

ORDINANCE NO.1607

An Ordinance of the City Council of the City of Pearland, Texas, amending Chapter 20 of The Code Of Ordinances of The City of Pearland, Texas, by adding Article IX, *Short-term Rentals*, creating a requirement for a registration program for the operation of short-term rentals and the requirement to pay hotel occupancy fees to the City of Pearland when operating a short-term rental within the corporate limits of the City of Pearland; providing a savings clause; providing a penalty clause; a repealer clause and providing for publication.

WHEREAS, the City, being a home-rule city, has authority to utilize police power regulation for the health, safety and general welfare of the citizens of the City; and

WHEREAS, residential short-term rentals are being operated within the City of Pearland and in order to preserve the health, safety, and welfare of local homeowners, neighborhoods, citizens, and visitors of Pearland, the institution of a short-term rental registration is necessary, and

WHEREAS, the City Council seeks the equitable application of the hotel occupancy tax by requiring the collection and remittance of hotel occupancy taxes for operating short-term rentals; now therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS:

Section 1. That Chapter 20 of the Code of Ordinances of the City of Pearland, Texas, is amended by adding Article IX, *Short-Term Rental*, to read as follows:

“Article IX – Short-term Rentals

Sec. 20.110. Definitions

Agent. A person designated in writing by the short-term rental operator in lieu of themselves as the 24-hour emergency contact for a lawfully operating short-term rental.

City. The City of Pearland, Texas.

Operator. Any person who operates a short-term rental, as defined in this Article.

Owner. The person or entity that holds legal and/or equitable title to real property.

Person. Any individual, corporation, business, or other organization.

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Short-term Rental. A residential dwelling unit or bedroom in a residential dwelling unit that is rented out for compensation on a temporary basis for a period of less than thirty (30) consecutive days.

Short-term Rental Registration (Registration). A Registration issued by the City that identifies the property as a Short-term Rental property.

Sec. 20.111. Short-Term Rental Registration Required

- (a) It shall be an offense for an owner, operator, or agent to operate a Short-term Rental without Registration obtained from and authorized by the City.
- (b) It shall be an offense for any person to market or advertise a short-term rental unless that Short-term Rental has a current and valid Registration obtained from and authorized by the City
- (c) The City issued registration number shall be included for all short-term rental advertising in print or online.
- (d) A Registration shall be valid for one year and is subject to review pursuant to this Article.
- (e) A Registration may not be transferred and does not convey with the property upon sale.

Sec. 20-112. Application for Registration.

An application for registration must include; but is not limited, to the following information:

- (a) The address of the property being used as a Short-term Rental,
- (b) The name, address, phone number, and email address of the owner, operator, and agent, if applicable, of the short-term rental;
- (c) The name, address, email and phone number for the local contact person available 24-hours per day and 7 days per week for any emergencies and/or the ability to take remedial action to resolve any complaints; and
- (d) Proof of ownership.

Sec. 20.113. Registration Denial and Revocation

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The Director of Community Development, or their designee, may determine that a Registration required under this Article should be denied or revoked for the reasons set forth below. Written notice of the proposed denial or revocation of a Registration shall be provided to the Applicant/Registrant, along with a copy of any complaint for any of the reasons detailed below and a statement informing the Applicant/registrant of their right to contest the denial or revocation of the Registration in the manner set out below.

- (a) Reasons for Denial of Registration. The application shall be denied, and no Registration shall be issued, if the City finds that:
 - 1. The property is not in compliance with the applicable zoning district requirements;
 - 2. Any statement made in the application is incomplete, inaccurate, misleading, or false; or
 - 3. The applicant has not complied with this Article or has a history of noncompliance with the provisions of this Article or any applicable federal, state, or local law;

- (b) Reasons for Revocation of Registration. The City may revoke a registration due to Owner's failure to comply with registration requirements, this Article or any applicable federal, state, or local law.

- (c) Complaints. Any resident or employee of the City may submit a written complaint to the City's Code Enforcement Department regarding a Short-term Rental for any of the above listed reasons. Unresolved complaints shall be forwarded to the Director of Community Development for review. The Director of Community Development or their designee shall inform the short-term rental Applicant/Registrant of any written complaint and inform the Applicant/Registrant of when said complaint shall be reviewed to determine whether this ordinance has been violated.

- (d) Hearing. The Director of Community Development, after a public hearing, shall make a final written finding determining whether a submitted complaint is substantiated. If the Director of Community Development finds by a preponderance of the evidence that a complaint is substantiated, the Application shall be denied, or the Registration shall be revoked. A Short-term Rental whose Registration is revoked must wait twelve (12) months to reapply for a new Registration.

Sec. 20.114. Hotel Occupancy Tax Payment Required

- (a) An owner, operator, or agent operating a Short-term Rental for use shall assess and collect the hotel occupancy tax in accordance with Chapter 351 of the Texas Tax Code and Chapter 28, Article III of the Pearland Code of Ordinances.

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(b) Shall timely remit to the City of Pearland all city hotel occupancy taxes collected pursuant to state law.

(c) For accounting purposes, hotel occupancy taxes collected from Short-term Rental properties shall be separately identifiable from hotel occupancy taxes collected from commercial hotel establishments.

Sec. 20.115. Penalties.

(a) Violation of any subsection of this article shall be punishable by a fine not to exceed the fine established in section 1-11 of the City Code of Ordinances.

(b) Each day the property is used or advertised as a Short-Term Rental without a valid and current Registration shall constitute a separate offense.”

Section 2. Savings. All rights and remedies which have accrued in favor of the City under this Chapter and amendments thereto shall be and are preserved for the benefit of the City.

Section 3. Severability. Should any section or part of this ordinance be held unconstitutional, illegal, or invalid, or the application to any person or circumstance for any reasons thereof ineffective or inapplicable, such unconstitutionality, illegality, invalidity, or ineffectiveness of such section or part shall in no way affect, impair or invalidate the remaining portion or portions thereof; but as to such remaining portion or portions, the same shall be and remain in full force and effect and to this end the provisions of this ordinance are declared to be severable.

Section 4. Repealer. All ordinances and parts of ordinances in conflict herewith are hereby repealed but only to the extent of such conflict.

Section 5. Codification. It is the intent of the City Council of the City of Pearland, Texas, that the provisions of this ordinance shall be codified in the City’s official Code of Ordinances as provided hereinabove.

Section 6. Publication and Effective Date. The City Secretary shall cause this Ordinance, or its caption and penalty, to be published in the official newspaper of the City of Pearland, upon passage of such Ordinance. The Ordinance shall then become effective ten (10) days from and after its publication, or the publication of its caption and penalty, in the official City newspaper.

PASSED and APPROVED ON FIRST READING this the 27th day of September, A. D.,
2021.

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J. KEVIN COLE
MAYOR

ATTEST:

CRYSTAL N. ROAN, TRMC, CMC
CITY SECRETARY

PASSED and APPROVED ON SECOND AND FINAL READING this the 25th day of
October, A. D., 2021.

J. KEVIN COLE
MAYOR

ATTEST:

CRYSTAL N. ROAN, TRMC, CMC
CITY SECRETARY

APPROVED AS TO FORM:

DARRIN M. COKER
CITY ATTORNEY