

## **PART II – LICENSES AND REGULATIONS**

### **Chapter 35 TOURIST ROOMING HOUSE**

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**35.01 Purpose.** The purpose of this Chapter is as follows:

- a. to establish regulations, standards, a registration process governing the short-term renting or leasing of tourist rooming houses in order to maintain the supply of long-term rental housing in the village;
- b. to ensure the collection and payment of room tax;
- c. to establish minimum standards of space for human occupancy and for an adequate level of maintenance as necessary for the health and safety of persons occupying tourist rooming houses;
- d. determining the responsibilities of owners, operators and property managers offering these properties for tourists;
- e. to protect the character and stability of all areas within the Village of Lake Delton;
- f. to safeguard the residents of the village by ensuring that short-term rental activities do not threaten the character of residential neighborhoods;
- g. to ensure that such short-term rental activities do not become a nuisance or threaten the public health, safety or welfare of neighboring properties.

**35.02. Findings.** The Village Board finds that the proliferation of short-term rental properties has presented numerous problems for neighboring properties and to the village as a whole. The problems include, but are not limited to the following:

- a. the depletion of available affordable housing for village residents.
- b. an increase in noise and disturbances in neighborhoods
- c. issues related to increases in traffic and parking complaints.
- d. operation of short-term rentals without permits
- e. loss of premier resort area taxes and room tax revenues

**35.03. Definitions.**

**A.** For the purpose of administering and enforcing this Chapter, the terms or words used herein shall be interpreted as follows:

1. Words used in the present tense include the future.
2. Words in the singular number include the plural number.
3. Words in the plural number include the singular number.

**B.** The following definitions and conditions apply unless specifically modified:

**Barrier.** A barrier signifying the boundaries of a property may be a fence, wall, or dense vegetation

**Calls for service.** Calls for service made to the Lake Delton Police Department or Village Officials.

**Clerk-Treasurer-Coordinator.** The Village Clerk-Treasurer-Coordinator of the Village of Lake Delton, or designee.

**Corporate Entity.** A corporation, partnership, limited liability company, or sole proprietorship licensed to conduct business in this state.

**Dwelling Unit.** One (1) or more rooms with provisions for living, cooking, sanitary, and sleeping facilities and a bathroom arranged for exclusive use by one or two or more persons maintaining a common household to the exclusion of all others.

**Fence.** A manmade or natural structure of not less than 4 feet in height marking a boundary line installed in compliance with the requirements of Chapter 57 Village Municipal Code.

**Local Contact:** The owner, Property Manager or Registered Agent of a tourist rooming house.

**Lodging marketplace.** “Lodging marketplace” means an entity that provides a platform through which an unaffiliated 3rd party offers to rent a short-term rental to an occupant and collects the consideration for the rental from the occupant. Adopting s.66.0615(1)(bs) Wis. Stats.

**Operator:** A person offering the rental of a tourist rooming house.

**Operating:** Operating means the advertisement or rental of a Tourist rooming House property.

**Owner.** The owner of a tourist rooming house.

**Person.** Shall include a corporation, firm, partnership, association, organization and any other group acting as a unit as well as individuals, including a personal representative, receiver or other representative appointed according to law. Whenever the word person is used in any section of this Chapter prescribing a penalty or fine, as to partnerships or associations, the word shall include the partners or members hereof, and as to corporations, shall include the officers, agents or members thereof who are responsible for any violation of such section.

**Property Manager.** Any person providing property management services to one or more Tourist Rooming Houses.

**Resident Agent.** Any person appointed by the owner of a Tourist Rooming House to act as agent on behalf of the owner.

**Resort.** A duly licensed hotel operator or property manager that operates/manages a duly licensed hotel, motel or resort offering recreation facilities and attractions on site, including but not limited to Wilderness Hotel & Resort, Kalahari Hotel and Resort, and Spring Brook Resort.

**Sale.** Transfer of title by the owner or transfer of controlling interest in an entity holding title to property.

**Short Term Rental.** The rental of a dwelling unit for a period of less than seven consecutive days. Any contract for occupancy of a dwelling that allows the occupant to cancel after taking occupancy, is considered a short-term rental under this Chapter.

