

## ORDINANCE NUMBER 23-2592

### AN ORDINANCE TO ESTABLISH SHORT-TERM RENTAL REGULATIONS

NOW, THEREFORE BE IT ORDAINED by the City Council of the City of Hoover, in regular meeting duly assembled, a quorum being present, as follows:

**Section 1. MODIFICATION OF CHAPTER 6, Building and Building Regulations.** Chapter 6 of the *Municipal Code of the City of Hoover, Alabama* entitled "Buildings and Building Regulations" is hereby amended to establish a new article which shall read as follows:

#### Chapter 6 – Business and Building Regulations

#### ARTICLE III. SHORT-TERM RENTAL REGULATIONS

##### Sec. 6-50. – Scope, findings, and purpose.

- (a) This Article applies to all Rentals of Short-term Rental Units within the city. Nothing in this Article affects the right of the city to impose or collect other applicable fees, charges, or penalties or take other appropriate action to remedy a violation of other ordinances or laws. The mayor and/or his designee has the authority to promulgate and adopt policies to carry out the provisions of this Article.
- (b) The city is committed to maintaining and preserving the quality of its residential character, the housing stock and existing communities, scenic beauty, and the natural resources that are the foundation of its economic strength and quality of life.
- (c) The Rental of single-family homes in residential zoning districts for temporary occupancy has been identified as a community concern due to the potential for increased traffic, noise, high occupant turnover, and density in residential districts and has the potential to create a danger to the health and safety of the residential neighborhood, nearby residential properties, and neighborhood areas.
- (d) The purpose of this Article is to safeguard the peace, safety and general welfare of the residents of the city, and their visitors and guests, by eliminating noise, vandalism, overcrowding, neighborhood uncertainty, high occupancy turnover, diminution of neighborhood character, and other effects that have become associated with Short-term Rental Units within the city.
- (e) The restrictions established in this Article are necessary to protect the public health, safety and welfare of the residents of the city and the integrity and residential character of the city's residential zoning districts.

**Sec. 6-51. – Definitions.** For the purposes of this Article, the following definitions shall apply unless the context clearly indicates a different meaning:

- (a) *"Enterprise"* shall mean any corporation, association, firm, partnership, LLC, or other legal entity.
- (b) *"Managing Agency"* or *"Rental Agent"* shall mean a Person, Operator, Enterprise, or agency representing the owner of a Short-term Rental Unit, or a Person, Enterprise or agency owning more than one Short-term Rental Unit.
- (c) *"Operator"* shall mean a Person or Enterprise who is owner or proprietor of a Short-term Rental Unit, whether in the capacity of owner, lessee, sublessee, mortgagee in possession, licensee, Managing Agency, Rental Agent, or any other capacity, and who desires to Rent a Short-term Rental Unit on such property to a Transient. Where the Operator performs his or her functions through a Managing Agency of any type or character or through a Rental Agent, the Managing Agency or Rental Agent has the same duties as the Operator. In order to be eligible to be an Operator hereunder, a Person or Enterprise desiring to operate a short-term rental must be the owner or proprietor of the property on which the short-term rental will occur or be designed in writing by the owner as the agent for the owner of the property.
- (d) *"Person"* shall mean any individual or a group of individuals, Enterprise, Managing Agency, Rental Agent, Operator, or any entity.
- (e) *"Remuneration"* shall mean compensation, money, or other consideration given in return for occupancy, possession, or use of real property.
- (f) *"Rent"* shall mean the consideration or remuneration charged (regardless of actual receipt) in money, goods, labor, or otherwise, including all receipts, cash, credits, property or services of any kind for the occupancy or possession of space in a Short-term Rental Unit.
- (g) *"Rental"* shall mean an arrangement between a Transient and an Operator whereby Rent is received in exchange for the right to possess a Short-term Rental Unit.
- (h) *"Short-term rental"* shall mean the Rental of any Short-term Rental Unit or any part thereof to a Transient for overnight occupancy for a period less than thirty (30) consecutive calendar days, counting portions of calendar days as full days.
- (i) *"Short-term Rental Unit"* shall mean any building, structure, or portion thereof which is used for Short-Term Rentals. The term "Short-term Rental Unit" shall not include (1) a structure which is located in a zoning district within which Short-term rentals are not permitted under the Zoning Ordinance of Hoover, Alabama unless otherwise permitted by the provisions of this article or (2) hotels, motels, boarding houses, or rooming houses.

