

# **Title 3 Chapter 1 and Title 10 Chapter 5 of the Cedar Hills City Code Pertaining to Residential Short-Term Rentals**

## **TITLE 3**

### **3-11-1 - Definitions.**

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

- (1) *Owner* means an individual who is:
  - a. A fee title owner who possesses 50 percent or more ownership in a short-term rental (STR) unit;or
  - b. A trustor of a family trust which possesses 50 percent or more ownership of a STR unit.
  - c. An owner of a STR may not be a corporation, partnership, limited liability company, or similar corporate entity.
- (2) *Person* means an individual, firm, partnership, corporation, association, joint venture, governmental entity or other legal entity, and shall include the plural as well as the singular.
- (3) *Renter* means a single person or single group of people whose primary residence is at another location and who provide compensation, in any form, in exchange for occupancy in a short-term rental unit.
- (4) *Short-term rental* means use of a dwelling for temporary sojourn or transient visit for a period of less than 30 consecutive days by a renter.
- (5) *Short-term rental unit* or *STR unit* means the individual house, apartment, condominium, townhome, other dwelling, or portion thereof being used for short-term rental as it has been shown in the conditional use permit approval required in title 10 of the Code, and shall include the front, back, and side yards and any additional structures found therein.
- (6) *Previously existing short-term rental unit* means a unit that was regularly utilized for short term rental prior to the enactment of this article by the City Council.
- (6) *STR* means short-term rental.

### **3-11-2. - Short-Term Rental Prohibited.**

Except as provided in section 3-11-3, no person shall lease or rent, or allow to be leased or rented, any dwelling for a lease term less than 30 days without first obtaining a STR conditional use permit and a business license.

### **3-11-3. - Exceptions.**

- (a) Rentals of 30 or more consecutive days in duration in any of the City's residential zoning districts shall not be subject to the provisions of this article.
- (b) Bed and breakfasts, hotels, and motels, as described and regulated in title 10 of this Code, shall not be subject to the provisions of this article.
- (c) Previously existing short-term rental units shall not be subject to the provisions of this article, except that the owner of the previously existing short-term rental is required to apply for, obtain, and maintain a valid business license pursuant to the provisions in this article. In addition to the meeting the requirements set forth in section 3-11-4, an owner of a previously existing short-term rental is required to:
  - (1) Own and operate a unit that was regularly utilized for short-term rental prior to the enactment of this article by the City Council.
  - (2) Provide documentary evidence that the unit had been regularly utilized as a short-term rental unit before the enactment of this article by the City Council; and
  - (3) Complete and submit the appropriate previously existing short-term rental application form as provided by Cedar Hills within six months of the enactment of this article by the City Council. Failure to complete and submit this application to Cedar Hills within the six-month period following enactment of this article will result in an owner forfeiting any right he or she may have to maintain a previously existing short-term rental unit under this provision.

An owner of a previously existing short-term rental unit who has complied with all the provisions of this article is not required to obtain a STR conditional use permit under section 10-5-40 of the Code.

#### **3-11-4. - Short-Term Rental Business License Application and Renewal.**

A business license is valid for only one STR unit. No more than one business license may be granted to any person. Except as provided in section 3-11-3, an owner may be granted a business license through the following process:

- (1) Prior to applying for a business license, applicant must first have been granted a STR conditional use permit approval pursuant to title 10 of the Code.
- (2) Complete the appropriate application form as provided by Cedar Hills.
- (3) A business license will expire July 1 of each year. A STR owner must renew the license in accordance with the renewal process, prior to the expiration of an active business license, in order to continue operation. Failure to renew prior to expiration will result in the Business License account being closed.
- (4) The licensing official shall not renew a business license if it has incurred more than the maximum number of allowed violations over the 12-month period immediately preceding the business license renewal deadline.
- (5) Complete all required inspections for business licenses under this chapter.
- (6) Submit proof of payment of all required taxes and fees shall be submitted by the applicant and verified by the licensing official upon request.
- (7) Submit a copy of the appropriate sales tax license issued by the State of Utah shall be submitted and verified with the initial application for a business license.
- (8) For any renewal, the City may require verification that the rental nights per year, maximum consecutive rental nights, and rental vacancy period did not exceed the limits described in this Code for the year immediately preceding the application for renewal.
- (9) Provide any other documents as required by the licensing official.

#### **3-11-5. - Inspections.**

Prior to being granted a business license, the owner shall schedule all inspections requested by the City. An inspection shall be required by the building and/or fire and/or code enforcement officials at the time of business license application and intermittently as deemed necessary by the licensing official. The official will:

- (1) Ensure that the STR unit complies with the information contained in the application and with the requirements of this section, including the approval of a current conditional use permit, except as provided for in section 3-11-3.
- (2) Ensure that the STR unit has a working carbon monoxide detector on each floor.
- (3) Ensure that the STR unit has a working smoke alarm in each sleeping area with a minimum of one smoke alarm on each floor.

