

EMERGENCY

City of Cincinnati

LDM/psm/LLS

An Ordinance No. \_\_\_\_\_

- 2018

**MODIFYING** the provisions of Title VIII, “Business Regulations,” of the Cincinnati Municipal Code, by **ORDAINING** new Chapter 856, “Short Term Rentals”; and **MODIFYING** the provisions of Title XV, “Code Compliance and Hearings,” of the Cincinnati Municipal Code by **AMENDING** Sections 1501-3, “Class A Civil Offenses,” 1501-7, “Class C Civil Offenses,” and 1501-9, “Class D Civil Offenses,” in order to require owners of property to obtain licenses to rent out property on a short-term basis without being present, for short time periods such that the property does not meet the definition of other types of transient property under the Cincinnati Municipal Code, which conduct is therefore not currently monitored, regulated, or licensed by the City.

WHEREAS, advances in technology have enabled residential property owners all over the United States and the rest of the world to connect with potential renters in need of short term accommodations through the use of short term rental applications, websites, or other platforms; and

WHEREAS, the relationship between property owners and such short term renters, and the short lengths of time for which such properties are rented, mean that the properties do not meet existing definitions of rental or lodging properties in the Cincinnati Municipal Code and do not trigger any particular regulations or license requirements; and

WHEREAS, on one hand, short-term rentals offer supplemental income for City residents, including the chance to rent property for short periods of vacancy or while trying to sell, and short-term rentals also increase tourism, providing access to the City for people who might not otherwise visit, and showcasing neighborhoods of the City that may not often host tourists; and

WHEREAS, on the other hand, the Administration has received complaints and heard disputes between neighbors of property owners who list their properties for short-term rental, as some renters have committed noise violations or otherwise failed to show civility and respect for the impacted neighborhood and its residents, such that the properties constitute a public nuisance that threatens the health, safety, and welfare of the citizens and residents of the City; and

WHEREAS, in addition, the Administration seeks to ensure that properties that are being rented out for short periods meet minimum safety and sanitation requirements, including all existing requirements in the Housing Code, Fire Code, Building Code, and Zoning Code; and

WHEREAS, Council desires to strike a balance between allowing property owners to use their properties as they see fit, including offering the property for rental for short periods of time, and also requiring that such property owners remain accountable for their properties and the short term rental activities at the properties; now, therefore,

BE IT ORDAINED by Council of the City of Cincinnati, State of Ohio:

Section 1. That Chapter 856 of Title VIII, "Business Regulations," of the Cincinnati Municipal Code is hereby ordained to read as follows:

**Chapter 856 - SHORT TERM RENTALS**

**Sec. 856-1. - Definitions.**

For the purpose of this chapter the words and phrases defined in this section shall have the meanings respectively ascribed to them, unless a different meaning is clearly indicated by the context.

**Sec. 856-1-S. - Short Term Rental.**

"Short Term Rental" means any residential dwelling unit:

- (a) where the unit's owner, person in control, or permanent occupant is not present, or where there is no permanent occupant; and
- (b) which is offered or held out to the public for exclusive transient occupancy of less than thirty consecutive days to a single renter or group of renters under a single rental contract.

**Sec. 856-3. - Applicability.**

- (a) Owners or persons in control are obligated to identify the applicable license required under the Cincinnati Municipal Code for their property held out for transient occupancy, whether the property meets the definition of a short term rental as defined and governed by this chapter, or whether the property meets another definition and another license requirement applies, including, but not limited to, the following:
  - (1) "Hotel" as defined in Sections 312-1-H, 855-1-H, and 1117-03.2;
  - (2) "Rooming House" as defined in Sections 855-1-R1, 1117-03.2, and 1401-01-R14;  
or
  - (3) Any applicable license requirement imposed by the Health Commissioner under Board of Health Regulation 0011, "Regulating Transient Accommodations."
- (b) The license requirement established in this chapter applies to all short term rental properties including those being held out for short-term transient occupancy before the effective date of this ordinance that did previously require a license.

**Sec. 856-5. - Short Term Rental License Required.**

No person shall operate or permit the operation of a short term rental without first obtaining a short term rental license.

