

AN ORDINANCE OF THE CITY OF COPPELL, TEXAS

ORDINANCE 2022-1574

AN ORDINANCE OF THE CITY OF COPPELL, TEXAS, AMENDING CHAPTER 9 OF THE CODE OF ORDINANCES BY REPEALING ARTICLE 9-29, SHORT TERM RENTALS IN ITS ENTIRETY AND REPLACING IT WITH A NEW ARTICLE 9-29, SHORT TERM RENTALS; PROVIDING FOR REGULATIONS FOR THE REGISTRATION AND USE OF SHORT TERM RENTALS; PROVIDING FOR REGISTRATION, PROVIDING FOR DEFINITIONS; PROVIDING FOR INSPECTIONS; PROVIDING FOR RESTRICTIONS; PROVIDING FOR BROCHURE AND SAFETY REQUIREMENTS; PROVIDING FOR NEIGHBORHOOD NOTIFICATION; PROVIDING FOR VIOLATIONS AND PENALTIES; PROVIDING FEES; PROVIDING FOR A SUNSET REVIEW; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALING CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council has determined that regulations are needed to be updated to address regulations for Short Term Rentals, and

WHEREAS, permanent residents desire the option to occasionally utilize their properties for home share rentals (STR); and

WHEREAS, the operation of Short Term Rentals should not negatively affect property values, and

WHEREAS, the Short Term Rentals should be required to pay Hotel Occupancy Taxes, and

WHEREAS, the City Council has determined that regulations needed are intended to protect the public health, safety, morals and general welfare.

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

SECTION 1. That Chapter 9, General Regulations, of the Code of Ordinances is hereby amended by repealing **Article 9-29, Short Term Rentals** in its entirety and replacing it with a new Article 9-29, Short Term Rentals, which shall read as follows:

“CHAPTER 9, GENERAL REGULATIONS

.....

ARTICLE 9-29 SHORT TERM RENTAL

“Sec. 9-29-1. - Purpose and applicability.

The purpose of this division is to establish regulations for the registration and use of Short Term Rentals for single family living units. The requirements of this division apply only to the regulation of Short Term Rentals, as defined herein, in accordance with the city's Zoning Ordinance, Chapter 12 of Code of Ordinances. Nothing in this division, however, shall be construed to be a waiver of the requirement to assess and collect hotel occupancy taxes for any residential rental for less than 30 consecutive days, or any other applicable provision of the Coppell Code of Ordinances.

Sec. 9-29-2. -Definitions

Advertise means the written, audio, oral or other methods of drawing the public’s attention whether by brochure, written literature or on-line posting to a Short Term Rental in order to promote the availability of the short term rental.

Dwelling means a building that contains one or two *dwelling units* used, intended or designed to be used, rented, leased, let or hired out to be occupied for living purposes.

Dwelling Unit means a single unit providing complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation.

Guest means a person who pays or gives a benefit or thing of value to another in exchange for the use of dwelling, premises or a portion thereof regulated under this Article for use of a residential dwelling, premises or portion thereof for the privilege to use a Short-Term Rental and/or person's invitees for use of such dwelling, premises or portion.

Guest Room. A room or part thereof used or intended to be used by one or more guests for living or overnight sleeping purposes

Host means the person, firm, corporation, partnership or association, assigned the duty and responsibility by the owner to manage or rent a residence for a short term rental.

Hotel Occupancy Tax means the hotel occupancy tax as defined in Chapter 1 the Coppel Code of Ordinances and Chapter 3 of the Texas Tax Code.

Local Emergency Contact means an individual other than the applicant, who resides within 20 miles of the subject property, and who is designated by the owner/applicant to act as the owner's authorized agent if the owner has traveled outside of the immediate area or is otherwise unavailable. The local emergency contact should be reachable on a 24-hour basis, have access to the Short Term Rental Property, and be authorized by the owner to act in the owners absence to address any complaints, disturbances, emergencies and property conditions.

