

**ORDINANCE NO. 4438**

**AN ORDINANCE OF THE CITY OF RICHARDSON, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF RICHARDSON, BY AMENDING CHAPTER 6, "BUILDINGS AND BUILDING REGULATIONS," BY ADDING ARTICLE XIII, "SHORT-TERM RENTALS"; PROVIDING REGULATIONS FOR THE REGISTRATION AND OPERATION OF SHORT-TERM RENTALS; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RICHARDSON, TEXAS, THAT:**

**SECTION 1.** The Code of Ordinances of the City of Richardson be amended by amending Chapter 6, "Buildings and Building Regulations" to add Article XIII, "Short-Term Rentals," to read as follows:

**"ARTICLE XIII. – SHORT-TERM RENTALS**

**Sec. 6-510. – Purpose.**

This Article is adopted to promote the public health, safety, and general welfare within the City by providing neighborhood sustainability and preserving property values. Having current and reliable information about the owners of Short-Term Rentals will allow the City to provide those owners with timely information on the condition of their properties and emergency contact information, to protect the health and safety of guests of Short-Term Rentals and to aid in enforcement of applicable ordinances and laws. By requiring the registration of Short-Term Rental properties, the City Council seeks to protect property values and to prevent property damage within the City limits.

**Sec. 6-511. – 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:

*Director or Designee* means the director of the department(s) or division(s) of the City designated by the City Manager to administer and/or enforce the provisions of this article and any person or persons designated by such department or division director(s) to represent the department or division for said purpose.

*Guest* means a person contracting with an Owner, either directly or through a Short-Term Rental Listing Service, for use of a residential dwelling or premises as a Short-Term Rental and such person's invitees occupying the Short-Term Rental. "Guest" includes any individual person

living, sleeping, or possessing a Short-Term Rental premises, or portion thereof for any portion of the time during which the rental agreement for the STR authorizes such possession. A person is not required to be paying rent, providing in-kind services, or named in any lease, contract, or other legal document to be considered a guest.

*Owner* means, in addition to such person or entity, any person having a legal or equitable interest in real property or identified in the official real property records of the county in which the real property is located as holding title to real property or otherwise having control of real property, including the guardian of the estate of such person and the executor or administrator of the estate of such person. The term “owner” does not include the holder of a non-possessory security interest in real property.

*Person* means one or more individuals, corporations, partnerships, associations, labor organizations, legal representatives, mutual companies, joint stock companies, trusts, unincorporated organizations, trustees, fiduciaries and any other organization or entity of whatever character.

*Premises* means the property, a lot, plot, or parcel of land, including any structures or portions of structures thereon.

*Short-Term Rental or STR* means a dwelling that is (a) used or designed to be used as place where a person may reside, including a single-family dwelling, garage apartment, guest house or a unit in a multi-unit building, including an apartment, condominium, cooperative or timeshare; and (b) rented wholly or partly for a fee and for a period of less than thirty (30) consecutive days. The term “Short-Term Rental” does not include a premises that is used for a nonresidential purpose, including an educational, health care, retail, restaurant, banquet space or event center purpose or another similar use, or a bed-and-breakfast or hotel as defined in the Comprehensive Zoning Ordinance, as amended.

*Short-Term Rental Listing Service* means a person that participates in the Short-Term rental business by facilitating and/or collecting a fee for booking services through which an owner may offer Short-Term Rentals to potential guests. Short-Term Rental Listing Services usually, though not necessarily, provide booking services through an online platform that allows an owner to advertise the premises through a website or mobile application provided by the Short-Term Rental Listing Service and the Short-Term Rental Listing Service conducts a transaction by which potential guests arrange their use and their payment, whether the potential guest pays rent directly to the owner or to the Short-Term Rental Listing Service.

**Sec. 6-512. – Registration required.**

- (a) No short-term rental shall operate within the City without a current, valid Short-Term Rental registration certificate. All individual units having cooking, sleeping, and bathing facilities within common buildings, regardless of ownership, shall require a separate, individual registration certificate for each unit intended to be used as a Short-Term Rental. A person commits an offense if that person owns or operates a Short-Term Rental in the City without a valid registration certificate for such Short-Term Rental. A Short-Term Rental registration certificate is non transferrable and may not

be assigned to another person or premises, including, but not limited to, any successor in title to ownership of the STR or upon lease of the STR to a person for a period longer than thirty (30) days.

