

**ORDINANCE NO. 1544**

**ORDINANCE AMENDING THE CITY OF LEBANON CODE REGARDING  
REGISTRATION, PERMITTING, TAXATION, LICENSING, INSPECTION, AND  
ZONING CHANGES FOR "HOTELS", "BED AND BREAKFASTS", AND "SHORT  
TERM RENTALS"**

WHEREAS, the City of Lebanon, St. Clair County, Illinois (hereinafter "City"), is a non-home rule municipality duly established, existing and operating in accordance with the provisions of the Illinois Municipal Code (Section 5/1-1-1 et seq. of Chapter 65 of the Illinois Compiled Statutes); and

WHEREAS, City has determined there has been an increase in applications for special use permits for Short-term rentals and Bed and Breakfasts; and

WHEREAS, City has determined it is in the best interests of public health, safety, general welfare, and economic welfare to amend the City Code for purposes of registering, permitting, taxing, licensing, inspecting, and making zoning changes for "Hotels", "Bed and Breakfasts", and "Short-term Rentals"; and

WHEREAS, 35 ILCS 145, *et seq.*, also known as the "Hotel Operators' Occupation Tax Act", defines a "Hotel" as follows:

"Hotel" means any building or buildings in which the public may, for a consideration, obtain living quarters, sleeping or housekeeping accommodations. The term includes, but is not limited to, inns, motels, tourist homes or courts, lodging houses, rooming houses and apartment houses, retreat centers, conference centers, and hunting lodges.

and

WHEREAS, 65 ILCS 5/8-3-14 a., also known as the "Municipal Hotel Use Tax", states in pertinent part:

Sec. 8-3-14 a. Municipal hotel use tax.

(a) The corporate authorities of any municipality may impose a tax upon the privilege of renting or leasing rooms in a hotel within the municipality at a rate not to exceed 5% of the rental or lease payment.

(d) Except as otherwise provided in this Division, the moneys collected by a municipality under this Section may be expended solely to promote tourism and conventions within that municipality or otherwise to attract nonresident overnight visitors to the municipality. No moneys received under this Section may be used to advertise for or otherwise promote new competition in the hotel business.

(e) As used in this Section, "hotel" has the meaning set forth in Section 2 of the Hotel Operators' Occupation Tax Act.

and

WHEREAS, 50 ILCS 820/ *et seq.*, also known as the "Bed and Breakfast Act", states in pertinent part:

(50 ILCS 820/2) (from Ch. 71, par. 102)

Sec. 2. Used in this Act, unless the context otherwise requires:

(a) "Bed and breakfast establishment" shall mean an operator-occupied residence providing accommodations for a charge to the public with no more than 5 guest rooms for rent, in operation for more than 10 nights in a 12 month period. Breakfast may be provided to the guests only.

(50 ILCS 820/8) (from Ch. 71, par. 108)

Sec. 8. The bed and breakfast establishment shall fulfill the requirements of the Illinois Department of Revenue, including the payment of any applicable hotel taxes.

and

WHEREAS, City has determined a "Short-Term Rental" shall be defined as follows:

"Short-term Rental" Any habitable structure for which a rental contract for occupancy has been made for a term of thirty (30) days or less, and for which a Special Use Permit has been issued by the City of Lebanon permitting the Short-term Rental to operate, pursuant to a current and valid permit on file with the City of Lebanon.

and

WHEREAS, the "Hotels" definition encompasses any building or buildings in which the public may, for a consideration, obtain living quarters, sleeping or housekeeping accommodations, including but not limited to "Short-term Rentals", and subjects all "Hotels" to a 5% tax (hereinafter "Hotel / Motel Tax"); and

WHEREAS, the Bed and Breakfast act includes the "payment of any applicable hotel taxes", including the Hotel / Motel Tax; and

WHEREAS, City has the authority to ensure the health, safety, general welfare and economic welfare of all city residents through city police powers and 65 ILCS 5/11-60-2, which states: "The corporate authorities of each municipality may define, prevent, and abate nuisances"; and

WHEREAS, City may demolish, repair, or enclose or cause the demolition, repair, or enclosure of dangerous and unsafe buildings or uncompleted and abandoned buildings within city and may remove or cause the removal of garbage, debris, and other hazardous, noxious, or unhealthy substances or materials from those buildings. See 65 ILCS 5/11-31-1 and 5/11-31-1.1; and

WHEREAS, City may adopt and enforce property maintenance standards and minimum quality standards for buildings and structures. See 65 ILCS 5/11-31-1 and 65 ILCS 5/1-3-1(b); and

WHEREAS, City has determined it is authorized to register, permit, inspect, and license all "Hotels", "Bed and Breakfasts", and "Short-term Rentals" under Illinois Law, specifically City's Police Powers and Business Licensing Powers; and

WHEREAS, City has determined municipalities are permitted to register, permit, tax, license, and make zoning changes for "Hotels", "Bed and Breakfasts", and "Short-term Rentals" under Illinois law; and

WHEREAS, City has determined the Mayor is authorized and directed to execute any documents necessary to register, permit, tax, license, and make zoning changes for "Hotels", "Bed and Breakfasts", and "Short-term Rentals" under Illinois law.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEBANON, AS FOLLOWS:**

*Section 1. The foregoing recitals are incorporated herein as findings of the City Council of the City of Lebanon, Illinois.*

*Section 2. "Hotel" shall be defined as stated in the Hotel Operators' Occupation Tax Act, and as stated herein.*

*Section 3. "Bed and Breakfast" shall be defined as stated in the Bed and Breakfast Act, and as stated herein.*

*Section 4. "Short-term Rental" shall defined as stated herein.*

*Section 5. Chapter 5 – Fee Schedule, Article I. – Fees and Charges to be Charged by the City, Section 5-1. – Fees and Charges shall be amended to include:*

**BUSINESS, LICENSES, REGISTRATION AND FEES**

Hotels ..... \$100.00 annually per room rented (maximum of \$500); includes license and inspection.

