

\* Proposed \*

ORDINANCE 11-01-22-A

SHORT-TERM RENTAL ORDINANCE

WHEREAS, it has become a necessity for the City of Enterprise to enact license fees for the operation of short-term rental and allow the City's Revenue Department to have a record, for taxation purposes, of short-term rentals and,

WHEREAS, for the safety and health of our citizens and visitors, the City Council of the City of Enterprise finds it in the public interest to enact regulations and create a permit for each short term rental location.

BE IT ORDAINED by the Enterprise City Council as follows:

Section 1. Definitions.

"Commercial vehicle" means a vehicle customarily used as part of a business for the transportation of goods or people.

"Hosting platform" means a person who, for a fee or other charge, provides on an internet website and online platform that facilitates the rental of a short-term residential rental residential unit on behalf of an operator, including, without limitation, through advertising, matchmaking or other means.

"Operator" means any person who owns, controls, manages or operates a short-term residential rental unit or property.

"Short-term residential rental" (sometimes referred to as "STR") means the commercial use, or the making available for commercial use, of a residential dwelling unit for dwelling, lodging or sleeping purposes, wherein any individual guest rents or occupies, for a fee or other pecuniary consideration, the unit or a portion of the residence for a period of less than 180 (one hundred and eighty) consecutive calendar days. The definition of "short-term residential rental" shall exclude commercial businesses who operate facilities primarily for the purpose of short-term rental (e.g. Mobile Home Parks, RV Parks, hotels, motels, etc.) that are already required to be licensed by other provisions of the business license ordinances of the City.

2. License required.

(A) Every person in the city or in its police jurisdiction engaging in the business of offering or operating a short-term residential rental shall not operate without first obtaining and thereafter maintaining a valid unexpired license pursuant to this Ordinance for short-term residential rental.

(B) If a short-term residential unit is managed by a person lawfully entitled to manage the unit other than the licensee or a principal of the licensee for that unit, that person must also possess a valid short-term rental license from the City of Enterprise to manage property.

(C) The holder of a license under this Ordinance is the person primarily responsible for compliance with the obligations that are imposed on an operator by this Ordinance, whether or not that person owns the real property on which the short-term residential rental is located. In the case of a short-term residential rental whose affiliated licensee is not the property owner, the property owner is secondarily responsible for compliance.

(D) The NAICS code to be used for licensing of Short-Term Residential Rental is NAICS #721199 - All Other Traveler Accommodation and the fee schedule for licensing is Schedule L.

3. To renew a STR license the owner must provide.

(A) Proof of current property insurance, which may include declarations, information or summary pages from the policy that show the amount of the insurance policy and coverage.

(B) All lodging taxes must be current with no outstanding balances.

(C) A completed signed affidavit of continuing safety regulations.

(D) Payment of the business license tax.

#### 4. Lodging Tax.

(A) Short-term rentals must remit lodging tax as set forth in Ordinance 11-17-09, as may be amended, of the City of Enterprise Municipal Ordinances. If such business is being conducted within the corporate limits of the city the short-term rental lodging tax shall be in an amount to be determined by the application of the rate of six (6) per cent of the charge for such room, lodging, accommodation including the charge for use or rental of personal property or services furnished in such room.

(B) If such business is conducted outside the corporate limits but within the police jurisdiction of the city short-term rental lodging tax herein levied shall be determined by the application of the rate of 3 (three) per cent of the charge for such room, lodging, or accommodation including the charge for use or rental of personal property or services furnished in such a room. In no event shall such term rental lodging tax exceed an amount equal to one-half (1/2) the amount of the tax applicable within the corporate limits.

(C) This tax is in addition to business license tax, permit fees and all other taxes that apply or may be imposed in the future. Lodging tax remittances are a license requirement and failure to file and remit lodging tax timely is a condition for license revocation.

(D) The lodging tax will be collected, recorded, remitted in the same manner as lodging taxes for hotels, motels and other businesses that engage in transient lodging.

