

Note: Proposed amendments for consideration at November 9, 2021 Council Meeting highlighted in yellow.

ORDINANCE NO. 21-115

OFFERED BY: MAYOR SHUBERT

AN ORDINANCE AMENDING CHAPTER 876, "SHORT-TERM RENTAL OPERATIONS," OF THE BUSINESS REGULATION CODE OF THE CITY OF HUDSON.

WHEREAS, pursuant to Ord. No. 20-160, passed on February 2, 2021, this Council adopted a set of regulations concerning the use of short-term rentals in the City of Hudson, Ohio; and

WHEREAS, with the assistance of City Staff, this Council has reviewed the first year of implementation of Chapter 876, "Short-Term Rental Operations," and believes that certain modifications should be made to the existing regulatory system contained therein; and

WHEREAS, this Council reached out to local stakeholders for comment on the newly enacted short-term rental regulations including holding a public hearing for the purpose of both engaging the Hudson community and soliciting testimony with respect to whether the City of Hudson should amend the regulations concerning short-term rentals; and

WHEREAS, this Council finds and concludes that amending Chapter 876, "Short-term Rental Operations," of the Business Regulation Code of the Codified Ordinances of the City of Hudson, promotes the public health, safety and welfare of the City and its residents and effectively balances the diverse interests of the City of Hudson's short-term rental owners, renters, property owners, and residential communities.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Hudson, County of Summit, State of Ohio, that:

Section 1. Chapter 876, "Short-Term Rental Operations," of the Business Regulation Code, of the Codified Ordinances of the City of Hudson be amended in part to read as follows:

**"CHAPTER 876
Short-Term Rental Operations**

876.01 DEFINITIONS.

As used in this chapter:

(a) "Dwelling" means any building or structure which is occupied or intended for occupancy in whole or in part as a home, residence, or sleeping place for one or more persons. **"Dwelling" shall not include a detached accessory dwelling.**

(a.1) "Detached accessory dwelling" means an accessory dwelling unit in a separate detached structure on the same lot as the main dwelling (For example: garages or carriage houses) regardless of whether the accessory dwelling unit operates as an independent living facility with provision made for cooking, eating, sanitation, or sleeping.

(b) "Guestroom" means a room offered to the public for a fee that contains, at a minimum, provisions for sleeping.

(c) "Hosting platform" means a person or entity in whatever form or format that facilitates, through advertising or any other means, a short-term rental booking transaction for accommodations between a short-term rental host and short-term rental guest, including, but not limited to, reservations and/or collection of payment for such accommodations on behalf of the short-term rental host. Examples include, but are not limited to, Airbnb, VRBO, and HomeAway.

(d) "Owner" means an individual(s), corporation, or partnership that has legal title to and control of a dwelling.

(e) "Permanent occupant" means persons who reside in a dwelling more than fifty- percent of the time during a calendar year; the dwelling in which the persons reside shall be referred to as their primary residence.

(f) "Primary residence" means a residence that is the usual place of return for housing as documented by at least two of the following: motor vehicle registration, driver's license, tax documents, lease copy, or a utility bill. An owner or permanent occupant can only have one primary residence.

(g) "Short-term rental" means any room or dwelling that is rented wholly or partly for a fee for less than thirty consecutive days by persons other than the permanent occupant or owner from which the permanent occupant or owner receive monetary compensation, whether such compensation is paid directly by the short-term rental guest or is collected and remitted to the permanent occupant or owner by a hosting platform. "Short-term rental" does not include a room in any hotel, or motel, or detached accessory dwelling, as defined elsewhere in the Codified Ordinances of the City of Hudson.

876.03 APPLICATION REQUIREMENTS FOR SHORT-TERM RENTAL PERMIT, NEW AND RENEWAL.

(a) An application for a short-term rental permit, and/or renewal of a permit, shall be made to the Community Development Director, or his/her designee, upon approved forms, for an application processing fee of \$100.00. **The initial application processing fee for a short-term rental permit shall be waived. The application processing fee shall only be waived once for any given dwelling that hosts a short-term rental. Subsequent applications and/or renewal applications for a short-term rental permit shall be accompanied by the aforementioned \$100.00 application processing fee.** City Council shall have authority to amend the fee amount from time to time to reflect the costs of administering this Chapter.