**Single Family/Duplex units.** Buildings located on a single parcel comprising one (1) or two (2) units.

**State.** The State of Wisconsin Department of Health, or its designee.

**Tourist Rooming House.** "Tourist rooming house" means any lodging place or tourist cabin or cottage where sleeping accommodations are offered for pay to tourists or transients. "Tourist rooming house" does not include:

- (a) A private boarding or rooming house, ordinarily conducted as such, not accommodating tourists or transients.
- (b) A hotel.
- (c) Bed and breakfast establishments.

*Adopting s.97.01 (5k) Wis. Stats.*

#### **35.04. Operation of Tourist Rooming House.**

**A.** No person or entity shall advertise, rent, or operate a short-term rental in the Village unless a Tourist Rooming House permit has been issued by the Village pursuant to this Chapter. An owner and operator of the Tourist rooming House shall register with the Village and shall be responsible for all requirements of this Chapter. Application for a Tourist rooming House permit shall be in a form prescribed by the Village Clerk-Treasurer-Coordinator, consistent with this Chapter.

**B.** In addition to a Tourist Rooming House permit the following documents are required:

1. a State of Wisconsin Department of Health Service License;
2. a seller's permit issued by the Wisconsin Department of Revenue;
3. a Conditional Use Permit under Chapter 66 of the Village Municipal Code;
4. a Room Tax Permit; and

#### **35.05. Exemptions.** The following properties are exempt from the requirements of this Chapter:

- a. Hotels, motels and resorts and properties managed exclusively by fully staffed hotels, motels and resorts licensed by the state of Wisconsin, or properties managed by a Resort
- b. Bed and Breakfast establishments.
- c. Dormitories, private camps, and boarding or rooming houses, ordinarily conducted as such, not accommodating tourists or transients.

#### **35.06. Tourist Rooming House permits.** It shall be unlawful for any person, firm or corporation to rent, or offer to rent, any dwelling as a Tourist Rooming House without a permit issued by the village. Application for such license shall be made in accordance with the provisions of this Chapter.

- a. Class A permit. Any owner of a dwelling offering rentals for less than 7 days requires a Class A Permit. With the exception of those properties originally issued Tourist Rooming House Permits prior to October 1, 2020, no Single Family/Duplex Residences located in the Residential or Waterfront Commercial Zoning Districts are eligible for Class A permits. The sale of a property results in the termination of a Class A permit.
- b. Class A – PM permit. Any authorized property manager managing the rentals for less than seven (7) days requires a Class A PM Permit. Class A – PM Permits include all the properties operating as tourist rooming houses for which the property manager has the exclusive right to advertise, rent, manage and report to the Village.
- c. Class A – Resort. Any property located within a licensed resort operating a tourist rooming house independent of the resort requires a Class A -Resort permit.
- d. Class B permit. Any owner of a dwelling offering rentals for periods of 7-29 days requires a Class B permit. Class B Permits are for one year or the date of issuance and expire on September 30 of each year.

- e. A Class A permit is non-transferable, except to a surviving spouse. All permits are terminated upon the transfer of a controlling interest in the property. The holder of any permit shall notify the Clerk in writing of any transfer of the legal control of any property covered by the permit or license. Transfer of a controlling interest in a corporation, limited liability company, partnership or other legal organization that is the holder of a permit is prohibited.
- f. Class A permits will no longer be issued after the 2022-2023 permit year.

**35.07. Condominiums.** In addition to meeting the other requirements of this chapter, the use of a condominium unit as Tourist Rooming Houses requires the authorization and approval of the Condominium Owners Association. For purposes of this Chapter individual condominium units located within condominiums with more than 2 units are not single/ family/ duplex properties.

**35.08. Resident Agent.**

a. All Tourist Rooming Houses operating under a Class A are required to appoint a Resident Agent as a local contact for the receipt of complaints, service of notice of violation of this Chapter's provisions and for service of process pursuant to this Chapter. Such a designation shall be made by the owner and shall accompany each application form. Said applicant shall immediately notify the Clerk of any change in residence or information regarding the Resident Agent.

