ORDINANCE NO. 799

AN ORDINANCE OF THE CITY OF MANOR, TEXAS, AMENDING CHAPTER 11, TAXATION, OF THE CODE OF ORDINANCES OF THE CITY OF MANOR, TEXAS BY PROVIDING FOR THE AMENDMENT OF THE HOTEL OCCUPANCY TAX; AMENDING DEFINITIONS; REGULATING SHORT-TERM RENTALS; PROVIDING A SEVERABILITY CLAUSE; PROVIDING OPEN MEETINGS AND EFFECTIVE DATE CLAUSES; AND PROVIDING FOR RELATED MATTERS.

WHEREAS, the City of Manor, Texas (the "City") is a home-rule City; and

WHEREAS, the City Council for the City (the "City Council") passed and approved Ordinance No. 160 on the 16th day of August 2000, adopting the rules regarding a hotel occupancy tax and the enforcement of such regulations as codified in Chapter 11, Taxation, of the Code of Ordinances of the City (the "Hotel Occupancy Tax Ordinance"); and

WHEREAS, there has been a significant increase in short-term rentals citywide; and

WHEREAS, City Council feels the introduction of regulations is an important step in preparing the City's community for future growth in the short-term rental industry; and

WHEREAS, City Council seeks to minimize potential adverse impacts to the City's residents from short-term rentals, namely public safety risks, illegal parking, traffic, trash, increased density, and affordable housing shortages; and

WHEREAS, short-term occupants and operators must be aware of local rules to enhance compliance and public safety; and

WHEREAS, the establishment of a short-term rental permit requirement will help protect the health and safety of the City's residents as well as occupants of a short-term rental; and

WHEREAS, requiring the registration of all short-term rental properties will help ensure the appropriate hotel occupancy taxes are paid; and

WHEREAS, the City Council reviews the City's tax regulations from time to time to consider amendments to the Hotel Occupancy Tax Ordinance; and

WHEREAS, the City Council finds it necessary to amend the Hotel Occupancy Tax and adopt the amendments set forth in this ordinance.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MANOR, TEXAS, THAT:

- **Section 1.** Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes as findings of fact.
- **Section 2.** <u>Amendment of the Code of Ordinances</u>. The City Council hereby amends Chapter 11, Taxation, Article 11, Hotel Occupancy Tax, of the Manor Code of Ordinances (the "Hotel Occupancy Tax Ordinance") to amend the definitions; and add a new section governing short-term rentals as provided in Sections 3 through 4 of this Ordinance.
- **Section 3.** <u>Amendment of Section 11.04.001 Definitions.</u> Section 11.04.001 of the Hotel Occupancy Ordinance is hereby amended as follows:
 - (a) The definition for "Bedroom" is hereby added in alphabetical order to read as follows:
 - "Bedroom means the living area(s) of the dwelling unit that is designed and furnished for sleeping."
 - (b) The definition for "Local Contact Person" is hereby added in alphabetical order to read as follows:
 - "Local contact person means the person designated by the owner or operator who shall be available twenty-four (24) hours per day, seven (7) days per week for the purpose of:
 - (1) Responding promptly to complaints regarding the condition, operation, or conduct of occupant of the short-term rental unit; and
 - (2) Taking remedial action to resolve such complaints.

The owner or operator may be listed as the local contact person."

- (c) The definition for "Occupant" is hereby added in alphabetical order to read as follows:
 - "Occupant means any individual person living in, sleeping in, or possessing a building or portion thereof. A person is not required to be paying rent, providing in-kind services, or named in any lease, contract, or other legal document to be considered an occupant."
- (d) The definition for "Operator" is hereby added in alphabetical order to read as follows:
 - "Operator means every natural person, firm, partnership, association, social or fraternal organization, corporation, estate, trust, receiver, syndicate, branch of government, or any other group or combination acting as a unit who is the proprietor of a short-term rental with authority to act in that capacity, whether in the capacity of owner, lessee, sub-lessee, mortgagee in possession, licensee, or any capacity."

- (e) The definition for "Owner" is hereby added in alphabetical order to read as follows:
 - "Owner means a person who owns the real property where a short-term rental is located."
- (f) The definition for "Premises" is hereby added in alphabetical order to read as follows:
 - "Premises means property, a lot, plot, or parcel of land, including any structures or portions of structures thereon."
- (g) The definition for "Short-term rental" is hereby added in alphabetical order to read as follows:
 - "Short-term rental means any residential structure, including a single-family home, an accessory structure, or a unit in an apartment or condominium building, or any portion thereof, used for lodging accommodations to occupants for a period of less than thirty (30) consecutive days. The definition of short-term rental does not include a hotel, motel, bed and breakfast, executive suite, or other non-residential use. Properties rented for longer than 30 days that are still advertised as available on a nightly basis fall into this category."

