

SHORT-TERM RESIDENTIAL RENTAL ORDINANCE

Be it ordained by the Town Council of East Hampton, as follows:

Section 1.

1.1 Purpose

Pursuant to the authority set forth in Conn. Gen. Statutes §7-148(b)(7)(A), the purpose of this section is to promote the safety, health, morals and general welfare of the inhabitants of the Town of East Hampton, and to provide a process through which certain Residential Units (as defined herein) may be registered with the town of East Hampton for use as Short-Term Rental Units (as defined herein).

1.2 Definitions

As used in this Article capitalized terms shall have the meaning set forth herein, and as otherwise set forth in the East Hampton Housing Code:

Booking Agent. Any person or entity that provided Booking Services or otherwise facilitates reservations or collects payment for a Short-Term Rental Unit on behalf of or for an Operator.

Booking Services. A reservation or payment service, including services provided through a Short Term Rental Platform that facilitates a short-term rental transaction between a Short-Term Rental Operator and a potential guest of a Short-Term Rental Unit.

Code. East Hampton Housing Code.

Guest. Any person renting a short-term rental unit.

Ineligible Units. Residential Units which are not registered on the Short-Term Rental Registry, or which are otherwise deemed ineligible for use as Short-Term Rental Units and identified as Ineligible Units on the Short-Term Rental Registry.

Operator. A natural person who is the owner of the Residential Unit that he or she seeks to offer as a Short-Term Rental. Only one owner may be registered as an Operator on the Short-Term Rental Registry for a Residential Unit, and it shall be unlawful for any other person, even if that person is an owner and meets the residency qualifications to offer a Residential Unit for Short-Term Residential Rental.

Operator's Primary Residence. The Dwelling Unit in which the Operator resides as his or her Primary Residence. Primary Residence is determined as of the date of registration of the Residential Unit on the Short-Term Rental Registry, by the Operator providing evidence that he or she resides in the Residential Unit for at least the past twelve months, as demonstrated by at least two of the following: utility bill, tax bill, voter registration, motor vehicle registration, deed, driver's license or state-issued identification.

Registration Number. A unique verification number generated by the Town for each single Residential Unit registered as a Short-Term Rental. Registration Numbers shall be valid for the calendar year during which they are assigned, January 1st-December 31st, and shall be associated with both a single Residential Unit and a single Operator. The Registration Number must be included on any listing or advertisement offering a unit as a Short-Term Rental.

Residential Unit. A Dwelling Unit within an Operator’s Primary Residence , but excluding: a congregate living complex; elderly housing; a group residence; a homeless shelter;; temporary dwelling structure; transitional housing. The term “Residential Unit” shall not include a hotel, motel, executive suite, or other non-residential use.

Short-Term Rental(s). The use of a Residential Unit for residential occupancy by a person or persons for a period not to exceed thirty (30) consecutive calendar days for a fee. A Short-Term Rental may be facilitated through a Booking Agent.

Short-Term Rental Unit. A Residential Unit, or any portion thereof, that is (A) offered to a guest as temporary lodging for a fee for a period not to exceed thirty (30) consecutive calendar days, and (B) not a hotel or motel.

Short-Term Rental Operator. Any Operator of a Short-Term Rental Unit who offers such property for a fee through a Short-Term Rental Platform.

Short-Term Rental Platform. Any advertising service, media, or platform, including an internet website, that (A) allows for a Short-Term Rental Operator to offer a Residential Unit, for use as a Short-Term Rental Unit, (B) allows potential guests to arrange payment for use of a Short-Term Rental Unit, whether such guest pays directly to the Short-Term Rental Operator or to a Booking Agent or through the Short-Term Rental Platform, and (C) derives revenue from providing or maintaining Booking Services for a Short-Term Rental Unit.

Short-Term Rental Registry. The database maintained by the Town that includes information on each Operator permitted to offer a Residential Unit as Short-Term Rental Unit.

Zoning Enforcement Officer. The Zoning Enforcement Officer for the Town of East Hampton or a designee, referred to herein as eth “ZEO”.

1.3 Short-Term Residential Rentals in the Town of East Hampton

No Residential Unit shall be offered as a Short-Term Rental Unit except upon receipt of a Registration Number by the Town and otherwise in compliance with all other provisions of this ordinance and the Code.

1.4 Ineligible Rental Units

- a. The following Residential Units are not eligible to be offered as Short-Term Rental Units:
 - (i) Residential Units designated as below market rate or income-restricted, that are subject to affordability covenants, or that are otherwise subject to housing or rental assistance under local, state, or federal law;
 - (ii) Residential Units subject to any requirement of local, state, or federal law or private restriction that prohibits the leasing or subleasing of the unit or use of the unit as a Short-Term Rental Unit;
 - (iii) Residential Units that are located within properties designated as “Blighted Premises” as defined in the Town of East Hampton Ordinances, Chapter 171;

- (iv) Residential Units that are the subject of 3 or more findings of violations of this section within a six-month period, or 3 or more violations of any municipal ordinance or state law or code relating to excessive noise, improper disposal of trash, disorderly conduct, or other similar conduct within a six-month period;
- (v) Residential Units located within a Dwelling which is not occupied by an Operator as his or her Primary Residence; and
- (vi) Residential Units designated as Ineligible Units on the Short-Term Rental Registry.