- b. To qualify as a Resident Agent the person must meet the following requirements:
  - 1. Be a natural person residing in or within 30 minutes of the Village of Lake Delton; or a corporate entity with offices located within 30 minutes of the Village of Lake Delton.
  - 2. The applicant does not have pending any criminal charge and has not been convicted of a felony or misdemeanor of any offense involving dishonesty, fraud, deceit, robbery, the use or threatened use of force or violence upon the person of another, or sexual immorality under Ch. 944, Wisconsin Statutes, as amended.
  - 3. The applicant is authorized by owner to accept service of process for all Village communications, citations and orders.

c. **Resident Agent Permit.** Application for a Resident Agent permit, and payment of the application fee, shall be filed with the Clerk, who shall issue the permit to all qualified applicants. Each Resident Agent permit shall be for a period of one (1) year commencing on October 1, or the date of issuance, and shall expire on September 30 of each year. No fee is required for the owner of a Tourist Rooming House residing within 30 minutes of the Village of Lake Delton who is serving as Resident Agent.

**35.09. Property Manager Permit.**

a. No person may act as a property manager for a Tourist Rooming House without a property manager permit issued in accordance with the provisions of this Chapter. The property manager license shall apply to all Tourist Rooming House for which the property manager has exclusive rights for the rental of the property. The property manager must certify to the Village that each

Tourist Rooming House operating under the property manager license complies with the standards of this Chapter. Failure to operate a property in accordance with the provisions of this Chapter may result in forfeiture actions and lead to the suspension or revocation of the Property Manager permit.

b. The Clerk shall issue a property manager license to all applicants following the approval of the application by the Village Board and the filing of all documents and records required under this Chapter.

c. The resident agent must be authorized to allow Village employees, officers and their designees, to enter the owner's property for purposes of inspection and enforcement of this Chapter and/or the Village Municipal Code.

**d. Property Manager Qualifications.** To qualify as a Property Manager the applicant must meet the following requirements:

1. A natural person or a Wisconsin corporation, limited liability company or other legal entity with offices or employees located within 30 minutes of the village.
2. Shall be managing Three (3) or more Tourist Rooming Houses operating in the Village of Lake Delton and the City of Wisconsin Dells.
3. Shall hold the following licenses and permits in its name:
  - a. a Seller's Permit issued by the Wisconsin Department of Revenue;
  - b. a Room Tax Permit issued by the Village of Lake Delton; and
  - c. an employer identification number issued by the Internal Revenue Service.
4. Except for owners managing their own properties, property managers shall have a written contract with the property owner authorizing management of the Tourist Rooming House.
5. Property Manager can serve as Resident Agents.
6. The applicant has not been convicted of a felony or misdemeanor involving dishonesty, fraud, deceit, robbery, the use or threatened use of force or violence upon the person of another, or sexual immorality under Ch. 944, Wisconsin Statutes, as amended.
7. Proof of Insurance

e. Each Resident Agent and/or Property Manager shall be authorized by the property owner to act as the agent for the owner for the receipt of service of notice of violation of this Chapter's provisions and for service of process pursuant to this Chapter and shall be authorized by the owner to allow Village employees, officers and their designees, to enter the owner's property for purposes of inspection and enforcement of this Chapter and/or the Village Municipal Code.

### **35.10. Procedure.**

a. All applications for a Tourist Rooming House permit shall be filed with the Clerk on forms provided. Applications must be filed by the property owner or on the owner's behalf by the Property Manager. Each applicant shall certify to the Village that the Tourist Rooming House included in the permit is in compliance with the provisions of this Chapter. No permit shall be issued unless the completed application form is accompanied by payment of the required fee.

b. Each application shall include the following information and documentation for each Tourist Rooming House unit:

1. Village of Lake Delton Tax Parcel No.
2. Conditional Use Permit.
3. State of Wisconsin Department of Agriculture, Trade and Consumer Protection-License for a Tourist Rooming House license issued under s.97.605 Wis. Stats.
4. A copy of a completed State Lodging Establishment Inspection form dated within one (1) year of the date of issuance or renewal.
5. The Wisconsin Department of Revenue Premier Resort Sales Tax Number.
6. Proof of Insurance.
7. Seller's Permit from the Department or lodging marketplace room tax permit
8. Floor plan and requested maximum occupancy
9. Site plan including available onsite parking.
10. Property Management Agreement (if applicable).
11. Designation of the Resident Agent.
12. Certification from the owner or licensee that the property meets the requirements of s. 35.15 below.
13. Release of Confidential Information.
14. Applications for renewal permits filed by Property Managers are not required to include the documentation for each individual unit for items listed in subparagraphs 1, 2, 5, 8, 9, 10, unless the information on the renewal application has changed.