- (j) “*Short-term Rental Hosting Platform*” is defined as any marketplace that facilitates short-term rentals, through advertising, match-making or other means, from which the platform derives revenues, including booking fees or advertising revenues, from or maintaining the marketplace.
- (k) “*Transient*” shall mean those Persons (whether one or more) who reside, possess, or inhabit Short-term Rental Unit as defined by this Article for a period of less than thirty (30) consecutive calendar days, counting portions of calendar days as full days.

**Sec. 6-52. – Short-term Rentals of Short-term Rental Units – Generally.** It shall be unlawful for a Person to Rent a Short-term Rental Unit to a Transient without complying with the provisions of this Article. The provisions of this article shall not supersede the prohibition of short-term rentals by a homeowner’s association, by a controlling entity, or by other covenants agreed upon by the owner of a property.

**Sec. 6-53. – Allowed Rentals.** Short-term rentals as defined by this article are allowed within the city limits of Hoover, Alabama subject to the provisions of this Article.

**Sec. 6-54. – Prohibited Rentals.** It shall be unlawful for any Person to Rent or possess to Rent for any type of remuneration a Short-term Rental Unit that is not located within a zoning district within which Short-term rentals are permitted under the Zoning Ordinance of Hoover, Alabama, as the same may be amended from time to time or that is not in compliance with Section 6-56 hereof.

**Sec. 6-55. – Annual Permit and Business License required for all Short-term Rentals.** Except as otherwise provided in Section 6-56, an annual short-term rental permit and business license shall be issued by the appropriate city department to any such Operator complying with the provisions of this section. An Operator shall be required to obtain a short-term rental permit for each property on which short-term rentals will occur. An Operator shall be required to obtain a business license for each short-term rental location within the city.

(a) **Short-term Rental Permit.**

- (1) *Generally; Duration and Expiration of Permit.* The Department of Planning and Community Development shall be responsible for the issuance of short-term rental permits. Except as otherwise provided in Section 6-56 below, each short-term rental permit will begin on the date of issuance and expire on December 31st of each year. No permit holder shall transfer the right to operate under any permit issued under this section to any other person or entity by lease, agreement, contract or any other agreement. No permit issued under this section may be operated or shall have any legal effect at any location other than those for which it is issued.
- (2) *Permit Fee.* Except as provided herein, each short-term rental permit

application shall be accompanied by a nonrefundable fee of one hundred fifty dollars (\$150.00) to help defray the city's cost of processing and reviewing the application.

(3) *Permit Requirements.* Applications for a short-term rental permit shall be on a form prepared by the Department of Planning and Community Development and shall include a minimum of the following:

- (i) Name of the Operator of the property to be utilized for short-term rental purposes and contact information therefor, including the owner's cell phone number and email address if the Operator is a lessee in possession of the property;
- (ii) Physical address of the property to be utilized by the Operator for short-term rental purposes;
- (iii) Name of the emergency contact for the Operator of the short-term residential rental property who is able to respond on premises to complaints at any time during the day or night when the property is occupied by a Transient, including the emergency contact's primary physical mailing address, cell phone number, and email address;
- (iv) Sworn statement acknowledging receipt of this article and that each of the following is true and accurate:
  - (a) The Short-term Rental Unit has code compliant smoke detectors and carbon monoxide alarms installed, as required by the most currently adopted and applicable International Fire Code and International Building Code and as otherwise determined as necessary by the fire marshal and/or Department of Planning and Community Development representative.
  - (b) The Short-term Rental Unit has posted emergency contact information and diagram/floor plan indicating fire exits and escape routes displayed in a prominent location within the Short-term Rental Unit.
  - (c) The Short-term Rental Unit is in compliance with applicable provisions of the city's minimum property maintenance, building, electrical, mechanical and plumbing codes.

- (d) The property on which the Short-term Rental Unit sits is in compliance with all the standards and requirements under the zoning ordinance.
  - (e) The Operator has made best efforts to notify the properties immediately adjacent to the desired short-term rental of the application.
  - (f) The Operator's signed acknowledgement that he/she has reviewed this Chapter and understands its requirements.
  - (g) The property has no outstanding taxes or municipal code violations present thereon; and
- (v) a list of short-term rental hosting platform(s) that will be used by the Operator to advertise or solicit the property for use as a short-term rental; and
  - (vi) such other information as deemed necessary by the Director of Department of Planning and Community Development, the city's Chief Operating Officer, or their designees.
- (4) *Documents Required for Permit Process.* The following documentation shall be provided by an applicant along with the short-term rental permit application:
- (i) A copy of the applicant's driver's license or government issued identification.
  - (ii) A copy of the deed evidencing ownership of the property on which the Short-term Rental Unit sits or a copy of the legal instrument through which the applicant claims the right to possess the property as an Operator.
  - (iii) A list of the short-term rental platform(s) that will be utilized to advertise or solicit the property for use as a short-term rental.
  - (iv) A survey of the property illustrating the number and location of parking spaces allotted to the premises.
  - (v) A floorplan of the building illustrating the bedrooms that will be utilized for short-term rental occupants.
  - (vi) A certificate of insurance evidencing current, valid liability insurance either showing:
    - (1) a rider on a homeowner's policy that expressly covers short-term rentals and provides a minimum of one-

