental properties advertised on sites like Airbnb and Vacation Rentals by Owner are subject the same tax as local hotels and motels.

Schaumburg officials were prompted to consider village-wide regulations of such rentals after learning about an... Airbnb.

ONLY \$1 FOR 6 MONTHS!  
Hurry, sale ends 12/4

SAVE NOW >

X

out his treehouse — which includes a fireplace, air-

Airbnb and similar online platforms match up travelers with property owners who rent out rooms or entire homes.

Alexander said he encouraged village officials to hammer out a tax remittance agreement with Airbnb because financial transactions between hosts and renters are all handled through the online platform. Without the agreement, hosts would have to collect and remit the tax to the village themselves, which Alexander said "doesn't work with the Airbnb scenario where we don't exchange money."

Airbnb spokesman Ben Breit said the agreement ensures the village will recoup 100 percent of the taxes they're owed from company bookings.

"I think an important thing to keep in mind when considering Airbnb hosts is the vast majority are not professional vacation rental people," he said. "They're just regular folks sharing a room. ... (The agreement) just makes it easy for everyone."

Though the village passed the ordinance requiring Airbnb hosts to pay the tax, Lisa Happ, Schaumburg's finance director, said it took some effort to just to reach the appropriate company representatives to begin negotiations.

She said village officials finally began talks with the company this spring and the taxation agreement was finalized over the course of a few weeks. Happ said she's not sure how much the village can expect to receive in tax revenue from Airbnb because "we don't have any estimates as far as how often the listings are actually being rented."

The agreement is not retroactive, meaning the village won't receive any taxes from bookings prior to June 1, Breit said.

There are about 15 Schaumburg homeowners currently renting rooms or entire houses, including Alexander's treehouse, on the platform, Breit said, adding the number has grown over the past couple of years.

The company has similar agreements with other Illinois municipalities, including Oak Park and Chicago, though the Chicago ordinance, which both regulates and taxes home-sharing rentals, was delayed by lawsuits and continues to face legal challenges.

Travelers booking Airbnb stays in Chicago are subject to a 4.5 percent hotel accommodation tax and a 4 percent shared housing surcharge. Oak Park officials approved a 4 percent tax on Airbnb rentals last fall. According to the company's website, some listings in Cook County are also subject to a 1 percent county tax.

Breit said the tax agreements vary depending on the state. In Illinois, he said, hotel and motel occupancy taxes are typically assessed by individual municipalities and "we don't have the resources to reach out to everyone."

"What we try to do is make it known far and wide this is important to us that we want to help our hosts pay their fair share and help local governments collect what they're owed," Breit said.

While Alexander thinks Schaumburg's 8 percent tax "is a little high," he said he's happy to contribute to the village's finances so long as he's not the only Airbnb host paying it. He's still renting out his treehouse on Airbnb, and it's

won't hurt business.

the village wants their cut, and they're going to get it."

ONLY \$1 FOR 6 MONTHS!  
Hurry, sale ends 12/4

SAVE NOW >

## Hotel tax hike, new Airbnb tax on Naperville council docket



Naperville City Council members will consider raising the city's hotel/motel tax and applying it to online rental companies such as Airbnb.

(Carl Court / Getty Images)

**Erin Hegarty** Contact Reporter Naperville Sun

The City of Naperville's hotel/motel tax could be increasing this year, and short-term home rentals through online companies like Airbnb may be added to the list of taxable businesses.

City Council members Tuesday are to discuss raising the city's hotel/motel tax from 4.4 percent to 5.5 percent and, for the first time, imposing the tax on companies that rent properties for short-term stays via websites.

"Online rental companies are more widely used now, and so since we were making an ordinance change, it just makes sense to include them," said Linda LaCloche, spokeswoman for the City of Naperville.

While the State of Illinois and Cook County impose a hotel tax on online rental companies, not all municipalities do. Among the towns that have a hotel or vacation rental tax are Chicago, Oak Park, Evanston, Rockford and Schaumburg, according to Airbnb.

Those municipalities have an agreement with Airbnb under which the online rental company collects and remits the tax on behalf of the Airbnb host. Such is also the case in Illinois, where the company collects and remits the State of Illinois hotel tax for Naperville residents who rent out their home through the platform.

Airbnb has 350 such agreements across the country, officials said.

"Asking someone who is not a professional hotel accountant to figure out all of the taxes, who to pay them to and how much is a lot," said Ben Breit, Airbnb's Midwest spokesman. But when a municipality sets up an agreement with Airbnb to collect and remit the taxes, "it takes the responsibility away from hosts so they don't have to worry about this," he said.

Online rental companies want to make home-sharing accessible for "regular folks" and support the municipal tax, Breit said.

"It's a very important part of our public policy agenda and it represents opportunities to bring in new tax revenue for the cities," he said. "We'll work with any city in the State of Illinois that has taxes that apply to short-term rental and wants to work with us on a tax agreement."

If Naperville City Council members approve imposing the tax on online rental companies, it would be applied directly to the guest and would appear as a separate line item on the bill.

"The host wouldn't see this change their income in any way," Breit said. "And the prices are set by the host, that's the beauty of the platform. Prices are always fluctuating."

Naperville has imposed the tax on room rental rates in hotels and motels since 1985, and currently collects taxes from 21 hotels operating in the city, according to city documents. The tax is administered by the city's finance department and collected through quarterly receipts paid by the hotel and motel owners.

The city has agreements with four of the hotels in which 100 percent of the hotel/motel taxes collected are rebated. "Any increase in the hotel and motel use tax would increase the rebates pursuant to the incentive agreements," according to city documents.

Under the current hotel/motel tax rate, the City of Naperville collects about \$2.64 million annually from hotels and motels before rebates. The rate increase, paired with the application to online rental companies, is projected to bring in an additional \$600,000 in hotel/motel taxes — or \$350,000 after rebates annually. If implemented April 1, the increase would mean an additional \$280,000 in revenue for 2018.

Additional revenue from the tax hike and a proposed increase to the simplified municipal telecommunications tax would contribute to the \$2.1 million in budget changes needed to help reduce the city's property tax levy to an amount less than last year's levy, as requested by the City Council.

The Naperville Development Partnership Executive Board agreed to support the changes at its Dec. 21 meeting, according to city documents.

[chiquity@ndpub.com](mailto:chiquity@ndpub.com)



## Homesharing

BY ALLISON SCHRAUB, PUBLIC POLICY MANAGER, AIRBNB

August 21, 2017, on what otherwise would have been considered an average Monday afternoon, turned into a tourism extravaganza, as tens of thousands of visitors flooded into our state to experience the historic solar eclipse.

While Chicago is typically the top tourism hub for Illinois, the eclipse flipped that trend on its end, with the eyes of the country instead turning to Southern Illinois. Specifically, Carbondale was anticipated to experience the eclipse for longer than any other American city.

Predictably, the region's limited supply of hotel rooms quickly sold out. Southern Illinois still took full economic advantage of this once in a generation event through pre-existing resources — people's homes.

The Airbnb home sharing platform — which connects guests to homeowners sharing an additional room or even their full house — created expanded lodging capacity during the eclipse, allowing well over 800 additional eclipse-goers to spend the night in southern Illinois and authentically experience the region. Those guests infused a meaningful economic impact, with residents in Illinois cities like Carbondale, Marion, Murphysboro, Belleville and others in the path of totality earning a combined \$131,000 in supplemental income just on the night of August 21 alone. The presence of those extra guests generated a trickle down effect for the local merchant community, with an estimated \$85,000 in guest spending towards local restaurants, shops and other small businesses that day as well.


 INDIANA UNIVERSITY  
**SPEA CONNECT • #1 Online MPA**    LEARN MORE  
 School of Public and Environmental Affairs

(https://www5.smartadserver.com/click?imgid=22976891&insid=8365046&pgid=584791&ckid=8464511180923856148&uij=368833404170204585&racd=1543955676421&pubid=20&tmstp=2139087826&tgt=24dt%3d1%3b%24dma%3d770%3b%24hc&sydstgt=%24qc%3d1310450118%3b%24ql%3dMedium%3b%24qpc%3d84105%3b%24qpp%3d%3b%24qt%3d152\_1625\_39353t%3b%24dma%3d770%3b%24b%3d11110%3b%24o%3d11061%3b%24sw%3d1024%3b%24sh%3d600&pgDomain=https%3a%2f%2fwww.planning.org%2fplanning%2f2016%2ffeb%2fbnb.htm&go=http%3a%2f%2fgo.iu.edu%2f28cW)

Hello Kimberly |  [/myapa/](#)



**American Planning Association** <sup>(v)</sup>  
*Making Great Communities Happen*

[About APA \(/aboutapa/\)](#)    [My APA \(/myapa/\)](#)    [Log Out \(/logout/\)](#)  
[🛒 \(/store/cart/\)](#)

Enter keyword or phrase

Search

[Home \(/\)](#) > [Knowledge Center \(/knowledgecenter/\)](#) >  
[APA Publications \(/publications/\)](#) > [Planning Magazine \(/planning/\)](#) >

### Planning February 2016

IN THIS ISSUE:

[Could You Bnb My Neighbor?](#)

## Could You Bnb My Neighbor?

A planner's take on the sharing economy.

*By Jeffrey Goodman*

Since I live in New Orleans, I live near a bar. People are always walking by my house to this bar, so perhaps one day I start offering beer to passersby from my porch. Maybe I sell a beer or two — I could always use the money — and people here have always sold drinks as a hustle during Mardi Gras, so what is the difference?

Perhaps eventually I sell beer all the time and people start coming to my house instead of the bar and maybe I pick up a sponsorship and a little press. Soon, people are coming from miles around to my house, spending money at shops in my neighborhood; everything's great. If I were then to go my local alcohol board, or my zoning board, or my neighborhood association, and argue that since my house-bar is so popular, the rules need to be rewritten to accommodate me — well, I would be run out of town on a rail.

Yet in some ways, this is the path taken in regulating another controversial industry: short-term rentals. Backed by billions of investment dollars and an aggressive strategy of "disruption" that favors expansion above cooperation, companies like Airbnb, VRBO, and others have generated as much controversy as they have profits, stubbornly resisting cities' attempts to rein the industry in.

Of course, what these platforms offer is nothing new; home owners have taken in lodgers since the first settlement of cities. But with such a huge scope — over 34,000 cities on Airbnb alone — how do we balance the potential benefits of these businesses with their real impacts on our communities?

There is no monolithic "short-term host" but a spectrum of users (couch-surfing holdovers, empty nesters, young couples, and, yes, speculators and profiteers) and a spectrum of uses (occasional hosting, seasonal hosting, and, yes, the faux-hotel.) All of them, to some degree or another, have taken advantage of a regulatory Wild West in order to make money without proper oversight and without proper accountability.



An Airbnb-financed group put this billboard up in San Francisco before a ballot initiative in November that would have limited the home-sharing service. After helping defeat Proposition F, Airbnb pledged to cooperate with local governments. Jason Henry/The New York Times.

#### Getting past the noise

In order to regulate an industry effectively, planners need to understand how these platforms are being used and by whom, and what kinds of impacts they have on neighborhoods.

This is somewhat easier said than done; Airbnb and other companies do not freely release data, citing privacy concerns. When they do use data, the companies present a glowing picture of their activity, one that seems irresistible: Airbnb guests stay twice as long and spend twice as much as a typical visitor, with nearly half of all spending occurring in local neighborhoods.

According to the company, more than half of its hosts are "low to moderate income" and say hosting helped them stay in their homes. In New York City, Airbnb claims to have generated \$632 million in economic activity in one year alone. Opponents note, however, that the company has no reason to release numbers that paint their activity and their tactics in a negative light.

In order to get a clearer picture of the realities on the ground, researchers have had to rely on other means of gathering information, largely by "scraping" the public listings of these websites. (Airbnb, in turn, claims that this type of data collection is flawed.) Another option is to sue for access to the data, which is what the New York State Attorney General did, discovering that as many as 72 percent of Airbnb reservations violated New York law. Despite an effort to be "open and transparent" with cities, even under subpoena Airbnb only releases anonymized data to city governments — no addresses, no names.

Either by automated tools or through simple spreadsheets, trolling through Airbnb can give planners at least a broad outline of their local market, from average price per night (useful in calculating tax revenue) to the characteristics of the units available, like number of bedrooms, amenities, and safety equipment. Even a general map view can help planners see which neighborhoods are most affected or need greater enforcement.

Using these approaches, researchers have undercut Airbnb's narrative. The *Real Deal*, a New York-based real estate journal, found short-term rentals caused residents of some neighborhoods to pay up to an extra \$825 a year in rent by removing units from the market. In New Orleans, far from helping a broad group of residents, nearly 50 percent of all bookings came from just six percent of listings, with some hosts making hundreds of thousands of dollars from dozens of properties without paying a cent in occupancy tax, according to one report.



Similarly, Airbnb has slowly evolved on the issue of insurance, shifting some responsibility away from the hosts. In late 2015, the company augmented a "million dollar host guarantee" to protect against damage caused by its service — which does not cover personal liability, shared or common areas (a big issue for condos) and is specifically described as "not insurance" — to a limited million-dollar policy backed by Lloyd's of London. This system creates a strange network of legal entanglements as Airbnb is both the policyholder and claims administrator for local hosts, who themselves have their own separate insurance.

But because many home insurance companies consider short-term renting a commercial use — and thus not covered under the standard policies — hosts may find themselves at the center of a huge and complicated fight that would make a trial lawyer drool; if a guest booked on Airbnb burns down a condo building and a firefighter is injured in the process, how is that legal mess going to sort itself out? Additionally, any damages and liabilities beyond a million dollars — assuming Airbnb even pays out — will fall on the hosts. The easiest solution is to require short-term renters to carry the appropriate insurance, one that specifically covers their activity and their level of risk.

But being a good host also means taking steps to avoid imposing on your neighbors' quality of life. No one wants to deal with loud guests, or litter, or parking issues, whether from a long-term or a short-term tenant.

Beyond strengthening and enforcing existing nuisance laws, some cities such as Portland, Oregon, and Santa Monica, California, have tried to include more direct accountability into their regulations; basic ideas like having hosts give out contact information to neighbors to report bad guests or only allowing owner-occupied rentals. In this scheme, serial offenders could face punishments that disincentivize their behavior, such as the loss of short-term rental or commercial permits, escalating fines, or code enforcement actions.

Ultimately, despite all the hype about the so-called "sharing economy," short-term rentals are fundamentally a commercial use, one that cities have regulated successfully in the past as bed-and-breakfasts, inns, motels, hotels, or SROs. In places that have traditional bed-and-breakfasts, innkeepers complain that competing with unregulated Airbnb units harms them doubly — as small-business owners and as residents.

Since the act of hosting is the same regardless of how a unit is booked, then the issues — from safety to zoning to garbage fees to taxes — are as well. Planners should simply hold a short-term rental unit to the same standards as any other similar business.

**PART 2**

Move past simply yes or no. When pressure to "do something" about short-term rentals comes down from City Hall or up from neighbors, the debate is often framed as a yes or no, "anything goes" or "not in my backyard." The answer will be probably be somewhere in between, and while it can be a laborious process, tailoring regulation to your city's particular situation can pay dividends.

As I learned at last year's APA conference in Seattle, the experience of a few Colorado destinations can serve as examples of adapting regulation to local needs.

Durango, a small city that serves as a regional center for the Four Corners, faced tremendous housing pressures after growing rapidly over the past decade. With vacancy rates dipping below one percent in some neighborhoods, and rents high and incomes flat, groups like college students, retirees, and service industry workers had increasingly limited options within the city.

At the same time, Durango welcomes thousands of tourists each year, drawn to the nearby natural beauty, redeveloped downtown, and seasonal festivals. Short-term rentals catered to some visitors, and the popularity (and notoriety) of these units led Durango's city government to develop new regulation. Through research and a series of community meetings, Durango's planners were able to identify three main areas that needed addressing in their city: impacts on tourism, impacts on neighborhoods, and — most important — impacts on housing.

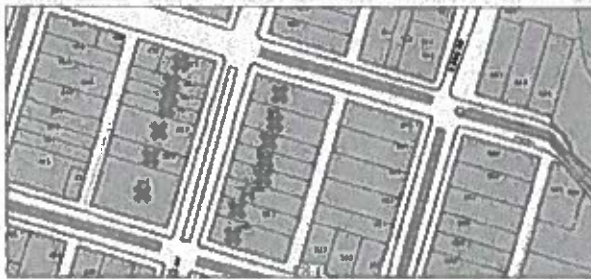
## Durango's Street Segment Cap

IN ORDER TO MITIGATE the effects of short-term rentals and preserve housing availability, Durango's Land Use and Development Code creates density limits for these rentals in residential zones. Only one permit is allowed per street segment. (For corner lots, the permit counts against both adjacent street segments and the intersection.) While there is no citywide cap on permits, there is a maximum number of permits available in residential districts.

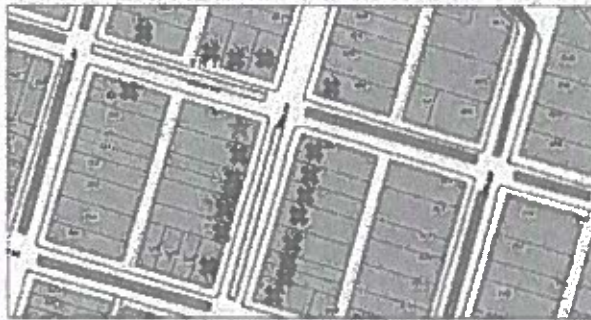
- ★ PERMITTED VACATION RENTAL
- ✘ NOT ALLOWED TO HAVE A VACATION RENTAL
- ▨ AFFECTED STREET SEGMENT(S)
- ▩ OTHER STREET SEGMENTS



STREET FRONTAGE



AVENUE FRONTAGE



CORNER FRONTAGE

SOURCE: DURANGO PLANNING DEPARTMENT

Source: Durango Planning Department

Both Durango and Aspen found the key to controlling these concerns was treating short-term rentals as small businesses, allowing them to justify the use of their regulatory tools like zoning and licensing in ways that were consistent, understandable, and enforceable.

### PART 3

Ensure enforcement on the ground and online. For short-term rentals, as for anything, regulation is only as good as its enforcement. Cities have struggled in this regard, creating huge opportunities for abuse while frustrating city officials and neighbors alike when long-debated ordinances do little to quiet complaints.

Innovative app developers came up with a solution to this dilemma by creating a slew of apps to rent out spaces to parking-hungry drivers. However, app designers soon discovered a hitch: It was illegal in many locations.

Most of these early apps and parking space brokers worked on the premise that a driver about to leave their public, on-street parking space would log on and let other app users know the location of the soon-to-be-vacant spot, giving another user first dibs (for a fee) on snagging the spot. The new parker's fee, typically between \$5 and \$30, would be split between the departing motorist and the app company.

Since many of these apps were essentially renting out public, on-street parking spaces, municipalities worked quickly to block them. In San Francisco the big players were MonkeyParking, Sweetch, and ParkModo, and the city attorney sent several such apps cease-and-desist letters in 2014, threatening to fine drivers up to \$300 and the companies up to \$2,500 per violation. The letters also noted a lawsuit was imminent if the apps continued operation in the city.

Then a new — legal — wave of apps came to the city, including SpotHero, ParqEx, and ParkWhiz, allowing people to rent or exchange private parking spaces, including those in parking garages. Paul Rose, chief spokesperson for the San Francisco Municipal Transportation Agency, notes these transactions aren't a concern if they don't impinge on public safety.

"Any [safety] concerns will come out of blocking the right of way, preventing people from walking on the sidewalks, or if parking going on in a driveway causes people to walk out into the street," he says.

However, the transaction itself isn't an issue for the agency. "If they're leasing spaces that are a part of private property, that's not something that we would necessarily get involved in," Rose says.

Likewise, Boston officials aren't too concerned about apps that rent out private property. Public property, however, is another matter. In 2014, the city passed an ordinance effectively banning the Haystack app, which let users notify other users — who paid a fee — when they were about to leave a public parking space. The app claimed it was in the business of exchanging information rather than selling public property, but the city disagreed.

However, as long as apps comply with city regulations, they're not a problem, according to the Boston Press Office, which said, "Generally, parking apps that allow a private property owner to rent his or her parking space facilitate a private transaction that does not implicate the city's rules and regulations."

Portland, Oregon, has a far more restrictive policy than Boston or San Francisco. Its zoning rules deem residential neighborhoods — all single-family and most multifamily zones — unfit for many types of commercial activity, including renting out parking spots.

However, Jill Grenda, supervising planner for Portland's Bureau of Development Services, notes that enforcement is driven by complaints. "Like any other zoning violation, it's a complaint-driven enforcement system," she says. "So the city wouldn't know about it unless a grumpy neighbor called our code enforcement line and said, 'My neighbor has different people parking in their driveway every single day, and I know because I live next door. Can you come and investigate?'"

*Kristen Pope is a Jackson, Wyoming-based freelance writer and editor who writes about planning, science, conservation, and the outdoors, among other topics. Visit her at [kepope.com](http://kepope.com).*



# QUICKNOTES

Planning fundamentals  
for public officials and  
engaged citizens

This PAS QuickNotes was prepared by  
David Morley, ACP, senior research associate  
at APA and APA's PAS coordinator.

## Regulating Short-Term Rentals

The concept of renting rooms or homes on a short-term basis is not new. Many cities have boarding houses that rent rooms by the week or month, just as many small towns and rural areas host bed and breakfasts. And in some tourist hotspots, dedicated vacation rentals are common. However, new online services that facilitate short-term rentals have led to a rapid proliferation of home sharing as an alternative to more traditional visitor lodging arrangements in communities across the country. In many places, this trend has sparked debates about whether or not new regulatory or enforcement mechanisms are necessary to mitigate potential effects on host communities. While different localities are likely to draw varying conclusions about the necessity of new standards or procedures, the following sections provide some context and recommendations for local policy.

### Background

In many communities, home sharing is one facet of a larger trend commonly referred to as the “sharing economy.” This phrase often encompasses a wide range of transactions mediated by websites or mobile technology related to sharing property or services. Because home sharing has the potential to change the character of established residential areas, many communities are taking a closer look at how best to accommodate the demand for new types of lodging without undermining goals related to housing, land use, or transportation.

There are three basic varieties of short-term rentals: (1) hosted sharing, where the primary occupants of a residence remain on-site with guests; (2) unhosted sharing, where the primary occupants of a residence vacate the unit while it is rented to short-term guests; and (3) dedicated vacation rentals, where there are no primary occupants. Home sharing and vacation rental services can provide residents and landlords an easy way to make some extra income and, in some cases, offering residences exclusively as short-term rentals can be far more lucrative than traditional leases. Meanwhile, the properties marketed through home sharing and vacation rental sites often appeal to travelers looking for a more authentic local experience or affordable alternatives to downtown hotels and motels.

