

**ORDINANCE NO. 1430-2024**

**AN ORDINANCE AMENDING CHAPTER 4, “BUSINESS REGULATIONS” OF THE CODE OF ORDINANCES, CITY OF RIVER OAKS, SPECIFICALLY IN ARTICLE 4.10 “SHORT TERM RENTAL” BY REVISING SECTION 4.10.002 “DEFINITIONS” AND BY REVISING SECTION 4.10.004 “REGULATIONS” IN SUBSECTIONS (m) “HOTEL OCCUPANCY TAXES” AND (n) “REQUEST FOR OCCUPANCY HISTORY” LEVYING HOTEL/MOTEL TAX AND PROVIDING FOR COLLECTION, REPORTING AND ENFORCEMENT THEREOF ASSOCIATED WITH PERMITTING AND INSPECTION OF SHORT-TERM RENTAL PROPERTIES; PROVIDING THIS ORDINANCE SHALL BE CUMULATIVE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY FOR VIOLATION; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of River Oaks, Texas, is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, the increase in the number of persons or entities desiring to rent their residential properties has led to the proliferation of transient and vacation rental uses within neighborhoods previously planned, approved and constructed for use as single-family residences; and

**WHEREAS**, the use of single-family residences by individuals for short periods of time may negatively impact the residential character of many neighborhoods by reducing communication and accountability between permanent residents by partially substituting permanent residents with transient visitors; and

**WHEREAS**, the regulation of the use and operation of such “short-term rental” property is intended to prevent the further erosion of pre-existing and stable single-family neighborhoods, and further advance the City Council's objective of championing great neighborhoods; and

**WHEREAS**, the rise of substitute land uses for residential property contributes to the shortage of affordable housing, both ownership and long-term rental; and

**WHEREAS**, the City Council approved the policy for Short-Term Rentals and adopted the regulations for Short-Term Rentals on June 13, 2023; and

**WHEREAS**, the City Council finds and determines that now the regulations adopted needs to be further amended to include the maximum tax rate to be collected on short-term rentals and to establish collection, reporting and enforcement of those taxes levied; and

**WHEREAS**, the purpose of the regulations set forth herein is to provide a procedure to allow the rental of private residences to visitors on a short term basis, while ensuring that such rental use does not create adverse impacts to residential neighborhoods due to excessive traffic and noise, and, additionally, to ensure that the number of occupants within such rental units do not

exceed the design capacity of the structure to cause health and safety concerns, and that minimum health and safety standards are maintained in such units to protect visitors from unsafe or unsanitary conditions; and

**WHEREAS**, the City Council finds that these regulations are necessary to prevent the imminent destruction of property and injury to persons; and

**WHEREAS**, the City Council finds that the amendment to Chapter 4, as outlined herein, is in the best interest of the City and will promote the health, safety, and general welfare of the citizens of the City and the general public.

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF CITY OF RIVER OAKS, TEXAS, THAT:**

**SECTION 1.**

Article 4.10 “Short-Term Rental” of the River Oaks Code of Ordinances (2020) is hereby amended by revising the Definitions in Section 4.10.002 “Definitions” to now be revised to read as follows:

**“Sec. 4.10.002 Definitions**

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

Assessor-collector means the city manager, his/her successor, or his/her designated representative.

Bathroom shall mean an enclosed space containing one or more bathtubs, showers, or both, as well as one or more toilets, lavatories or fixtures serving similar purposes.

Bedroom shall mean a room used or intended to be used for sleeping purposes and not as a kitchen, bathroom, living room, closet, hallway, utility space, entry way, garage, patio or breezeway.

Block shall mean a tract of land bound by streets, or a combination of streets, public parks, railroad rights-of-way, shorelines of waterways or corporate limits.

Code or city code. The Code of Ordinances, City of River Oaks, Texas.

Department. The building inspections/permits department of the city.

Director. The building official of the city or their designated representative.

Extended stay occupant means an individual occupant whose right to the use or possession of a room, and whose actual use or possession of the room, extends for at least thirty (30) consecutive days and where there is no interruption of payment or change in occupant for the period.

Fire marshal. The fire marshal of the city or their designated representative, including any code or building inspections official of the city.

Occupancy means the use or possession, or the right to the use or possession, of any room in a short-term rental if the room is one ordinarily used for sleeping, and if such use, possession or right of use or possession at the time such room is provided to each individual occupant under lease, concession, permit, right of access, license, contract or agreement is for a period of less than 30 consecutive days.

Occupant means the person(s) who have lawfully obtained the exclusive use and possession of the short-term rental premises from the owner and/or operator and the guest(s) of such person(s).

