

ORDINANCE NO. 4531

**AN ORDINANCE ESTABLISHING REGULATIONS FOR SHORT-TERM
RENTALS AND UPDATING RELATED REGULATIONS
UNDER THE EAST PEORIA CITY CODE**

WHEREAS, the City of East Peoria recognizes that the use of online booking platforms for vacation and short-term rentals has become commonplace across the nation and in Illinois, and as a result, vacation and short-term rentals are occurring within the City; and

WHEREAS, the City of East Peoria has determined that regulating the renting and use of short-term rental property within the City of East Peoria is necessary for the purpose of protecting public health and safety; and

WHEREAS, the City of East Peoria has further determined that in order to protect public health and safety, the fire and building codes and the health and sanitation standards established under the East Peoria City Code are applicable to short-term rental properties; and

WHEREAS, the Bed and Breakfast Act (50 ILCS 820/1, *et seq.*) authorizes municipalities to regulate bed and breakfast establishments, and these bed and breakfast establishments are one form of short-term rentals; and

WHEREAS, the City of East Peoria has previously adopted ordinances regulating the licensing and operation of bed and breakfast establishments within the City to a limited degree, but now seeks to amend the East Peoria City Code to further clarify that all short-term vacation rental properties, including bed and breakfast establishments, must comply with City regulations; and

WHEREAS, the City Council finds that adopting short-term rental regulations and related amendments to the East Peoria City Code as set forth herein serves the best interests of the City of East Peoria and its citizens;

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF EAST PEORIA, TAZEWELL COUNTY, ILLINOIS, THAT:

Section 1. A new Chapter 38 is hereby added to Title 3 of the East Peoria City Code pertaining to regulation of short-term rental property as follows:

CHAPTER 38. SHORT-TERM RENTALS

SECTION:

3-38-1. Definitions.

- 3-38-2. License required.
- 3-38-3. Residential/commercial use distinguished.
- 3-38-4. Application.
- 3-38-5. Issuance of license.
- 3-38-6. Food service.
- 3-38-7. Soap, towels, linens.
- 3-38-8. Fire prevention / life safety requirements.
- 3-38-9. Driveway.
- 3-38-10. Exterior display.
- 3-38-11. More than five guestrooms prohibited.
- 3-38-12. Maximum stay.
- 3-38-13. Number of persons on premises.
- 3-38-14. Violation; revocation or suspension of license.
- 3-38-15. Violation and penalty.

3-38-1. Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section except where the context clearly indicates that a different meaning is intended:

Guestroom shall mean a room with a structure kept, used, or maintained as or advertised or held out to the public to be in a short-term rental, as defined in this chapter, where sleeping or rooming accommodations are furnished for payment.

Operator shall mean the owner of the short-term rental or the owner's agent.

Operator-Occupied shall mean that for at least twenty (20) days per year, the operator resides on the property or vessel, on contiguous property, or within 300 feet of the lot or site on which the short-term rental is located.

Short-Term Rental shall mean an operator-occupied residence, property, or structure providing accommodations for a charge to the public with no more than 5 guest rooms for rent that is offered, advertised, or held out to the public for use or is otherwise in operation for more than 10 nights in a 12-month period. A short-term rental shall include a boat, house boat,

or similar floating vessel that is rented for overnight lodging and meets the other short-term rental requirements as set forth in this definition; for the purposes of this chapter, the term "structure" shall include a floating vessel. A short-term rental shall further include a bed and breakfast establishment as defined under the Bed and Breakfast Act (50 ILCS 820/1, *et seq.*), as amended from time to time. A short-term rental shall not include motels, motor courts, hotels, boarding houses, rooming houses, boutique lodging establishments (as defined in Title 5 of the East Peoria City Code), or food service establishments.

3-38-2. License required.

(a) No person, partnership, corporation, or association, either as owner or agent, or in any other capacity shall operate or permit to be operated a short-term rental without having first obtained a license to do so. Licenses shall be issued for a period of one year from the date of issuance, unless sooner revoked. No licenses shall be transferable to another person or location.

(b) No license shall be issued or annually renewed for a short-term rental delinquent in payment of the hotel/motel room renting tax to the city as provided by this Title.

3-38-3. Residential/commercial use distinguished.

