

## ORDINANCE

**An Ordinance** to create Chapter 6-13, entitled "Licensing of Short-Term Rentals", and amend Section 1-2-1, entitled "Fees" to create a procedure for licensing short-term rentals and license fees.

**SECTION 1.** Chapter 6-13 of the Municipal Code of the City of Two Rivers is hereby created to read as follows:

### LICENSING OF SHORT-TERM RENTALS

#### § 6-13-1. Definitions.

- A. The following definitions apply unless specifically modified:
1. CITY CLERK — The City Clerk of the City of Two Rivers or their designee.
  2. RESIDENTIAL DWELLING UNIT — Any building, structure, or part of a building or structure with living, cooking, sanitary, and bathroom facilities that is intended to be used as a home, residence or sleeping place by one or more persons related by blood, marriage or adoption or a group of not more than four persons who need not be related. Residential Dwelling Units include any residential dwelling, tourist rooming house licensed by Manitowoc County, seasonal employee housing and dormitory units.
  3. LICENSE — The Short-Term Rental License issued after an application for a license is submitted and approved following the process in § 6-13-2.
  4. OWNER — The person owning a short-term rental property.
  5. PERSON — Shall include a corporation, firm, partnership, association, organization, limited liability company and any other group acting as a unit as well as individuals, including a personal representative, receiver or other representative appointed according to law. Whenever the word person is used in any section of this code prescribing a penalty or fine, as to partnerships, limited liability companies or associations, the word shall include the partners or members hereof, and as to corporations, shall include the officers, agents or shareholders thereof who are responsible for any violation of such section.
  6. Property Manager — An individual who is not the property owner and who is authorized to act as the agent of the Property Owner for the receipt of services, remedy of municipal ordinance violations, and for acceptance of service of process pursuant to this ordinance.
  7. Short-Term Rental — A residential dwelling unit that is offered for rent for a fee with a rental term of fewer than 30 consecutive days, as defined in Wis. Stats. § 66.0615(1)(dk).

8. State — The State of Wisconsin Department of Health or the Wisconsin Department of Agriculture, Trade and Consumer Protection or their designees.

**§ 6-13-2. Application for a short-term rental license.**

- A. No person shall maintain, manage or operate a Short-Term Rental more than ten nights a year without a license issued by the City of Two Rivers pursuant to this section.
- B. Applications for a license shall follow the following procedures:
  - (1) All applications for a license shall be filed with the City Clerk on forms provided. Applications must be signed by the property owner and, if applicable, the authorized property manager(s). The property owner's contact information including mailing address, physical address, email address and 24-hour phone number shall be provided. No license shall be issued unless the completed application is accompanied by payment of the required fee.
  - (2) Upon receipt of each application, the Chief of Police shall make and complete an investigation of the statements made in such registration.
    - (a) The Chief of Police shall refuse to register the applicant if it is determined, pursuant to the investigation above, that the application contains any material omission or materially inaccurate statement; or
    - (b) Repeated complaints of a material nature have been received against the applicant by authorities in the last cities, villages and towns in which the applicant or the property manager conducted similar business; or
    - (c) The applicant or designated property manager have criminal convictions that are materially related to the services being provided.
    - (d) The applicant failed to comply with any applicable provision of the application process as state herein.
- C. No license shall be issued unless the completed application is accompanied by payment of the required fee. Fees shall be as set forth in § 1-2-1.
- D. The City Clerk shall issue a license to applicants following payment of the required fee, satisfactory completion of the investigation by the Chief of Police, and receipt of all completed documentation and information requested in the application. If the City Clerk shall determine if the application meets the requirements of this ordinance, the City Clerk may approve the application. If the City Clerk determines that the application does not meet the requirements of this section, the City Clerk may deny the application.
- E. Licenses will only be issued if the applicant provides a copy of a completed Manitowoc County Tourist Rooming House License with a copy of the property inspection report dated within one year of the date of filing the application with the City Clerk.

**§ 6-13-3. Property manager.**

- A. Property Manager. No person may act as a property manager for a short-term rental without authorization from the property owner and contact information on file in accordance with this section.
- B. Property Manager Qualifications. The property manager, as the authorized agent, shall be accessible 24 hours a day by phone or in person in the event of an emergency at the property the manager is responsible for.
- C. Each property manager shall be authorized by the property owner to act as the agent for the owner to provide or facilitate services to the short-term rental property, in the event of an emergency, for the receipt of notice of ordinance violation(s), and shall be authorized by the owner to allow City employees, officers, and their designees, to enter the owner's property for purposes of inspection and enforcement of this ordinance and/or any other City ordinance.

**§ 6-13-4. License renewal.**

- A. The license shall be effective for one year and may be renewed for additional one-year periods. The annual license term is from January 1 to December 31 of each year. A fully completed renewal application and renewal fee must be filed with the City Clerk if the short-term rental will be continued. The renewal application shall contain any updated information since the filling of the original application. Licenses shall lapse upon a change in ownership.
- B. No license shall be renewed if the applicant or property has outstanding fees, taxes or forfeitures owed to the City unless arrangements for payment have been approved by the City Clerk. Also, the license shall not be renewed if the applicant or property is under an order issued by the Building Inspector or Zoning Administrator to bring the premises into compliance with City ordinances.
- C. A license may be suspended, revoked, or not renewed following a due process hearing of the City Council if the Council determines that the licensee: (a) fails to comply with any of the requirements of this section; (b) owner(s) or renter(s) have been convicted of engaging in illegal activity while on the licensed premises on two or more separate occasions within the past 12 months; or (c) has outstanding fees, taxes, or forfeitures owed to the City.