Owner means the person who, in accordance with the most recently recorded deed, deed of trust, security instrument, trust instrument, affidavit of heirship, muniment of title or other similar conveyance or transfer document indicating title to real property recorded in the Official Public Records of Dallas County, Texas, is vested in, the ownership, dominion or title of real property, including, but not limited to:

- (1) The owner of a fee simple title;
- (2) The owner of a life estate;
- (3) The purchaser named in an executory contract for conveyance entered in compliance with title 2, chapter 5, subchapter D of the Texas Property Code, as amended, and recorded in the Official Public Records of Dallas County, Texas if required by Texas Property Code, § 5.076, as amended; or
- (4) A mortgagee, receiver, executor or trustee in control of real property.

Permit holder means person who receives a permit to operate a STR under this Article.

Person means an individual, corporation, business trust, estate, trust, partnership or association, two or more persons having a joint or common interest, or any other legal or community entity.

Premises means a lot, plot or parcel of land, easement or public way, including any structures thereon.

Primary Residence means the usual dwelling place of the applicant's residential dwelling and is documented as such by at least two of the following: motor vehicle registration, driver's license, Texas State Identification card, voter registration, property

tax documents, or utility bill. For purpose of this chapter, a person may have only one primary residence.

Residential districts: Includes the following districts: SF-ED, SF-18, SF-12, SF-9, SF-7, 2F-9, TH-1, TH-2, RBN or any Planned Development District, which allow residential occupancy defined in Chapter 12 of the Code of Ordinances.

Short Term Rental (STR) is defined as “the rental of any residence or residential structure, or a portion of a residence or residential structure for a period of less than 30 days”. The term does not include;

1. a unit that is used for a nonresidential purpose, including an educational, retail, restaurant, banquet space, or event center purpose or other commercial purposes another similar use;
2. a bed and breakfast; or
3. a hotel/residence hotel.
4. Boarding homes (hostel)
5. A place for residence or use as a licensed health care or assisted living facility.
6. Parsonage on the premise of a church, mosque or synagogue

Short-Term Rental Listing Service — means an individual from corporation, association, business or other legal entity that participates in the Short-Term Rental business by facilitating booking or proceeding management services through which an owner may offer Short-Term Rentals to potential guests¹.

Short-Term Rental Permit— A permit issued by the City that allows a person, firm, corporation and those acting in concert with such lawfully rent or offer to rent to a guest.

Single-family residence means as defined in the Code of Ordinances and in this article which includes the following:

(1) One-family dwelling (detached): A dwelling designed and constructed for occupancy by one family and located on a lot or separate building tract and having no physical connection to a building located on any other lot or tract; and is located in a single

¹ Short-Term Rental Listing Services usually, though not necessarily, provide booking services through an online platform that allows an owner to advertise the premises through a website provided by the Short-Term Rental Listing Service and the Short-Term Rental Listing Service conducts a transaction by which potential guests arrange their use and their payment, whether the potential guest pays rent directly to the owner or to the Short-Term Rental Listing Service.

family zoning district in the Comprehensive Zoning district or live work zoning or planned development district.

(2) One-family dwelling (attached): A dwelling which is joined to another dwelling at one or more sides by a party wall or abutting separate wall and which is designed for occupancy by one family and is located on a platted separate lot, delineated by front, side and rear lot lines located in the TH, HO or LW or PD district for each use.

(3) Two-family dwelling: A single structure designed and constructed with two dwelling units under a single roof for occupancy by two families, one in each unit; and

(4) Condominium: The separate ownership of single dwelling units in a multiple unit structures with common elements and;

(5) Multi-family dwelling or apartment: Any building or portion of a building, which is designed, built, rented, leased or let to be occupied as three or more dwelling units or apartments or which is occupied as a home or place of residence by three or more families living in independent dwelling units.

Sleeping Unit. A room or space in which people sleep, which can also include permanent provisions for living, eating, and either sanitation or kitchen facilities but not both. Such rooms and spaces that are also part of a dwelling unit are not sleeping units.