(b) The application for a permit to operate a short-term rental shall contain the following information:

(1) Name of the applicant, including mailing address, telephone number, and email address. For a non-owner-occupied short-term rental application, the permanent occupant shall provide sufficient information to demonstrate compliance with the primary residency requirement as outlined in Section 876.01(h);

(2) The names of the legal owner or owners of the property, including mailing address, telephone number, and email address;

(3) Sufficient information to demonstrate compliance with either the permanent occupancy or ownership requirements defined and outlined in Sections 876.01 and 876.04 of this Chapter;

(4) The names and addresses of any other short-term rental located in the City of Hudson that the applicant or property owner has any interest in, including, but not limited to, ownership, licensure, or management;

~~(5) The names of all hosting platforms that are used by the short-term rental host and proof of rental insurance for the unit rental~~

~~(6) The names of all advertising outlets in which the short-term rental host intends to advertise such rental if the short-term rental host is not using a hosting platform~~

~~(7)~~(5) The maximum number of occupants that will be accommodated at the short-term rental, not to exceed two (2) per bedroom, plus three (3) additional occupants. For example, in a short-term rental with two (2) bedrooms, the maximum number of occupants would be seven (7);

~~(8)~~(6) The maximum number of motor vehicles that will be permitted to park at the short-term rental; this number shall not exceed the number that can be garaged on premises plus two that may park in a driveway;

~~(9)~~(7) An affidavit **acknowledgement by the applicant** attesting that the short-term rental operation is in compliance with all applicable local, state, and federal laws and regulations concerning the provision of sleeping accommodations to transient guests; and

~~(10)~~(8) The contact name and telephone number for the short-term rental that may be used 24 hours a day, seven days a week for any issues that may arise related to the short-term rental unit or its transient guests.

(c) The applicant must notify the Community Development Director, or his/her designee, of any change in information contained in the permit application **regarding Sections 876.03(b)(1), (2), and (8) above** within ten (10) days of the change.

(d) Any change in ownership of the dwelling shall void the current short-term rental permit and shall require submission and approval of a new short-term rental permit application.

(e) A short-term rental shall be assigned an individual registration account number that must be prominently posted with the unit on any hosting platform(s) or in any other advertisement regarding the unit. Said valid registration shall be displayed but removed upon expiration.

(f) POSTED PUBLIC NOTICE AND COMMENT; FIRE DEPARTMENT INSPECTION.

(1) FIRE DEPARTMENT INSPECTION. A short-term rental shall be inspected by the City Fire Department on an annual basis prior to issuance and/or renewal of a permit to ensure compliance with all applicable Federal, State, and local fire safety statues, regulations, ordinances, and codes including the requirements set forth below in Sections 876.04(a)(4)-(5).

A. If a short-term rental fails to pass the City Fire Department inspection required pursuant to this section, then the short-term rental applicant may request a re-inspection, provided that the re-inspection request is submitted within sixty (60) days of the first inspection. The short-term rental permit application (or renewal application) shall be voided, and no permit will be issued (or renewed) if the proposed short-term rental fails to pass re-inspection.

(2) PUBLIC NOTICE AND COMMENT: For short-term rental permit applications in any residential zoning district, the City shall cause a temporary sign to be placed on the property which is the subject of the short-term rental application for the purpose of giving notice of the proposed short-term rental and soliciting public comment.

The City shall use any public comment received for the purpose of assisting in the City's evaluation of the short-term rental application's compliance with Section 876.05 of this Chapter. The temporary sign shall be placed on the property no less than fourteen (14) days before the short-term rental permit is issued by the City. The temporary sign notice requirements described in this Section shall not apply to timely filed renewal applications. Any public comment received during the notice period shall be kept on file by the City.

876.04 SHORT-TERM RENTAL HOST OPERATIONAL REQUIREMENTS.

(a) Short-term rental host requirements. A short-term rental host shall be the owner and/or the permanent occupant of the dwelling. The short-term rental host must provide: one (1) form of proof of identity, and two (2) pieces of evidence that the dwelling is the host's primary residence or two (2) pieces of evidence that the host is the owner of the dwelling.

(1) One (1) short-term rental permit per short-term rental operation may be issued.

(2) If a short-term rental host is not the property owner, but a permanent occupant of the dwelling, the host shall obtain permission from the property owner of the dwelling to register the dwelling on any hosting platform or to advertise the dwelling in any other manner for use as a short-term rental.

(3) The short-term rental host must provide written notice to the short-term rental guest of:

(i) The contact information, including a telephone number, of a local person who resides or is located within ten (10) miles of the dwelling unit with responsibility to resolve any complaints, regarding the condition, operation, or maintenance of a dwelling unit;

(ii) The trash and recycling collection days for the dwelling and any applicable rules and regulations pertaining to leaving or storing trash on the exterior of the dwelling. The short-term rental host shall provide proper trash and recycling containers for the short-term rental guest(s).

