



# INFORMATION PAPER

August 05, 2020  
 Planning, Building and Development  
 Eric Waggoner, Director

## **SUBJ: REGULATION OF SHORT-TERM RENTALS IN UNINCORPORATED LAKE COUNTY**

### **Summary:**

In January of 2020, staff committed to initiating a discussion at the PWPT Committee to summarize previous and ongoing research and seek direction from the Committee on potential next steps regarding the regulation of short-term rentals (STR) in unincorporated Lake County.

### **Background:**

- There is often confusion over the differences between remotely managed STR operations (typically advertised through Airbnb, Vrbo, and other similar platforms) and the operation of traditional Bed and Breakfasts (B&Bs).
- Traditional B&B establishments are managed by a resident owner/operator who is on-site during each guest’s stay and who can monitor the behavior of guests while they are on the premises. Per the Lake County, Illinois Code of Ordinances, B&B operations are permitted in residential zones of unincorporated Lake County as an accessory use to a single-family residence. The B&B use category is governed by specific UDO standards as well as separate standards under the Illinois Bed and Breakfast Act.
- Remotely managed STRs, in contrast, are managed by an owner/operator who is typically not present in the residence during each guest’s stay and whose absence may present greater challenges in monitoring the behavior of guests during their stay. Remotely managed short-term rentals are classified under the “Hotels and Motels” UDO zoning category and, as such, are not permitted in unincorporated residential zones.
- While a traditional B&B may utilize Airbnb or other STR platforms for marketing/reservation purposes, a B&B’s defining characteristic of on-site, in-residence management distinguishes it from remotely managed STRs commonly associated with Airbnb, Vrbo, etc., which tend to involve off-site, unsupervised management.

### **Analysis:**

The Chicago region’s collar counties and 13 jurisdictions within Lake County were surveyed to determine the extent and type of regulations pertaining to STRs in residential zoning districts. The results of the counties and municipalities surveyed reflected a diversity of approach to regulations that allowed STRs by right, those that allowed STRs by a Conditional or Special Use permit, and those that either did not permit STRs or did not regulate it through the zoning code (treated as a nuisance).

### **Way Ahead:**

Following PWPT Committee discussion on August 05, 2020, PB&D staff will seek direction on next steps regarding the regulation of short-term rentals.

COORDINATION & ALIGNMENT	Staff Coordination	Strategic Initiatives			2020 Strategic Goals				2020 Strategic Themes											
	✓ CAO ✓ PB&D	X				X	X					X	X							
	Regional Leadership	Fiscal Responsibility	Exceptional Service and Operational Excellence	Public Safety & Justice	Econ. Opportunities	Infrastructure	Sustainable Enviro.	Build Healthy Communities	Inter-Org. Coop.	Quality of Life	Econ. Development	Infrastructure	Enviro. Sustain.	Sustainability	County Branding	Mental Health	Specialty Funding	Diversity & Inclusion		