



BOROUGH OF HIGHLANDS  
COUNTY OF MONMOUTH

## ORDINANCE O-21-31

### AN ORDINANCE AMENDING CHAPTER 4-14 OF THE BOROUGH CODE REGARDING SHORT-TERM RENTALS

**WHEREAS**, Section 4-14.3 of the Borough Code provides for Regulations Pertaining to Short-Term Rentals; and

**WHEREAS**, Section 4-14.5 of the Borough Code provides for Application Process for Short-Term Rental Permit and Inspections; and

**WHEREAS**, the Borough of Highlands wishes to amend Sections 4-14.3 to provide for no more than two rental units in any multi-family residential dwelling and no more than two rental units in any mixed-use building, and further wishes to amend Section 4-14.5 regarding the application process for short-term rental permits.

**NOW, THEREFORE, BE IT ORDAINED**, by the governing body of the Borough of Highlands as follows:

**SECTION I.** Borough Code Section 4-14.3 “Regulations Pertaining to Short-Term Rentals” is hereby amended to read as follows (additions are shown in **bold italics with underlines**, deletions are shown in **~~bold italics with strikethroughs~~**):

#### **§ 4-14.3 Regulations Pertaining to Short-Term Rentals.**

- a. It shall be unlawful for any owner of any property within the geographic bounds of the Borough of Highlands, to rent or operate a short-term rental contrary to the procedures and regulations established in this Section 4-14 or applicable State statute.
- b. Short-term rentals shall be permitted to be conducted in the following classifications of property in the Borough of Highlands:
  1. Condominium units, where the Condominium Association By-Laws and Master Deed do not prohibit a short-term rental, and where the owner of the unit legally identifies the address as his or her principal residence;
  2. Individually or collectively owned single-family residences, which one of the owners legally identifies as the address of his or her principal residence, as that term is defined herein;

3. One unit within a two-family residential dwelling, where the other unit is occupied by the owner and identified by the owner as his or her principal residence, as that term is defined herein;
4. Not more than ~~one~~ two units in any multi-family residential dwelling, where one other unit in the same dwelling is occupied by the owner and identified by the owner as his or her principal residence, as that term is defined herein; ~~and~~
5. Not more than one room within a single-family residential dwelling unit, where the room shares common kitchen and bathroom facilities with the occupant of the dwelling unit, and the remainder of the single-family dwelling unit is occupied by the owner and identified by the owner as his or her principal residence, as that term is defined herein; ~~;~~ and

**6. Not more than two units in any mixed-used building.**

- c. Notwithstanding the provisions of paragraph b above, short-term rentals shall not be permitted in boarding or rooming houses, dormitories, foster homes, adult family care homes, assisted living facilities, community residences for developmentally disabled persons, community shelters for victims of domestic violence, or nursing homes. Further, short term rental of the following properties is prohibited:
  1. Condominiums or townhomes, where the Condominium Association By-Laws or Master Deed, or Condominium Rules and Regulations, do not permit such short-term rental of condominium units in the development;
  2. An individually or collectively owned single-family residential dwelling unit, which address none of the owners legally identifies as his or her principal residence;
  3. A unit in a two-family residential dwelling, where the other unit is not occupied by the owner nor legally identified by the owner as his or her :1 principal residence;
  4. ~~Two~~ Three or more units in a multi-family residential dwelling, and where one of the other units is not occupied by the owner nor legally identified by the owner as his or her principal residence;
  5. A room within a single-family, two-family or multi-family residential dwelling unit, where the room shares common kitchen and bathroom facilities with the occupant(s) of the dwelling unit in which it is located, which occupant(s) is neither the owner of the dwelling unit nor identifies the remainder of the dwelling unit in the single-family, two-family or multi-family residence as his or her principal residence.
  6. Two or more individual rooms within a single-family, two-family or multifamily residential dwelling unit, where the rooms share common kitchen and bathroom facilities with the occupant(s) of the dwelling unit(s) in which they are located, which occupant(s) is neither the owner of the dwelling unit nor identifies the remainder of the dwelling unit in the single-family, two-family or multi-family residence as his or her principal residence.

- d. The provisions of this Section 4-14 shall apply to short-term rentals as defined in subsection 4-14.2 above. The following do not qualify as a privately-owned residential dwelling unit, as that term is used herein, and therefore do not need to obtain a short-term rental permit pursuant to this Section 4-14: any hotel, motel, studio hotel, rooming house, dormitory, public or private club, bed and breakfast inn, convalescent home, rest home, home for aged people, foster home, halfway house, transitional housing facility, or other similar facility operated for the care, treatment, or reintegration into society of human beings; any housing owned or controlled by an educational institution and used exclusively to house students, faculty or other employees with or without their families; any housing operated or used exclusively for religious, charitable or educational purposes; or any housing owned by a governmental agency and used to house its employees or for governmental purposes.

