

Business License Ordinance Amendment 2019-163

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Bill English - Probate Judge
Lee County, AL

AN ORDINANCE OF THE CITY OF SMITHS STATION, ALABAMA, AMENDING BUSINESS LICENSE ORDINANCE 2019-163, SECTION 21 LICENSE CLASSIFICATIONS, APPENDING, THEREFORE APPROVING AND ADOPTING; LICENSE CLASSIFICATIONS; ACCOMMODATIONS, SHORT-TERM ACCOMMODATIONS RENTAL; NAICS CODE 721, BUSINESS LICENSE SCHEDULE "C" AS IT APPLIES TO ONLY NAICS CODE 721 SHORT TERM ACCOMMODATIONS RENTAL AS PROVIDED BY §11-51-90 CODE OF ALABAMA 1975, AS AMENDED.

WHEREAS, the City of Smiths Station, Alabama is a duly incorporated municipality within the State of Alabama, and;

WHEREAS, the City of Smiths Station, Alabama finds it necessary to adopt, for short-term accommodations, rentals, policy, procedures, requirements and guidelines for; business license requirements, payment of and delinquency of payment; filing of statement; solid waste; insurance; and designation of agent for the short term rental of accommodations and to provide for the safety, health, sanitation and well-being of its citizens by regulating short term accommodations rentals;

Now Therefore, be it Ordained by the City Council of The City of Smiths Station, Alabama, Amending Business License Ordinance 2019-163, Section 21 License Classifications and Fee Schedule "C" to Include the Following:

ARTICLE I - RENTALS—SHORT TERM ACCOMMODATIONS

Section 1. Definitions.

Dwelling: Any building which is arranged, designed, used, or intended to be used for residential or short-term rental occupancy by one or more families. Dwelling types include the following:

- (1) **Apartment**¹: A self-contained housing unit (a type of residential real estate) that occupies only part of a building, generally on a single storey.
- (2) **Condominiums**²: An apartment house, office building, or other multiple-unit complex, the units of which are individually owned, each owner receiving a recordable deed to the individual unit purchased, including the right to sell, mortgage, etc., that unit and sharing in joint ownership of any common grounds, passageways, etc.
- (3) **Multi-Family, Duplex**. A building designed for, or occupied exclusively by two families, with the units sharing a single party wall common to both. Multi-Family, Duplex structures shall meet and conform to City of Smiths Station Building Code Ordinance 2017-125, Zoning Ordinance 2011-075, Section 5.06; Table of Permitted Uses, all amendments, current and future, to City of Smiths Station Building Code Ordinance 2017-125, Zoning Ordinance 2011-075, Federal, State and City of Smiths Station requirements.

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¹ Wikipedia.org 2020 Retrieved June 12, 2020 from www.dictionary.com 2020

² Collins English Dictionary – Complete & Unabridged 2012 Digital Edition Retrieved June 12, 2020 from www.dictionary.com 2020

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- (4) **Residential Multi-Family Dwelling:** A building designed for or occupied exclusively by three (3) or more families living independently and separately of each other, provided that the number of families does not exceed the number of units provided. A building comprised of attached single family units is a multi-family dwelling. Residential Multi-Family Dwelling structures shall meet and conform to City of Smiths Station Building Code Ordinance 2017-125, Zoning Ordinance 2011-075, Section 5.06; Table of Permitted Uses, all amendments, current and future, to City of Smiths Station Building Code Ordinance 2017-125, Zoning Ordinance 2011-075, Federal, State and City of Smiths Station requirements.
- (5) **Residential Mobile / Manufactured Single Family Home:** A vehicular, portable structure built on a chassis and designed to be used without a permanent foundation as a dwelling when connected to indicated utilities. A vehicle intended as a temporary dwelling for travel and recreational purposes is not included. Residential Mobile / Manufactured Single Family Home structures shall meet and conform to City of Smiths Station Building Code Ordinance 2017-125, Zoning Ordinance 2011-075, Section 5.06; Table of Permitted Uses, all amendments, current and future, to City of Smiths Station Building Code Ordinance 2017-125, Zoning Ordinance 2011-075, Federal, State and City of Smiths Station requirements.
- (6) **Residential, Single Family:** A single detached dwelling containing only one unit and is completely separated by open spaces on all sides from any other structure, except its own garage or shed. Residential, Single Family structures shall meet and conform to City of Smiths Station Building Code Ordinance 2017-125, Zoning Ordinance 2011-075, Section 5.06; Table of Permitted Uses, all amendments, current and future, to City of Smiths Station Building Code Ordinance 2017-125, Zoning Ordinance 2011-075, Federal, State and City of Smiths Station requirements.
- (7) **Townhouses:** A row of three (3) or more dwellings flush against each other at the sides or attached at the sides by party walls, each unit of which is designed as a Single Family Residence.

