

ORDINANCE NO. 2026-04

AN ORDINANCE OF SUNSET CITY, UTAH, AMENDING SECTIONS 3-10-1, “DEFINITIONS,” AND 3-10-2, “LICENSE REQUIRED FOR RENTAL DWELLINGS,” OF CHAPTER 10, “RENTAL DWELLING LICENSE,” OF TITLE 3, “BUSINESS AND LICENSE REGULATIONS,” OF THE SUNSET CITY CODE

WHEREAS, Sunset City (the “City”) is authorized under Utah law to regulate rental dwellings within its municipal boundaries for the protection of the public health, safety, and welfare; and

WHEREAS, Chapter 10 of Title 3 of the Sunset City Code, “Rental Dwelling License,” governs the licensing and regulation of rental dwellings within the City; and

WHEREAS, the City Council finds it necessary and appropriate to amend Sections 3-10-1, “Definitions,” and 3-10-2, “License Required For Rental Dwellings,” of said Chapter 10 to clarify certain defined terms and eligibility criteria used throughout the chapter; and

WHEREAS, the City Council has determined that this amendment is in the best interest of the health, safety, and welfare of the residents of Sunset City;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF SUNSET CITY, UTAH, AS FOLLOWS:

SECTION 1. AMENDMENT.

Sections 3-10-1 and 3-10-2 of Chapter 10, “Rental Dwelling License,” of Title 3, “Business and License Regulations,” of the Sunset City Code are hereby amended as set forth below.

Section 3-10-1, “Definitions,” of Chapter 10, “Rental Dwelling License,” of Title 3, “Business and License Regulations,” of the Sunset City Code is hereby amended to read as follows (deleted text shown in ~~strike through~~; new text shown as underlined):

3-10-1: DEFINITIONS:

For the purpose of administering and enforcing the provisions of this chapter the following definitions shall apply:

BUSINESS: The rental of one or more residential units within the City.

DISPROPORTIONATE RENTAL FEE: A fee adopted by the City to recover its disproportionate costs of providing Municipal services to residential rental units compared to similarly situated owner occupied housing.

DISPROPORTIONATE RENTAL FEE REDUCTION: A reduction of a disproportionate rental fee as a condition of complying with the requirements of the City's Good Landlord Program.

DWELLING: A building or portion thereof used or designated for residential occupancy and which includes kitchen and bathroom facilities. The term “dwelling” includes fraternity, sorority,

rooming, and boarding houses, but excludes hotels, motels, bed and breakfast establishments, and apartment hotels.

EXEMPT BUSINESS: The rental of a residential unit within a single structure that contains:

- A. No more than four (4) residential units; and
- B. One unit occupied by the owner and/or owner occupant.

GOOD LANDLORD TRAINING PROGRAM: A program offered by the City to encourage business practices that are designed to reduce the disproportionate cost of Municipal services to residential rental units by offering a disproportionate rental fee reduction for any landlord who:

- A. Completes a Landlord Training Program provided by the City; or
- B. Is an exempt landlord;
- C. Implements measures to reduce crime in rental housing as specified in a City ordinance or policy; and
- D. Operates and manages rental housing in accordance with an applicable City ordinance.

LANDLORD: A person, persons, and/or legal entity, or a landlord's agent who rents to tenants one or more legally established dwelling units.

OWNER: The person having ownership. Person includes any individual, group of individuals, partnership, corporation, association, or other legal entity.

OWNER OCCUPIED: Refers to a situation in which a rental dwelling unit is occupied by any person who is related within the second degree of consanguinity to an individual on a recorded deed as an owner of the property.

