1	ORDINANCE NO.			
2	AN ORDINANCE TO AMEND THE CODE OF ORDINANCES OF THE CITY OF			
3	LITTLE ROCK, ARKANSAS, TO PROVIDE FOR THE MODIFICATION OF VARIOUS			
4	PROCEDURES, DEFINITIONS, AND FOR OTHER PURPOSES.			
5	WHEREAS, the use of homes for short term rentals is occurring throughout the City without			
6	clear allowances for this land use; and			
7	WHEREAS, a regulatory framework is needed to provide for life-safety standards for both			
8	hosts and visitors of short term rentals; and			
9	WHEREAS, use of residential homes for short term rentals grants owners opportunities for			
10	housing to be used for the purpose of safe temporary rental accommodations throughout the City's			
11	collective of neighborhoods; and			
12	WHEREAS, the City has developed an equitable system for permitting short term rentals,			
13	incorporating mechanisms to preserve neighborhood character while allowing reasonable latitude for			
14	the use of private residences to generate income; and			
15	WHEREAS, this regulatory framework for operation of short term rentals helps establish			
16	equity in municipal tax collection; hotel taxes from short term rentals will be collected and used in			
17	City's efforts to promote travel and tourism.			
18	NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE			
19	CITY OF LITTLE ROCK, ARKANSAS.			
20	NOTE: FOR PREVIEW ORDINANCE, PROPOSED NEW TEXT IS SHOWN <u>UNDERLINED</u>			
21	SECTION 01. Little Rock, Arkansas Rev. Code Chapter 17. Licenses, Taxation, and			
22	Miscellaneous Business Regulations, Article IV. Hotel and Restaurant Tax, Code of Ordinances			
23	of the City of Little Rock, Section 17-96 Levied, sub-Section (a), as follows:			
24	There is hereby levied a tax of four (4) percent upon the gross receipts or gross			
25	proceeds derived and received from the renting, leasing or otherwise furnishing of			
26	hotel, motel, house, cabin, bed and breakfast, campground, condominium, or			

1	apartment accommodations, or other similar rental accommodations for sleeping,
2	meeting, or party or banquet use for profit in the city, provided that such levy shall
3	not apply to the rental or leasing of such accommodations for a period of thirty (30)
4	days or more; and
4	uays of more, and
5	Be amended to read as follows:
6	There is hereby levied a tax of four (4) percent upon the gross receipts or gross
7	proceeds derived and received from the renting, leasing or otherwise furnishing of
8	hotel, motel, house, cabin, bed and breakfast, <u>short term rental</u> , campground,
9	condominium, or apartment accommodations, or other similar rental
10	accommodations for sleeping, meeting, or party or banquet use for profit in the city,
11	provided that such levy shall not apply to the rental or leasing of such
12	accommodations for a period of thirty (30) days or more; and
13	SECTION 02. Little Rock, Arkansas Rev. Code, Chapter 36. Zoning, Article I. In
14	General, Section 36-3. Same – Uses, as follows:
15	Bed and breakfast house means an owner-occupied single-family residence which
16	contains not more than five (5) guest rooms, which for a fee may be occupied by a
17	guest for no longer than fourteen 14 consecutive days.
18	Be amended to read as follows:
19	Bed and breakfast house / short term rental (STR) means an owner occupied or non-
20	owner occupied single or multi-family dwelling unit which contains not more than five
21	(5) guest rooms, no more than one (1) of which may be located in an approved
22	accessory dwelling, which for a fee may be occupied by a guest for no longer than
23	twenty-nine (29) consecutive days. Bed and breakfast house / short term rental (STR)
24	are a land use allowed only where the Planning Commission has granted a Special Use
25	Permit in accordance with Chapter 36. Article II. Section 36-54 Special Use Permits.
26	SECTION 03. Little Rock, Arkansas Rev. Code, Chapter 36. Zoning, Article II.
27	Administration and Enforcement, Section 36-54. Special Use Permits, sub-Section (e.)
28	Development Criteria, as follows:

