

ORDINANCE NO. 383
CITY OF BESSEMER
SHORT-TERM RENTALS ORDINANCE

An Ordinance to license and regulate Short-Term Rentals of residential properties within the City of Bessemer, by requiring rental licenses therefor, and imposing civil infractions for the violation thereof.

THE CITY OF BESSEMER HEREBY ORDAINS:

SECTION 1. PURPOSE.

The City of Bessemer Board finds and declares as follows:

- A. City of Bessemer (“City”) wishes to reconcile the many interests and concerns that relate to Short-Term Rentals.
- B. Short-Term Rentals can provide a community, and even a state-wide benefit, by expanding the number and type of lodging facilities available near its recreational features, and they can assist owners of homes by providing revenue which may be used for maintenance upgrades, and deferred costs.
- C. However, Short-Term Rentals, if not appropriately regulated and licensed, can impose nuisance on residents and visitors in the City such as impacts from traffic and parking, noise, and welfare issues related to the number of persons staying in a Short-Term Rental.
- D. For the foregoing reasons, the purpose of the following regulations is to create a licensing and regulatory scheme for Short-Term Rentals to authorize such activities within the City, but likewise to impose safeguards to protect the general health, safety, and welfare of City residents and visitors including those within authorized Short-Term Rentals.

SECTION 2. APPLICABILITY.

- A. This Ordinance applies to all Dwelling Units in the City of Bessemer and Owners of those dwellings wherein the dwelling is rented as a Short-Term Rental. No Short-Term Rental may occur in the City unless in conformity with the provisions of this Ordinance.

SECTION 3. DEFINITIONS.

- A. **Bedroom:** A separate room that is used or intended to be used specifically for sleeping purposes, having a door for ingress and egress and a Code approved egress window. A Bedroom must be a habitable space of not less than seventy (70) square feet of floor area for single habitation and 50 additional square feet for each additional person, not less than seventy (7) feet in one dimension, including height, not located in an attic or basement without egress, meeting all standards in applicable building, residential, and

fire codes, and not a room by design intended to serve another purpose such as a kitchen, dining area, den, or family rooms.

- B. **Capacity:** Capacity is the number of overnight Occupants permitted in a Short-Term Rental under this Ordinance and as listed on the Rental License issued by City of Bessemer.
- C. **Rental Certificate:** A Short-Term Rental License duly issued by City of Bessemer demonstrating authorization of a Short-Term Rental.
- D. **Dwelling Unit:** A dwelling unit shall mean a dwelling unit as defined in the City of Bessemer's Zoning Code, as amended from time to time.
- E. **Parking Space:** For purposes of this Ordinance, a Parking Space shall be a minimum of 9 feet by 20 feet, located off-street, outside of a road right of way, and in one of the following locations:
 - a. In a garage or carport;
 - b. Within a paved or gravel driveway; or
 - c. Within a paved or gravel parking pad
- F. **Local Agent:** A Local Agent is an individual designated by the Owner(s) of a dwelling unit to oversee the Short-Term Rental of a dwelling unit in accordance with this Ordinance, and to respond to calls from renters, concerned citizens, law enforcement, and representatives of the City.
- G. **Occupant:** Any person who is an overnight guest in the Short-Term Rental, including the renter, and does not include guests of the Occupant or renter who are visiting between the hours of 8:00 am and 10:00 pm.
- H. **Owner:** Any person or entity holding legal or equitable title to the premises (or portion thereof) used as a Short-Term Rental.
- I. **Short-Term Rental:** A Short-Term Rental is the making of occupancy available for any single-family residential dwelling unit in a 1-to-4-family house, or any unit or group of units in a condominium, for a fee or other compensation, for a term of less than thirty (30) consecutive days, but not including bed and breakfast establishments, employee housing, hotel rooms, transitional housing operated by a non-profit entity, group homes such as nursing homes and adult foster care homes, and hospitals or other health care related facilities.

- J. **Special Events:** In association with a Short-Term Rental, a wedding, outdoor party, family reunion, bachelor or bachelorette parties, or similar gathering or activity that exceeds the maximum number of Occupants allowed under a Rental License.

SECTION 4. LICENSING OF SHORT-TERM RESIDENTIAL PROPERTIES

No person shall allow, or advertise for, or engage in or participate in the Short-Term Rental of residential properties within the City of Bessemer without a Rental License as required by this Ordinance. The Short-Term Rental of an unlicensed dwelling unit is prohibited.