For communities with a mature short-term rental market, new regulations or enforcement mechanisms may seem unnecessary. Many of these cities and counties either already have standards and procedures addressing short-term rentals on the books or have decided, based on experience, that such provisions are unnecessary. Similarly, communities with an abundance of affordable rental housing and relatively inelastic demand for conventional short-term lodging space may not feel the need to add new standards or procedures to their codes. This is because home sharing is unlikely to create housing shortages or provide direct competition for hotels and motels. **However, in places with a surge in home sharing combined with a shortage of affordable rental housing or unmet demand for rooms in hotels or motels, new standards and procedures may be appropriate.**

### Clarify Use Definitions

Many localities explicitly prohibit the rental of rooms or dwelling units for periods shorter than one month, unless owners comply with all applicable local regulations for boarding houses, hotels, motels, or bed and breakfasts. Meanwhile, many other cities and counties explicitly permit the short-term rental of dwelling units, subject to specific operational or location restrictions. However, few localities address short-term rentals in instances where a unit is occupied as a primary residence for the majority of the year. Often this means hosted or unhosted home sharing is either explicitly or implicitly prohibited. Given the prevalence of home sharing, it may make sense to consider adding **new definitions for different types of sharing situations, such as hosted or unhosted accessory home sharing and vacation rentals as a primary use.**



© Alex Strebler | Theistat.com

*In some communities with especially high demand for short-term rentals, landlords may be tempted to take units out of the long-term rental market.*



American Planning Association  
Making Great Communities Happen

## Identify Appropriate Locations

Some cities and counties with mature short-term rental markets permit full-time sharing in zoning districts that include a mix of primary residences and vacation rentals. Others restrict vacation rentals to tourist-oriented districts. One potential risk of permitting home sharing in residential districts is that it may incentivize landlords to take rental properties off the market, creating a shortage of affordable rental housing. Another potential risk is that frequent unhosted sharing and vacation rentals may lead to increased complaints related to noise, traffic, or parking. In areas with high concentrations of home-sharing or vacation rentals, there is also a chance that the fundamental character may change from residential to quasi-commercial.

## Consider New Zoning or Licensing Standards

While some cities and counties have elected to explicitly prohibit home sharing altogether, several others have made recent code amendments to accommodate short-term rentals in residential districts, subject to specific zoning or licensing standards intended to mitigate community impacts. These standards address topics such as registration and record keeping, advertising, fees or taxes, annual limits on the total number of short-term rental nights, spatial concentration, inspections, and insurance coverage.

For example, San Francisco prohibits dedicated vacation rentals and requires residents or landlords to register all hosted and unhosted short-term rental units. It limits unhosted rentals to 90 days per year and requires registrants to pay hotel taxes and carry liability insurance for claims up to \$500,000 (§41A.5.g).

Meanwhile, Portland, Oregon, recently added new standards for accessory short-term rentals to address hosted and unhosted home sharing. For units where no more than two bedrooms are offered as short-term rentals, residents or landlords must obtain an administrative permit and limit unhosted sharing to a maximum of 95 days per year. Accessory short-term rentals offering more than two bedrooms are subject to a conditional use approval process. In both cases, no more than 25 percent of units in multifamily buildings can be used as short-term rentals (§33.207).

In Aspen, Colorado, short-term vacation rentals are permitted by right in most residential districts, provided owners obtain a business license and a vacation rental permit, designate a local property manager, notify any affected home owners association, and pay sales and lodging taxes (§26.575.220).

## Evaluate Enforcement Alternatives

Without data from home-sharing and vacation rental services, communities may be dependent on complaint-driven enforcement of regulations for short-term rentals. Instead, cities and counties may find it beneficial to establish a proactive enforcement system to ensure that registered properties are complying with applicable standards. This may involve routine monitoring of listings on home-sharing service websites. In communities with short-term rental regulations, violators are typically subject to fines or the revocation of registrations or permits.

## Summary

Home-sharing and vacation rental services are growing trends that show no sign of slowing down. While some communities may ultimately decide that short-term rentals do not have a place in established residential districts, there may be no effective enforcement mechanism for a blanket prohibition. Practically speaking, the key is making regulations that are clear, easily enforced, and do not make residents or landlords out to be scofflaws unnecessarily.

PAS QuickNotes (ISSN 2169-1940) is a publication of the American Planning Association's Planning Advisory Service (PAS). © 2015 by the American Planning Association. All rights reserved. No part of this publication may be reproduced or utilized in any form or by any means, electronic or mechanical, including photocopying, recording, or by any information storage and retrieval system, without permission in writing. Visit PAS online at [www.planning.org/pas](http://www.planning.org/pas) to find out how PAS can work for you. American Planning Association staff: James M. Dinnan, Sr., Executive Director; David Rouse, Sr., Managing Director of Research and Advisory Services; David Morley, Sr., and Anna Reed, Sr., QuickNotes Editors; Julie Von Beigen, Assistant Editor; Susan Deegan, Senior Graphic Designer.

## FURTHER READING

### 1. Published by the American Planning Association

Hutchinson, Nate. 2002. "Short-Term Vacation Rentals: Residential or Commercial Use?" *Zoning News*, March.

### 2. Other Resources

*City Policies for Short-Term Rentals*. 2015. Oakland, California: Sustainable Economies Law Center. Available at <http://www.selc.org/str-discussion>.

Garvin, Elizabeth. 2015. "PMLUI Corner: Thinking About Regulating the Sharing Economy." *Western Planner*, February. Available at <http://www.westernplanner.org>.

National Association of Realtors. 2013. "Field Guide to Short-Term Rental Restrictions." Available at <http://allinyou.com/guideww>.

Engaging online is easier than you think

Boost participation. Control the conversation. Create better communities.



(https://www5.smartadserver.com/click?

imgid=22976910&insid=8365055&pgid=584791&ckid=8464511180923856148&ui=372774053786927878&acd=1543954803857&pubid=20&tmstp=7355345175&tgt=924dt%3d1%3b%24dma%3d770%3b%24hc&systgt=%24qc%3d1310450118%3b%24ql%3dMedium%3b%24qpc%3d84105%3b%24qpp%3d%3b%24qt%3d152\_1625\_39353%3b%24dma%3d770%3b%24b%3d11110%3b%24o%3d11061%3b%24sw%3d1024%3b%24sh%3d600&pgDomain=https%3a%2f%2fwww.planning.org%2fplanning%2f2017%2fmay%2flegallessons%2f&go=https%3a%2f%2fwww.socialpinpoint.com%2f)

Hello Kimberly [/myapa/](#)



American Planning Association <sup>(/)</sup>

Making Great Communities Happen

[About APA \(/aboutapa/\)](#) [My APA \(/myapa/\)](#) [Log Out \(/logout/\)](#)  
[/store/cart/](#)

Enter keyword or phrase

Search

[Home \(/\)](#) > [Knowledge Center \(/knowledgecenter/\)](#) >  
[APA Publications \(/publications/\)](#) > [Planning Magazine \(/planning/\)](#) >

## Planning May 2017

IN THIS ISSUE:

[Legal Lessons](#)



### LEGAL LESSONS

# Regulating Short-Term Rentals

By Edward Sullivan

It has been less than a decade since short term rentals came onto the municipal scene, but the impacts of allowing them have reverberated through cities nationwide.

At face value, STRs look like a win-win-win. Hosts can use the rental income to pay down mortgages, pay their property taxes, and improve their quality of life; guests get a nice room, often for a lower price than a hotel, and chambers of commerce cite increased tourism's positive effect on the local economy.

But it's more complicated than that, particularly for planning departments and elected officials, who are responsible for code compliance, land-use and zoning conflicts, and budgetary concerns associated with enforcement and taxes. (See "[Could You BnB My Neighbor? \(/planning/2016/feb/bnb.htm\)](#)" February 2016.)

#### Finding middle ground

While some cities are trying to prohibit STRs, for most there is simply too much voter pressure to ban them outright. The boldest reaction has been from New York City, which uses state law prohibiting advertising to outlaw STRs, but the room rental differentials between hotels and private residences make evasion very tempting.

More recently the conversation has turned to how the various interests may be accommodated. Cities have a few options when looking to effectively — and legally — regulate short-term rentals.

**LICENSING.** Requiring STRs to be licensed, and establishing a process for the withdrawal of that licensing, not only allows the city to track STRs and collect regulatory fees to operate the program, but also makes enforcement of zoning, city codes, and reporting — possibly the biggest challenge cities face — easier.

In order to ensure the success of a licensing program, it is essential that online purveyors like Airbnb and VRBO report local STR activities to the city. This can be difficult because the company is not physically located in the city (and perhaps not even the state).

Larger cities like San Francisco and Vancouver, B.C. have litigated the issue and have either come to an agreement with purveyors for reporting and cooperation or are moving in that direction. Options for smaller cities include providing uniformity through state legislation (as is proposed in Oregon) or using the precedent established in litigation efforts of larger cities.

**FEES.** STRs often do not pay city taxes and fees like their hotel and bed-and-breakfast counterparts. This can be problematic because those fees are often used to support the local tourism industry or raise revenue for the city. One solution is for the online purveyor to report rentals and include (and collect) city fees as part of the rental. This has been accomplished more often as part of settlement agreements following litigation. However, both online purveyors and home owners typically seek to avoid this obligation.

**LAND-USE CONTROL.** Renting out rooms in a residential zone essentially allows commercial use in an area that prohibits that type of use. It is up to the city whether to ignore the zoning inconsistency, prosecute the landowner, or amend regulations to allow the use, perhaps with uniform limitations. Some municipalities allow one or two rooms to be rented but require the owner to notify neighbors and the neighborhood association; prohibit STRs unless they are within an owner-occupied dwelling; or require that STRs be accompanied by a conditional use or special exception, zone change, or design review. Cities may also place limitations on the number of STRs within a certain radius.

**STRUCTURAL, FIRE, AND LIFE SAFETY CODES.** A municipality must decide whether it will allow STRs in residential dwellings with or without compliance with these codes, which are often different from those for hotels and B&Bs. Cities may not want to impose upgrade costs on home owners who rent out rooms, but that may change if a fatal fire or structural failure occurs. Many cities have ignored full compliance, while others have taken a selective approach. Portland, Oregon, requires a minimal inspection to resolve more apparent problems, but none of the cities that allow short term rentals currently require upgrades to hotel standards.

**INSURANCE.** Requiring insurance that guards the host (and sometimes the city) against liability for bodily injury or property loss is another issue best decided at the outset. If a guest slips and falls at the rental site or is attacked by the host or the host's dog, the guest should have some resort for injuries. More importantly, that resort should not ordinarily be the city.

Each of these regulatory approaches is legally recognized, but before planners can act, they and city attorneys must ensure that the city has home rule or statutory authority to regulate. The city must then determine whether it wishes to regulate and, if so, under what circumstances it will undertake that activity.

If properly done, short-term rental guests and hosts can find each other, the online purveyors can thrive, and the city can ensure the health and safety of guests and will have a revenue stream to cover costs and raise revenues for tourism or general city purposes.

*Edward Sullivan is a retired attorney who teaches, writes, and speaks on land-use law matters. He is also a member of APA's Amicus Curiae and Legislative and Policy Committees.*



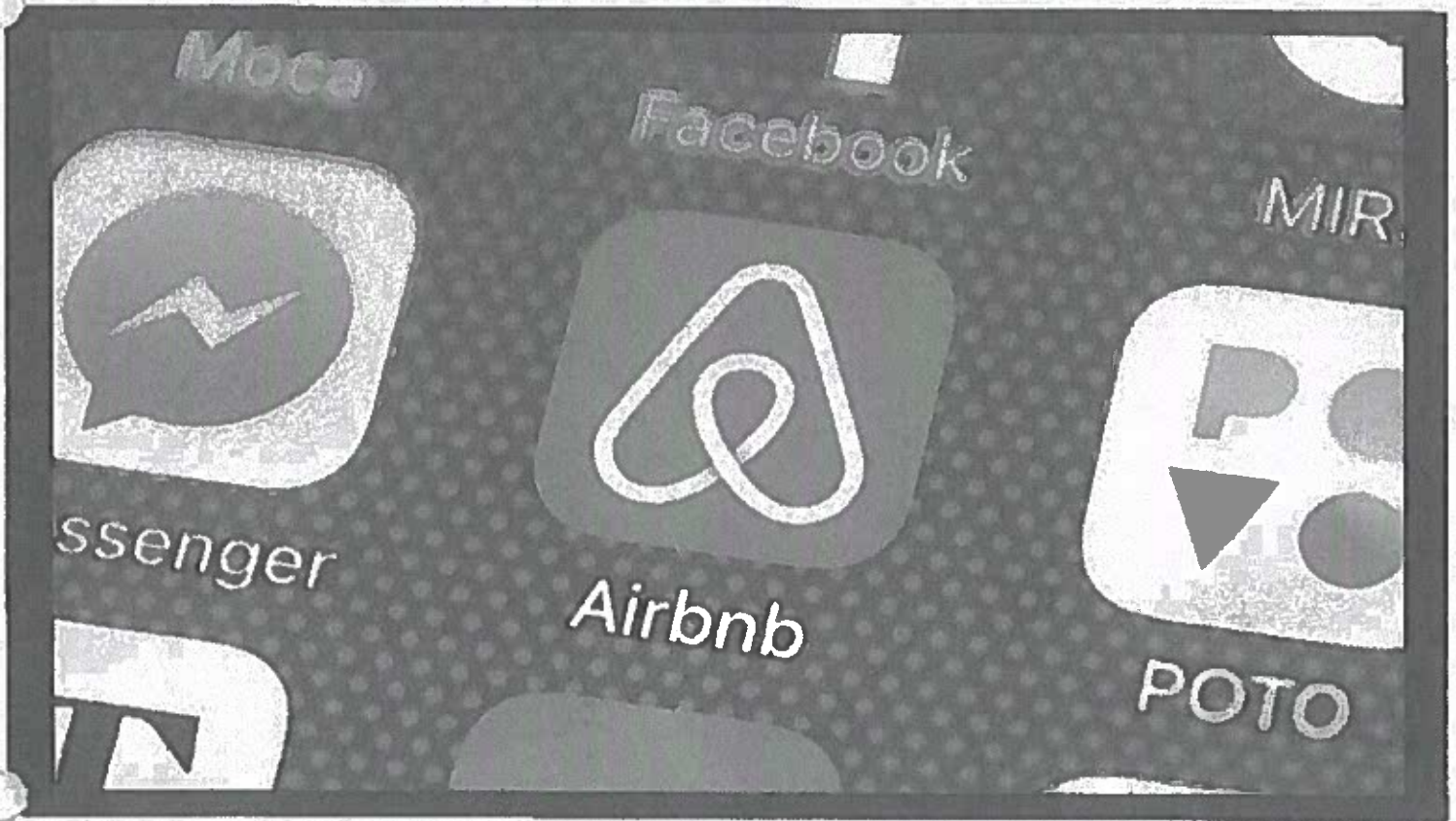
INDIANA UNIVERSITY  
**SPEA CONNECT** · #1 Online MPA    LEARN MORE  
 School of Public and Environmental Affairs

(<https://www5.smartadserver.com/click?>

imgid=22976892&insid=83650478&pgid=584791&ckid=8464511180923856148&uui=362078004671934841&acd=1543954803669&pubid=20&tmstp=7355  
24dt%3d1t%3b%24dma%3d770%3b%24hc&systrgt=%24qc%3d1310450118%3b%24ql%  
3dMedium%3b%24qpc%3d84105%3b%24qpp%3d%3b%24qt%3d152\_1625\_39353t%  
3b%24dma%3d770%3b%24b%3d11110%3b%24o%3d11061%3b%24sw%3d1024%3b%



# Oak Park seeks to tax Airbnb rentals



The Airbnb app logo is displayed on an iPhone. The village of Oak Park is seeking to impose a 4 percent user tax on the rental service. (Carl Court / Getty Images)

By **Steve Schering**

Pioneer Press

SEPTEMBER 7, 2016, 11:31 AM

**H**oping to "level the playing field," the Oak Park Village Board announced its intention to tax Airbnb renters at a similar rate as hotel and traditional bed and breakfast guests.

During the Aug. 7 village board meeting, trustees held a first reading of an ordinance that would recognize "transient occupancy rental units" in private residences and tax them at a rate of 4 percent, which is the same as the village's hotel/motel tax rate.

According to village staff, the request to regulate or tax Airbnb rentals came from existing bed and breakfast owners in the village.

Those using the Airbnb service create an account online and begin searching for rental properties in their desired location. They can connect with Airbnb hosts, who determine a price and agreement for the duration of the visit.

Support Quality Journalism  
Subscribe for only 99¢

START NOW >



ents who spoke against the proposed user tax. According  
in Oak Park in 2006 and began renting their unused space

to short-term renters.

"It has been an enormous pleasure to host families from Oak Park and across the country and across the world," Jiminger said. "These people are coming to Oak Park to spend money here. They use grocery stores, retail shops and restaurants. The reality is the guests who have stayed with us would not have stayed at a local hotel due to the costs. Short-term rentals are bringing a lot of benefits to our village. Please don't penalize us."

Under the proposal, the village's tax dollars would be collected by Airbnb, which would then relay those dollars to the village. Similar to hotel/motel tax dollars, Airbnb taxes would be given to Visit Oak Park for the promotion of local tourism, officials said.

Several village board members said they have used Airbnb in the past and stressed the plan is not to ban the service, but tax it at a rate of similar-use properties.

"We're not going into the landlords' books or paperwork," Mayor Anan Abu-Taleb said. "All we're doing is having a relationship with Airbnb. Airbnb collects that tax we're thinking about imposing and sends it to the village, and we will use that for tourism and to attract people to the village of Oak Park."

Prior to adopting the ordinance, trustees asked village staff just how many Airbnb rental units were available in Oak Park, an answer staff said was difficult to track down.

"We don't know that information and can't get that information from Airbnb," said Tammie Grossman, Oak Park's development customer services director. "Airbnb will not just give us the list and number of people renting and type of space."

Trustee Glenn Brewer said if village staff were to be in contact with Airbnb, he had some issues with the service amid reports of some people claiming to be denied rentals due to their race.

"I have negative views [about Airbnb] in that this community stands for inclusion, and Airbnb has run into some problems with inclusion," Brewer said. "If Airbnb decides to weigh in, they can also tell us what they've been doing in terms of weeding out discrimination. If we are going to get Airbnb in here, they need to address that issue for me."

In neighboring River Forest, the practice of short-term rental properties has been banned by the village. In January, the River Forest Village Board approved a plan to further clear up its policy.

"I have no interest in trying to restrict the use," Oak Park Trustee Andrea Ott said. "I'm not convinced a 4 percent tax will have a negative impact on the use of Airbnb. I think taxing it the same as a hotel or a regular bed and breakfast is fair. That makes sense to me."

The village intends to hold a second reading of its proposed ordinance at the Sept. 19 village board meeting. It is expected trustees will vote to approve that tax that same evening.

## Lash / Condo Law

# Chicago Ordinance Regulates and Restricts Short-Term Rentals of Condominiums

[lashcondolaw.com/chicago-ordinance-regulates-and-restricts-short-term-rentals-of-condominiums/](http://lashcondolaw.com/chicago-ordinance-regulates-and-restricts-short-term-rentals-of-condominiums/)

Denise Lash

March 16, 2017

The explosive growth of on-line short-term rental websites has caused considerable controversy and concerns for governments, hotel operators and condominiums. Condominium corporations have safety and security concerns with the arrival and departure of strangers who have no interest in the condominium as a community. The hotel industry is facing unfair competition by short-term rental accommodations that are not subject to the same licencing, regulatory and tax requirements imposed on hotels. Governments are concerned about the negative effects of short-term rentals on the availability of affordable accommodations for long-term renters.

The City of Chicago recently enacted an ordinance to regulate and restrict short-term rentals of single-family homes and condominiums. The Chicago ordinance includes the following provisions:

- Requirement for companies like Airbnb ("rental intermediaries") to obtain a licence and pay an annual fee of \$10,000 plus a fee of \$60 per unit. These fees would be used to enforce the ordinance.
- Requirement for short-term rental units to be registered.
- Requirement for hosts with multiple shared-housing units to obtain a licence and be subject to inspections.
- Community associations (i.e. condominiums) are allowed to prohibit short-term rentals and be added to a "prohibited buildings" list, which is available on-line to the public.
- A limit on the number of units that can be rented on a short-term basis. For buildings with more than 5 units, the limit would be  $\frac{1}{4}$  of the total units or 6 units, whichever is less.
- A 4% surcharge on short-term rentals.
- Imposition of fines on rental hosts and rental intermediaries that violate the ordinance. The fines would range from \$1500 to \$3000 per offence, with each day that a violation exists being treated as a separate offence.
- "One strike and you're out" rule resulting in licence revocation for egregious conditions such as violent acts, drug trafficking, gang-related activity, large parties or public nuisance, plus a penalty of \$2500 to \$5000 per offence.
- Ability for the City to determine that a rental unit is a public nuisance in the case of 3 instances of noise, drunkenness, harassment, loitering or overcrowding in 12 months.
- Establishment of minimum insurance requirements.
- Requirement for rental intermediaries to remove internet listings that are in violation of the ordinance.

Since short-term rentals can be quite lucrative for rental hosts, not surprisingly, Chicago's short-term rental ordinance has resulted in lawsuits being filed against the City by unhappy homeowner hosts.

While short-term rental websites such as Airbnb may have started out with homeowner hosts trying to generate extra income by renting out a spare bedroom, things have certainly changed. A recent study conducted on behalf of the American Hotel and Lodging Association reveals that the majority of short-term rental accommodation listings and revenue come from hosts who are commercial operators running a full-time rental business from their residential units.

Condominiums located in municipalities that do not have regulations and restrictions on short-term rentals have a difficult time trying to stop short-term rentals, even if there are provisions in their declarations that either prohibit short-term rentals or specify that residential units are for single-family use only. Unfortunately, in Ontario condominiums do not have the ability to impose fines on owners that violate the condominium documents. The ability to impose fines would certainly help condominiums eliminate short-term rentals that violate the condominium documents, as the fines would cut into the profits generated by short-term rentals.



## **NEW REPORT REVEALS MORE THAN HALF OF AIRBNB'S PHILADELPHIA REVENUE COMES FROM COMMERCIAL ACTIVITY, EMPHASIZING NEED FOR STATE ACTION**

Operators listing multiple units for rent drove over one-third (36%) of Airbnb's revenue in the Philadelphia region – over \$5 million. Pennsylvania House of Representatives Tourism and Recreational Development Committee hearing on Short-Term Rentals and Airbnb's impact in the state set for Wednesday, September 14, 2016.

**WASHINGTON, D.C., September 14, 2016** – Ahead of a Pennsylvania House of Representatives Tourism and Recreational Development Committee hearing on short-term rentals in York, PA, the American Hotel & Lodging Association is releasing a new detailed look at the growth of Airbnb's operations in Philadelphia, as Pennsylvania lawmakers begin to consider new rules aimed at short-term rentals across the state. The study, part of a detailed analysis of Airbnb's commercial operations, was conducted by John O'Neill, MAI, ISHC, Ph.D., Professor of Hospitality Management and Director of the Center for Hospitality Real Estate Strategy at Pennsylvania State University and examined activity on Airbnb between October 2014 and September 2015.