Dwelling Unit: One or more rooms in a residential building which are arranged, designed, used, or intended for use as living quarters for one family, are physically separated from any other rooms or dwelling units which may be in the same structure, and, contain independent cooking and sleeping facilities.

Form³(s): A document with blanks for the insertion of details or information.

Lodging Tax: The lodgings tax as defined applies all charges made for the use of rooms, lodgings, or other accommodations, including charges for personal property used or services furnished in the rooms, lodgings, or other accommodations, by every person who is engaged in the business of renting rooms or lodgings or furnishing accommodations to transients 'supplied for a period less than 180 continuous days.⁴

Person: As used in this Ordinance shall include and apply to business entities, corporations, associations, and individual real persons.

³ West's Encyclopedia of American Law, edition 2. S.v. "entities." Retrieved June 4 2020 from <https://legal-dictionary.thefreedictionary.com/entities>

⁴ Alabama Department of Revenue

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Short-Term Rental⁵: A Short-Term Rental is an occupied property that is not a hotel, motel, lodging house, or bed and breakfast establishment, where at least One (1) room or unit is rented out by an operator through the use of advance reservations. A Short-Term Rental includes an apartment, house, cottage, and condominium. It does not include property that is rented out through tenancies at will or month to month leases. It also does not include time share property or bed and breakfast homes. The transient use of any dwelling or any part of a dwelling for overnight occupancy.

Short-Term Rental Manager: Any person or entity that arranges the rental, cleaning, listing, advertising, or otherwise assists in the operation of a short-term rental for a profit. Short-term rental manager does not include listing services or online platforms for short-term rental listings.

Tenancies⁶: A holding, as of lands, by any kind of title, occupancy of land, a house, or the like, under a lease or on payment of rent, tenure.

Transient: A person(s) occupying a dwelling for less than thirty (30) days.

Section 2. Short-Term Accommodations Rentals—Generally.

- (a) It shall be unlawful for any person, company, or entity to list, advertise, or hold out for rental, any room or building as a short-term rental without first obtaining a current City of Smiths Station, Alabama Business License pursuant to Ordinance 2019-163, all Amendments to Ordinance 2019-163 and including said Business License number on the advertisement or listing.
- (b) The name and telephone number of a local responsible party shall be conspicuously posted within the short-term rental property unit. The responsible party shall answer and respond to calls Twenty-Four (24) hours a day, Seven (7) days a week for the duration of each short-term rental period to address problems or complaints associated with the short-term rental property.
- (c) The short-term rental shall comply with all applicable City of Smiths Station, Alabama regulations regarding solid waste, garbage, and trash, pursuant to Ordinance 2020-170.

Section 3. Short-Term Rentals—License Required; Short-Term Accommodations Rental Lodging Tax Rates.

Every person, as defined herein, in the city who rents or furnishes any room, lodging or accommodation as a short-term rental, as defined herein, shall take out and pay to the city a short-term rental lodging tax for each short-term rental location as follows:

- (a) No short-term rental business shall operate in the City without having first obtained a current City of Smiths Station, Alabama Business License from the City.
- (b) Any owner of more than One (1) short-term rental property shall be required to obtain a business license for each short-term rental property.

⁵ Commonwealth of Massachusetts 2020. Retrieved August 11, 2020 from www.mass.gov/info-details/room-occupancy-frequently-asked-questions

⁶ Collins English Dictionary – Complete and Unabridged, 12th Edition 2014. Retrieved August 11, 2020 from the Free Dictionary by Farlex

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- (c) In addition to all other licenses levied, the short-term rental lodging tax shall be in an amount to be determined by the application of the rate of Seven and One half (7 ½ %) per cent of the charge for such room, lodging or accommodation including the charge for use or rental of personal property or services furnished in such room pursuant to Ordinance 2017-135 & Ordinance Amendment 2017-135.2.
- (d) Hereinafter Business License Ordinance 2019-163, Section 21 License Classifications, shall be appended therefore approving and adopting; License Classifications, Accommodations, short-term accommodations rental; NAICS Code 721, Business License Schedule C.

Business licenses for short-term rentals located in an area capped by Zoning Ordinance 2011-075 not renewed will be subject to the license cap upon subsequent reapplication.

Section 4. Payment Due Date; Delinquency.

- (a) The business license and short-term rental lodging tax levied under Ordinance 2017-135 and Ordinance 2017-135.2 shall be in addition to every other licenses levied and shall be due and payable in monthly installments on or before the twentieth day of month next succeeding the month in which the license accrued.

The licensee shall compute the amount of tax due and pay the same to the City at the time of making the monthly report required by Ordinance 2017-135 and Ordinance 2017-135.1.

