

Licensing of Short-Term Rentals

SECTION 1. Section **XX-X-XX** of the Municipal Code of the City of Two Rivers is hereby created to read as follows:

Licensing of Short-Term Rentals

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. CORPORATE ENTITY — A corporation, partnership, limited liability company, or sole proprietorship licensed to conduct business in this state.
3. RESIDENTIAL DWELLING UNIT — One or more rooms with provisions for living, cooking, sanitary, and sleeping facilities and a bathroom arranged for exclusive use by one person or one family. Residential Dwelling Units include any residential dwelling, tourist rooming house licensed by Manitowoc County, seasonal employee housing and dormitory units.
4. LICENSE — The Short-Term Rental License issued after an application for a license is submitted and approved following the process in § **X-XX-X**.
5. OWNER — The person owning a short-term rental property.
6. PERSON — Shall include a corporation, firm, partnership, association, organization, 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 or associations, the word shall include the partners or members hereof, and as to corporations, shall include the officers, agents or members thereof who are responsible for any violation of such section.
7. Property Manager — Any person that is not the property owner and is appointed to act as agent and/or provides property management services to one or more short-term rentals.
8. Short-Term Rental — A residential dwelling unit that is offered for rent for a fee for fewer than 30 consecutive days, as defined in Wis. Stats. § 66.0615(1)(dk).

9. State — The State of Wisconsin Department of Health or its designee.

2. Application for a Short-Term Rental License

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.

Applications for a license shall follow the following procedures:

- A. 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 permit shall be issued unless the completed application is accompanied by payment of the required fee.
- B. The City Clerk shall issue a license to applicants following payment of the required fee, receipt of all completed documentation and information requested in the application. If the City Clerk, in consultation with the City Manager, shall determine if the application meets the requirements of this ordinance, the City Clerk may approve the application. If the City Clerk, in consultation with the City Manager, determines that the application does not meet the requirements of this section, the City Clerk may deny the application.
- C. 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.

3. Property Manager Required **if property owned will not be available to short term renters.**

- A. Property Manager. No person may act as a property manager for a short-term rental without a Property Manager Permit issued in accordance with this section.
- B. Property Manager Qualifications. **The property manager shall be accessible 24 hours a day.** {and must reside in or **within 25 miles** of the City of Two Rivers or other legal entity with offices located within **25 miles** of the City of Two Rivers.}
- 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.

5. 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. Each short-term rental shall comply with all of the following:
- A. The noise levels shall comply § 9-2-5.
 - B. 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.
 - C. 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.
 - D. Activities at the premises shall not become a public nuisance. All activities conducted shall comply with Chapter 9-6.
 - E. 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.
 - F. Compliance with all applicable state, county, and local codes, laws and regulations is required.
 - G. Proof of an inspection completed by the Manitowoc County Health Department is required prior to the initial issuance of City's Short-Term Rental license.
 - H. The property owner's or property manager's contact information shall be on file with the City Clerk at the time of application. The property owner or property manager must be available 24 hours a day and must respond within 24 hours in the case of an emergency. The property owner must notify the City within 24 hours of a change in management contact information for the short-term rental.
 - I. Short-term rental licenses are issued for a one-year (January 1 to December 31) period and shall be renewed annually.

- J. Each short-term rental shall maintain a written register. The register shall contain the full name and current address of any person renting the property, the rental term, 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.
7. Standards for Short-Term Rentals. Each short-term rental shall comply with the following minimum requirements:
- A. Vehicle parking shall be on a paved or gravel surface in accord with Chapter 8-2. A safe, unobstructed means of egress from the dwelling leading to safe, open space at ground level shall be provided.
 - B. Shall have functional smoke detectors and carbon monoxide detectors in accordance with the requirements of Chapter SPS 321 of the Wisconsin Administrative Code.
 - C. 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.
 - D. 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.
 - E. Outdoor cooking and heating devices shall be used in accordance with § 3-1-3.
 - F. 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.
8. Procedure to Appeal a License Denial or Permit Revocation
- A. The denial of any license or permit 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 or permit 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, fire department services, 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 surrounding neighborhood.

9. 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 § XX-X-XX.
- B. Penalties set forth in the section shall be in accordance with the bond schedule as identified in § X-XX-X.

10. Fees (to be placed in § 1-2-1 by separate ordinance) TBD:

Initial Short Term Rental Application	Examples:	\$100,\$150
Renewal of Short Term -Rental License		\$75
Late Fee		\$100
Property Manager Permit Application Fee (If Applicable)		

and to renumber subsequent sections as appropriate.

SECTION 2. This ordinance shall take effect and be in force from and after its date of passage and publication of same.