1	(1) Bed and breakfast hotels
2	a. The occupancy fee may include a continental breakfast (coffee, juice and
3	pastry) to be served to paying guests with no full meals.
4	b. The owner must provide one (1) paved off-street parking space per guest room
5	and one (1) additional for the residence use.
6	c. Allowable signage is that permitted by the single-family residential standard.
7	d. No receptions, private parties or tours for a fee are allowed.
8	Be amended to read as follows:
9	(1) Bed and breakfast house / short term rental type (STR)
10	a. See Article XIII. Bed and breakfast house / short term rentals for development
11	standards and submittal requirement
12	SECTION 04. Little Rock, Arkansas Rev. Code, Chapter 36. Zoning, Article V. District
13	Regulations, Section. 36-253. R-1 Single-family district. Sub-Section (b) Use Regulations. (5)
14	Special uses, as follows.
15	a. Bed and breakfast house
16	Be amended to read as follows:
17	a. Bed and breakfast house <u>/short term rental</u>
18	SECTION 04. That Little Rock, Arkansas Rev. Code be amended to include a new Article
19	for incorporation into Chapter 36. Zoning, providing land use controls for bed and breakfast
20	house/ short term rentals.
21	ARTICLE XIV. BED AND BREAKFAST HOUSE/SHORT TERM RENTALS
22	ARTICLE XIV. SEC. 36-599 SHORT TITLE
23	This chapter may be cited as the "Short Term Rental Ordinance."

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## ARTICLE XIV. SEC. 36-600 PURPOSE

2 <u>Purpose of this Article is to establish regulations for use of residential dwellings as bed and breakfast</u>

3 <u>house/ short term rentals, establish a system to track the short term rental inventory in the City, ensure</u>

4 compliance with local performance standards, provide a means of contact for the Responsible Party of

5 <u>bed and breakfast house/ short term rentals, and allow private property owners the right to fully and</u>

- 6 <u>efficiently utilize their property without undue regulation or interference.</u>
  - **DEFINITIONS.**
- A. <u>Administrative Approval shall mean formal acceptance of approval by the</u>
   <u>Director of Planning and Development or their designee.</u>
- 10B.Bed and breakfast house / short term rental type shall mean an owner occupied or11non-owner occupied single-family or multi-family property which contains not12more than five (5) guest rooms, no more than one (1) of which may be located in13an approved accessory dwelling, which for a fee may be occupied by a guest for14no longer than twenty-nine (29) consecutive days.
- 15 C. Occupant shall mean the person or persons who contracts with the Responsible
  16 Party for use of the Short Term Rental (STR).
- 17D.Owner-occupied shall mean owner of the property permanently resides in the18STR or in the principal residential unit with which the STR is associated on the19same tax parcel.
- 20 E. Responsible Party shall mean the owner of a Residential dwelling being used as a short-term rental, as well as any person designated by the owner who is 21 responsible for compliance with this Article by an Occupant and any guests 22 23 utilizing the Short Term Rental. The Responsible Party shall provide for the maintenance of the property and ensure compliance by the Occupant and any 24 25 guests with the provisions of this Article, or any other applicable law, rule, or regulation pertaining to the use and occupancy of a Short Term Rental. The owner 26 27 of the property shall not be relieved of responsibility or liability for 28 noncompliance with the provisions.

## <u>ARTICLE XIV. SEC. 36-601 BED AND BREAKFAST HOUSE / SHORT TERM RENTALS</u> (STR) ENTITLEMENT

a) Bed and breakfast house / short term rental (STR) is an owner occupied or non-owner
occupied single or multi-family dwelling unit which contains not more than five (5)
guest rooms, no more than one (1) of which may be located in an approved accessory
dwelling, which for a fee may be occupied by a guest for no longer than twenty-nine
(29) consecutive days.
Bed and breakfast house / short term rental (STR) are a land use allowed only where
the Planning Commission has granted a Special Use Permit in accordance with

Chapter 36. Article II. Section 36-54 Special Use Permits.

