

AN ORDINANCE AMENDING CHAPTER 29 “CODE COMPLIANCE” OF THE CODE OF ORDINANCES OF THE CITY OF GRAND PRAIRIE, TEXAS, BY AMENDING ARTICLE IX, “SHORT TERM RESIDENTIAL RENTALS”; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; A CUMULATIVE CLAUSE; A PENALTY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE FROM AND AFTER ITS APPROVAL AND PUBLICATION

WHEREAS, the increase in the number of persons or entities desiring to rent their residential properties has led to the proliferation of transient and vacation rental uses within neighborhoods; and

WHEREAS, the use of residential premises by individuals for short periods of time may negatively impact the residential character of many neighborhoods by reducing communication and accountability between permanent residents by partially substituting permanent residents with transient visitors; and

WHEREAS, the regulation of the use and operation of such “short-term rental” property is intended to prevent the further erosion of pre-existing and stable residential neighborhoods, and further advance the City Council’s objective of promoting and preserving great neighborhoods; and

WHEREAS, the rise of substitute land uses for residential property contributes to the shortage of affordable housing, both ownership and long-term rental; and

WHEREAS, the Unified Development Code did not allow the use of property zoned residential to be used for transient, short-term stays for less than 30 days; and

WHEREAS, the enforcement of land use regulations in residential property poses unique enforcement difficulties and merits a stand-alone ordinance to provide clear rules for such rentals; and

WHEREAS, the requirement of an annual short-term rental permit that can be suspended or revoked in the event of repeated nuisance violations related to noise, trash, parking, etc. incentivizes operators of short term rental properties to assure their renters’ compliance with the law and City ordinances, and provides a means for the City to protect the welfare of its citizens living in proximity of properties not being responsibly managed; and

WHEREAS, City Council finds that regulating the short-term rental of residential property is necessary for the health, safety and welfare of the general public, the promotion of consistent land uses and development, and the protection of landowners and residents of the City of Grand Prairie; and

WHEREAS, the City desires to establish rules and regulations relating to the operation of short term rentals

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND PRARIE, TEXAS THAT:

SECTION 1. The findings and recitations set out in the preamble of this Ordinance are found to be true and correct and they are hereby adopted by the City Council and made part hereof for all purposes.

SECTION 2. Chapter 29 “Code Compliance” of the Code of Ordinances of the City of Grand Prairie is hereby amended by amending Article IX to read as follows:

“ARTICLE IX. SHORT-TERM RESIDENTIAL RENTALS

Sec. 29-181. Purpose.

This Article is intended to provide a procedure to allow the rental of residential premises to visitors on a short-term basis, while ensuring that such rental use does not create adverse impacts to residential neighborhoods due to excessive traffic, noise, and density. Additionally, this section is intended to ensure that the number of occupants within such rental units does not exceed the design capacity of the structure to cause health and safety concerns, and that minimum health and safety standards are maintained in such units to protect visitors from unsafe or unsanitary conditions.

Sec. 29-182. Definitions.

Bedroom means the living area(s) of the dwelling unit that is designed and furnished for sleeping and which has proper egress as required by the International Residential Code.

Director means the manager of the Code Compliance Division or his designated representative.

Local Contact Person means the person designated by the Owner or Operator who shall be available twenty-four (24) hours per day, seven (7) days per week for the purpose of:

- (a) responding in person within one (1) hour to complaints regarding the condition, operation, or conduct of Occupants of the Short-Term Rental unit; and
- (b) taking remedial action to resolve such complaints.

The Owner or Operator may be listed as the Local Contact Person.

Operator means every natural person, firm, partnership, association, social or fraternal organization, corporation, estate, trust, receiver, syndicate, branch of government, or any other group or combination acting as a unit who is the proprietor of a Short-Term Rental with authority to act in that capacity, whether in the capacity of Owner, lessee, sub-lessee, mortgagee in possession, licensee, or any capacity. Where the Operator performs his or her functions through a managing agent of any type or character, other than an employee, or where the Operator performs his or her functions through a rental agent, the managing agent or the rental agent shall have the same duties as his or her principal.