c. **Terms and Filing date.** Each permit and license shall run from October 1 through September 30 of the following year. All applications must be filed on or before September 1 and by September 1<sup>st</sup> of each subsequent year. The filing fee shall be paid upon filing of the application. The Clerk may conditionally accept late applications, subject to payment of the late filing fee. Any application which does not include all of the information and documentation shall not be considered as complete.

d. **Application Review Procedure.** When satisfied that the application is complete, the Clerk shall forward initial applications for permits and licenses to the Housing and Property Maintenance Committee for review at the next scheduled meeting or within thirty (30) days of the filing date, whichever first occurs. The Housing and Property Management Committee shall consider the application and supporting documents. If the Committee determines that the application meets the requirements of this Chapter, it shall forward the application to the Village Board for approval. If the Committee determines that the application does not meet the requirements of this Chapter, it shall deny the application. If the applicant qualifies for a special exception permit under s.35.13, the Committee may recommend approval to the Village Board as a special exception permit subject to the special exceptions and conditions to be placed upon the application. Any denial or conditional approval by the Committee shall be in writing setting forth the reasons for the determination.

e. The Village Board shall consider the application and the recommendation of the Housing and Property Management Committee at its next scheduled meeting. The Village Board may approve, grant a special exception permit, or deny the application. Any denial or conditional approval by the Village Board shall be in writing setting forth the reasons for the determination.

f. The Village Clerk shall issue a permit for each Tourist Rooming House approved by the Village Board. The permit shall include the following information:

1. Identify the Property Owner;
2. Identify the Resident Agent/Property Manager with contact information;
3. The maximum occupancy for the premises;
4. The permit term;
5. State lodging license number; and
6. Contact information for the Village.

g. No permit or license shall be issued or renewed unless there is filed with the Clerk a completed Fire Inspection Report dated not more than one (1) year before the date of issuance or renewal.

h. No permit or license shall be issued or renewed, if the applicant or property has outstanding fees, taxes or forfeitures owed to the Village, unless arrangements for payment have been approved by the Village Board.

i. Electronic filing. Each application, report and supporting documentation filed under this Chapter may be filed electronically in the manner and form prescribed by the Village Clerk.

### **35.11. Renewal.**

- a. Each application for a renewal of a permit or license shall include updated information for the documentation on file with the Clerk and payment of the applicable fee. The Clerk shall verify that the information provided on the renewal application is complete and in accordance with the requirements of this Chapter. The Clerk may request reports from the Police Department and the Zoning Administrator regarding any complaints received, calls for service or actions taken regarding the permitted properties. The Clerk shall issue renewal licenses ten (10) days prior to expiration, unless the information provided is incomplete or otherwise not in compliance with the requirements of this Chapter and/or the reports from the Police Department and the Zoning Administrator indicate that there are complaints or actions involving the property.
- b. If the Clerk finds that the license or permit should not be renewed, or that the application should be considered by the Village Housing and Property Maintenance Committee, the Clerk shall forward the application to the Village Housing and Property Maintenance Committee for action along with a written explanation of the reason for referral. Upon referral to the Property Maintenance Committee the procedures set forth in s. 35.06 (D) shall apply.
- c. No permit or license shall be issued or renewed unless there is filed with the Clerk a completed Fire Inspection Report by the Village Fire Inspector dated within one (1) year of the issue date.
- d. No permit or license shall be renewed if the applicant or property has outstanding fees, taxes or forfeitures owed to the Village, or is under an order issued by the Building Inspector, or his designee, to bring the premises into compliance with Village ordinances, unless arrangements for payment have been approved by the Village Board.

### **35.12. Room Tax.** Every Tourist Rooming House owner or operator, and property manager shall comply with the room tax reporting requirements of Chapter 11 of the Village Municipal Code.