11 a. <u>Business License required.</u>

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- 1. <u>Upon Planning Commission approval of a Special Use Permit, the owner</u> <u>can submit application for a Business License, to be renewed annually.</u>
- 142. Annual inspection fee of \$100 per bedroom up to max. \$500. Unless the<br/>owner does not reside on the property, or reside in a unit within 1500 feet<br/>of said property, then the inspection fee shall be \$500 (for the entire<br/>structure).17structure).
- 18
   3. The annual inspection fee would be waived if the structure is in a historic

   19
   district and passes inspection adding to the historic district's contributing

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   structures
- (b) Pre-existing Bed and breakfast house / short term rental (STR) owner occupied, or a unit
  within 1500 of the owner's primary dwelling. Administrative approval for pre-existing
  bed and breakfast house / short term rental (STR) can be granted. Within six (6) months
  of the passage of this ordinance, the owner must register the STR-1 with the City,
  demonstrate the STR was in operation six (6) months prior to passage of this ordinance,
  demonstrate compliance with all Bed and breakfast house / STR development standards,
  and pay a one hundred fifty (\$150) dollar administrative review fee.

1		1. If administrative approval is granted, the applicant will be notified and an
2		inspection will be scheduled, a one hundred dollar (\$100) inspection fee to be
3		collected.
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4		2. Following payment of the administrative review and inspection fee, operator
5		shall obtain a Business Permit, to be renewed annually.
6		3. <u>Annual inspection fee for pre-existing STR: \$100 per bedroom up to max. \$500.</u>
7		4. The annual inspection fee would be waived if the structure is in a historic district
8		and passes inspection adding to the historic district's contributing structures
9	(c)	Pre-existing Bed and breakfast house / short term rental (STR) non-owner occupied.
10		Non-owner occupied short term rentals (STR) in operation prior to six (6) months of
11		passage of this ordinance, which have not secured entitlement through a SUP the
12		owner/operator of a pre-existing STR shall apply for a SUP with the City of Little Rock
13		Planning and Development Department within six (6) months following passage of this
14		ordinance. If no application is received, and/or if the SUP application is not approved,
15		the property shall revert to its former use status.
16	(d)	All Bed and breakfast house / STR permit holders are responsible for collecting and
17		remitting all applicable room, occupancy, and sales taxes required by state law or City
18		Code.
4.0	4 10/1	
19	AKI	TICLE XIV. SEC. 36-602 RESPONSIBLE PARTY
20	(a)	A Responsible Party must be available twenty-four (24) hours per day, seven (7) days
21		per week, for the purpose of responding within sixty (60) minutes to complaints
22		regarding the condition of the short term rental or the conduct of the Occupant of the
23		short term rental and/or their guests.
24	(b)	A Responsible Party, upon notification that any Occupant or guest has created any
25		unreasonable noise or disturbance, engaged in disorderly conduct, or committed a
26		violation of any applicable law, rule or regulation pertaining to the use and occupancy of
27		a Short Term Rental, shall promptly respond in an appropriate manner within sixty (60)
28		minutes and require an immediate halt to the conduct, and take such steps as may be

