

**DESCRIPTION:** Applicant requests a conditional use permit (CUP) to use a home for transient or tourist lodging (aka short-term rentals).

**OBSERVATIONS:** The property is in residential use and is two acres in size. The neighboring land uses are agricultural or open space on all sides, with a farm residence adjacent to the south and one rural residential lot to the southwest across Capitol View Road. Property is near the town's northern border with the Town of Springfield. There are three houses within 500 feet of the property, including the owners' own residence.

This home has been used for short-term rentals for many years, sometimes for up to 10 guests. However, the number of guests must be limited to the capacity of the septic system which has been confirmed to be built for 3 bedrooms (6 people, see recommendations below).

**RESOURCE PROTECTION:** No concerns; no new construction proposed with this petition.

**COMPREHENSIVE PLAN:** The property is located in the town's residential planning area. There are no specific policies in the plan addressing transient lodging. The property is also in the area designated, per the intergovernmental agreement, to be covered by certain rules of the City of Middleton. The proposal appears consistent with the Town and County comprehensive plans. For questions about the town plan, contact Senior Planner Curt Kodl at (608) 266-4183 or *Kodl.Curt@danecounty.gov.* 

**CONDITIONAL USE PERMIT DECISION MAKING:** "Conditional uses" are those land uses which, because of unusual nature and potential for impacts on neighboring lands, public facilities, the environment or general welfare, warrant special consideration and review.

Prior to granting or denying a conditional use, the zoning committee shall make findings of fact based on evidence presented and determine whether the proposed conditional use, with any recommended conditions, meets all of the standards required to obtain a CUP. Below is the list of the applicable standards from Section 10.101(7)(d) of the Zoning Code, and a summary of the relevant facts including the applicant's testimony with regards to meeting the standards.

1. That the establishment, maintenance or operation of the conditional use will not be detrimental to or endanger the public health, safety, comfort or general welfare.

The CUP application describes the proposed rental operations plan and house rules. The applicants state the CUP is for zoning compliance for an existing operation, that there is no new construction, that the existing rental use has been run successfully with no complaints, and there is no outdoor signage or outdoor storage involved.

All short term rentals must be licensed through Public Health Madison & Dane County (PHMDC) and inspected annually to verify the operation meets all requirements of Wisconsin law related to general public health.

2. That the uses, values and enjoyment of other property in the neighborhood for purposes already permitted shall be in no foreseeable manner substantially impaired or diminished by establishment, maintenance or operation of the conditional use.

The applicants state the use will be the same and this standard will be met. Other than the lack of a conditional use permit, staff is aware of no violations or complaints associated with the rental to date.

Applicants have provided a list of their house rules that includes quiet hours from 10pm to 8am, no parties over 12 people, no on-street parking. Some or all of these measures were made into conditions on the CUP, see town action and recommendations below. For example, limits on the number of guests and establishing quiet hours are commonly used to control noise, which is the most common concern that arises with short-term rentals.

3. That the establishment of the conditional use will not impede the normal and orderly development and improvement of the surrounding property for uses permitted in the district.

Applicants state that this standard will be met because the use will be the same as the existing use.

This standard pertains to whether the proposed conditional use would affect how the surrounding properties could be developed and improved, considering what they are currently zoned for. This property and surrounding lands are used for agricultural use, there are few homes within 500 feet, and the land to the north (which the applicants also own) is used for agricultural entertainment space. No exterior changes to the property are proposed for this conditional use. The proposal is not expected to impede the development or improvement of the surrounding land.

4. That adequate utilities, access roads, drainage and other necessary site improvements have been or are being made.

The utilities, access roads, drainage, and other improvements needed for the proposed use are comparable to those necessary for a single-family house that is not used for short-term rentals. According to permit records, the septic system serving the property is sized for 3 bedrooms / 6 adults. If the owners ever wish to rent to more than 6 adults, the existing system would need to be evaluated by a licensed professional and upgraded to meet applicable code standards.

5. That adequate measures have been or will be taken to provide ingress and egress so designed as to minimize traffic congestion in the public streets.

Off street parking is provided for the property by an existing driveway and garage. No changes are proposed. The owners require rental guests to park off-street.

6. That the conditional use shall conform to all applicable regulations of the district in which it is located.

The proposed use conforms to the applicable regulations of the SFR-08 zoning district. Transient or tourist lodging is listed as an allowable conditional use in the zoning district.

7. That the conditional use is consistent with the adopted town and county comprehensive plans.

As noted above, the proposal appears consistent with the Town and County Comprehensive Plans.

8. If the conditional use is located in a Farmland Preservation Zoning district, the town board and zoning committee must also make the findings described in s. 10.220(1).

Not applicable.

**POTENTIAL NUISANCES ASSOCIATED WITH THE CONDITIONAL USE:** The potential nuisances that pertain to short-term rentals typically involve noise, vehicle traffic, and sanitary waste management. The CUP application addresses how these potential nuisances are handled as noted above. In addition, potential conditions of approval specific to this CUP can be developed after public input and deliberation by town and the ZLR Committee. Under Dane County Zoning Ordinance section 10.103, there are no other special requirements for short-tern rental operations.

**TOWN ACTION:** On August 18<sup>th</sup> the Town Board recommended approval of the CUP with 20 conditions (see below for standard ordinance conditions and the unique ones from the Town Board Action Report).

**STAFF RECOMMENDATION:** Staff believes that the applicant has provided sufficient evidence to address the CUP standards and mitigate the potential concerns. This includes the information outlined above, and is also reflected in the town's approval conditions. If the Committee requires additional information on which to base a decision, they could request specific information of the applicant or staff at the public hearing.

