

Proposed: 11/20/2023

ORDINANCE NO. 190-2023(HB), *First Reading*

By Councilmember Cuda

An Ordinance amending Chapter 1347, "Certificate of Occupancy and Lead-Safe Certification", of the Codified Ordinances of the City of Cleveland Heights to adopt and enact a new Section 1347.14, to be entitled "Transient Rentals", amending Section 1341, "Definitions" to adopt a new Subsection 1341.251 to be entitled "Transient Rentals", and amending Subsection (a) of Section 1345.99, "Penalty."

WHEREAS, advances in technology have allowed for a booming online short-term rental industry that connects and serves the needs of many potential renters desiring short term rentals; and

WHEREAS, this unique business model is unlike the hotel and other lodging in that it appeals to homeowners, apartment dwellers, families of hospital patients, temporary workers, concertgoers, etc.; and

WHEREAS, the City does not currently differentiate its certificate of occupancy permitting for rentals of 30 days or more from rentals that are between 1 and 29 days; and

WHEREAS, on one hand short term rentals offer supplemental income for CH residents as well as a chance to increase tourism and provide access to our City and a showcase of our neighborhoods for people who might not otherwise visit, and

WHEREAS, on the other hand, the City has received complaints from neighbors of short-term rental properties who have had to endure repeated noise violations, parking problems, and a lack of civility and respect for the impacted neighborhood such that, at times, those short-term rental properties have caused a public nuisance that has threatened the health, safety, quiet enjoyment and welfare of the residents of the City; and

WHEREAS, the City seeks to ensure that short term rentals are meeting all of the City's existing minimum standards including all building, housing, zoning and fire codes as well as safety and sanitation requirements; and

WHEREAS, City Council seeks to strike a balance between property owners' right to use their properties as they see fit and the accountability that goes along with short term rentals.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Cleveland Heights, Ohio, that:

SECTION 1. Chapter 1347, "Certificate of Occupancy and Lead-Safe Certification", of the Codified Ordinances of the City of Cleveland Heights, shall be and hereby is amended to adopt and enact a new Section 1347.14 to be entitled "Short-Term Rentals", which shall read as follows:

1347.14 TRANSIENT RENTALS

(a) No owner or property manager of a dwelling unit described in subsections (1) (2), or (3) shall permit the dwelling unit, or a portion of the dwelling unit, to be rented to, or occupied by, transient renters, except as set forth in this section.

(1) Renter Occupied Dwelling Units. No owner of a dwelling unit registered as a rental unit under Section 1347 shall permit the rental unit to be rented to, or occupied by transient renters unless a separate transient rental application has been filed and accepted by the Building Commissioner for the specific unit(s) being rented as short-term rentals as defined and must abide by the regulations set forth in subsection (b) of this section.

(2) Short Term Rental Dwelling Units. The owner of a short-term Rental-only dwelling unit shall only be registered as a short-term rental property and shall only rent to transient renters as defined by this legislation, and must abide by the regulations set forth in subsection (b) of this section.

(3) Owner Occupied Dwelling Units. The owner of a dwelling unit who occupies that dwelling unit may have transient rentals provided said owner has occupied the property for at least two hundred seventy (270) days in the previous calendar year, and must abide by the regulations set forth in subsection (b) of this section.

(b) The owners of all properties rented or otherwise occupied by transient renters, shall abide by the following regulations:

(1) The total number of calendar days, or parts of calendar days, that a transient renter occupies a dwelling unit does not exceed twenty-nine (29) days in any two (2) month period of a calendar year;

(2) An owner-occupied dwelling, as defined in section 1347.14(a)(3), or part thereof may be rented for periods of one (1) to twenty-nine (29) days. A non-owner-occupied dwelling or part thereof may be rented as a transient rental for a period of seven (7) to twenty-nine (29) days. No dwelling unit or part thereof may be rented as a transient rental for a period of one (1) to (6) days unless the dwelling is owner-occupied as provided in subsection 1347.14(a)(3).

(3) The owner of a dwelling unit or rental unit shall not permit simultaneous rentals of more than one separate room to separate, unrelated transient renters. "Single room rentals" as used herein is an arrangement where multiple renters, under separate rental agreements, have exclusive possession of an individual sleeping facility and shared access with other renters to all other facilities within a

dwelling unit. This prohibition shall not apply in the event that the owner of the dwelling unit is concurrently occupying the dwelling unit with the transient renters.

(4) The owner shall obtain a transient rental registration certificate with the City of Cleveland Heights, in accordance with this chapter. It shall be *prima facie* evidence of a short-term rental operation if a short-term rental guest is found to be occupying or using a short-term rental.

(5) The owner shall submit, if applicable, written authorization of consent from the homeowners' association, condo association or other person of interest with the owner's application for a transient rental.

(6) The dwelling unit shall have adequate onsite parking for all occupants and transient renters in compliance with Cleveland Heights Codified Ordinance Chapter 1161.

(7) Transient rental property owners shall be required to display the permit on any medium used to advertise the short-term rental. Failure to display shall result in the automatic revocation of the transient rental permit and/or certificate of occupancy.

(8) A short-term rental property owner shall retain and, upon request, make available to the Building Commissioner or law enforcement officials records to demonstrate compliance with this section, including, but not limited to, primary residency, the name of the short-term rental guest responsible for the reservation and/or who rented the unit on each night, dates and duration of stay in a short-term rental.

(9) Repeated complaints of noise and other nuisance related infractions may result in a revocation of the owner's transient rental permit. An appeal from a decision revoking a transient rental license may be appealed to the Nuisance Abatement Board of Review pursuant to Chapter 553 of these Codified Ordinances.

SECTION 2 Section 1341, "Definitions" shall be and hereby amended to enact a new Subsection 1341.251, entitled 'Transient Rental", to read as follows:

1341.251 TRANSIENT RENTAL

"Transient Rental" means: (I) a rental of a non-owner-occupied single-family dwelling or part thereof, for a period of seven (7) to twenty-nine (29) days; or (II) a rental of an owner-occupied single-family dwelling or part thereof for a period of one (1) to twenty-nine (29) days. "Transient Rental" shall have the same meaning as "Short Term Rental". "Transient Rentals" shall not include buildings containing more than five (5) guestrooms for rent or otherwise defined as a "hotel" in Ohio Revised Code Section 3731.01, Building Code.

ORDINANCE NO. 190-2023(HB)

SECTION 3. Subsection (a) of Section 1345.99, "Penalty", of Chapter 1345, "Enforcement and Penalty", of the City of Cleveland Heights shall be and hereby is amended to read as follows:

1345.99 PENALTY

(a) A violation of Section 1351.14, 1347.01, 1347.04(a) or (b), 1347.05(a) or (b), 1347.07(a) or (b), 1347.08(b) **or 1347.14** is hereby classified as a minor misdemeanor. Every day such violation occurs or continues shall constitute a separate offense.

SECTION 4 Notice of the passage of this Ordinance shall be given by publishing the title and abstract of its contents, prepared by the Director of Law, once in one newspaper of general circulation in the City of Cleveland Heights.

SECTION 5. This Ordinance shall take effect and be in force from and after the earliest time permitted by law.

MELODY JOY HART
President of Council

ADDIE BALESTER
Clerk of Council

PASSED:

Presented to Mayor: _____ Approved: _____

KAHLIL SEREN
Mayor