(4) Smoke detectors shall be provided and maintained within each sleeping area in each dwelling unit;

(5) One or more carbon monoxide detection devices shall be installed and maintained as close to the center of the dwelling unit and within close proximity to the living area and within each sleeping areas of the dwelling unit;

(6) Occupancy shall be limited to two (2) individuals per bedroom, plus three (3) additional occupants within the dwelling unit. For example, in a short-term rental with two (2) bedrooms, the maximum number of occupants would be seven (7);

(7) Maximum number of motor vehicles that will be permitted to park at the short-term rental: the maximum number of motor vehicles that are permitted to be parked at any short-term rental shall not exceed the number that can be garaged on-premises plus two (2) that may park in the attached driveway;

(8) Compliance with all other applicable provisions of the City of Hudson

Codified Ordinances related to residential housing **including the Land Development Code contained within Part 12 of the Codified Ordinances of the City of Hudson, Ohio and the International Property Maintenance Code contained within Chapter 1480 of the Codified Ordinances of the City of Hudson, Ohio;**

(9) All short-term rental hosts shall obtain liability insurance for the short-term rental. Each short-term rental shall at all times maintain the following insurance coverage meeting all of the following requirements: A general liability insurance policy or certificate that shall provide the following minimum coverage:

(i) Not less than three hundred thousand dollars (\$300,000). Such policy or certificate must be issued by an insurance company that is admitted to do business in the State of Ohio or by an eligible surplus lines company or risk retention group;

(ii) The policy or certificate shall provide notice of cancellation of insurance to the Community Development Director at least ten (10) days prior to cancellation; and

(iii) Any cancellation of insurance required by this section shall result in an automatic revocation of the respective short-term rental permit.

(10) Rentals for 30 or more consecutive days by the same guest(s) will not be subject to short-term rental regulations.

(11) A short-term rental operation shall not be permitted within a detached accessory dwelling.

(b) Records required. Short-term rental hosts that offer short-term rentals shall retain and, upon request, make available to the Community Development Director, or his/her designee, official records to demonstrate compliance with this Chapter, including, but not limited to, primary residency, the dates and duration of each stay in the short-term rental, the maximum occupancy permitted at the short-term rental, and the maximum number of motor vehicles permitted at the short-term rental. A short-term rental host that provides units for short-term rental use shall retain records for a period of at least ~~four (4)~~ **one (1)** years.

(c) Nothing in this Chapter shall be construed as permitting any person to obtain a permit or offer a short-term rental, where prohibited by any other provision of law.

876.06 REVOCATION AND SUSPENSION OF SHORT-TERM RENTAL PERMIT.

(a) The Community Development Director, or his/her designee, may revoke and/or suspend a short-term rental permit if it is determined that the activities set forth above in Sections 876.05(b) are determined to have occurred at the short-term rental; or a short-term rental unit is listed on a hosting platform or advertised elsewhere without the registration number as required under section 876.03(e); or is perpetuating conditions interfering with use and enjoyment of properties within its vicinity; or is delinquent in filing or payment with the City of Hudson Income Tax Division; or is engaging in conduct in violation of Section 876.08. Conditions interfering with use and enjoyment of properties within the vicinity of a short-term rental include, but are not limited to:

~~(1) — The occurrence of any of the activities set forth in the Hudson Codified Ordinances relating to noise disturbance, nuisance, drug offenses, or disorderly conduct;~~

~~(2)~~**(1)** Occupancy by a number of short-term rental users exceeding either (1) the maximum number included in the application for the short-term rental permit or (2) the maximum occupancy permitted pursuant to this Chapter;

~~(3)~~**(2)** Parking of a number of motor vehicles exceeding either (1) the maximum number included in the application for the short-term rental permit or (2) the maximum number of motor vehicles permitted at any short-term rental pursuant to this Chapter;

~~(4)~~**(3)** Uninvited entry of short-term rental occupants upon private property within five hundred (500) feet of the short-term rental;

(b) A violation of any of the conditions in Section 876.06(a) shall result in progressive discipline:

(1) Upon the first violation, the short-term rental host shall receive a written warning letter from the Community Development Director.

~~(1)~~ **(2)** Upon the ~~first~~ **second** violation, the permit for the short-term rental shall be terminated and the short-term rental host prohibited from re-applying for a new permit for six (6) months from the date of termination.

~~(2)~~ **(3)** Upon the ~~second~~ **third** violation, the permit for the short-term rental shall be terminated and the short-term rental host prohibited from re-applying for a new permit for one (1) year from the date of termination.