Pending any comments at the public hearing, Staff recommends (1) the ZLR Committee makes a finding of fact as to whether the proposal meets the CUP standards listed above, and (2) approval with the conditions listed below.

## **CUP 2676 Potential Conditions of Approval**

Standard Conditions for all Conditional Use Permits from 10.101(7):

- 1. Any conditions required for specific uses listed under s. 10.103 (see below).
- 2. The physical development and operation of the conditional use must conform, in all respects, to the approved site plan, operational plan and phasing plan.
- 3. New and existing buildings proposed to house a conditional use must be constructed and maintained to meet the current requirements of the applicable sections of the Wisconsin Commercial Building Code or Uniform Dwelling Code.
- 4. The applicant shall apply for, receive and maintain all other legally required and applicable local, county, state and federal permits. Copies of approved permits or other evidence of compliance will be provided to the zoning administrator upon request.
- 5. Any ongoing business operation must obtain and continue to meet all legally required and applicable local, county, state and federal licensing requirements. Copies of approved licenses or other evidence of compliance will be provided to the zoning administrator upon request.
- 6. Existing onsite wastewater sewage disposal systems, if any, serving the conditional use must be inspected by a licensed plumber to determine its suitability for the proposed or expanded use. Deficient systems must be brought, at the owner's expense, into full compliance with the current requirements for new development of the state plumbing code and Chapter 46, Dane County Code.
- 7. All vehicles and equipment must access the site only at approved locations identified in the site plan and operations plan.
- 8. Off-street parking must be provided, consistent with s. 10.102(8).
- 9. If the Dane County Highway, Transportation and Public Works Department or the town engineer determine that road intersection improvements are necessary to safely accommodate the conditional use, the cost of such improvements shall be borne by the landowner. Costs borne by the landowner shall be proportional to the incremental increase in traffic associated with the proposed conditional use.
- 10. The Zoning Administrator or designee may enter the premises of the operation in order to inspect those premises and to ascertain compliance with these conditions or to investigate an alleged violation. Zoning staff conducting inspections or investigations will comply with any applicable workplace safety rules or standards for the site.

- 11. The owner or operator must keep a copy of the conditional use permit, including the list of all conditions, on the site, available for inspection to the public during business hours.
- 12. Failure to comply with any imposed conditions, or to pay reasonable county costs of investigation or enforcement of sustained violations, may be grounds for revocation of the conditional use permit.

## Conditions specific to CUP # 2676 (Town conditions):

- 13. The Conditional Use Permit (CUP) approval is for Steve Ziegler and/or Joan Ziegler and limited to parcel number 038/0708-041-8650-0, also known as 4772 Capitol View Road.
- 14. This Conditional Use Permit shall expire three (3) years after the effective date. Owner-applicants may renew the CUP by successfully obtaining a new CUP prior to the expiration date.
- 15. This conditional use permit shall expire in the event the property is sold or transferred to another owner. Continuation or extension of an expired conditional use requires re-application and approval by the Town Board and Dane County.
- 16. If the transient or tourist lodging operation is abandoned for one year or more, this conditional use permit shall be terminated. Future re-establishment of an abandoned conditional use shall require approval of a new conditional use permit.
- 17. Failure to comply with any imposed conditions, or to pay reasonable Town/County costs of investigation or enforcement of sustained violations, may be grounds for revocation of the conditional use permit. The holder of a conditional use permit shall be given reasonable opportunity to correct any violations prior to the revocation.
- 18. The owner-applicants shall comply with all licensing and permitting requirements for short-term rentals, including the owner-applicants applying for, obtaining, and maintaining an appropriate transient or tourist lodging rental license from Madison/Dane County Department of Public Health plus providing the annual water test sample (bacteriology/coliform) required by said lodging rental license.
- 19. The rental shall be limited to six (6) overnight renters unless the onsite wastewater sewage disposal system is approved for a greater amount, in which case the rental shall be limited to the amount approved for the onsite wastewater sewage disposal system up to a maximum of eight (8) overnight renters. Use of the property, including rental, shall be in full compliance with the sanitary permit for the property.
- 20. A maximum of twelve (12) people may be on premises (for gatherings, etc.)
- 21. The maximum number of allowable rental days within a 365-day period is 365 days. The landowner must notify the Town Clerk in writing when the first rental within a 365-day period begins.
- 22. Quiet hours shall be 10:00pm to 8:00am, all days of the week.
- 23. Fireworks are prohibited.
- 24. The owner or their designated emergency contact person shall be available within one (1) hour to address any problems.
- 25. Emergency contact information shall be provided to the neighbors, the Town of Middleton, and Dane County Zoning Division.
- 26. The owner or operator shall provide the Town of Middleton Clerk with a copy of the current rental agreement and house rules no later than the date of issuance of the CUP. In the event the agreement is modified in any manner, the modified agreement must be provided to the Town of Middleton Clerk within ten (10) calendar days of the date the modified agreement is placed in use.
- 27. The rental period shall be a minimum of three (3) nights.
- 28. Regarding off-street parking, all vehicles shall be parked on the driveway surface or inside the existing attached two-car garage, and maintain adequate access for emergency vehicles. Street parking shall not be permitted.
- 29. Trees in the existing vision corner for the driveway shall be trimmed to provide clear vision to a height of 8' feet from the ground.
- 30. That the CUP materials shall be reviewed by the Attorney for the Town.

Please contact Rachel Holloway at (608) 266-9084 or *holloway.rachel@danecounty.gov* if you have questions about this petition or staff report.