(a) Housing Regulations Applicable: For purposes of the housing regulations of the city, a short-term rental shall be considered a dwelling unit and shall conform to all the requirements of Title 4, Chapter 8 of the East Peoria City Code, and the additional requirements set forth in Title 4, Chapter 8, Section 8 shall also apply to short-term rentals.

(b) State Tax Requirements: The operator shall comply with all applicable Illinois Department of Revenue requirements regarding the payment of taxes, including payment of all applicable hotel taxes.

(c) City Tax Requirements: For purposes of the City's Hotel/Motel Room Rental Tax, a guestroom within a short-term rental when rented individually, or the entire short-term rental when the entire property or structure is rented as a whole, shall be considered a "hotel or motel room" and shall be subject to said tax pursuant to Chapter 28 of this Title of the East Peoria City Code. The operator of the short-term rental shall collect and remit to the City such hotel/motel taxes in compliance with all terms and requirements of Chapter 28 of this Title of the East Peoria City Code and shall be subject to all other requirements and provisions set forth in said chapter as if being the owner of a hotel or motel within the city. No operator shall willfully fail to file tax returns with the city showing hotel-

motel tax receipts received for each guestroom or to make such payments as required pursuant to Chapter 28 of this Title of the East Peoria City Code.

3-38-4. Application.

An application for a short-term rental license required by this chapter shall be made in writing to the city clerk, which shall set forth the following:

(a) The name, address, and phone number of the individual, partnership, corporation, or association applying for the license. If the proposed licensee is an entity other than an individual, the officer's name and residence address shall be furnished;

(b) The address and legal description of the proposed short-term rental;

(c) A drawing of the site showing:

(1) The location of all existing structures in relation to the property lines; and

(2) The location of all existing and proposed parking areas and driveways in relation to the property lines and structures;

(d) Existing floor plans of all structures on the property;

(e) Any other information as may be required to determine compliance with this chapter.

3-38-5. Issuance of license.

(a) Requirements: The Planning and Community Development Department shall issue a short-term rental license when it is determined that all of the following requirements have been met:

(1) When applicable, a special use issued under the East Peoria Zoning Code for the short-term rental has been approved;

(2) Compliance with all applicable state and local fire standards, including Section 3-38-8, and with the provisions of this chapter;

(3) Compliance with all applicable housing standards set forth in Title 4, Chapter 8 of the East Peoria City Code;

- (4) The licensee shall maintain minimum liability insurance coverage of five hundred thousand dollars (\$500,000.00) for each individual and one million dollars (\$1,000,000.00) for each occurrence. The licensee shall submit a certificate of liability insurance prior to the issuance of the license. Failure to maintain minimum liability insurance shall result in automatic revocation of the short-term rental unit license;
- (5) When applicable, the licensee shall submit a certificate of registration from the Illinois Department of Revenue for payment of any applicable state hotel and retail sales taxes; and
- (6) The licensee shall have registered with the city's finance department for payment of all applicable municipal fees or taxes, including the hotel/motel tax.

(b) License Displayed: Once the license is issued, the licensee shall display the license at all times in a location easily viewed by guests and prospective guests of the short-term rental.

3-38-6. Food service.

If food and beverages service is offered at the short-term rental, the operator shall comply with all requirements set forth in Section 4 of the Bed and Breakfast Act (50 ILCS 820/4), as amended from time to time.

3-38-7. Soap, towels, linens.

Each person who is provided accommodation shall be provided soap and clean individual bath cloths and towels. Clean bed linens in good repair shall be provided for each guest who is provided accommodations and shall be changed between guests and as often as necessary. Clean linen shall be stored and handled in a sanitary manner.

3-38-8. Fire prevention / life safety requirements.

A short-term rental unit shall meet or exceed the life safety requirements set forth in the current NFPA 101 Life Safety Code Edition adopted by the City of East Peoria based on their occupancy classification as determined by the Fire Chief or his designee (see Title 8, Chapter 1, Section 1(c) of the East Peoria City Code). This shall also include:

- (a) Interlinked (either through direct wiring or wireless interaction) smoke detectors in every guestroom and on every floor occupied by a short-

term rental guest or as otherwise approved by the Fire Chief (or his designee);

(b) Carbon monoxide detection within 15 feet of every guestroom and on every floor occupied by a short-term rental guest;

(c) Sufficiently sized fire extinguisher on each floor occupied by a short-term rental guest that is properly mounted or installed and inspected by a State of Illinois licensed contractor or with a receipt of purchase within the last calendar year; and

(d) The operator shall be responsible for maintaining records to indicate that all smoke and carbon monoxide detectors have been tested for proper operation on a monthly basis.