**Sec. 856-7. - Short Term Rental License Time Limitations.**

- (a) Short Term Rentals may not be rented for more than ninety total days per one-year license term.
- (b) Short Term Rentals may not be rented to a single renter or group for more than thirty consecutive days.

**Sec. 856-9. - Applications.**

- (a) All applications for a short term rental license shall be submitted on forms and in the manner prescribed by the city manager or his or her designee.
- (b) A single application for a short term rental license shall include no more than one residential dwelling unit.
- (c) All applications for short term rental licenses shall be accompanied by the applicable fee established by the city manager or designee.

**Sec. 856-11. - Application Review.**

The city manager or designee shall review each short term rental application as follows:

- (a) The city manager or designee shall publish notice of each application in a new medium of general circulation within the city of Cincinnati.
- (b) The city manager or designee shall transmit, furnish, or otherwise provide copies of each application to all city departments having jurisdiction over the laws, regulations, and rules governing the use and occupancy of real property for transient use, in order to ensure compliance with:
  - (1) The Ohio Building Code;
  - (2) The Residential Code of Ohio;
  - (3) The Cincinnati Building Code;
  - (4) The Cincinnati Housing Code;
  - (5) The Cincinnati Fire Code; and

- (6) The Zoning Code of the City of Cincinnati.
- (c) Each city department shall timely indicate whether a proposed short term rental complies with the laws, regulations, and rules under its jurisdiction and provide the reasons for its conclusion. City departments may also send a copy of any necessary improvements directly to the property owner.
- (d) The city manager or designee shall also consult the necessary departments, specifically the Finance Department and the Police Department, to ensure that the applicant is compliant with City tax laws and obligations as required by this chapter as a condition of obtaining a license and that the applicant does not have any outstanding criminal complaints against him or her.
- (e) Before a license is issued, the dwelling unit that is the subject of the application shall be subject to a joint inspection by city departments for the limited purpose of determining compliance with the laws under their jurisdiction.
- (1) The inspection is for the limited purpose of determining compliance with public health, safety, and welfare provisions, including, but not limited to, those performed by the department of buildings and inspections, fire department, and health department.
- (2) An owner or person in control of a short term rental property may refuse to permit an inspection of the property as required under this chapter. In the event an inspection is refused, the city department requesting the inspection must obtain an administrative warrant before proceeding with the inspection.
- (f) The city manager or designee shall notify an applicant of the final determination on an application no later than ninety days after a complete application submission. All application denials shall be in writing and shall set forth specific reasons for the denial.

**Sec. 856-13. - Standard Conditions of Short Term Rental License Approval.**

All short term rental licenses shall be subject to the following standard conditions of approval, and the failure to comply with any of the following conditions of approval shall be grounds for immediate revocation of a short term rental license:

- (a) All short term rental licenses shall be valid for one calendar year from the date of issuance.
- (b) The license holder shall at all times maintain on file with the city a current list of all short term rental websites, applications, or other platforms that the license holder uses to advertise or solicit guests.

- (c) The license holder shall at all times maintain compliance with all applicable federal, state, and local laws, regulations, ordinances, or other rules or codes.
- (d) The license holder shall at all times maintain on file with the city a current street mailing address, phone number, and email address.
- (e) The license holder shall maintain liability insurance for the dwelling unit that is the subject of the license in an amount that corresponds to the prevailing rate for similar properties being used for a similar purpose.
- (f) The license holder shall prominently display the short term license permit on the primary façade or entrance of the dwelling unit.
- (g) The license holder shall provide the active license number associated with a dwelling unit on any listing advertising or soliciting a dwelling unit for use as a short term rental.
- (h) The license holder shall pay all taxes imposed by applicable taxing authorities on the license holder's use of the dwelling unit as a short term rental. Short term rentals shall be subject to the local transit occupancy tax established in Chapter 312 of the Cincinnati Municipal Code.

**Sec. 856-15. - Short Term Rental License Renewal.**

- (a) All short term rental license holders shall apply to renew a license no later than sixty days before the license's expiration date. If a license holder fails to apply for renewal within sixty days of expiration, he or she must apply for a new license rather than a renewal.
- (b) All short term rental license renewals shall be on the forms and submitted in the manner prescribed by the city manager or designee.
- (c) All short term rental license renewals shall be accompanied by the applicable renewal fee.
- (d) Granting of a short term rental license renewal depends upon continued compliance with all the standard conditions of a short term rental license established in Section 856-13 of this chapter.