Bed and Breakfasts ..... \$100.00 annually per room rented (maximum of \$500); includes license and inspection.

Short-term Rentals ..... (fees to be paid annually) includes license and inspection:

- \$100 for 200-699 square feet
- \$200 for 700-1199 square feet
- \$300 for 1,200-1,699 Square feet
- \$400 for 1,700-2,199 square feet

*Section 6.* “Hotel” shall be added to Chapter 10 – Businesses, Article I. – In General, Section 10-3. - Specific activities to be licensed; fees enumerated.

*Section 7.* “Bed and Breakfast” shall be added to Chapter 10 – Businesses, Article I. – In General, Section 10-3. - Specific activities to be licensed; fees enumerated.

*Section 8.* “Short-term Rental” shall be added to Chapter 10 – Businesses, Article I. – In General, Section 10-3. - Specific activities to be licensed; fees enumerated.

*Section 9.* Chapter 18 – Health and Public Welfare shall be amended as follows:

## Chapter 18 – Health and Public Welfare

### Article I. – Health and Safety Inspections

#### Section 18.1 – Annual Inspection of Hotels, Bed and Breakfasts, and Short-term Rentals

1. Health Safety Inspection - Health safety inspection, whether singular or plural, means an inspection conducted by a city employee(s), or independent contractor(s) hired by city, authorized by city to conduct health safety inspections. Health safety inspections shall be conducted to ensure the health, safety, general welfare, and economic welfare of all city residents by ensuring all Hotels, Bed and Breakfasts, and Short-term rentals comply with City Code and are not dangerous, unsafe, or nuisance properties. Health safety inspections may include, but are not be limited to: (1) Fire safety and other safety conditions; (2) Plumbing safety; (3) Drainage safety; (4) HVAC safety; (5) Electrical safety; (6) Kitchen safety; (7) Interior structural safety; (8) Exterior structural safety; (9) Air quality safety; and (10) Absence of rats, mice, termites, bedbugs, etc.
2. The following properties shall be subject to an annual Health Safety Inspection:
  - a. Hotels
  - b. Bed and Breakfasts
  - c. Short-term Rentals

3. Any property subject to an annual Health Safety Inspection shall not be granted a permit to operate until the Health Safety Inspection is completed, any action items from the Health Safety Inspection are addressed to City's satisfaction, and all payments are made to City as stated in the City Code.

*Section 10.* Chapter 30 – Taxation, Article VIII – Municipal Hotel Operators' Occupation Tax, shall be amended as follows:

Sec. 30-194. - Definitions.

As used in this article, unless the context otherwise requires:

- (a) Hotel means any building or buildings in which the public may, for a consideration, obtain living quarters, sleeping or housekeeping accommodations. The term includes, but is not limited to, inns, motels, tourist homes or courts, lodging houses, rooming houses and apartment houses, retreat centers, conference centers, and hunting lodges.

"Hotel", as used in this article, shall be construed broadly to include all rooms for rent on a temporary or short-term basis, and shall also refer to:

1. "Bed and breakfast establishment" shall mean an operator-occupied residence providing accommodations for a charge to the public with no more than 5 guest rooms for rent, in operation for more than 10 nights in a 12 month period. Breakfast may be provided to the guests only.
2. "Short-term Rental" Any habitable structure for which a rental contract for occupancy has been made for a term of thirty (30) days or less, and for which a Special Use Permit has been issued by the City of Lebanon permitting the Short-term rental to operate, pursuant to a current and valid permit on file with the City of Lebanon.

*Section 11.* Chapter 36 – Zoning, Planning and Development, shall be amended as follows:

Section 36-2. – Definitions

"Bed and breakfast" shall mean an operator-occupied residence providing accommodations for a charge to the public with no more than 5 guest rooms for rent, in operation for more than 10 nights in a 12 month period. Breakfast may be provided to the guests only.

"Hotel" means any building or buildings in which the public may, for a consideration, obtain living quarters, sleeping or housekeeping accommodations. The term includes, but is not limited to, inns, motels, tourist homes or courts, lodging houses, rooming houses and apartment houses, retreat centers, conference centers, and hunting lodges.

"Short-term Rental" Any habitable structure for which a rental contract for occupancy has been made for a term of thirty (30) days or less, and for which a Special Use Permit has been issued by the City of Lebanon permitting the Short-term rental to operate, pursuant to a current and valid permit on file with the City of Lebanon.

Section 36 – 125. – Special Uses.

Short-term Rental

Section 36-237. – Special Uses

Short-term Rental

Section 36-276 – Special Uses


- (1) Hotels
- (2) Short-term Rentals

*Section 12.* This Ordinance shall be known as Ordinance No. 1544 and shall be in full force and effect upon adoption and publication in pamphlet form as provided by law.

Passed by the City Council of the City of Lebanon, Illinois, and deposited and filed in the office of the City Clerk on the 10th day of April, 2023, the roll call vote being taken by ayes and noes and entered upon the legislative record as follows:


AYES: 6 Alderperson Bennett, Fero, Lilly, Mack, Washington and Witty  
NOES: 0

ATTEST:

  
Luanne Holper, City Clerk  
City of Lebanon  
St. Clair County, Illinois



APPROVED:

  
Cheri Wright, Mayor  
City of Lebanon  
St. Clair County, Illinois