Owner means any person, agent, operator, firm, trust, corporation, partnership, or any other legal entity who has a legal or equitable interest in the property; or who is recorded in the official records of the county as holding title to the property; or who otherwise has control of the property, including the guardian of the estate of any such person, and the executor of the estate of such person if ordered to take possession of real property by a court.

Occupant means any individual person living in, sleeping in, or possessing a building or portion thereof. 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 an occupant.

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

Short-Term Rental means a residential premise, or portion thereof, used for lodging accommodations to Occupants for a period of not less than one or more than thirty (30) consecutive days, other than an ongoing month-to-month tenancy granted to the same renter for the same premises. The definition of Short-Term Rental does not include a hotel, motel, bed and breakfast, executive suite, or other non-residential use.

Sec. 29-183. Unpermitted Short-Term Rentals Prohibited.

- (a) It shall be unlawful for any Owner, Operator, or person to rent, lease, advertise, or otherwise permit or allow any residential premises to be operated or used as an unpermitted Short-Term Rental.
- (b) It shall be an affirmative defense to violation of this section that the occupant is a party to the sale of the premises and was occupying the premises pursuant to a written post-closing occupancy agreement.

Sec. 29-184. Short-Term Rental Permit Required.

- (a) An Owner or Operator who desires to use its Premises as a Short-Term Rental must have valid, active short-term rental permit from the City prior to using, allowing the use of, or advertising the use of said Premises as a Short-Term Rental. Each rentable unit must be permitted. Upon application to the City, a Short-Term Rental permit shall be approved by the Director if the application satisfies all the conditions of this Article and the zoning ordinance. The Director may place reasonable conditions on Short-Term Rental permits to ensure compliance with the provisions of this Article.
- (b) Each Short-Term Rental permit shall be issued with a unique permit number. The permit number must be included in all advertisements for the Short-Term Rental, including internet booking sites.
- (c) A copy of the Short-Term Rental permit shall be posted at a conspicuous location inside the front entrance(s) to the Short-Term Rental.
- (d) Owners and Operators of Short-Term Rental units which were registered before the effective date of this ordinance shall have sixty (60) days from the effective date of this ordinance to secure the permit required under this Article.

Sec. 29-185. Transferability.

- (a) A Short-Term Rental permit is not transferable and shall not be assigned nor transferred to another person or entity. Any attempt to transfer a permit or attempt to use another person's permit may be grounds for revocation of a permit.

Sec. 29-186. Short-Term Rental Permit Application Process.

- (a) *Application requirement.* An Owner or Operator who wishes to offer his or her residential premises as a Short-Term Rental must submit an application for a permit to the City.
- (b) *Application process.* Applications shall be in writing on a Short-Term Rental application form prescribed by the City Manager or his designee. The date of receipt of an application form shall be recorded by the City in a manner sufficient to verify the date of its submission. The Owner or Operator must submit the following information on the application form:
 - (1) The physical address of the short-term residential premises.
 - (2) The number of bedrooms and the applicable overnight and daytime occupancy limit of the proposed Short-Term Rental premises.
 - (3) The Owner's name, address, email address, and telephone number.
 - (4) If the Owner is not a natural person, then the name, address, and email address of a natural person who has the legal authority to act for the Owner.

- (5) The Operator's name, address, email address, and telephone number.
 - (6) If the Operator is not a natural person, then the name, address, and email address of a natural person who has the legal authority to act for the Operator.
 - (7) The name, address, email address, and twenty-four (24) hour telephone number of a Local Contact Person.
 - (8) A statement that the Owner or Operator of the Short-Term Rental will comply with the requirements of this Article, including but not limited to, obtaining annual independent inspections of required fire extinguishers in compliance with the City's current Fire Code, and with all applicable state and local laws, and that the Owner or Operator shall be liable for any violations of applicable state and local laws.
 - (9) Verification that the Owner or Operator has no delinquent hotel occupancy taxes due on the residential premises; and
 - (10) When applicable, written verification from the Owner that the Operator is authorized to operate the Premises as a Short-Term Rental; and
 - (11) Such other information as the City Manager or his designee deems reasonably necessary to administer this Article.
- (c) There shall be a nonrefundable permit application fee of \$480.00.
- (d) *Additional application requirements.* The Short-Term Rental application form must be accompanied by the following:
- (1) A site plan of the Premises identifying the location of parking spaces to be used in conjunction with the Short-Term Rental.
 - (2) A dimensioned floor plan of the of the Short-Term Rental identifying Bedrooms, other living spaces, and emergency evacuation routes; and
 - (3) Proof of host protection or liability insurance commensurate with the operation of a Short-Term Rental that provides coverage of up to \$1 million per occurrence. Proof of insurance shall be required at the time of application and must contain a provision requiring the insurer to provide the Director with thirty (30) days' notice of cancellation, and Owner or Permit Holder shall provide notice of cancellation from its insurer within three days of receipt of such notice.
- (e) If an application form is determined to be incomplete, the Director shall notify the Owner or Operator in writing of the incomplete nature of the application and the basis for that determination.