- A. **Rental License Issuance:** Short-Term Rental Licenses shall be issued to the Owners of a dwelling unit on a calendar year basis. All Short-Term Rental Licenses shall expire at the end of the calendar year and must be renewed each year. A Local Agent must be designated and approved by the City prior to issuance of a Rental License.
 - 1. A Rental License will be issued after review and receipt of a complete and approved application.
 - 2. The Rental License shall indicate the maximum number of Occupants that can be accommodated at the rental in accordance with the standards listed in this Ordinance (see Ordinance definition of Capacity).
 - 3. A Rental License and Rental License holder shall be subject to all of the standards and penalties of this Ordinance.
 - 4. It is the Rental License holder's responsibility to inform the City of any change in caretaker or contact information for the Rental License holder or caretaker.
 - 5. The number of Bedrooms shall be as certified by the applicant, based on the definitions found in this Ordinance.
 - 6. Local Agent.
 - a. Each Owner of a Short-Term Rental must designate a Local Agent who has access and authority to assume management of the unit and take remedial measures to address any violations of this Ordinance.
 - b. The Local Agent must be available to accept telephone calls on a twenty-four (24) hour basis at all times that the dwelling unit is rented and occupied.
 - c. The Local Agent must have a key to the dwelling unit and be able to respond to the Short-Term Rental within sixty (60) minutes to address issues or must have arranged for another person to address issues within the same timeframe.

- d. The Local Agent shall be authorized by all Owner(s) to accept service of process upon all Owners, jointly and severally, for civil infractions under this Ordinance.
 - e. An Owner meeting the requirements of the above mentioned may designate themselves as the Local Agent.
 - 7. **Rental License Number:** The unique Short-Term Rental License number issued by the City shall be included in any advertisement for the rental unit as shall the approved Capacity of the Short-Term Rental as authorized by this Ordinance.
 - 8. **Waste:** Unless connected to a public sewer system, the Owner(s) of the property hosting the Short-Term Rental shall ensure that a properly sized and functioning septic system is maintained. Failure or operational deficiency of the sewage waste disposal system shall be grounds for immediate revocation of the Rental License authorizing the Short-Term Rental. A Short-Term Rental may not utilize Porta-Johns and similar methods of handling waste.
- B. **Application:** To apply for a Rental License to use a dwelling unit for Short-Term Rentals, the Property Owner or an Agent of the Owner shall, for each dwelling unit on a property, shall include the following in the Application:
- 1. **Provide Information:**
 - a. The names, addresses and telephone numbers of each Owner of the dwelling unit;
 - b. The name, address, and telephone number of the Local Agent for the dwelling unit;
 - c. The street address of the dwelling unit, along with other identification if more than one dwelling unit has the same street address;
 - d. Signature of Property Owner(s) and Local Agent;
 - e. The number of Bedrooms in the Short-Term Rental and the Capacity of the Short-Term Rental as defined by this Ordinance;
 - f. The number of Parking Spaces as outlined in this Ordinance;
 - g. A sketch of the property indicating location of the dwelling, driveway or other point of access, and designated Parking Spaces meeting the definition of a Parking Space under this Ordinance. Such sketch shall also include a sketch of the Short-Term Rental's floorplan including drawings of intended Bedrooms;
 - h. Evidence that an applicant owns the property to be used as a Short-Term Rental and the property can be used for such purposes (such as a deed or lease) or that such an applicant has permission from an Owner of the property to operate a Short-Term Rental;

- i. The time periods during the calendar year when the dwelling unit will be available for Short-Term Rental; and
 - j. Such other information as the City deems appropriate.
- 2. **Sign an Affirmation and Acknowledgment:** The applicant shall sign as part of the application, a statement to affirm that:
 - a. All Owner(s) and the Local Agent will comply with all provisions of this Ordinance, the City Code and the City Zoning Code as it pertains to the dwelling unit; and
 - b. That all owners and the Local Agent acknowledge that any Rental License issued under this Ordinance may be suspended or revoked if persons renting the dwelling unit violate the provisions of this Ordinance, the City Code, Zoning Code, the laws of the State of Michigan, the ordinances of the County of Gogebic, or the regulations of the Health Department; and
 - c. That the applicant has authority to make these representations on behalf of the Owner(s) and Local Agent.
- 3. **Pay an Administrative Fee:** The applicant shall pay an annual administrative fee as determined from time to time by Resolution of the City Council.
- C. **Rental License Capacity:** A Rental License issued by the City shall indicate the maximum number of renters or overnight Occupants or otherwise the Short-Term Rental's approved Capacity.
- D. **Limits on Short-Term Rentals:** A parcel may only host one Short-Term Rental.
- E. **Incomplete Applications:** The City will not review any portion of an incomplete application for a Rental License.
- F. **Review and Application Form:**
 - 1. Applications under this Ordinance will be reviewed by anyone designated by the City Board to review such applications upon:
 - a. Receipt of an application for a Short-Term Rental License,
 - b. Receipt of the administrative fee,
 - c. A determination by the City that the applicant's Rental License was not revoked in any prior calendar year, and
 - d. That any fines and costs and conditions of any order issued pursuant to the Violation section have been fully satisfied.