#### **3-11-6. - Grounds for Denial, Suspension or Revocation of a business license.**

(a) Granting of a license under the provisions of this ordinance shall not be considered or deemed a right and, if granted, inures to the benefit of the applicant only as a privilege temporarily granted. The City reserves the right to deny any application for a business license. If the licensing official finds that any applicant does not meet the requirements of or is disqualified under any section of this chapter, or if it is found that the application is deficient in any way, or any of the facts provided thereon are false or in question, the application shall be denied, or the business license revoked.

(b) Except as provided for in section 3-11-3, any business license requested or granted pursuant to this section may be denied, suspended, or revoked by the licensing official pursuant to procedures established in this title for the following:

- (1) Violation by the applicant, occupants, or employees representing the STR unit owner, of any other Cedar Hills, Salt Lake County, State or Federal laws governing the operation of STRs.
- (2) Applicant supplied false or misleading information when applying for a business license or STR conditional use permit; or the applicant withheld relevant information on any application for any use, suffered, or caused another to furnish or withhold such information on his behalf.

(3) The STR unit no longer complies with the standards, qualifications or conditions necessary to obtain or maintain a STR conditional use permit.

(4) The applicant has failed to pay applicable taxes, fees and fines described herein.

(5) The applicant has refused to allow authorized representatives of the City to make an inspection or has interfered with such representatives while in the performance of their duty in making such inspection.

(6) Upon good cause, as indicated and requested by any of the Cedar Hills, Utah County, Utah State, or Federal agencies that govern STRs.

(c) The City shall give at least ten working days written notice, mailed, or otherwise delivered to the mailing address listed on the business license application, of the alleged violation or the manner in which the STR unit and/or operator no longer complies with the requirements for the business license with the opportunity to correct the problem during said time. The ten-day notice period may be waived or reduced if there is a risk to public health, safety, or welfare. Any substantiated, unresolved complaint, regarding the violation of standards, qualifications, or application requirements or any of the above violations, which is received and verified by the City, against any business license, will require that any approvals, permits, and licenses be revoked and the STR cease to operate.

(d) Any three violations by the STR unit owner or any renters, as described in the title 10 and this article in any 12-month period shall result in a business license being denied, suspended, or revoked by the licensing official pursuant to procedures established in Title 3.

### **3-11-7. - Process for Appeal of Denied, Suspended, or Revoked business license.**

Any appeal of a denied, suspended, or revoked business license shall follow the process outlined within this title of this Code.

### **3-11-8. - Advertising, Taxes and Fees.**

(a) Any STR in Cedar Hills shall include the following statement in any online advertisement for the STR unit: "This short-term rental is legally permitted by Cedar Hills short-term rental permit # [conditional use permit number] (unless none is needed as a previously existing short-term rental) and short-term rental business license # [Cedar Hills Business License number]. Any short-term rental in Cedar Hills operating without a permit and business license number included within its online advertisement is operating illegally. Renters beware."

(b) STR owners shall pay all taxes and fees relating to the STR, including without limitation the conditional use permit application fees, the business license fees, property tax, sales tax, and the Utah transient room tax. The amount of the fees required to obtain the licenses and permits described herein shall be established by resolution of the City Council.

### **3-1H-9. – Penalties.**

Any person or party violating any of the provisions of this article shall be guilty of a class B misdemeanor and subject to criminal penalty as provided in section 3-1-18 of this chapter. In addition to this penalty, any person violating any provision of this article shall be liable for a civil penalty of \$500 per day. Each day of violation under this article shall constitute a separate offense and shall be separately punishable but may be joined in a single prosecution.

## **TITLE 10**

### **10-5-41 - Residential Short-Term Rental (STR).**

(a) Purpose. This section is established to provide regulations and design standards for residential short-term rentals (STRs) related to single family and multifamily neighborhoods. These standards seek to allow for STRs while also protecting the safety and general welfare of Cedar Hills residents and preserving the residential character of Cedar Hills neighborhoods. In allowing STRs, it provides existing property homeowners economic relief who might otherwise be forced to leave a neighborhood, thus promoting and preserving affordable housing in Cedar Hills. This section also intends to stabilize neighborhoods by promoting home ownership and preserving long term rental housing in the market.

(b) Residential Short-Term Rental (STR). A STR is prohibited in all residential dwellings, residential districts, residential PUD districts and residential SD districts without first obtaining a STR conditional use permit as regulated in this section and being issued a valid short-term rental business license (STRL). The following are exempt and shall not be subject to the provisions of this section:

(1) A residential lease of 30 or more consecutive days.

(2) Bed and breakfasts, hotels, and motels, as described and regulated in title 10 of the Code.

(3) Previously existing short-term rental units that have complied with the requirements set forth in article I, chapter 3, title 3 of this Code.

(c) General Standards and Requirements. A STR use may be allowed within any existing legal owner-occupied residential dwelling by an administrative conditional use permit from the planning department, wherein the application demonstrates compliance with requirements found in title 10 of this Code and all of the following standards and requirements:

(1) Application. A completed application form as provided by Cedar Hills.

(2) Property Description. A detailed written description and/or drawing of the property that identifies the use of each room of the dwelling and defines the portions of the dwelling to be used for a STR shall be provided. Only one designated STR area is allowed for a property.