Transient, Occupancy, of a dwelling unit or sleeping unit for fewer than 30 consecutive days.

Sec. 9-29-3. - Short Term rental registration requirements.

A. No person shall advertise, offer rent, lease, sublease, license or sublicense or offer the same, a residential property within the City as a Short Term Rental unless registered in accordance with this Article.

B. Registration shall be made upon forms furnished by the city for such purpose and shall specifically require the following minimum information:

1. Name, address, phone number and e-mail address of the property owner (s) of the Short-Term Rental property.
2. Verification of that this Short-Term rental property is the applicant's Residence.
3. The name, address, e-mail address and 24-hour telephone number of a contact person who is local emergency contact, the owner, operator or designated agent and who shall-be responsible and authorized to respond to complaints concerning-the Short-Term Rental within one hour or less;
4. An acknowledgement that any permit granted under this Article does not supersede any property-specific restrictions against Short-Term Rentals that may exist under law, agreement, lease, private covenantor deed restriction, homeowner association rules or regulation.;
5. A depiction of the floor plan that identifies sleeping areas, proposed maximum number of guests, evacuation routes and location of all fire extinguishers and smoke detectors;
- 6 Site Plan/Survey of the property indicating maximum number of vehicles that can be legally parked on the property, without encroaching onto sidewalks or alleys, other public rights-of-way or public property.
- 7 Zoning classification(s).
- 8 A sworn statement that the owner has met and will continue to comply with all requirements of this Article including, but not limited to, obtaining annual independent inspections of required fire extinguishers in compliance with the current Coppell Fire Code, as amended; and
- 9 Acknowledgement of receipt of a copy of this Article and agreement to comply with all provisions of this article as a condition to receiving and consent to inspection during 8:00am to 5:00pm maintaining a short-term rental permit.

C. Applications shall be considered complete when all documentation required under this Article has been submitted and all permit fees have been paid. Incomplete applications will not be accepted.

D. A permit to operate or maintain a Short-Term Rental is not transferable to another owner, operator or location.

Sec. 9-29-4. - Inspection Required

A. To ensure compliance with the requirements of this Article, a Short-Term Rental may be inspected in the following methods:

1. ***Initial inspection.*** As part of the issuance of a new Short-Term Rental Permit and any **reapplication** thereof, the City may conduct an inspection to verify compliance with this Article.
2. ***Fire extinguishers / Suppression System.*** The owner is responsible for obtaining annual independent inspections of the fire extinguishers or fire suppression system in compliance with the Coppell Fire Code.
3. ***Inspections upon report or suspicion of a violation.*** The City may perform inspections when a violation of this Article or other law is reported or suspected.

B. If only a portion of the premises is offered for rent, then that portion plus shared amenities and points of access shall be inspected.

C. If, upon completion of the inspection, the premises are found to be in violation of one or more provisions of applicable City codes and ordinances, the City shall provide written notice of such violation and shall set a re-inspection date for violation to be corrected prior to its occupancy.

Sec. 9-29-5. - Restrictions on Short Term Rental Operation.

A. ***External Signage.*** External on-site or off-site advertising signs or displays indicating the property is a Short Term Rental are forbidden.

B. ***Limit on occupants allowed.*** No more than two occupants per bedroom, plus no more than two occupants shall be allowed when renting a property as a home share rental, except that:

1. There shall be a maximum occupancy of ten (10) occupants.
2. Bedrooms under 120 square feet shall be limited to only one adult occupant.

C. *Limits on number of vehicles.* There shall be a maximum of one car per bedroom, or maximum number of cars that can be accommodated within the garage and driveway, without extending over the public rights of way (alleys and sidewalks) whichever is less.

D. *Advertisement and contracts.* Any advertisement of the property as a short term rental and all rental contracts must contain language in bold and different font that specifies the maximum number of occupants and maximum number of vehicles as set forth in this Section.

