

Memorandum



Date: February 16, 2026
To: Buchanan City Commission
From: Kristen Gundersen, Planning and Community Development Director
Subject: **Amendment - Unified Development Code – Short-term rental regulations - Lodging**

Background

In 2025, the Code of Ordinances was amended to add short-term rental regulations. While reviewing the Unified Development Code (UDC), staff found no specific reference to Short-term rentals (stays of less than one month). Some communities have language regulating short-term rental in both documents.

Within the UDC, the term “lodging” is defined and references “tourist homes” which are allowed in the General Neighborhood (GN) or Suburban Commercial (SC) districts as Special Use Permits if approved by the Planning Commission when there are 6 rooms or less and they are permitted in the Neighborhood Center (NC) and Downtown (D) districts by right. The GN district covers a sizable portion of the city which does not fall within the adopted Short-term rental map which depicts properties in portions of the Neighborhood Center (NC), Industrial (I), Downtown (D) and General Neighborhood (GN) districts.

To improve the intent of the 2025 short-term rental ordinance, staff are recommending changes to the UDC. Creation of an overlay district allows the “Short-term rental permitted area map” be included along with an intent statement, basis for regulations and an applicable/exception section. Table 71-J changes the use matrix associated with lodging by dropping the room reference and adding hotel/motel, bed and breakfast and short-term rental. Lastly the definition of lodging is changed, and five new terms are added.

Staff completed the necessary text amendment application and legal notice to allow the Planning Commission to conduct the required public hearing during their March 10th meeting. After deliberating the application, staff are hopeful a recommendation will be made that night. The city attorney has reviewed the draft changes and agrees.

Recommendation

Please direct staff to schedule the necessary public hearing for an amendment to the Unified Development Code associated with regulations about short-term rental and lodging for the March 23rd City Commission meeting. This would be the first reading of an adopting ordinance.

New language is underlined and language to be deleted is stricken

Sec. 71-5 Zoning districts established

A. Zoning under this chapter is limited to the following district designations.

8. Short-term rental Overlay District allows short-term rental uses to be located in specific geographic areas.

Sec. 71-14 Zoning districts

A. Official zoning map – Figure 71-A (Zoning Map to have the following language added under “Zoning Districts”)

Overlay District

Short-Term Rental Overlay District – see Sec. 71-16.H.11

Sec. 71-16 General requirements

Section 71-16.H Establishment of zoning districts and regulations

1. through 10 - intentionally left blank (in future Tables 71-C through 71-H will be retitled)

11. Short-Term Rental Overlay District (STROD)

a. Intent. The Short-Term Rental Overlay District is established and applies to the area shown on the map in Section 71-16.H.11.c. The intent of the Short-Term Rental Overlay District is:

i. Protect and promote the health, safety and welfare of the City’s residents, property owners, visitors, and neighborhoods by allowing short-term rentals (STR) within the City under certain conditions as found in Chapter 14 of the Code of Ordinances and in certain zoning districts.

ii. Recognizes that short-term rentals may potentially promote tourism, increase property values, and provide valuable business opportunities for property owners.

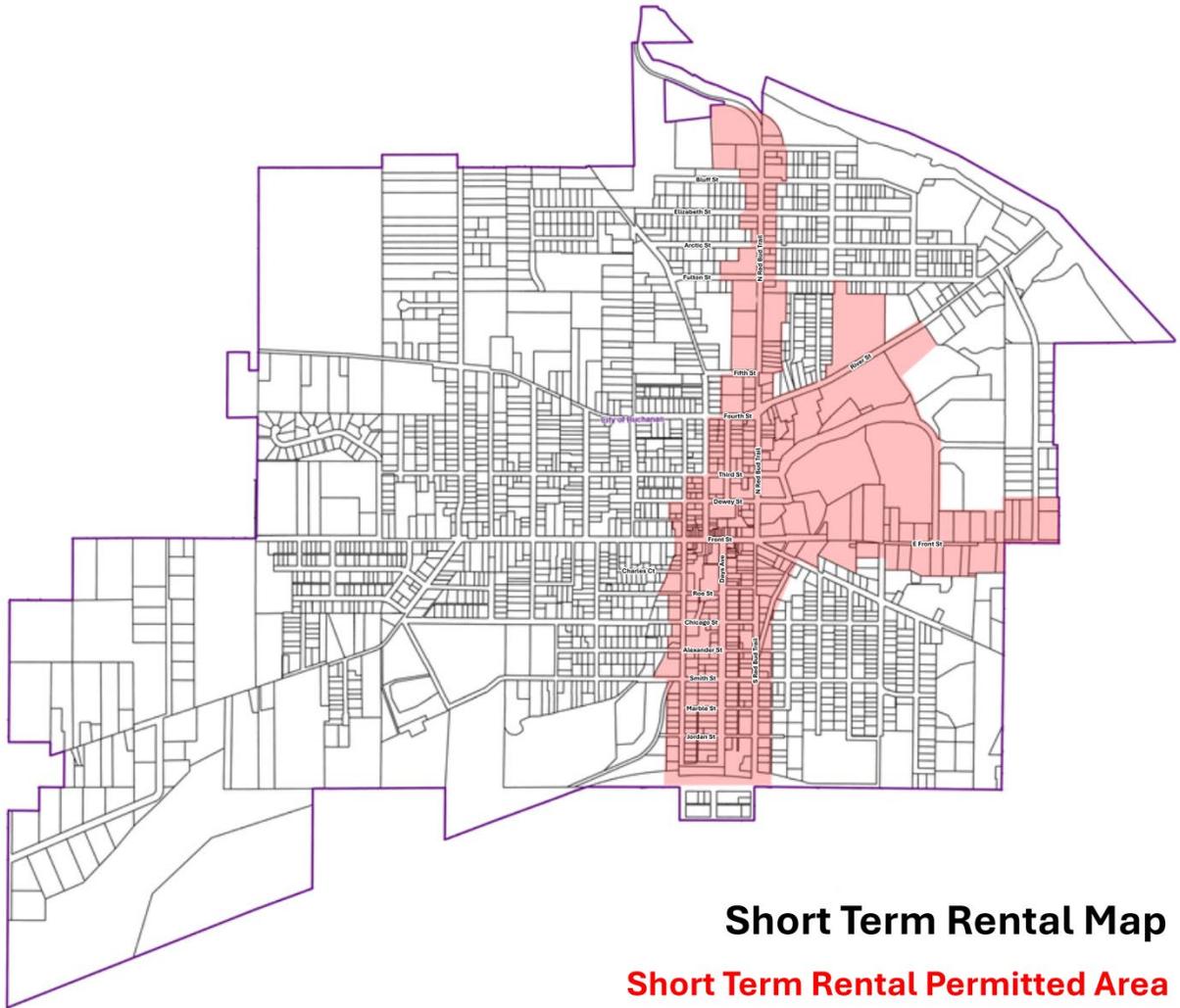
iii. Ensure that the operation of short-term rentals is done in a safe and beneficial manner for the well-being of all in the community. The character of residential zoning districts must also be protected and preserved.

