ORDINANCE NO.

AN ORDINANCE CREATING A NEW SECTION UNDER CHAPTER 22 – BUSINESS -ARTICLE VIII, SECTION 400-406; SHORT-TERM RENTAL REGULATIONS, ADDING A PERMIT FEE UNDER APPENDIX "B", SECTION 22-406; PROVIDING FOR A PENALTY AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DEER PARK:

WHEREAS, the City Council of the City of Deer Park finds that the increased use of short-term rentals throughout the City's neighborhoods can have tremendous impact on the City resident's quality of life. Due to the nature of short-term rentals, they can cause noise complaints, parking issues, overcrowding, and disturbances within the City's neighborhoods; and

WHEREAS, the City Council has heard evidence of the necessity of the proposed short-term rentals regulations and finds the regulations are needed to preserve the quality of life for the residents of Deer Park.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF DEER PARK, TEXAS

Section 1 – Section 22, Article VIII, Sections 400 – 406 are hereby created as listed below:

1. Section 22-400 – Definitions.

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

Agent; means a person designated in writing by a short-term rental owner or operator, in lieu of themselves, as the twenty-four (24) hour emergency contact for a lawfully operating short-term rental.

City; means the City of Deer Park, Texas.

Director; means the City Engineer to administer and/or enforce the provisions.

Guest; means a person contracting with a short-term rental for use of a residential dwelling or bedroom(s) as a short-term rental and the person's invitees at the short-term rental.

Hotel; occupancy tax means tax paid in accordance with V.T.C.A., Texas Tax Code Chapter 351,

Chapter 28, and Chapter 102 of the City Code of Ordinances.

Operator; means any person who operates a short-term rental, as defined in this article.

Owner; means the person or entity that holds legal and/or equitable ownership or title interest to real property rented out as a short-term rental.

Person; means any individual, corporation, business, or other organization.

Short-term rental; means a residential dwelling unit or bedroom(s) that is rented out for compensation on a temporary basis for less than thirty (30) consecutive days.

Short-term rental permit (permit); means a permit issued by the city that authorizes the use of a residential property as a short-term rental.

2. Section 22-401 – Short-term rental permit required.

No person shall hereafter advertise, offer to rent, rent, or lease a residential property within the city as a short-term rental without first obtaining a permit from the city.

3. Section 22-402 – Short-term rental permit application.

(a) Each application for a permit shall be accompanied by a nonrefundable permit application fee, in accordance with Appendix B, Section 22-406, schedule of fees, and shall include the following information:

- Proof of home ownership with the name, address, phone number and e-mail address of the property owner(s) of the short-term rental property:
- (2) Name, address, e-mail address, and twenty-four (24) hour phone number of an emergency contact person who is the owner, operator, or designated agent and who shall be responsible and authorized to respond to complaints concerning the shortterm rental within one (1) hour or less;
- (3) The number of bedrooms to be used for short-term rental occupancy, which shall be verified during the initial inspection;
- (4) Name, address, e-mail address, and telephone number of the short-term rental property owner, operator, agent and mortgagee;
- (5) Zoning classification of the property;

- (6) Acknowledgement of whether the premises was operated as a short-term rental during the twelve (12) months before the date of the permit application and whether the city's hotel occupancy tax for the previous twelve (12) month period was paid to the city;
- (7) Acknowledgement of receipt of a copy of this article and the owner's agreement to comply with all provisions of this article as a condition to issuance of a permit.
- (8) <u>Copy of Hazard Insurance and Liability Insurance.</u>
- (b) A permit shall not be transferrable.

(c) Unless previously revoked by the director pursuant to this article, a permit expires one (1) year after its date of issuance, except if a permit holder commits no more than one (1) substantiated violation of this article during the permit period, the permit shall automatically be extended for one (1) additional year. No permit shall extend beyond a two (2) year term.

(d) The permit holder, prior to renting a short-term rental to guests, shall provide updated information to the city of any changes to the name, address and twenty-four (24) hour telephone number of the emergency contact person who is the owner, operator or designated agent responsible and authorized to respond to complaints concerning the short-term rental.

(e) The city shall maintain an updated list of all active short-term rental permits, including their addresses and emergency contact numbers, that are accessible to the city's emergency services.