Sec. 29-187. Expiration of Permit; Renewals.

- (a) A Short-Term Rental permit shall expire on the last day of the month one year after the date of issuance. No Short-Term Rental permit may be renewed without a completed renewal application submitted by the Owner or Operator and payment of the application fee. If the renewal application satisfies the conditions of this Article and all other provisions of the Code of Ordinances and the Unified Development Code, an application for renewal of a Short-Term Rental permit shall be approved by the Director or his designee.

- (b) An application for a Short-Term Rental renewal permit must be filed beginning thirty (30) days prior to the expiration of a current permit. Every complete application for a Short-Term Rental renewal permit shall include updates, if any to the information contained in the original permit or any subsequent renewals. The permit holder shall sign a statement affirming that there is either no change to such information, or that any updated is accurate and complete. The Director may require such certifications deemed necessary and proper to ensure continuing compliance with this Article.
- (c) An application for a Short-Term Rental renewal permit submitted after the expiration of the most recent permit for the premises shall be treated as an application for a new permit as described in Section 29-186.
- (d) If a complete application for a Short-Term Rental renewal permit is submitted less than thirty (30) days prior to the expiration of the current permit, the Director, in his sole discretion, may grant a one-time extension of the current permit not to exceed ten (10) days.
- (e) A nonrefundable permit renewal application fee of \$480.00 shall accompany any renewal application.

Sec. 29-188. Inspection.

Prior to issuance of a Short-Term Rental permit, the Owner or Operator shall allow, within ten (10) days of receipt of notice from the City, an on-site inspection of the Short-Term Rental premises by the City Code Compliance Manager or his designee to ensure compliance with minimum health and safety requirements for use and occupancy. If, upon completion of an inspection, the Premises are found to be in violation of one (1) or more provisions of applicable City codes and ordinances, the City shall provide written notice of such violation and shall set a re-inspection date for a violation to be corrected prior to issuance of a Short-Term Rental permit.

Sec. 29-189. Neighbor Notice.

Upon issuance of a permit under this Article, the Owner or Operator shall provide by mail or email, or otherwise distribute by hand, a written notice to neighbors within 200 feet of the Short-Term Rental property address advising that a Short-Term Rental permit has been issued for the property. The Owner or Operator shall provide written verification to the City of the satisfaction of this obligation within ten (10) days of the issuance of the permit. The notice shall include: the permit number, the identity of the Owner and the Operator of the Short-Term Rental, the name and contact information for the Local Contact Person, and a City website address where the information is also posted. The neighbors shall be informed by the Owner or Operator whenever there is a change in contact information.

Sec. 29-190. Change of Information.

Any change of information provided in a Short-Term Rental application form must be reported to the City within ten (10) days, and be continuously updated as changes occur.

Sec. 29-191. Additional Requirements.

- (a) Parking.
 - (1) The maximum number of motor vehicles allowed at a Short-Term Rental shall be limited to the number of available off-street parking spaces.
 - (2) It shall be unlawful for an Owner or Operator to permit, allow or advise Occupants or visitors to park more vehicles on the Premises than the off-street parking spaces, or to

suffer or permit parking of vehicles on an unimproved surface or in a manner that obstructs a sidewalk.