2. If the application appears to be complete and in accordance with the requirements of this Ordinance, the City shall issue a Short-Term Rental License to the Owner(s) of the dwelling unit for the calendar year in which the application is submitted. A Short-Term Rental License shall not be issued to the Owner(s) of a dwelling unit if the Rental License has been previously revoked, except upon appeal to the City Council as provided in Section 5, Regulations below.

SECTION 5. SHORT-TERM RENTAL REGULATIONS.

- A. **Local Agent:** All dwelling units used for Short-Term Rentals shall have a designated Local Agent, who shall be authorized to accept service of process for civil infractions under this Chapter on behalf of all owners, jointly and severally.
- B. **Local Agent's Contact Information Posted in Window:** A notice (in a form to be prepared by the City) shall be posted in a prominent first floor door or window location of any dwelling unit used for Short-Term Rentals stating (in at least 16- point type) the name of the Local Agent, a twenty-four (24) hour telephone number with which the Local Agent can be reached.
- C. **Compliance with Codes:** The dwelling unit must meet all applicable residential building, health department, nuisance, and safety codes, and all persons in possession of the dwelling unit shall comply with all provision of State law, the City of Bessemer Building Code, the City Code and City Zoning Code.
- D. **Trash and Recycling:** Garbage and recycling cans shall be placed on the curb no earlier than the day before scheduled pickup and the cans shall be removed from the curb within thirty-six (36) hours of pickup.
- E. **Parking:** Parking for guests in a Short-Term Rental shall only be in identified Parking Spaces as defined in this Ordinance and submitted on an application to the City. All parking associated with a Short-Term Rental shall be out of the roadway and entirely on-site (e.g. in a garage, on a driveway or on other improved parking area). No on-street parking shall be permitted by renter Occupants or included in any calculation of rental capacities in association with a Short-Term Rental.
- F. **Special Events:** A Short-Term Rental may not be used for special events such as: a wedding, outdoor party, family reunion, bachelor or bachelorette parties, or similar gathering or activity, if such Special Event will exceed the Capacity of the Short-Term Rental or otherwise violate this Ordinance.
- G. **Capacity Limit:** The maximum number of overnight Occupants shall be limited as follows: For a Short-Term Rental having one Bedroom, the maximum number of

Occupants is four persons. For any Short-Term Rental with two or more Bedrooms, the maximum number of Occupants shall be determined by multiplying the number two (2) times the number of Bedrooms. Note: A maximum of four (4) children under the age of thirteen (13) years shall not be counted in the capacity limit of the Short-Term Rental. For parcels under ten (10) acres, the maximum Capacity shall not exceed ten (10) Occupants. For parcels ten (10) acres or more, the maximum Capacity shall not exceed fourteen (14) Occupants.

- H. **Egress:** No overnight Occupant shall be lodged in any portion of a Short-Term Rental (including Bedrooms) unless there is both a door and an available window providing required emergency egress in conformity with applicable residential, building and fire codes within the immediate sleeping area.
- I. **Occupants Limited to the Short-Term Rental:** Accessory structures, recreational vehicles, motor homes, and travel trailers or tents placed on a parcel hosting a Short-Term Rental shall not be included in any calculation of Capacity of the Short-Term Rental. All overnight lodging of Occupants is to be exclusively within the Short-Term Rental. Accessory structures, recreational vehicles, motor homes, and travel trailers or tents placed on the property of a Short-Term Rental shall not be used in any manner for overnight occupancy unless expressly permitted by state law or other City Ordinance.
- J. **Noise:** Noise must be limited to that which does not disturb the quiet, comfort or repose of a reasonable person of normal sensitivities. Quiet hours shall be from 11:00 PM to 7:00 AM. Quiet hours relates to any noise that would prevent sleep within neighboring properties.
- K. **Pets:** Pets shall be secured on the premises or on a leash at all times.
- L. **Fire Protection Devices:** A minimum of two type ABC fire extinguishers and the minimum number of battery-powered or hard-wired smoke/ carbon monoxide/ fire alarms as may be required by State law, annually tested and certified by the Owner as functional, shall be properly installed and placed in Code mandated locations in the Short-Term Rental.
- M. **Notice to Occupants:** The foregoing regulations shall be provided to the Short-Term Rental Occupants as part of a written rental agreement. In addition, a placard shall be posted in a prominent place in the Short-Term Rental describing the foregoing regulations, including, but not limited to, the Capacity of the Short-Term Rental, the name and contact information for the Local Agent, and the location of the fire extinguishers, and map showing exists of the Short-Term Rental.

- N. **Compliance:** At all times a Short-Term Rental and Occupants of a Short-Term Rental must comply with all applicable local, State, and Federal laws and regulations.

SECTION 6. SIGNS.

A Short-Term Rental is permitted an on-site identification sign no larger than two (2) square feet in area.

