ARTICLE XIII SHORT TERM RENTAL ORDINANCE

§16-1301 <u>Purpose</u>. Whereas, Chatham County is vested with the authority and responsibility of protecting the safety, welfare and economic development in Chatham County, it is hereby the purpose of this ordinance to regulate the use of property in unincorporated Chatham County that is leased, rented or otherwise traded for money for a short term rental of less than 30 consecutive days.

§16-1302 Definitions.

- 1. <u>Short Term Rental</u> is any use of real property by leasing, renting, trading or otherwise bartering for funds or services for 30 days or less at one time. Short term rental shall not include allowing any family member or other blood kin to use any property nor shall this term apply to any use of property not done in exchange for consideration of funds or in kind services.
- 2. <u>Advertisement</u> means listing of any real property as a short term rental whether on a social media platform, app on smart phone, computer or other device, or printed ads.
- 3. <u>Board</u> means the Chatham County Board of Commissioners.
- 4. <u>Building Safety and Regulatory Services</u> means that department of the County as defined by the County Manager and referred to herein as "BSRS."
- 5. <u>Charitable Donations</u> shall mean the giving without compensation or other consideration the use of property to a registered 501(c)(3) to use by that charity.
- 6. <u>License</u> shall mean the documents issued by Building Safety and Regulatory Services annually that contain the official number granting the right to rent a rental unit pursuant to this Code Section.
- 7. <u>Occupancy rate</u> shall mean no more than two adults per bedroom plus two additional adults are permitted in the rental property. Should the rental property be a Recreational Vehicle or tent, the occupancy rate shall be that as listed by the manufacturer.
- 8. <u>Property</u> shall mean the real property parcel and dwelling unit(s) being offered for rental.
- 9. <u>Rental Unit</u> shall mean a dwelling that is offered for lease, rental, trade or barter. A house is generally defined as one

rental unit, regardless of number of rental opportunities being provided. A property may have multiple rental units when the property has separate structures located therein as determined in sole discretion of the Director of BSRS based upon definitions located in the Chatham County Zoning Ordinance or other common meaning.

- 10. <u>Tax Commissioner</u> shall mean the Tax Commissioner of Chatham County.
- 11. <u>Zoning Board of Appeals</u> shall mean the Zoning Board of Appeals of Chatham County.
- 12. Any term used herein that is also used in Chatham County's Zoning Ordinance shall have the same meaning as defined in the Zoning Ordinance.

§16-1303 License Requirement.

- 1. Any property being used as a short term rental shall have a license validly issued by BSRS.
 - a. Said license shall be posted inside the rental unit in a location easily visible to the persons who are renting the property.
 - b. In addition to the license, a sign shall be posted listing the parking rules, occupancy rate, any noise restrictions, emergency contact information and point of contact listed in the license.
 - c. Failure to post the applicable license and sign shall result in punishment up to and including the revocation of the license.
- 2. No person operating a property as a short term rental shall violate the occupancy rate outlined here.
- 3. It shall be a violation of this article to operate any short term rental without the required license.
- 4. Any license issued pursuant to this Section is nontransferrable and must be maintained by the person in whose name the license was issued. Any new owner shall apply for the license as with all other properties. If a property is deeded in the name of more than one person, the person applying for the license affirmatively represents that he or she has the consent of all parties holding legal title to the land.

- 5. Should any property owner have more than one rental unit, a license shall be required for each unless otherwise provided herein.
 - a. In the sole discretion of the County Manager or his designee, the Director of Building Safety and Regulatory Services, a singular license may be issued for multiple rental units or properties if the application of requiring individual licenses would not further the purpose of this Article.
 - b. Should any property owner have more than one rental unit, the violation of any section of this Article shall be grounds for the revocation of any license held for the purposes of short term rentals.
- 6. All advertisements must include a valid license number and conform to the scope of the license.
- 7. All persons being issued a license under this Code Section shall keep records sufficient to demonstrate that all information necessary to the collection and remittance of taxes as well as other issues of compliance with the license are kept and maintained until one year past the expiration of the license. Provided, however, should the license be renewed the license holder shall keep the records included herein for a period of three (3) years before the renewal date of the present license held.
- 8. All requirements outlined to obtain a license must be continuously maintained throughout the duration of the license. All changes are to be officially made in writing to the Department of Building Safety and Regulatory Services.