**§ 6-13-5. Standards for short-term rentals.**

- A. Each short-term rental shall comply with all of the following:
  - (1) The noise levels shall comply § 9-2-5.
  - (2) Signage advertising the short-term rental is not permitted. Off-site advertising in media channels relating to the availability of the rental may take place only after the City and County licenses have been obtained.
  - (3) No recreational vehicles (RVs), campers, tents, or other temporary lodging arrangements shall be permitted on any residential dwelling unit site as a means of providing additional accommodations for paying guests or other invitees.

- (4) Activities at the premises shall not become a public nuisance. All activities conducted shall comply with Chapter 9-6.
- (5) All short-term rentals shall be subject to payment of the City of Two Rivers room tax at the applicable rate. Property owners or property managers holding the license are responsible for complying with all room tax requirements as set forth in Chapter 6-11.
- (6) All short-term rentals shall comply with § 9-9-3C wherein it is unlawful for a property owner to knowingly rent to any offender listed in the State of Wisconsin's Sex Offender Registry.
- (7) Compliance with all applicable state, county, and local codes, laws and regulations is required.
- (8) All short-term rentals shall display proof of a current inspection by the Manitowoc County Health Department and contact information for the Two Rivers Police Department (Non-Emergency), Fire Department, Property Owner or Property Manager.
- (9) Each short-term rental shall maintain a guest register for two years. The register shall contain the full name and current address of any person renting the property, the time of rental, and the monetary amount or consideration paid. A copy of the register shall be available if requested by the City. The required room tax payments shall be filed as required by Chapter 6-11.
- (10) Vehicle parking shall be on a paved or gravel surface in accord with Chapter 8-2.
- (11) A safe, unobstructed means of egress from the dwelling leading to safe, open space at ground level shall be provided.
- (12) Shall have functional smoke detectors and carbon monoxide detectors in accordance with the requirements of Chapter SPS 321 of the Wisconsin Administrative Code.
- (13) Shall not have an accessible wood burning fireplace unless the property owner provides a certificate from a properly licensed inspector, dated no more than 30 days prior to submission of the license application or renewal, certifying that the fireplace and chimney have been inspected and comply with the National Fire Prevention Association Fire Code Chapter 211 Standard for Chimneys, Fireplaces, Vents, and Solid Fuel-Burning Appliances.
- (14) Shall not have a hibachi, gas-fired grill, charcoal grill, or other similar devices used for cooking or any other purpose on any balcony, deck or under any overhanging structure or within ten feet of any structure.
- (15) Outdoor cooking and heating devices shall be used in accordance with § 3-1-3.
- (16) All property owners shall carry casualty and liability insurance issued by an insurance company authorized to do business in this state by the Wisconsin Office

of the Commissioner of Insurance, with liability limits of not less than \$300,000.00 per individual occurrence and not less than \$1,000,000.00 in the aggregate.

**§ 6-13-6. Appeals.**

- A. The denial of any license application or renewal under this section may be appealed by filing a written appeal request with the City Clerk within ten days of the City's notice of denial. The appeal shall be heard by the City Council. The City Council shall consider the application or renewal and recommendations and may approve or deny the application or renewal.
- B. A license may be revoked by the City Council for one or more of the following reasons:
  - (1) Failure to make payment on taxes or debt owed to the City.
  - (2) Failure to make payment on any City of Two Rivers room tax.
  - (3) Two or more calls in any 12-month period for police department services that relate to criminal or nuisance activities at the short-term rental, fire department services that relate to criminal or nuisance activities at the short-term rental, building code violations, nuisance activities or other ordinance violations as defined in Chapter 9-6.
  - (4) Failure to comply with City building inspection requirements that may occur on an as needed basis.
  - (5) Failure to maintain all required local, county, and state licensing requirements.
  - (6) Failure to comply with any applicable zoning regulations as described in Chapter 10.
  - (7) Any violation of local, county or state laws that harm or adversely impact the predominantly residential uses and nature of the property or of the surrounding neighborhood.

**§ 6-13-7. Penalties.**

- A. Any person that violates any provisions of this section shall be subject to license revocation. Appeals shall be handled by the process identified per § 6-13-6.
- B. Any person who violates any provision of this chapter or any other order or regulation issued hereunder shall be subject to a penalty as provided in § 1-1-5 of this Code.

**SECTION 2.** That Section 1-2-1 of the Municipal Code shall hereby be amended as follows:

Code Section	License/Permit	Fee
6-13-2	Short-term rental license	\$100
6-13-2	Short-term rental Property Manager/each	\$25
6-13-2	Short-term rental license Late fee	\$100

**SECTION 3.** This ordinance shall take effect and be in force from and after its date of passage and publication of same.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Adam Wachowski  
President, City Council

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Gregory E. Buckley  
City Manager

Attest:

\_\_\_\_\_  
Jamie Jackson  
City Clerk

Approved as to form and legality:

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John M. Bruce  
City Attorney

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