SECTION 7. VIOLATIONS AND REVOCATION OF RENTAL LICENSE.

- A. **Violations:** Any of the following will be considered a violation of this Ordinance:
1. Failure to update information with the City when conditions change from an application for a Rental License;
 2. Advertising or allowing occupancy in excess of that allowed under the Rental License issued by the City;
 3. Failure of the Rental License holder or his/her designated Local Agent to be available at any time during the tenure of an active Short-Term Rental;
 4. Providing false or misleading information of the application for a Rental License;
 5. Failure to obtain a Rental License when operating a Short-Term Rental;
 6. Failure to comply with any of the regulations under Section Five (5); and
 7. Any violation of the terms of this Ordinance.
- B. **Penalties; Civil Infractions:** Any person who violates the provisions of this Ordinance shall be deemed responsible for a municipal civil infraction and subject to a civil penalty for each violation of this Ordinance, as well as City's fees and costs in enforcing this Ordinance as permitted by law. An Occupant, visitor, Owner, Local Agent, and any other relevant party may all be fined for the same violation, if deemed appropriate by the City. In addition, violation of this Ordinance may be grounds for suspension or revocation of a Rental License. The civil penalties for violating this Ordinance shall be as follows:
1. One hundred dollars (\$100.00) for the first violation within a one-year period.
 2. Two (2) times the initial fine for the first repeat violation within a one-year period.
 3. Two (2) times the repeat offense fine for the second (or any subsequent) violation within a one-year period.
- C. **Remedies Not Limited:** This Section shall not be construed as precluding the City from enforcing this Ordinance in any other manner authorized by law, including without limitation, the commencement of a civil action for injunctive relief.
- D. **Grounds for Suspension:** In addition to any other penalty authorized by law and this Ordinance, and after written notice to the owner and Local Agent, and an opportunity to be heard, as provided in subparagraph (a) of this Section, the City may suspend a

Short-Term Rental License if the City finds by competent, material, and substantial evidence that the Owner(s) or his or her agents or employees or his or her renters has or have violated, or failed to fulfill, the requirements of any provision of this Ordinance or the City Code or Zoning Code.

- a. **Suspension Procedure:** Before suspension of a Rental License, the City shall serve written notice of charges and a notice of a right to a hearing on the Rental Licensee or Local Agent by personal service or by U.S. certified mail, no less than fourteen (14) days before the City's hearing. At that hearing, the Rental Licensee and the Local Agent shall have a right to be heard. After the hearing, and upon a finding by the City of a First violation within the calendar year, the Short-Term Rental Registration may be suspended for up to ninety (90) days, and during said time the premises shall not be utilized for a Short-Term Rental.

- E. **Revocation Procedure:** In addition to any other penalty authorized by law and this Ordinance, and upon a determination by the City of a Second violation within the calendar year after conducting a hearing in accordance with the process detailed above, the City Clerk may revoke a Short-Term Rental Registration/Rental License. A property owner with a revoked Short-Term Rental License shall not be eligible for a Short-Term Rental License for twelve (12) months from the date of revocation.

SECTION 8. ENFORCEMENT OFFICIAL.

The City Ordinance Enforcement Officer, City Supervisor, any law enforcement officer, or any person officially authorized by the City Board are hereby designated as authorized officials empowered to enforce this Ordinance including the issuance of municipal civil infraction citations.

SECTION 9. ENFORCEMENT PROCEDURE.

- A. When the City becomes aware of a violation of this Ordinance, the City may (but is not required to) send a written notice to the Owner and/or Local Agent of the property in violation. The notice shall describe the location of the property, describe the nature of the violation and the specific provisions of this Ordinance being violated, and may give the Owner of the Short-Term Rental a time period to eliminate the violation without intervention by the City.

- B. In its discretion, the City may immediately proceed with necessary legal action to abate violations of this Ordinance (e.g. issuance of a municipal civil infraction) if deemed necessary.

SECTION 10. INSPECTIONS.

The City reserves the right to conduct lawful periodic inspections of a Short-Term Rental with or without prior notice, to ensure compliance with these regulations, for the protection of public health and safety.

SECTION 11. SEVERABILITY.

If any section, provision or clause of this Ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect any remaining portions or application of this Ordinance which can be given effect without the invalid portion or application.

SECTION 12. EFFECTIVE DATE.

Section 7 of this Ordinance shall take effect thirty (30) days after notice of its adoption is published in a local newspaper. The remainder of this Ordinance shall take effect immediately following publication.

SECTION 13. REPEAL.

All Ordinances or part of Ordinances in conflict with this Ordinance are hereby repealed.

Ordained and enacted into an ordinance at a regular meeting of the City Council of the City of Bessemer this ____ day of _____, 2022

First Reading:

Public Hearing:

Second Reading:

Published:

ATTEST:

Jennifer Adams, City Clerk