

Update: Analysis of Short-term Rentals in Town of Sevastopol

Compliance to DATCP Licensing, POWTS Sanitation Requirements and the Nature of ownership

Town of Sevastopol Planning Commission

01-OCT-2020



Updated Analysis

- State DATCP licensees vs Door County Tourism Zone Commission Permit holders
 - Minimize potential date disparities by comparing July vs July data
 - Get feedback on non-renewal wrt Covid19
 - New: DCTZC license holder status from 2018-2020 vs. DATCP 2020 Status
- New: Compare DATCP license compliance percentage w/ other Door County municipalities on DCTZC May 2020 report and WI DATCP July 2020 report

Background

- Short-term Rentals (STRs) have become a growing lodging option in Wisconsin
- Changes in WI state law (Act 59) resulted in regulations for operating STRs, including provisions for municipalities to collect rental taxes and to enact ordinances regulating STRs
- Four areas of interest to examine by the Town of Sevastopol in considering a Short-term Rental ordinance
 - How many Residential Dwelling STRs are in Sevastopol?
 - Do these Residential Dwelling STRs have their Tourist Rooming House license as required by the WI Dept of Agriculture, Tourism and Consumer Protection (DATCP)?
 - How many of the Residential Dwelling STRs are locally owned?
 - To what extent do STRs adhere to Personal Onsite Wastewater Treatment System (POWTS) capacities in their listings?

DCTZC Lists 66* Residential STRs for Sevastopol

- Door Co. Tourism Zone Commission (DCTZC) monitors and reports on lodging sites in the county
- The DCTZC Permitted-Properties May, 5 2020 report lists 1272 permit numbers for lodging facilities in Door County
- DCTZC lists 79 permits for lodging facilities for Sevastopol as of July 2020
 - 66 – Residential Dwellings
 - 1 - confirmed Covid19 non-renewal per DCTZC
 - 7 – To Be Determined
 - 5 – Haven't filed w/ DCTZC, but active on-line
 - 13 - Other Lodging Facilities (hotels, B&Bs, etc)
- 60 (91%) of Residential Dwelling STRs are located near the shores of Green Bay and Lake Michigan
- 24 (35%) of Town of Sevastopol Residential Dwelling STR owners list 54235 as their tax billing zip-code



* Sept 17, 2020 report listed 67 Residential dwelling STRs for Town of Sevastopol. There is only one confirmed DCTZC non-renewal as of the July 2020 Permitted Properties Report.

Only 55% * of Sevastopol's Residential Dwelling STRs are licensed by WI DATCP

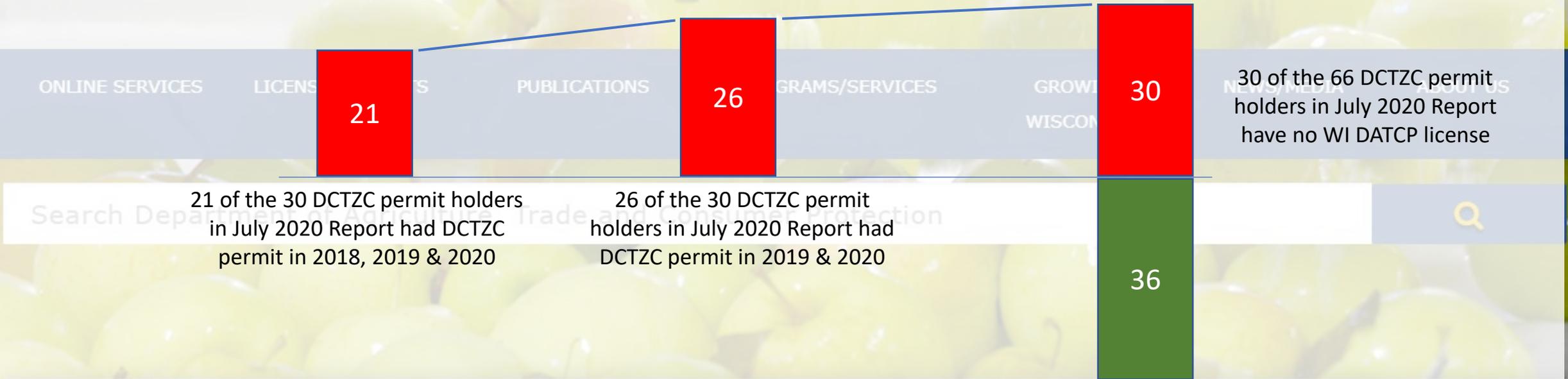
- WI law requires that owners offering short-term rentals must acquire a license before they can list their property for availability, including passing a pre-license inspection, per s. ATCP 72
- WI DATCP license term runs annually, from July 1 to June 30
- WI DATCP publishes a report on lodging licensees, the latest available is July 3, 2020