1.5 Requirements for Short-Term Rentals

A Short-Term Rental Operator shall register only one (1) Residential Unit per Dwelling, subject to the following provisions:

- a. *Registration.* The Operator shall register the Residential Unit in accordance with Section 1.6 of this Ordinance and obtain a Registration Number.
- b. *Local Contact.* When registering, a Short-Term Rental Operator must provide his or her name, address and telephone contact information, and, in the event the Short-Term Rental Operator is not present during the Short-Term Rental, the name, address and telephone contact information of an individual who is able to respond in person to any issues or emergencies that arise during the Short-Term Rental within two (2) hours of being notified. Contact information must include a telephone number that is active 24 hours per day and available to Short-Term Rental occupants, and the Town.
- c. *No Outstanding Violations.* The Residential Unit offered as a Short-Term Rental shall not be subject to any outstanding building, sanitary, zoning, or fire code violations, delinquent taxes, orders of abatement, or cease and desist orders, or other requirements, laws or regulations that prohibit the use of the Residential Unit as a Short-Term Rental. If a violation or other order is issued after the Residential Unit has been registered on the Short-Term Rental Registry, the ZEO shall suspend the Residential Unit's registration and list the Residential Unit as an Ineligible Unit until the violation has been abated.
- d. *Compliance and Interaction with Other Laws.* Short-Term Rental Operators shall comply with all applicable federal, state, and local laws and codes, and all other regulations applicable to residential dwellings, including the Code. The Residential Unit offered as a Short-Term Rental shall be in compliance with all Town ordinances, and shall be subject to the requirements of such ordinances, including the Code.
- e. *Retention of Records.* The Short-Term Rental Operator shall retain and make available to the Town, upon written request, records to demonstrate compliance with this ordinance, including but not limited to: records demonstrating the residency of the Short-Term Rental Operator; records showing that the Short-Term Rental Operator is the owner of Residential Unit; and records demonstrating number of days per year that Residential Unit is offered as a Short-Term Rental. The Operator shall retain such records for a period of three years from the date the Residential Unit is registered with the Town.
- f. *Notifications.*
 - (i) The Operator shall include the Registration Number issued by the Town on any listing offering the Residential Unit as a Short-Term Rental and shall post a sign on the inside of the Residential Unit providing the Registration Number, contact information for the

Operator, and information on the location of all exits from the Dwelling and the location of all fire extinguishers in the Residential Unit.

- (ii) Any Booking Agent shall permit an Operator to include the Registration Number on any listing offering the Residential Unit as a Short-Term Rental.
- (iii) The Operator shall, within thirty (30) days of approved registration, provide notice to abutters of a Resident Unit that the Residential Unit has been registered as a Short-Term Residential Rental. For the purposes of this section, an abutter shall be defined as any residential dwelling located within one-hundred (100) feet of said Residential Unit.

1.6 Short-Term Rental Registration Process; Certifications; Fee.

- a. *Registration Process.* An Operator who wishes to offer his or her Residential Unit as a Short-Term Rental shall register with the town, online or in paper form prescribed by the Town, to be listed on the Short-Term Rental Registry. A registration shall be valid for a one-year term, from January 1st through December 31st of each year or for such alternative twelve-month period as the Town shall determine. The information to be listed on the Short Term Rental Registry shall include: the Operator name, address and telephone contact information, the address of Residential Unit, and Operator's relationship to the unit. The Operator shall certify that the Residential Unit is not an Ineligible Unit, and that the Operator and with Residential Unit shall comply with the requirements of this ordinance. An Operator who successfully registers his or her Residential Unit as a Short-Term Rental Unit shall be issued a Registration Number.
- b. *Fees.* There is established an annual registration fee for Short-Term Rental Units in an amount of \$100 annually, and may be annually amended by the Town Council.
- c. *Re-Registration Upon Unit Turnover.* A registration shall be personal to both to the Residential Unit and the Operator and will not automatically transfer upon the sale or transfer of the Residential Units. A new Operator is responsible for ensuring that he or she re-registers with the Town to obtain a new Registration Number if they wish to continue to list the Residential Unit on the Short-Term Rental Registry.
- d. *Amending Registration Upon Change in Primary Residence.* If an Operator offering a registered Residential Unit ceases to be a Primary Resident of the Residential Unit, the Operator shall immediately notify the Town to remove the Residential Unit from the Short-Term Rental Registry.
- e. *Bulk Registration by Booking Agent.* Noting herein shall prohibit a Booking Agent from entering into an agreement with the Town to provide registration services for Short-Term Rental Operators.