**SECTION II.** Borough Code Section 4-14.5 “Application Process for Short-Term Rental Permit and Inspections” is hereby amended to read as follows (additions are shown in **bold italics with underlines**, deletions are shown in **~~bold italics with strikethroughs~~**):

**§ 4-14.5 Application Process for Short-Term Rental Permit and Inspections.**

- a. Applicants for a short-term rental permit shall submit, on an annual basis, an application for a short-term rental permit to the Borough of Highlands Municipal Clerk. The application shall be furnished, under oath, on a form specified by the Borough Administrator, accompanied by the non-refundable application fee as set forth in subsection 4-14.4 above. Such application shall include:
1. The name, address, telephone number and email address of the owner(s) of record of the dwelling unit for which a permit is sought. If such owner is not a natural person, the application must include and identify the names of all partners, officers and/or directors of any such entity, and the personal contact information, including address and telephone numbers for each of them;
  2. The address of the unit to be used as a short-term rental;
  3. A copy of the driver's license or State Identification Card of the owner of the short-term rental property, confirming, **as set forth in if required by** this Section 4-14, that the property is the principal residence, as that term is defined herein, of the owner making application for the STR permit;
  4. ***The If applicable, the*** owner's sworn acknowledgement that they comply with the requirement that the short-term rental property constitutes the owner's principal residence, as defined in subsection 4-14.2 above;
  5. The name, address, telephone number and email address of the short-term rental property responsible party, which shall constitute his or her 7 day a week, 24-hour a day contact information;

6. The owner's sworn acknowledgement that he or she has received a copy of this Ordinance No. O-2018-08, has reviewed it, understands its requirements and certifies, under oath, as to the accuracy of all information provided in the permit application;
  7. The number and location of all parking spaces available to the premises, which shall include the number of legal off-street parking spaces and on-street parking spaces directly adjacent to the premises. The owner shall certify that every effort will be made to avoid and/or mitigate issues with on-street parking in the neighborhood in which the short-term rental is located, resulting from excessive vehicles generated by the short-term rental of the property, in order to avoid a shortage of parking for residents in the surrounding neighborhood;
  8. The owner's agreement that all renters of the short-term rental property shall be limited to one (1) vehicle per four (4) occupants in the short-term rental property;
  9. The owner's agreement to use his or her best efforts to assure that use of the premises by all transient 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
  10. Any other information that this section requires a property owner to provide to the Borough in connection with an application for a rental certificate of occupancy. The Borough Administrator his or her designee shall have the authority to obtain additional information from the STRP owner/applicant or amend the permit application to require additional information, as necessary, to achieve the objectives of this section.
- b. Every application for a short-term rental permit shall require inspections every three months for the STRP's compliance with the Borough's fire safety regulations and property maintenance code. In addition, each application is subject to review to verify the STRP's eligibility for use as a short-term rental and compliance with the regulations in this Section 4-14.
  - c. For a condominium short-term rental permit application, a letter of approval by the condominium association must be submitted with the application.
  - d. A Zoning Compliance Certificate, which states that the premises are not being occupied or used in violation of the Zoning and Land Use Regulations of the Borough of Highlands, shall be required.
  - e. A sworn statement shall be required that there have been no prior revocations or suspensions of this or a similar license, in which event a license shall not be issued, which denial may be appealed as provided hereinafter.
  - f. Attached to and concurrent with submission of the permit application described in this Section 4-14, the owner shall provide:
    1. Proof of the owner's current ownership of the short-term rental unit;
    2. Proof of general liability insurance in a minimum amount of \$1,000,000.00; and

3. Written certification from the responsible party that they agree to perform all of the respective duties specified in this Section 4-14.
- g. The STRP owner/permit holder shall publish the short-term rental permit number issued by the Borough in every print, digital, or internet advertisement, and/or in the Multiple Listing Service (hereinafter "MLS") or other real estate listing of a real estate agent licensed by the NJ State Real Estate Commission, in which the shortterm rental property is advertised for rent on a short term basis.
- h. Each and every time there is a change of occupancy by transient occupants during the year when the permit is active, the STRP owner, their agent, or the responsible party must provide the Borough with information as to the identity of all transient occupants who will be occupying the STRP, on a form to be made available by the Municipal Clerk or in electronic format on the Borough website. The intent is that the Borough shall have basic identifying information of all occupants of the STRP at all times, just as required by the Borough in conjunction with any standard rental Certificate of Occupancy application, which information shall include the occupant's or occupants' names and ages, and the dates of the commencement and expiration of the term of each short-term rental period of the respective occupant(s).
- i. In no event shall a short-term rental property be rented to anyone younger than twenty-one (21) years of age. The primary occupant of all short-term rentals executing the agreement between the owner and the occupant must be over the age of twenty-one (21), and must be the party who will actually occupy the property during the term of the short-term rental. The primary occupant may have guests under the age of twenty-one (21) who will share and occupy the property with them. Both the primary occupant executing the short-term rental agreement and the STRP owner shall be responsible for compliance with this provision, and shall both be liable for a violation, where the property is not occupied by at least one adult over the age of twenty-one (21), during the term of the short term rental.

**SECTION III. SEVERABILITY.** If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decision, shall not affect the remaining portions of this Ordinance, which shall otherwise remain in full force and effect.

**SECTION IV. REPEALER.** All Ordinances or parts of Ordinances inconsistent herewith are hereby repealed to the extent of such inconsistency.

**SECTION V. EFFECTIVE DATE.** This Ordinance shall take effect upon adoption and publication according to law.

	INTRODUCED	SECOND	AYE	NAY	ABSTAIN	ABSENT
MARTIN						
MAZZOLA						
MELNYK						
OLSZEWSKI						
BROULLON						

This is a Certified True copy of the Original Ordinance on file in the Municipal Clerk's Office.

DATE OF VOTE: August 18, 2021

---

Michelle Hutchinson Acting Municipal Clerk  
Borough of Highlands

	INTRODUCED	SECOND	AYE	NAY	ABSTAIN	ABSENT
MARTIN						
MAZZOLA						
MELNYK						
OLSZEWSKI						
BROULLON						

This is a Certified True copy of the Original Ordinance on file in the Municipal Clerk's Office.

DATE OF VOTE: September 1, 2021

---

Michelle Hutchinson Acting Municipal Clerk  
Borough of Highlands

---

Carolyn Broullon, Mayor