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

apartment accommodations, or other similar rental accommodations for sleeping,
meeting, or party or banquet use for profit in the city, provided that such levy shall
not apply to the rental or leasing of such accommodations for a period of thirty (30)
days or more; and

#### Be amended to read as follows:

 There is hereby levied a tax of four (4) percent upon the gross receipts or gross proceeds derived and received from the renting, leasing or otherwise furnishing of hotel, motel, house, cabin, bed and breakfast, short term rental, campground, condominium, or apartment accommodations, or other similar rental accommodations for sleeping, meeting, or party or banquet use for profit in the city, provided that such levy shall not apply to the rental or leasing of such accommodations for a period of thirty (30) days or more; and

# SECTION 02. Little Rock, Arkansas Rev. Code, Chapter 36. Zoning, Article I. In General, Section 36-3. Same – Uses, as follows:

Bed and breakfast house means an owner-occupied single-family residence which contains not more than five (5) guest rooms, which for a fee may be occupied by a guest for no longer than fourteen 14 consecutive days.

#### Be amended to read as follows:

Bed and breakfast house / short term rental (STR) means an owner occupied or nonowner 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.

SECTION 03. Little Rock, Arkansas Rev. Code, Chapter 36. Zoning, Article II. Administration and Enforcement, Section 36-54. Special Use Permits, sub-Section (e.) 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)
LO	a. See Article XIII. Bed and breakfast house / short term rentals for development
l1	standards and submittal requirement
L2	SECTION 04. Little Rock, Arkansas Rev. Code, Chapter 36. Zoning, Article V. District
L3	Regulations, Section. 36-253. R-1 Single-family district. Sub-Section (b) Use Regulations. (5)
L4	Special uses, as follows.
15	a. Bed and breakfast house
16	Be amended to read as follows:
L7	a. Bed and breakfast house/short term rental
18	SECTION 04. That Little Rock, Arkansas Rev. Code be amended to include a new Article
L9	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."

## ARTICLE XIV. SEC. 36-600 PURPOSE

2	Purpose of the	nis Article is to establish regulations for use of residential dwellings as bed and breakfast
3	house/ short	term rentals, establish a system to track the short term rental inventory in the City, ensure
4	compliance v	with local performance standards, provide a means of contact for the Responsible Party of
5	bed and brea	akfast house/ short term rentals, and allow private property owners the right to fully and
6	efficiently ut	ilize their property without undue regulation or interference.
7	<u>DEF</u>	FINITIONS.
8	A.	Administrative Approval shall mean formal acceptance of approval by the
9		Director of Planning and Development or their designee.
10	В.	Bed and breakfast house / short term rental type shall mean an owner occupied or
11		non-owner occupied single-family or multi-family property which contains not
12		more than five (5) guest rooms, no more than one (1) of which may be located in
13		an approved accessory dwelling, which for a fee may be occupied by a guest for
14		no 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).
17	D.	Owner-occupied shall mean owner of the property permanently resides in the
18		STR or in the principal residential unit with which the STR is associated on the
19		same tax parcel.
20	E.	Responsible Party shall mean the owner of a Residential dwelling being used as
21		a short-term rental, as well as any person designated by the owner who is
22		responsible for compliance with this Article by an Occupant and any guests
23		utilizing the Short Term Rental. The Responsible Party shall provide for the
24		maintenance of the property and ensure compliance by the Occupant and any
25		guests with the provisions of this Article, or any other applicable law, rule, or
26		regulation pertaining to the use and occupancy of a Short Term Rental. The owner
27		of the property shall not be relieved of responsibility or liability for
28		noncompliance with the provisions.