million-dollar (\$1,000,000.00) liability and personal injury coverage; and/or

(2) a commercial insurance policy covering short-term rentals at the permitted address that provides a minimum of one million dollars (\$1,000,000.00) of liability and personal injury coverage. Said insurance shall indicate the policy shall not terminate or be cancelled prior to completion of the then current permit period without a thirty (30) day written notice to the city sent in writing to the City of Hoover, Alabama, Attn: City Clerk, 100 Municipal Lane, Hoover, Alabama 35210.

(5) *Permit Issuance.* Upon submission of the information required herein and the requested documents and the review and approval thereof, the Director of the Department of Planning and Community Development or his/her designee shall issue an annual Short-term Rental Permit. Review of an application shall be conducted in accordance with due process principles and shall be granted unless the applicant fails to meet the conditions and requirements of this article or federal or state law related to the operation of a short-term rental, or otherwise fails to demonstrate the ability to comply with local, state or federal law through the operation of the proposed short-term rental.

(i) Short-term Rental Permit Requirements. A short-term rental permit issued by the city shall contain at least the following information:

- (a) the address of the short-term rental property;
- (b) the permit holder's name;
- (c) the Operator's contact information, including name, cell phone, and email, for complaints by guests and/or neighbors who shall be available at any time to respond to on-premises complaints concerning the short-term rental;
- (d) dates of permit duration and expiration; and
- (e) any other information deemed necessary by the Director of the Department of Planning and Community Development.

(6) *Continual compliance with requirements of Article required; Fraud, misrepresentation, and/or false statement in short-term rental application.* All requirements set forth in this Article herein shall be continuously maintained by an Operator of a short-term rental property

for the duration of any permit period. Furthermore, any fraud, misrepresentation, or false statements contained in the attestations, required documentation, or correlating application materials shall be grounds for immediate suspension and/or revocation of a short-term rental permit by the City Council.

- (b) **Business License.** Any Operator or other Person engaged in the business of operating a short-term rental within the city shall pay for and take out a business license with the city in such manner and in such sums as provided in Chapter 8 of the Code.

**Sec. 6-56. – Special Event Allowance.** In lieu of obtaining an annual short-term rental permit, an Operator may Rent a Short-term Rental Unit for a period of seven (7) consecutive days in a calendar year for a special event to be held within the City regardless of the zoning classification in which the Short-term Rental Unit is located. To Rent for such seven (7) consecutive day period, an Operator shall be required to obtain a short-term rental permit for each property on which short-term rentals will occur and shall be required to comply with all provisions of Section 6-55 concerning the issuance of a short-term rental permit, except as provided in this Section 6-56. An Operator shall be also required to obtain a business license for each Short-term Rental Unit location within the city. Each short-term rental permit application for a special event short-term rental shall be accompanied by a nonrefundable fee of three hundred dollars (\$300.00) to help defray the city's cost of processing the application and to cover the payment of any lodging taxes owed for such special event rental period.

**Sec. 6-57. – Limited Occupancy; Parking Restrictions.** No Short-term Rental Unit shall exceed the maximum guest occupancy of two persons per bedroom or such other occupancy number as determined by the fire marshal. Subject to the limitations of parking availability within the subject property, one (1) parking space per bedroom is required at each Short-term Rental Unit for use by Transients. Transients must park all vehicles within designated parking areas of a short-term rental property. Overnight street parking by Transients is strictly prohibited.

**Sec. 6-58. – Suspension and Revocation of Short-term Rental Permit.**

- (a) If three (3) valid and substantiated complaints are received by city police within a twelve-month period concerning a short-term rental property, then the Operator's short-term rental permit for that property shall be suspended by the City's Department of Planning and Community Development for a period of no less than six (6) months.
- (b) If an Operator has his/her short-term rental permit suspended for a second time within two (2) consecutive years, then suspension of such short-term rental permit for the second consecutive year shall be for a period of no less than twelve (12) months.
- (c) If an Operator has his/her short-term rental permit suspended for a third time within three (3) consecutive years, the short-term rental permit shall be revoked permanently.