The study builds on the national analysis released earlier this year that shows a troubling trend: a growing number of commercial operators are using Airbnb to run unregulated, and often illegal, lodging businesses.

The hearing and study will give lawmakers an opportunity to learn more about the

"Illegal hotels operating in residential areas in the Philadelphia area present serious concerns for travelers and residents alike," said **AH&LA President and CEO Katherine Lugar**. "From disrupting communities and neighborhoods to creating potential health and safety hazards for guests, the issues generated by commercial operators are pervasive. In Philadelphia, as in cities around the country, we have seen that Airbnb is unwilling to be transparent with its data and be a partner in creating safe environments for its users and the communities in which it operates. And now we know why: a growing portion of Airbnb's revenue comes from commercial landlords using the platform to operate unregulated and often illegal lodging businesses. Policymakers in Philadelphia, in Pennsylvania and across the country should act to ensure a fair travel marketplace by closing the illegal hotel loophole."

Philadelphia is one of 14 cities profiled in a series of reports that comprise a second phase of an analysis into the commercial activity being transacted on Airbnb's platform. The initial analysis ("*From Air Mattresses to Unregulated Business: An Analysis of the Other Side of Airbnb*") was released in January 2016.

[RESOURCES](#)[CAREERS](#)[CERTIFICATIONS](#)[CONTACT](#)[SPONSOR/PARTNER](#)[PRIVACY & TERMS OF USE](#)

Copyright AH&LA 2018. All Rights Reserved

**ORDINANCE**

**AN ORDINANCE AMENDING CHAPTER 23A  
("TAXES"), ARTICLE 4 ("HOTEL/MOTEL TAX") OF THE OAK PARK VILLAGE CODE  
TO INCLUDE TRANSIENT OCCUPANCY RENTAL UNITS**

**WHEREAS**, the Village of Oak Park ("Village") as a home rule unit of local government as provided by Article VII, Section 6 of the Illinois Constitution of 1970 has the authority to exercise any power and perform any function pertaining to its government and affairs except as limited by Article VII, Section 6 of the Illinois Constitution of 1970; and

**WHEREAS**, pursuant to its home rule powers and Section 8-11-6a of the Illinois Municipal Code, 65 ILCS 5/8-11-6a, the Village may enact a tax based on the use of a hotel or motel room or similar facility; and

**WHEREAS**, pursuant to said authority and the Village's home rule powers, the Village has determined to amend Chapter 23A ("Taxes"), Article 4 ("Hotel/Motel Tax") of the Oak Park Village Code as set forth in this Ordinance.

**NOW THEREFORE, BE IT ORDAINED** by the President and Board of Trustees of the Village of Oak Park, Cook County, Illinois, in the exercise of their home rule powers, as follows:

**Section 1. Recitals Incorporated.** The above recitals are incorporated herein as though fully set forth.

**Section 2. Village Code Amended.** Chapter 23A ("Taxes"), Article 4 ("Hotel/Motel Tax") of the Oak Park Village Code is hereby amended by adding the underlined language and deleting the overstricken language to read as follows:

**Article 4**

**HOTEL/MOTEL AND TRANSIENT OCCUPANCY RENTAL UNIT TAX**

**23A-4-1: DEFINITIONS:**

**23A-4-2: TAX IMPOSED:**

**23A-4-3: DUTY TO COLLECT TAX FROM USER:**

**23A-4-4: BOOKS AND RECORDS:**

**23A-4-5: TRANSMITTAL OF TAX REVENUE:**

**23A-4-6: COLLECTION:**

**23A-4-7: PROCEEDS TO BE PAID TO VILLAGE FINANCE DIRECTOR:**

**23A-4-8: TERMINATION OF TAX:**

**23A-4-9: PENALTY:**

**23A-4-1: DEFINITIONS:**

For the purpose of this Article, whenever any of the following words, terms or definitions are used herein, they shall have the meaning ascribed to them in this Section:

**HOTEL/MOTEL:** Every building or structure within the Village kept, used, maintained as or advertised and held out to the public to be a place where lodging or lodging and food or other accommodations are offered for a consideration to guests including "bed and breakfast" establishments. Accommodations within said buildings or structures which are leased to the same occupant for a period of more than thirty (30) consecutive days shall be exempt from the tax provisions of this Article.

**OWNER:** Any person having an ownership interest in or conducting the operation of a hotel/motel or motel room, or transient occupancy rental unit or receiving consideration for the rental of such hotel/motel room or transient occupancy rental unit ~~motel room~~.

**PERSON:** Any natural person, receiver, administrator, executor, conservator, assignee, trust in perpetuity, trust, estate, firm, co-partnership, joint venture, club, company, business trust, domestic or foreign corporation, association, syndicate, society or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise, whenever the term "person" is used in any clause prescribing and imposing a penalty, the term as applied to associations shall mean the owners or part-owners thereof, and as applied to corporations, the officers thereof.

**TRANSIENT OCCUPANCY RENTAL UNIT:** A dwelling unit or a habitable unit that is offered for rent, lease or hire that is rented, leased or hired for which an owner receives consideration from a person for a period of thirty (30) days or less and that person has the right to use, occupy or possess the dwelling unit or habitable unit for said period.

**23A-4-2: TAX IMPOSED:**

A tax is hereby levied and imposed upon the use and privilege of renting, leasing or letting of rooms in a hotel/motel or transient occupancy rental unit ~~or motel~~ in the Village at a rate of four percent (4%) of the gross rental receipts from such rental, leasing or letting. The ultimate incidence or and liability for payment of said tax shall be in addition to any and all other taxes.

**23A-4-3: DUTY TO COLLECT TAX FROM USER:**

The owner and operator of each hotel/motel or transient occupancy rental unit ~~and/or motel~~ and the person who operates said hotel/motel or transient occupancy rental unit ~~or motel~~ shall bear jointly and severally the duty to act as trustee for and account of the Village and to collect the tax from each user, lessee or tenant of rooms in such hotel/motel or transient occupancy rental unit ~~or motel~~ and to pay over to the Village Finance Director the tax under procedures prescribed by the Village Finance Director or as otherwise set forth in this Article; provided,



however, that the person collecting the tax as trustee for and account of the Village, may retain two percent (2%) of the tax due as compensation for services rendered in the collection and payment of such tax. Every person required to collect the tax levied by ordinance shall secure said tax from the user, lessee or tenant of a room or rooms at the time that such person collects the price, charge or rent to which it applies.

**23A-4-4: BOOKS AND RECORDS:**

The Finance Director, or the Director's authorized representative, may enter the premises of any hotel/motel or transient occupancy rental unit ~~or motel~~ for inspection and examination of records in order to effectuate the proper administration of this Chapter, and to assure the enforcement of the collection of the tax imposed. It shall be unlawful for any person to prevent, hinder, or interfere with the Finance Director or the Director's authorized representative in the discharge of the Director's duties in the performance of this Chapter. It shall be the duty of every owner to keep accurate and complete books and records to which the Finance Director, or the Director's authorized representative, shall at all times have full access, which records shall include a daily sheet showing the number of hotel/motel rooms or transient occupancy rental unit ~~or motel rooms~~ rented during the twenty four (24) hour period, including multiple rentals of the same hotel/motel room or transient occupancy rental unit ~~or motel room~~ where such shall occur and the actual hotel/motel or transient occupancy rental unit ~~or motel~~ tax receipts collected for the date in question.

**23A-4-5: TRANSMITTAL OF TAX REVENUE:**

A. The owner of each hotel/motel or transient occupancy rental unit ~~or motel~~ room within the Village shall file tax returns showing tax receipts received with respect to each hotel and motel room during each one month period commencing on February 1, 1995, and continuing on the first day of every month thereafter on forms prescribed by the Village Finance Director. The monthly return for each completed calendar month shall be due within fifteen (15) days of the completion of the calendar month. A separate return shall be filed for each place of business within the Village regardless of ownership.

B. The first taxing period for the purpose of this Article shall commence on February 1, 1995, and the tax return and payment for such period shall be due on or before March 15, 1995. Thereafter reporting periods and tax payments shall be in accordance with the provisions of this Article. At the time of filing such tax returns, the owner shall pay to the Village all taxes due for the period to which the tax return applies.

C. If for any reason any tax is not paid when due, a penalty at the rate of two percent (2%) per thirty (30) day period, or portion thereof, from the day of delinquency shall be added and collected.

**23A-4-6: COLLECTION:**

Whenever any person shall fail to pay any tax as herein provided, the Village Attorney shall, ~~on the request of the Finance Director,~~ bring or cause to be brought an action to enforce the payment of the tax on behalf of the Village in any court of competent jurisdiction.

**23A-4-7: PROCEEDS TO BE PAID TO VILLAGE FINANCE DIRECTOR:**

All proceeds resulting from the imposition of the tax under this Article, including penalties, shall be paid to the Finance Director of the Village of Oak Park and shall be credited to and deposited in a separate fund of the Village and shall be used only for the purpose of promoting tourism, meetings, conventions or other events within the Village or otherwise attracting nonresidents to visit the Village and patronize Village businesses and in furtherance of that purpose, all proceeds from the tax necessary to fulfill the Village's financial obligation to the Visitors Bureau in accordance with the Village's then-existing agreement with the Visitors Bureau will be transmitted to the Visitors Bureau. If the proceeds from the tax exceed the Village's financial obligation under its agreement with the Visitors Bureau for the year in which the tax is collected, such surplus funds will be deposited in the special fund to be used for the promotion of tourism, meetings, conventions or other events within the Village or otherwise attracting nonresidents to visit the Village and patronize Village businesses.

**23A-4-8: TERMINATION OF TAX:**

Upon the dissolution of the Visitors Bureau 501 C 6 not-for-profit corporation or the termination of the Visitors Bureau annual agreement with the Village of Oak Park for the provision of tourism promotional services, the President and Board of Trustees of the Village of Oak Park, at its next regularly scheduled Village Board meeting subsequent to such dissolution or subsequent to the termination of the existing agreement, shall rescind the ordinance establishing the tax upon the privilege of renting, ~~easing~~ leasing or letting rooms in a hotel/motel or transient occupancy rental unit ~~or motel~~ within the Village of Oak Park.

**23A-4-9: PENALTY:**

Any person found guilty of violating, disobeying, omitting, neglecting or refusing to comply with or resisting or opposing the enforcement of any of the provisions of this Article, except when otherwise specifically provided, upon conviction thereof shall be punished by a fine of not less than one hundred dollars (\$100.00) and not more than five hundred dollars (\$500.00). Each day of violation shall constitute a separate and distinct offense.

**Section 3. Severability and Repeal of Inconsistent Ordinances.** If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any of the other provisions of this Ordinance. All ordinances in conflict herewith are hereby repealed to the extent of such conflict.

**Section 4. Effective Date.** This Ordinance shall be in full force and effect after its approval, passage and publication as provided by law on November 1, 2016.

**ADOPTED** this 16<sup>th</sup> day of September, 2016, pursuant to a roll call vote at follows:

Voting	Aye	Nay	Abstain	Absent
President Abu-Taleb				
Trustee Barber				
Trustee Brewer				
Trustee Button Ott				
Trustee Lueck				
Trustee Salzman				
Trustee Tucker				

**APPROVED** this 16<sup>th</sup> day of September, 2016.

\_\_\_\_\_  
Anan Abu-Taleb, Village President

**ATTEST**

\_\_\_\_\_  
Teresa Powell, Village Clerk

Published in pamphlet form this 16<sup>th</sup> day of September, 2016.

\_\_\_\_\_  
Teresa Powell, Village Clerk

**VOLUNTARY COLLECTION AGREEMENT  
FOR  
VILLAGE OF OAK PARK TRANSIENT OCCUPANCY TAX**

**THIS VOLUNTARY COLLECTION AGREEMENT** (the “**Agreement**”) is dated \_\_\_\_\_, 2016 and is between **AIRBNB, INC.**, a Delaware corporation (“**Airbnb**”) and the **Village of Oak Park**, an Illinois home rule municipal corporation (the “**Taxing Jurisdiction**”). Each party may be referred to individually as a “**Party**” and collectively as the “**Parties.**”

**RECITALS:**

WHEREAS, Airbnb represents that it provides an Internet-based platform (the “**Platform**”) through which third parties offering accommodations (“**Hosts**”) and third parties booking such accommodations (“**Guests**”) may communicate, negotiate and consummate a direct booking transaction for accommodations to which Airbnb is not a party (“**Booking Transaction**”);

WHEREAS, the Taxing Jurisdiction and Airbnb enter into this Agreement voluntarily in order to facilitate the reporting, collection and remittance of alleged applicable transient occupancy taxes (“**TOT**”) imposed under applicable the Oak Park Village Code (the applicable “**Code**”) for Booking Transactions completed by Hosts and Guests on the Platform for accommodations located in Oak Park, Illinois (the “**Taxable Booking Transactions**”);

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS, PROMISES AND AGREEMENTS CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

(A) Solely pursuant to the terms and conditions of this Agreement, including only for periods in which this Agreement is effective (defined below), and solely for Taxable Booking Transactions completed on the Platform, Airbnb agrees contractually to assume the duties of a TOT collector as described in the Code (hereinafter referred to as a “**Collector**”).

(B) Starting on January 1, 2017 (the “**Effective Date**”), Airbnb agrees to commence collecting and remitting TOT, pursuant to the terms of this Agreement, at the applicable rate, on Taxable Booking Transactions. Except as set forth in Paragraph (L) below, Airbnb shall not assume any obligation or liability to collect TOT for any period or for any transaction prior to the Effective Date or termination of this Agreement.

## **REMITTANCE OF TOT**

(C) Airbnb agrees reasonably to report aggregate information on the tax return form prescribed by the Taxing Jurisdiction, including all TOT that is subject to the provisions of this Agreement, and it shall remit all TOT collected from Guests in accordance with this Agreement and Airbnb's Terms of Service ([www.airbnb.com](http://www.airbnb.com)) (the "TOS") in the time and manner described in the Code or as otherwise agreed to in writing.

## **AIRBNB LIABILITY**

(D) Pursuant to the terms of this Agreement, Airbnb agrees contractually to assume liability for any failure to report, collect and/or remit the correct amount of TOT, including, but not limited to, penalties and interest, lawfully and properly imposed in compliance with the Code. Nothing contained herein nor any action taken pursuant to this Agreement shall impair, restrict or prevent Airbnb from asserting that any TOT and/or penalties, interest, fines or other amounts assessed against it were not due, are the subject of a claim for refund under applicable law or otherwise bar it from enforcing any rights accorded by law.

(E) During any period for which Airbnb is not in breach of its obligations under this Agreement, the Taxing Jurisdiction agrees to audit Airbnb on the basis of TOT returns and supporting documentation, and agrees not to directly or indirectly audit any individual Guest or Host relating to Taxable Booking Transactions unless and until an audit of Airbnb by the Taxing Jurisdiction has been exhausted with the matter unresolved. The Taxing Jurisdiction reserves the right to audit any individual Airbnb Host for activity that has been brought to the attention of the Taxing Jurisdiction in the form of a complaint or other means independent of this Agreement or independent of data or information provided pursuant to this Agreement.

(F) The Taxing Jurisdiction agrees to audit Airbnb on an anonymous numbered account basis for Taxable Booking Transactions. Except as otherwise agreed herein, Airbnb shall not be required to produce any personally identifiable information relating to any Host or Guest or relating to any Booking Transaction without binding legal process served only after completion of an audit by the Taxing Jurisdiction of Airbnb with respect to such users. The Taxing Jurisdiction agrees that it will not audit or issue an assessment against Airbnb more than once per any consecutive forty-eight month period and that such audit or assessment will be limited to a consecutive twelve-month period within the forty-eight month period.

(G) Airbnb, Inc. agrees to register as a Collector for the reporting, collection and remittance of TOT under this Agreement and will be the registered Collector on behalf of any affiliate or subsidiary collecting TOT.

#### **GUEST AND HOST LIABILITY**

(H) During any period in which this Agreement is effective relating to Taxable Booking Transactions, Hosts shall be permitted but not required to register individually with the Taxing Jurisdiction to collect, remit and/or report TOT, provided Airbnb is in compliance with its obligations herein. Nothing in this Agreement shall relieve Guests or Hosts from any responsibilities with respect to TOT for transactions completed other than on the Platform, or restrict the Taxing Jurisdiction from investigating or enforcing any provision of applicable law against such users for such transactions.

#### **WAIVER OF LOOK-BACK**

(I) The Jurisdiction expressly releases, acquits, waives and forever discharges Airbnb, its current or past affiliated parent or subsidiary companies, directors, shareholders investors, employees and other agents, and/or Hosts or Guests from any and all actions, causes of action, indebtedness, suits, damages or claims arising out of or relating to payment of and/or collection of TOT or other tax indebtedness, including but not limited to penalties, fines, interest or other payments relating to TOT on any Taxable Booking Transactions prior to the Effective Date. Nothing contained in this Paragraph of this Agreement will constitute a release or waiver of any claim, cause of action or indebtedness that the Jurisdiction may have or claim to have against any Host or Guest unrelated to Taxable Booking Transactions under this Agreement.

#### **NOTIFICATION TO GUESTS AND HOSTS**

(J) Airbnb agrees, for the purposes of facilitating this Agreement, and as required by its TOS, that it will notify (i) Hosts that TOT will be collected and remitted to the Taxing Jurisdiction as of the Effective Date pursuant to the terms of this Agreement; and (ii) Guests and Hosts of the amount of TOT collected and remitted on each Taxable Booking Transaction.

#### **LIMITATION OF APPLICATION**

(K) This Agreement is solely for the purpose of facilitating the administration and collection of the TOT with respect to Taxable Booking Transactions and, except with respect to the rights and liabilities set forth herein, the execution of or actions taken under this Agreement shall not be considered an admission of law or fact or or constitute evidence thereof under the

Code or any other provisions of the laws of the United States of America, of any State or subdivision or municipality thereof. Neither Party waives, and expressly preserves, any and all arguments, contentions, claims, causes of action, defenses or assertions relating to the validity or interpretation or applicability of the Code, regulations or application of law.

#### **DURATION/TERMINATION**

(L) This Agreement may be terminated by Airbnb or the Taxing Jurisdiction for convenience on 30 days written notification to the other Party. Any termination under this Paragraph shall not affect the duty of Airbnb to remit to the Taxing Jurisdiction any TOT collected from Guests up through and including the effective date of termination of this Agreement, even if not remitted by Airbnb to the Taxing Jurisdiction as of the date of termination.

#### **MISCELLANEOUS**

(M) CHOICE OF LAW. This Agreement, its construction and any and all disputes arising out of or relating to it, shall be interpreted in accordance with the substantive laws of the State of Illinois without regard to its conflict of law principles.

(N) MODIFICATION. No modification, amendment, or waiver of any provision of this Agreement shall be effective unless in writing and signed by both Parties.

(O) MERGER AND INTEGRATION. This Agreement contains the entire agreement of the Parties with respect to the subject matter of this Agreement, and supersedes all prior negotiations, agreements and understandings with respect thereto.

(P) COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument. The Agreement shall become effective when a counterpart has been signed by each Party and delivered to the other Party, in its original form or by electronic mail, facsimile or other electronic means. The Parties hereby consent to the use of electronic signatures in connection with the execution of this Agreement, and further agree that electronic signatures to this Agreement shall be legally binding with the same force and effect as manually executed signatures.

(Q) RELATIONSHIP OF THE PARTIES. The Parties are independent contractors. This Agreement does not create nor is it intended to create a partnership, franchise,

joint venture, agency, or employment relationship between the Parties. There are no third-party beneficiaries to this Agreement.

**(R) WAIVER AND CUMULATIVE REMEDIES.** No failure or delay by either Party in exercising any right under this Agreement shall constitute a waiver of that right or any other right. Other than as expressly stated herein, the remedies provided herein are in addition to, and not exclusive of, any other remedies of a Party at law or in equity.

**(S) FORCE MAJEURE.** Neither Party shall be liable for any failure or delay in performance under this Agreement (other than for delay in the payment of money due and payable hereunder) for causes beyond that Party's reasonable control and occurring without that Party's fault or negligence, including, but not limited to, acts of God, acts of government, flood, fire, civil unrest, acts of terror, strikes or other labor problems (other than those involving Airbnb employees), computer attacks or malicious acts, such as attacks on or through the Internet, any Internet service provider, telecommunications or hosting facility. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.

**(T) ASSIGNMENT.** Neither Party may assign any of its rights or obligations hereunder, whether by operation of law or otherwise, without the prior written consent of the other Party (which consent shall not be unreasonably withheld). Notwithstanding the foregoing, Airbnb may assign this Agreement in its entirety without consent of the other Party in connection with a merger, acquisition, corporate reorganization, or sale of all or substantially all of its assets.

**(U) MISCELLANEOUS.** If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, the provision shall be modified by the court and interpreted so as best to accomplish the objectives of the original provision to the fullest extent permitted by law, and the remaining provisions of this Agreement shall remain in effect.

#### **NOTICES**

**(V)** All notices under this Agreement shall be in writing and shall be deemed to have been given upon: (i) personal delivery; (ii) the third business day after first class mailing postage prepaid; or (iii) the second business day after sending by overnight mail or by facsimile with telephonic confirmation of receipt. Notices shall be addressed to the attention of the following persons, provided each Party may modify the authorized recipients by providing written notice to the other Party:



To Airbnb:

Airbnb, Inc.  
Attn: General Counsel  
888 Brannan Street, 4<sup>th</sup> Fl.  
SF, CA 94103  
[legal@airbnb.com](mailto:legal@airbnb.com)

Airbnb, Inc.  
Attn: Global Head of Tax  
888 Brannan Street, 4<sup>th</sup> Fl.  
SF, CA 94103  
[tax@airbnb.com](mailto:tax@airbnb.com)

To the Taxing Jurisdiction:

Village Manager  
Village of Oak Park  
123 Madison Street  
Oak Park, Illinois 60302  
Email: [villagemanager@oak-park.us](mailto:villagemanager@oak-park.us)

***IN WITNESS WHEREOF***, Airbnb and the Taxing Jurisdiction have executed this Agreement effective on the date set forth in the introductory clause.

**AIRBNB, INC.**, a Delaware corporation

By: \_\_\_\_\_  
Signature of Authorized Representative  
**Beth Adair, Global Tax Director**  
Name and Title of Authorized Representative

**VILLAGE OF OAK PARK**

By: \_\_\_\_\_  
Cara Pavlicek  
Village Manager

**RESOLUTION**

**A RESOLUTION APPROVING A VOLUNTARY COLLECTION AGREEMENT  
FOR VILLAGE OF OAK PARK TRANSIENT OCCUPANCY TAX  
WITH AIRBNB, INC. AND AUTHORIZING ITS EXECUTION**

**BE IT RESOLVED** by the President and Board of Trustees of the Village of Oak Park, Cook County, State of Illinois, in the exercise of their home rule powers, that the Voluntary Collection Agreement for Village of Oak Park Transient Occupancy Tax with Airbnb, Inc. ("Agreement") is approved and the Village Manager is authorized to execute the Agreement in substantially the form attached.