~~(3)~~ **(4)** Upon the ~~third~~ **fourth** violation, the permit for the short-term rental shall be terminated and the short-term rental host prohibited from re-applying for a new permit at any time in the future.

(c) The Community Development Director, or his/her designee, may revoke and/or suspend a short-term rental permit if it is determined that any of the activities set forth in the Hudson Codified Ordinances relating to noise disturbance, nuisance, drug offenses, or disorderly conduct have occurred at the short-term rental. A violation of this subsection (c) shall result in progressive discipline:

(1) Upon the first violation, the permit for the short-term rental shall be terminated and the short-term rental host prohibited from re-applying for a new permit for six (6) months from the date of termination.

(2) Upon the second violation, the permit for the short-term rental shall be terminated and the short-term rental host prohibited from re-applying for a new permit for one (1) year from the date of termination.

(3) Upon the third violation, the permit for the short-term rental shall be terminated and the short-term rental host prohibited from re-applying for a new permit at any time in the future.

876.07 APPEAL OF DENIAL OR REVOCATION OF PERMIT.

In the event an applicant has been denied a permit, or if a permit has been revoked or suspended, the party affected shall have the right to appeal **the denial, revocation, or suspension to the Board of Zoning and Building Appeals. Such appeal shall be made in conformity with Section 1202.03 of the Land Development Code. The notice of appeal shall be filed to the City Manager from such denial, revocation, or suspension within ten (10) business days of the denial, revocation, or suspension.** Notice of appeal shall be filed with the City Manager's office on a form created by the City Manager for such purpose, and the City Manager shall set the date and time of the appeal hearing. The burden of proof in such an appeal shall be upon the appellant to show that the denial or revocation was arbitrary or unreasonable.

~~876.09~~ ——— DISCRIMINATION PROHIBITED.

~~(a) A short term rental host shall not:~~

~~(1) Decline a short term rental guest based on race, sex, sexual orientation, gender identity or expression, color, religion, ancestry, national origin, age, disability, familial status, or military status;~~

~~(2) Impose any different terms or conditions based on race, sex, sexual orientation, gender identity or expression, color, religion, ancestry, national origin, age, disability, familial status, or military status;~~

~~(3) Post any listing or make any statement that discourages or indicates a preference for or against any short term rental guest on account of race, sex, sexual orientation, gender identity or expression, color, religion, ancestry, national origin, age, disability, familial status, or military status.~~

876.10 RULES AND REGULATIONS.

The Community Development Director may promulgate and enforce reasonable rules and regulations to carry out the intent of this Chapter **so long as said rules and regulations are not in conflict with the terms of this Chapter.**

876.99 SHORT-TERM RENTAL PENALTY.

(a) Whoever violates Section 876.02(a) of this Chapter shall be guilty of a misdemeanor of the ~~first~~ **third** degree, the penalty for which shall be a maximum fine of ~~one thousand dollars (\$1,000)~~ **five hundred dollars** and imprisonment for a maximum period of ~~one hundred and eighty (180)~~ **sixty (60)** days, or both, in addition to any other penalties as imposed by this Chapter. **Upon subsequent convictions, the penalty shall be a misdemeanor of the first degree, the penalty for which shall be a maximum fine of one thousand dollars (\$1,000) and imprisonment for a maximum period of one hundred and eighty (180) days, or both, in addition to any other penalties as imposed by this Chapter.**

(b) Unless otherwise specified, whoever violates any provision of this Chapter shall be guilty of an unclassified misdemeanor and shall be fined not more than five hundred dollars (\$500.00) in addition to any other penalties as imposed by this Chapter. Upon subsequent convictions, the penalty shall be an unclassified misdemeanor but the guilty party shall be fined not more than one thousand dollars (\$1,000.00), in addition to any other penalties as imposed by this chapter.”

Section 2. Chapter 876, “Short-Term Rental Operations,” of the Business Regulation Code, of the Codified Ordinances of the City of Hudson, to the extent not amended by this Ordinance shall remain in full force and effect.

Section 3. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council, and of any of its committees that resulted in such formal action, were in meetings open to the public in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 4. This shall be in full force and effect from and after the earliest period allowed by law.

PASSED:

Craig A. Shubert, Mayor

ATTEST:

Elizabeth Slagle, Clerk of Council

I certify that the foregoing Ordinance No. 21-115 was duly passed by the Council of said Municipality on _____, 2021.

Elizabeth Slagle, Clerk of Council

First Reading: October 5, 2021
Second Reading: October 19, 2021
Third Reading: November 9, 2021