(3) Owner Occupancy. The owner of the subject property shall live in the primary dwelling in which a STR is desired and must reside therein as their primary residence.

a. An individual shall prove ownership of the property as evidenced by a copy of a transfer deed listing the applicant as the fee title owner. Fee title owner may be an individual or trustor of a family trust that possesses 50 percent or more ownership of the proposed STR. The fee title owner may not be a corporation, partnership, limited liability company, or similar entity.

b. To establish that the property is the owner's primary residence, the owner shall:

1. Present the owner's most recent State and Federal tax returns both listing the property as the owner's primary residence; and

2. Present a government-issued identification document listing the address of the property as the address of the owner; and

3. A signed affidavit sworn before a notary public shall be provided by the owner stating that the proposed property is the primary residence of the owner, wherein they reside at least 183 days per calendar year.

(4) Occupancy During Rental Period. The subject property shall comply with the following occupancy restrictions:

a. The property shall not be rented to more than one renter at any given time, and the owner shall not divide and rent out portions of the dwelling to multiple renters at the same time.

b. A property shall not be rented as a STR unless the following conditions are met:

1. The owner must reside on the property while it is occupied by a renter.

2. The property shall only be rented for a minimum duration of one night and a maximum of 29 consecutive nights.

d. A property with a valid accessory apartment conditional use permit may use the apartment as a STR and have the accessory apartment be rented for up to 365 nights per year. The owner may not reside in or use the accessory apartment unit while it is occupied by a renter.

(5) Parking Plan. A detailed written description and/or a drawing of an off-street parking plan must be provided to ensure that all occupants of the home and STR can be accommodated on-site at all times. Parking shall be limited to the existing garage, driveway, and dedicated parking spots of the residential unit and may not include any on-street parking. Any proposed parking improvements may also be included in the off-street parking plan, so long as they are completed prior to issuance of a STRL. All elements of the parking plan must be in compliance with all other requirements of this title.

(6) Conflict of Private Restrictions. The owner shall provide a signed affidavit sworn before a notary public that certifies to the City that the subject property has no existing private covenants, conditions, or restrictions prohibiting STRs.

(7) Urgent Response. The owner, or a designated representative, shall be available to immediately respond 24 hours per day, 365 days per year by telephone, and when necessary, be able to physically

respond within one hour of any legitimate complaint. If the owner is unreachable after three attempted contacts by Cedar Hills, a notice of violation will be issued.

(8) Property Maintenance Requirements. All short-term rentals shall adhere to this Code, including, but not limited to:

a. Maintenance. Owners must adhere to the property maintenance chapter of this Code, including, but not limited to, requirements for weed abatement, landscaping, garbage removal, structure maintenance, and fence/wall maintenance.

b. Snow Removal. Owners shall remove all snow from the sidewalks of the property within 24 hours after snowfall in accordance with this Code.

c. Noise and Nuisance Control. Owners shall ensure that renters adhere to the noise control chapter of this Code. Should a renter violate the noise control chapter more than once in any given 72-hour period they shall be immediately evicted from the property by the owner.

(9) Noticing and Posting Requirements.

a. One nameplate sign that includes the name and the 24/7 contact information for the owner, or a designated representative, must be posted on the exterior side of the main entrance of the STR.

b. An informational packet must be posted in a highly visible place within the STR area, and must include all of the following:

1. City-issued STRL.

2. 24/7 owner, or a designated representative, contact information.

3. Parking requirements.

4. Maximum occupancy.

5. The noise ordinance of this Code.

6. Garbage pickup dates, and a written description of where garbage receptacles must be placed for pickup.

7. Contact information for the American Fork Police and American Fork Fire & Rescue.

8. Other contact information as required by the planning department.

9. Any other appropriate requirements as specified by the planning department, through the conditional use permit process.

(d) Violations. Except as provided in section 3-11-3 of this Code, it shall be a violation for any person to operate a STR:

(1) Without first obtaining a STR conditional use permit, as regulated in this section, and issued a valid STRL; or

(2) That does not comply with the requirements of this chapter, chapter 3, or this Code.

(e) Enforcement and Fines. Upon a determination that a violation exists, the planning department, or its designee, will contact the owner requiring such owner to halt, eradicate, destroy, remove, or otherwise cure the violation within 48 hours, or such later time the planning department, or its designee, may determine.

(1) Each day that a violation occurs or continues is a separate violation.

(2) For any violation of this section, the issuing officer may issue a written citation or notice of violation to the owner, specifying the violation and the penalty to be imposed.

a. For the first violation within any 12-month period, the penalty shall be \$500.00.

b. For a second violation within any 12-month period, the penalty shall be \$750.00.

c. For a third violation within any 12-month period the penalty shall be \$1,000.00 and revocation of the STRL and conditional use permit. The owner shall be ineligible for a STR conditional use permit and a STRL for a period of two years from the date of the third notice of violation.

d. For any violation within any 12-month period following the third violation, the penalty shall be \$1,000.00 and the STR owner shall be banned from receiving a STR conditional use permit and a STRL.