**Draft - 12-23-2016**

**ZONING ORDINANCE NO. \_\_\_\_\_\_\_\_:**

**ORDINANCE ESTANBLISHING STANDARDS FOR LEASING OF RESIDENTIAL HOUSING FOR LESS THAN 30 CONSECUTIVE DAYS “SHORT-TERM RENTALS”**

**WHEREAS**, the Town is authorized by Chapter 10 of the Utah Code to enact ordinances necessary or appropriate for the use of land within the municipality, and

**WHEREAS**, a short-rentals term of fewer than 30 consecutive days falls under the current Virgin Transient Hotel Motel Room Tax standards, and is currently a permitted use allowed in the Town's two resort zones; and

**WHEREAS**, Short-term rental of homes can provide homeowners an opportunity to hold property in difficult economic circumstances or as an investment; and

**WHEREAS**, the impacts of this use is consistent with the general impacts of residential and rural residential zones; and

**WHEREAS**, the needs of long-term residents should be balanced with the allowance of short-term rentals; and

**WHEREAS**, there is a seasonal market for short-term lodging in the area of Zion National Park and a lack of tourist based lodging within the Town of Virgin; and

**WHEREAS,** for purposes of this section, “Short-Term Rentals (STR)” means a residential dwelling unit containing not more than four sleeping rooms that is used and/or advertised for rent for transient occupancy.; and

**WHEREAS,** Residential dwelling units rented to the same occupant for more than thirty (30) continuous days, Bed and Breakfast establishments, boarding houses, hotels, and motels shall not be considered STR; and

**WHAREAS,** the Town may issue permits for STR of rooms, parts of homes, or entire homes located in all zones. After a local property owner (who is a resident of the Town of Virgin, Utah), or a corporation, or LLC or partnership, (where the majority of the owners must be resident of the town of Virgin Utah, (majority for the purpose of this ordinance is defined as a resident or residents of the Town of Virgin owning more than 80% of the property), for said property, properly files a completed application (and pays any applicable application fees) and has been provided with and understands any current and applicable laws and ordinances of the Town of Virgin regarding this use; and

**WHAREAS,** for the purpose of this section mobile homes and RV’s will not be allow to be used as a STR; and

**WHAREAS,** the purpose of this section is to establish regulations for the use of residential single family dwelling units as STR and to ensure the collection and payment of hotel/motel occupancy taxes; and

**WHAREAS,** for purposes of this section a STR, is defined as the use of a residential dwelling unit on a temporary or transient basis. A STR shall include a residential dwelling unit used as a short-term vacation rental, for any period less than thirty (30) consecutive days; and

**WHAREAS,** for Purposes of this section: An owner can designate an agent to comply with the requirements of this section on behalf of the owner. The owner and designated agent must be residents of the Town of Virgin Utah; and

**WHAREAS,** the Owner shall not be relieved from any personal responsibility or personal liability for noncompliance with any applicable law, rule or regulation pertaining to the use and occupancy of the residential dwelling unit as a STR unit, regardless of whether such noncompliance was committed by the owner’s authorized agent or the occupants of the owner’s short term rental unit or their guests; and

**WHAREAS,** this section is not intended to provide any owner of residential property with the right or privilege to violate any private conditions, covenants, and restrictions applicable to the owner’s property that may prohibit the use of such owner’s residential property for STR purposes as defined in this section; and

**WHAREAS,** this section is intended to help protect the property rights of homeowners in the residential neighborhoods; and

**NOW THEREFORE**, in order to provide for public safety and welfare while protecting individual property rights, the Town shall set standards for the leasing of residential housing that is less than 30 consecutive days also known as “Short-Term Rentals (STR)”:

**REGISTRATION**

1. No person or entity shall operate a STR or advertise a residential property for use as a STR without the owner of the property first having obtained a STR permit (STR business licenses) issued by the City of Virgin.
2. The City of Virgin is the Administrative Agency for the application of STR and the collection of rental application fees.
3. The Owner shall obtain a short-term rental application and any other required documents from The City of Virgin, town office located at Virgin City Hall at 114 South Mill Road, Virgin, Utah 84779. The City may be contacted at 435-635-4695 for additional information.
4. The Owner must submit the following information on an application form:
	1. The name, address, email address, and telephone number of the Owner of the subject STR unit;
	2. The name, address, email and twenty-four hour telephone number of the local agent, ( if any), responsible for addressing all maintenance and other concerns;
	3. The owner/agent shall be available twenty-four (24) hours per day, seven (7) days per week for the purpose of : (1) responding in person within one (1) hour to complaints regarding the condition, operation, or conduct of occupants of the STR unit; and (2) taking remedial action to resolve any such complaints;
	4. The name and address of the proposed STR unit;
	5. The number of bedrooms and the applicable overnight and daytime occupancy limits of the proposed short term rental unit;
	6. Proof of insurance evidencing fire, hazard, and liability insurance. Liability coverage shall have limits of not less than $1,000,000 per occurrence;
	7. If the STR unit shares a common driveway with another property owner, proof of written notification to such neighboring property owner prior to filing the application;
	8. Owner’s Tax Identification Number;
5. Pay all application fee at time of application submittal