3-38-9. Driveway.

The driveway or parking area serving the short-term rental shall be large enough to accommodate one (1) vehicle for each guestroom in addition to the parking required for operator's vehicles.

3-38-10. Exterior display.

There shall be no exterior display on the zoning lot which contains the establishment to indicate the existence of the establishment.

3-38-11. More than five guestrooms prohibited.

No short-term rental shall be permitted in the city that contains more than five (5) guestrooms.

3-38-12. Maximum stay.

No guest may stay in the short-term rental for more than twenty-nine (29) consecutive days.

3-38-13. Number of persons on premises.

The short-term rental premises shall not be used for gatherings of persons or special events in excess of five (5) persons over the number of guests in a guestroom when guests are renting one or more guestrooms as a short-term rental or in excess of five (5) persons over the number of guests staying at the short-term rental when the entire structure or property is being rented as the short-term rental.

3-38-14. Violation; revocation or suspension of license.

Short-term rental licenses may be revoked or suspended temporarily by the Mayor in accordance with Chapter 2 of this Title of the East Peoria City Code for failure by the licensee or any agent of the licensee to comply with the requirements of this chapter or any provision of this Code relating to such license, including the failure to secure the same or the intentional misrepresentation as to any material fact upon the application therefor, in any case where the licensee refuses to permit any duly authorized employee of the city or the county to inspect the premises or the operations therein, if the licensee fails to pay any applicable city tax or fee, or for violation or of any state or federal law relating the property and occupation and operation thereof.

3-38-15. Violation and penalty.

Any person, partnership, corporation, or association, who operates or maintains a short-term rental without first obtaining a license and paying a license fee to do so from the city, or otherwise violates any of the provisions of this chapter, shall be punished by a fine not less than one hundred dollars (\$100.00) nor more than seven hundred fifty dollars (\$750.00). Each day in which a violation continues shall constitute a separate offense.

Section 2. Title 3, Chapter 15, Section 1 of the East Peoria City Code pertaining to hotels and motor courts is hereby amended to read as follows (additions are indicated by underline; deletions by ~~strikeout~~):

3-15-1. Definitions.

For the purposes of this chapter:

Hotel means a building or structure kept, used, or maintained as, or advertised or held out to the public to be an inn, family hotel, apartment hotel, lodging house, dormitory, or place where sleeping or rooming accommodations are furnished for hire or rent, whether with or without meals, for twenty (20) or more persons, for a period of one day or more. A hotel shall not include a short-term rental as set forth in Chapter 38 of this Title of the East Peoria City Code or a boutique lodging establishment (as defined in Title 5 of the East Peoria City Code), except as specifically provided under a special use permit granted for a boutique lodging establishment or in compliance with the special use provisions in Title 5 of the East Peoria City Code that govern a boutique lodging establishment.

Motel or motor court means any parking lot or garage for the accommodation of motor vehicles where permanent sleeping

accommodations for transients are afforded or provided on the same premises for the public or the occupants of such vehicles; provided, however, that a hotel which furnishes parking space or has a garage in connection with such hotel will not be construed as a motel or motor court. A motel or motor court shall not include a short-term rental as set forth in Chapter 38 of this Title of the East Peoria City Code or a boutique lodging establishment (as defined in Title 5 of the East Peoria City Code).

Section 3. Title 3, Chapter 18, Section 1 of the East Peoria City Code pertaining to Rooming Houses is hereby amended to read as follows (additions are indicated by underline; deletions by ~~strikeout~~):

3-18-1. Definition.

For the purpose of this chapter:

Rooming house means every dwelling, furnished room, house, tourist home, lodging house, boarding house and any other similarly occupied building, structure or portion thereof kept, held or used where sleeping or lodging is provided, or which is equipped to provide lodging, by pre-arrangement as a permanent place of abode rather than on a transient basis for a short-term period of occupancy for a definite period, for compensation, for three (3) or more persons, in contradistinction to hotels, ~~and motor courts,~~ short-term rentals, or boutique lodging establishments open to transients.