- Each property or rental unit subject to this ordinance shall qualify for a license when the following conditions have been met:
 - a. All applications for the initial license shall pay to Chatham County BSRS a fee of \$350.
 - b. All ad valorem taxes that are due at the time of the application shall be paid in full.
 - c. All rental units have been identified.

- d. All applicants must have an ownership interest. Renters of real property are not eligible for short term rental license.
- e. Each application shall be reviewed by the Chatham County Police Department or any other law enforcement agency to determine if illegal activity has occurred on the property in the last two years or since ownership of the property, whichever period is longer.
- f. Each application shall list a valid local point of contact that is responsible for receiving and responding to contact from both the renter and Chatham County or other governing bodies.
- g. Each application shall outline the parking rules of the rental and the manner in which any occupant shall comply with those rules.
- h. Each application shall be submitted to the Tax Commissioner to verify that all taxes owed on the property have been paid and to notify BSRS if the property is being used for homestead exemption or Stephen's Day exemption.
- i. Proof of current contract with marketplace innkeeper service(s) for collection of Hotel_Motel Tax on all eligible rentals or copies of returns for submission of tax directly to Chatham County Finance. as outlined in the Chatham County Article IV Hotel/Motel Tax and State sales and use taxes.
- j. Each application shall affirm that rentals regulated under this ordinance are not in violation of any other land usage restrictions to include covenants, deed restrictions, homeowner association rules and regulation or other such restriction.
- k. All animals being housed at any short term rental shall comply with the Animal Control Ordinance of the County including noise violations and all other regulations.
- 1. The property being used as a rental regulated under this Ordinance shall carry homeowner's or other structural coverage in an amount at least equal to the value of the structure or \$300,000, and the insurance declarations shall list the unit as a rental property.
- m. All rental units listed in any application must have the following services on site at each unit:

- i. Proof of fire subscription service
- ii. Fire extinguisher
- iii. Trash service that removes waste at least once a week.
- iv. All trash must be contained in secured containers when outside the residence.
- Each license once granted shall be valid until the next June 30th. License fees are not prorated

§16-1305 Renewal of Short Term Rental License.

- Each license shall be renewed annually by July 1. In order to qualify for a renewed license, each property or rental unit must:
 - a. Pay a \$350 renewal fee to Chatham County BSRS;
 - b. Affirm that all ad valorem taxes that are due at the time of the application have been paid in full;
 - c. Affirmatively list any contact with Chatham County Police Department or any other law enforcement agency requested by the County Manager to determine if illegal activity has occurred on the property in the last year;
 - d. Affirm the local point of contact that is responsible for providing information to both the renter and Chatham County or other governing bodies;
 - e. Affirm that all taxes have been collected and timely remitted to local and state authorities for hotel/motel or other taxes;
 - f. Affirm that to the best of the license holder's knowledge that all animals housed at the property have complied with the Animal Control Ordinance of the County including noise violations, immunizations and all other regulations;
 - g. Affirm that the rental unit is not in violation of any other land usage restrictions to include covenants, deed restrictions, Homeowner Association rules and regulations or other such restrictions; and,
 - h. Affirm that all the following services are provided on site:
 - i. Proof of fire subscription service

- ii. Fire extinguisher
- iii. Trash service that removes waste at least once a week.
- iv. All trash must be contained in secured containers when outside the residence.
- 2. The renewed license shall be valid for one year from the date the renewal is granted. Should a renewal be denied, the denial can be appealed as outlined below. Each license once granted shall be valid for one year from the date is license is granted.
- \$16-1306 <u>Right to Audit</u>. Chatham County or its authorized representatives ("County") shall have the right to audit, to examine, and to make copies of or extracts from all financial and related records (in whatever form they may be kept, whether written, electronic, or other) relating to or pertaining to County ordinances that are kept by or under the control of the Applicant, including, but not limited to those kept by the Applicant, its employees, agents, assigns, successors, and subcontractors. Applicant shall establish and maintain a reasonable accounting system to readily identify Applicant's assets, revenues and expenses.