**Sec. 856-17. - Short Term Rental Platform Data Sharing.**

All short term rental hosting websites, applications, or other platforms listing, advertising, or soliciting short term rentals located within the City shall provide the following information to the city administration on a monthly basis:

- (a) The total number and location of short term rentals listed on the platform during the applicable reporting period;
- (b) The total number of nights that each listing on the platform was rented to guests during the applicable reporting period; and
- (c) The total amount of tax collected and remitted to the city during the applicable reporting period.

**Sec. 856-19. - Enforcement.**

- (a) It shall be unlawful for any person to interfere with, obstruct, or cause delay in the enforcement of this chapter.
- (b) The city solicitor is authorized to commence an appropriate legal action against any person found to be in violation of the provisions of this chapter.

**Sec. 856-21. - Penalties.**

- (a) Failure to comply with any of the conditions in Section 856-13 of this chapter, including the requirement to pay all applicable taxes, shall result in immediate revocation of the short term rental license for the relevant property.
- (b) Failure to obtain a short term rental license prior to advertising, soliciting, or operating a short term rental shall constitute a Class C civil offense on the first day, and having once been notified under CMC Section 1501-13, "Notice of Civil Offense and Civil Fine; Procedures," each additional day that the dwelling unit is operated, or held out to the public, as a short term rental shall constitute a separate, subsequent Class D civil offense.
- (c) Failure to operate a short term rental within the scope and type of short term rental that is permitted by a valid short term rental license associated with a dwelling unit shall constitute a Class C civil offense on the first day, and having once been notified under CMC Section 1501-13, "Notice of Civil Offense and Civil Fine; Procedures," each additional day that the dwelling unit operates outside the scope of a valid short term rental license shall constitute a separate, subsequent Class D civil offense.
- (d) Failure to honestly describe whether a dwelling unit is hosted – holding a dwelling unit out for rent as a hosted rental in which the owner, person in control, or occupant is present during the rental but in which no one who will actually be present during the rental occupancy – shall constitute a Class D civil offense.
- (e) Failure to provide the active license number associated with a dwelling unit on any listing advertising or soliciting a dwelling unit for use as a short term rental shall constitute a Class A civil offense on the first day, and having once been notified under CMC Section 1501-13, "Notice of Civil Offense and Civil Fine; Procedures,"

each additional day that a license holder fails to provide the active license number associated with a dwelling unit on any listing advertising or soliciting a dwelling unit for use as a short term rental shall constitute a separate, subsequent Class A civil offense.

- (f) Failure of the host or operator of an application, website, or other platform to comply with Section 856-17, "Short Term Rental Platform Data Sharing," of this chapter shall constitute a Class C civil offense on the first day, and having once been notified under CMC Section 1501-13, "Notice of Civil Offense and Civil Fine; Procedures," each additional day that the dwelling unit is operated, or held out to the public, as a short term rental shall constitute a separate, subsequent Class D civil offense.

**Sec. 856-23. - Appeals.**

Any person who has a bona fide controversy with the interpretation, application, or enforcement of this chapter may submit a written notice of appeal to the city's office of administrative hearings within thirty days of receiving a written notice.

**Sec. 856-25. - Severability.**

If any provision or section of this chapter or the enforcement of any such provision or section is held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect or render invalid or unenforceable any other provision or section of this chapter. To this end, each of the provisions and sections of this chapter are severable.

Section 2. That existing Sections 1501-3, "Class A Civil Offenses," 1501-7, "Class C Civil Offenses," and 1501-9, "Class D Civil Offenses," of Title XV, "Code Compliance and Hearings," of the Cincinnati Municipal Code are hereby modified to read as follows:

**Sec. 1501-3. - Class A Civil Offenses.**

A person who violates a standard of conduct set forth in a section or chapter of the Cincinnati Municipal Code listed below is liable for the civil fine specified in § 1501-99 for a Class A Civil Offense. If a person has previously been found to have violated the same provision of the Cincinnati Municipal Code within one year that person may be charged as a second offender and on being found to have committed a second or subsequent offense is liable for the civil fine specified in § 1501-99 for the first violation of a Class B Civil Offense.

