

## **ORDINANCE NO. BL2014-951**

### **An ordinance to amend Chapter 6.28 of the Metropolitan Code pertaining to Short Term Rental Property.**

WHEREAS, short-term rental of homes can provide a flexible housing stock that allows travelers a safe accommodation while contributing to the local economy; and

WHEREAS, short-term rental of homes can provide homeowners an opportunity to hold property in difficult economic circumstances or as an investment; and

WHEREAS, hotel taxes from short term rental of homes can be used to promote travel and tourism and to support the local tourism industry; and

WHEREAS, the needs of long-term residents should be balanced with the allowance of short-term rentals.

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. That Chapter 6.28 of the Metropolitan Code is hereby amended by adding the following new Section 6.28.030:

#### 6.28.030 Short Term Rental Property (STRP).

A. For purposes of this section, "Short Term Rental Property (STRP)" means a residential dwelling unit containing not more than four sleeping rooms that is used and/or advertised for rent for transient occupancy by guests as those terms are defined in Section 5.12.010 of the metropolitan code. Residential dwelling units rented to the same occupant for more than 30 continuous days, Bed and Breakfast establishments, boarding houses, hotels, and motels shall not be considered Short Term Rental Property.

B. For purposes of this section, "owner-occupied" means the owner of the property permanently resides in the STRP or in the principal residential unit with which the STRP is associated on the same lot.

C. No person or entity shall operate a STRP or advertise a residential property for use as a STRP without the owner of the property first having obtained a STRP permit issued by the department of codes administration.

D. Application. The STRP permit application shall include the following information:

1. The name, telephone number, address, and email address of the owner and of a person or business ("responsible party") residing or located within twenty-five miles of the STRP that is responsible for addressing all maintenance and safety concerns;
2. Proof of insurance evidencing homeowner's fire, hazard, and liability insurance. Liability coverage shall have limits of not less than \$1,000,000 per occurrence.
3. If the STRP unit shares a common wall or a common driveway with another property owner, proof of written notification to such neighboring property owner(s) prior to filing the application.

E. Signage. Signs, advertising, or any other display on the property indicating that the dwelling unit is being utilized, in whole or in part, as a STRP is prohibited.

F. All STRP occupants shall abide by all applicable noise restrictions contained in the Metropolitan Code and all applicable waste management provisions of Chapter 10.20 of the Metropolitan Code.

G. The STRP shall have approved smoke alarms meeting Underwriters Laboratory (UL) 217 standards installed as follows:

1. In all sleeping areas.

2. In every room in the path of the means of egress from the sleeping area to the door leading from the sleeping unit.
3. In each story within the sleeping unit, including basements.
- H. No recreational vehicles, buses, or trailers shall be visible on the street or property in conjunction with the STRP use.
- I. No food shall be prepared for or served to the transient by the permit holder.
- J. The principal renter of a STRP unit shall be at least twenty-one (21) years of age.
- K. Maximum occupancy. The maximum number of paying adult guests permitted on a STRP property at any one time shall not exceed more than twice the number of sleeping rooms plus four. Simultaneous rental to more than one party under separate contracts shall not be allowed. The occupancy maximum shall be conspicuously posted within the STRP unit.
- L. The STRP owner shall not receive any compensation or remuneration to permit occupancy of a STRP for a period of less than twenty-four (24) hours. The maximum stay for any guest shall be thirty (30) consecutive days.
- M. The name and telephone number of the local responsible party shall be conspicuously posted within the STRP unit. The responsible party shall answer calls twenty-four (24) hours a day, seven (7) days a week for the duration of each short term rental period to address problems associated with the STRP.
- N. Expiration of permit. A STRP permit shall expire three hundred sixty-five (365) days after it is issued. STRP permits may be renewed upon the payment of a fifty dollar renewal fee to the department of codes administration.
- O. The permit holder shall be responsible for collecting and remitting all applicable room, occupancy, and sales taxes required by state law or the Metropolitan Code.
- P. A STRP permit shall not be transferred or assigned to another individual, person, entity, or address, nor shall the permit authorize any person, other than the person named therein, to operate a STRP on the property.
- Q. STRP permit holders shall obtain a use permit from the zoning administrator as an accessory use to the primary residential use pursuant to section 17.16.250.E. of the metropolitan code. No more than 3% of the single-family or detached two-family residential units within each census tract shall be permitted as non-owner-occupied short-term rental use as determined by the Zoning Administrator.
- R. Denial or Revocation of Permit.
  1. Upon the filing of three or more complaints within a calendar year regarding a STRP permit, the department of codes administration shall notify the permit holder in writing of such complaints.
  2. If the department of codes administration determines that violations of this section or any other ordinance or law relating to STRPs have occurred, the permit to operate a STRP may be revoked.
  3. Before revoking any permit, the department of codes administration shall give the permit holder fifteen days written notice of the alleged violation(s) against him/her.
  4. Any denial or revocation of a STRP permit may be appealed to the board of zoning appeals as an administrative appeal pursuant to section 17.40.180.A. of the metropolitan zoning code.

Section 2. The department of codes administration shall begin accepting STRP applications on March 31, 2015, and shall begin enforcing the provisions of this Ordinance from and after July 1, 2015.

Section 3. This Ordinance shall take effect from and after its enactment, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

Sponsored by: Burkley Allen, Charlie Tygard, Peter Westerholm, Anthony Davis

**Amendment No. 1  
To  
Ordinance No. BL2014-951**

Madam President:

I move to amend Ordinance No. BL2014-951 by amending Section 1 as follows:

I. By deleting the provisions of subsection G. and substituting with the following new subsection G.:

G. The STRP shall meet all applicable requirements of the state and local building and fire safety codes, including, but not limited to, having approved smoke alarms meeting Underwriters Laboratory (UL) 217 standards installed as follows:

1. In all sleeping areas.
2. In every room in the path of the means of egress from the sleeping area to the door leading from the sleeping unit.
3. In each story within the sleeping unit, including basements.

II. By deleting the phrase "paying adult guests" wherein it appears in subsection K., and substituting with the phrase "occupants".

III. By adding the following provisions at the end of subsection R.:

5. Once a STRP permit has been revoked, no new permit shall be issued to the applicant for the same property for a period of one year.

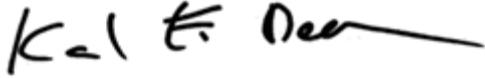
6. The penalty for operating a short term rental property without a permit shall be:

a. A fifty dollar fine. Each day of operation without a permit shall constitute a separate offense.

b. Upon a finding that a short term rental property has operated without a permit, there shall be a one year waiting period from the date of such finding for the property to become eligible for a STRP permit.

Sponsored by: Burkley Allen

<b>LEGISLATIVE HISTORY</b>	
Introduced:	November 18, 2014
Passed First Reading:	November 18, 2014
Referred to:	Codes Committee Convention & Tourism Committee
Deferred to January 6, 2015:	December 2, 2014
Deferred to February 3, 2015:	January 6, 2015
Amended:	February 3, 2015
Passed Second Reading:	February 3, 2015

Passed Third Reading:	February 24, 2015 - <a href="#">Roll Call Vote</a>
Approved:	February 26, 2015
By:	

Requests for ADA accommodation should be directed to the Metropolitan Clerk at 615/862-6770.