

# COMMITTEE AMENDMENT FORM

**Date:** Tuesday, January 12, 2021

**Committee:** Community Development/Human Services **PAGE #'S:** \_\_\_\_\_

**Ordinance #** 20-O-1656 **SECTION(S):** \_\_\_\_\_

**Resolution #** \_\_\_\_\_ **PARAGRAPH** \_\_\_\_\_

The amendment strikes the following sentence from the second paragraph of Section 20-1004:

If a person wishes to obtain certificates for more than three properties, they must also obtain a business license from the Revenue Division of the Department of Finance.

**AN ORDINANCE**

**BY COUNCILMEMBERS ANDRE DICKENS, MATT WESTMORELAND, JENNIFER N. IDE, AMIR R. FAROKHI, ANTONIO BROWN, MICHAEL JULIAN BOND AND JOYCE M. SHEPERD**

**AS SUBSTITUTED AND AMENDED BY COMMUNITY DEVELOPMENT/HUMAN SERVICES COMMITTEE**

**AN ORDINANCE TO PROVIDE FOR THE REGULATION AND TAXATION OF SHORT-TERM RENTALS WITHIN THE CITY OF ATLANTA; AND FOR OTHER PURPOSES.**

**WHEREAS**, Thousands of Atlanta residents rent their homes on a short-term basis to earn additional income to pay for essential needs and expenses; and

**WHEREAS**, The City of Atlanta is also a regular host for international conventions, conferences and some of the nation’s major sporting events; and

**WHEREAS**, The additional availability of diverse lodging options helps enhance the city’s competitive position to attract such large events that generate tens of millions for the city’s economy ;and

**WHEREAS**, Atlanta has become a one of the country’s most popular cities for film and television production; and

**WHEREAS**, These productions also take advantage of short-term rental stock to house production staff, actors, other employees; and

**WHEREAS**, Short-term rental guests are more likely than other visitors to shop at a small, locally-owned businesses and restaurants; and

**WHEREAS**, Short-term rental hosts should be responsible for setting expectations of the community standards for the public safety and general welfare of the City of Atlanta; and

**WHEREAS**, Home sharing has always existed in the City of Atlanta for purposes beyond leisure-- including, but not limited to, temporary housing solutions for traveling healthcare workers, medical stays, families, self-quarantine, and remote workers among other use cases; and

**WHEREAS**, The use of property as a short term rental is a property right; and

**WHEREAS**, As the popularity of short-term rental units has grown, it is necessary for the City of Atlanta to establish a framework of regulations;

**THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS**, as follows:

**SECTION 1:** That a new Part 20 be added to the Code of Ordinances- Land Development Code,

and shall read as follows:

Section 20-1001. - Short title

This chapter shall be known and may be cited as the “City of Atlanta Short Term Rental Ordinance.”

Section 20-1002. - Intent; purpose

It is the purpose of this chapter to protect the public health, safety and general welfare of individuals and the community at large; to facilitate and provide reasonable means for citizens to mitigate impacts created by occupancy of short-term units; and to implement rationally based, reasonably tailored regulations to protect the integrity of the city’s neighborhoods;

Section 20-1003. - Definitions; general provisions

*Short-term rental* means an accommodation where, in exchange for compensation, a residential dwelling unit is provided for lodging for a period of time not to exceed 30 consecutive days.

*Short-term rental agent* means a person or organization designated by the owner or long-term tenant of a short-term rental on the short-term rental certificate application. Such a person shall be available for and responsive to contact at all times.

*Short-term rental guests* means guests, tourists, lessees, vacationers or any other person who, in exchange for compensation, occupy a dwelling unit for lodging for a period of time not to exceed 30 consecutive days.

*Short-term rental owner* means the owner of record of the property.

*Short-term rental certificate* is the certificate issued by the Department of City Planning to owners or designated agent of short-term rental units who have submitted the required documentation and met the requirements set for in this Chapter for operation of a short-term rental unit.

Section 20-1004. - Short-term rental certificate

No person shall rent, lease or otherwise exchange for compensation all or any portion of a dwelling unit as short-term rental unit, as defined in Section 20-1003, without first obtaining a short-term rental certificate pursuant to the regulations contained in this Chapter. No certificate issued under this chapter may be transferred or assigned or used by any person other than the one to whom it is issued, or at any location other than the one for which it is issued.