1.7 State Room Occupancy Tax.

A Residential Unit subject to the provisions of this Ordinance that is also subject to the Room Occupancy Tax under Conn. Gen. Stat. § 12-407 and 12-411, or any other excise or surcharge pertaining to Short-Term Rentals or transient occupancy and shall comply with the provisions of said statutes.

Notwithstanding any provision or requirement to the contrary, an Operator may use a Booking Agent for purposes of collecting and remitting the applicable room occupancy tax to the State, and said Booking Agent may enter into an agreement with the Town for the collection and remittance of such tax. If an

Operator does not use a Booking Agent to collect payment for a Short-Term Rental, the Operator shall be responsible for collecting and remitting the applicable room occupancy excise tax to the State.

1.8 Complaint Process; Violations.

- a. *Complaint.* A complaint alleging that a Residential Unit is in violation of this section or any applicable law, code or regulation may be filed with the ZEO. The complaint must contain the Residential Unit's address, unit number, date and nature of alleged violation(s), and name and contact information of the complainant.
- b. *Review of Complaint.* Within thirty (30) days after receipt of a complaint, the ZEO or a designee shall investigate the complaint and shall determine whether there may be a violation. If the alleged violation is under the jurisdiction of another city or state or federal agency, the ZEO shall refer the complaint to such agency for further action. Upon a finding of a potential violation, the ZEO or a designee shall serve notice of the violation upon the Operator of the Residential Unit at issue, if such unit is listed on the Short-Term Rental Registry, and upon the owner or resident agent of record of the Residential Unit at issue, if such unit is not listed on the Short-Term Rental Registry, and if not abated within seven (7) days of receipt of such notice of violation, the ZEO shall issue a cease and desist order in accordance with Conn. Gen. Statutes §8-7. *Right to Hearing.* A person upon whom a cease and desist order has been served may appeal such order to the Town Zoning Board of Appeals in accordance with the provisions of Conn. Gen. Statute §§8-7 and 8-12.

1.9 Penalties.

- a. *Offering an Ineligible Unit as a Short-Term Rental Unit.* Any person who offers an Ineligible Unit as a Short-Term Rental Unit, or any Booking Agent who accepts a fee for booking a Ineligible Unit as a Short-Term Rental Unit, shall be fined three hundred dollars (\$300) per violation per day. Each day's failure to comply with a notice of violation or any other order shall constitute a separate violation. The ZEO or a designee may also seek an injunction from a court of competent jurisdiction prohibiting the offering of the Ineligible Unit as a Short-Term Rental Unit.
- b. *Failure to Register.* Any person who offers a Residential Unit as a Short-Term Rental without registering with the Town, or any person who offers a Residential Unit as a Short-Term Rental while the unit's registration on the Short-Term Rental Registry is suspended, shall be fined one hundred dollars (\$100) per violation per day. Each day's failure to comply with a notice of violation or any other order shall constitute a separate violation.
- c. *Failure to Comply with Notice of Violation.* Any person who fails to comply with any notice of violation or other order issued pursuant to this section by the Commissioner or a designee for a violation of any provision of this section shall be fined one hundred dollars (\$100) per violation per day. Each day's failure to comply with a notice of violation or any other order shall constitute a separate violation.
- d. *Collection of Citation Penalties.* The Town may collect the fines imposed by this ordinance in accordance with the provisions of Conn. Gen. Stat. §7-152c.

1.10 Enforcement.

- a. *Enforcement by Town.* The provisions of this section may be enforced by the Zoning Enforcement Officer, in accordance with applicable local or state law, and may include, if applicable, seeking to restrain a violation by injunction.
- b. *Enforcement by Booking Agent.* The Town may enter into agreements with Booking Agents for assistance in enforcing the provisions of this ordinance , including but not limited to an agreement whereby the Booking Agent agrees to remove a listing from a Short Term Rental Platform for exceeding the maximum number of days a Residential Unit may be offered as a Short-Term Rental, or whereby the Booking Agent agrees to remove a listing from a Short Term Rental Platform that is deemed to be an Ineligible Unit under the provisions of this ordinance, or whereby the Booking Agent agrees to prohibit a Short Term Rental Platform from listing Short Term Rental Unit without a valid Registration Number from the Town.

1.11 Data Sharing.

A Booking Agent shall provide to the Town, on request, an electronic report, in a format determined by the Town, of the listings maintained, authorized, facilitated or advertised by the Booking Agent within the Town for the applicable reporting period. The report shall include a breakdown of where the listings are located, whether the listing is for a room or a whole unit, and shall include the number of nights each unit was reported as occupied during the applicable reporting period.

Section 2. The provisions of this ordinance shall take effect on _____.