<https://datcp.wi.gov/Documents/LicensedFacilitiesLodging.csv>

- For the 66 Residential Dwellings listed in the DCTZC May, 5 2020 Report:
 - 36 (55%) of STRs recognized by DCTZC are licensed to operate as a Tourist Rooming House by WI DATCP
- Note: An additional Three (3) Tourist Rooming Houses listed in the DATCP report are not in the DCTZC July 2020 Report

* Was 53% in the Sept. 17, 2020 report

New: 70% of non-DATCP Residential Dwelling STR Licensees for Sevastopol held DCTZC Permits Going Back to 2018



New: Estimated Residential Dwelling STRs DATCP Compliance in Door Co. is 67%

Door Co. Residential STR Compliance

Wisconsin # of Lodging Licenses

WI County	# DATCP Licenses
DOOR	974
VILAS	870
SAWYER	491
ONEIDA	403
BAYFIELD	378
WALWORTH	346
BROWN	313
SAUK	282
ADAMS	200
ASHLAND	168

Total	7865

12%

**

Door Co. # of Lodging Licenses

DATCP Compliance - All Lodging Types			
Municipality	# DATCP Facilities	# DCTZC Permits	DATCP Compliance
TOWN OF LIBERTY GROVE	119	179	66%
TOWN OF GIBRALTAR	110	161	68%
TOWN OF EGG HARBOR	88	119	74%
VILLAGE OF SISTER BAY	87	112	78%
BAILEYS HARBOR	80	104	77%
CITY OF STURGEON BAY	75	98	77%
VILLAGE OF EPHRAIM	65	87	75%
TOWN OF WASHINGTON	59	84	70%
TOWN OF SEVASTOPOL	48	79	61%
VILLAGE OF EGG HARBOR	49	69	71%
TOWN OF JACKSONPORT	48	62	77%
TOWN OF NASEWAUPEE	29	50	58%
TOWN OF STURGEON BAY	26	31	84%
TOWN OF GARDNER	10	22	45%
TOWN OF CLAY BANKS	4	7	57%
TOWN OF UNION	3	6	50%
TOWN OF FORESTVILLE	1	2	50%
Total	901	1272	71%

DCTZC data from May2020 Permitted Properties Report

Estimated Residential Dwelling STR DATCP Compliance*			
Municipality	# DATCP Facilities	# DCTZC Permits	Est. DATCP Compliance
TOWN OF LIBERTY GROVE	94	146	64%
TOWN OF GIBRALTAR	83	127	65%
TOWN OF EGG HARBOR	76	101	75%
VILLAGE OF SISTER BAY	67	91	74%
BAILEYS HARBOR	55	76	72%
TOWN OF SEVASTOPOL	36	66	55%
CITY OF STURGEON BAY	40	61	66%
TOWN OF WASHINGTON	39	59	66%
VILLAGE OF EPHRAIM	36	54	67%
TOWN OF JACKSONPORT	37	49	76%
VILLAGE OF EGG HARBOR	37	49	76%
TOWN OF NASEWAUPEE	17	36	47%
TOWN OF STURGEON BAY	22	26	85%
TOWN OF GARDNER	6	15	40%
TOWN OF CLAY BANKS	4	7	57%
TOWN OF UNION	3	6	50%
TOWN OF FORESTVILLE	1	2	50%
Total	653	971	67%

* Estimated DATCP compliance based DCTZC Lodging #Units=1, which is typically a Residential Dwelling

** Delta of 73 DATCP licenses indicates STRs registered by State that is not matched in DCTZC tally. Further analysis required to verify compliance.