All short-term rental agents may obtain a certificate for their primary residence and two additional properties without any additional requirements, fees, permits, licenses, zoning or related restrictions.

Section 20-1005. - Application for short-term rental certificate

(a) Applicants for a short-term rental certificate shall submit, on an annual basis, an application for a short-term rental certificate to the Department of Planning and Community Development. The application shall be accompanied by a non-refundable application fee in

the amount of \$150.00. Such application should include:

- (1) The address of the unit to be used as a short-term rental;
  - (2) The name, address, telephone number and email address of the short-term rental agent, which shall constitute his or her 24-hour contact information;
  - (3) The short-term rental agent's signed acknowledgement that he or she has reviewed this Chapter and understands its requirements;
  - (4) The number and location of parking spaces allotted to the premises;
  - (5) The short-term rental agent's agreement to use his or her best efforts to assure that use of the premises by short-term rental occupants will not disrupt the neighborhood, and will not interfere with the rights of neighboring property owners to the quiet enjoyment of their properties; and
  - (6) Any other information that this Chapter requires the short term rental agent to provide to the city as part of an application for a short-term rental certificate. The Chief Operating Officer or his or her designee shall have the authority to obtain additional information from the applicant as necessary to achieve the objectives of this chapter.
- (b) Attached to the submission of the application described in this section, the short-term rental agent shall provide:
- (1) Written rules posted in the short-term rental unit, including:
    - a. Acknowledgement that it shall be unlawful to allow or make any noise or sound that exceeds the limits set forth in the City's noise ordinance;
    - b. Acknowledgement on the maximum occupancy of the short-term rental unit and, if available, the location and the amount of on-site parking.
    - c. Acknowledgement and agreement that violations of this Chapter may result in immediate termination of the agreement and eviction from the short-term rental unit by the owner or agent, as well as the potential liability for payments of fines levied by the city; and
- (c) If the rental agent changes, the short-term rental agent shall notify the City of Atlanta within 30 days.

#### Section 20-1006.- Short-term rental agent

- (a) The owner of a short-term rental shall designate a short-term rental agent on its application for a short-term rental certificate. A property owner may serve as the short-term rental agent.
- (b) The duties of the short-term rental agent are to:
  - (1) Be reasonably available to handle any problems arising from use of the short-term rental unit;
  - (2) Keep his or her name and emergency contact phone number posted in a readily visible place in the short-term rental unit;
  - (3) Receive and accept service of any notice of violation related to the use or occupancy of the /premises;
  - (4) Monitor the short-term rental unit for compliance with this chapter; and
  - (5) List the short-term rental certificate number on each online listing.

#### Section 20-1007. - Grant or denial of application

Review of an application shall be conducted in accordance with due process principles and shall be granted unless the applicant fails to meet the conditions and requirements of this chapter, or otherwise fails to demonstrate the ability to comply with local, state or federal law. Any false statements or information provided in the application are grounds for revocation, suspension and/or imposition of penalties, including denial of future applications.

Section 20-1008. - Short-term regulation procedure

- (a) A legible copy of the short-term rental unit certificate shall be posted within the unit and include all of the following information:
  - (i) The name, address, telephone number and email address of the short-term rental agent;
  - (ii) The short-term rental unit certificate number
  - (iii) The maximum occupancy of the unit
  - (iv) The maximum number of vehicles that may be parked at the unit; and
- (b) To ensure the continued application of the intent and purpose of this chapter, the Police Department shall notify the owner and agent of a short-term rental unit of all instances in which nuisance behavior of the rental guest or the conduct of his or her short-term rental unit agent results in a citation for a code violation or other legal infraction.
- (c) The Police Department shall maintain a record of all violations of City code occurring at or relating to a short-term rental unit. When a short-term rental agent has accumulated three violations for a particular property, the city shall revoke any pending certificates and reject all applications for the subject premises for a period of 12 consecutive months. Short-term rental agents shall be afforded an opportunity to appeal and rectify violations.
- (d) Any person violating the provisions of the Code shall be punished as provided by Section 1-8. With respect to violations that are continuous with respect to time, each day the violation continues is a separate offense.
- (e) A person aggrieved by the city's decision to revoke, suspend or deny a short-term rental certificate may appeal the decision in writing to the Chief Operating Officer. The appeal must be filed within 30 calendar days after the adverse action and it shall contain a concise statement of the reasons for the appeal. The Chief Operating Officer or appointed designee shall consider and respond to the appeal in writing within 30 days after receipt. The Chief Operating Officer shall render a determination, which will constitute a final ruling on the application.
- (f) Nothing in this section shall limit the city from enforcement of its code, state or federal law by any other legal remedy available to the city. Nothing in this section shall be construed to limit or supplant the power of any city inspector, deputy marshal or other duly empowered officer under the city's ordinances, rules and regulations and the authority granted under state law, as amended, to take necessary action, consistent with the law, to protect the public from property which constitutes a public nuisance or to abate a nuisance by any other lawful means of proceedings.

