#### ORDINANCE# 2023-22

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FLORENCE, ALABAMA, that Chapter 5 of the <u>Code of Florence</u>, <u>Alabama</u>, as amended, is hereby amended to add Article IX. Short-Term Residential Rental Regulations to read as follows:

#### ARTICLE IX. SHORT-TERM RESIDENTIAL RENTAL REGULATIONS

## Sec. 5-270. Purpose and intent.

The purpose of this article is to facilitate the sharing economy while implementing rationally based, reasonably tailored regulations to:

- 1. Protect the public health, safety, and general welfare of individuals and the community at large;
- 2. Give law abiding, respectful citizens the option to utilize their homes as short-term rentals;
- 3. Monitor and provide reasonable means for citizens to mitigate impacts created by occupancy of short-term rental units;
- 4. Preserve the character, integrity, and stability of neighborhoods in which short-term rental properties are located.

This article does not apply to hotels, motels, inns, bed and breakfasts, or long-term residential rental establishments.

#### Sec. 5-271. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

- 1. Additional Dwelling Unit (ADU) shall mean a smaller, independent residential dwelling unit located on the same lot as a single-family home. ADUs go by many different names throughout the United States, including accessory apartments, carriage houses, and secondary suites. ADUs can be converted portions of existing homes (i.e., internal ADUs), additions to new or existing homes (i.e., attached ADUs), or new stand-alone accessory structures or converted portions of existing stand-alone accessory structures (i.e., detached ADUs).
- 2. <u>Bedroom</u> shall mean an attached room which is intended, arranged, or designed to be occupied by one or more persons primarily for sleeping purposes and must meet the minimum requirements of the International Building Code adopted by the City of Florence.
- 3. <u>Guest</u> shall mean anyone who has a home address somewhere other than where he or she is spending the night and other than where he or she pays a fee for accommodations.
- 4. <u>Guest Room</u> shall mean a room used or intended to be used by one or more guests for living or sleeping purposes.
- 5. Innkeeper shall mean any person who is furnishing for value to the public any room(s), lodging, or accommodations.
- 6. <u>Local Contact Person</u> shall mean a person, firm or agency representing an owner or owners of a short term rental who has access and authority to assume management of the short term rental and take remedial measures.
- 7. <u>Bed and Breakfast</u> shall mean an owner-occupied, transient lodging establishment, generally in a single-family dwelling or detached guesthouse, primarily engaged in providing overnight or otherwise temporary lodging for the general public in which the only meal served to guests is breakfast.
- 8. <u>Dwelling Unit</u> shall mean a single unit of residence for a family or one or more persons.

- 9. <u>Garage Apartment</u> shall mean a structure above a private garage in which provision is made for one dwelling unit.
- 10. Owner shall mean the owner of record of any land and residential and accessory structures located thereon to whom property tax is assessed, as shown on the latest equalized assessment roll of the county.
- 11. <u>Primary Residence</u> shall mean a housing unit in which an owner or lessee resides verified by two of the following forms: current driver's license, property tax notice, or personal income tax return.
- 12. <u>Short-Term Rental (STR)</u> shall mean an entire residential unit or a portion thereof, used for accommodations or lodging of guests paying a fee for a period of less than 30 consecutive days; a short-term rental shall not contain more than four bedrooms.
- 13. <u>Transient Occupancy Tax (TOT)</u> shall mean a local tax on persons staying 30 days or less in a hotel, inn, motel, tourist home, non-membership campground or other lodging facility. Also called Transient Lodging Tax or Bed Tax.

# Sec. 5-272. Applicability.

It shall be unlawful for any owner of any property within the City of Florence to rent or operate a short-term rental of residential property contrary to the procedures and regulations established in this article, other provisions of this Code, or any applicable state law.

- 1. The restrictions and obligations contained in this article shall apply to short term rentals at all times during which such residential properties are marketed and used as short term rentals.
- 2. The allowance of short term rentals pursuant to this section shall not prevent enforcement of additional restrictions that may be contained in private restrictive covenants or other private contractual agreements or arrangements.

#### Sec. 5-273. Permitted districts.

A short-term rental as defined herein shall be permitted in the following zoning districts when in compliance with these regulations and any other adopted City of Florence ordinances and codes including, but not limited to, zoning, building, and fire:

- 1. Single-Family Residence District / Conventional Lots (R-1)
- 2. Single-Family Residence District / Small Lots (R-2)
- 3. Multi-Family Residence District (R-3)
- 4. Residence-Business District (R-B)
- 5. General Business District (B-2) \*Only allowed in residential dwellings second story and above.
- 6. Central Business District (B-3)
- 7. Sweetwater District (SD)
- 8. Planned Unit Development (PUD). Requires specific approval of the Planning Commission and City Council in accordance with the regulations herein and the City of Florence Zoning Ordinance Chart of Permitted Uses.

If this section ever contradicts the City of Florence Zoning Ordinance, including the Chart of Permitted Uses, then the City of Florence Zoning Ordinance takes precedence over this section. In addition, operation of a short-term rental in any historic district requires approval from the City of Florence Board of Zoning Adjustment.