#### 5. Permit Fees.

The operator of a short-term residential rental unit shall pay, in advance, an annual fee of \$20 (twenty dollars) for each short-term residential rental unit. Where there are multiple dwelling units on the same property, each unit must be permitted individually. This is in addition to the yearly business license fee, lodging tax and all other taxes that apply or may be imposed in the future.

#### 6. Application for a Permit.

Each application for a short-term residential rental permit shall contain or include the following information and documentation:

(A) The name, signature, address and telephone number of the owner of the residential dwelling to be associated with the license.

(B) The name, address and telephone number of any property manager or property management firm that will be operating the short-term residential rental.

(C) The name, address and telephone number (including a telephone number that provides for communication twenty-four hours a day) of the local contact person who will respond to complaints regarding the condition, operation, or conduct of the occupants of the short-term residential rental unit.

(D) The address of the residential dwelling proposed to be used as a short-term residential rental.

(E) A list of all hosting platforms that the applicant proposes to use or uses to market, advertise, offer, solicit customers for, or make available for commercial use the short-term residential rental applied for.

(F) An affidavit attesting that there are no delinquent lodging tax liabilities or liens regarding the property to be used as a short-term residential rental.

(G) Approval from the Engineering Department and Fire Inspector for the first year of operation and a signed affidavit of continuing safety regulations each year thereafter.

#### 7. Additional conditions.

In connection with the issuance of a license, the City, through the Police Chief, Fire Chief or Engineering Department, has the right but not the obligation, to impose on the licensee (or upon the renewal thereof) reasonable conditions that are in addition to the requirements of this Ordinance and that are designed to protect the public health, safety and welfare. In addition, at any time during a license period, the City, through Police Chief, Fire Chief or Engineering Department, may impose such a requirement on a licensee whose short-term residential rental has been the subject of repeated complaints or violations of this Ordinance.

**8. Compliance.**

The operator of a short-term residential rental shall comply with all provisions of City of Enterprise Ordinances that pertain to the collection of lodging taxes by the operator of an establishment subject to those Ordinances, as well as the associated record keeping requirements.

The operator is responsible for ensuring that the short-term residential rental complies with all State, County and City ordinances related to disasters and for ensuring the safety of the guests of the short-term residential rental.

Nothing contained in this article shall be construed to relieve any person from any tax liability, penalty, interest or forfeiture incurred under any laws or ordinances of the city prior to the effective date of this article.

**9. Safety precautions.**

(A) An evacuation map and list of procedures shall be placed within each guest room used for sleeping. Maps and lists of procedures shall be mounted on a wall or door in a horizontal position, either made of a durable material or encased within a durable frame or enclosure. Each map and list shall have a minimum size of ten inches by eight inches, with the color of text contrasting to the background. Maps shall have a "you are here" star with a directional arrow to the nearest exit, and shall also indicate the location of all available fire extinguishers.

(B) At a minimum, there must be at least one fire extinguisher:

(1) In the kitchen area, located under the sink;

(2) In any garage, mounted on the wall no higher than forty-eight inches above the finished floor; and

(3) Located on each floor level of the short-term residential rental unit, to the extent not otherwise covered by Paragraphs (1) and (2) of this Subsection (B).

Each fire extinguisher shall have a current service tag from a State of Alabama Fire Marshal-certified contractor.

(C) Smoke alarms shall be present in all sleeping rooms, outside of bedrooms, and on every level of the home, including the basement, installed in accordance with applicable codes. A record of monthly testing and battery replacement shall be available for verification by the Fire Department.

(D) All doors and windows shall be operational.

(E) Carbon monoxide alarms shall be installed in accordance with applicable codes.

(F) Each short-term residential rental shall be maintained in accordance with all applicable provisions of City building-related and technical codes adopted pursuant to City of Enterprise.

**10. Miscellaneous provisions.**

(A) The operator shall post a copy of the permit in a conspicuous place within the short-term residential rental unit.

(B) All occupant vehicles shall be parked on site, and shall not be parked in the adjacent public right-of-way. No commercial vehicles shall be permitted on the short-term residential rental unit property or parked in the adjacent public right-of-way, except where otherwise permitted in commercial zoning districts.

(C) The short-term rental shall adhere to all application noise provisions of City Ordinance 6-18-96.