RENTAL DWELLING: A building or portion of a building that is:

- A. Used or designated for use as a dwelling by one or more persons and:
 - 1. Available to be rented, loaned, leased, or hired out for a period of one month or longer; or
 - 2. Arranged, designed, or built to be rented, loaned, leased, or hired out for a period of one month or longer, whether or not an owner, agent, or rental manager is in residence. (Ord. 2017-12, 11-21-2017)

Section 3-10-2, "License Required For Rental Dwellings," of Chapter 10, "Rental Dwelling License," of Title 3, "Business and License Regulations," of the Sunset City Code is hereby amended to read as follows (deleted text shown in ~~strikethrough~~; new text shown as underlined):

3-10-2: LICENSE REQUIRED FOR RENTAL DWELLINGS:

A. Business License Requirement: It is unlawful for any person, as owner, lessee, or agent thereof to keep, conduct, operate, or maintain any rental dwelling within the limits of the City, or cause or permit the same to be done, unless such person holds a current, unrevoked business license for such dwelling.

An owner of multiple rental dwellings or multiple buildings containing rental dwellings is required to obtain only one regulatory business license for the operation and maintenance of all such rental dwellings.

B. Evaluation: An evaluation will be conducted for each rental dwelling to determine eligibility for a rental dwelling business license. Eligibility for a rental dwelling license will be determined on the basis of the following criteria:

1. Rental dwelling(s) is located within zoning districts which allow the same type of occupancy and residential uses, and
2. A business license shall be issued to the owner when all application and eligibility requirements of this chapter and other applicable ordinances have been fulfilled.

C. Nontransferable: A rental dwelling business license is not transferable between persons or structures, and persons holding such licenses shall give notice in writing within forty eight (48) hours to the License Office after having transferred or otherwise disposed of the legal or equitable control of any premises licensed under these provisions. Such notice of transferred interest shall include the name and contact information regarding persons succeeding to the ownership or control of the premises.

D. Owner Is Liable: If there is more than one owner, including purchases under contract, each owner shall be jointly and severally liable to pay the business license fee and the variable fees as set forth in the consolidated fee schedule.

E. Exception: A business license for a rental dwelling unit shall not be required for a rental dwelling unit which is ordinarily owner occupied but is temporarily rented because:

1. The owner is placed in a hospital, nursing home, assisted living facility, or other similar facility; or
2. The owner has a bona fide, temporary absence of three (3) years or less for activity such as temporary job assignments, sabbaticals, or voluntary service. Indefinite periods of absence from the dwelling shall not qualify for this exemption.
3. As used in this subsection, "owner occupancy" means:
 - a. A ~~retired~~ person who possesses fifty percent (50%) ownership or more in the dwelling and said dwelling is the primary residence of such person; or
 - b. A family trust created for the primary purpose of estate planning by a trustor who created the trust, placing the dwelling in such trust, and whose primary residence is such dwelling. (Ord. 2017-12, 11-21-2017)

SECTION 2. EFFECTIVE DATE.

This ordinance shall take effect immediately upon passage and publication or posting as required by law.

PASSED AND ADOPTED by the City Council of Sunset City, Utah, this 4th day of August, 2026.

Scott Wiggill, Mayor

ATTEST:

Nicole Supp, City Recorder

EXHIBIT A

SECTION 3-10-1, RENTAL DWELLING LICENSE CHAPTER, AS AMENDED (CLEAN COPY)

3-10-1: DEFINITIONS:

For the purpose of administering and enforcing the provisions of this chapter the following definitions shall apply:

BUSINESS: The rental of one or more residential units within the City.

DISPROPORTIONATE RENTAL FEE: A fee adopted by the City to recover its disproportionate costs of providing Municipal services to residential rental units compared to similarly situated owner occupied housing.

DISPROPORTIONATE RENTAL FEE REDUCTION: A reduction of a disproportionate rental fee as a condition of complying with the requirements of the City's Good Landlord Program.

DWELLING: A building or portion thereof used or designated for residential occupancy and which includes kitchen and bathroom facilities. The term "dwelling" includes fraternity, sorority, rooming, and boarding houses, but excludes hotels, motels, bed and breakfast establishments, and apartment hotels.