§16-1307 <u>Suspension of License</u>.

- 1. Grounds for suspension:
 - a. For Public Safety the Chief of Police, the Sheriff, or the Director of the Counter Narcotics Team shall have the authority to suspend the license until investigation can be conducted upon a good faith belief that the suspension is in the best interest of the County's public safety. This suspension shall be valid for no more than 30 days without a hearing on the matter if one is requested by the license holder.
 - b. For Public Health, Welfare or Interest the County Manager shall have the authority to suspend the license until investigation can be conducted upon a good faith belief that the suspension is in the best interest of the County's public health, welfare, or public interest. This suspension shall be valid for no more than 30 days without a hearing on the matter if one is requested by the license holder.
 - c. Upon Repeated Public Complaints upon three or more complaints to BSRS or County Manager for violations of the Chatham County Code, state law, or this Article which

such violation amounts to a danger to the peace or welfare of the community, an investigation into license compliance shall occur. While such an investigation is conducted, the County Manager may, in his sole discretion, suspend the license. This suspension shall be valid for no more than 30 days without a hearing on the matter if one is requested by the license holder.

- d. For nonpayment of property taxes or hotel/motel taxes as authorized under County ordinances and state statutes.
- e. For failure to maintain a fire subscription for fire protection.

§16-1308 Revocation or Denial of License.

- 1. A license may be revoked or denied for any of the following reasons:
 - a. For Public Safety if the Chatham County Police Department or other law enforcement agency is called to the residence for substantiated complaints of noise, illegal drug use, or other violation of state or local law where arrest(s) are made and convictions result therefrom.
 - b. For Public Health and Welfare upon inspection by County officials, the accommodation is deemed to be of such a nature that it is unfit for human occupation and is a danger to the peace, public health or welfare of the community;
 - c. Any other circumstances that are deemed in the County Manager's discretion, or his designee, to make the rental non-conforming to this Article including:
 - i. Substantiated complaints for violations of any of the following:
 - (a) Parking regulations associated with the license;
 - (b) Criminal laws or noise violations to any law enforcement agency;
 - (c) Failure to pay hotel/motel tax, sales tax or other taxes except property taxes.
 - (d) Occupancy rates;
 - (e) Noise violations; or,

- (f) Other violations of the rules herein.
- d. Failure to make timely payment of any and all taxes/fees due to Chatham County related to the rental of the property.
 - i. Any fraud, misrepresentations, false statements or other attestations that are untrue shall be grounds for immediate revocation of the license.
- 2. Effect of Revocation Should a license be revoked under this ordinance, then no license shall be issued to that property owner for that location for 12 months. Each license is held per location and the license of one location shall not affect the other unless there is a factual reason to connect the properties and believe further violations of law will occur.
- 3. All requirements outlined to obtain a license must be continuously maintained throughout the duration of the license. All changes are to officially be made in writing to BSRS.
- \$16-1309 Appeal to Short Term Rental. All appeals shall be in writing to the County Manager. The County Manager shall have final decision-making authority with regards to any license issued, suspended or revoked under this article.
- \$16-1310 <u>Punishment of Violation of Ordinance</u>. Any violation of \$16-1303 wherein a short term rental is being operated without a license for greater than one night shall be issued a citation for failure to obtain a license, an immediate cease and desist order, and fined 50% of the license fee.
- 1. Should any property be cited for exceeding the parking limitations listed in the application for the license, the violation shall be punished by a fine of not less than \$100.
- 2. Should any property be cited for the noise ordinance of Chatham County, the violation shall be punished by a fine of not less than \$100.
- 3. Should any property be cited for exceeding the maximum occupancy rate, the punishment upon conviction shall be a fine of not less than \$150.
- 4. Should the Chatham County Police respond to any property violations under this article, the police shall forward any report to BSRS.

- 5. Nonpayment of taxes shall be subject to additional consequences as outlined in State statutes and County ordinances. See Article IV Hotel/Motel Tax.
- **§16-1311** <u>Effective Date</u>. This Ordinance shall become effective on July 1, 2020. (Ordinance adopted March 6, 2020.)