# Sec. 5-274. Permit, certificate of occupancy, and business license requirements.

# (a) Generally

- 1. Every person engaging in or about to engage in business as an operator of a short term rental shall immediately apply for a permit and obtain a license for the business.
- 2. Persons engaged in such business must apply for a permit and license no later than 180 days after this article becomes effective.

- 3. The required permit and license shall set forth the name under which the property is owned, and other such information as would be required.
- 4. A separate permit is required for each individual location of a short term rental.
- 5. A separate certificate of occupancy is required for each individual location of a short term rental.
- 6. A separate business license is required for each individual location of a short term rental.
- 7. All applications for a permit or permit renewal shall be reviewed by City officials including, but not limited to, the Building Official (or their designee); the Fire Chief (or their designee); and the City Clerk (or their designee).

# (b) Application

Each person seeking to obtain a permit to operate a short term rental shall submit an application to the City of Florence Building Department on a form provided by the same as well as an application to the Office of the City Clerk for a business license on a form provided by the same. All applications shall be accompanied by the payment of applicable fees as set forth in a schedule of fees adopted by the City Council and amended time to time. Said application shall include:

- 1. A statement that each applicant is a citizen or legal resident of the United States:
- 2. Permanent address, phone number and email address of each applicant;
- 3. The address of the short term rental;
- 4. The current set room rates and fees;
- 5. A copy of a deed showing the applicant to be the owner of the premises for which the permit is sought;
- 6. A copy of approval from the Lauderdale County Health Department if the property is on a septic system;
- 7. A copy of the passed inspection report or other similar approval from the Florence Fire Marshal;
- 8. Copy of the guest occupancy agreement as required;
- 9. Proof of vacation rental property insurance;
- 10. Documents showing compliance with state, county, and municipal taxes and fees, and sales taxes;
- 11. The name, address, telephone number and email address of the Local Contact Person; and
- 12. Any other information as may be required by the City of Florence.

#### (c) Issuance of permit

Upon determining that a permit application is complete, a business license is complete, and all applicable fees are paid, and all the standards of this article are satisfied, the Building Department shall issue the appropriate permit and certificate of occupancy for the calendar year in which approval was granted. Likewise, the City Clerk shall issue a business license for the calendar year in which approval was granted.

#### (d) Renewal of permit and business license

All permits and business licenses issued pursuant to this article are annual permits effective from January 1 to December 31 of each year. Holders of existing permits in good standing shall apply for renewal for the next calendar year by filing a permit renewal application in proper form and tendering the required fees. Holders of existing business licenses in good standing shall apply for renewal for the next calendar year by filing a business license renewal application in proper form and tendering the required fees. Renewal applications shall be accompanied by compliance documentation in the same manner as new applications. All applications for a permit or permit renewal shall be reviewed by City officials including, but not limited to the Building Official (or their designee); the Fire Chief (or their designee); and the City Clerk (or their designee).

# (e) Transfer of permit not allowed

Permits are issued to the applicant and do not carry with the land or premises. No permit issued pursuant to this article shall be transferred from one person to another. Any violation of this section shall constitute due cause for revocation of the permit.

# (f) Revocation of permit and business license

Any permit and/or business license issued pursuant to this article may be revoked following all applicable notices and/or hearings for any of the following causes:

- 1. Any fraud, misrepresentation or false statement contained in the application;
- 2. Any fraud, misrepresentation or false statement made in connection with any transaction;
- 3. Any violation of this article; or
- 4. The conducting of the business permitted under this article in an unlawful manner or in such a manner as to constitute a breach of the peace or to constitute a menace to the health, safety, or general welfare of the public.

Notice of hearing for the revocation of a permit issued pursuant to this article shall be issued in writing, setting forth specifically the grounds of the complaint and the time and place of the hearing. The notice shall be served on the owner of record by handing the same personally to the person operating the business, or by mailing the same, postage prepaid, to the last known address at least thirty (30) days prior to the date set for the hearing.

# Sec. 5-275. Operations Standards.

## (a) Local Contact Person duties and requirements

- 1. Each owner of a short term rental shall designate a Local Contact Person who has access and authority to assume management of the short term rental and take remedial measures while the short term rental is being rented to a guest.
- 2. An owner of a short term rental may designate herself or himself as the Local Contact Person.
- 3. The Local Contact Person shall be at least 21 years of age.
- 4. There shall only be one designated Local Contact Person for a short term rental at any given time.
- 5. The Local Contact Person shall be required to respond to the location of the short term rental 24 hours a day, seven days a week, and within thirty (30) minutes after being notified by the City of the existence of a violation of this article or any other provision of the Code of Florence, Alabama, or any disturbance or complaint requiring immediate remedy or abatement regarding the condition, operation, or conduct of occupants of the short term rental.
- 6. An owner may retain a managing agent, managing agency, operator, or representative to serve as the Local Contact Person to comply with the requirements of this section, including, without limitation, the management of the short term rental and the compliance with the conditions of the license.
- 7. The owner of the short term rental is responsible for compliance with the provisions of this article and the failure of the Local Contact Person to comply with this section shall be deemed noncompliance by the owner.
- 8. The owner must immediately notify the Office of the City Clerk in writing upon a change of Local Contact Person's name or contact information.