- (3) It shall be unlawful for an Occupant of a Short-Term Rental to park a motor vehicle on a residential street near a Short-Term Rental.
 - (4) It shall be unlawful for an Occupant of a Short-Term Rental, or an Owner or Operator thereof, to allow an Occupant to park or occupy a motor home, recreational vehicle, boat, commercial vehicle, or otherwise prohibited motor vehicle on the Premises of a Short-Term Rental or on a residential street near a Short-Term Rental.
- (b) Informational brochure. Each Owner or Operator shall provide to Occupants a brochure that includes:
- (1) The name and contact information for the Local Contact Person.
 - (2) The overnight and daytime occupancy limits for the Short-Term Rental premises.
 - (3) Pertinent City and neighborhood information related to quality of life including, but not limited to, parking restrictions, restrictions on noise and amplified sound, and trash collection schedules; and
 - (4) Information to assist Occupants in the case of emergencies posing threats to personal safety or damage to property, including emergency and non-emergency telephone numbers for police, fire, and emergency medical services providers, and instructions for obtaining severe weather, natural, or manmade disaster alerts and updates.
- (c) Hotel Occupancy Taxes.
- It is a condition of the initial and continued validity of a Short-Term Rental permit that the Owner or Operator has paid and remains current on the payment of all hotel occupancy taxes owed to the City under the Texas Tax Code. Failure to timely pay the hotel occupancy taxes is considered a violation of this Article and may result in revocation of a Short-Term Rental permit.
- (d) Trash Pickup Requirements. It shall be unlawful for an Owner or Occupant to place, or allow to be placed, trash on the premises before 7:00 PM the evening prior to scheduled pickup or on a day not scheduled for pickup by the City or its authorized solid waste transportation vendor.
- (e) Smoke Alarms and Fire Extinguisher. Each Short-Term Rental Owner or Operator shall provide in the Short-Term Rental working smoke and carbon monoxide detectors, with alarms, in accordance with adopted codes, and at least one working Type A fire extinguisher. The Owner or Operator is responsible for obtaining annual independent inspections of the fire extinguishers in compliance with the City's current Fire Code. The premises shall otherwise comply with applicable Code of Ordinance requirements, including but not limited to all building and fire codes.

Sec. 29.192. Restrictions on Number of Occupants.

- (a) Subject to the limitation in subsection (b), it shall be unlawful for an Owner, Operator or person to rent, allow, provide, or advertise the Premises for occupancy by more than one person per 200 square feet when using the Premises as a Short-Term Rental.

- (b) Regardless of the number of bedrooms or square footage at the Premises, it shall be unlawful:
 - (1) For more than twelve (12) persons (including children), to occupy a Short-Term Rental at any one time; or
 - (2) For the Owner or Operator to allow, suffer or permit the number of occupants living, sleeping within or possessing a Short-Term Rental to exceed the maximum occupancy shown on the Short-Term Rental permit or renewal permit.
- (c) A visual inspection of more than twelve (12) persons by a City employee at the Premises creates a rebuttable presumption of a violation of this section.

Sec. 29-193. Physical Conversion of Premises Prohibited.

- (a) It shall be unlawful for an Owner or Operator or any person to convert a garage to a living space, remodel, renovate, enlarge or otherwise modify premises to add additional bedrooms for use as a Short-Term Rental.
- (b) It shall be unlawful for an Owner, Operator or any person to pave or otherwise cover previous soil to create additional on-premise parking without the prior approval of the City of Grand Prairie.

Sec. 29-194. Compliance and Enforcement – Penalty Provisions.

- (a) The Owner, Operator, Local Contact Person, and Occupants shall comply with all applicable laws, rules and regulations pertaining to the operation, use, and occupancy of a Short-Term Rental, as well as all City of Grand Prairie ordinances, including those related to trash, noise, and parking. The Owner shall not be relieved from any civil or criminal liability for a violation of this Article, regardless of whether such violation is committed by the Owner, Operator, Local Contact Person, or Occupant of the Owner's Short-Term Rental.
- (b) Nothing in this Article shall be construed to relieve any person or Owner of any other applicable requirements of federal, state, or local law, rules, or regulations. Nothing in this Article shall be construed to provide any property owner with the right or privilege to violate any private conditions, covenants, and restrictions applicable to the owner's property that may prohibit the use of such owner's property as a Short-Term Rental as defined in this Article.
- (c) It shall be unlawful for any person or entity to violate any provision of this Article. Proof that a violation of this Article occurred at a Short-Term Rental shall create a rebuttable presumption that the Owner of said Short-Term Rental committed the violation.
- (d) Prosecution under this Article shall not require the pleading or proving of any culpable mental state. Any violation of this Article which does not allege a culpable mental state is a Class C misdemeanor offense, and upon conviction shall be punished by a fine in the maximum amount of five hundred dollars (\$500.00).
- (e) If a culpable mental state is alleged in the charge of the offense and the offense governs fire safety, zoning, or public health and sanitation, including dumping of refuse, such offense shall be punishable by a fine not to exceed two thousand dollars (\$2,000.00).
- (f) Penalties provided for in this Article are in addition to any other criminal or civil remedies that the City may pursue under federal, state, or local law.