Section 4. Title 4, Chapter 8, Section 8 of the East Peoria City Code is hereby amended to read as follows (additions are indicated by underline; deletions by ~~strikeout~~):

4-8-8. Rooming House, Sleeping Rooms, Dormitories, Short-Term Rentals, Hotels and Motels — Additional Sanitation Standards and Minimum Supplies and Facilities

4-8-8.1. Lavatories.

(a) Every rooming house shall be equipped with at least one flush water closet, one lavatory basin and one bathtub or shower for each six (6) persons or fraction thereof living within the rooming house, including members of the family of the owner or operator if they share the use of the facilities. In a rooming house in which rooms are let only to males, flush urinals may be substituted for not more than one-half the required number of water closets. All such facilities shall be properly connected to approved water and sewerage systems. No such facilities located in a basement or cellar shall count in computing the number of facilities required by the city inspector. Each lavatory basin and bathtub or shower shall be supplied with heated and unheated water under pressure at all times.

(b) Every flush water closet, flush urinal, lavatory basin, and bathtub or shower required by this subparagraph, shall be located within the rooming house in a room or rooms which:

- (1) Afford privacy and are separate from the habitable rooms.
- (2) Are accessible from a common hall and without going outside the rooming house.
- (3) Are not more than one story removed from the rooming unit of any occupant intended to share the facilities.

4-8-8.2. Bedding and towels.

Where bedding, bed linen or towels are supplied, the owner or operator shall maintain the bedding in a clean and sanitary manner and ~~he~~ shall furnish clean bed linen and towels at least once each week and prior to the letting of any room to any occupancy.

4-8-8.3. Privacy locks.

Each rooming house, sleeping rooms, short-term rental, dormitory, hotel room and motel room access door shall have operating locks to insure privacy.

4-8-8.4. Exit requirements.

Each rooming unit, short-term rental, dormitory, motel room and hotel room shall have immediate access to two (2) or more safe, unobstructed means of exit, with minimum head room of seven (7) feet six (6) inches and a minimum width of three (3) feet six (6) inches leading to ground level outside the dwelling.

4-8-8.5. Emergency action provision.

Whenever an emergency exists which requires immediate action to protect the public health, safety or welfare, the city inspector may issue an order, without notice or hearings directing the owner, occupant or operator or agent to take appropriate action to correct or abate the emergency.

The owner, occupant, operator, or agent shall be granted a hearing on the matter upon his request as soon as practical, but such hearing, in no case shall stay the abatement of the emergency.

Section 5. Title 9, Chapter 5, Section 5 of the East Peoria City Code pertaining to overcrowding premises is hereby amended to read as follows (additions are indicated by underline; deletions by ~~strikeout~~):

9-5-5. Overcrowding premises.

No owner, lessee or keeper of any apartment house, rooming house, boarding house, short-term rental, hotel, motel, boutique lodging establishment, or dormitory shall cause or allow the same to be overcrowded or so great a number of persons to dwell, remain or sleep in any such house, or any portion thereof, as to cause any danger or detriment to health.

Section 6. This Ordinance is hereby ordered to be published in pamphlet form by the East Peoria City Clerk and said Clerk is ordered to keep at least three (3) copies hereof available for public inspection in the future and in accordance with the Illinois Municipal Code.

Section 7. This Ordinance is in addition to all other ordinances on the subject and shall be construed therewith excepting as to that part in direct conflict with any other ordinance, and in the event of such conflict, the provisions hereof shall govern.

Section 8. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 9. This Ordinance shall be in full force and effect from and after its passage, approval and ten (10) day period of publication in the manner provided by law.

PASSED BY THE COUNCIL OF THE CITY OF EAST PEORIA, TAZEWELL COUNTY, ILLINOIS, IN REGULAR AND PUBLIC SESSION THIS 1st DAY OF December, 2020.

APPROVED:

/s/ John P. Kahl
Mayor

ATTEST:

/s/ Morgan R. Cadwalader
City Clerk

EXAMINED AND APPROVED:

/s/ Dennis R. Triggs
Corporation Counsel