

# Virtual Townhall Q&A

## **When will the proposed ordinance take effect?**

January 1<sup>st</sup>, 2026 (as proposed)

## **Will the “Augusta Rule” be an exception that will be applied?**

The Augusta Rule applies to taxable income and per our city attorney the proposed ordinance does not impact this IRS rule.

## **How will you ensure all properties will be registered?**

All properties will be required to register through this ordinance. The software technology the city is utilizing will track registrations. The software identifies the rentals in our community and manages the registration component as well.

Non-compliance will result in a fine of \$250 for non-registration, or \$1000 (with an escalation fine of \$5000-\$7500) if operating over the 10% cap, without a permit.

## **What would be the process to obtain new rental approval and how would a local investor be able to timely access neighborhood percentages when considering buying?**

The technology we are utilizing will allow any prospective landlords to identify whether a property is available for rent and allow for a temporary permit to be issued to close on the property, prior to applying for a long term permanent permit for the property. This is an important feature, as it reduces the barriers to prospective landlords interested in moving forward with a rental property

## **How to know if any houses are already being rented that we don’t know about?**

The City will work on identifying a process for notifying HOAs upon registration of rentals.

## **Why did the city settle on 10% as the limit for rental properties and not a lower number such as 5% or 2%?**

The City is currently at 8% single family rentals, in terms of our total housing units. 10% allows for some growth but provides relief for subdivisions that are at 40-50 percent rentals.

## **Do short-term rentals, such as Airbnb’s or Vrbo’s, have to register?**

No. Indiana Code § 36-1-24 does not allow local municipalities to limit owner-occupied short-term rentals. A short-term rental is defined by a rental of a single-family home, detached structure, two-family or multi-family unit, or condo, for less than 30 days.

### **How will the City enforce compliance with a registry to track rentals?**

The technology we plan to utilize for this program is critical in the tracking and enforcement piece of this ordinance. Without the software, understanding in real time which homes are rentals would be a very large administrative burden or nearly impossible to keep up with. The technology we are using, as noted in the presentation, not only identifies the rentals--- by aggregating county data related to homestead exemptions, whether the property is owner occupied, rental listings and whether the property mailing address is different than the home address---, but it tracks these rentals in real time and manages all the rental applications and permitting. The technology in combination with a fine schedule for non-compliance will serve as enforcement for this ordinance.

### **Are there exceptions to the rental cap?**

- Renting to Family Members or Legal Dependents
- Job Relocation
- Deployed Military
- Selling Property will Cause Undue Burden
- Failure to Sell Property after 6 Months

### **Will homes that are already being rented be required to apply?**

Yes, however they will not be subject to the permit cap, if they were established prior to December 31<sup>st</sup>, 2025

### **How is this going to work for people who have family living in a property they own and no rent is paid.**

Families and dependents are exempt in the most recent version of the ordinance.

**"What happens to landlords who don't register?"**

Landlords who do not register would be subject to a fine of \$250 and \$1000 if operating without a permit, which can escalate to \$5000- \$7500.

**Will there be a "town hall" for residents to be heard?"**

We have had 2 public meetings already (work session and first reading), we having a townhall by way of this virtual webinar to answer questions and there will be another one in April council along with a public comment specifically for the rental registration ordinance.

**"How will city ordinance affect existing HOA ordinance(s)?"**

**How will this affect second homes? Currently, I own a second home in Fishers, while my primary home is out of state.**

This will not impact second homes. If you are a snowbird that just lives here part of the year, you are not subject to any of this ordinance as this ordinance only applies to rentals. If you are mistakenly identified as a rental that can be corrected, but we are generally able to differentiate between second homes and rentals through that criterion I mentioned.

**Anyway, one of the exceptions we had in our proposal is that if we lived in our place as our primary residence for at least 1 year, we would be exempt to the cap. Does Fisher's proposal offer something similar?**

Currently we do not have language in the ordinance for exceptions for owning for more than one year, as that still does not address the high concentration of rental issues, we are seeing in neighborhoods with 30,40 percent rentals or more.

**Why this need now when we are only at 8 per cent home rentals throughout the city AND I understand there's voting next Monday the 17th. Can we slow this idea down? So the whole community can get facts-**

While the city is at 8% as an entire city, we have subdivisions with 30,40, and 50% rentals that are negatively impacted by a high concentration of rentals. The city council is not voting next March. We will be taking this in April for a second reading and public comment. And this was originally introduced in January.

**Can you limit the number of rental houses as a percentage by neighborhood?**

Yes this ordinance restricts rentals at the subdivision level, which is tied to a properties secondary plat.

**How is my board going to know which residents are renting - how easy is it going to be to find out which homes in our neighborhood of 661 homes are rentals - we would like a search option by HOA not just by address - we don't have time or resources to load in each home in Gray Eagle to see which are rentals.**

We will work to identify a process with HOAs on communicating this information. Publicly, there will be a dashboard of aggregated rental properties and data, but we hope to have something more specific for communication with HOAs so more to come on that.