4. Section 22-403 – Inspection required.

(a) *Initial Inspection*. Upon the application for a permit, and prior to the occupation of a short-term rental by guests, the applicant shall schedule an initial inspection of the residential structure with the fire marshal's office to determine compliance with the following minimum occupancy standards:

- (1) Number of bedrooms.
- (2) Working smoke detector installed in bedrooms.
- (3) Working smoke detector installed in hallways.

- (4) Bedrooms have two (2) means of escape. (one operable emergency escape and rescue opening as required by all appliable law).
- (5) Working CO detectors
- (6) Fire Extinguisher present, accessible & inspected.
- (7) An evacuation plan shall be posted conspicuously in each permitted sleeping area.
- (8) Any room or sleeping area in an Short term Rental that does not comply with this section shall not be used as a sleeping area and where equipped with a door, shall remain locked at all times when the is being used as an Short Term Rental. Such non-compliant sleeping area shall not be included in the maximum occupancy calculation for Short Term Rental. The owner/operator shall notify every occupant that the non-compliant sleeping area may not be used for sleeping.
- (9) Fire and life safety fire inspections must be completed annually as part of the Short Term Rental Permit process.

(b) *Re-inspection deficiencies.* If, upon completion of the initial inspection, the premises are found to be deficient in one (1) or more provisions of this section, the city shall provide written notice of such deficiencies. It shall be the applicant's responsibility to schedule a re-inspection of the premises, and a permit shall not be issued until the premises pass inspection.

(c) *Renewal certification*. Each owner shall annually certify in writing that the premises complies with the initial inspection occupancy standards of this subsection prior to the issuance of each renewal permit.

(d) *Additional inspections authorized.* At is sole discretion, the city may perform additional inspections of a permitted short-term rental when a violation(s) of this article is reported or suspected.

5. Section 22-404 – Restrictions on short-term rentals.

(a) *External signage*. There shall be no external on-site or off-site advertising signs or displays indicating a property is a short-term rental.

(b) *Limit on occupants*. No more than two (2) adult guests per bedroom, and no more than two (2) additional adults shall be allowed in a short-term rental, except that there shall be a maximum occupancy of ten (10) persons, including adults and children.

(c) *Parking.* The owner shall provide off-street parking on the premises of the short-term rental to accommodate at least one (1) motor vehicle per bedroom. Guests who park on the public right-of-way shall do so in a manner that preserves the ingress and egress of adjacent and neighboring properties. No parking shall be allowed on an unimproved surface.

(d) *Advertisements*. Any advertisement of a property as a short-term rental shall contain language that specifies the following information:

- (1) City short-term rental permit number.
- (2) Maximum permitted occupancy limits.
- (3) Off-street parking requirements.
- (4) A Written prohibition against using the property as a party or entertainment venue or for any commercial or nonresidential use that violates the city's zoning regulations.

(e) *Posting of permit.* Each short-term rental owner shall post a copy of the city-issued permit at a visible location inside the primary entrance to the dwelling. The permit shall contain the following information:

- The owner, operator or designated agent's name and twenty-four (24) hour contact telephone number;
- (2) Location of the fire extinguisher(s):
- (3) Maximum permitted occupancy;
- (4) Description of the required off-street parking requirements.
- (5) Written prohibition against using the property as a party/entertainment venue or any commercial/nonresidential use that violates the city's zoning regulations.

(f) *Twenty-four (24) hour available contact person.* Should a law enforcement officer respond to a complaint regarding a short-term rental and issue a citation or warning of any violation of city ordinances or other law, the responsible agent may be contacted by the office. If contact is made, the agent shall contact the occupants of the short-term rental within one (1) hour of the contact from the city to address the occupants regarding the complaints.

- (g) *Other restrictions*. It shall be unlawful:
 - To operate a short-term rental that fails to comply with all applicable city and state laws and codes;
 - (2) To offer or allow the use of a short-term rental for the purpose of having a party venue or any commercial/nonresidential use that violates the city's zoning regulations;
 - (3) To fail to include a written prohibition against the use of a short-term rental for use as a party venue in each advertisement, listing, or other publication offering the premises for rent;
 - (4) To allow the rental of a short-term rental for less than a twenty-four (24) hour period; or
 - (5) To allow the use of tents, hammocks, recreational/camper vehicles or other vehicles and outdoor areas that are not residential dwellings as short-term rentals.

