

ORDINANCE NO. 1434-2024

AN ORDINANCE AMENDING CHAPTER 4, “BUSINESS REGULATIONS” OF THE CODE OF ORDINANCES, CITY OF RIVER OAKS, SPECIFICALLY IN ARTICLE 4.11 “SHORT TERM RENTAL” BY REVISING SECTION 4.11.004 “REGULATIONS” IN SUBSECTIONS (m) “HOTEL OCCUPANCY TAXES” LEVYING HOTEL/MOTEL TAX AND (n) “REQUEST FOR OCCUPANCY HISTORY” 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 failure of every person owning, operating, managing or controlling any short-term rental that upon reasonable notice to the property owner, the city is also hereby authorized and empowered to make an assessment of the taxes owed for such period and to fix a lien upon the property.

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

SECTION 1.

Article 4.11 “Short-Term Rental” of the River Oaks Code of Ordinances (2020) is hereby amended by revising the Regulations specifically in Section 4.11.004 subsection (m) “Hotel Occupancy Taxes” 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.”
- (4) Upon the failure to file reports or pay taxes as herein required for any period, and upon reasonable notice to the property owner, the city is also hereby authorized and empowered to make an assessment of the taxes owed for such period and to fix a lien upon the property located within the city; the tax assessed together with any penalties and interest provided by statute shall be a prior and superior lien on all property of the Short Term Rental.

SECTION 2.

Article 4.11 “Short-Term Rental” of the River Oaks Code of Ordinances (2020) is hereby amended by revising the Regulations specifically in Section 4.11.004 subsection (n) “Request for Occupancy History” to now be revised to read as follows:

“(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 15th day of the month following each quarter. If not received 30 (Thirty) days after the 15th

day following the last quarter, a 10 percent penalty will be added for each month that the owner is in arrears.

(2) Upon the failure to file reports or pay taxes as herein required for any period, and upon reasonable notice to the property owner, the city is also hereby authorized and empowered to make an assessment of the taxes owed for such period and to fix a lien upon the property located within the city; the tax assessed together with any penalties and interest provided by statute shall be a prior and superior lien on all property of the Short Term Rental.

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.

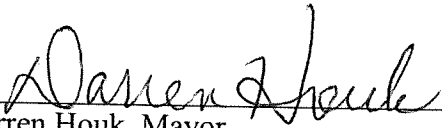
SECTION 7.

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.

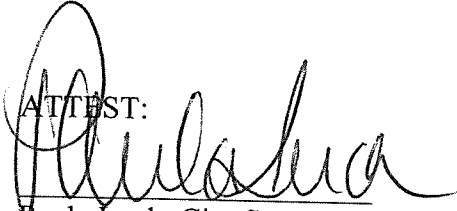
SECTION 8.

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 3rd DAY OF SEPTEMBER 2024.

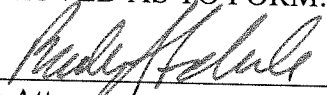


Darren Houk, Mayor

ATTEST:


Paula Luck, City Secretary

APPROVED AS TO FORM:



City Attorney