E. *Other restrictions.* It is unlawful for any person to:

1. Operate or allow to be knowingly operated a Short-Term Rental without first registering the property in which the rental is to occur with the City in accordance with this Article;
2. Advertise or offer to rent a Short-Term Rental without having obtained a permit issued for such premises in accordance with this article. Any documented advertisement or offer, shall be considered prima facie evidence of a violation under this article;
3. A licensee or operator may not advertise, promote or allow another to advertise or promote a short-term rental without including:
 - (1) the permit number assigned by the City to the short-term rental; and
 - (2) the applicable occupancy limit for the short-term rental
4. Operate a Short-Term Rental that does not comply with all applicable city and state laws and codes;
5. Operate a Short-Term rental without paying the required hotel occupancy taxes;
6. Offer or allow the use of a Short-Term Rental for the sole or primary purpose of having a party venue;
7. Fail to include a written prohibition against the use of a Short-Term Rental for having a party in every advertisement, listing, or other publication offering the premises for rent.

8. Allow, permit or suffer the use of the Short-Term Rental for the purpose of housing sex offenders; operating a structured sober, recovery or other purpose living home or similar enterprise; selling illegal drugs; selling alcohol or another activity that requires a permit under the Alcoholic Beverage Code; or operating as a sexually oriented business.
9. Rent to a guest who is under the age of twenty-one (21).

Sec. 9-29-6. - Brochure and safety features.

A. *Informational brochure.* Each registrant operating a Short-Term Rental shall file with City and provide to guests a brochure that includes:

1. The registrant's twenty-four (24) hour contact information;
2. The host's twenty-four (24) hour contact information if the property owner is not within the city limits when guests are renting the premises;
3. Pertinent neighborhood information including, but not limited to, parking guidelines restrictions on noise and amplified sound, and trash collection schedules;
4. Information to assist guests in the case of emergencies posing threats to personal safety or damage to property, including emergency and non-emergency telephone numbers for police, fire and emergency medical services providers and instructions for obtaining severe weather, natural or manmade disaster alerts and updates.

B. *Safety features.* Each Short-Term Rental registrant shall provide in the premises working smoke detectors in accordance with adopted codes and at least one working carbon monoxide detector and alarm, and one working fire extinguisher or fire suspension system. The premises shall, otherwise comply with applicable Codes of Ordinance including but not limited to Building Maintenance and Fire Codes.

Sec. 9-29-7. – Notification of Approval of Short-Term Rental

Within ten (10) days of the approval of a Short-Term Rental registration and reapplication, a notice will be sent to all property owners within two-hundred feet (200

ft.) of the property, and shall include the 24-hour complaint line, and pertinent information about this article.

Sec. 9-29-8. - Registration term, fees, and renewal.

A. All registrations approved under this Chapter shall be valid for a period of one year from the date of its issuance.

1. The fees for registration of a Short-Term Rentals may include the following:
 - a. The initial registration fee,
 - b. a late fee of twice the established the fee, and
 - c. senior exemption or other exemption.

B. Upon receipt of an application for re-application of the registration, the director or their designee may deny the registration if there is reasonable cause to believe that:

1. The registrant has violated any ordinance of the city, or any state, or federal law on the premises or has permitted such a violation on the premises by any other person; or
2. There are grounds for suspension, revocation, or other registration sanction as provided in this article.

Sec. 9-29-9. - Inspections; re-inspections; suspension and revocation of permit.

(a) *Inspections; access.* The resident owner, nonresident owner, resident manager and property manager, as a condition to the issuance of a short-term rental permit required by this article, shall consent and agree to permit and allow the city's building official or their designee to make the following inspections of the short-term rental when and as needed to ensure compliance with this article:

(1) Right and access to inspect all portions of the premises and structures located on the premises that are not dwelling units, including, but not limited to, all storage areas, detached garages, and swimming pools, upon reasonable advance notice being given to the resident owner, nonresident owner, property manager or resident manager;

(2) Right and access to inspect all unoccupied dwelling units upon giving reasonable notice to resident owner, nonresident owner, resident manager or property manager;