a.	§ 511-1	Advertising on Vehicles.
b.	§ 511-33	Front Yard Parking.
c.	§ 514-11	Parking Restrictions.

d.	§ 604-17	Unapproved Bird, Fowl or Animal Feeding.
e.	§ 701-19	Order to Muzzle Dogs.
f.	§ 701-27	Loud Dog.
g.	§ 701-30	Dog Excrement Removal.
h.	§ 721-63	Gutter Crossings.
i.	§ 721-65	Obstructing Gutters.
j.	§ 721-93	Temporary Driveway Permits.
k.	§ 723-5	Encumbering Sidewalks.
l.	§ 723-9	Regulations for Wholesale Produce Areas.
m.	§ 723-11	Retail Sidewalk Display.
n.	§ 723-12	Free Standing Business or Identification Signs (Sandwich Boards) on Sidewalk.
o.	§ 723-13	Temporary Encumbrances.
p.	§ 723-17	U.S. Mail Boxes.
q.	§ 723-23	Ground and Debris on Street or Sidewalk.
r.	§ 723-29	Sprinkling Roadways in Congested District.
s.	§ 723-31	Sprinkling Before Sweeping.
t.	§ 723-37	Unloading Heavy Material on Streets or Sidewalks.
u.	§ 723-39	Inscribing Names or Advertising Matter on Sidewalks Unlawful.
v.	§ 723-57	Removal of Snow.
w.	§ 723-59	Ice on Sidewalks.
x.	§ 723-65	Displaying House Numbers.
y.	§ 723-69	Removing House Numbers.
z.	§ 723-79	Fire Kettle Permit.
aa.	§ 729-7	Setting Out Containers.
bb.	§ 729-15	Containers to be Removed from Collection Points.
cc.	§ 729-37	Street Waste Receptacles.
dd.	§ 729-87(a)	Recyclable Materials - Taking Recyclables.
ee.	§ 729-87(b)	Recyclable Materials - Destruction of Container.
ff.	§ 729-87(c)	Recyclable Materials - Relocation of Container.
gg.	§ 729-87(d)	Recyclable Materials - Failure to Remove Container from Collection Point.
hh.	§ 729-88	Yard Waste Materials.



ii.	§ 729-89(c)	Disposal of Unacceptable Waste.
jj.	§ 911-17	Posting Bills on Streets.
kk.	§ 1123-11(b)	Vacant Foreclosed Property Registration - Failure to maintain accurate information.
ll.	§ 1123-11(c)	Vacant Foreclosed Property Registration - Failure to maintain the property in accordance with the maintenance provisions.
mm.	§ 701-2(B)(1)	Leash Required; Responsibility for Injury ( <i>Leash</i> ).
nn.	§ 856-21(e)	<u>Failure to provide license number on a listing advertising a Short Term Rental.</u>

**Sec. 1501-7. - Class C Civil Offenses.**

A person who violates a standard of conduct set forth in a provision of the Cincinnati Municipal Code listed below is liable for the civil fine specified in § 1501-99 for a Class C Civil Offense. If the provision is listed under paragraph (a) below, the otherwise applicable civil fine is reduced by 50% if the person charged shows in accordance with § 1501-15 that the violation has been corrected. If a person has previously been found to have violated the same provision of the Cincinnati Municipal Code within one year that person may be charged as a second offender and on being found to have committed a second or subsequent offense is liable for the civil fine for the subsequent offense provided below, the amount of which fine is specified in § 1501-99 and is not subject to reduction for correction of the violation.