**THIS RESOLUTION** shall be in full force and effect from and after its adoption and approval as provided by law.

**ADOPTED** this 19<sup>st</sup> day of September, 2016 pursuant to a roll call vote as follows:

Voting	Aye	Nay	Abstain	Absent
President Abu-Taleb				
Trustee Barber				
Trustee Brewer				
Trustee Button Ott				
Trustee Lueck				
Trustee Salzman				
Trustee Tucker				

**APPROVED** this 19<sup>th</sup> day of September, 2016.

\_\_\_\_\_  
Anan Abu-Taleb, Village President

**ATTEST**

\_\_\_\_\_  
Teresa Powell, Village Clerk

**PUBLICATION OF:**

**ORDINANCE NO. 16-**

**AN ORDINANCE AMENDING TITLE 3, CHAPTER 36, SECTION 36.051 AND TITLE 11, CHAPTER 123, SECTION 123.02(B)(7)(f) REGARDING HOTEL AND MOTEL TAX FOR SHORT TERM RENTALS**

**ADOPTED: JUNE 28, 2016**

**PUBLISHED IN PAMPHLET FORM PURSUANT TO AUTHORIZATION AND DIRECTION OF THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF SCHAUMBURG ON JUNE 29, 2016**

364061\_1

**ORDINANCE NO. 16-**

**ORDINANCE AMENDING TITLE 3, CHAPTER 36, SECTION 36.051 AND TITLE 11, CHAPTER 123, SECTION 123.02(B)(7)(f) REGARDING HOTEL AND MOTEL TAX FOR SHORT TERM RENTALS**

**WHEREAS**, the Village of Schaumburg, as a home rule unit of local government as provided by Article VII, Section 6 of the Illinois Constitution of 1970, has the authority to exercise any power and perform any function pertaining to its government and affairs, except as limited by Article VII, Section 6 of the Illinois Constitution of 1970; an

**WHEREAS**, the Village of Schaumburg currently imposes a Hotel and Motel Tax on all buildings or structures, or portion thereof, where accommodations are offered for guests for a period of thirty (30) consecutive days or less; and

**WHEREAS**, the Village of Schaumburg desires to amend those regulations to clearly indicate that such regulations apply to Short Term Rentals, as defined in Title 11 Chapter 123, Section 123.01 of the Village Code; and

**WHEREAS**, the Village of Schaumburg finds it in the best interests of the Village to amend the Village Code to provide for the same:

**NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF SCHAUMBURG:**

**SECTION ONE:** That Title 3, Chapter 36, Section 36.051 be amended to read as follows:

"The word "hotel" and the word "motel" within the meaning of this subchapter include every building or structure, or portion thereof, kept, used, maintained, advertised and held out to the public to be a place where lodging, or lodging and food, or apartments, or suites, or other accommodations are offered for a consideration to guests, including but not limited to such buildings or structures, or portions thereof, booked through online travel companies. This shall include Short Term Rentals, as defined and regulated under the Village Code, as may be amended from time to time. Accommodations within said buildings or structures which are leased to the same occupant for a period of more than thirty (30) consecutive days regardless of the initial lease commitment shall be exempt from the tax provisions of this subchapter."

**SECTION TWO:** That Title 11 Chapter 123, Section 123.02(B)(7)(f) be amended to read as follows:

- (f) Any Short Term Rental shall comply with the following criteria:
  1. No rental or advertisement for rental for a period of time shorter than twenty (20) hours.

36-061\_3

**ORDINANCE NO. 16-**

**ORDINANCE AMENDING TITLE 3, CHAPTER 36, SECTION 36.051 AND TITLE 11, CHAPTER 123, SECTION 123.02(B)(7)(f) REGARDING HOTEL AND MOTEL TAX FOR SHORT TERM RENTALS**

- 2. No Short Term Rental may provide for food or beverage to any guests with the exception of pre-packaged food and drink items.
- 3. No more than one (1) Short Term Rental at a specific location during the one-year period commencing on the date a license is issued.
- 4. Any Short Term Rental shall be subject to the Hotel and Motel Tax set forth in the Village Code, as may be amended from time to time.

**SECTION THREE:** That this ordinance shall be in full force and effect, after passage, approval and publication as required by law.

**AYES:**

**NAYS:**

**ABSENT:**

PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Village President

**ATTEST:**

\_\_\_\_\_  
Village Clerk

**APPROVED:**

\_\_\_\_\_  
Assistant Village Attorney

36-061\_1

PUBLICATION OF:

ORDINANCE NO.16-073

ORDINANCE REGARDING HOTEL AND MOTEL TAX  
(AMENDING TITLE 3, CHAPTER 38)

ADOPTED: AUGUST 9, 2016

PUBLISHED IN PAMPHLET FORM PURSUANT TO AUTHORIZATION AND  
DIRECTION OF THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE  
OF SCHAUMBURG ON AUGUST 10, 2016

**ORDINANCE 16-073****ORDINANCE REGARDING HOTEL AND MOTEL TAX  
(AMENDING TITLE 3, CHAPTER 36)****ORDINANCE REGARDING HOTEL AND MOTEL  
TAX (AMENDING TITLE 3, CHAPTER 36)**

**WHEREAS**, the Village of Schaumburg, as a home rule unit of local government as provided by Article VII, Section 6 of the Illinois Constitution of 1970, has the authority to exercise any power and perform any function pertaining to its government and affairs, except as limited by Article VII, Section 6 of the Illinois Constitution of 1970; and

**WHEREAS**, the Village of Schaumburg currently imposes a Hotel and Motel Tax on all buildings or structures, or portion thereof, where accommodations are offered for guests for a period of thirty (30) consecutive days or less; and

**WHEREAS**, the Village of Schaumburg desires to amend those regulations to clearly indicate that such regulations apply to all persons engaged in the business of renting, leasing or letting rooms in a hotel, including on-line rental companies; and

**WHEREAS**, the Village of Schaumburg finds it in the best interests of the Village to amend the Village Code to provide for the same;

**NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND  
BOARD OF TRUSTEES OF THE VILLAGE OF SCHAUMBURG:**

**SECTION ONE:** That Title 3, Chapter 36, Section 36.050 be amended to read as follows:

"A tax is hereby levied and imposed upon all persons engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the village at a rate of eight percent (8%) of the gross rental receipts from such rental, leasing or letting. The ultimate incidence of and liability for payment of said tax shall be borne by the user, lessee or tenant of said rooms. The tax herein levied shall be in addition to any and all other taxes."

**SECTION TWO:** That Title 3, Chapter 36, Section 36.052 be amended to read as follows:

"The owner and operator of each hotel and or motel, the person to whom the license to operate said hotel or motel shall have been issued by the village, and any other persons engaged in the business of renting, leasing, or letting rooms in a hotel or motel shall bear jointly and severally the duty to collect the tax from each user, lessee or tenant of rooms in such hotel or motel. Every person required to collect the tax levied by ordinance shall secure said tax from the user,

**ORDINANCE 16-073****ORDINANCE REGARDING HOTEL AND MOTEL TAX  
(AMENDING TITLE 3, CHAPTER 36)**

lessee or tenant of a room or rooms at the time that he collects the price, charge or rent to which it applies."

**SECTION THREE:** That Title 3, Chapter 36, Section 36.053 be amended to read as follows:

"(A) **Enforcement Officer:** The finance director hereby is designated as the administration and enforcement officer of the tax hereby imposed on behalf of the village. It shall be the responsibility and duty of the finance director to collect all amounts due the village from the owners, operators and licensees of motels and hotels in the village, and any other persons engaged in the business of renting, leasing, or letting rooms in a hotel or motel.

(B) **Tax Return Filing:** A sworn hotel and motel occupancy tax return shall be filed by each owner, operator or licensee of each hotel or motel in the village, or by any other persons engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the village, with the finance director, on forms prescribed by him, showing all receipts from each renting, leasing or letting of rooms during the reporting period. Effective with the reporting period beginning April 1, 2007, and for all subsequent reporting periods, the tax returns are to be prepared and submitted on a monthly reporting period basis. The tax return and payment of the tax due shall be received or postmarked on or before the last day of the month succeeding the reporting period.

(C) **Payment:** Each tax return shall be accompanied by payment to the village of all taxes due and owing for the reporting period covered by the tax return, provided, however, that the owner, operator, or licensee, or any other persons engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the Village filing said return may retain an amount of money equal to one percent (1%) of the tax due as compensation for services rendered in the collection and payment of such tax.

(D) **Books and Records:** The finance director or any person certified by him as his deputy or representative may enter the premises of any hotel or motel, or may request access from any other persons engaged in the business of renting, leasing, or letting rooms in a hotel or motel for the purposes of inspection and examination of its books and records for the proper administration of this subchapter, and for the enforcement of collection of the tax hereby imposed. It is unlawful for any person to prevent, hinder or interfere with the finance director or his duly authorized deputy or representative in the discharge of his duties hereunder.

(E) **Duty to Maintain Records:** The owner and operator of each hotel and/or motel and the person to whom the license to operate said hotel or motel shall have been issued by the village, and any other persons engaged in the business of renting, leasing, or letting rooms in a hotel or motel shall bear jointly and



**ORDINANCE 16-073****ORDINANCE REGARDING HOTEL AND MOTEL TAX  
(AMENDING TITLE 3, CHAPTER 36)**

severally the duty and responsibility to maintain records of hotel taxes collected from each user, lessee or tenant of the rooms of said hotel or motel for a period of three (3) years from the time the tax is due and owing. Any records in excess of three (3) years may be disposed.

**SECTION FOUR:** That Title 3, Chapter 36, Section 36.054 be amended to read as follows:

"(A) Whenever any person shall fail to pay any taxes herein provided, or when any owner, operator or licensee of a hotel or motel in the village, or any other persons engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the Village shall fail to collect the tax hereby imposed from any person who has the ultimate liability for payment of the same, the village attorney shall, upon request of the finance director, bring or cause to be brought an action to enforce the payment of said tax on behalf of the village in any court of competent jurisdiction.

(B) If the village manager or designee, after a hearing held by or for him, shall find that any hotel or motel owner, operator or licensee, or any other persons engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the Village has willfully evaded his responsibility to collect the tax imposed by this subchapter, he may suspend or revoke all village licenses held by such tax evader. Said person shall have an opportunity to be heard at such hearing, to be held not less than five (5) days after notice of the time and place thereof, addressed to him at his last known place of business. Any suspension or conviction resulting from such hearing shall not relieve or discharge any civil liability for nonpayment of the tax due."

**SECTION FIVE:** That Title 3, Chapter 36, Section 36.057 be amended to read as follows:

"Each and every owner and operator of any hotel and/or motel within the Village of Schaumburg, and any other persons engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the Village shall designate an individual, either by name or job title, to receive any written communication from the village regarding the hotel/motel tax here imposed. Each person so designated shall be employed at a facility located within the Village of Schaumburg, and, for purposes of this section, be referred to as "agent".

Each owner and operator of each hotel and/or motel, and any other persons engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the Village may additionally designate an individual, either by name or job description, outside of the corporate limits of the Village of Schaumburg to receive the same information or inquiries provided to the person designated within the village.

**ORDINANCE 16-073**

**ORDINANCE REGARDING HOTEL AND MOTEL TAX  
(AMENDING TITLE 3, CHAPTER 36)**

It shall be the obligation of each owner or operator of the hotel and/or motel, or any other persons engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the Village to notify the village in writing via certified mail of any change of persons so designated within ten (10) days of any change."

**SECTION SIX:** That this ordinance shall be in full force and effect, after passage, approval and publication as required by law.

**AYES:** (6) Trustee: Kozak, Connelly, Sullivan, Dunham, Madej, Dailly

**NAYS:** (0) None

**ABSENT:** (0) None

**ADOPTED** this 9<sup>th</sup> day of August, 2016

*Lee Larson*

\_\_\_\_\_  
Village President

**ATTEST:**

*Maileigh J. Gaur*  
\_\_\_\_\_  
Village Clerk

**APPROVED:**

*Rita Ekner*  
\_\_\_\_\_  
Assistant Village Attorney

**ORDINANCE NO. 18-\_\_\_\_\_**

**AN ORDINANCE AMENDING CHAPTER 10 (HOTEL AND MOTEL USE TAX) OF  
TITLE 3 (BUSINESS AND LICENSE REGULATIONS)  
OF THE NAPERVILLE MUNICIPAL CODE  
INCREASING THE HOTEL AND MOTEL USE TAX RATE TO 5.50% AND  
CLARIFYING SAID TAX APPLIES TO THE USE OF ONLINE RENTAL COMPANIES**

**WHEREAS**, the City of Naperville is a home rule unit of local government pursuant to the provisions of Article VII, Section 6 of the Constitution of the State of Illinois; and

**WHEREAS**, pursuant to Article VII, Section 6(a), of the Illinois Constitution, the City of Naperville ("City") may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of the public health, safety, morals and welfare which includes the broad general power to tax; and

**WHEREAS**, the City of Naperville currently imposes a hotel and motel use tax upon the use and privilege of renting any building to the public for living quarters for 30 days or less at a rate of 4.40% of the room rental rate;

**WHEREAS**, desires and this Ordinance is intended to increase the City of Naperville's hotel and motel use tax from 4.40% percent to 5.50% and amends the hotel and motel use tax regulations to clearly indicate that such regulations apply to all persons engaged in the business of renting, leasing or letting rooms, including online rental companies.

**WHEREAS**, the taxes and regulations imposed by Section 3-10 of the Naperville Municipal Code shall be administered, collected and enforced by the City of Naperville; and

**WHEREAS**, the City of Naperville finds that it is in the best interests of the City and the public to amend the Naperville Municipal Code to increase the City of Naperville's hotel and motel use tax from 4.40% percent 5.50% and amend the hotel and motel use tax regulations to clearly

indicate that such regulations apply to all persons engaged in the business of renting, leasing or letting rooms, including online rental companies; and

**WHEREAS**, to increase the City of Naperville's hotel and motel use tax from 4.40% percent 5.50% and amend the hotel and motel use tax regulations to clearly indicate that such regulations apply to all persons engaged in the business of renting, leasing or letting rooms, including online rental companies, an ordinance must be adopted for the City of Naperville to administer and enforce said regulations as of April 1, 2018;

**NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NAPERVILLE, DUPAGE AND WILL COUNTIES, ILLINOIS, in exercise of its home rule authority that:**

**SECTION 1: Recitals.** The facts and statements set forth above in the preamble to this Ordinance are found to be true and correct and are hereby adopted and incorporated herein as part of this Ordinance in their entirety by reference.

**SECTION 2: Increase of Tax Rate and Amend Owner Definition to Include Online Companies.** Chapter 10 (Hotel and Motel Use Tax) of Title 3 (Business And License Regulations) of the Naperville Municipal Code is hereby amended by deleting the stricken language and adding the underlined language as follows:

## **CHAPTER 10 - HOTEL AND MOTEL USE TAX**

Section:

### **3-10-1: - DEFINITIONS:**

Hotel or Motel: Any building or ~~buildings~~ structure, or portion thereof, kept, used, maintained, advertised and held out to in which the public to be a place where lodging, or lodging and food, or apartments, or suites, or other accommodations are offered for a consideration to guests, including but not limited to such buildings or structures, or portions thereof, booked through online travel companies, businesses or websites, including on airbnb.com, vrbo.com, craigslist.org or similar websites. may, for rent, obtain living quarters, sleeping or housekeeping accommodations. The term includes

short-term rentals, inns, motels, tourist homes or courts, lodging houses, rooming houses, and apartment houses, and residential homes, including but not limited to any buildings or structures, or portions thereof, booked through online travel companies, businesses or websites, including on airbnb.com, vrbo.com, craigslist.org or similar websites.

Hotel or Motel Room:  
through  
Resident Employee:

\* \* \*

**3-10-2: - TAX; INCIDENCE; PAYMENT; COLLECTION:**

1. Tax Imposed: A tax is hereby levied and imposed upon the use and privilege of renting, leasing, or letting a hotel or motel room within the City at a rate of ~~four point four percent (4.4%)~~ five and one half percent (5.50%) of the room rental rate (not including taxes or other nonroom rental charges added to the hotel or motel bill), for each such hotel or motel room rented for every 24-hour period or fraction thereof.
2. Incidence Of Tax: The ultimate incidence of and liability for payment of the tax is to be borne by the person who seeks the privilege of occupying the hotel or motel room, such person hereinafter referred to as rentor. Notwithstanding, the owner of each hotel or motel any other persons engaged in the business of renting, leasing, or letting rooms in a hotel or motel shall bear jointly and severally the duty to collect the tax from each user, lessee or tenant of rooms in such hotel or motel. Every person required to collect the tax levied by ordinance shall secure said tax from the user, lessee or tenant of a room or rooms at the time that he collects the price, charge or rent to which it applies.
3. Payment Of Tax: The tax herein levied shall be paid in addition to any and all other taxes and charges. It shall be the duty of the owner of every hotel or motel to secure the tax from the rentor of the hotel or motel room and to pay the tax over to the City Finance Director under the procedures prescribed by the Finance Director, or as otherwise provided in this Chapter.
4. Collection: Every person required to collect the tax levied by this Chapter shall secure the tax from the rentor at the time he collects the rental payment for the hotel or motel room. The amount due under the tax provided in this Chapter shall be stated separately upon the invoice, receipt or other statement or memorandum given to the rentor at the time of payment.

**3-10-3: - BOOKS RECORDS; INSPECTIONS; CONTENTS:  
through 3-10-10: - SEVERABILITY:**

\* \* \*

**SECTION 3: Severability.** If any section, paragraph, or provision of this Ordinance, or the application of any section, paragraph, or provision of this Ordinance, is held unconstitutional

or otherwise invalid or unenforceable for any reason, such occurrence shall not affect other sections, paragraphs, or provisions of this Ordinance or any other City ordinance or resolution, or their application, that can be given effect without the unconstitutional, invalid, or unenforceable section, paragraph, or provision or its application. Each unconstitutional, invalid, or unenforceable provision, or application of such section, paragraph, or provision, is severable, unless otherwise provided by this Ordinance.

**SECTION 4: Conflicts.** All ordinances and resolutions, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of the conflict, expressly repealed on the effective date of this Ordinance.

**SECTION 5: Effective Date.** The 5.50% hotel and motel use tax rate and the regulations to clearly indicate that such regulations apply to all persons engaged in the business of renting, leasing or letting rooms, including online rental companies established herein shall take effect on the first day of April next following its adoption by the City Council.

PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

AYES:

NAYS:

ABSENT:

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

---

Steve Chirico  
Mayor

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF WINNEBAGO )

**CERTIFICATE OF PUBLICATION IN PAMPHLET FORM**

I, the undersigned, do hereby certify that I am the duly qualified and acting Legal Director and ex officio Keeper of the Records and Seal of the City of Rockford, Winnebago and Ogle Counties, Illinois (the "City"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the City and of the City Council (the "City Council") thereof.

I do further certify that on the 19<sup>th</sup> day of April, 2017, there was published in pamphlet form, by authority of the City Council, a true, correct and complete copy of Ordinance No. **2017-69-O** and said resolution was so published on said date readily available for public inspection and distribution, in sufficient number, at my office as Legal Director and ex officio Keeper of the Records and Seal located in the City.

IN WITNESS WHEREOF I have affixed hereto my official signature and the seal of the City, this 19<sup>th</sup> day of April, 2017.

[SEAL]

  
\_\_\_\_\_  
LEGAL DIRECTOR AND EX OFFICIO  
KEEPER OF THE RECORDS AND SEAL

AH:sa Committee Report Passed: 4/17/17

ORDINANCE NO. 2017-69-0

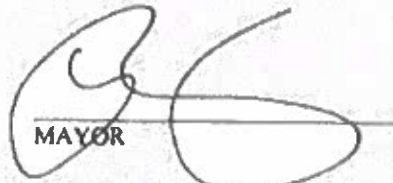
BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROCKFORD,  
ILLINOIS, THAT:

The Mayor and Legal Director are authorized to execute the attached amendments to Sections 5-70 through 5-76, Hotel/Motel Tourism Tax Ordinances in the City of Rockford Code of Ordinance.

All orders, resolutions, or ordinances in conflict herewith are hereby repealed insofar as such conflict exists, and this Ordinance shall take effect immediately upon its passage, approval, and publication, as required by law.

A full, true and complete copy of this Ordinance shall be published within ten (10) days after passage in pamphlet form by and under authority of the Corporate Authorities.

APPROVED: April 19, 2017.

  
MAYOR

AYES: DURKEE, GETCHIUS, MCNAMARA, FROST, HERVEY, CONNELL,  
THOMPSON-KELLY, ODDO, NEWBURG, BEACH, CHIARELLI

NAYS: \_\_\_\_\_

ABSENT: ELYEA, BECK, MCNEELY

ABSTAIN: \_\_\_\_\_



ATTESTED:

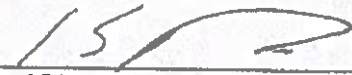
  
\_\_\_\_\_  
LEGAL DIRECTOR

PASSED: 4/17/17

APPROVED: 4/19/17

PUBLISHED: 4/19/17


FILED in my office this 19th day of April, 2017, and published in pamphlet form this 19th day of April, 2017 by order of the City Council of the City of Rockford, Illinois.

  
\_\_\_\_\_  
Legal Director and ex officio  
Keeper of the Records and Seal

APPROVED BY:

  
\_\_\_\_\_  
Kerry Partridge, Interim Legal Director

RECOMMENDED BY:

  
\_\_\_\_\_  
Angela Hammer, City Attorney

### DIVISION 3. - HOTEL/MOTEL TOURISM TAX

#### Sec. 5-70. - Tax imposed.

(a) There is hereby imposed upon all persons engaged in the city in the business of renting, leasing, or letting rooms in a *hotel* (as defined in subsection (b)) the hotel-operator's occupation tax act (35-11-GS-1451 et seq.) at a rate of five percent of the gross-room rental rate as defined in subsection (b), ~~except from such renting, leasing or letting of rooms.~~

(b) Definitions. The following terms used in this Division shall be defined as follows:

Hotel means a building or structure kept, used, or maintained as, or advertised, or held out to the public to be an inn, family *hotel*, apartment *hotel*, lodging house, dormitory, or place where sleeping or rooming accommodations are furnished for hire to rent, whether with or without meals, in which one (1) or more sleeping rooms are used and maintained for the accommodation of guests, lodgers, or roomers.

Online Travel Company (OTC) means an organization that books reserves, or rents hotel rooms and makes other travel arrangements for consumers via the world wide web, internet or other digital means.

Room Rental Rate means both (a) the "Net Rate" paid to the hotel by the OTC for room occupancy by the consumer and (b) the amount "retained by the OTC for travel-related services it provided to the traveler (sometimes referred to as a 'facilitation fee')." and any additional amounts retained by the OTC as compensation for its travel services to the consumer for the individual transaction, or in the instance of a direct rental of a room by the consumer with the hotel the room rental rate shall mean the amount charged by the hotel directly to the consumer for the occupancy of the room.