### 2 (STR) ENTITLEMENT 3 (a) Bed and breakfast house / short term rental (STR) is an owner occupied or non-owner 4 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 5 dwelling, which for a fee may be occupied by a guest for no longer than twenty-nine 6 7 (29) consecutive days. 1. Bed and breakfast house / short term rental (STR) are a land use allowed only where 8 9 the Planning Commission has granted a Special Use Permit in accordance with Chapter 36. Article II. Section 36-54 Special Use Permits. 10 11 a. Business License required. 12 1. Upon Planning Commission approval of a Special Use Permit, the owner can submit application for a Business License, to be renewed annually. 13 14 2. Annual inspection fee of \$100 per bedroom up to max. \$500. Unless the owner does not reside on the property, or reside in a unit within 1500 feet 15 16 of said property, then the inspection fee shall be \$500 (for the entire 17 structure). 3. The annual inspection fee would be waived if the structure is in a historic 18 19 district and passes inspection adding to the historic district's contributing 20 structures Pre-existing Bed and breakfast house / short term rental (STR) owner occupied, or a unit 21 (b) 22 within 1500 of the owner's primary dwelling. Administrative approval for pre-existing 23 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, 24 25 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, 26 and pay a one hundred fifty (\$150) dollar administrative review fee. 27

ARTICLE XIV. SEC. 36-601 BED AND BREAKFAST HOUSE / SHORT TERM RENTALS

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. 4 2. Following payment of the administrative review and inspection fee, operator 5 shall obtain a Business Permit, to be renewed annually. 6 3. Annual inspection fee for pre-existing STR: \$100 per bedroom up to max. \$500. 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 passage of this ordinance, which have not secured entitlement through a SUP the 11 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 All Bed and breakfast house / STR permit holders are responsible for collecting and (d) remitting all applicable room, occupancy, and sales taxes required by state law or City 17 18 Code. 19 ARTICLE 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 A Responsible Party, upon notification that any Occupant or guest has created any (b) 25 unreasonable noise or disturbance, engaged in disorderly conduct, or committed a

violation of any applicable law, rule or regulation pertaining to the use and occupancy of

a Short Term Rental, shall promptly respond in an appropriate manner within sixty (60) minutes and require an immediate halt to the conduct, and take such steps as may be

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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		(STR).
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	<u>ART</u>	CICLE XIV. SEC. 36-603 DEVELOPMENT STANDARDS.
16	(a.)	Purpose and intent of this Section is to establish development standards for bed and
17		breakfast house / short term rentals. Compliance with these development standards shall
18		be demonstrated by applicants requesting entitlements for STR.
19		1. For STR applications, compliance with these development standards shall be
20		demonstrated and submitted as a supplement to a Special Use Permit application.
21	(b.)	Development Standards.
22		1. Hosting of private parties and special events such as weddings, receptions, and
23		other similar gatherings is not allowed in short term rentals.
24		2. <u>No tours for a fee are allowed.</u>
25		3. The occupancy fee may include a continental breakfast (e.g. coffee, juice,
26		pastries) to be served to paying guests; no full meals.

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</u> . Every bedroom shall have a maximum two (2) guest
10		capacity.
11		16. Simultaneous rental to more than one party under separate contracts shall not
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	<u>ART</u>	CLE XIV. SECTION 36.604 COMPLIANCE
16	(a.)	t is unlawful for any Responsible Party to offer for rent a bed and breakfast house / short
17		erm rental or to operate a bed and breakfast house / short term rental without a Business
18		cicense. 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		neligible to apply for a Business License for up to one (1) year.
21	(b.)	t is the intent of the City of Little Rock that complaints regarding bed and breakfast
22		ouse / 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		afety, and public peace, morals, and welfare.
25	(c)	Sanctions

1 1. In addition 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 procedures. 7 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 and/or Responsible Party in person or by certified mail at the address on 10 the permit application. 11 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 receipt of the notice. The written notice of appeal must state the reasons 16 17 for the appeal and the relief requested. 18 c. Should the owner and/or Responsible Party request an appeal within the ten (10) day period, the Director of the Planning and Development 19 Department or his/her designee shall notify the owner and/or 20 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 23 appeal pursuant to Chapter 36, Division 4. Section 36-109 of the Little 24 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

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	inconsistency.