(D) The operator shall make available a local twenty-four-hour phone number that provides the capability of producing a response within 60 (sixty) minutes to complaints regarding the condition, operation, or conduct of the occupants of the short-term residential rental unit. Failure of the operator or an employee or agent to respond to the complainant within 60 (sixty) minutes shall constitute a violation of this Ordinance.

(E) A placard shall be displayed on the interior of each short-term residential rental unit listing the information set forth below in this Subsection (D). The placard shall be in plain view of the renters at all times the short-term residential rental unit is occupied and shall be a minimum of eight and one-half inches by eleven inches in size. Displayed on the placard shall be the twenty-four-hour contact information required by Subsection (D) of this Section. The information required by the preceding sentence must be in a minimum legible font of seventy-two-point or a minimum of one and one-half inches in height. The required contact information shall include a full name and telephone number of the contact.

(F) Trash and refuse shall not be left or stored in public view, except in proper containers for the purpose of collection in accordance with the requirements of City of Enterprise Ordinances. The owner of the property or manager of the short-term residential rental unit shall be responsible for notifying occupants of trash disposal procedures and for maintaining compliance with the requirements of all City of Enterprise Ordinances.

(G) Consistent with and as a reflection of the definition of the term "short-term residential rental" set forth in this Ordinance, no short-term residential rental unit may be rented for the purpose of holding weddings, parties, receptions or similar events that typically are held at a banquet facility or other facility that is made available for the holding of events on a commercial basis. Any use of the short-term residential rental unit is limited to activities that are incidental to its use for dwelling, lodging or sleeping purposes.

11. Notification of change in ownership.

The operator must notify the Revenue Department of any change in property ownership or management or any other material change in the information described in the license application, permit(s) and set forth in City of Enterprise Business License Ordinance. The notification must be made within fifteen days after the change has occurred. The Revenue Director may require a new application for a business license and new permit(s) if the changes warrant a new application.

12. Suspension-Revocation.

In addition to any other remedy available for a violation of this Ordinance, the Police Chief, Fire Chief or any other City staff may refer the license to Council for revocation or suspension of a license issued under this Ordinance in connection with a particular short-term residential unit for repeat violations or any violation which may constitute a danger to health and City or nuisance of this Ordinance regarding that unit within any 12 (twelve) month period. In addition, the renewal of a license issued under this Ordinance or an application for a new license under this Ordinance may be denied if the licensee or applicant has been found guilty of any provision of this Ordinance or has been determined to be in violation of any provision of this Ordinance in connection with a civil proceeding. If a business license is revoked all permit(s) under that license will be revoked simultaneously.

13. Enforcement.

Officers of the Police Department are authorized to enforce or assist in the enforcement of this Ordinance, including, but not limited to, causing a summons to be issued for violations to the operator to appear in municipal court. Any violation of this Ordinance shall constitute an offense punishable by a fine of up to \$500.00 per violation and/or imprisonment up to 30 days.

Section 2. The terms and provisions of this ordinance are severable. If any part or portion of this ordinance is declared invalid, void, or unconstitutional, that portion shall be deemed severed, and the remaining portions of the ordinance shall remain in full force and effect.

Section 3. All ordinances or parts of ordinances, in any manner expressly conflicting herewith are hereby repealed.

Section 4. This ordinance shall become effective upon its publication as required by law.

Duly Passed and Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

COUNCIL:

\_\_\_\_\_  
Council President Turner Townsend  
District #5

\_\_\_\_\_  
Council Member Sonya W. Rich  
District #1

\_\_\_\_\_  
Council Member Eugene Goolsby  
District #2

\_\_\_\_\_  
Council Member Greg Padgett  
District #3

\_\_\_\_\_  
Council Member Scotty Johnson  
District #4

ATTEST:

\_\_\_\_\_  
Beverly Sweeney  
City Clerk

Transmitted to the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Beverly Sweeney  
City Clerk

ACTION OF THE MAYOR:

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
William E. Cooper  
Mayor

ATTEST:

\_\_\_\_\_  
Beverly Sweeney  
City Clerk