1		necessary to prevent a recurrence of such conduct. Failure of the Responsible Party to		
2		respond to calls or complaints regarding the condition, operation, or conduct of an		
3		Occupant or guest in a short term rental in an appropriate manner within sixty (60)		
4		minutes shall constitute a violation of this Article.		
5	(c)	A Responsible Party shall provide their contact number and information to all residents		
6		adjacent to the Residential Dwelling being used, or will be used, as short term rental		
7		<u>(STR).</u>		
8	(d)	A Responsible Party shall post on or near the front door of the short term rental a notice		
9		which includes the address of the Rental, emergency contact numbers (including the		
10		Responsible Party name and contact number), maximum occupancy, and a diagram		
11		showing emergency exit route(s) approved by the Fire Department.		
12		1. The responsible party shall answer calls twenty-four (24) hours a day, seven (7)		
13		days a week for the duration of each short term rental period to address		
14		problems associated with the STR.		
15	ART	ICLE XIV. SEC. 36-603 DEVELOPMENT STANDARDS.		
15 16	<u>ART</u> (a.)	TICLE XIV. SEC. 36-603 DEVELOPMENT STANDARDS. Purpose and intent of this Section is to establish development standards for bed and		
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16 17		Purpose and intent of this Section is to establish development standards for bed and breakfast house / short term rentals. Compliance with these development standards shall		
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16 17 18 19 20	(a.)	<ul> <li>Purpose and intent of this Section is to establish development standards for bed and breakfast house / short term rentals. Compliance with these development standards shall be demonstrated by applicants requesting entitlements for STR.</li> <li>1. For STR applications, compliance with these development standards shall be demonstrated and submitted as a supplement to a Special Use Permit application.</li> </ul>		
16 17 18 19 20 21	(a.)	<ul> <li>Purpose and intent of this Section is to establish development standards for bed and breakfast house / short term rentals. Compliance with these development standards shall be demonstrated by applicants requesting entitlements for STR.</li> <li>1. For STR applications, compliance with these development standards shall be demonstrated and submitted as a supplement to a Special Use Permit application.</li> <li>Development Standards.</li> </ul>		
16 17 18 19 20 21 22	(a.)	Purpose and intent of this Section is to establish development standards for bed and breakfast house / short term rentals. Compliance with these development standards shall be demonstrated by applicants requesting entitlements for STR.         1.       For STR applications, compliance with these development standards shall be demonstrated and submitted as a supplement to a Special Use Permit application.         Development Standards.       1.         Hosting of private parties and special events such as weddings, receptions, and		
16 17 18 19 20 21 22 23	(a.)	<ul> <li>Purpose and intent of this Section is to establish development standards for bed and breakfast house / short term rentals. Compliance with these development standards shall be demonstrated by applicants requesting entitlements for STR.</li> <li>1. For STR applications, compliance with these development standards shall be demonstrated and submitted as a supplement to a Special Use Permit application.</li> <li>Development Standards.</li> <li>1. Hosting of private parties and special events such as weddings, receptions, and other similar gatherings is not allowed in short term rentals.</li> </ul>		

1	4.	Allowable signage is that as permitted by the single-family residential standard.
2	5.	Parking plan must be provided with permit application. Off-street standard for
3		STRs shall be provided in accordance with Little Rock Arkansas Code, Chapter
4		<u>36 36-54 (e) (1).</u>
5		If on-street parking is proposed as an alternative to meet the above requirements,
6		parking must be available for guest use within three-hundred and thirty (330)
7		feet of the STR and parking plan must address neighborhood impact.
8		If the STR is proposed within a Design Overlay District, any alternate parking
9		requirements, as provided in Little Rock, Arkansas Rev. Code, Chapter 36.
10		Zoning, Article V. District Regulations shall be applicable.
11	6.	Applicants shall provide a scaled floor plan that includes all of the rooms
12		available for rent with location of windows, doors, and smoke detectors
13		identified. Smoke detectors (certified) are required in all sleeping areas, in every
14		room in the path of the means of egress from the sleeping area to the exit, and in
15		each story with sleeping unit, including basements.
16	7.	All sleeping areas must have two ways of egress, one of which can be an operable
17		window.
18	8.	Proof of homeowner's fire, hazard, and liability insurance. Liability coverage
19		shall have limits of not less than \$1,000,000 per occurrence.
20	9.	All persons operating a bed and breakfast home / STR shall meet all applicable
21		requirements of the City of Little Rock's Municipal Code, Chapter 12, Fire
22		Prevention and Protection, Article II. Arkansas Fire Prevention Code. Prior to
23		use as a Bed and breakfast house/Short term rental, the annual City of Little
24		Rock, Building Code and Fire Marshal inspection fee must be paid and payment
25		of annual Business License received.
26	10.	Smoke alarms shall be installed, all smoke alarms shall meet local and state
27		standards (current Fire Code). Smoke alarms shall be installed in all sleeping