- Door Co. DATCP compliance for all lodging types is 71%
- Residential Dwelling STRs represent About 76% (971 of 1272) of all DCTZC permits
- DATCP compliance is a state & county-wide challenge, driven by Residential Dwellings

55% of Sevastopol Residential STRs advertised listings exceed their POWTS capacity

- 47 Sevastopol STR website occupant capacity listings were available to compare to the Personal Onsite Wastewater Treatment System (POWTS) details for the dwelling as provided in the Door County Land Records Municipal tab
 - Septic Tank & Holding Tank capacities were used as a proxy to determine number of bedrooms and max number of occupants (#occupants = #bedrooms x 2 persons per bedroom per WI statute)
- Preliminary Finding: Majority of Residential Dwelling STRs Exceed POWTS Capacity in Advertised Maximum No. of Occupants
 - 21; 45% of STRs listings have max. occupants \leq POWTS capacity
 - 17; 36% of STRs listings have max. occupants of 2-4 persons $>$ POWTS capacity
 - 9; 19% of STRs listings have max. occupants of 6-9 persons $>$ POWTS capacity
- Note: 18 of the 26 over-capacity Residential Dwelling STRs listings have a DATCP license

Example: POWTS Analysis for a Sevastopol STR

3780 Glidden Drive
 DCTZC Permit: 33-56-1872-01 ¹
 WI DATCP License#: MMAH-AG2JPX ²

LISTING
 Maximum Occupancy: 10
 Bedrooms: 4
 Bathrooms: 2.5

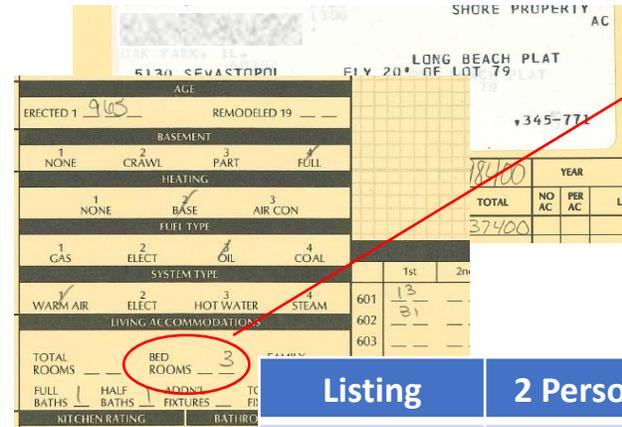
1. Estimate Max. Occupants Based on Tank Size



- Tank size listed at **500 gal.**
- Tank size/bdrm rule of thumb = 313 gal.
- #Bedrooms Estimate = 500gal/313gal or 1.59 bdrm (Round to 2)
- Estimated #Occupants = 2 bdrm x 2 persons/bdrm = 4

Listing	POWTS est.	Gap Estimate
10 persons	4 persons	6 persons over limit

2. Verify Actual #bedrooms in Town Records



- Actual Number of Bedrooms: **3**
- #Occupants = 3 bdrm x 2 persons/bdrm = 6
- Actual maximum capacity based on state law of 2 persons per bedroom is 6 persons

Listing	2 Persons/Bdrm	Gap Actual
10 persons	6 persons	4 persons over limit

1. [DCTZC Current Permit Holders List May 20, 2020](#)
 2. [WI DATCP Recreational Facility and Lodging Licenses](#)

Summary and Next Steps

- Having a DCTZC permit does not imply the Owner has a DATCP license
- Majority of STRs in Town of Sevastopol do not have a DATCP license. Discuss how to notify owners & state
- WI DATCP licensees not in DCTZC warrants further discussion and confirmation of visibility of STRs to the Town and County
- Majority of residential dwelling owners live outside of the area, supporting the need for local contact requirements in an ordinance
- Number of DATCP licensed dwellings listed over capacity warrants additional follow-up w/ state on inspection process (currently awaiting a response from DATCP)
- 91% of STRs are near the Green Bay and Lake Michigan shores, and a majority of sampled STRs advertise capacity beyond POWTS. Therefore, further research is required on remaining 20 properties to verify listing vs POWTS and confirm actual capacity for over-capacity dwellings; follow-up with county sanitarian and town counsel