- (b) A person who desires to operate an STR shall submit a written application for a short-term rental registration to the director on a form available from the city or through the city's on-line registration portal. Each application for short-term rental registration shall be accompanied by a non-refundable registration fee established by resolution of the City Council from time to time, and shall include the following information:
  - (1) A list of all owners, operators, and agents (if applicable) of the STR and the owner of the premises on which the STR is to be operated, including names, addresses and current email addresses and telephone numbers of each such person; if a partnership, the name of all partners and the principal business address and telephone number of each partner; if a corporation, the person registering must state whether it is organized under the laws of the state or is a foreign corporation, and must show the mailing address, business location, telephone number, name of the main individual in charge of the local office of such corporation, if any, and the names of all officers and directors or trustees of such corporation, and, if a foreign corporation, the place of incorporation;
  - (2) The name, address, email address and 24-hour telephone number of a contact person who is the owner, operator, or owner's designated agent relating to ownership and/or operation of the STR, and the designated local responsible party who shall be responsible and authorized to respond to complaints concerning the STR within one hour or less;
  - (3) An acknowledgement that any registration granted under this article does not supersede any property-specific restrictions against short-term rentals that may exist under law, agreement, lease, covenant, or deed restriction;
  - (4) A depiction of the floor plan that identifies sleeping areas, evacuation routes and location of all fire extinguishers and smoke detectors;
  - (5) The guest safety information containing the information required by Section 6-154;
  - (6) A sworn statement that the owner has met and will continue to comply with all requirements of this article; and
  - (7) Other information as may be required by the director.
- (c) An application shall be considered complete when all documentation required by this article has been provided and the registration fee has been paid. Incomplete applications will not be accepted. Not later than thirty (30) days after receipt of the registration application, the director shall either issue a certificate of registration or notify the applicant that the application does not comply with the requirements of this article.

- (d) Unless earlier suspended or revoked by the director pursuant to this article, a short-term rental registration certificate expires on the last day of the calendar year in which the certificate is issued. A registration certificate holder shall apply for renewal prior to the expiration of the registration certificate on a form provided by the director. The registration certificate holder shall update the information contained in the original registration application or any subsequent renewal applications if any of the information has changed. The registration certificate holder shall sign a statement affirming there is either no change in the information contained on the original registration application and any subsequent renewal applications, or that any information that has been updated, is accurate and complete. A complete application for renewal received after the expiration of a current registration certificate shall be treated as an application for a new registration. The application for renewal of a registration shall be accompanied by a non-refundable registration fee established by resolution of the City Council from time to time.
- (e) Upon receipt of a complete application for renewal of a short-term rental registration, the director may deny the renewal of a short-term rental registration if it is determined that the registration certificate was issued in error or based on incorrect or false information supplied by the applicant, or if there are grounds for suspension or revocation as provided for in this article.
- (f) It shall be unlawful for any person to file a false registration application with the director.
- (g) The owner and/or operator of a STR that has had a registration certificate revoked for a premise is ineligible to apply for a short-term rental registration for such premises for a period of one year from the date of such revocation. A premise for which a registration certificate has been revoked is ineligible for registration regardless of the owner or operator of the STR at such premises for a period of one year from the date of such revocation.

**Sec. 6-513. – Designation of local responsible party.**

- (a) An owner must designate the name and contact information of a local responsible party who can be contacted regarding immediate concerns and complaints from the public about a short-term rental. Said individual must be available to be reached in person, or by phone at all times while guests are on the premises of a short-term rental. If called, a local responsible party must be able to and shall be present at the premises within one (1) hour of a phone call from the director. The local responsible party must be authorized to respond to complaints concerning the STR and make decisions regarding the premises and its occupants within one hour or less.
- (b) The owner shall provide timely updates to the City of any changes to the name, address and 24-hour telephone number of the contact person who is the owner, operator, or designated agent responsible and authorized to respond to complaints concerning the short-term rental within one hour or less. Should a law enforcement officer or code enforcement official respond to the premises of a short-term rental and issue a citation

or notice of violation for any violation of City ordinances or other law, such responsible person may be contacted by the officer or designee. The responsible person shall attempt to contact the occupants within one (1) hour of any contact from the City to address the occupants about the complaints. It shall be unlawful for the owner of a short-term rental to fail to provide updated information to the City regarding a 24-hour contact person.

