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### DRAFT LOCAL LAW NO. \_\_\_\_ OF 2018

# CITY COUNCIL CITY OF BEACON

# PROPOSED LOCAL LAW TO CREATE SECTION 223-26.4 OF THE CODE OF THE CITY OF BEACON

A LOCAL LAW to create Section 223-26.4 concerning Short-Term Rentals.

BE IT ENACTED by the City Council of the City of Beacon as follows:

**SECTION 1.** Chapter 223, Article III, Section 26.4 entitled "Short-Term Rentals," of the Code of the City of Beacon is hereby created as follows.

# § 223-26.4 Short-Term Rentals

- A. Findings. The City Council of the City of Beacon has determined that it is in the best interest of the City and its residents to restrict short-term rentals. The City Council finds that, in order to protect the health, safety and welfare of the City and its residents, it is necessary to restrict the rental of homes for terms shorter than 30 consecutive days, a practice which is growing in popularity with the advent of internet and social media-based programs that connect property owners and persons seeking short-term rentals. The City Council finds a reasonable likelihood of material disruption and adverse impact to residents if dwelling units in the City are allowed to be occupied by persons who are neither owners nor occupants for a duration that is insufficient to support an incentive to maintain the residence in a manner consistent with community standards. There is a greater tendency for Short-Term renters to fail to conduct themselves during their occupancy in a manner that respects neighbors and the community as would persons with longer standing relationships to their neighbors. In addition, studies have shown that short-term rentals are linked to increases in rent and housing costs because rental units are taken off the market and used as short-term rentals. Units are going to short-term renters rather than to permanent residents which results in a decrease in available housing stock within the City of Beacon. The City Council further finds that short-term rentals are inconsistent with the use of a residence for residential dwelling purposes. The City Council believes that the restrictions and requirements imposed herein further those objectives and the protection of the health, safety and welfare of the City and its residents.
- B. Definitions. As used in this section, the following words shall have the meanings indicated:

#### **OWNER**

An individual or group of individuals who are in possession of and have a fee interest in real property. The term "owner" shall not include a business entity or association, a trustee, receiver or guardian of an estate, or mortgagee or lien holder.

#### OWNER-OCCUPIED

A one-family or two-family house or multiple dwelling building used by the owner as his or her or their domicile or principal residence.

#### SHORT-TERM RENTAL

An entire dwelling unit, or a room or group of rooms or other living or sleeping space, or any other space, made available to rent, lease or otherwise assigned for a tenancy of less than 30 consecutive days. The term "short-term rental" does not include dormitories, hotel or motel rooms, bed and breakfast inns or lodging houses, as permitted and regulated by the International Residential Code and New York State supplement.

- C. Permit required. It shall be unlawful to use, establish, maintain, operate, occupy, rent or lease any property as a short-term rental without first having obtained a short-term rental permit.
- D. Short-term rentals shall be permitted in all residential districts as indicated in § 223-2A, subject to the requirements set forth in this section.

### E. Permit application.

- (1) An application for a short-term rental permit shall be filed before the dwelling unit, or a room or group of rooms or other living or sleeping space, or any other space is advertised for short-term rental, and if the spaces are not advertised, then such permit shall be obtained before said space is leased or rented.
- (2) Issuance of a short-term rental permit requires submission of an application to the Building Department and payment of the processing fee set forth in the City fee schedule.
- (3) The form and content of the permit applications shall be as determined from time to time by the Building Department and shall contain such information and materials as the Building Department deems necessary to determine the sufficiency of the application. Such application shall contain, at a minimum:
  - (i) The name and address, e-mail address, and contact numbers of all property owners; and

- (ii) Government issued proof of residency of each owner with picture ID (driver's license, passport, etc.); and
- (iii) A copy of the deed for the property to be used as a short-term rental and a copy of the most recent tax bill.
- (iv) Copy of utility bill in owner's name.
- (v) The property address; the total number of dwelling units located within the building; the total number of bedrooms and bathrooms inside the building; the total number of dwelling units and individual bedrooms proposed for short-term rental use; the location of each such dwelling unit or individual bedroom within the building; and the number of persons to be accommodated in each short-term rental area; and
- (vi) The number of existing on-site parking spaces, and the number of available on-site parking spaces for short-term rentals;
- (vii) Certification from a New York State licensed professional engineer or licensed architect, or certification from a fire sprinkler company, that the short-term rental property has a working fire sprinkler system installed; and
- (viii) A signed and notarized certification in a form acceptable to the City Clerk by each property owner attesting to the fact that the owner resides at the property and it is the owner's domicile (primary residence); that the property is fit for human habitation and safe; that the property owner will comply with all of the conditions and restrictions of the permit; that no portion of the area used for short-term rentals will utilize a cellar or attic, or any portion thereof, as habitable space unless it meets the requirements of the International Fire, Residential and Building Codes or successor law; that the property is in compliance with all the provisions of this Article, the applicable provisions of the City Code, the International Fire, Building and Maintenance Codes; and the required building permits and certificates of occupancy are in place for all existing structures on the property; and
- (4) All permits issued pursuant to this section shall be for a period of two years and shall be renewable for subsequent two-year terms upon application, conformance with this section and payment of the permit fee.
- (5) If the status of the information changes during the course of any calendar year, it is the responsibility of the owner to submit such changes to the Building

Department in writing within 30 days of the occurrence of such change. Failure to do so shall be deemed a violation of this section.