1		areas and every room in the path of the means of egress from the sleeping area
2		to the door leading from the sleeping unit.
3		11. Carbon monoxide detectors shall be installed as directed by City staff if there are
4		fuel fired appliances in the unit or the unit has an attached garage.
5		12. Five-pound ABC type extinguisher shall be mounted where readily accessible.
6		13. No recreational vehicles, buses, or trailers shall be visible on the street or
7		property in conjunction with the bed and breakfast home and/or STR use.
8		14. Principal renter shall be at least eighteen (18) years of age.
9		15. <u>Maximum occupancy. Every bedroom shall have a maximum two (2) guest</u>
10		capacity.
11		16. <u>Simultaneous rental to more than one party under separate contracts shall not</u>
12		be allowed.
13		17. The owner shall not receive any compensation or remuneration to permit
14		occupancy of a STR for a period of less than twenty-four (24) hours.
15	ART	ICLE XIV. SECTION 36.604 COMPLIANCE
16	(a.)	It is unlawful for any Responsible Party to offer for rent a bed and breakfast house / short
17		term rental or to operate a bed and breakfast house / short term rental without a Business
18		License. Owners shall not list a property or units online until they have received a
19		Business License, operation of an STR without a Business License could make the owner
20		ineligible to apply for a Business License for up to one (1) year.
21	(b.)	It is the intent of the City of Little Rock that complaints regarding bed and breakfast
22		house / short term rental properties be resolved according to existing State law and City
23		of Little Rock Ordinances pertaining to public nuisances, vehicles and traffic, health and
24		safety, and public peace, morals, and welfare.
25	(a)	Senetiener

25 (c.) <u>Sanctions:</u>

1	1. In a	dditi	on to any other remedy or procedure authorized by law, for three (3) or	
2		more confirmed violations of or failure to comply with any of the standards of this		
3		Article in a calendar year, the Director of the Planning and Development or his/her		
4		designee may revoke a Business License and, in addition, may order that no new		
5		Business License be issued for up to one (1) year pursuant to the following		
6		cedur		
Ū	<u></u>	<u></u>		
7		a.	Prior to the revocation of any Business License or the denial of a	
8			Business License for repeated violation of the provisions of this Article,	
9			written notice of the reasons for such action shall be served on the Owner	
10			and/or Responsible Party in person or by certified mail at the address on	
11			the permit application.	
12		b.	Revocation shall become final within ten (10) days of service unless the	
13			Owner and/or Responsible Party appeals the action. The Owner and/or	
14			Responsible Party shall provide the appeal in writing to the Director of	
15			Planning and Development or his/her designee within ten (10) days of	
16			receipt of the notice. The written notice of appeal must state the reasons	
17			for the appeal and the relief requested.	
18		c.	Should the owner and/or Responsible Party request an appeal within the	
19			ten (10) day period, the Director of the Planning and Development	
20			Department or his/her designee shall notify the owner and/or	
21			Responsible Party in writing of the time and place of the hearing.	
22		d.	Appeals shall be heard by the Board of Adjustment as an administrative	
22		u.	appeal pursuant to Chapter 36, Division 4. Section 36-109 of the Little	
24 25			Rock Zoning Code. For good cause shown, the Board may affirm or	
25			reverse the decision to revoke a Business License.	
26		e.	Once a Business License for an STR has been revoked, no new Business	
27			License shall be issued to the applicant for the same property for a period	
28			of one year.	

1	SECTION 05. SEVERABILITY. In the event any title, section, paragraph, item, sentence,
2	clause, phrase, or word of this ordinance is declared or adjudged to be invalid or unconstitutional, such
3	declaration or adjudication shall not affect the remaining portions of the ordinance which shall remain
4	in full force and effect as if the portion so declared or adjudged invalid or unconstitutional was not
5	originally a part of the ordinance.
6	SECTION 06. REPEALER. All laws, ordinances, resolutions, or parts of the same that are

- 7 inconsistent with the provisions of this ordinance are hereby repealed to the extent of such
- 8 <u>inconsistency.</u>