Sec. 29-195. Revocation of Permit.

- (a) A permit may be denied or revoked by the Director for any of the following reasons:

- (1) Providing false or misleading information on a Short-Term Rental application form.
 - (2) Representing a property available or otherwise making a residential premises available for occupancy or rent as a Short-Term Rental where the property does not hold a valid Short-Term Rental permit.
 - (3) The Owner is overdue in payment to the City of taxes, fees, fines, or penalties, or fails to provide documentation when requested showing all occupancy taxes have been paid for the property.
 - (4) Information required to be provided as part of this Article has changed or is no longer accurate and the permit holder has failed to notify the City.
 - (5) Any violation of this Article.
 - (6) Failure to timely provide any information, or any corrected information, required under this Article.
- (b) Prior to denying or revoking a permit, the Director shall provide a written warning to the Owner or Operator, explaining the deficiencies in the application or permit, and provide for a deadline by which the applicant can voluntarily remedy the deficiencies.
- (c) Notice that a permit has been denied or revoked shall be given in writing to the Owner or Operator who completed the Short-Term Rental application form. The notice shall state the reason(s) for the denial or revocation, and it shall be served either by personal service or by certified United States mail to the address provided in the Short-Term Rental application form. The denial or revocation shall become effective on the date of service if served by personal service, or three (3) days from the date of mailing if served by United States mail.
- (d) To contest the denial or revocation of a permit, the applicant shall file a notice of appeal with the Director within ten (10) days following the effective date of the denial or revocation. If no notice of appeal is filed within ten (10) days, the denial or revocation is sustained.
- (e) The Director shall forward the notice of appeal to the board office of the Grand Prairie Zoning Board of Adjustment within three (3) business days of receipt of the notice of appeal.
- (f) The Zoning Board of Adjustment shall hold a hearing within twenty (20) business days of the appeal being received in the board office, and shall render a decision at the conclusion of the hearing.
- (g) An appeal shall not stay the denial or revocation of a permit unless otherwise directed by the Director.
- (h) If a Short-Term Rental permit is revoked by the Director, then for one year after the date of revocation, no second or additional permit shall be issued for a Short-Term Rental on the same Premises which are the location of the revoked permit.”

SECTION 3. If any article, section, sub-section, sentence, or phrase of this Ordinance should be held to be invalid for any reason whatsoever, such invalidity shall not affect the remaining portions of this Ordinance which shall remain in full force and effect and to this end the provisions of this Ordinance are declared to be severable.

SECTION 4. This ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Grand Prairie, Texas, and this ordinance shall not operate to repeal or affect any other ordinance

except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

SECTION 5. All of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the general public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Grand Prairie, Texas, in the discharge of his duties, shall not thereby render himself personally liable; and he is hereby relieved of all personal liability for any damage that might occur to persons or property as a result of any act required or permitted in the discharge of his said duties.

SECTION 6. Violation of this ordinance shall be punishable in accordance with Section 1-8 of the Code of Ordinances.

SECTION 7. This Ordinance shall be in full force and effect from and after its passage, approval and publication.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, ON THIS THE 17th DAY OF MAY 2022.


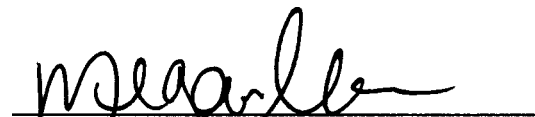
APPROVED:



Ron Jensen, Mayor

ATTEST:

APPROVED AS TO FORM:


City Secretary
City Attorney