#### (b) Display of permit, license, and notifications

Every holder of a permit issued pursuant to this article shall keep such permit and city business license conspicuously displayed in the short term rental. Each short term rental shall post a legible notification clearly visible to all guests containing the following information:

- 1. The name and contact information of the Owner and Local Contact Person and the telephone number at which the parties may be reached on a 24-hour basis.
- 2. The maximum number of overnight occupants permitted.
- 3. Notification that an occupant may be cited and fined for creating a disturbance or for violation of this article or any other sections of the Code of Florence, Alabama.
- 4. Notification that the short term rental location cannot be utilized for special events, parties, or private functions as defined herein.

#### (c) Records

Each operator of a short term rental must keep a guest register containing the date of arrival, full legal name of the guest renting the short term rental, current physical address of the guest renting the short term rental, and the make, model, color, and license plate number of the guest's vehicle. Each operator of a short term rental shall keep for a period of at least three years the above-described register, along with all records, receipts, invoices and other pertinent papers setting forth rental charged for each occupancy, the date or dates of occupancy, and such other information as required by the City of Florence. Said records shall be made available for examination by the City of Florence, State of Alabama, any authorized law enforcement agency, or their authorized agents.

#### (d) Advertisement

The permit number shall be included on all advertisements for the short term rental.

## (e) Food and beverage

Owners or operators shall not be permitted to serve food to guests for sale. No food preparation, except beverages, is permitted within individual guestrooms by heating elements including, but not limited to, hot plates, steam tables, toasters and toaster ovens, ovens, air fryers, and other electric or gas-powered food preparation methods or elements.

# (f) Special events and functions

Short term rentals shall be utilized for overnight lodging only. Special events or private functions including, but not limited to parties, weddings, and concerts, are not permitted in short term rentals

### (g) Guest behavior

Guests of the short term rental must comply with all applicable city ordinances and regulations including, but not limited to zoning, building, fire safety, noise, recycling, and garbage disposal.

### Sec. 5-276. Accommodation standards.

#### (a) Ownership

Ownership of dwellings to be permitted and licensed for Short-Term Rental shall include any individual, firm, partnership, LLP, LLC, corporation, estate, trust, etc. Sub-letting of a Short-Term Rental is prohibited.

# (b) Types of units

The following allowable dwelling units may be utilized for Short-Term Rental:

- 1. Single-family, detached
- 2. Single-family, attached (i.e. condominium). Units available for short-term rental shall be designated at the time of application and may not change within the permitting period.

- 3. Multi-family units up to ten (10) percent. Units available for short-term rental shall be designated at the time of application and may not change within the permitting period.
- 4. Mobile homes in a designated mobile home park provided the unit is on a permanent foundation.
- 5. Additional Dwelling Units (ADUs) (i.e. carriage houses, converted garages).

### (c) Unit characteristics

- 1. No exterior alterations may be made to a residence to indicate that it is being used as a short term rental. House numbers shall be visible from the public street at all times.
- 2. No recreational vehicles shall be used as a short term rental.
- 3. Only a bedroom as defined herein shall be used as a guestroom, and the number of guests allowed per bedroom shall be determined by the Building Official and Fire Inspector utilizing adopted codes. In case of conflict, the more stringent regulation applies.
- 4. Parking for the Short-Term Rental shall be in accordance with the City of Florence Zoning Ordinance.

#### (d) Safety Requirements

All structures used for short term rentals shall satisfy the current International Fire Code, International Building Code, and International Property Maintenance Code as adopted by the City of Florence. All owners of short term rentals shall comply with all rules and regulations set forth by the Lauderdale County Health Department and the Alabama Department of Public Health for the operation of tourist or guest accommodations.

### (e) Insurance Requirements

All short term rental owners shall obtain and maintain vacation rental property insurance that specifically covers use of the property and structure as a short term rental. Proof of insurance is required for permitting and licensing. All short term rental owners shall obtain and maintain appropriate liability coverage that covers injury and damage to hosts, guests, and others. For condos and other developments with common spaces, coverage needs to be in accordance with liability insurance for shared spaces.

BE IT FURTHER ORDAINED BY THE CITY COUNCIL OF THE CITY OF FLORENCE, ALABAMA, that the City Clerk is hereby authorized and directed to publish this ordinance in the *TimesDaily* and that this ordinance shall go into effect upon its passage, approval, and publication as provided by law.

**ADOPTED** this the 10<sup>th</sup> day of July, 2023

/s/ Kaytrina Simmons

/s/ William D. Jordan

/s/ Bill Griffin

/s/ Michele Eubanks

/s/ Blake Edwards

/s/ Jimmy Oliver

**CITY COUNCIL** 

**APPROVED** this the 10<sup>th</sup> day of July, 2023

/s/ Andrew Betterton MAYOR

**ADOPTED AND APPROVED** this the 10<sup>th</sup> day of July, 2023

/s/ Robert M. Leyde
CITY CLERK-TREASURER