Operator means the owner or local responsible party tasked with managing a property operating as a short-term rental on behalf of the owner.

Owner means the individual or entity that owns a property operating as a short-term rental.

Person means any individual, company, corporation or association owning, operating, managing or controlling any short-term rental.

Permit. The permit issued pursuant to the terms of this article authorizing the operation of a short-term rental.

Quarterly period means the regular calendar quarters of the year, the first quarter being composed of the months of January, February and March, the second quarter being the months of April, May and June, the third quarter being the months of July, August and September, and the fourth quarter being the months of October, November and December.

Short-term rental. The rental for compensation, of any residence or residential structure, or a portion of a residence or residential structure, located within a zoning district where the residential use is lawful, for the purpose of overnight lodging for a period of not more than thirty (30) days. A short-term rental is also known as a tourist home or tourist house, but shall not include a hotel, motel, extended stay hotel/motel, boardinghouse, or rooming house.”

## SECTION 2.

Article 4.10 “Short-Term Rental” of the River Oaks Code of Ordinances (2020) is hereby amended by revising the Regulations specifically in Section 4.10.004 subsections (m) “Hotel Occupancy Taxes” and (n) “Request for Occupancy History” to now be revised to read as follows:

### **Sec. 4.10.004 Regulations**

“(m) Hotel occupancy taxes. The owner of the short-term rental property shall register with the City to pay hotel occupancy taxes, prior to the date that the short-term rental permit application is submitted.

- (1) There is hereby levied upon the consideration paid for any room or space furnished by any short-term rental within the city where such cost of occupancy is the rate of \$2.00 or more

per day, a tax equal to the maximum tax then allowed by law to be assessed and levied by the city upon the consideration paid for the occupancy of such room.

- (2) This tax does not apply to a person who is an extended stay occupant as defined herein.
- (3) Every person owning, operating, managing or controlling any short-term rental or who collects payments for the use or possession or for the right to the use or possession of a hotel room or space shall collect the tax imposed by this article for the city quarterly.

“(n) “Request for occupancy history”. On the last day of the month following each quarterly period, every person required by this article to collect the tax imposed in this article shall file a report with the occupancy tax assessor-collector showing the consideration paid for all room occupancies in the preceding quarter, the amount of tax collected on such occupancies, and any other information which the occupancy tax assessor-collector may reasonably require. Such person shall pay the tax due on such occupancies at the time of filing such report.

- (1) the owner of a premises used as a short-term rental shall remit all payments and rental reports by the 15<sup>th</sup> day of the month following each quarter. If not received by the 15<sup>th</sup> day following the last quarter, a 10 percent penalty will be added.”

### **SECTION 3.**

This Ordinance shall be cumulative of all provisions of ordinances and of the Code of Ordinances, as amended, except when the provisions of this Ordinance are in direct conflict with the provisions of such ordinances and such code, in which event the conflicting provisions of such ordinances and such code are hereby repealed.

### **SECTION 4.**

It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable, and if any section, paragraph, sentence, clause, or phrase of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining sections, paragraphs, sentences, clauses, and phrases of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional section, paragraph, sentence, clause or phrase.

### **SECTION 5.**

Any person, firm, or corporation who violates any provision of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine as provided in Section 1.01.009 of the Code of Ordinances. Each day any such violation or violations exist shall constitute a separate offense and shall be punishable as such.

**SECTION 6.**

All rights and remedies of the City of River Oaks are expressly saved as to any and all violations of the provisions of the Code of Ordinances as amended or revised herein, or any other ordinances affecting the matters regulated herein which have accrued at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

**SECTION 7.**

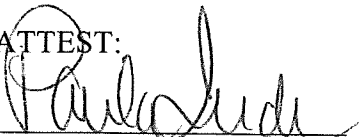
The City Secretary of the City of River Oaks is hereby directed to publish in the official newspaper the caption, savings clause, penalty clause, publication clause and effective date clause of this ordinance one (1) time after the adoption of this ordinance as authorized by Chapter 5, Section 5.02(c) of the Charter of the City of River Oaks.

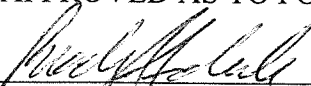
**SECTION 8.**

This Ordinance shall be in full force and effect after its passage and publication as required by law, and it is so ordained.

**PASSED AND APPROVED ON THIS 18<sup>th</sup> DAY OF JUNE 2024.**

  
\_\_\_\_\_  
Darren Houk, Mayor

ATTEST:  
  
\_\_\_\_\_  
Paula Luck, City Secretary

APPROVED AS TO FORM:  
  
\_\_\_\_\_  
City Attorney