- (d) An Operator may appeal the suspension or revocation of a short-term rental permit to the City Council by serving written notice of appeal to the City Clerk within seven (7) days of the suspension or revocation. The appeal will be heard no later than thirty (30) days following such appeal at the next regularly scheduled City Council meeting.

**Sec. 6-59. – Violation; Penalties; Process.**

- (a) Any Person that has violated or continues to violate this article shall be guilty of a violation. Each act of violation and/or each day upon which any violation shall occur and/or continue to exist shall constitute a separate offense punishable as described herein.
- (b) Upon the determination of the building official of the city or his designee that a violation of this article exists, a written notice of violation shall be issued to all Persons in violation of this article or any one of them. Such notice shall be issued by first class mail or hand delivery. Service shall be deemed effectuated by first class mail on the third day following the date of mailing or upon hand delivery. The notice shall (a) identify the violation, (b) include a correction order specifying the action required to comply with the provisions of this article, and (c) include a specified time within which to comply. If a violation is not sufficiently corrected in the opinion of the director of the Department of Planning and Community Development Department or his/her designee within the specified period of time contained in the notice, then a citation and/or notice to appear may be issued by a building official or other enforcement officer directing all Persons or any one or more of them to appear in the municipal court at a time and date stated therein to answer to such violation(s). The defendant(s) shall have all rights secured to persons charged in the city with violations generally. If a defendant is found guilty by the municipal court, the court may impose a fine or imprisonment or both in accordance with the provisions of section 1-5 and/or 1-6 of this Code.

**Sec. 6-60. – Civil Penalties.** A violation of any portion of this article constitutes a public nuisance per se. The city, as an additional or alternate remedy, may institute equitable or injunctive proceedings in a court of competent jurisdiction to abate uses prohibited by this article.

**Sec. 6-61. – Other Remedies.** Nothing in this article shall limit the city from enforcement of its Code, state or federal law by any other legal remedy available to the city. Nothing in this section shall be construed to limit or supplant the power of any city inspector, official or other duly empowered officer under the city's ordinances, rules and regulations and the authority granted under state law, as amended, to take necessary action, consistent with the law, to protect the public from property which constitutes a public nuisance or to abate a nuisance by any other lawful means of proceedings.

**Sec. 6-62. – Taxes.** Short-term rentals are subject to applicable state and local taxes and Operators thereof are responsible for payment any and all applicable taxes as established by state law and the city code, including, but not limited to, lodging taxes.

Secs. 6-63. – 6-70. – Reserved.

**Section 2. REVISION TO ZONING ORDINANCE OF HOOVER, ALABAMA, ARTICLE 5, AGRICULTURE AND RESIDENTIAL DISTRICTS.** Article 5, Table 5-1 Use Regulations, Agriculture and Residential Districts of the Zoning Ordinance of Hoover, Alabama is hereby amended to insert the following use classification and associated permissions to the Table:

| District >   | A-1 | E-1 | E-2 | R-1 | R-2 | R-3 | R-4 | R-T-4 | R-E | R-LSF |
|--|-----|-----|-----|-----|-----|-----|-----|-------|-----|-------|
| Short-term Rental/Short-term Rental Unit ( <i>subject to Ch 6, Article III of the Municipal Code</i> ) |     |     |     |     |     |     | P   |       |     |       |

**Section 3. REVISION TO ZONING ORDINANCE OF HOOVER, ALABAMA, ARTICLE 6, NON-RESIDENTIAL DISTRICTS.** Article 6, Table 6-2 Use Regulations, Non-Residential Districts of the Zoning Ordinance of Hoover, Alabama is hereby amended to insert the following use classification and associated permissions to the Table:

| District >   | C-P | C-1 | C-2 | C-3 | C-4 | I-1 | SPU |
|--|-----|-----|-----|-----|-----|-----|-----|
| Short-term Rental/Short-term Rental Unit ( <i>subject to Ch 6, Article III of the Municipal Code</i> ) | P   | P   | P   | P   |     |     | P   |

**Section 4. REVISION TO ZONING ORDINANCE OF HOOVER, ALABAMA, ARTICLE 8, PUD DISTRICTS.** Article 8, Table 8-1 Use Regulations, PUD Districts of the Zoning Ordinance of Hoover, Alabama is hereby amended to insert the following use classification and associated permissions to the Table:

| District >   | PR-1 | PR-2 | PO | PC | PI |
|--|------|------|----|----|----|
| Short-term Rental/Short-term Rental Unit ( <i>subject to Ch 6, Article III of the Municipal Code</i> ) |      | P    | P  | P  |    |