**Sec. 6-514. - Guest safety notification and minimum requirements.**

- (a) Each owner of a short-term rental shall provide to guests a brochure and post in a conspicuous location in the short-term rental the following minimum information:
  - (1) The owner, operator, the designated agent's name and twenty-four (24) hour contact telephone number of the designated local responsible party under this Article;
  - (2) Pertinent neighborhood information including, but not limited to, parking restrictions, noise restrictions, trash collection schedules and location of required off-street parking, other available parking, and prohibition of parking in the yard and on unapproved surfaces;
  - (3) Information to assist guests in the case of an emergency posing threats to personal safety or damage to property, including emergency and non-emergency telephone numbers for police, fire and emergency medical services and instructions for obtaining severe weather, natural or manmade disaster alerts and updates; and
  - (4) Depiction of the floor plan of the STR identifying evacuation routes, including the dwelling's exits, primary evacuation routes and secondary evacuation routes placed near the front door of the dwelling.

**Sec. 6-515. – Authority of the director.**

The director shall implement and enforce this article and may by written order establish such procedures as the director determines are necessary to discharge any duty under this article and are not inconsistent with this article or other City ordinances, rules, or regulations, or any county, state, or federal laws or regulations.

**Sec. 6-516. – Revocation of registration certificate; appeal; administrative process.**

- (a) *Revocation of Registration certificate.* After providing an opportunity for a hearing, the director is entitled to take action up to and including suspension or revocation of a registration certificate required by this article or for repeated violations of any of the requirements of this article or other applicable laws relating to public health, safety, or welfare and/or for interference with law enforcement officers in the performance of their duties. Prior to suspension or revocation, the director shall notify the registration certificate holder in writing of the reason for which the registration certificate is subject to suspension or revocation and that the registration certificate shall be suspended or revoked at the end of the tenth (10th) calendar day following service of such notice

unless a written request for a hearing is submitted to the director by the registration certificate holder within such ten (10) calendar day period referred to in the notice. If a written request for a hearing is received by the director within the required time-period, (1) the suspension or revocation shall not take effect unless and until the director determines to do so in the ruling at the conclusion of the hearing; and (2) the director shall hold a hearing and either enact or reject the suspension or revocation. At least two (2) business days before the hearing occurs, the director shall provide the registration certificate holder with notice of the time and place of the hearing. The registration certificate holder shall be entitled to attend and be heard at the hearing. If no request for a hearing is filed within the ten (10) calendar day period referred to in the notice, the suspension or revocation of the registration certificate becomes final.

- (b) *Appeals.* An administrative decision issued in connection with the requirements of this article, including denial of issuance or renewal or revocation or suspension of a registration certificate required by this article, is final unless the registration certificate holder submits a written request for an appeal to the city manager. The appeal shall be filed in writing within ten (10) calendar days after the date of notice of the administrative decision. At least five (5) business days before the appeal hearing occurs, the City shall provide the registration certificate holder with notice of the time and place of the hearing. The registration certificate holder shall be entitled to attend and be heard at the hearing. The City Manager, or designee shall hear and rule on the appeal within thirty (30) calendar days after notice of the appeal. The city manager shall have the power to reverse a decision of the director on the basis that such decision was not meritorious and that such a reversal will not adversely affect the public health, safety, or welfare. The decision of the City Manager is final. The City Manager's failure to take action on any such appeal shall constitute approval of the decision by the Director.
- (c) *Administrative process.* A notice required by this Section is properly served when it is delivered to the registration certificate holder via hand-delivery, or when it is sent by registered or certified mail, return receipt requested, or when it is sent via courier service that provides a return receipt showing the date of actual delivery to the last known address of the registration certificate holder.”

**SECTION 2.** That all provisions of the ordinances of the City of Richardson in conflict with the provisions of this ordinance be, and the same are hereby, repealed, and all other provisions of the ordinances of the City of Richardson not in conflict with the provisions of this ordinance shall remain in full force and effect.

**SECTION 3.** That should any sentence, paragraph, subdivision, clause, phrase, or section of this Ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not

affect the validity of this Ordinance as a whole or any part or provision thereof other than the part thereof decided to be unconstitutional, illegal, or invalid.

**SECTION 4.** An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Ordinances of the City of Richardson, as amended, in effect when the offense was committed, and the former law is continued in effect for this purpose.

**SECTION 5.** That any person, firm, or corporation violating any provisions or terms of this Ordinance shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Richardson, as heretofore amended and upon conviction shall be punished by a fine not exceeding \$2,000 for each offense.

**SECTION 6.** That this ordinance shall take effect on January 1, 2023, immediately from and after its passage as the law and charter in such cases provide.


**DULY PASSED** by the City Council of the City of Richardson, Texas, on the 26<sup>th</sup> day of September, 2022.



**APPROVED:**

  
MAYOR

**APPROVED AS TO FORM:**

  
CITY ATTORNEY  
(PGS:9-1322:TM 129494)

**CORRECTLY ENROLLED:**

  
CITY SECRETARY