Section 20-1010. - Taxes

Short-term rentals are subject to applicable state and local taxes and are responsible for payment thereof as established by state law and the city code. Short-term rentals shall be subject to the hotel-motel tax of 8% of the charge furnishing short-term rentals as allowed under State law in Section 48-13-51(a)(5) and Section 48-13-51(b)(7)(a).

**SECTION 2:** That the amendments reflected in this Ordinance shall become effective on September 1, 2021.

**SECTION 3:** That all ordinances or parts thereof in conflict with this ordinance are hereby waived to the extent of the conflict.

**SECTION 4:** The provisions of this Ordinance shall be deemed independent and severable. In the event any one or more of the provisions contained herein shall, for any reason, be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Ordinance.

# Short Term Rental Program Fee Study

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## Methodology

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As shown below, the City's total estimated costs to run the Short Term Rental (STR) program is \$550,500. Based on analysis of Short Term Rental sites and the Atlanta Convention and Visitor's Bureau, it is assumed that there are currently between 1000 to 6000 STRs available. We believe that 1765 is a modest subset of the estimated STR population and serves as our basis for first year enrollment. The \$300 per certificate cost is determined by dividing the City's total estimated expenses (\$550,500) by the estimated number of permits/certificates (1765) which equals \$311.89. Accordingly, we have proposed a fee of \$300.

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## Fee Amount: \$300

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There is a \$300 annual fee that is collected at the time of certificate approval.

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### 1st Yr. Forecast

#### Department of City Planning

##### EOY Certificate Total

1,765

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<b>Total Expense</b>	<b>\$ 550,500</b>
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#### Office Of Building Inspections

5100000 Personnel Services and Employee Benefits	160,953
5200000 Purchased / Contracted Services	5,400
5300000 Supplies	119,800
5400000 Capital Outlays	30,000
5500000 Interfund / Interdepartmental Charges	4,800
5700000 Other Costs	10,590

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<b>OOB Expenses</b>	<b>331,543</b>
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#### Office Of Housing And Community Development

5100000 Personnel Services and Employee Benefits	22,527
5200000 Purchased / Contracted Services	7,200
5300000 Supplies	-
5400000 Capital Outlays	-
5500000 Interfund / Interdepartmental Charges	-
5700000 Other Costs	-

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<b>OZD Expenses</b>	<b>29,727</b>
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<b>OOB &amp; OOH Expense</b>	<b>361,269</b>
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## Short Term Rental Program Fee Study

Account	FY22
<b>Atlanta Police Department</b>	
5100000 Personnel Services and Employee Benefits	<b>174,231</b>
5200000 Purchased / Contracted Services	<b>15,000</b>
5300000 Supplies	-
5400000 Capital Outlays	-
5500000 Interfund / Interdepartmental Charges	-
5700000 Other Costs	-
<b>APD Expenses</b>	<b>189,231</b>

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### **Comparable Southeast Programs:**

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**Nashville:** Once the inspection has been completed and approved, the applicant must pay a \$313.00

**Charleston:** There is a \$200 zoning and application review fee that is collected at the time of application submission. The Fire inspection and plan review includes a \$40 base inspection fee, a \$32.21 plan review fee, plus an additional \$32.61 per number of floors in the unit being inspected. These fees will be collected when the permit is received. There is a \$64 base fee for a City of Charleston business license, plus \$3.90 per additional \$1,000 of expected income. **\$200 flat fee plus ~\$100 in additional cost**

**Savannah:** Initial fee of **\$300**, with a \$150 annual renewal fee

**Chattanooga:** **\$150** initiation, \$150 renewal