**Section 5. MODIFICATION OF CHAPTER 8, ARTICLE II. GENERAL BUSINESS LICENSE, 8-16. – LICENSE SCHEDULE.** Chapter 8 of the *Municipal Code of the City of Hoover, Alabama* entitled “General Business License”, Section 8-16 “License Schedule”, (8) “Services” is hereby amended to insert the following:

- z. Short-term Rental. Each person, firm, corporation engaged in the operation of short-term rental .... 100.00

**Section 6. REVISION TO ZONING ORDINANCE OF HOOVER, ALABAMA, ARTICLE 3, DEFINITIONS.** Article 3, Definitions, §3.01.85 is hereby deleted in its entirety and replaced with the following:

§3.01.85 *Motel*: A business comprised of a group of dwellings or dwelling units so arranged as to furnish overnight accommodations for transient guests.

The remainder of Article 3 Definitions shall remain unchanged.

**Section 7. REVISION TO CHAPTER 7, FIRE PREVENTION AND PROTECTION, ARTICLE II, FIRE PREVENTION CODE, SEC. 7-22. - AMENDMENTS TO THE 2021 INTERNATIONAL FIRE CODE; LIMITS.** Section 7-22(a) is hereby amended to add the following to this section:

Section 202. General Definitions - "Lodging Houses (transient) with five or fewer guest-rooms and 10 or fewer occupants" shall be deleted in its entirety without replacement from the list contained in the definition of "Residential Group R-3". The remainder of Section 202 shall remain unchanged.

The remainder of Section 7-22(a) shall remain unchanged.

**Section 8. REPEALER.** All ordinances or parts of ordinances in conflict herewith are hereby repealed.

**Section 9. SEVERABILITY.** That if any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The City of Hoover hereby declares that it would have passed this ordinance, and each section, subsection, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

**Section 10. LEGAL RIGHTS NOT IMPAIRED.** That nothing in this ordinance or in the Code hereby adopted shall be construed to affect any suit or proceeding impending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any act or ordinance hereby repealed as cited in this ordinance; nor shall any just or legal right or remedy of any character be lost, impaired or affected by this ordinance.

**Section 11. ORDINANCE CUMULATIVE; COMPATIBILITY WITH OTHER REGULATIONS.** This Ordinance shall not be construed to modify or to repeal any other ordinance, rule, regulation, or other provision of law. The requirements of this Ordinance are in addition to and cumulative to the requirements of any other ordinance, rule, regulation, or other provision of law, and where any provision of this ordinance imposes restrictions different from those imposed by any other ordinance, rule, regulation, or other provision of law, whichever provision is more restrictive or imposes higher protective standards for human health or the environment shall control.

**Section 12. PUBLICATION OF ORDINANCE.** That the City Clerk of the City of Hoover is hereby ordered and directed to cause this ordinance to be published and that a copy of this Ordinance be entered upon the minutes of the meeting of the City Council.

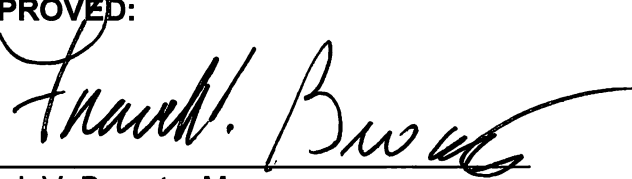
**Section 13. EFFECTIVE DATE OF ORDINANCE.** That this Ordinance and the rules, regulations, provisions, requirements, orders and matters established and adopted hereby shall be in full force and effect upon adoption and approval of this Ordinance in accordance with the provisions of law and shall continue in full force and effect from month to month and year to year from its effective date until repealed.

**THEREFORE, BE IT ORDAINED,** that the City Council of the City of Hoover does hereby ordain, resolve, and enact the foregoing Ordinance.

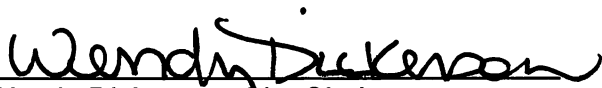
Done this the 6th day of February, 2023.

  
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John B. Lyda, President of the City Council

**APPROVED:**

  
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Frank V. Brocato, Mayor

**ATTESTED:**

  
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Wendy Dickerson, City Clerk