(3) Right and access to inspect all occupied dwelling units when, upon receipt of reliable information, the building official or their designee has reason to believe that violations of the ordinances of the city or state law exist that involve serious threats to life, safety, health and property; and

(4) Before the short-term rental permit and any renewal of the short-term rental permit is approved, and before the rental of any single-family residence as a short-term rental under this article, the resident owner, nonresident owner, resident manager or property manager shall request an inspection and make the single-family residence available for inspection by the building official or their designee. The building official or their designee and the resident owner, nonresident owner, resident manager and property manager shall agree on a reasonable date and time for the requested inspection.

(b) **Admission to premises.** The building official or their designee may enforce the provisions of this article upon presentation of proper identification to the occupant in charge of the short-term rental and may enter, with the occupant's permission, any short-term rental between the hours of 8:00 a.m. and 6:00 p.m.; provided, however, that in cases of emergency where extreme hazards are known to exist which may involve imminent injury to persons, loss of life, or severe property damage, the building official or their designee may enter the short-term rental referenced in subsection (a) of this section at any time and upon presentation of identification and the occupant's permission shall not apply. Whenever the building official is denied admission to inspect any short-term rental under this provision, inspection shall be made only under authority of a warrant issued by a magistrate authorizing the inspection.

(c) **Reinspection.** If any of the inspections authorized by this article require a second reinspection due to noted violations, **reinspection fee of \$_____** shall be assessed and paid prior to the second reinspection.

(d) **Suspension or revocation of permit.** Failure of an owner to comply with the provisions of this article after receipt of written notice of the violation from the building official or their designee setting out the violations and the time allowed to rectify the

violations, the short-term rental permit authorized by this article issued to the owner may be suspended or revoked by the community development department.

(e) **Reinstatement.** Any person requesting a reinstatement or reissuance of a short-term rental permit that has been suspended or revoked shall be required to apply for and receive a new short-term rental permit issued under this article as a condition precedent to the reissuance or reinstatement of the certificate of occupancy.

Sec. 9-29-10.- Revocation/Appeal

A. Permit maybe denied and/or revoked by the City Manager or designee upon a finding by the noncompliance with any provisions of this article or violations of the Comprehensive Zoning Ordinance, or other applicable city codes.

B. A permit may be suspended for up to 150 days for the following reasons:

(a) If found guilty in Municipal Court of two or more violations of The City of Coppel Code ordinances or misdemeanor state penal laws within a twelve month period.

i. Operating in violation of building, fire, health, or safety codes – based on official investigation and determination – 10-day correction period allowed.

ii. Failure to file or pay applicable sales and lodging taxes.

iii. Failure to pay an annual permit application fee

iv. Failure to apply for an STR permit

C. A permit may be revoked or reapplication denied for up to 1 full year for the following reasons:

(a) More than one permit suspension within the past year

(b) False or misleading application materials

(c) Operation of STR during a suspension

(d) Any conditions that would have warranted a denial of permit at the time of application

D. A permit holder may be subject to permanent revocation if there are four violations of this article or other City's safety, health, and welfare ordinances.

- i. Operating in violation of building, fire, health, or safety codes – based on official investigation and determination – 10-day correction period allowed.
- ii. Failure to file or pay applicable sales and lodging taxes.
- iii. Failure to pay an annual permit application fee
- iv. Failure to apply for an STR permit
- v. False or misleading information contained in the application for permit
- vi. Operation of STR during a permit suspension

E. The community development department shall issue a notice of violation of any provision of this article or violations as provided herein. Such notice shall include the date, time and synopsis of the facts surrounding such violation.

F. An applicant or permit holder who wishes to appeal the denial or revocation of a permit under this article, shall file an appeal with the Board of Adjustment within 10 days of notice for reinstatement of a denied or revoked permit.

G. The Board of Adjustment shall conduct an evidentiary hearing, take testimony and receive any documented evidence to determine whether the decision of City Manager or designee should be upheld or overturned.

