



VILLAGE OF VILLA PARK
Village Hall, Board Chambers
20 South Ardmore Avenue
Villa Park, IL 60181

Village Board of Trustees - Committee of the Whole

February 10, 2025

6:00 PM

Village President Nick Cuzzone

Village Clerk Hosanna Korynecky

Village Trustees Cari Alfano, Jorge Cordova, Jack Corkery, Jack Kozar, Deepa Kumar, Kevin Patrick

Public participation is invited. When called upon, please approach the microphone and state your name. Kindly limit your remarks to 3 minutes.

- 1. Call to Order - Roll Call**
- 2. Pledge of Allegiance**
- 3. Discussion**
 - a. Short-Term Rentals - Rules, Regulations, and Options
- 4. Public Comments**
- 5. Adjournment**



Short-Term Rentals (STRs)

Rules, Regulations, and Options

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What is a STR?

- Bed and Breakfast's are the original
- Providing accommodations within a building that is normally a residence
- Not Hotels
- Hosting Platforms:
 - Airbnb (2008)
 - VRBO (1995)
 - Many others

However, these are used as part of regular conversation in lieu of STR

- Airbnb and VRBO started as part of the sharing economy
- Similar beginnings to Uber and Lyft for cars
- An individual would rent their own home or room when they were not using it
- It has evolved to include houses that are only for rent and have no full-time resident

Can we Regulate?

- Non-home Rule Municipalities can regulate
- Reasonable Fees and Fines (\$750 daily max)
- Licensing Programs
- Zoning Requirements
- Encourage vs Discourage

What is Currently Allowed?

- Our Zoning Ordinance regulates “Lodging”,
 - Temporary lodging for less than 30 days
 - Allowed by right in C-3 and all MX Districts, except MX-R where it is a Special Use
 - Special Use in both M Districts
 - Not allowed in any R District or Office or lower intensity Commercial Districts

6.4.9 Lodging:

Uses that provide temporary lodging for less than thirty (30) days where rents are charged by the day or by the week. Lodging uses sometimes provide food or entertainment, primarily to registered guests.

6.10.6 Home Occupation:

- I. Expressly Prohibited Activities:

5. Lodging

COMMERCIAL	RS-10	RS-7.5	RD-7.5	RM-9	O-R	C-1	C-2	C-3	MX-1	MX-2	MX-3	MX-T	MX-R	M-1	M-2
Lodging	-	-	-	-	-	-	-	●	●	●	●	●	S	S	S

How is it Currently Regulated?

- Lodging is allowed in certain Zoning Districts
- Renting of private residences for less than 30 days is not allowed
- Renting of private residences for more than 30 days is allowed
- A STR would be allowed in the same Zoning Districts as Lodging but,
- The STR would need to be a registered business that rents a house as the primary use, not a home
- The VRBO model is closest to what is allowed in Villa Park
- Bed and Breakfast would also be allowed

What is Happening Around Us?

- Staff looked at:
 - Non-Home Rule Municipalities
 - Collar Counties
 - With Over 20,000 population
 - Resulted in 13 like kind municipalities
 - Counties represented:
 - DuPage, Cook, Kane, Will, and Lake
- What we found:
 - 11 do not allow STRs and have no program for them
 - 1 allows STRs with a license
 - 1 allows STRs with a license, but only in their Historic District

The majority of like-kind
Municipalities do not allow STRs
(85%)

Financial Implications of STRs?

- Hotel Operators' Occupation Tax (HOOT)
 - STRs are required to pay HOOT
 - Hosting platform (i.e., AirBNB and VRBO) may collect the tax and remit back to IDOR, subject to agreement with IDOR
 - Rate in Villa Park = 5% of total gross receipts
- Licensing Fees
 - \$0 - \$100
- Revenue Projection
 - \$100/night at 5% HOOT = \$5.00 per night
 - Occupancy Rate on AirBNB is 55%
 - Annual HOOT = \$979 per STR
 - Reasonable assumption that each STR will generate \$1,000 in annual revenue to Municipality
 - Current HOOT Revenue \$150k

Options for STRs in Villa Park?

- No changes
 - Continue to utilize Code Enforcement in areas not allowed
 - Collect HOOT as it comes in
 - No additional staff management
 - Work with people that want to start a Bed and Breakfast in MX Districts
- Create licensing program beyond Business Registration
 - Create database of STRs
 - Establish fee (\$0-\$100)
 - Will require additional Staff for tracking and inspections
- Expand allowable districts
 - Develop a text amendment to allow STRs in residential districts
 - Available as Special Use in residential districts
 - Complaints come from neighbors that don't want an STR next door

Options for STRs in Villa Park?

- Staff Recommendation
 - Do not create a license program
 - Do not expand in residential districts
 - We are not on a major body of water or near a major tourist attraction
 - Would rather encourage a traditional hotel to develop in the Village than STRs (1 operator instead of 50)

Discussion and Questions?

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