(Code 1970, § 7-64.1; Ord. No. 1984-173-O, 12-17-1984; Ord. No. 1990-335-O, 11-19-1990; Ord. No. 1993-312-O, 11-22-1993; Ord. No. 1996-294-O, 12-16-1996; Ord. No. 1997-109-O, 6-16-1997; Ord. No. 1998-108-O, 5-26-1998)

#### Sec. 5-71. - Exemptions.

The gross rental receipts room rental rate upon which the tax imposed in section 5-70 is based shall not include ~~gross rental receipts~~ the room rental rate of any hotel room leased for more than 30 consecutive days to one person, or ~~gross rental receipts~~ the room rental rate of any hotel room that is leased to a person as a condition of his employment at the same hotel.

(Code 1970, § 7-64.2; Ord. No. 1984-173-O, § 2, 12-17-1984)

#### Sec. 5-72. - Reimbursement.

Persons subject to the tax imposed in section 5-70 may reimburse themselves for their tax liability for such tax by separately stating such tax as an additional charge in the rental of the

hotel room, which charge may be stated in combination, in a single amount, with state tax imposed under the hotel operator's occupation tax act (35 ILCS 145/1et seq.).

(Code 1970, § 7-64.3; Ord. No. 1984-173-O, § 3, 12-17-1984)

**Sec. 5-73. - Transmittal of tax; transmittal of reports; inspection of records.**

(a) Any person engaged in the renting of hotel rooms shall transmit to the finance director, in a manner chosen by the finance director, on or before the last day of each calendar month, a sum of money equal to the tax imposed on the renting of hotel rooms for the preceding calendar month; and simultaneously therewith, shall transmit a report upon forms supplied by the finance director indicating the gross-receipts room rental rate from the renting of hotels rooms, and such other information as the finance director may reasonably require for the enforcement of this division.

(b) Any person engaged in the renting of hotel rooms shall keep complete and accurate books and records, including a daily sheet showing the gross-receipts room rental rate for the hotel room rentals for the day reported, and the tax imposed on the receipts for that day.

(c) For the purposes of administering and enforcing this division, the finance director shall, after providing reasonable notice, have access during normal business hours to the books and records of persons engaged in the renting of hotel rooms.

(Code 1970, § 7-64.4; Ord. No. 1984-173-O, § 4, 12-17-1984)

**Sec. 5-74. - Penalties.**

Any person who violates this division, upon conviction thereof, shall be punished by a fine of not less than \$200.00 for the first offense, and not less than \$300.00 for the second and each subsequent offense in any 180-day period. A separate and distinct offense shall be regarded as having been committed each day upon which said person shall continue any such violation.

(Code 1970, § 7-64.5; Ord. No. 1984-173-O, § 5, 12-17-1984)

**Sec. 5-75. - Proceeds of tax for tourism.**

(a) The proceeds of the tax shall be retained by the finance director in a separate fund that shall be expended solely to promote tourism, conventions and other special events within the city, or otherwise attract nonresidents to visit the city.

(b) Any agreements to fund the activities of any organization or governmental agency for the promotion of tourism, conventions, special events and other attractions with the proceeds of the tax imposed in section 5-70 shall be in writing and shall be approved by the city council.

(Code 1970, § 7-64.6; Ord. No. 1984-173-O, § 6, 12-17-1984; Ord. No. 1998-108-O, 5-26-1998)

**Sec. 5-76. - Term.**

The tax imposed by this division shall be paid on the basis of gross receipts the room rental rate from the rental of hotel rooms through and including December 31, 2018, unless this termination date is extended by ordinance of the city council.

(Code 1970, § 7-64.7; Ord. No. 1984-173-O, § 7, 12-17-1984; Ord. No. 1987-265-O, 11-23-1987; Ord. No. 1990-335-O, 11-19-1990; Ord. No. 1993-312-O, 11-22-1993; Ord. No. 1996-294-O, 12-16-1996; Ord. No. 1997-109-O, 6-16-1997; Ord. No. 1998-108-O, 5-26-1998)

**Secs. 5-77—5-95. - Reserved.**

## Vacation Rental License

A Vacation Rental is defined as a dwelling unit or portion thereof offered for rent for a period shorter than thirty (30) consecutive days to any person other than a member of the owner's family, as those terms are defined in Section 6-18-3 of this Code. The term "vacation rental" shall not include hotels or motels, licensed pursuant to Title 3, Chapter 2 of this Code, lodging establishments, licensed pursuant to Title 5, Chapter 2 of this Code, bed and breakfast establishments, licensed pursuant to Title 8, Chapter 19 of this Code, and/or home sharing in accord with Subsection 6-4-1-14-(B) of this Code. *AirBnb and similar short term rentals fall under this license category.*

To obtain a Vacation Rental License the following is required:

- Submit a [Vacation Rental License Application](#)
- A pre-approval licensing inspection for life and safety matters of the dwelling
- Approval by the Planning & Development Committee and City Council
- Annual license fee \$50.00

To renew online go to: [Vacation Rental License Renewal Application](#)

Please refer to [City Ordinance - Chapter 9](#) [Vacation Rentals](#) for detailed information.

**CHAPTER 9 - VACATION RENTALS**

**SECTION:**

**5-9-1. - PURPOSE.**

The purpose of this Chapter is to promote the public health, safety, and welfare by licensing the operation of vacation rentals within the City of Evanston.

(Ord. No. 50-O-13, § 2, 6-10-2013)

**5-9-2. - DEFINITIONS.**

For the purposes of administering this Chapter, the following definition(s) shall apply:

<b>VACATION RENTAL:</b>	A dwelling unit or portion thereof offered for rent for a period shorter than thirty (30) consecutive days to any person other than a member of the owner's family, as those terms are defined in Section 6-18-3 of this Code. The term "vacation rental" shall not include hotels or motels, licensed pursuant to Title 3, Chapter 2 of this Code, lodging establishments, licensed pursuant to Title 5, Chapter 2 of this Code, bed and breakfast establishments, licensed pursuant to Title 8, Chapter 19 of this Code, and/or home sharing in accord with Subsection 6-4-1-14-(B) of this Code.
-------------------------	---

(Ord. No. 50-O-13, § 2, 6-10-2013)

**5-9-3. - LICENSE REQUIRED; LICENSE TERM; EXEMPTIONS.**

- (A) It shall be unlawful to operate a vacation rental within the City of Evanston without a current, valid license issued pursuant to the terms of this Chapter.
- (B) Each license issued pursuant to this Chapter shall be valid for one (1) year, subject to renewal per Section 4 of this Chapter.
- (C) Subsection (A) of this Section notwithstanding, no license shall be required to operate a vacation rental for no more than one (1) rental period per dwelling unit per twelve-month period for:
  - 1. Any dwelling unit;
  - 2. A rental agreement executed pursuant to or in conjunction with a contract to sell the dwelling unit containing the vacation rental;
  - 3. Vacation rental guest(s) who is/are displaced from his/her/their own dwelling unit so that it may be renovated and/or repaired;
  - 4. An operator who will suffer demonstrable hardship.

(Ord. No. 50-O-13, § 2, 6-10-2013)

5-9-4. - APPLICATION; NOTICE; STANDARDS AND PROCEDURES; RENEWAL; FEES.

- (A) *Applications.* A property owner who seeks a vacation rental license pursuant to this Chapter shall submit a written application that contains all information required for a registration statement pursuant to Chapter 8 of this Title.
- (B) *Notice.* Each application shall be accompanied by proof the applicant mailed notice thereof to all owners, whose addresses appear on the current tax assessment list, of real property located within a radius of two hundred fifty feet (250') of the subject property, inclusive of public streets, alleys and other public ways. The notice shall contain the applicant's name, the address of the subject property, the matter under consideration, and the date, time, and location of the relevant meeting of the Planning and Development Committee.
- (C) *Standards and Procedures for License Approval.* The Planning and Development Committee will review all applications for vacation rentals and will report to the City Council upon each application with respect to the standards set forth below. The City Council after receiving said report, may refer the application back to that body for additional review, or, by motion, may approve, approve with conditions, or disapprove, an application for a vacation rental license, upon findings of fact with respect to each of the standards set forth below:
1. The proposed vacation rental will not cause a negative cumulative effect when its effect is considered in conjunction with the effect of other vacation rentals in the immediate neighborhood.
  2. The vacation rental will not have a substantial adverse impact on the use, enjoyment, or property values of adjoining properties.
  3. The proposed vacation rental will comply with all the rules and regulations contained herein.
  4. The proposed vacation rental is not likely to have an adverse effect upon the public health, welfare, or safety.
- Regardless of its finding on any or all of the foregoing standards, the City Council may deny a vacation rental license upon a finding that such denial is in the public interest.
- (D) *Renewal.* If a vacation rental license was issued for the prior year, the approval for a renewal license shall be obtained from the City Manager or his/her designee, provided the previously-issued license was not revoked or suspended, and the vacation rental did not receive citation(s) from any City Inspector or Police Officer during said prior calendar year. Every renewal application shall satisfy all requirements set forth in Section 4 of this Chapter.
- (E) *License Fee.* The annual fee for a license issued pursuant to this Chapter shall be fifty dollars (\$50.00).

(Ord. No. 50-O-13, § 2, 6-10-2013)

5-9-5. - REQUIREMENTS AND STANDARDS.

- (A) No vacation rental operator shall:
1. Rent or lease any vacation rental for any period of time shorter than twenty-four (24) consecutive hours;
  2. Rent or lease any vacation rental more than once within any consecutive twenty-four-hour period measured from the commencement of one rental to the commencement of the next;
  3. Advertise an hourly rate or any other rate for a vacation rental based on a rental period of fewer than twenty-four (24) consecutive hours; and/or
  4. Serve or otherwise provide any food or beverage to any guest.

5. Cause or permit, by action or failure to act, the vacation rental or its use to suffer from and/or create any violation of the following portions of the City Code: Title 4, "Building Regulations"; Title 5, "Housing Regulations"; Title 6, "Zoning"; Title 8, "Health and Sanitation"; or Title 9, "Public Safety."
- (B) Every vacation rental shall be subject to inspection by staff members of the City's Fire, Health, and Community and Economic Development Departments.
  - (C) Every vacation rental operator shall keep a register in which shall be entered the name of every guest and his/her arrival and departure dates. The operator shall make said register freely accessible to any officer of the City's Police, Fire, Health, and/or Community and Economic Development Departments.
  - (D) Every vacation rental operator shall post, in a conspicuous place within the vacation rental, the name and telephone number of the operator's authorized agent identified pursuant to Code Section 5-8-3(A)2.
  - (E) Any kitchen in a vacation rental shall be cleaned and sanitized between guests and all food and beverages shall be discarded. All dishes, utensils, pots, pans and other cooking utensils shall be cleaned and sanitized between guests.
  - (F) The operator of every vacation rental shall change supplied bed linens and towels therein at least once each week, and prior to the letting of any room to any new guest. The operator shall be responsible for the maintenance of all supplied bedding in a clean and sanitary manner.

(Ord. No. 50-O-13, § 2, 6-10-2013)

5-9-6. - PENALTY.

- (A) Any owner, tenant or other person who shall be found to have violated any of the provisions of this Chapter shall be guilty of an offense punishable as follows:
  - 1. The fine for a first violation is two hundred dollars (\$200.00).
  - 2. The fine for a second violation is five hundred dollars (\$500.00).
  - 3. The fine for a third or subsequent violation is seven hundred fifty dollars (\$750.00).
- (B) Each day a provision of this Chapter is found to have been violated constitutes a separate violation subject to the fine schedule set forth in this Section.
- (C) Any fines shall be debts due and owing to the City that the City may collect by any means allowed by law, including, but not limited to, filing a lien against the vacation rental or the premises containing the vacation rental.
- (D) The fines provided for herein shall not be construed as limiting the power of a court of competent jurisdiction or an administrative hearing officer to impose other penalties and/or remedies as provided for by applicable legislation. In addition, a licensee found to have violated any provision of this Chapter may be subject to license revocation, suspension, or nonrenewal.

(Ord. No. 50-O-13, § 2, 6-10-2013)

5-9-7. - REVOCATION; SUSPENSION; PROCEDURES.

- (A) The City Manager may revoke or suspend a license issued pursuant to the terms of this Chapter for any of the following reasons:
  - 1. If the owner of the relevant vacation rental or his/her agent violates any of the terms of this Chapter;



2. If the owner of the vacation rental or his/her agent is deemed to have maintained a nuisance premises therein, in violation of Section 9-5-4 of this Code;
  3. If, pursuant to Title 4, Chapter 16 of the City Code, the Director of Community and Economic Development ("Director") deems the vacation rental, or the premises wherein it is located, to be a vacant building, as defined therein; and/or
  4. If the City or other governmental agency condemns the vacation rental or the premises wherein it is located.
- (B) Not less than fourteen (14) business days prior to a revocation hearing for a license issued pursuant to the terms of this Chapter, the Director shall send, via First Class U.S. mail, a notice of revocation hearing to the owner or his/her authorized agent at the address provided on the most recent license application. Notice shall be sufficient if sent to the address of the authorized agent indicated on the license application. Said notice shall include the following:
1. Description of the vacation rental, sufficient for identification;
  2. A statement that the license is subject to revocation;
  3. A statement of the reasons for the revocation;
  4. The date and time upon which a revocation hearing shall occur; and
  5. The location for said revocation hearing.
- (C) If the Director certifies to the City Manager that he/she has reason to believe that immediate suspension of the license is necessary to prevent the threat of immediate harm to the community, the City Manager may, upon the issuance of a written order stating the reason for such conclusion and without notice or hearing, order the license suspended for not more than seven (7) days. The City Manager may extend the suspension during the pendency of a hearing upon a written determination that doing so is necessary to prevent the aforesaid harm to the community.
- (D) Hearings shall be conducted by the City Manager in accordance with procedures drafted by the Corporation Counsel.
- (E) Within ten (10) business days after the close of the hearing, the City Manager shall issue a written decision that shall constitute a final determination for purposes of judicial review pursuant to the Illinois Administrative Review Law, 735 ILCS 5/3-101 et seq., as amended. In reaching a decision, the City Manager may consider any of the following:
1. The nature of the violation;
  2. The nature and extent of the harm caused by the licensee's action or failure to act;
  3. The factual situation and circumstances surrounding the violation;
  4. Whether or not the action or failure to act was willful;
  5. The record of the licensee with respect to violations.
- (F) A licensee whose license has been revoked shall not be eligible to reapply for a new license.

(Ord. No. 50-O-13, § 2, 6-10-2013)



Department of Health & Human Services  
 2100 Ridge Avenue  
 Evanston, Illinois 80201-2798  
 Telephone : 847/448-4311  
 FAX: 847-448-8134  
 www.cityofevanston.org

## VACATION RENTAL LICENSE APPLICATION

A property owner who seeks a Vacation Rental License shall submit a written application that contains all of the information requested below (City Code §5-9-4-(A), as amended).  
 All vacation rentals are for a duration of less than 30 consecutive days.

**PLEASE FILL IN ALL SECTIONS. IF APPROPRIATE, MARK "NOT APPLICABLE" OR "N/A."**

Dwelling Unit Address: \_\_\_\_\_

PIN: \_\_\_\_\_ Total # of dwelling units in the building: \_\_\_\_\_

Please provide a short summary explaining how the rental will operate (how often, how many rooms, etc.)

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**1. Unit Owners (If a partnership, corporation, or other entity, include its name and the name of the responsible party):**

Names: \_\_\_\_\_

Address including City, State, Zip Code: \_\_\_\_\_

Phone(s): \_\_\_\_\_ Email address(es): \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_

**2. Name of natural person twenty-one (21) years of age or older, designated by the owner as the authorized agent for receiving notices of city code violations and for receiving process, in any court proceeding or administrative enforcement proceeding, on behalf of such owner in connection with the enforcement of this code. The foregoing notwithstanding, this person may be between eighteen (18) and twenty-one (21) years of age provided that the applicant attaches, to this form, proof that said person has a valid realtor's license issued pursuant to the Illinois Real Estate License Act, 225 ILCS 454/1-1 et seq., as amended. This person must maintain an office in Cook County, Illinois, or must actually reside within Cook County, Illinois. An owner who is a natural person and who meets the requirements of this subsection as to location of residence or office may designate himself/herself as agent:**

Name of Designated Agent for above purpose: \_\_\_\_\_

Address, including City, State, ZIP: \_\_\_\_\_

Phone(s): \_\_\_\_\_ Email address: \_\_\_\_\_

**3. Name of owner's agent for the purpose of managing, controlling or collecting rents, and any other person who is not an owner but who controls such dwelling unit, if any:**

Name of Designated Agent for above purpose: \_\_\_\_\_

Address, including City, State, ZIP: \_\_\_\_\_

Phone(s): \_\_\_\_\_ Email address: \_\_\_\_\_

**4. Name of each company that provides an insurance policy for the dwelling unit:**

\_\_\_\_\_

Address, including City, State, ZIP: \_\_\_\_\_

Phone(s): \_\_\_\_\_ Email address: \_\_\_\_\_

**Inspection:**

A pre- approval licensing inspection for life and safety matters of the dwelling is required. All issues found during the inspection must be corrected before the issuance of a license.

**Notice:**

Each applicant must submit prior to the Planning and Development Committee, P&D, proof of mailed notices to all owners whose addresses appear on the current tax assessment list of real estate property located within radius of 250 feet of the subject property, inclusive of public streets, alleys and other public ways.

The notice must include applicant's name, the address of the subject property, the matter under consideration, and the date, time and location of the meeting of the Planning and Development Committee.

You will be informed by the Health Department when to distribute the notices after the P & D Committee and City Council meeting date for your application is confirmed.

**Approval:**

Each application must be reviewed by P & D Committee and City Council before approval is granted.

*Please submit completed application and required documents to: Licensing, Dept. of Health & Human Services  
2100 Ridge Ave., Evanston, IL 60201 or email to: [egolden@cityofevanston.org](mailto:egolden@cityofevanston.org)*



**ATTORNEY-CLIENT PRIVILEGED  
MEMORANDUM**

**TO:** The Village of Tinley Park  
**FROM:** PJM  
**DATE :** September 7, 2018  
**SUBJECT:** Proposes Legislation regulating short-term/vacation rentals

---

The purpose of this memo is to advise the Village of Tinley Park (“Village”) on proposed legislation regulating short-term/vacation rentals.

**Questions Presented:**

1. How can the Village regulate short-term/vacation rentals?

**Short Answer**

1. The Village may enact legislation providing licensing, registration, inspection, and taxing requirements for short-term/vacation rentals.

**Discussion**

The Village like municipalities across Illinois have expressed interest in regulating short-term/vacation rentals (“rental” or “rentals”). Accordingly, the Village has asked us how they may control and regulate the growth and use of rentals in the community. In response, we have drafted legislation that provides an effective structure to regulate the operation of the rentals market. This legislation establishes the following regulations: (1) defines short-term/vacation rentals, (2) provides a licensing structure, (3) application procedures, (4) requirements for operation, (5) penalties for violations, and (6) methods for revocation and suspension of licenses.

The definition provided for rentals offers a broad scope that will include all applicable variations of units available on websites such as Airbnb™. Additionally, this definition will provide residents with a reasonable understanding of the type of rentals the Village intends to cover by enacting this legislation.

The Village has expressed interest in a licensing structure for rentals. The licensing structure provided in the proposed legislation makes it unlawful to operate rentals without a

qualifying license. Further, a licensee may only obtain one license for one year on a residential structure, and the license will be valid for only a twelve (12) month period. These licensing requirements are similar to other business licensing requirements, and therefore will not be overly burdensome to the residents desiring to operate rentals in the Village.

The application procedure section provided requires applicants to submit sufficient information to the Village to establish that property owners are aware of the regulations associated with operating rentals. Included in the application materials are notice requirements providing that applicants should send notice to neighboring properties, special use requirements, residency requirements, and license approval procedures. As such, the notice and residency requirements will place geographic limitations on the areas that will be available for rentals. In addition, this section provides that the Village will be able to tax the rentals according to their local hotel and motel taxing rates. Therefore, this structure will provide the Village with adequate information to determine whether an applicant will operate consistent with the Code.

During the owner's operation of the rental, he or she will be required to adhere to ongoing obligations under the Code. These obligations include advertising regulations, food and beverage restrictions, and maintenance of a registry of guests who use and occupy the rentals. Also included in this section is an inspection requirement that the Village has expressed interest in implementing to ensure the safe and compliant operation of rentals. Accordingly, these restrictions are merely a minimum standard, and all other applicable sections of the Code and any other restrictions may be enforced or added.

The last two sections of the legislation describe the consequences associated with violating the Code. The penalties section provides fines associated with violations of this legislation. The following section provides a procedure for revocation and suspension of licenses. As such, it will be important to provide an adjudicatory process following revocation or suspension of licenses to limit any liability associated with a deprivation of due process rights. Consequently, these restrictions are deterrents to ensure that owners of rentals will adhere to the requirements provided in this legislation.

### **Conclusion**

In conclusion, this proposed legislation provides a regulatory structure for the Village to implement to regulate the rentals market within the community. Therefore, this legislation ensures adequate licensing and application procedures, operation instructions, and a clear adjudication structure. The Village should view this proposed legislation as suggestive, and provide further guidance on structure related to fine amounts, administrative procedures, and preferences on distances and time requirements.

## **SHORT-TERM/VACATION RENTAL PROPOSED LEGISLATION**

### **1. DEFINITIONS.**

#### **a. SHORT-TERM/VACATION RENTAL:**

- i. A single room, dwelling unit, an allocated space, or a portion thereof with the primary structure in a residential zoning district 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/vacation rental" shall not include hotels, motels, or lodging establishments licensed pursuant to [Village Code].

#### **b. FAMILY:**

- i. Type (A) Family: One (1) or more persons related by blood, marriage, or adoption living together as a single housekeeping unit in a dwelling unit.
- ii. Type (B) Family: Two (2) unrelated persons and their children living together as a single housekeeping unit in a dwelling unit.
- iii. Type (C) Family: A group of not more than three (3) unrelated persons living together as a single housekeeping unit in a dwelling unit.
- iv. Type (D) Family: A group of two (2) or more persons containing within it one (1) or more families, as defined in Subsections (1) and (2) of this definition, including a husband and wife married to one another and their children, as well as adults, living together in a dwelling unit as a single housekeeping unit and management, in premises in which the adult occupants are affiliated with a bona fide not-for-profit-corporation organized for religious or charitable purposes chartered by the state of Illinois.

"Family" shall not be construed to mean a club, a lodge or a fraternity/sorority house.

### **2. LICENSES REQUIRED; LICENSE TERM; EXEMPTIONS.**

- a. It shall be unlawful to operate a short-term/vacation rental, offer for rent, or advertise for rent a short-term/vacation rental within the Village of Oak Lawn without a current, valid license issued pursuant to the terms of this Chapter.
- b. Each license issued shall be valid for one (1) year, and subject to renewal.
- c. Subsection (A) of this Section notwithstanding, no license shall be required to operate a short-term/vacation rental no more than one (1) rental period per dwelling unit per twelve-month period for:
  - i. Any single room or dwelling unit;
  - ii. A rental agreement executed pursuant to or in conjunction with a contract to sell the dwelling unit containing the vacation rental;
  - iii. Vacation rental guest(s) who is/are displaced from his/her/their own dwelling unit so that it may be renovated and/or repaired;
  - iv. An owner who will suffer demonstrated hardship.