EXEMPT BUSINESS: The rental of a residential unit within a single structure that contains:

- A. No more than four (4) residential units; and
- B. One unit occupied by the owner and/or owner occupant.

GOOD LANDLORD TRAINING PROGRAM: A program offered by the City to encourage business practices that are designed to reduce the disproportionate cost of Municipal services to residential rental units by offering a disproportionate rental fee reduction for any landlord who:

- A. Completes a Landlord Training Program provided by the City; or
- B. Is an exempt landlord;
- C. Implements measures to reduce crime in rental housing as specified in a City ordinance or policy; and
- D. Operates and manages rental housing in accordance with an applicable City ordinance.

LANDLORD: A person, persons, and/or legal entity, or a landlord's agent who rents to tenants one or more legally established dwelling units.

OWNER: The person having ownership. Person includes any individual, group of individuals, partnership, corporation, association, or other legal entity.

OWNER OCCUPIED: Refers to a situation in which a rental dwelling unit is occupied by any person who is related within the second degree of consanguinity to an individual on a recorded deed as an owner of the property.

RENTAL DWELLING: A building or portion of a building that is:

A. Used or designated for use as a dwelling by one or more persons and:

1. Available to be rented, loaned, leased, or hired out for a period of one month or longer; or
2. Arranged, designed, or built to be rented, loaned, leased, or hired out for a period of one month or longer, whether or not an owner, agent, or rental manager is in residence. (Ord. 2017-12, 11-21-2017)

(Ord. 2026-____, __-__-2026)

EXHIBIT B

SECTION 3-10-2, RENTAL DWELLING LICENSE CHAPTER, AS AMENDED (CLEAN COPY)

3-10-2: LICENSE REQUIRED FOR RENTAL DWELLINGS:

A. Business License Requirement: It is unlawful for any person, as owner, lessee, or agent thereof to keep, conduct, operate, or maintain any rental dwelling within the limits of the City, or cause or permit the same to be done, unless such person holds a current, unrevoked business license for such dwelling.

An owner of multiple rental dwellings or multiple buildings containing rental dwellings is required to obtain only one regulatory business license for the operation and maintenance of all such rental dwellings.

B. Evaluation: An evaluation will be conducted for each rental dwelling to determine eligibility for a rental dwelling business license. Eligibility for a rental dwelling license will be determined on the basis of the following criteria:

1. Rental dwelling(s) is located within zoning districts which allow the same type of occupancy and residential uses, and
2. A business license shall be issued to the owner when all application and eligibility requirements of this chapter and other applicable ordinances have been fulfilled.

C. Nontransferable: A rental dwelling business license is not transferable between persons or structures, and persons holding such licenses shall give notice in writing within forty eight (48) hours to the License Office after having transferred or otherwise disposed of the legal or equitable control of any premises licensed under these provisions. Such notice of transferred interest shall include the name and contact information regarding persons succeeding to the ownership or control of the premises.

D. Owner Is Liable: If there is more than one owner, including purchases under contract, each owner shall be jointly and severally liable to pay the business license fee and the variable fees as set forth in the consolidated fee schedule.

E. Exception: A business license for a rental dwelling unit shall not be required for a rental dwelling unit which is ordinarily owner occupied but is temporarily rented because:

1. The owner is placed in a hospital, nursing home, assisted living facility, or other similar facility; or
2. The owner has a bona fide, temporary absence of three (3) years or less for activity such as temporary job assignments, sabbaticals, or voluntary service. Indefinite periods of absence from the dwelling shall not qualify for this exemption.
3. As used in this subsection, "owner occupancy" means:

- a. A person who possesses fifty percent (50%) ownership or more in the dwelling and said dwelling is the primary residence of such person; or
- b. A family trust created for the primary purpose of estate planning by a trustor who created the trust, placing the dwelling in such trust, and whose primary residence is such dwelling. (Ord. 2017-12, 11-21-2017)

(Ord. 2026-____, ____-____-2026)