**(a) Class C Civil Offenses With Civil Fines Subject to 50% Reduction for Correction of Violation:**

			Civil Fine for Subsequent Offense
(1)	§ 514-15	Violation and Revocation	Class D
(2)	§ 602-1	Permitting Unclean Habitations	Class D
(3)	§ 602-7	Vacation of Unsanitary Premises	Class D
(4)	§ 604-5	All Improved Premises to be Rat-Proofed	Class D
(5)	§ 606-3	Vaccination of Dogs	Class D
(6)	Chapter 743	Urban Forestry	Class D
(7)	§ 747-3	Limited Franchise Permit Required	Class D
(8)	§ 869-7	Wrecking License Required	Class D
(9)	§ 1201-1	Cincinnati Fire Prevention Code	Class C
(10)	§ 1201-57	Permits	Class C

		Chapter 404	(1)
	Electricity	Chapter 405	(2)
	Telegraph and Telephone	Chapter 414	(3)
	Valet Parking		(4)
	Driving on Sidewalk Area	§ 506-63	(5)
	Driving on New Pavement	§ 506-64	(5)
Civil Fine for Subsequent Offense			
Class D			
Class D			
Class D			
Class D			
Class D			

(b) Class C Civil Offense With Civil Fines Not Subject to 50% Reduction to Correction for Violation:

Class C	Motor Equipment in Places of Assembly	Chapter 1203	(11)
Class C	Drills	Chapter 1207	(12)
Class C	Hazardous Existing Electrical Wiring and Equipment	§ 1209-3	(13)
Class C	Fire Extinguishers	Chapter 1211	(14)
Class C	Flameproof Decorations	§ 1219-11	(15)
Class C	Chimneys and Fireplaces	§ 1219-25	(16)
Class C	Air Conditioning	§ 1219-31	(17)
Class C	Residential Storage	§ 1219-35	(18)
Class C	Fire Escapes	§ 1219-43	(19)
Class C	Restrictions on Parking Motor Vehicles	§ 1219-57	(20)
Class C	Shaftways	§ 1219-61	(21)
Class C	Inspection, Safety Provisions	§ 1219-63	(22)
Class C	Location of Exits	§ 1219-65	(23)
Class C	Interior Stairway Doors	§ 1219-67	(24)
Class C	Storage, General Requirements	Chapter 1227	(25)
Class C	Water Flow Requirements	§ 1229-3	(26)
Class C	Private Fire Hydrants	§ 1229-9	(27)
Class D	Structures in the Public Right-of-Way	§§ 723-5, 723-19	(28)
Class C	Mobile Food Vending	§§ 723-44, 723-50	(29)
Class C	Bike Share Stations	§ 723-24	(30)

(6)	§ 718-23	Unlawful Private Use of Streets	Class D
(7)	§ 721-71	Permits for Sidewalk Construction	Class D
(8)	§ 721-81	Sidewalk Construction Without Permit Unlawful	Class D
(9)	§ 729-73	Discharging Noisome Substances	Class D
(10)	§ 729-83	Refrigerators, Abandoning	Class C
(11)	§ 729-89(d)	Improper Disposal of Construction Debris or Hazardous Waste	Class D
(12)	§ 1215-3	Safe Practices	Class C
(13)	§ 1219-17	Misuse of Fire Protection Equipment	Class C
(14)	§ 1231-9	Tampering with Fire Hydrants	Class C
(15)	§ 1231-13	Unlicensed Use of Fire Hydrants Prohibited	Class C
(16)	§ 701-2(B)(2)	Leash Required; Responsibility for Injury ( <i>Menacing Fashion</i> )	Class C
(17)	§ 701-2(B)(3)	Leash Required; Responsibility for Injury ( <i>Injury</i> )	Class C
(18)	<u>§ 856-21(b)</u>	<u>Failure to Obtain a Short Term Rental License</u>	<u>Class D</u>
(19)	<u>§ 856-21(c)</u>	<u>Failure to Operate a Short Term Rental Within Proper Scope or Type of License</u>	<u>Class D</u>
(20)	<u>§ 856-21(f)</u>	<u>Failure of Short Term Rental Website to Comply with Section 856-17</u>	<u>Class D</u>

**Sec. 1501-9. - Class D Civil Offenses.**

A person who violates a standard of conduct set forth in a provision of the Cincinnati Municipal Code listed below is liable for the civil fine specified in § 1501-99 for a Class D Civil Offense. If the provision is listed under paragraph (a) below, the otherwise applicable civil fine is reduced by 50% if the person charged shows in accordance with § 1501-15 that the violation has been corrected. If a person has previously been found to have violated the same provision of the Cincinnati Municipal Code within one year that person may be charged as a second offender and on being found to have committed a second or subsequent offense is liable for the civil fine for the subsequent offense provided below, which fine is specified in § 1501-99 and is not subject to reduction for correction of the violation.