**3. APPLICATION; NOTICE; STANDARDS AND PROCEDURES; RENEWAL; FEES.**

- a. Applications. A property owner who seeks a vacation rental license pursuant to this Chapter shall submit a written application that contains all information required for a registration statement pursuant to this Chapter.
- b. Notice. Each application shall be accompanied by proof of the applicant mailed notice thereof to all owners, whose addresses appear on the current tax assessment list, or real property located within a radius of [three hundred feet (300')] of the subject property, inclusive of public streets, alleys and other public ways. The notice shall contain the applicant's name, the address of the subject property, the matter under consideration, date and time, and location of the relevant meeting of the [Planning and Development Committee], and that the applicant intends to seek a vacation rental license from the Village of Oak Lawn.
- c. Special Use. No special use permit for a short-term/vacation rental will be granted for any zoning lot located within [1,000 feet] of any other zoning lot on which operates any other short-term rental for which a special use permit has been granted.
- d. Primary Residence. The short-term/vacation rental shall be the owner's primary residence.
- e. Standards and Procedures for License Approval. The [Code enforcement office] will review all applications for vacation rentals and will report to the Village Board upon each application with respect to the standards set forth below. The Village Board after receiving said report, may refer the application back to that body for additional review, or, by motion, may approve, approve with conditions, or disapprove, an application for a vacation rental license, upon findings of fact with respect to each of the standards set forth below:
  - i. The proposed short-term/vacation rental will not cause a negative cumulative effect when its effect is considered in conjunction with the effect of other vacation rentals in the immediate neighborhood.
  - ii. The vacation rental will not have a substantial adverse impact on the use, enjoyment, or property values of adjoining properties.
  - iii. The proposed vacation rental will comply with all the rules and regulations contained herein.
  - iv. The proposed short-term/vacation rental is not likely to have an adverse effect upon the public health, welfare, or safety.
  - v. The proposed short-term/vacation rental will otherwise be in the public interest.
  - vi. Any short-term/vacation rental shall comply with the following criteria:
    1. No rental or advertisement for rental for a period of time shorter than [twenty-four (24) hours]

2. No rental may provide for food or beverage to any guests with the exception of pre-packaged food and drink.
  3. No more than one (1) rental at a specific location during the one-year period commencing on the date a license is issued.
  4. Any rental shall be subject to the hotel and motel tax set forth in the Village Code, as may be amended from time to time.
- f. **Renewal.** If a vacation rental license was issued for the prior year, the approval for a renewal license shall be obtained from the Village Clerk or his/her designee, provided the previously issued license was not revoked or suspended, and the vacation rental did not receive citation(s) from any Village Inspector or Police Officer during said prior calendar year. Every renewal application shall satisfy all requirements set forth in Section 3 and 4 of this Ordinance.
  - g. **License Fee.** The annual fee for a license issued pursuant to this Ordinance shall be [fifty dollars (\$50.00)].

Regardless of its findings on any or all of the foregoing standards, the Village Board may deny a vacation rental license upon a finding that such denial is in the public interest.

#### **4. REQUIREMENTS AND STANDARDS.**

- a. No vacation rental owner shall:
  - i. Rent or lease any vacation rental for any period of time shorter than [twenty-four (24) consecutive hours];
  - ii. Rent or lease any vacation rental more than once within any consecutive [twenty-four-hour period] measured from the commencement of one rental to the commencement of the next;
  - iii. Advertise an hourly rate or any other rate for a vacation rental based on a rental period of fewer than [twenty-four (24) consecutive hours]; and/or
  - iv. Serve or otherwise provide any food or beverage to any guest;
  - v. Cause or permit, by action or failure to act, the vacation rental or its use to suffer from and/or create any violation of the following provisions of the Village Code: [Code Provision Citation]
- b. Every vacation rental shall be subject to inspection by staff members of the Village's [Fire and Code Enforcement Departments].
- c. Every vacation rental owner shall keep a register in which shall be entered the name of every guest and his/her arrival and departure dates. The owner shall make said register freely accessible to any officer of the Village's [Police, Fire, and/or Code Enforcement Departments].
- d. Every vacation rental owner shall post, in a conspicuous place within the vacation rental, the name and telephone number of the owner's authorized agent.
- e. No sleeping room shall serve more than two adults per night.
- f. Each property used for short-term/vacation rental must have at least one accessible bedroom available for rent that complies with Section 400.320(g)(5)



- and (9) of the Illinois Accessibility Code, irrespective of whether the Illinois Accessibility Code would otherwise apply to the short-term/vacation rental.
- g. Any kitchen rental shall be cleaned and sanitized between guests and all food and beverages shall be discarded. All dishes, utensils, pots, pans and other cooking utensils shall be cleaned and sanitized between guests.
  - h. The owner of every vacation rental shall change supplied bed linens and towels therein at least once each week and prior to the renting of any room to any guest. The owner shall be responsible for the maintenance of all supplied bedding in a clean and sanitary manner.
  - i. The owner must maintain at all times when renting out the property as a short-term/vacation rental a general liability insurance policy in the amount of \$1,000,000.00 per occurrence and a minimum of \$2,000,000.00 per aggregate. The owner must provide the village with proof of such policy upon request.

The conditions and restrictions contained in this section, applicable to short-term/vacation rentals shall be interpreted as minimum standards, and shall be in addition to any other applicable Village ordinances and requirements that apply to short-term/vacation rentals or the properties on which they are located.

#### **5. PENALTY.**

- a. Any owner, tenant or other person who shall be found to have violated any of the provisions of this Ordinance shall be guilty of an offense punishable as follows:
  - i. [The fine for a first violation is two hundred dollars (\$200.00).]
  - ii. [The fine for a second violation is five hundred dollars (\$500.00).]
  - iii. [The fine for a third or subsequent violation is seven hundred fifty dollars (\$750.00).]
- b. Each day a provision of this Ordinance is found to have been violated constitutes a separate violation subject to the fine schedule set forth herein.
- c. Any fines shall be debts due and owing to the Village that the Village may collect by any means allowed by law, including, but not limited to, filing a lien against the vacation rental or the premises containing the vacation rental.
- d. The fines provided for herein shall not be construed as limiting the power of a court of competent jurisdiction or an administrative hearing officer to impose other penalties and/or remedies as provided for by applicable legislation. In addition, a license found to have violated any provision of this Ordinance may be subject to license revocation, suspension, or non-renewal.

#### **6. REVOCAION; SUSPENSION; PROCEDURES.**

- a. The Village Manager may revoke or suspend a license issued pursuant to the terms of this Ordinance for any of the following reasons:
  - i. If the owner of the relevant vacation rental or his/her agent violates any of the terms of this Ordinance.

- ii. If the owner of the vacation rental or his/her agent is deemed to have maintained a nuisance premises therein, in violation of the Village of Oak Lawn Village Code;
  - iii. If the Village Manager deems the vacation rental, or the premises wherein it is located, to be a vacant building, as defined therein; and/or
  - iv. If the city or other governmental agency condemns the vacation rental or the premises wherein it is located.
- b. Not less than [fourteen (14)] business days prior to a revocation hearing for a license issued pursuant to the terms of this Ordinance, the Village Manager shall send, via First Class U.S. mail, a notice of revocation hearing to the owner and his/her authorized agent at the address provided on the most recent license application. Notice shall be sufficient if sent to the address of the authorized agent indicated on the license application. Said notice shall include the following:
  - i. [Description of the vacation rental, sufficient for identification;]
  - ii. [A statement that the license is subject to revocation;]
  - iii. [A statement of the reasons for the revocation;]
  - iv. [The date and time upon which a revocation hearing shall occur; and]
  - v. [The location for said revocation hearing.]
- c. If the Village Manager has reason to believe that immediate suspension of the license is necessary to prevent the threat of immediate harm to the Village or the neighborhood, the Village Manager may, upon the issuance of a written order stating the reason for such conclusion and without notice or hearing, order the license suspended for not more than [seven (7) days]. The Village Manager may extend the suspension during the pendency of a hearing upon a written determination that doing so is necessary to prevent the previously mentioned harm to the Village.
- d. The Village Manager in accordance with procedures drafted by the Village Attorney shall conduct hearings.
- e. Within [ten (10)] business days after the close of the hearing, the Village Manager shall issue a written decision that shall constitute a final determination for purposes of judicial review pursuant to the Illinois Administrative Review Law, 735 ILCS 5/3-101 *et seq.*, as amended. In reaching a decision, the Village Manager may consider any of the following:
  - i. The nature of the violation;
  - ii. The nature and extent of the harm caused by the licensee's action or failure to act;
  - iii. The factual situation and circumstances surrounding the violation;
  - iv. Whether or not the action or failure to act was willful;
  - v. The record of the licensee with respect to violations.
- f. A licensee whose license has been revoked shall not be eligible to reapply for a new license for one year.

## **7. OCCUPANCY OF DWELLING UNITS.**

- a. No dwelling unit shall be occupied by more than one (1) type (A), type (B), or type (C) family, as defined in "Definitions," of this Ordinance except as hereinafter provided:
- b. Upon written application to the [Zoning Administrator], certification or approval shall be issued for occupancy for a dwelling unit by a type (D) family in all districts where dwelling units are allowed, except the R1 and R2 districts, provided that the application establishes that the occupancy conforms with the definition of a type (D) family. The members of a type (D) family household shall not keep or store more than one (1) motor vehicle for each such dwelling unit or for each off-street parking space lawfully existing in connection with such dwelling unit, whichever is greater. Certification would be revoked at any time the occupancy or off-street parking no longer conforms to the definition of a type (D) family, or if a request for current records is not answered so as to establish that the type of ownership complies with the definition of a type (D) family.
- c. No dwelling unit which contains less than one thousand (1,000) square feet of floor area shall be used to provide living quarters for roomers, servants or permanent guest. Where the floor area of a dwelling unit exceeds one thousand (1,000) square feet and the family occupying the dwelling unit is a type (A) or type (B) family then the dwelling unit may also be used for living quarters for not more than two (2) employees, roomers, or permanent guests, provided that the living quarters located within the dwelling unit as a physically integral part.

# Short-Term Vacation Rentals Impact Neighborhoods

## Commercial Investors Create Housing Shortages Through AirBnB

BY JULIANNE COUCH



COLLEEN FITZPATRICK is a community organizer at Fenway Community Development Corporation in Boston.

Placing a rarely used bedroom or house in the short-term rental market through a service like AirBnB can be a good way for a homeowner to bring in extra cash. It can also help communities that are short on hotel space make room for more visitors, which benefits the local economy.

But too much of a good thing can be, well, too much, resulting in some painful unintended consequences. Sometimes the tipping point is the entrance of commercial investors into the scenario.

That's why community leaders in cities large and small, from Boston to Miami Beach, from the Rocky Mountains to the Pacific Northwest, are figuring out how to keep commercial investors from dominating the short-term rental market. So far, they are passing regulations, and considering ways to enforce them. But they must use finesse as they protect the rights of local property owners while managing commercial investors and the growing online rental market platforms, such as AirBnB.

Colleen Fitzpatrick of the Fenway Community Development Corporation in Boston has seen her city negotiate the unintended results of a burgeoning short-term rental market. She says that around 2013, her community noticed investors buying up properties that had been rental housing and using them for very brief overnight stays, basically turning them into hotels.

People were coming and going from housing units that had previously been occupied long term. In other words, people used to know who their neighbors were, but increasingly, the "neighbors" were only there for a few nights. It also meant that folks who would normally have stable, affordable long-term rental options were being priced out of the increasingly expensive rental market.

Residents approached the city with concerns about this turnover, and what it meant for neighborhood stability. Fitzpatrick says the city's Inspectional Services department sent out a letter to rental property owners that they were looking into what seemed to be a trend, but that they weren't planning to enforce any regulations. Although it may have been an unintended consequence, "that gave people permissions to keep going," Fitzpatrick believes.

Then about a year ago, Fitzpatrick says, a working group formed among the Alliances of Downtown Civic Organizations, Local 26 of the Boston Hotel and Food Service union, the Chinese Progressive Association and others. The labor organization was primarily concerned about housing for their workers, but also that by cutting into hotel business, workers' jobs were at risk. Together, these groups held a forum with community and elected officials and presented their findings about commercial investors taking over the rental market. Fitzpatrick said when this issue was first raised, she was surprised to learn about the extent and depth of the problem and believes city officials might have experienced that same surprise.

"Once the research was presented, elected officials were moved at that meeting to do something about it," she said.

The advocacy groups presented to the city research from a study by UMass specific to Boston about how AirBnB and other online rental platforms were affecting rent costs. Others in the community did their own research, sleuthing out prices of rental properties by following up with advertisements they found online. In some cases, they discovered, the per-room rate was \$200-\$300 a night. That nightly rate would add up for a person with a long-term lease. Money was being made and that made it difficult for small community organizers to win the battle.

"People came to this cause with different concerns: quality of life, or displacement, or upward pressure on rent. We made it a housing issue working with tenant groups and union members." Fitzpatrick said they knew that investors and rental hosts were going to push back against regulation because they had something to lose. "The coalition was outgunned because they are volunteer community groups, and don't employ full time policy directors devoted to the cause," Fitzpatrick said.

She said the group was never against the "one host, one home" model of short-term renting in which a typical homeowner could rent out a room for a short period of time. But Boston had reached the point where even corporate short-stays were no longer rented for a month or two as intended, but rather for just a few nights and for higher rates.

In June 2018, the Boston City Council passed an ordinance eliminating investor unit listings and regulating other short-term residential rentals. It established a registration and data collection system that will allow the city to more effectively monitor the impacts of this industry on its residential housing supply. "At the same time, it continues to allow owner-occupants to rent out extra rooms on AirBnB

for as many as 365 days, or their entire home while on vacation," the ordinance explains.

Fitzpatrick says that having data about who owns properties and how they are managed as rentals is a very important piece of the puzzle for city leaders to possess. It would be helpful, but not practical, to access the databases of companies such as AirBnB, which has a very sophisticated registration platform. Without access to information, it can be difficult for communities to move from registration to enforcement.

One group pleased with the outcome in Boston is the American Hotel & Lodging Association (AHLA). Its president and CEO Katherine Lugar said in a press release that the hotel industry applauds the mayor and city council in Boston for their "decisive leadership to safeguard Boston residents and communities from the negative impact of short-term rentals." She called the new rules common sense to "protect true home-sharers while reining in commercial operators who are tearing apart the fabric of Boston communities, reducing affordable housing options and diminishing the quality of life in residential neighborhoods."

Common sense rules can go a long way, but some cities, including Miami Beach, Fla., find they struggle to enforce those regulations. According to a story on CNBC, Miami Beach is one of the most popular resort cities for short-term rentals. The city took the step of considering neighborhood character, looking at which areas were mostly residential and which were most appealing to tourists. They now allow short-term rentals in only certain areas. In order to advertise on rental platforms, homeowners have to submit an affidavit to the city that their property lies in an area approved for short-term rentals and that they have obtained a business tax receipt and resort tax account. If they are part of a condo association, they need to prove that short-term rentals are allowed there.

The Miami Beach Code Compliance office defines short-term rentals as, "rental periods of less than six months and one day." But, these are prohibited in all single-family homes and in many multi-family housing buildings in Miami Beach. "If a building or unit is found to be operating a short-term rental illegally, tenants/visitors will be evicted and fines, starting at \$20,000, will apply to the owner."

In Denver, Colo., taxation is the focus. In recent years the city imposed regulations and taxes on short-term rentals, of which 1,672 were previously unregulated. The Denver city auditor found that regulations generated nearly \$1.1 million in revenue in the first eight months of 2017. Investigation by the Denver Post found that as of December 2017, that city had a short-term rental registration rate better than

70 percent, which exceeds the rates in other cities that have started regulating it. The audit estimated the licenses issued accounted for only about 63 percent of the short-term rentals being offered through online services.

And in nearby Estes Park, residents found they were increasingly sharing their community with tourists, rather than long-term neighbors. That's partly because fewer people live in small remote mountain towns with long harsh winters, and partly because so many of the four million annual visitors to nearby Rocky Mountain National

Park need a place to stay. The Larimer County Commissioners and Estes Park Board of Trustees cooperated on short-term vacation rental regulations in order to have a consistent policy in place across the city and county.

The ordinance requires all vacation rental owners to register. The application fee for vacation rentals within Estes Park is \$200 plus \$50 per bedroom. The ordinance caps the number of rentals within residential zones, with a limit of eight people per home.

A review process is required for any owner who wishes to house nine or more people. In order to ensure complaints are resolved quickly, a local representative or property manager must be designated. Employee housing, attainable housing and accessory dwelling units cannot be registered as vacation rentals.

Walla Walla, Wash., is in the southeast part of the state, near the Cascade Mountains. A city of about 30,000, it is in an increasingly popular district for winery tourism. Partially for that reason, the community has experienced a rapid increase in the number of short-term housing rentals. In November 2017, the city banned absentee-owner properties for use as short-term rentals. This ordinance was contested, according to the Union-Bulletin newspaper.

Some in town took a pro-business position, wanting to encourage tourists to enhance economic development. They also wanted to allow for short-term rentals for newcomers or those considering a move to the area. Others disliked disruption in residential neighborhoods. They also noted the harm to the city's hotels and motels, which are zoned, taxed and must meet codes for safety and other requirements.

The new ordinance does not allow new short-term rentals whose owners inhabit them for fewer than 275 days per calendar year and rent them out for up to 29 days at a time. Property owners faced a short compliance window of just a few weeks to register their rentals as businesses and show that they paid applicable taxes while operating their rentals. Many people were unable to meet that quick turnaround, resulting in confusion.

---

"Once the research was presented, elected officials were moved at that meeting to do something about it."

---



#### ■ Harder to Find

*Some cities are experiencing rental housing shortages as commercial investors begin buying up properties to rent short term through online brokers like Airbnb. As a result, many folks who would normally have stable, affordable long-term rental options are being priced out of the increasingly expensive rental market.*

Colleen Fitzpatrick of the Boston CDC has some words of advice for communities grappling with sharp, sudden increases in short-term rental housing. She notes that for many people, a rental unit is an investment unit, part of the basket of ways individuals make a living. Communities that decide to regulate these businesses need to consider what is fair, but at the same time, watch for “loopholes,” Fitzpatrick says.

“What helps renters the most is having housing stock to rent, not tied up with short term stays,” she says. She suggests communities get renter advocacy groups involved, as well as social and civic organizations, in order to take action.

“Stop the displacement of renters and the upward effects on rent,” said Fitzpatrick. “Get to know what your rental vacancy rate is. When it is down to 3 percent it is hard to find an apartment. Try to get that number up.” ■



# Memo

---

**Date:** December 7, 2018  
**To:** Community Development Committee  
**From:** Paula J. Wallrich, Director of Community Development  
**Subject:** Change of Use/Owner Policy

This memo addresses Trustee Glotz's request to review policy regarding Change of Use/Owner Application protocol. Below please find some background on the code references providing the Village with authority for current protocol, information on Village policy for enforcement of these regulations, status of current applications and summary of comparative community code and enforcement policies.

## **Background**

The Village is charged with the responsibility *"To promote and protect the public health, safety, morals, convenience, and general welfare of the people"* and through the adoption and enforcement of the Comprehensive Building Code of the Village of Tinley Park and the Zoning Ordinance Village staff has created an application and protocol for the review of Change of Use and Change of Owner Applications (Attachment 1- Complete Application Packet). The application packet provides all necessary information for anyone interested in leasing or purchasing Commercial, Industrial or Multi-Family Space/Property. The packet addresses the opportunity for possible economic incentives, the application fee (\$30), inspections and basic items the inspection will cover, inspection report, the possible requirement of a building permit, and the need for a final inspection prior to issuance of a Certificate of Occupancy. There is also information in the packet for a business license (note: not all businesses require a license) and sign permits. The packet is very thorough and has been available to our residents since 2003 with more recent revisions made in 2014. The code requirements have been in place for over 20 years.

Section 104 (B.) of the Comprehensive Building Code (Certificate of Occupancy) outlines the need for the Change of Use/ Owner Inspection:

### Existing Buildings - Use Group or Occupant Changes :

*With the exception of single-family and multi -family dwellings, when the ownership, or when the occupant of all or part of a building changes, or when the use of all or part of a building changes from one use group to another, said building or part thereof in relation to which the change in occupant or use has occurred, shall not be occupied or used until a Certificate of Occupancy has been issued by the Building Official. <sup>(1)</sup>*

1. Ordinance 2011-O-028 provided for Change of Owner Inspections for Multi-Family uses (common areas) as well.

As a mature community Tinley Park's Change of Use/Ownership (CU/O) inspections provide a means for the Village to address code deficiencies common to aging building stock. As building codes evolve over time there is minimal opportunity to gain access into an existing building that was built under different building codes. There are a variety of ways communities like Tinley Park can address this issue. Some will enforce CU/O inspections, while others use transfer stamps, Point-of-Sale inspections or business registration inspections. Whatever the means, there is legal precedence to require such inspections. In *Mann v. Calumet City*, 588 F.3d 949 (7<sup>th</sup> Cir. 2009) the court upheld the validity of their Point-of-Sale inspection ordinance, holding that the ordinance was rationally related to the legitimate governmental interest of ensuring compliance with city ordinances designed to protect public health and safety.

### **Discussion**

As outlined in the CU/O application packet there is a protocol staff follows in processing these applications. Within 5 business days of receipt of a CU/O application, the application is reviewed for zoning compliance and an inspection is scheduled for all building (building, plumbing, electrical) and fire inspections. Within 7 business days of the inspection a letter is sent to the applicant outlining any code deficiencies. Within the body of the letter information is provided as to any deficiencies and the necessary remedies. The Applicant is instructed to contact the Building Department within 7 days to discuss the schedule for repair and/or the necessity of permits. The majority of the time staff will receive a response and permits are either applied for or if no permit is required an inspection is scheduled. A very small number of applicants will decide not to move forward with their project, and the application is closed. Either way a discussion occurs as to how to move forward in bringing the property into compliance. Occupancy permits are not issued until there is compliance; however for non-life safety issues or where the Fire Department has issued extensions, a temporary Certificate of Occupancy (CO) may be issued. Business licenses are not issued until a permanent CO is issued. (Please note that not all businesses require a business license.)

Since taking on the responsibilities of Community Development Director (2016) I have worked with Building staff to bring closure to any outstanding CU/O applications, i.e. applications that did not result in a CO. While there are still some outstanding applications the total has been significantly reduced due to the diligence of the Building Clerks. Since 2016 we have adopted new protocols that help us increase the likelihood of closure. The Village has received slightly over 300 applications for CU/O since 2016; currently only 21 CU/O applications that have not been issued a final Certificate of Occupancy (three of these have received a temporary CO). Of the 21 outstanding applications, there are 15 that are occupied and are in the process of bringing their properties into compliance and are required to apply for building permit. Eight of these have not yet filed for a building permit however all but one of these were 2018 applications—four of which applied within the last 5 months. Three of the 21 applications had existing businesses that remain operational; there are six cases that are unoccupied properties that are waiting to submit plans. None of the occupied properties without a CO have significant life safety issues.