Section 4. <u>Addition of Section 11.04.014 Short-Term Rentals.</u> Section 11.04.014 is hereby added to the Hotel Occupancy Tax Ordinance to read as follows:

"Section 11.04.014 – Short Term Rentals

- (1) It is unlawful for any person to own or operate a short-term rental without a valid short-term rental permit issued in accordance with this section.
- (2) An owner or operation must submit a City-approved application form and pay a non-refundable fee as set by City Council. The Application shall require the following:
 - (a) The physical address of the short-term rental;
 - (b) The number of bedrooms in the short-term rental and the number of off-street parking spaces available on the property where the short-term rental is located;
 - (c) The owner's name, address, email address, and telephone number;
 - (d) If the owner is not an individual, then the name, address, and email address of a natural person who has the legal authority to act for the owner;

- (e) The operator's name, address, email address, and telephone number and written verification from the owner than the operator is authorized to operate the premises as a short- term rental;
- (f) If the operator is not a natural person, then the name, address, and email address of a natural person who has the legal authority to act for the operator;
- (g) The name and website link to all internet platforms that host advertisement or take reservations for the short-term rental at any time during a 12-month period from the date of application;
- (h) The name, address, email address, and twenty-four (24) hour telephone number of a local contact person;
- (i) A statement that the owner or operator of the short-term rental is in compliance with and will maintain compliance with the requirements of this Chapter, and with all applicable state and local laws, including applicable Fire and Building Code requirements regarding occupancy, smoke and carbon monoxide detectors, and fire extinguishers, and that the owner or operator shall be liable for any violations of applicable state and local laws;
- (j) Verification that the owner has no delinquent hotel occupancy taxes due on the residential premises in accordance with Article 11.04 of the City's Code; and
- (k) Any other information deemed necessary for review by the City Council.
- (3) Permits shall be issued by the City Manager or designee upon determination that the application is complete, all taxes and fees are current, and all requirements of this section are met.
- (4) Permits may be denied for the short-term rental application if:
 - (a) The applicant provided false or misleading information on the application form;
 - (b) The owner is overdue in payment to the city of taxes, fees, fines or penalties or fails to provide documentation when requested showing all occupancy taxes have been paid for the property;
 - (c) The applicant has failed to provide the required information in Subsection (2);
 - (d) The applicant or property has pending complaints for violations of this Chapter or any other provision of the Code of Ordinances or the Unified Development Code; or

(e) The applicant or the property is the subject of repeated substantiated violations of City Code or state law during a 24-month period prior to applying for a short- term rental permit or renewal of a permit provided that the denial will be based on (i) the frequency of any repeated violations, (ii) whether a violation was committed intentionally or knowingly, and (iii) any other information that demonstrates the degree to which the owner or occupant has endangered public health, safety, or welfare.

A written notice shall be delivered to the applicant that short-term rental permit application has been denied and the basis for the denial. The applicant shall have the right to appeal the denial.

- (5) Any change of information provided in a short-term rental application form must be reported to the City within ten (10) days and be continuously updated as changes occur.
- (6) A short-term rental permit is not transferable and shall not be assigned nor transferred to another person or entity. Any attempt to transfer a permit or attempt to use another person's permit may be grounds for revocation of a permit.
- (7) A short-term rental permit expires upon the earlier of one year after the date of issuance or a change in ownership of the rental property. The owner must submit an application to renew the permit in the form provided by the City at least thirty days prior to the expiration of the current permit. Each complete application for renewal must include any updates to the information contained in the original permit or previous renewals, and the permit holder must sign a statement affirming that there are no changes or that all updated information is accurate and complete. The City Manager may require any certifications deemed necessary and proper to ensure ongoing compliance with this article. If the renewal application meets all conditions of this section and other applicable ordinances, it shall be approved by the City Manager or designee. A nonrefundable permit renewal fee of fifty dollars (\$50.00) must accompany every renewal application.
- (8) No later than ten days after the issuance of a permit under this section, the owner or operator must provide written notice to neighbors within two hundred feet of the short-term rental property address, either by mail, email, or hand delivery, advising that a short-term rental permit has been issued for the property. This notice must include the permit number, the names of the owner and operator of the short-term rental, the name and contact information for the local contact person, and a city website address where the information is also posted. Additionally, the owner or operator must inform neighbors whenever there is a change in contact information.
- (9) The short-term rental permit, including the City's permit number, must be conspicuously displayed inside the entrance of the short-term rental and included in all marketing materials, including online advertisements. The occupancy limit must also be posted at the entrance of the rental. Each short-term rental owner or operator is responsible for equipping the rental with working smoke and carbon monoxide detectors, with alarms, as required by adopted codes, and at least one working type A fire extinguisher that has