**OTHER PROVISIONS OF AND STR**

1. Signs, advertising, or any other display on the property indicating that the dwelling unit is being utilized, in whole or in part, as a STR is prohibited;
2. All STR occupants shall abide by all applicable noise restrictions contained in the City Codes, and applicable waste management provisions of the City Codes;
3. The STR shall have approved smoke alarms meeting the Underwriters Laboratory (UL) 217 standards installed as follows:
	* 1. In all sleeping areas
		2. In every room in the path of the means of egress from the sleeping area to the door leading from the sleeping unit.
		3. In each story within the sleeping unit, including basements.
4. No buses, recreational vehicles, or trailers shall be visible on the street or property in conjunction with the STR unit;
5. The principal renter of a STR unit shall be at least twenty-one (21) years of age.
6. The maximum number of paying adult and children guests permitted on a STR property at any one time shall not exceed more than twice the number of sleeping rooms. Simultaneous rental to more than one party under separate contracts shall not be allowed. The occupancy maximum shall be conspicuously posted within the STR unit;
7. The STR owner shall not receive any compensation or remuneration to permit occupancy of a STR for a period of less than twenty four (24) hours. The maximum stay for any guest shall be thirty (30) consecutive days;
8. The name and telephone number of the owner/agent shall be conspicuously posted within the STR unit. The owner/agent shall answer calls twenty-four (24) hours a day, seven (7) days a week for the duration of each short term rental period to address problems associated with the STR.

**REGISTRATION AND FEES**

1. STR’s are subject to an annual registration fee established by the City of Virgin;
2. A registration is valid from the date the completed application is filed with the City of Virgin and applicable payment of the application fee has been made;
3. STR permit is good for 365 days after it is issued, unless the ownership of the STR changes.;
4. Permits may be renewed upon the payment of a renewal fee to be determined by the City of Virgin and an updated application is received;
5. All entities must register each individual property, and pay applicable application fees, even if the tax payments are made under one taxpayer identification number;
6. Each property shall be issued an application/permit number;
7. The permit holder shall be responsible for collecting and remitting all applicable room, occupancy, and sales taxes required by state law or the City of Virgin code;
8. Permits do not follow the STR, they follow the owner, a change of ownership results in the termination of a permit for a STR;

**MINIMUM STANDARDS OF CONDUCT**

1. The Owner, or agent shall provide a brochure or other alternative publication to renters, of STR, with information which shall provide basic, minimum, standards of conduct during their visit to the City of Virgin.
2. Additionally, renters can be directed to the City’s website, [www.virgininutah.org](http://www.virgininutah.org). or to the city offices for additional resources and or list of rules and regulations pertaining to the City.

**COMPLIANCE**

1. Standards for number of guests, off-street parking, noise restrictions, and all other applicable standards already set by the local Health Department, local Fire District, and The Town of Virgin ordinances must be followed by property owners and all guests using the property in order to better protect the health, safety, and welfare of the town and neighboring property owners.
2. Short-term rentals are subject to Virgin's Transient Hotel Motel Room Tax Ordinance, therefore Utah state sales tax regulations apply.
3. This ordinance does not supersede the CC&R’s established by private subdivisions. The Town also recognizes that it does not have the authority or should be encouraged to enforce CC&R’s of private subdivisions within its jurisdiction.
4. Property owners may be held liable for violation of town ordinances that happen on their property. Complaints about the property must be received in writing to the Town office and must be responded to by the Town within a reasonable time period. Complaints that violate Town ordinance and are not resolved in a timely manner by the property owner or manager may cause revocation of the permit and the “STR” use of that property until the violation is resolved.

**AUTOMATIC TERMINATION OF STR OWNERS PERMIT**

1. The STR structure is devoted to a use other than a STR (Excluding the occupancy of the residence by the owner); or
2. There is a change of ownership of the property; or a change of ownership of a corporation, LLC, or partnership or,
3. The residence or structure fails to comply with applicable health, safety, or building codes; or
4. There is repeated (repeated is defined as three or more times during a calendar year) violation of town ordinances, local Health Department ordinances, local Fire District ordinances and standards of The Town of Virgin or,
5. Other activities have occurred at, or related to the STR property, which the city reasonably determines is clearly contrary to the purpose and intent of this section.