(a) Class D Civil Offenses With Civil Fines Subject to 50% Reduction for Correction of Violation:

			Civil Fine for Subsequent Offense
(1)	§ 720-13	Private Facilities	Class E
(2)	§ 720-45	Notice of Violations	Class E
(3)	§ 720-69	Notice to Correct Drainage	Class E
(4)	Chapter 855	Rooming Houses	Class D
(5)	Chapter 895	Outdoor Advertising Signs	Class D
(6)	Chapter 1101	Administration, Cincinnati Building Code	Class E
(7)	Chapter 1106	General and Specialty Contractors	Class E
(8)	Chapter 1107	Elevator and Conveyer Equipment	Class E
(9)	Chapter 1117	Housing Code	Class E
(10)	Chapter 1119	Building Hazard Abatement Code	Class E
(11)	Chapter 1127	General Inspection Programs Code	Class E
(12)	Title XIV	Zoning Code	Class E
(13)	§ 1201-21	Maintenance	Class D
(14)	§ 1201-33	Evacuation	Class D
(15)	§ 1201-35	Spills and Leaks	Class D
(16)	Chapter 1235	Detectors, Early Fire Warning Systems	Class D
(17)	§ 1123-11(a)	Vacant Foreclosed Property Registration - Failure to register a vacant, foreclosed property.	Class E

(b) Class D Civil Offenses With Civil Fines Not Subject to 50% Reduction for Correction of Violation:

			Civil Fine for Subsequent Offense
(1)	§ 718-25	Secret Street Uses	Class E
(2)	§ 721-59	Taking Material from Streets	Class E
(3)	§ 729-71(c)(2)	Personal Property Left Abandoned on Streets and Sidewalks - 4 or more items	Class D
(4)	§ 761-14	Eviction or Retaliation by Landlord	Class E
(5)	Chapter 891	Home Improvement	Class E
(6)	§ 1201-47	Failure to Comply with Orders	Class D

(7)	§ 1219-21	Causing Fire Through Negligence	Class D
(8)	Chapter 1251	Fire Starting Apparatus	Class D
(9)	§ 759-4	Use of a Motor Vehicle to Facilitate a Drug Related Crime	Class D
(10)	Chapter 722	Management and Control of the Use of the City Right-of-Way	Class E
(11)	Chapter 730	Commercial Waste Franchises	
(12)	<u>§ 856-21(b)</u>	<u>Failure to Obtain a Short Term Rental License (after notification of offense)</u>	<u>Class D</u>
(13)	<u>§ 856-21(c)</u>	<u>Failure to Operate a Short Term Rental Within Proper Scope or Type of License (after notification of offense)</u>	<u>Class D</u>
(14)	<u>§ 856-21(d)</u>	<u>Dishonestly Holding a Dwelling Unit Out as a Hosted Rental</u>	<u>Class D</u>
(15)	<u>§ 856-21(f)</u>	<u>Failure of Operator of Short Term Rental Website to Comply with Section 856-17 (after notification of offense)</u>	<u>Class D</u>

Section 3. That existing Sections 1501-3, “Class A Civil Offenses,” 1501-7, “Class C Civil Offenses,” and 1501-9, “Class D Civil Offenses,” of the Cincinnati Municipal Code are hereby repealed.

Section 4. That the City Manager, his or her designee, and the City Treasurer are hereby authorized to take all actions necessary and proper to implement the licensing procedures established in this ordinance.

Section 5. That the provisions of Chapter 856, “Short Term Rentals,” Section 856-5, “Short Term Rental License Required,” shall go into effect on and after April 1, 2018.

Section 6. That this ordinance shall be an emergency measure necessary for the preservation of the public peace, healthy, safety and general welfare and shall, subject to the terms of Article II, Section 6 of the Charter, be effective immediately. The reason for the emergency is the need to implement the new requirements so that applicants, the City Treasurer,

and all relevant City departments can take action to issue licenses in time before the April 1, 2018 effective date of the ordinance.

Passed: \_\_\_\_\_, 2018

\_\_\_\_\_  
John Cranley, Mayor

Attest: \_\_\_\_\_  
Clerk

\_\_\_\_\_  
New language underscored.