In surveying similar communities it appears the issues Tinley Park deals with are commonplace. In all three communities surveyed (Oak Forest, Lockport and Lemont) any change of owner triggers an inspection and a CO is not issued unless all non-compliant code issues are addressed. Oak





Forest will give up to 18 months to comply and has shut down businesses for non-compliance; Lemont will allow up to 12 months for expensive issues; and Lockport did not state a specific deadline but they will not issue an occupancy permit until they obtain compliance. Tinley Park has allowed up to 5 years for fire protection service compliance and will issue a temporary CO until they reach compliance.

### **Concerns**

The process is not perfect. While the intent of the ordinance is to require a property owner to comply with code, often this responsibility falls to the buyer or tenant. The Village has struggled with this over the years and has attempted to inform commercial property owners of their responsibility for compliance by sending out letters, posting information on the village website and meeting with realtors to recommend they make this information known to their clients. Unfortunately we are often working with an unsuspecting buyer or tenant that was unaware of the additional costs related to bringing their new property or lease space up to code. In these situations staff works closely with the applicant as much as possible to obtain compliance while ensuring life safety issues are remedied.

Under the previous administration as well as the current administration, Staff has been instructed to maintain a *"business friendly"* approach to their day-to-activities. Whether it be customer service, code enforcement or economic development, the culture of the Village Hall is to try as best we can to maintain positive relations with our business community. While this is the environment in which we operate, code enforcement certainly has its challenges in making sure we are complying with Village Code in an accurate and consistent manner and still maintain a positive reputation with the business community. It is important to note that there is an appeal process outlined in Section 100 L. (Right of Appeal) in the Building Code.

### **Recommendation**

While the number of outstanding CU/O applications is not significant (6% over the last three years) there appears to be opportunity for improvement especially with respect to impact on small businesses. The level of enforcement varies in the communities surveyed and it continues to be a challenge to obtain compliance without stricter enforcement of the CO process. The question is what is the true cost of enforcement on economic development? The majority of the more significant cost issues appear to relate to Fire Protection Systems. Lemont has adopted an ordinance that exempts the downtown district from required sprinkler systems. While this may have eliminated many of the complaints for code compliance, Staff questions the greater impact on life safety since the majority of the buildings in the downtown are older and represent the largest concern for life safety.

The Committee may wish to commission a committee of staff and business owners to address the unique needs of special areas such as the downtown area and review current code issues that impact businesses.

The Board may also wish to discuss the conditions under which an inspection is required. Currently all change of owner and use situations require an inspection. This would include transfer of ownership within a family or with a re-organization of trust. Our Village attorney has



determined that regardless of how the land is transferred or to whom—it still constitutes a change of ownership. The Board may however identify exceptions to these requirements under certain conditions such as transfers within the immediate family.



---

**VILLAGE OF TINLEY PARK, ILLINOIS**  
**CHANGE OF USE/OWNER INFORMATION & APPLICATION**  
(Leasing and/or Purchasing Commercial Space/Property)

***Congratulations. Welcome to Tinley Park. We are here to assist you.***

**Please Follow these Easy Steps:**

▪ **CONTACT THE ECONOMIC DEVELOPMENT DEPARTMENT REGARDING POTENTIAL BENEFITS**

Your business may be eligible for special economic development benefits or incentives. Before you purchase/lease the property or begin construction, please contact the Tinley Park Economic Development Department at (708) 444-5000 for more information.

▪ **BEGIN THE CHANGE OF USE/ OWNER PROCESS – APPLICATION PROCESS**

A Change of Use or Change of Owner Permit is for businesses leasing a previously occupied commercial or industrial space or purchasing an existing business or property. We recommend before a lease or sale is complete, a Change of Use/Owner Application should be completed and returned to the Building Department for review to ensure the basic zoning criteria has been met. The fee for a Change of Use/Owner application is \$30. If you have questions regarding this application, please contact the Building Department at (708) 444-5100.

Upon receiving a completed application and fee from a new/prospective owner or user, the Tinley Park Building Department will schedule an inspection for the space/property and Village inspectors will identify items that do not meet current codes. The property owner and/or tenant will be responsible to make the necessary improvements to any outstanding conditions prior to receiving a Certificate of Occupancy. In some cases, a Temporary or Conditional Certificate of Occupancy may be issued along with due dates for completion of bringing outstanding items up to code.

▪ **SET UP INSPECTION**

After receiving the completed Change of Use Permit Application, the Building Department will call to set up an inspection date. This inspection will be conducted by the Building, Plumbing, Electrical, Public Works, Planning, Fire Prevention, and Health (if applicable) inspectors. It is recommended that you, the current property owner/management company, and ideally your general contractor, are present for the inspection.

**The inspectors will arrive between 9:00am and 12:00pm on the scheduled date and must have access to the utility room, especially if leased space is within a strip mall or multi-tenant building.** These inspections will provide the potential lessee/buyer with a list of any code violations or repairs necessary to bring the property up to code. This information is usually important in the negotiations of a contract or lease.

**Please note the following are some of the basic items reviewed by the Inspectors:**

**BUILDING**

1. Restroom accessibility, grab bars, lav guards and placard.
2. Furnace and hot water tank may be required to be serviced by a licensed HVAC contractor.
3. Commercial kitchen, hood exhaust to be serviced and cleaned by qualified contractor, documentation required for re-inspection.
4. Restaurant - provide a floor plan if requested by the code official to include table and chair layout.
5. Accessible cash counter for mercantile and food service business.
6. Inspect existing bathroom exhaust and venter directly to the outdoors.
7. Building permits required for any proposed renovations and for all mechanical, electrical and plumbing (MEP) renovations.

**ELECTRIC**

1. All electrical outlets within six feet of open water shall be GFCI protected.
2. All existing electrical not being used must be removed.
3. Can not use extension cords for appliances.
4. All existing electrical outlets and lighting must be functional.
5. Electrical panel must have complete panel schedule, typed.

**PLUMBING:**

1. Checking for required fixtures in bathrooms and other areas requiring plumbing. ADA compliance, tempering valves for lavatory faucets
2. Checking for required backflow prevention devices on potable water supply, ice machines, coffee and soda dispensing machines, etc.
3. Insuring the installation of approved working expansion tanks on hot water heaters, atmospheric relief vents if required
4. Checking for required floor or slop sinks
5. Inspecting for non compliant saddle or illegal tapped devices

**HEALTH (food establishments)**

1. Number of hand sinks and supplied (hot/cold water, soap, and paper towels)
2. Number of refrigerators/freezer and ensure they are at temperature
3. Ensure they have a 3 compartment sink or dish washer with proper sanitizer and test strips
4. A certified food handler
5. Tools for food safety such gloves, hair restraints, sanitizer, test strips, thermometer
6. Provide a copy of Illinois Department of Public Health Food Safety and Sanitation Managers certificates.
7. Will there be any changes made to the kitchen?
8. Will you be adding or removing any equipment?
9. Provide menu

---

## **PLANNING:**

1. Signage (permanent, temporary, and window signs)
2. Landscaping
3. Parking Lot (size of spaces, striping, potholes, cracks, etc.)
4. Dumpster Enclosure (do they need one? If they have one, is it in good condition?)
5. And miscellaneous issues (no sidewalks, trash on the site, needs an alley dedication, etc.)

## **PUBLIC WORKS:**

1. Ground wire on water meter is attached.
2. Does the unit have an RPZ or double check valve and is it currently certified.
3. Make sure the paperwork is attached to the device.
4. If there is no protection (RPZ or double check) determine if one is needed for the new business.

## **FIRE PREVENTION:**

1. Ensuring adequate means of egress
2. Ensuring proper fire protection and fire alarm
3. Occupancy hazards and processes that may require a permit as identified in adopted codes (see attached)
4. Proper contact information; properly addressed (location and size)
5. Modifications or alterations of the space

### **▪ REVIEW YOUR INSPECTION REPORT LETTER**

Once this inspection is complete, a letter containing all corrections and/or code violations found will be sent to the applicant and current building/business owner. Some corrections may require a Building Permit.

### **▪ SUBMIT REQUEST FOR CERTIFICATE OF OCCUPANCY**

If you are still interested in occupying the space, you will have to complete the corrections and call for re-inspections. All inspectors will then conduct a final inspection, and pending any further corrections, a Certificate of Occupancy will be issued for your business and/or building, along with a Tinley Park Business License (if applicable).

### **▪ IF REMODELING, SUBMIT A BUILDING PERMIT REQUEST**

If you are interested in extensive remodeling, a Building Permit is required. Permits must be issued prior to any remodeling or additions that the new owner desires to complete. Plans submitted for permit should include all corrections contained in the inspection report letter. Because walls are often moved, this most often requires relocation of fire sprinkler heads. Fire Suppression/Alarm Permit Applications will be required to be submitted along with the Build-Out/Interior Remodel Permit Application. Following the final inspections of a remodel, a Certificate of Occupancy may be issued (if applicable).

---

## **BUILD - OUT/INTERIOR REMODEL PERMIT CHECKLIST**

- A completed Commercial/Industrial Permit Application including all contractor and/or subcontractor information.
- A completed Emergency Contact Information sheet.
- A Letter of Intent describing new occupant's business practice.
- A letter defining the scope of work.
- Four (4) sets of floor plans, showing any building, HVAC, electric, plumbing work. **If a water meter is already installed, please indicate placement. If a water meter is required, please indicate placement and size of the water meter.**
- Please indicate placement of fire sprinkler heads. If fire sprinkler heads will be relocated, fire protection plans are required.** Three (3) sets of engineered plans of any fire suppression/protection system plans with completed permit application must be submitted to the Fire Department at 17355 S. 68th Court. Build-Out/Remodel Permits will not be released until the fire suppression/protection system permit has been submitted.
- Four (4) copies of plans of the layout of furniture/shelving/tables, etc., placement must be submitted.
  - Provide calculations for occupancy load and door width capacities.
  - Provide calculations/documentation for aisle widths areas adjacent to seating.
- At the Building Commissioner's discretion, architectural stamped and signed plans may be required depending on the extent of work involved.

### **• PLEASE REVIEW CURRENT CODES**

The Village of Tinley Park has approved the updates to our Building Codes to adapt to the International Code Council standards. These standards were approved on September 2, 2016 and can be referenced through Ordinance Number 2016-O-055. The ordinance includes updates to the following code sections:

Village of Tinley Park Building Code 2016  
2012 International Building Code  
2012 International Residential Code for One and Two Family Dwellings  
2012 International Mechanical Code  
2012 International Property Maintenance Code  
2012 International Fuel Gas Code  
2015 International Energy Conservation Code  
2011 National Electric Code  
2014 Illinois State Plumbing Code  
2012 International Fire Code

### **• OBTAIN YOUR BUSINESS LICENSE**

A Business License Application can be obtained at the Clerk's Office or on the Village website by visiting <http://www.tinleypark.org>. The Business License Application may be completed and submitted at any time during the Change of Use/Owner process or Building Permit Application process. Please return the Business License Application to the Clerks Office located at the main entrance of Village Hall. If you have any questions concerning the Business License Application, please contact the Clerk's Office at (708) 444-5000.

**(Business License Application Attached)**

---

- **BEGIN YOUR SIGNAGE PERMIT PROCESS – SIGN PERMITS ARE REQUIRED**

Sign Permits are required for Permanent and/or Temporary Signage. If new signage is desired, a new business sign must be approved through the permit process. A sign permit is required for any changes to the monument sign, wall sign, and/or window sign. Sign regulations can be found within the Village of Tinley Park Zoning Ordinance. Sign Permit Applications can be obtained through the Building Department or on the Village website by visiting <http://www.tinleypark.org>. If a wall sign is being added, the sign band area on the façade of the building must be repaired/repainted upon installation of a new sign. If the site has signage that does not meet current codes, it will have to be removed or altered to meet current codes.

Please note that temporary signs also require a sign permit. If the business owner would like to display temporary banners for special sales or events, please obtain a Temporary Sign Permit from the Building Department prior to displaying the temporary signs. **(Sign Permit Application Attached)**

- **CHECK OUT THE VILLAGE WEBSITE FOR MORE INFORMATION ON APPLICATIONS & CODES**

All applications and codes mentioned previously can be found on the Village of Tinley Park website by visiting <http://www.tinleypark.org> and navigating to the respective department's webpages using the blue bar found near the top of each page. If you have any questions about how to find certain applications or codes, please call (708) 444-5100.

---

Permit # \_\_\_\_\_

Inspection Date: \_\_\_\_\_

**VILLAGE OF TINLEY PARK, ILLINOIS  
CHANGE OF USE/CHANGE OF OWNER INSPECTION REQUEST APPLICATION**

**This application must be completed in full and returned to the Village of Tinley Park Building Department along with the fee of \$30.00.** Please provide information for all categories below. Please note that this application is not a Certificate of Occupancy – this is for informational purposes only.

ADDRESS OF PROPERTY: \_\_\_\_\_ Suite/Unit # \_\_\_\_\_

Check all that apply:

- PURCHASE OF PROPERTY (buying the building/condominium unit)
- PURCHASE OF EXISTING BUSINESS OPERATION/LEASING SPACE (taking over existing business from current owner).
  - EXISTING BUSINESS NAME: \_\_\_\_\_
- OPENING NEW BUSINESS/LEASING TENANT SPACE:
  - NEW BUSINESS NAME: \_\_\_\_\_

**APPLICANT INFORMATION (future tenant and/or future property owner):**

Name:	
Mailing Address:	
Phone (Primary)	Phone (Secondary)
Email:	Fax:

**CURRENT PROPERTY OWNER INFORMATION**

Name:	
Mailing Address:	
Phone (Primary)	Phone (Secondary)
Email:	Fax:

**MANGEMENT COMPANY INFORMATION (if applicable)**

Name:	
Mailing Address:	
Phone (Primary)	Phone (Secondary)
Email:	Fax:

**INSPECTION CONTACT INFORMATION:**

Name of Person to Contact for Inspections:	
Contact's Affiliation with Business Owner or Property Owner:	
Phone (primary)	Email:



**SITE INFORMATION REQUIRED FOR PURCHASE OF PROPERTY AND/OR TENANT LEASING SPACE**

Name of Commercial Center (if applicable):
Major Tenant (largest space):
Number of tenants in entire building*
Square Footage of entire building:
Will there be modifications to the interior of the building? <input type="checkbox"/> No <input type="checkbox"/> Yes (permits required)
Total Number of Parking Spaces in entire lot:
Number of Handicap Parking Spaces in entire lot:
Will there be modifications to the parking lot? <input type="checkbox"/> No <input type="checkbox"/> Yes (permits required)
Will there be modifications to the landscaping on the site? <input type="checkbox"/> No <input type="checkbox"/> Yes (permits may be required)

\*Please provide the following:

- Attach list of current tenant(s) name(s)
- Type of business of each tenant (example: restaurant, office, hair salon, etc.)
- Each tenants hours of operation

**LEASING TENANT SPACE**

**PLEASE COMPLETE ALL ITEMS ON CHECKLIST**

Please provide a company description to determine appropriate zoning district. Describe the products and/or services of your business. Please include a list any state licenses and/or certifications required to operate your business and/or required to be held by staff. Also include, if applicable, any major equipment necessary to operate your business.

---



---



---



---



---

Number of Parking Spaces Allotted to Tenant:
Square footage of tenant space:
Hours of Operation:
Maximum Number of Employees:
Restaurants Only: Number of Seats:
Medical Offices Only: Number of Exam Rooms:

**Will the business hold classes?**

- No
- Yes (attach description of classes, class schedule and age range of students)

**Will the business involve the use of chemicals?**

- No
- Yes (attach list of chemicals)

**Will liquor be sold and/or consumed in the tenant space?**

- No
- Yes (Liquor License is required. Please contact Mayor's office for appointment at (708) 444-5000)

**Will there be interior modifications to the tenant space?**

- No
- Yes (If yes, permit(s) are required)

**Will there be changes to permanent signage?**

- No
- Yes (If yes, permit(s) are required)

**Will there be temporary signage?**

- No
- Yes (If yes, permit(s) required)

**Will there be vehicles parking overnight?**

- No
- Yes (If yes, please answer the following):

Number of Vehicles \_\_\_\_\_

Weight type \_\_\_\_\_

Plate type of vehicles \_\_\_\_\_

**BEFORE signing, please insure that ALL Requested Information Above is Provided. Incomplete Forms cannot be accepted.**

Applicant Printed Name: \_\_\_\_\_

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**OFFICE USE ONLY:**

Previous Tenant: \_\_\_\_\_

Previous Use: \_\_\_\_\_

Zoning District: \_\_\_\_\_

Use(s) Are Permitted:  Yes  No

Prohibited  Special Use Required

Reviewed by: \_\_\_\_\_

Date Reviewed: \_\_\_\_\_

**CURRENT TENANT LISTING**

Tenant Business Name
Type of Business
Hours of Operation

Tenant Business Name
Type of Business
Hours of Operation

Tenant Business Name
Type of Business
Hours of Operation

Tenant Business Name
Type of Business
Hours of Operation

Tenant Business Name
Type of Business
Hours of Operation

Tenant Business Name
Type of Business
Hours of Operation

**CHANGE OF USE/CHANGE OF OWNERSHIP  
OCCUPANCY AND HAZARD IDENTIFICATION WORKSHEET**

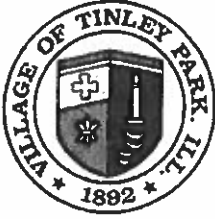
**Please indicate if any of the following activities will be conducted on the premises/property and provide a brief explanation of the operational scope.**

ACTIVITIES	APPLICABLE	DESCRIPTION/QUANTITY
<b>105.6.1 Aerosol products</b> <i>Manufacture, store or handle an aggregate quantity of level 2 or 3 aerosol products in excess of 500 pounds net weight.</i>		
<b>105.6.2 Amusement buildings</b>		
<b>105.6.3 Aviation facilities</b> <i>Aircraft servicing or repair &amp; aircraft fuel-servicing.</i>		
<b>105.6.4 Carnivals and fairs</b>		
<b>105.6.5 Cellulose nitrate film</b> <i>The storage, handling or use of cellulose nitrate film in an Assembly occupancy.</i>		
<b>105.6.6 Combustible dust-producing operations</b> <i>Operation of a grain elevator, flour starch mill, feed mill, or plant pulverizing aluminum, coal, cocoa, magnesium, spices, sugar or other dust producing operations.</i>		
<b>105.6.7 Combustible fibers</b> <i>Storage &amp; handling of combustible fibers in quantities &gt; 100 cubic feet.</i>		
<b>105.6.8 Compressed gases</b> <i>Storage, use and handling at normal temperature and pressure of compressed gases. (corrosive, flammable &gt;200 cu.ft., any amount of toxic, highly toxic or pyrophoric material)</i>		
<b>105.6.10 Cryogenic fluids</b> <i>Production, storage and transport on site, use, handle or dispensing. (&gt;1 gallon of flammable, &gt;60 gallons of inert, &gt;10 gallons of oxidizing material and any amount of material that is a physical/health hazard)</i>		
<b>105.6.11 Cutting and welding</b>		
<b>105.6.12 Dry cleaning plants</b> <i>Engage in the business of dry cleaning or to change to a more hazardous cleaning solvent.</i>		
<b>105.6.13 Exhibits and trade shows</b> <i>Describe the type of vendors present and any expected hazardous operations (vehicle display, cooking etc.)</i>		
<b>105.6.14 Explosives</b> <i>Manufacture, storage, handling, sale or use of any quantity of explosives, explosive materials, fireworks or pyrotechnic effects.</i>		
<b>105.6.15 Fire hydrants and valves on premises</b> <i>Use of or access to fire hydrants or valves intended for fire suppression purposes.</i>		
<b>105.6.16 Flammable and combustible liquids</b> <i>Storage &amp; handling of Class I liquids &gt;5gallons, Class II/III liquids &gt;25 gallons including above ground tanks, diesel generators, safety cans etc.</i>		
<b>105.6.17 Floor finishing</b> <i>Floor finishing or surface operations exceeding 350 square feet using Class I or II liquids.</i>		
<b>105.6.18 Fruit and crop ripening</b> <i>Fruit or crop ripening using ethylene gas</i>		
<b>105.6.19 Fumigation and thermal insecticidal fogging</b> <i>Storage of flammable or toxic fumigants for the purpose of fumigation.</i>		
<b>105.6.20 Hazardous materials</b> <i>Any site storage, dispensing or use and handling of hazardous materials</i>		
<b>105.6.21 Hazardous production material (HPM) facilities</b> <i>Hazardous materials used to produce materials or stored on site.</i>		

**CHANGE OF USE/CHANGE OF OWNERSHIP  
OCCUPANCY AND HAZARD IDENTIFICATION WORKSHEET**

Please indicate if any of the following activities will be conducted on the premises/property and provide a brief explanation of the operational scope.