### **35.13. Inspections.**

- a. Each separate unit which is offered for rental as a Tourist Rooming House is required to be inspected annually by the State and the Building Inspector. If the State fails to inspect the Tourist Rooming House, the applicant may request that the building inspector conduct the inspection.
- b. If the Building Inspector conducts the inspection, the holder of a permit or license shall be responsible for payment of the inspection fees.

c. If the Building Inspector at any time is unable to conduct an inspection due to denial of access, the Tourist Rooming House shall not operate until it has passed the inspection.

**35.14 Display of Permit, License.** Each permit shall be displayed on the inside of the main entrance door of each Tourist Rooming House.

**35.15 Tourist Rooming House Regulations.** Each Tourist Rooming House shall comply with this Chapter's requirements or any other applicable Village ordinance and shall comply with the following minimum requirements:

a. Maximum occupancy shall be determined as follows:

1. Two (2) people per bedroom plus two (2). For example, a 2-bedroom unit would have a maximum occupancy of six (6).
2. Available on-site parking consisting of not less than one and one quarter (1 1/4) onsite off-street parking spaces for every four (4) occupants based upon maximum occupancy, to be accompanied by a drawing showing the designated parking and a certification from the property owner that such parking is acceptable. For permits originally issued after October 1, 2020, available on-site parking consisting of not less than one and one half (1 1/2) onsite off-street parking spaces for every four (4) occupants based upon maximum occupancy.
3. For Tourist Rooming House located within condominiums, the maximum occupancy shall be based upon the number of reserved parking spaces. Applicants shall provide certification of adequate parking spaces from the Condominium Association. All reserved parking spaces shall be striped and display a sign identifying the assigned unit and that violators will be towed.
4. All parking spaces must comply with the requirements of *Chapter 58 Village Municipal Code*.

b. Each dwelling unit shall provide a safe, unobstructed means of egress leading to safe, open space at ground level.

c. No permitted unit shall have an accessible wood or solid fuel burning stove or fireplace unless the owner provides a certificate from a licensed, fire inspector, or a verified statement from a reputable stove or fireplace sales/installer entity, dated not more than thirty (30) days prior to submission, certifying that the fireplace and chimney have been inspected and are in compliance with National Fire Prevention Association Fire Code Chapter 211 Standard for Chimneys, Fireplaces, Vents, and Solid Fuel-Burning Appliances. Instructions for use of the stove or fireplace must be prominently displayed. A stove or fireplace not meeting the requirements of this section shall be blocked from access to the satisfaction of the Village Building Inspector. All stoves and fireplaces in multi-unit buildings must be blocked from access to the satisfaction of the Village Building Inspector.

d. Each dwelling unit shall have functional smoke detectors, carbon monoxide detectors in accordance with the requirements of Chapter SPS 362 of the Wisconsin Administrative Code.

e. Each unit shall provide at least one (1) 2A 10:BC fire extinguisher shall be available, within the unit, and maintained on an annual basis. If the extinguisher is not readily visible, one or more signs shall be posted indicating the location of the extinguisher.

f. No unit shall have a hibachi, gas-fired grill, charcoal grill, or other similar devices used for cooking, heating, or any other purpose on any balcony, deck or under any overhanging structure or within ten (10) feet of any structure.

- g. All units shall carry casualty and liability insurance issued by an insurance company authorized to do business in this state by the Wisconsin Office of the Commissioner of Insurance, with liability limits of not less than three hundred thousand dollars (\$300,000) per individual and aggregate.
- h. All advertisements for rental of a tourist lodging unit within a condominium shall include the unit number included in any advertisements by a third party or a Lodging Marketplace.
- i. No Tourist Rooming House shall use the services of a lodging marketplace that is not registered with the Village of Lake Delton.
- j. Each Tourist Rooming House, not operating in compliance with this Chapter's requirements constitutes a nuisance, and, in addition to forfeitures for violations, shall be subject to the enforcement procedures of Chapter 43 Village Municipal Code.
- k. Certification of compliance.** As a condition of issuance of a license under this Chapter, the Property Manager shall certify that each managed property complies with the terms and conditions of the license and this Chapter.
- l. Monthly reporting.** Each Tourist Rooming House shall report rental activity monthly on a form provided by the Clerk-Treasurer-Coordinator. The monthly reports shall be filed on or before the 20<sup>th</sup> of the following month in which rental activity occurred. Failure to timely file a monthly report is subject to a \$100 late penalty.
- m. Excessive Noise/Calls for Service complaints.** In the event that three or more complaint for noise or calls for service are received and verified by the village for any individual unit within one month may result in the suspension of the permit for that unit for a period of not less than 30 days. 5 or more excessive noise or calls for service complaints within a year may result in the revocation of the permit.

