



Department Source: Community Development - Planning

To: City Council

From: City Manager & Staff

Council Meeting Date: November 17, 2025

Re: 318 Anderson Avenue – STR Conditional Use Permit (Case #312-2025)

Impacted Ward: Ward 1

Executive Summary

Approval of this request would grant a conditional use permit (CUP) to allow 318 Anderson Avenue to be used as a 210-night, maximum 4 guest short-term rental pursuant to Sec. 29-3.3(vv) and Sec. 29-6.4(m)(2) of the Unified Development Code. The subject R-2 (Two-family Dwelling) site contains approximately 0.18-acres and is located on the east side of Anderson Avenue approximately 90-feet south of Again Street and 186-feet north of Broadhead Street.

Discussion

A request by Chelsea Petree (owner), seeks approval to allow 318 Anderson Avenue to be used as a 210-night, maximum 4 guest short-term rental (STR) pursuant to Sec. 29-3.3(vv) and Sec. 29-6.4(m)(2) of the Unified Development Code (UDC). The 0.18-acre subject site is zoned R-2 (Two-family Dwelling), is located on the east side of Anderson Avenue approximately 90-feet south of Again Street and 186-feet north of Broadhead Street, is not the applicant's principal residence, and has been used as an STR since March 2022. The desired rental nights and guest occupancy are consistent with the limitations established by the STR regulations.

The subject dwelling is a 3-bedroom, 1 bath single-family home. The stated bedroom square footages appear to conform with the minimum areas necessary to support the desired 4 transient guests when evaluated against the most current city-adopted edition of the International Property Maintenance Code (IPMC). Compliance with the IPMC and authorized occupancy will be verified prior to the issuance of the STR Certificate of Compliance. The occupancy limitations as well as rental nights will be shown on the issued STR Certificate of Compliance and must appear on any website listing where the dwelling is offered for rental.

The applicant indicates that the owner will act as the "designated agent" to address regulatory issues when the dwelling is used as an STR. The owner is a local Boone County resident that lives 2.7 miles (11 minutes) from the property. Given the property is owned by an individual, approval of the CUP would constitute the individual's "one and only" STR license within the City's municipal limits.

Evaluation of typical listing platforms such as Airbnb, Vrbo, Booking.com, and Furnished Finder did not identify additional STR dwellings within 300-feet of the subject property. Within the 185-foot notification radius there are 22 parcels of which 15 appear to be used for rental purposes. The immediately adjacent properties are located in the R-1 and R-2 zoning districts. The R-1 and R-2 zoning designation would permit a maximum "long-term" rental



occupancy of 3- and 4-unrelated individuals respectively. One code violation was identified with respect to this property during the time of operation as an STR, relating to the dwelling's illegal use as an STR. A Notice of Violation (NOV) was sent on August 5, 2025 and application was received September 1, 2025. Approval of this request would result in closure of this violation upon completion of the STR licensure process.

The subject dwelling is consistent in size, style, and bedroom mix as those adjoining it. The property has a driveway capable of supporting 2 UDC-compliant on-site/off-street parking space necessary to meet the requirements of Sec. 29-3.3(vv). Access to the dwelling is from Anderson Avenue, a local residential street, that permits on-street parking on the both sides of the street. There are no sidewalks installed along either side of Anderson Avenue. The design of the site's access is consistent with other surrounding residential development and is considered sufficient to support future traffic generation without compromising public safety.

Given the lack of code violation history with the exception of the NOV resulting in this application, no presence of additional STRs within 300-feet, and the dwelling's general conformity to its surroundings, staff believes approval of the CUP would be compatible with the adjoining neighborhood. The enacted STR regulations provide means by which to address potential negative impacts including nightly usage restrictions, a violation reporting procedure, fines, and authority to revoke a STR Certificate of Compliance after **two** verified violations within a 12-month period.

Given the dwelling sought for licensure is not the applicant's "principal residence", a CUP is necessary to allow for its continued operation as an STR. The STR CUP process requires an analysis of the general and supplemental CUP criteria shown within Sec. 29-6.4(m)(2)(i) and (iii) of the UDC. A full description of this analysis is found in the attached Planning and Zoning Commission staff report.

Should the CUP be granted, full regulatory compliance with the provisions of Chapter 22, Article 5 (Rental Unit Conservation Law), and Chapter 13 (Business Licensing) of the City Code will be required prior to issuance of a STR Certificate of Compliance and/or Business License. As part of the required Business License procedure, the owners will be required to remit accommodation taxes pursuant to the requirements of Chapter 26 (Taxation) of the City Code.

The Planning and Zoning Commission held a public hearing on this matter at their October 23, 2025 meeting. Staff gave its report and described their findings related to the **technical requirements** of what was shown within the STR application. The applicant spoke on the purpose of the request, and was available to answer Commissioner questions. One member of the public spoke in opposition of STRs in general and two written comments were received for the Commission's consideration – one in favor and one in opposition.

Following closure of the public hearing and limited Commission discussion, a motion to approve the requested CUP to permit 318 Anderson Avenue to be operated as a 210-night, maximum 4 guest STR was unanimously approved by a vote of (9-0).



A copy of the Planning and Zoning Commission staff report, locator maps, STR application, Supplemental "Conditional Accessory/Conditional Use Questions", public correspondence, and meeting minute excerpts are attached for review.

Fiscal Impact

Short-Term Impact: None are anticipated.

Long-Term Impact: Usage of the dwelling as an STR will result in the collection of accommodation taxes which will assist the Convention and Visitor's Bureau in their marketing efforts relating to the City. While increases in public service demand is possible, such demands are not foreseen to be greater than a typical single-family home. Such increases may or may not be off-set by increased user-fees or property tax collection.

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Resilient Economy, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

Comprehensive Plan Impacts:

Primary Impact: Livable & Sustainable Communities, Secondary Impact: Land Use & Growth Management, Tertiary Impact: Economic Development

Legislative History	
Date	Action
N/A	N/A

Suggested Council Action

Approve a conditional use permit to allow 318 Anderson Avenue to be operated as a 210-night, maximum 4 guest STR as recommended by the Planning and Zoning Commission.