- (b) Delinquency—Any person who fails to pay the short-term rental lodging tax levied by Ordinance 2017-135 and Ordinance Amendment 2017-135.2 within the time required, shall pay additional penalties pursuant to Ordinance 2017-135 and Ordinance Amendment 2017-135.2 tax equal to Ten (10) per cent of the amount of tax due as a penalty. Such penalty shall be assessed and collected as part of the short-term rental lodging tax.

Section 5. Filing Statement.

- (a) On or before the twentieth day of each month every person upon whom a Business License is levied by Ordinance 2017-135 and Ordinance 2017-135.2 shall render to the Financial Officer, on a form prescribed by the City, a true and correct statement showing the gross proceeds of such person's business licensed for the preceding month, together with such other information that the City may demand and require.
- (b) Individuals utilizing a third party for lodging tax collections shall submit a transaction history detail provided by the third party or other similar document that shows the dates booked, gross revenue and tax submitted.

Section 6. Insurance.

- (a) Every person in the municipal limits who desires to obtain a license to conduct a short-term rental business pursuant to Ordinance 2019-163 and all Amendments to Ordinance 2019-163 must provide proof of the following insurance coverage:
 1. An additional rider on a homeowner's policy that expressly covers short-term rentals and provides a minimum of One Million Dollars (\$1,000,000.00) liability and personal injury coverage; or

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2. A commercial insurance policy covering short-term rentals at the permitted address that provides a minimum of One Million Dollars (\$1,000,000.00) liability and personal injury coverage.

- (b) Insurance required above shall be without prejudice to coverage otherwise existing and shall name, as an additional interested party, the city, its officers and employees and shall provide that the policy shall not terminate or be cancelled prior to the completion of the permit period without Forty-Five (45) days written notice to the city at the address shown in the permit agreement.

Section 7. Designation of agent; professional license required.

- (a) In order to be eligible for a short-term rental business license under Ordinance 2019-163 the person or company desiring to operate a short-term rental business must be the owner of the property proposed to be covered under the license or have a completed "designation of agent" form from the property's owner.
- (b) Any person or entity operating as a short-term rental manager must obtain a current City of Smiths Station, Alabama Business License pursuant to Ordinance 2019-163 and must be professionally licensed in compliance with Ala. Code § 34-27-30.

Section 8. Use of Tax Proceeds.

The proceeds of the license tax levied by this Article, when collected, shall be used by the City for such lawful purposes as may have heretofore been or hereafter be determined by the governing body of the City.

Section 9. Repealer Clause.

REPEALER CLAUSE: All resolutions or parts of resolutions, ordinances or parts of ordinances heretofore adopted by the City Council of the City of Smiths Station, Alabama that are inconsistent with the provisions of this resolution are hereby repealed.

Signature Page to Follow

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Now Therefore be it Further Ordained by the City Council of Smiths Station, Alabama, that this Ordinance becomes Effective Immediately upon Adoption and Approval pursuant to §11-45-8, Code of Alabama 1975, as amended.

ADOPTED AND APPROVED on this the 11th Day of August 2020.


F.L. "Bubba" Copeland, Mayor


Council Member George Stringer


Council Member Morris Jackson


Council Member James Moody

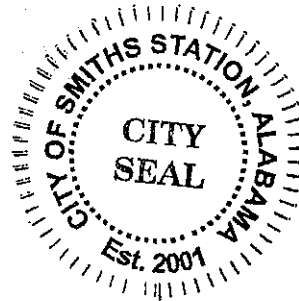

Council Member Rick Cooley


Council Member Dick Key

ATTESTED:


Scott Johnston, City Clerk

SEAL:



CITY OF SMITHS STATION
P. O. BOX 250
Smiths Station, Alabama 36877

2605 473
DEEDS Book & Page

ORDINANCE 2019-163.01

CERTIFICATION

I, Scott E. Johnston, City Clerk of the City of Smiths Station, Alabama hereby certify the attached to be a true and correct copy of the ordinance adopted by the City Council of Smiths Station, Alabama at the regular meeting held on **August 11, 2020** as same appears in minutes of record of said meeting and published by posting copies thereof on **August 12, 2020** at the public places listed below, which copies remained posted for five business days, through **August 19, 2020**. The ordinance will remain posted for a minimum of thirty days.

City Hall
Rainbow Foods
U.S. Post Office
Terry's Grocery

2336 Lee Road 430
2461 Lee Road 430
2720 Lee Road 430
9309 Lee Road 246

Smiths Station, AL 36877
Smiths Station, AL 36877
Smiths Station, AL 36877
Smiths Station, AL 36877



Scott E. Johnston, City Clerk

{SEAL}