H. At the hearing, the Board of Adjustment shall receive a testimony and evidence to contest the decision to deny or revoke a permit.

I. The Board of Adjustment upon completion of a hearing, shall upon a majority vote of four-fifths of the Board grant or deny the appeal.

J. All decision of the Board of Adjustment under this article shall be deemed final.

Sec. 9-29-11. – Fees

All fees for registration, inspection or renewal, including any late fees or exemptions, as provided in this article, shall be as established by resolution of the City Council.

Sec. 9-19-12. - Presumption; presentation of documents or affidavit.

(a) *Presumption.* It shall be a rebuttable presumption that a single-family residence that is occupied by one or more person(s) who are not the owner is being occupied pursuant

to an agreement between the owner and the occupant(s) of the single-family residence wherein the occupant(s) have agreed to lease said residence from the owner.

(b) *Presentation of documents or affidavits.* Any resident owner or nonresident owner claiming that the owner is not required to obtain a short-term rental permit pursuant to this article shall, not later than five business days following receipt of a written request of the building official or their designee or, in the case of an appeal filed pursuant to Section 9-29-10 of this article deliver to the community development department a true and correct copy of any agreements, documents of title, letters of administration, letters testamentary, executory contracts for conveyance (also known as "contracts for deed"), affidavits, or other documents that establish to the satisfaction of the community development department that a landlord/tenant relationship does not exist between the owner and the occupant(s) of the single-family residence. Unless an extension of the time for delivery of such documents or affidavits is granted by the building official or their designee or city manager, as the case may be, the failure of the owner to present the requested documents within the time provided by this subsection (b) shall result in the presumption described in subsection (a) above, becoming irrefutable.

Sec. 9-29-13. – Violations and Penalties

Violation of this ordinance upon conviction shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000.00) for each offense; and each and every day such violation shall continue shall be deemed to constitute a separate offense.”

SECTION 3. That all provisions of the Ordinances of the City of Coppel, Texas, in conflict with the provisions of this ordinance be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 4. That should any sentence, paragraph, subdivision, clause, phrase or section of this ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance as a whole, or any part or provision thereof other than the part so

decided to be unconstitutional, illegal or invalid, and shall not affect the validity of the Code of Ordinances as a whole.

SECTION 5. An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

SECTION 6. That this ordinance shall take effect on _____ and after publication of its caption, as the law and charter in such cases provide.

DULY PASSED by the City Council of the City of Coppell, Texas, this the _____ day of _____, 2022.

APPROVED:

WES MAYS, MAYOR

ATTEST:

ASHLEY OWENS, CITY SECRETARY

APPROVED AS TO FORM:

ROBERT E. HAGER, CITY ATTORNEY

AN ORDINANCE OF THE CITY OF COPPELL, TEXAS

AN ORDINANCE OF THE CITY OF COPPELL, TEXAS, AMENDING CHAPTER 9 OF THE CODE OF ORDINANCES BY REPEALING ARTICLE 9-29, SHORT TERM RENTALS IN ITS ENTIRETY AND REPLACING IT WITH A NEW ARTICLE 9-29, SHORT TERM RENTALS; PROVIDING FOR REGULATIONS FOR THE REGISTRATION AND USE OF SHORT TERM RENTALS; PROVIDING FOR REGISTRATION, PROVIDING FOR DEFINITIONS; PROVIDING FOR INSPECTIONS; PROVIDING FOR RESTRICTIONS; PROVIDING FOR BROCHURE AND SAFETY REQUIREMENTS; PROVIDING FOR NEIGHBORHOOD NOTIFICATION; PROVIDING FOR VIOLATIONS AND PENALTIES; PROVIDING FEES; PROVIDING FOR A SUNSET REVIEW; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALING CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

DULY PASSED by the City Council of the City of Coppell, Texas, this the _____ day of _____, 2022.

APPROVED:

WES MAYS, MAYOR

ATTEST:

ASHLEY OWENS, CITY SECRETARY