**If this proposal passes and becomes 'law', does it then apply to every neighborhood in Fisher? -- or does each neighborhood have the opportunity to vote to accept it?**

This would apply to all incorporated subdivisions over 10 parcels in fishers.

**Who will monitor and enforce this? How will that process look?**

As we discussed planning and zoning will be monitoring and enforcing this. It will be a combination of automated registration and permitting and manual review by P&Z and the city court will be involved in appeals or revoking of the permit if warranted.

**"This appears to be a zoning ordinance, why is it not going through Plan Commission? Does a municipal court have jurisdiction to hear a matter that is not an ordinance violation? (For example, to hear an appeal on the denied issuance of a permit).**

This is not a zoning ordinance and Indiana code gives us the ability to have a rental registration and permit in this manner. Yes the court has jurisdiction to hear an appeal on the denied issuance per state statute.

**Will there be any type of exceptions for non-corporate, local Fishers resident landlords?"**

There are a list of administrative exceptions, which were detailed today including:

- Renting to Family Members or Legal Dependents
- Job Relocation
- Deployed Military
- Selling Property will Cause Undue Burden
- Failure to Sell Property after 6 Months

**"Will unincorporated, non-subdivision properties be subjected to the new rental cap proposal?"**

No unincorporated parcels will not be subject to the rental cap. As with all city ordinances, this ordinance only applies to incorporated properties

**How can we (HOA) make sure the owners register the homes they rent out? How can we encourage new owners not to rent but to reside in the home?**

We will work with HOAs in terms of educating property owners on the registration requirement.

**We (HOA) passed a rental cap amendment a couple years ago and I'd like to learn how the city will track this since it's been our biggest challenge thus far. It's a struggle to determine which houses are rentals.**

The technology we plan to utilize for this program is critical in the tracking and enforcement piece of this ordinance. Without the software technology, understanding in real time which homes are rentals would be a very large administrative burden or nearly impossible to keep up with. The technology we are using, as noted in the presentation, not only identifies the rentals--- by aggregating county data related to homestead exemptions, whether the property is owner occupied, and whether the property mailing address is different than the home address---, but it tracks those real time and manages all the rental applications and permitting. The technology in combination with a fee schedule addresses the compliance and enforcement component of the ordinance.

**Does the new rental restriction ordinance apply to townhome/condominium neighborhoods or just single-family home neighborhoods?**

Yes, this applies to townhomes and condominiums. Essentially any property on its own lot, tract, or parcel of real estate.

**"Explain grandfathering in detail, please. Thank you**

The grandfathering detail essentially means that any rental that is established prior to December 31<sup>st</sup> 2025 (this year) will NOT be subject to the permit cap UNTIL there is a changeover of ownership on that property. These grandfathered or legacy properties will still be required to register and receive a permit, however not subject to the cap. In other words, if you have a rental (prior to Dec. 31<sup>st</sup> 2025) in a neighborhood that is already over 30% , you will be able to keep that as a rental—again, until the ownership changes. So, upon ownership changing that permit would sunset and the new owner would need to

apply for a permit, which that new permit would be subject to the cap and if the neighborhood is already over 10% that new permit would be denied.

**Our HOA has rental/restrictions on how would they be affected.**

HOA Rental restrictions may be more stringent than the city ordinance. So I know we have a lot of neighborhoods with tighter restrictions, those can still be in place. This ordinance provides a baseline for those HOAs that do not have a rental cap or have not been able to enforce a rental cap due to administrative limits or failing to get attendance for votes at board meetings.

**Will there be any ordinances regarding the property other than registering?**

The ordinance will include registering and permitting components and the 10% permit cap.

**Will the city enforce the rules in the covenants that cover noise, animals, and modifications to the exterior of the home.**

The ordinance indicates that to be in good standing with a rental permit owners must be in compliance with city code, public nuisance calls, and utility delinquency. These factors are part of the criteria in which the permits are issued and may also be revoked.

**How will the city investigate and determine if it is a rental.**

The software technology utilizes a variety of data points included whether there is a homestead exemption, whether the property is owner occupied, whether the property's address is different than the property tax mailing address and whether there have been active listings through platforms like Zillow, etc. Through this criterion we can determine to a high degree of certainty which properties are rentals.

**Will the city primarily be using citizen complaints as notifications of rentals**

No. Citizen complaints, like code enforcement complaints, will be reviewed, but will not be considered as legitimate until the other criteria above have been met or have reasonably been confirmed.

**Wouldn't it be better to help each HOA pass individual Covenants to restrict rental versus attempting to handle it on a city wide basis ?**

We have had a lot of conversations with HOAs over the years on this matter. And as we have discussed in council meetings and our workshop, some HOAs have been able to successfully pass ordinances and enforce ordinances to limit rentals. However, for many other neighborhoods particularly those that are large neighborhoods, or those where the HOA has gone defunct there are challenges in passing an ordinance, as they cannot even

get enough people to show up at board meetings or if they do get an ordinance passed, it is very difficult to enforce at the HOA level with limited resources. As noted previously, the city is going to be able to utilize software to assist with much of this identification and registration process, which will be essential in enforcement that HOAs often struggle with.

