

**Senate Local Government Committee  
Senate Bill 104  
Opponent Testimony  
Submitted by Larry Fletcher, President, Shores & Islands Ohio  
March 12, 2025**

Chair O'Brien, Vice-Chair Gavarone, Ranking Member Smith, and all members of the Senate Local Government Committee.

I am here today representing Shores & Islands Ohio, which is both the name of the marketing partnership between the Erie and Ottawa County Convention & Visitors Bureaus, and the region of Ohio our organization has the pleasure of promoting. This is one of the most popular tourism destinations in the Midwest with over 13 million annual visits that generate \$3.1 billion in economic impact. Our region's tourism industry supports over 15,000 jobs and contributes \$382.6 million in tax revenue, \$106.3 million of which is state taxes. (Tourism Economics: The Ohio Visitor Economy 2023).

This robust level of visitation requires a large inventory of lodging options, and we satisfy that demand with 7,200 hotel rooms, 230 b&b rooms, over 3,000 campground sites, and 347 short-term rental (STR) properties representing 1,761 individual rooms. Apart from the campground sites, all of these units collect lodging tax as regulated by Erie and Ottawa County; and our organization and our ability to promote the region at a high level is supported by this lodging tax.

In 2024, approximately 9% of Erie County lodging tax collections and 31% in Ottawa County were generated by STRs, for a total of \$1.3 million. So why then would an organization that clearly benefits both financially and in accommodating a segment of visitor lodging preference be opposed to legislation that likely would result in more STR inventory in our region? It is because of the importance of maintaining an appropriate balance between the economic benefits of the region's tourism industry and serving the needs of those who choose to live and work in the region.

Each community in our area is unique in how they maintain this delicate balance. We have STR properties in communities large and small, that range from condo units along the lake in Port Clinton, to tiny houseboats in a marina in Sandusky, to large private homes along the shore in Vermilion. One community such as the Village of Milan has only a handful of units, while another like the Village of Put-in-Bay has hundreds.

This balance is addressed across our region through local zoning and other regulations evaluated and initiated based on a particular community's specific situation. Nearly all major municipalities in Erie and Ottawa County have some type of STR regulation in place. I have attached a document that lists these.

There are many reasons why a community may want to institute STR regulations: to limit areas of their municipality where a STR can be placed; to limit the number in their community so they can preserve enough dwellings for prospective homeowners and long-term renters; to address safety, security, and noise level issues; and to ensure homeowners in their community have sufficient access to public parks, beaches, pools, and other amenities they were drawn to when settling in that community.

Another important consideration is that if a particular community has an abundance of STRs that results in potential permanent residents being unable to obtain year-round housing, businesses operating in that community will have a slim chance of making it through the less popular travel times of the year. Businesses need that balance of year-round traffic from residents along with the bonus that comes from visitors.

These are just some of the reasons why Shores & Islands Ohio joins with representatives from municipalities across Erie and Ottawa County in opposing SB104 as currently written. While the implications of this bill may result in minor impact in many parts of Ohio, we believe if passed as introduced, it would have significant negative impact on many communities in our region.

To be clear, as mentioned above, our organization is not opposed to having STRs in our lodging portfolio, and neither are the dozens of communities in our region that allow them. And while Erie and Ottawa County, through their respective Lodging Tax Code of Regulations, already require STRs to collect lodging tax, this is not the case across the state. We see the section of SB 104 that extends this requirement to all transient properties a positive as it puts these properties on parity with hotels for lodging tax.

Having STRs in our communities cannot however come at the expense of driving year-round population out, creating potential safety and security risks for renters and residents, or severely limiting the options for those looking for affordable long-term rental properties.

We see the best solution to be continuing to allow local control of STR regulations. Thank you for the opportunity to submit this testimony; I would be happy to answer any questions you may have.

# SHORES & ISLANDS OHIO REGION SHORT TERM RENTAL POLICIES

## **Erie County**

The following municipalities, some which have short-term rentals (STR), do not have a formal registration policy or any other regulations in place: City of Bellevue, Berlin Township, Village of Berlin Heights, Village of Castalia, Florence Township, Groton Township, Margaretta Township, Milan Township, and Village of Milan.

### **Village of Bay View**

STRs allowed after receiving transient rental permit issued only after complying with several safety and security regulations. \$500 annual fee.

### **City of Huron**

A transient rental certification is required by the city and there is a cap of 165 available. As of 08-08-22 the cap is at maximum and the city is no longer accepting new applications.

A waiting list form is on the city's website. There is a \$400 annual fee per unit and the property is inspected annually.

### **Huron Township**

Allows STRs in the business district however not within residentially zoned areas other than 14 properties that were grandfathered in when the ordinance was passed.

### **Village of Kelleys Island**

Registration required on an annual basis with an initial fee of \$600 and ongoing annual fee of the same. Annual inspection process; must comply with all village ordinances. Limit on number of people per unit.

### **Oxford Township**

STRs allowed with conditional use permit.

### **Perkins Township**

STRs are not permitted in the R-1, R-1A, R-1B, R-2, R-3 residential zoning districts with the exception of a boarding house in R-3 district.

### **City of Sandusky**

STRs are only permitted in the following sections of the city: Commercial Recreation (CR), Commercial Services (CS), Downtown Business District (DBD), General Business (GB), Roadside Business (RB) and Residential Business (RRB). They are also permitted within the boundaries of the Transient Rental Overlay district (TRO) shown on the city's website. Transient rentals are permitted in Local Business (LB) districts if granted a conditional use permit by the Planning Commission. All transient rentals require a permit to be approved by the city that outlines various safety and security requirements. There is a \$500 annual fee per dwelling and the property is inspected annually.

### **City of Vermilion**

STRs are allowed across the city with no restrictions. There is a \$300 biennial fee and the property will be inspected biennially.

### **Vermilion Township**

STRs are not permissible within the township.

## **Ottawa County**

The following municipalities, some which have short-term rentals (STR), do not have a formal registration policy or any other regulations in place: Allen Township, Bay Township, Benton Township, Carroll Township, Erie Township, Harris Township, Village of Clay Center, Village of Genoa, Village of Oak Harbor, Village of Rocky Ridge.

### **Catawba Township**

STRs are not permissible within the township with exception for a small number of grandfathered properties.

### **Clay Township**

STRs are not permissible within the township.

### **Danbury Township**

STRs are not permissible within the township except for within the gates of the Lakeside Chautauqua community.

### **Village of Elmore**

STRs permitted only in the area zoned as Business District.

### **Village of Marblehead**

STRs permitted only in the area zoned as Business District.

### **City of Port Clinton**

All short-term operators must register annually with the City of Port Clinton and be issued an operating certificate prior to rental activity. The registration year begins March 1 of each year and concludes the last day of February the following year, regardless of when the property registers. The initial registration fee is 300.00 and \$100 for subsequent years. City requires liability insurance and photos proving safety protocols are in place: smoke detectors, fire extinguishers, carbon monoxide detectors for gas-heated properties, etc.

### **Portage Township**

STRs are not allowed in residentially zoned areas.

### **Put-in-Bay Township**

STRs are allowed except in areas zoned as agricultural. Permit process applies.

### **Village of Put-in-Bay**

STRs are permitted in the Village however there is presently a moratorium in effect on any new properties that are intending to rent for 90 days or less. At present there are 22 properties with a license to operate an STR; all within a 6/10 mile area. No fee or inspection process at present.

### **Salem Township**

STRs are not permissible within the township.