iv. While short-term rentals can provide community benefits, their proliferation in residential neighborhoods can cause difficulties where character of the use takes on a more transitory and commercial character.

v. By creating the overlay district it will decrease potential conflicts with adjacent properties, limit impact on long-term housing availability and maintain the residential character of neighborhoods.

b. Basis for Regulations. Whereas in 2025, the City Commission adopted Ordinance 2025.09.443 establishing regulations that must be met for short-term rental in Chapter 14 of the Code of Ordinance which may be amended from time to time.

c. Short-term rental Areas. The Short-Term Rental Overlay Map as established in Chapter 14 of the Code of Ordinances.



d. Applicability, Exception

i. Properties located outside of the overlay district are prohibited from requesting use variances from the Zoning Board of Appeals for the establishment of a short-term rental unit.

Section 71-18 Use

Table 71-J Use Matrix

TABLE 71-J USE MATRIX							
	N	NE	GN	NC	D	SC	I
<u>Lodging/Accommodations</u>							
6 rooms or less			S	■	■	S	
12 rooms or less <u>Hotel/Motel</u>				■	■	■	
More than 12 rooms					■	■	
Bed and Breakfast			S	■	■	S	
Short-Term Rental			<u>OD</u>	<u>OD</u>	<u>OD</u>	<u>OD</u>	<u>OD</u>

Key :

- Permitted use ■
- Temporary use T
- Accessory use A
- Special use permit S
- Prohibited use blank space
- OD Overlay District

Article V. DEFINITIONS

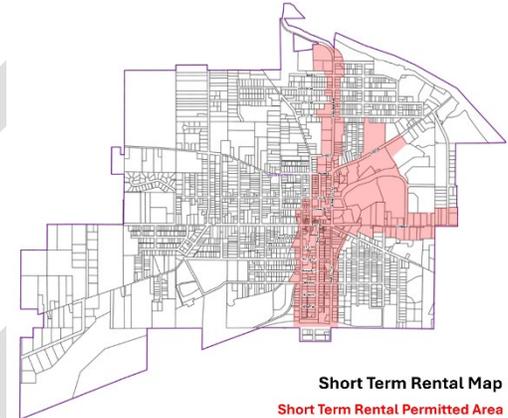
Lodging: a land use that provides sleeping accommodations to temporary guests, whether in a whole building, a dwelling, or a portion of a dwelling, with or without meals or services. Occupancy is transient. Lodging includes hotels, inns, bed and breakfasts, ~~tourist homes,~~ and similar establishments. Lodging is not a residential use or a short-term rental use.

Bed and breakfast: a single-family detached residential structure operated by an owner or employee who lives on site, offering as an accessory use, overnight sleeping accommodations to transient tenants for compensation, and may provide meals.

Hotel or motel: A facility offering transient lodging accommodations to the public. Hotels may include restaurants, meeting spaces, ballrooms and banquet halls. A hotel shall not be considered or construed to be a multiple family dwelling, Bed and Breakfast or Short-Term Rental.

Overlay District: A zoning district which has definite boundaries and is superimposed over all existing zoning districts within those boundaries. The overlay district may establish additional regulations, reduce existing regulations, or extend or limit the permitted uses within the underlying zoning district. Where there is a conflict between standards in the Overlay district and the underlying Zoning district, the standards in the Overlay district shall be applied. The intent is to address particular issues that span a geographic area and may include more than one underlying zoning district or portions of underlying zoning districts.

Short-Term Rental Overlay District: Allows short-term rental with stays of less than one month as a permitted used in accordance regulations found in Chapter 14 of the Code of Ordinance.



Short-Term Rental: A commercial use which is subordinate to the residential principal use of a dwelling unit, where the tenant is allowed to lease the dwelling unit for periods of less than one month. Short-term rental is a commercial use. If a tenant leases a dwelling unit for a period of at least one calendar month, this is not a short-term rental but instead is a residential use. A property authorized for short-term rental use may also be used for such residential uses. Chapter 14 of the Code of Ordinances provides requirements for operation.

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