**How this impacts my ability to rent out a house I own as an individual. As in this is the only house I own and have to move for work but I intend to return in two years.**

There is an exemption for work related relocation, so these situations would be granted an exception to the registration and permitting cap.

**What is the appeals process?**

There is an appeals process, as with any of our permits that a property owner can initiate. If the appeal is more than a request for an administrative exception, then it will be handled through the city court.

**Where is the data for the # of rentals mentioned in prior reports and presentations and articles.**

Discussed on the first slide suspected rentals are identified by aggregating county data related to homestead exemptions, whether the property is owner occupied, property tax address vs property address, and rental listings.

**Could you create a website that realtors can go to see neighborhood association restrictions on rentals so they could inform buyers."**

We will have an entire page on our website dedicated to the registry and information around the registry, upon adoption of the ordinance.

**"How is it going to work with HOAs. Some HOAs restrict it. If the city 10% rental rule going to be across the whole city and neighborhoods?"**

The 10% permit cap is at the subdivision level, but again any HOA covenants more stringent than the city ordinance will trump the city ordinance, so this does not impact more stringent covenants.

**Why does this need to be a city-wide ordinance?**

As noted, the city has had a lot of conversations with HOAs over the years on this matter. And as we have discussed in council meetings and our workshop, some HOAs have been able to successfully pass ordinances and enforce ordinances to limit rentals. However, for many other neighborhoods particularly those that are large neighborhoods, or those where the HOA has gone defunct there are challenges in passing an ordinance, as they cannot

even get enough people to show up at board meetings or if they do get an ordinance passed, it is very difficult to enforce at the HOA level with limited resources. As noted previously, the city is going to be able to utilize a software to assist with much of this identification and registration process, which will be essential in enforcement.

**I am concerned about loss of private property rights.**

Under this ordinance, property owners are still able to use the property for its intended purpose, which is a single-family home, and the city is not taking away the value or use of the property through this ordinance, you can still get the value out of that home with its original intended use.

**What is the data-based problem the rental cap is designed to solve?**

As discussed, our 2022 housing study had a plethora of information regarding single family rentals in Fishers and the trends we are seeing. Much of this conversation was born out of that study. And as discussed, currently the city is really in a reactive state without this ordinance when it comes to this large segment of our rental housing market. As noted, the proposed ordinance seeks to proactively address some of the quality issues and balancing rental opportunities with those home ownership opportunities in Fishers.

**Will there be a limit on how many rentals any given corporation can own in fishers?  
Does it address how homeowner's will be held responsible for maintaining the condition of the property?**

Not a limit to how many a corporation can own, but they will be responsible for the condition of the property and HOAs will be able to enforce stricter covenants. Part of the intent of this ordinance is property owner accountability for the condition of their property.

**I'm curious if this ordinance would keep young families out of fishers who are not able to buy a home yet, yet still need a place to live? I think we have amazing schools and that other people should have access to them and Fishers in general, even if they make less money.**

The city has just under 30% of our entire housing market that is rental product. That is right at the numbers of rental product you see nationally. With that said, there are most definitely opportunities for renters in Fishers. Like the high demand we see for home ownership, there is always going to be a competitive market for rentals as well. That is the result of having such a highly sought after community with a high demand from individuals looking to live here.

**Can anything be done if your community is already over 10%?**

If your community is over 10%, like I said those rentals will be grandfathered in, however upon ownership changeover on those units, the permits will expire. With that said, there could be a long period before some neighborhoods that are in the 30-40 percent make their way down to 10%. But the city will not be telling rentals that exist prior to December 31<sup>st</sup> of this year that they would not be able to rent any longer—those will be legacy rentals.

**Can more pressure be placed in rental companies and/or private owners to get renters to at least mow regularly?**

That is an intention of this ordinance, right now it is very difficult to enforce code issues on rental properties. 1) we often do not even have local contact and 2) we can give fines, but when there is not permit contingent on compliance with code enforcement or payment of fines, it is very difficult to enforce.

**What is the fine schedule for non-compliance?**

\$250 is the penalty for non- registration, however if you are renting knowingly above 10% you are looking at a \$1000 fine that can increase to \$5000, but no more than \$7500. And again, the rationale here is if there is someone already renting to a tenant or family and they are in an over 10% neighborhood, the city are not going to be evicting a tenant or family. The property owner would lease that unit until the end of the lease. If they continue to lease after that initial tenant, that's where that stair stpe comes into place.

I will also note that the fine structure for non-compliance is there for enforcement. As we have researched, communities with registries that do not have fines related to the registry end up and cannot enforce and are somewhat of failures in the end.

**What is the plan to deal with short-term rentals such as Airbnb's or Vrbo's?**

This ordinance does not apply to short-term rentals. For short term rental properties that are not owner occupied they must receive approval through the Board of Zoning Appeals. Owner-occupied short-term rentals cannot be regulated per Indiana Code § 36-1-24.