- F. At the time of registering the dwelling unit, the owner shall indicate what host site(s) and other methods will be used to advertise the property. At the time an application for permit renewal is made, the owner shall provide a printout from all host sites detailing the number of days a unit was rented. A renewal permit shall be denied if an owner fails to provide such information or in the absence of listing on a host site, other information to establish the number of days rented annually, to the satisfaction of the Building Inspector.
- G. Inspection. Each short-term rental shall be inspected by the Building Department at the time of the initial application and prior to any permit renewal, to determine whether the short-term rental remains in compliance with the section. If the Building Inspector determines that the short-term rental space is not in compliance, the owner shall rectify all noncomplying elements and shall apply for reinspection with the Building Department, subject to an additional fee.
- H. Owner-occupancy. It shall be unlawful to use, establish, maintain operate, occupy, rent or lease any property as a short-term rental if the property is not owner-occupied. The property used as a short-term rental shall be the principal residence of the owner at all times during the term of the permit.
- I. It shall be unlawful for the property owner to use, establish, maintain, operate occupy, rent or lease any portion of his or her property to as a short-term rental for a total of more than 100 days out of the calendar year.
- J. Presumptive Evidence. The presence or existence of the following shall create a rebuttable presumption that a property is being utilized as a short-term rental:
  - (1) The property is offered for lease or rent on a short-term rental website, including but not limited to Airbnb, HomeAway, VRBO and similar websites; or
  - (2) The property is offered for lease or rent by the use of any other advertising mechanism for a period of less than 30 days.

# K. Revocation of a permit.

- (1) The grounds upon which a permit can be revoked shall include but shall not be limited to:
  - (i) The permit was issued in error, or issued in whole or in part as a result of a false, untrue, or misleading statement on the permit application or other document submitted for filing, including but not limited to the schematic or certification; or

- (ii) A short-term rental permit has been issued and the owner fails to continue to occupy the premises on a continuous basis as his primary residence; or
- (iii) Use of the property as a short-term rental creates a hazard or public nuisance or other condition which negatively impacts the use and/or enjoyment of surrounding properties, or threatens the peace and good order, or quality of life in the surrounding community.
- (iv) Failure to comply or violating the conditions of the permit.
- (2) Any permit issued pursuant to this section may be revoked or suspended by the Building Inspector, after written notice to the owner. Written notice shall be served by registered or certified mail, return receipt requested, and by regular mail, to the applicant at the address shown on the application. The notice shall describe the reasons why the City is revoking the permit.

# L. Appeals

- (1) The City Administrator shall hear and decide appeals from and review any order, denial, suspension or revocation made by the Building Inspector.
- (2) Upon the denial of an application, or the suspension or revocation of a license, the applicant may, within 10 business days after receiving written notice, file a request, in writing, upon the City Administrator for review of said decision by the Building Inspector. Notice of the date, place and time of the hearing shall be given in writing by mail to the applicant at the address shown on the application. In the event that demand for a hearing is not made within the prescribed time or in the event that the applicant does not timely appear for the hearing, the Building Inspector's decision shall then be final and conclusive.
- (3) The hearing shall commence no later than 30 days after the date on which the request was filed.
- (4) The applicant shall be given an opportunity to present evidence why such denial of application, or such suspension or revocation of the license, shall be modified or withdrawn. The Building Inspector or his designated agent may also present evidence. Upon consideration of the evidence presented, the City Administrator shall sustain, modify or withdraw the decision of the Building Inspector or his designated agent.
- (5) In the event the applicant is not satisfied with the decision of the City Administrator, such aggrieved party may file an Article 78 proceeding under the New York Civil Practice Law and Rules. The Article 78 proceeding must be filed

within 30 days of the filing of the City Administrator's decision with the City Clerk of the City of Beacon and service of the same upon the applicant.

M. Violations. Any owner who fails to obtain the permit required herein, or otherwise violates any provision of this section, shall be guilty of an offense which shall be punishable by a fine of not more than \$350 per offense. When a person has received written notice from the Building Inspector or has been served with a summons and complaint in an action to enjoin continuance of any violation, each day in excess of 10 days thereafter that he or she continues to be guilty of such violation shall constitute an additional, separate and distinct offense.

### **SECTION 2.** Ratification, Readoption and Confirmation

Except as specifically modified by the amendments contained herein, Chapter 223 of the City of Beacon Code is otherwise to remain in full force and effect and is otherwise ratified, readopted and confirmed.

### **SECTION 3**. Severability

The provisions of this Local Law are separable and if any provision, clause, sentence, subsection, word or part thereof is held illegal, invalid or unconstitutional, or inapplicable to any person or circumstance, such illegality, invalidity or unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, subsections, words or parts of this Local Law or their petition to other persons or circumstances. It is hereby declared to be the legislative intent that this Local law would have been adopted if such illegal, invalid or unconstitutional provision, clause, sentence, subsection, word or part had not been included therein, and if such person or circumstance to which the Local Law or part hereof is held inapplicable had been specifically exempt there from.

#### **SECTION 4**. Effective Date

This local law shall take effect immediately upon filing with the Office of the Secretary of State.