6. Section 22-405 – Permit denial or revocation.

The director may determine whether a permit required under this article should be denied or revoked for the reasons set forth below. Written notice of the proposed denial or revocation of a permit shall be provided to the applicant, along with a copy of the reasons detailed below and a statement informing the applicant of their right to contest the denial or revocation of the permit in the manner set out below.

(a) *Reasons for denial or revocation of permit.* The application shall be denied, or a permit may be revoked, if the city finds:

(1) The property is not in compliance with the applicable zoning requirements;

- (2) Any statement made in the application is incomplete, inaccurate, misleading, or false;
- (3) Three (3) or more substantiated violations of this ordinance, and any applicable federal, state or local law, occurred within a twelve (12) month period;
- (4) The applicant owes an outstanding debt to the city for any reason, except for ad valorem taxes and special assessments;
- (5) An owner operates short-term rental without registering and paying all local, county, and state hotel occupancy taxes in accordance with V.T.C.A., Texas Tax Code Chapter 351, Chapter 28, and Chapter 102 of the City code or ordinances.

(b) *Appeal.* Prior to the denial or revocation of a permit, the director shall notify the owner, in writing, of the reason for which the permit is being denied or revoked and that the permit shall be considered denied or revoked at the end of the tenth (10th) calendar day following service of such notice ("notice period") unless a written request for a hearing is received by the director within the notice period. If a written request for a hearing is received by the director within the notice period. If a written request for a hearing is received by the director within the notice period: (1) the revocation shall not take effect until the conclusion of a hearing process; (2) no less than two (2) business days before the hearing, the director shall provide the owner with notice of the time and place of the hearing; and (3) at the conclusion of the hearing the City Manager shall make findings based on a preponderance the evidence reviewed at the hearing.

(c) Administrative process. A notice required by this section is property served when it is delivered to the owner via hand-delivery, or when it is sent by registered or certified mail, return receipt requested, or when it is sent via any courier service that provides a return receipt showing the date of actual delivery to the last known address of the owner. A hearing provided for in this section shall be conducted by the City Manager, who shall make final findings to sustain, modify, or rescind the notice of denial or revocation considered in the hearing. A written report of the hearing decision shall be furnished to the owner by the City Manager within ten (10) business days following the conclusion of the hearing.

7. Section 22-406 – Penalties.

Any person who knowingly or intentionally violates any subsection of this ordinance shall be punishable as set in Appendix "B", Section 22-406.

Section 2. Adding Section 22-406 to Appendix "B".

Fine amount for violation of Short-Term Rental Ordinance Appendix "B", Section 22-406:

(a) Any person who knowingly or intentionally violates any subsection of this ordinance shallbe punishable by a fine not to exceed \$500.00

(b) Each day the property is used or advertised as a short-term rental in violation of this article shall constitute a separate offense.

Section 3. Severability. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, phrases and words of this ordinance are severable, and if any section, paragraph, sentence, clause, phrase or word(s) of this ordinance shall be declared unconstitutional or otherwise invalid, such unconstitutionality or invalidity shall not affect any of the remaining sections, paragraphs, sentences, clause, phrases and words of this ordinance since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional or invalid portion of the ordinance.

Section 4. Publication and Effective Date. This ordinance shall be effective upon adoption and publication of this ordinance or a caption that summarizes the purpose of this ordinance and the penalty for violating this ordinance published at least one time within ten days after final passage in the City's official newspaper per City Charter, Sec. 2.06(g)(A).

Section 5. Government Code. It is hereby officially found and determined that the meeting at which this Ordinance was adopted was open to the public, and that public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551 of the Government Code of the State of Texas.

In accordance with Article VIII, Section 1 of the City Charter, this Ordinance was introduced before the City Council of the City of Deer Park, Texas, **passed, approved and adopted** on this the ____ day of

___, 2025 by a vote of _____ "Noes" and _____ "Noes".

MAYOR, City of Deer Park, Texas

ATTEST:

City Secretary

APPROVED:

City Attorney