# **Tourist Rooming Houses**

#### What is it?

- A tourist rooming house is a lodging place, other than motels, hotels, and bed and breakfasts, where tourists pay for sleeping accommodations.
- AKA Airbnb, VRBO

## How many units can one own?

• Under the tourist rooming house license, the owner can rent up to <u>four units</u>. Any more units require a hotel license.

### How many are licensed in La Crosse?

• As of July 1, 2022, there were only <u>eight licensed tourist rooming houses</u> in the City of La Crosse. However, I believe this number does not fully represent the number of short-term rentals within the City.

Туре	Street Address	City	State	Phone	Licensee Name
Tourist Rooming	1803 CHARLES ST	LA CROSSE	WI	(608)516-2178	SIGNE GRONBECK-JOHNSON
House (LTR)					
Tourist	938 CASS ST	LA CROSSE	WI	(608)784-9360	BENTLEY WHEELER B&B INC
Rooming House (LTR)					
Tourist Rooming	2518 STATE ST	LA CROSSE	WI	(615)838-0798	JILLIAN OLSON
House (LTR)					
Tourist Rooming House (LTR)	W4933 WOLF RIDGE CT	LA CROSSE	WI	(608)790-5253	MAIDEN ROCK HOLDINGS, LLC
Tourist Rooming House (LTR)	143 9TH STREET SOUTH	LA CROSSE	WI	(608)769-5408	STEVEN AHLBORN
Tourist Rooming House (LTR)	1627 LAKESHORE DR	LA CROSSE	WI	(608)385-0229	KRISTINA HARBAUGH
Tourist Rooming House (LTR)	W1436 STATE RD 33	LA CROSSE	WI	(608)769-0176	LEO AND LEONAS INC
Tourist Rooming House (LTR)	5720 US HWY 14/61	LA CROSSE	WI	(608)787-1982	WILSON SCHOOL HOUSE INC

#### How many short-term rentals are really in La Crosse?

- According to <u>AirDNA</u>, a short-term rental data and analytics website, there are about 106 short-term rentals that have been used within the last 12 months in the City of La Crosse.
- When browsing Airbnb and VRBO, I found at least 92 short-term rentals of all types.

#### What are the regulations per Wisconsin State Code?

- Any person who operates a short-term rental for more than 10 nights a year is required to:
  - Obtain a license as a tourist rooming house from the department of agriculture, trade, and consumer protection. Although this license is required for all lodging facilities in Wisconsin it seems unlikely that everyone is going through the necessary requirements. There seems to be little to no regulation pertaining to who is licensed and who is not.
- If a short-term rental is used for periods of more than 6 but fewer than 29 consecutive days, municipalities can limit the total number of days in a year to no fewer than 180 days and require it to be consecutive. However, they cannot specify the season or time in which those consecutive days can be during the year.
- The Wisconsin legislature also left other powers up to municipalities such as short-term rentals having to obtain a local license.
- Helpful Information regarding logistics of short-term rental code Wis. Stat. sec. 66.1014: <a href="https://www.lwm-info.org/DocumentCenter/View/3990/Licensing-and-Regulations-403-Short-Term-Rentals">https://www.lwm-info.org/DocumentCenter/View/3990/Licensing-and-Regulations-403-Short-Term-Rentals</a>

## How much of the housing stock does it take up?

According to the <u>US Census</u>, La Crosse has 21,239 households. This means short-term rentals
account for much less than 1% of housing in La Crosse

## How many use the entire unit?

 On Airbnb and VRBO there are at least 40 short-term rentals which use the entire home as a short-term rental. There are 23 homes where the owners also live there with 14 renting out only a room. Seven rentals have another part of the home used for something else such as long-term rentals. Lastly, there are 15 rentals where the entire apartment is rented out, but the rental is inside an apartment building.

### How much are short-term rentals making in La Crosse?

According to AirDNA, the average monthly revenue within the last year was \$2,299 per rental.

## What is the average minimum stay in La Crosse?

• According to <u>AirDNA</u>, about 41% of rentals allow one-night stays. Another 46% allow a two-night stay or more. This means only 13% of rentals require a three-night stay or more.

#### Do short-term rentals create a housing-issue in Wisconsin?

This question can be answered differently depending on who you ask. According to an article by <u>WPR</u>, there are many variables that go into the current lack of affordable housing in Wisconsin. This includes slow housing development, low inventory, expensive building costs, and investors buying up homes. The investors buying homes typically look to rent the property as a short-term rental and are able to out-buy Wisconsin families looking to purchase a home.

There are many residents throughout Wisconsin frustrated with the state of short-term rentals. Here are some examples in communities around the state:

- Last March, the <u>City of Eau Claire</u> Third Ward Neighborhood Association was looking at drafting recommendations for short-term rentals to eventually present to the city for ordinance. To start, they launched an application to get all short-term rentals to register with the City. The survey is said to be the first step to being able to update the ordinance regarding short-term rentals. In Eau Claire, homes used as short-term rentals are supposed to have <u>permits</u> to run their property as a bed and breakfast. Additionally, they need a transient rooming house license, which requires health and safety inspections by Eau Claire City-County Health Department. Only four properties in the city have met all requirements since 2019. Nothing further has moved forward as of now.
- According to TMJ4, the City of Oconomowoc introduced a new ordinance this summer which
  regulates short-term rentals in their city. Renters now need to complete a state inspection,
  Wisconsin Tourist and Rooming license, seller's permit issued by Wisconsin State Revenue
  Department, and a license from the City of Oconomowoc for approval and rent. Non-compliance
  can result in fines up to \$1,000.
- According to the <u>Ripon Press</u>, the City of Green Lake has struggled with what to do about short-term rentals. Two councilmembers said the city is facing a shortage of affordable housing, and short-term rentals perpetuate the issue. Some councilmembers were working on writing an ordinance to help with regulation. <u>Last fall</u>, the ordinance requiring a license from the city passed.
- Madison, WI has stricter regulations on short-term rentals than most municipalities. In Dane
  County, short-term rentals are required to be licensed by Public Health Madison & Dane County,
  pass inspection every year, and pay nightly room taxes. In 2020, they passed a new ordinance
  requiring a city license and requiring documentation confirming they comply with other city
  regulations.

The frustration continues around the Midwest and the entire country. Here are some problems the surrounding states face:

• The <u>Twin Cities</u> and their surrounding areas have struggled with noise complaints, neighborhood disturbances, and limitations on affordable housing due to short-term rentals. In 2017, Minneapolis passed regulation requiring short-term rental hosts to have a standard rental license. In 2020, they amended their ordinance to also require a cap on short-term rentals. This requires hosts to only own one property other than the property they live at. Additionally, they capped short-term rentals in a building to be no more than 10% of the units. St. Paul has similar

- but different rules. Also in 2017, they created a new short-term rental ordinance for annual fees, proof of insurance and required license.
- In Michigan, the controversy is so vast it has made its way to the state assembly. The Michigan legislature passed a bill allowing short-term rentals in all residential zones and loosening regulations on short-term rentals. The <a href="Michigan Municipal League">Michigan Municipal League</a> is lobbying to keep decisions local and working to cease it from passing in the Senate. They hope to leave it up for the cities to decide on regulations they put on short-term rentals.