### **35.16 Owner/Property Manager Responsibilities.**

- a. The owner or Property Manager shall immediately address and correct any violation arising at the permitted property.
- b. The owner or Property Manager shall keep and preserve, for a minimum period of seven (7) years, all records regarding each rental stay, including the length of stay and the price paid for each stay and any related records.
- c. The owner or Property Manager shall acknowledge and consent to inspection of records at all reasonable times and places for purposes of enforcement of this chapter.
- d. The owner or Property Manager shall comply with all the requirements of Chapter 11, Room Tax, of the Lake Delton Municipal Code.
- e. Providing a code of conduct to guests that includes the relevant provisions of this Ordinance and other information to address behavioral, safety, security, and other matters, as required in the Village Zoning Department Guidelines.
- f. authorizing any Lodging Marketplace on which the property is listed to provide to the Village the listings, rentals, and other information required under Chapter 11 Village Municipal Code.
- g. Executing a General Release of Confidential Information, on a form approved by the Village, authorizing any lodging marketplace to release of their information regarding the rental of their unit(s).
- h. consenting to receive all Village notices and citations regarding their Tourist Rooming House by email.
- i. To provide neighboring properties with a copy of the Tourist Rooming House permit and the contact information for the owner and resident agent for issues arising on the

property. For condominium units neighboring properties includes each condominium unit located in the same building as the permitted premises.

- j. To respond to a complaint within thirty (30) minutes after the complaint is received.
- k. To notify the Village when the local contact information changes.

**35.17 Fees.** The following fees are charged for permits under this Chapter:

a. **Tourist Rooming House Permits**

Class A permits \$1000 (less than 7 days)  
Class A-Resorts \$1000  
Class A – PM Permits original \$500 plus \$100/unit  
Renewal \$250 plus \$50/ unit  
Class B permits - \$1000  
Inspections - \$150  
Resident Agent - \$100

b. Failure to pay a fee when due can result in the doubling of the fee and suspension or termination of the permit.

c. The Village Board may by resolution change the above fees as it deems appropriate.

**35.18 Penalties and Fees.** The following penalties shall be assessed for violations of this Chapter:

- a. A violation of operating a Tourist Rooming House without a permit is subject to a forfeiture of not less than Five Hundred Dollars (\$500), nor more than One Thousand Dollars (\$1,000) for each violation committed hereunder. In addition, the property owner and/or the property shall be ineligible to operate as a Tourist Rooming House for a period of twelve (12) months from the date of entry of judgment. Each day of operation without a permit constitutes a separate violation.
- b. A violation arising out of the rental of a unit operated by a property manager may result in the suspension of the Property Manager's permit as it pertains to that unit.
- c. Any other violation of any provision of this Chapter is subject to a forfeiture of not less than One Hundred Dollars (\$100), nor more than Five Hundred Dollars (\$500) for each violation committed hereunder.
- d. In addition to forfeitures listed above any violation of a provision of this Chapter may result in the suspension of the permit.
- e. Each day a violation exists after receiving the violation notice shall constitute a separate violation of this Chapter.
- f. Penalties set forth in this section shall be in addition to all other remedies of injunction, abatement, or costs whether existing under this Chapter or otherwise.

**35.19 Enforcement.** The provisions of this ordinance shall be enforced by the Village Clerk-Treasurer-Coordinator, Zoning Department and/or the Village Fire Chief or his designee. It shall be the duty of the Zoning Department to process applications, conduct inspections and investigate complaints of violations of this Chapter and/or the existence of a nuisance.

**35.20 Effective Date.** This ordinance shall be effective upon passage and publication as provided by law.