been inspected within the last calendar year. The premises must comply with all applicable Code of Ordinance requirements, including but not limited to all building and fire codes, and each bedroom must have a working window for emergency exit in the event of a fire. The owner or operator must also provide all occupants with the contact information for the local contact person, which must additionally be posted in a prominent location in the rental. In addition, the owner or operator must provide city contact information, website, and emergency numbers, a parking plan identifying available parking spaces for the rental, a floor plan identifying bedrooms, other living spaces, and emergency evacuation routes, and a summary of applicable local regulations and restrictions related to parking, noise ordinances, water conservation, and emergency management protocols.

- (10) It is a condition of the initial and continued validity of a short-term rental permit that the owner or operator has paid any remains current on the payment of all hotel occupancy taxes owed to the City under the Texas Tax Code. Failure to timely pay the hotel occupancy taxes is considered a violation of this section and may result in revocation of a short-term rental permit.
- (11) The permit may be revoked for the following reasons:
 - (a) Failure to comply with any provision of the city ordinances or any state or federal law applicable to the operation of the short-term rental or the property on which it is located.
 - (b) Providing false or misleading information on a short-term rental application form.
 - (c) Failure to notify a change of information required pursuant to this section.
 - (d) Failure to pay any hotel occupancy tax for the property.
 - (e) Failure to pay a fee required pursuant to this section at the time the payment was due.
 - (f) Prior to revoking a permit, a written notice is to be delivered to the permit holder of the possible revocation, the basis of the revocation, and a statement that the owner or operator has ten (10) days after delivery to comply with the notice to prevent revocation.
 - (g) Upon revocation of a permit, a written notice is to be delivered to the permit holder with notice of revocation, the basis of the revocation, and a statement informing the owner or operator of the right to appeal a revocation.
 - (h) A revoked permit of a short-term rental may be reinstated if the basis for revocation is remedied, and the owner or occupant has paid a fifty-dollar (\$50.00) reinstatement fee.

- (12) If the issuance or renewal of a short-term rental permit is denied or the permit is revoked, the action is final unless the owner or operator files a written appeal to the City Manager within ten (10) calendar days of receiving the notice of revocation. Upon receiving a timely appeal, the City Manager shall hear the appeal within thirty (30) days from the City's receipt of the appeal, unless otherwise agreed upon by the City and the appellant. Failure to file an appeal within this period constitutes a waiver of the right to appeal, and the original decision shall be final. At the appeal hearing, the City Manager may only affirm or reverse the denial or revocation if the appellant proves that an error was made in the decision as of the date it was issued. The City Manager may not consider any subsequent remedial actions or payments by the appellant in making this determination. The City Manager's decision is final with respect to administrative remedies, and no rehearing or further appeal may be granted.
- (13) Any violation of this section shall be subjection to penalties as prescribed by this Article. Penalties provided for in this article are in addition to any other criminal or civil remedies that the city may pursue under federal, state, or local law."
- **Section 5.** Repealing all Conflicting Ordinances. All ordinances or parts thereof conflicting or inconsistent with the provisions of this Ordinance as adopted herein are hereby amended only to the extent of such conflict. In the event of a conflict or inconsistency between this Ordinance and any other code or ordinance of the City, the terms and provisions of this ordinance shall control.

Section 6. <u>Savings Clause</u>. This City Council of the City of Manor, Texas hereby declares that if any section, subsection, paragraph, sentence, clause, phrase, work or portion of this ordinance is declared invalid, or unconstitutional, by a court of competent jurisdiction, that, in such event that it would have passed and ordained any and all remaining portions of this ordinance without the inclusion of that portion or portions which may be so found to be unconstitutional or invalid, and declares that its intent is to make no portion of this Ordinance dependent upon the validity of any portion thereof, and that all said remaining portions shall continue in full force and effect.

Section 7. <u>Severability</u>. If any term, provision or section of this Ordinance, or the application of any provision to any person or circumstance, is held invalid, the invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

Section 8. Effective Date. This Ordinance shall take effect immediately from and after its passage, and publication in accordance with the provisions of the Texas Local Government Code.

Section 7. Open Meetings. It is hereby officially found and determined that the meeting at which this Ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551, Texas Government Code.

PASSED AND APPROVED on this 3rd day of September 2025.

	THE CITY OF MANOR, TEXAS
	Dr. Christopher Harvey, Mayor
ATTEST:	
I bygio T. Almoroz, TDMC	
Lluvia T. Almaraz, TRMC City Secretary	