ACTIVITY OR USE	APPLICABLE	DESCRIPTION/QUANTITY
<b>105.6.22 High-piled or rack storage of material</b> <i>Storage configurations exceeding 500 square feet</i>		
<b>105.6.23 Hot work operations</b> <i>Public exhibition demonstrations, portable equipment in a structure, fixed site equipment, conducted in a hazardous area, application of roof coverings.</i>		
<b>105.6.24 Industrial ovens</b> <i>Use of the oven used for, fuel source, size, use of special atmosphere.</i>		
<b>105.6.25 Lumber yards and woodworking plants</b> <i>Storage and processing of lumber exceeding 100,000 board feet.</i>		
<b>105.6.26 Liquid- or gas-fueled vehicles or equipment in assembly buildings</b> <i>Displaying, operating or demonstrating liquid or gas fueled equipment/vehicles in assembly buildings</i>		
<b>105.6.27 Liquid Propane-gas</b> <i>Storage and use of propane gas in containers; size of container and product use.</i>		
<b>105.6.28 Magnesium</b> <i>Melting, casting heat treating or grinding &gt;10 pounds of magnesium.</i>		
<b>105.6.29 Miscellaneous combustible storage &gt;2,500 cubic feet</b> <i>Empty packing cases, boxes, barrels etc., rubber tires, rubber, cork or similar combustible materials.</i>		
<b>105.6.30 Open burning</b> <i>Kindling or maintaining of an open fire on any public street, alley, road, or other public or private ground.</i>		
<b>105.6.31 Open flames and torches</b> <i>Removal of paint with a torch or using a torch/open flame device in hazardous fire area.</i>		
<b>105.6.32 Open flames and candles</b> <i>Assembly areas, dining areas of restaurants/drinking establishments.</i>		
<b>105.6.33 Organic coatings</b> <i>Production of greater than 1 gallon.</i>		
<b>105.6.34 Places of assembly/exhibition hall</b> <i>Size of the room/building; use of tables, chairs etc.</i>		
<b>105.6.36 Pyrotechnic special effects material</b> <i>Any special effects of light, noise or can obstruct a means of egress.</i>		
<b>105.6.37 Pyroxylin plastics</b> <i>&gt;25 lbs. of cellulose nitrate; assembly/manufacture using this material.</i>		
<b>105.6.38 Refrigeration equipment</b> <i>What is the equipment use for, size of equipment and type of refrigerant.</i>		
<b>105.6.39 Repair garages and motor fuel-dispensing facilities</b> <i>Type of equipment repaired; private or open to the public dispensing.</i>		
<b>105.6.40 Rooftop heliports</b> <i>Purpose of the heliport and expected frequency of use.</i>		
<b>105.6.41 Spraying or dipping using flammable/combustible liquids</b> <i>What is the purpose of the operation; expected quantity of liquids on hand.</i>		
<b>105.6.42 Storage of scrap tires and tire byproducts</b> <i>Storage of scrap tires/tire byproducts exceeding 2,500 cubic feet.</i>		
<b>105.6.43 Temporary membrane structures, tents and canopies</b> <i>Expected use of the facility.</i>		
<b>105.6.44 Tire-rebuilding plants</b> <i>Type of equipment used and processes used for rebuilding.</i>		
<b>105.6.45 Waste handling</b> <i>Wrecking yard, junk yards and waste material handling facilities.</i>		
<b>105.6.46 Wood products</b> <i>Storage of wood chips, lumber/plywood &gt; 200 cubic feet.</i>		



Village of Tinley Park  
16250 S. Oak Park Avenue, Tinley Park, IL 60477  
Phone (708) 444-5000/Fax (708) 444-5099

### APPLICATION FOR BUSINESS LICENSE

Business Renewal     New Owner     New Business - Prospective Opening Date \_\_\_\_\_

Business Name \_\_\_\_\_ D/B/A \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Business Phone # (\_\_\_\_) \_\_\_\_\_ Fax # (\_\_\_\_) \_\_\_\_\_

Email \_\_\_\_\_ Website \_\_\_\_\_

Corporate Name (if applicable) \_\_\_\_\_

Corporate Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Corporate Phone # (\_\_\_\_) \_\_\_\_\_ Fax # (\_\_\_\_) \_\_\_\_\_

*Alternate Mailing Address (if different from above):*

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Principal Business Activity \_\_\_\_\_

Briefly describe your business \_\_\_\_\_

Secondary Business Activity \_\_\_\_\_

Federal Tax Identification Number \_\_\_\_\_

Illinois Retail Occupation Tax Number (IBT) \_\_\_\_\_

SIC Code \_\_\_\_\_ NAICS Code \_\_\_\_\_

Number of Employees \_\_\_\_\_ Number of Seats (if applicable) \_\_\_\_\_

Does the business serve or sell food products?    |    YES    |    NO

If YES, please provide the following:

Name of Sanitation License Holder

License Number

Expiration Date

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Does the business sell cigarettes?     YES     NO

If YES, please indicate which type:     Over the Counter     Machine

Does the business operate coin operated vending machines?

YES

NO

If YES, please provide the following: Type of Amusement/Vending Machine

Quantity

_____	_____
_____	_____
_____	_____
_____	_____

Does the business own the amusement/vending machines?

YES

NO

If NO, please provide the following: Name of the vendor: \_\_\_\_\_

Vendor phone # \_\_\_\_\_

Square footage \_\_\_\_\_

Type of business entity:  
Sole Proprietorship

Partnership

C-Corporation

S-Corporation

Non-Profit

LL-Partnership

LL-Corporation

**Business Owner:** Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone # \_\_\_\_\_ Mobile # \_\_\_\_\_

**Emergency Contacts (list contacts in order of priority)**

Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone # \_\_\_\_\_ Mobile # \_\_\_\_\_

Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone # \_\_\_\_\_ Mobile # \_\_\_\_\_

Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone # \_\_\_\_\_ Mobile # \_\_\_\_\_

**Are the Business Premises Leased?**

YES

NO

If YES, Property Owner/Management Information:

Property Owner

Property Management

Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone # \_\_\_\_\_ Mobile # \_\_\_\_\_

Do you store hazardous materials on your business site?  YES  NO

If YES, type of materials: \_\_\_\_\_

If applicable, please submit completed MSDS sheet and return with application.

**For New Applications**

**New Construction:** Requires a Certificate of Occupancy being granted prior to business license being issued.

**Existing Building:** Change of Use Inspection need to be scheduled and Certificate of Occupancy needs to be granted prior to business license being issued.

**A BUSINESS MAY BE REQUIRED TO CARRY MULTIPLE LICENSES**

I understand the issuance of this license is conditional upon compliance with all Village Ordinances, State & Federal Law, and the results of any inspections required by ordinance at this time and any further inspections while this license is in force. I hereby authorize the Village of Tinley Park by its agents to make inquiries into my character, credit and background, in order to approve or deny this license application. I have read this application and answered all questions fully. The information I have submitted in this application is complete and truthful to the best of my knowledge. This information will be kept confidential to the extent permitted by law.

FEE MUST ACCOMPANY THIS APPLICATION

TOTAL FEE ENCLOSED \_\_\_\_\_

Print Name \_\_\_\_\_ Signature \_\_\_\_\_ Title \_\_\_\_\_

**FOR OFFICE USE ONLY**

Fee Received \$ \_\_\_\_\_ Date: \_\_\_\_\_

Period Covered:  Full year  Partial



**VILLAGE OF TINLEY PARK - BUSINESS LICENSE FEES**  
**PLEASE CHECK ALL THAT APPLY**

**Business Based on Square Footage**

- 1 - 1,500 sq. ft. \$ 35.00
- 1,501 - 3,000 sq. ft. \$ 60.00
- 3,001 - 6,000 sq. ft. \$ 80.00
- 6,001 - 9,000 sq. ft. \$100.00
- 9,001 - 12,000 sq. ft. \$130.00
- 12,001 - 15,000 sq. ft. \$150.00
- 15,001 - 20,000 sq. ft. \$170.00
- 20,001 - 30,000 sq. ft. \$200.00
- 30,001 - 40,000 sq. ft. \$240.00
- 40,001 - 60,000 sq. ft. \$300.00
- 60,001 - 80,000 sq. ft. \$370.00
- 80,001 and over \$450.00

**Gas Station**

- \$75.00 annually, for up to four pumps  
\$ 5.00 for each additional pump  
plus car wash  
plus square footage for retail sales

**Annual Fees**

- Archery Range \$ 50.00 plus square footage
- Car Wash (Automatic / Self Serve) \$100.00
- Cigarette & Tobacco Dealer \$ 45.00 plus square footage
- Currency Exchange \$ 40.00
- Dance Hall \$ 50.00
- Dance School or Music Studio \$ 40.00
- Day Care Center (less than 100 enrollment) \$ 60.00
- Day Care Center (over 100 enrollment) \$100.00
- Dry Cleaner \$100.00
- Firearm Dealer \$250.00
- Flea Market \$400.00
- Fuel Oil Dealer - Storing or Selling \$ 50.00 plus \$10.00 per vehicle
- Funeral Director / Funeral Home \$100.00
- Go Cart Track \$100.00
- Golf Course (Public / Private) \$100.00 plus square footage on buildings
- Golf Practice / Driving Range \$ 50.00 plus square footage on buildings
- Hospital / Immediate Care Center \$100.00 plus \$3.00 per bed
- Hotel / Motel \$ 40.00 plus \$5.00 each unit
- House Mover \$ 50.00
- Kiddy-Land Amusement Park \$ 50.00
- Limousine \$ 50.00
- Livery Stable \$100.00
- Miniature Golf Course \$ 50.00
- Nursing Home (up to 99 beds) \$110.00
- Nursing Home (100-149 beds) \$150.00
- Nursing Home (over 150 beds) \$200.00
- Pawn Broker \$200.00
- Petroleum Products - Bulk Storage \$100.00
- Public Weigh Master \$ 40.00
- Ready Mix Plants \$ 50.00
- Rooming House \$ 40.00
- Scavenger \$300.00
- Theaters (Indoor / Outdoor) \$400.00
- Travel Agency \$ 40.00
- Taxi Cabs \$150.00
- Towing \$200.00 plus square footage
- Valet \$100.00

**VILLAGE OF TINLEY PARK - BUSINESS LICENSE FEES**  
**PLEASE CHECK ALL THAT APPLY**

<u>Coin Operated Devices</u>	<u>Qty.</u>	<u>Total Amt.</u>
Amusement Devices / Video Games		\$ 50.00 per machine
Cigarette Machines		\$ 40.00 per machine
Food / Beverage / Ice Dispensers		
10 cents or less		\$ 5.00 per machine
11 cents or more		\$ 20.00 per machine
<input type="checkbox"/> Laundromats		\$ 2.50 per machine
<input type="checkbox"/> Music Devices / Juke Boxes		\$ 50.00 per machine
<input type="checkbox"/> Scales		\$ 5.00 per machine
<input type="checkbox"/> All Other Vending Machines		\$ 15.00 per machine
<u>Other</u>		
<input type="checkbox"/> Ambulance Service		\$ 30.00 per vehicle, plus square footage
<input type="checkbox"/> Athletic Exhibitions		\$ 50.00 per day
<input type="checkbox"/> Auctioneer		\$ 15.00 per auctioneer / per day
<input type="checkbox"/> Auto Dry Cleaning Machine		\$ 25.00 per machine
<input type="checkbox"/> Billiard & Pool Tables		\$ 50.00 per table
<input type="checkbox"/> Bowling Alley		\$ 15.00 per lane (alley)
<input type="checkbox"/> Carnivals		\$100.00 per day
<input type="checkbox"/> Circus		\$200.00 per day
<input type="checkbox"/> Circus sideshow & concessions		\$ 10.00 each per day
<input type="checkbox"/> Dance open to the public		\$ 50.00 each dance
<input type="checkbox"/> Dry Cleaning Machine for public use		\$ 25.00 per machine
<input type="checkbox"/> Fireworks (Outdoor)		\$500.00 (exempt: park districts, government organizations)
<input type="checkbox"/> Food Dealer (Mobile / Temporary)		\$ 35.00 per vehicle / per booth
<input type="checkbox"/> Junk / Salvage Dealer		\$ 10.00 per vehicle, plus square footage
<input type="checkbox"/> Laundromats		\$ 2.50 per machine
<input type="checkbox"/> Liquidation Sales		\$ 10.00 per sale, plus inventory
<input type="checkbox"/> Menageries (Petting Zoo)		\$ 20.00 per day
<input type="checkbox"/> Pyrotechnics (Indoor)		\$500.00
<input type="checkbox"/> Skating Rinks		\$100.00 per rink

VILLAGE OF TINLEY PARK  
COMMERCIAL/INDUSTRIAL PERMIT APPLICATION

16250 Oak Park Avenue, Tinley Park, IL 60477  
(708)444-5100 Fax (708)444-5199

Date of Application: \_\_\_\_\_ Permit Number BL - \_\_\_\_\_

Project Address \_\_\_\_\_ Suite/Unit # \_\_\_\_\_

Parcel/Real Estate Tax (PIN)# \_\_\_\_\_ Lot # \_\_\_\_\_ Zoning \_\_\_\_\_

Name of New Business Occupying Space: \_\_\_\_\_ Phone \_\_\_\_\_

Owner of Property \_\_\_\_\_ Phone \_\_\_\_\_

Project Description \_\_\_\_\_

Cost of Project (Valuation) \_\_\_\_\_

Square Footage: Office \_\_\_\_\_ Retail \_\_\_\_\_ Warehouse \_\_\_\_\_

Water Meter Size: Existing \_\_\_\_\_ Proposed \_\_\_\_\_ Water Tap Size: Existing \_\_\_\_\_ Proposed \_\_\_\_\_

Number of Fire Sprinkler Heads Existing: \_\_\_\_\_ Proposed: \_\_\_\_\_

# of Regular Parking Spaces \_\_\_\_\_ # of Handicap Spaces \_\_\_\_\_

Estimated Maximum Patron Occupants \_\_\_\_\_ Estimated Maximum Employee Occupants \_\_\_\_\_

**CONTRACTOR INFORMATION: PLEASE PROVIDE NAME AND ADDRESS**

General \_\_\_\_\_ Phone \_\_\_\_\_

Architect \_\_\_\_\_ Phone \_\_\_\_\_

Carpentry \_\_\_\_\_ Phone \_\_\_\_\_

Concrete \_\_\_\_\_ Phone \_\_\_\_\_

Drywall/Lathing \_\_\_\_\_ Phone \_\_\_\_\_

Electric \_\_\_\_\_ Phone \_\_\_\_\_

Excavator \_\_\_\_\_ Phone \_\_\_\_\_

Fire Alarm \_\_\_\_\_ Phone \_\_\_\_\_

Fire Suppression \_\_\_\_\_ Phone \_\_\_\_\_

HVAC \_\_\_\_\_ Phone \_\_\_\_\_

Masonry \_\_\_\_\_ Phone \_\_\_\_\_

Paving \_\_\_\_\_ Phone \_\_\_\_\_

Plumbing \_\_\_\_\_ Phone \_\_\_\_\_

Roofing \_\_\_\_\_ Phone \_\_\_\_\_

Sewer \_\_\_\_\_ Phone \_\_\_\_\_

Other \_\_\_\_\_ Phone \_\_\_\_\_

SIGNATURE OF APPLICANT: \_\_\_\_\_

Please check if Applicant is Owner \_\_\_\_\_ or Contractor \_\_\_\_\_

---

## FIRE PREVENTION/PROTECTION SYSTEM

Submission for a Fire Suppression/Protection System permit requires five (5) sets Engineered Fire Suppression/protection System plans with completed **permit application submitted to the Fire Department at 17355 South 68th Court, Tinley Park, IL 60477.**

Plans may require review by an outside agency. Once plan review is complete a letter will be sent for approval.

**VILLAGE OF TINLEY PARK  
FIRE ALARM  
PERMIT APPLICATION**



Tinley Park Building Department  
16250 Oak Park Avenue  
Tinley Park, IL 60477  
(708)444-5100 Fax (708)444-5199



Tinley Park Fire Prevention Bureau  
17355 S. 68<sup>th</sup> Court  
Tinley Park, IL 60477  
(708)444-5200 Fax (708)444-5299

**SUBMIT FIVE (5) SETS OF PLANS**

Date of Application: \_\_\_\_\_

**For Internal Use**  
Permit #: FD - \_\_\_\_\_

1. Project Type:  NEW INSTALLATION  ALTERATION TO AN EXISTING SYSTEM
2. Project Address: \_\_\_\_\_
3. Name of Business Occupying Space: \_\_\_\_\_
4. Project Description:  Single-Family  Multi-Family  Commercial Other: \_\_\_\_\_
5. Types of devices to be installed:

Device/Equipment	Quantity	Manufacturer	Model/Type
Fire Alarm Panel			
Manual Pull Stations			
Strobes			
Horn/Strobes			
Smoke Detectors			
Duct Smoke Detectors			
Heat Detectors			
Valve Tamper			
Water Flow			
Fire Alarm Wire			
Other (explain)			

6. Cost of Installation: \_\_\_\_\_
7. Name of Fire Alarm Company/Electrical Contractor: \_\_\_\_\_
8. E-Mail Address: \_\_\_\_\_
9. DPR State License #: \_\_\_\_\_
10. Address: \_\_\_\_\_
11. City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_
12. Phone: \_\_\_\_\_ Fax: \_\_\_\_\_
13. Person/telephone number responsible @ jobsite: \_\_\_\_\_
14. Applicant Name/Signature: \_\_\_\_\_

Submit copy of State License and proof of liability insurance with Permit Application  
(Minimum \$1,000,000; Illinois Department of Financial & Professional Regulation)

**VILLAGE OF TINLEY PARK  
FIRE PROTECTION  
PERMIT APPLICATION**



Tinley Park Building Department  
16250 Oak Park Avenue  
Tinley Park, IL 60477  
(708)444-5100 Fax (708)444-5199



Tinley Park Fire Prevention Bureau  
17355 S. 68<sup>th</sup> Court  
Tinley Park, IL 60477  
(708)444-5200 Fax (708)444-5299

**SUBMIT FIVE (5) SETS OF PLANS**

**Date of Application:** \_\_\_\_\_

<b>For Internal Use</b> <b>Permit #: FD -</b> _____
--

- 1. Project Type:**  
 a.  NEW INSTALLATION                       ALTERATION TO AN EXISTING SYSTEM  
 b.  WATER-BASED SYSTEM    FIXED EXT. SYSTEM    CLEAN AGENT    OTHER

- 2. Installation/alteration of underground water service?**  Y    N  
 a. If yes, Size of Service: \_\_\_\_\_ Inches

**3. Project Address:** \_\_\_\_\_

**4. Name of Business Occupying Space:** \_\_\_\_\_

**5. Project Description:**  Single-Family    Multi-Family    Commercial   Other: \_\_\_\_\_

**6. Types of devices to be installed for water-based systems:**

Device/Equipment	Quantity	Manufacturer	Model/Type
Fire Sprinkler Heads			
Fire Sprinkler Heads			
Fire Sprinkler Heads			
Fire Sprinkler Heads			
Sprinkler Piping Mains			Schedule:
Sprinkler Piping Lines			Schedule:
Dry/Preaction Valve			
RPZ Device			
Tamper Devices			
Water Flow			
Other (explain)			

**7. Cost of Installation:** \_\_\_\_\_

**8. Name of Fire Protection Contractor:** \_\_\_\_\_ **State License #:** \_\_\_\_\_

**9. E-Mail Address:** \_\_\_\_\_

**10. Address:** \_\_\_\_\_

**11. City:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip Code:** \_\_\_\_\_

**12. Phone:** \_\_\_\_\_ **Fax:** \_\_\_\_\_

**13. Person/telephone number responsible @ jobsite:** \_\_\_\_\_

**14. Name of NICET Person / Engineer on Staff:** \_\_\_\_\_

**15. Applicant Name/Signature:** \_\_\_\_\_

Submit copy of State License, proof of liability insurance as required on OSFM Contractor Information Sheet

Date Received: \_\_\_\_\_

Permit Number: \_\_\_\_\_

**VILLAGE OF TINLEY PARK, ILLINOIS  
PERMANENT SIGN PERMIT APPLICATION**

**The following items must be submitted with this application:**

- One (1) color copy of the sign plan, including all dimensions and the square footage of the sign.
- One (1) color rendering of the sign as it is proposed on the building or on the property.
- An aerial photograph, current Plat of Survey, and/or Site Plan with the sign location marked.
- A copy of written consent from the owner of the building or land on which the sign is to be erected.
- UL Listing or documentation from a nationally-recognized testing laboratory.
- Completed Sign Information Page for each sign.

**APPLICANT & BUSINESS INFORMATION**

Name of Applicant: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
Applicant's Company: \_\_\_\_\_ Email: \_\_\_\_\_  
Person to Call When Permit is Ready: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
Name of Business: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
Name of Business Owner: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
Name of Property Owner: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
Management Company: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
Management Company Address: \_\_\_\_\_  Not Applicable

**CONTRACTOR INFORMATION**

Sign Installer: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
Sign Installer Address: \_\_\_\_\_  
Electrician: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
Electrician Address: \_\_\_\_\_  Not Applicable  
Masonry Installer: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
Masonry Installer Address: \_\_\_\_\_  Not Applicable  
Concrete Installer: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
Concrete Installer Address: \_\_\_\_\_  Not Applicable

\*\*\* ATTACH SIGN INFORMATION PAGE FOR EACH SIGN \*\*\*

**PLEASE MAKE SURE THAT THE APPLICATION IS COMPLETE AND THAT THE  
PROPOSED SIGNAGE MEETS ALL APPLICABLE VILLAGE CODES BEFORE SIGNING.**

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

VILLAGE OF TINLEY PARK, ILLINOIS  
PERMANENT SIGN PERMIT APPLICATION: SIGN INFORMATION PAGE

**SIGN INFORMATION**

Please provide the following information for each sign. Copy this page as needed.

Sign # \_\_\_\_\_ of \_\_\_\_\_ (total quantity of signs) Estimated Cost of Sign: \_\_\_\_\_

Sign Location:  On Building (wall/façade)  On Property (freestanding)  On Building (window/door)  Other Location: \_\_\_\_\_

Notes on Sign Location: \_\_\_\_\_

Sign Height: \_\_\_\_\_ Sign Length: \_\_\_\_\_ Sign Weight (lbs.): \_\_\_\_\_

*Freestanding Signs Only:* Total Sign Height: \_\_\_\_\_ Landscaping at Base (sq.ft.): \_\_\_\_\_

Sign Face Area (sq.ft.): \_\_\_\_\_ Tenant's Gross Floor Area (sq.ft.): \_\_\_\_\_

Tenant's Building Frontage (ft.): \_\_\_\_\_ Tenant's Lot Frontage (ft.): \_\_\_\_\_

Sign Text: \_\_\_\_\_

Sign Colors: \_\_\_\_\_

Sign Materials: \_\_\_\_\_

Illumination?  None  Yes: \_\_\_\_\_

Type of Anchor(s) Used to Support Sign: \_\_\_\_\_

Type of Material that Sign is Being Anchored To: \_\_\_\_\_

Office Use Only:

Zoning District: \_\_\_\_\_

Sign Type: \_\_\_\_\_

Variance?  No  Yes: \_\_\_\_\_

Change to Nonconforming Sign?  No  Yes: \_\_\_\_\_

Notes: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



Date Received:

Permit Number:

# VILLAGE OF TINLEY PARK, ILLINOIS TEMPORARY SIGN PERMIT APPLICATION

**The following items must be submitted with this application:**

- One (1) color copy of the sign plan, including all dimensions and the square footage of the sign.
- One (1) color rendering of the sign as it is proposed on the building or on the property.
- An aerial photograph, current Plat of Survey, or site plan with the sign location marked.
- A copy of written consent from the owner of the building or land on which the sign is to be erected.

## APPLICANT & BUSINESS INFORMATION

Name of Applicant: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Applicant's Company: \_\_\_\_\_ Email: \_\_\_\_\_

Person to Call When Permit is Ready: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Name of Business: \_\_\_\_\_

Business Address: \_\_\_\_\_

Name of Business Owner: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Name of Property Owner: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Management Company: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Management Company Address: \_\_\_\_\_  Not Applicable

## CONTRACTOR INFORMATION

Sign Installer: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Sign Installer Address: \_\_\_\_\_

## SIGN INFORMATION

Sign Type:  Banner  Flag  Other: \_\_\_\_\_

Sign Location:  On Building (wall/façade)  On Property (ground)  Other: \_\_\_\_\_

Quantity of Signs: \_\_\_\_\_ Sign Length: \_\_\_\_\_ Sign Height: \_\_\_\_\_ Total Sign Height: \_\_\_\_\_  
(ground signs only)

Estimated Cost of Sign(s): \_\_\_\_\_

Tenant's Building Frontage: \_\_\_\_\_ Tenant's Square Footage: \_\_\_\_\_

Sign Square Footage: \_\_\_\_\_ Sign Materials: \_\_\_\_\_

Sign Colors: \_\_\_\_\_ Sign Text: \_\_\_\_\_

Sign Display Start Date: \_\_\_\_\_

Sign Display End Date: \_\_\_\_\_

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**PUBLIC  
COMMENT**

**ADJOURNMENT**