

ORDINANCE NO.: 2019-08

AN ORDINANCE TO AMEND TITLE IX OF THE SIGNAL MOUNTAIN TOWN CODE BY ENACTING A CHAPTER III THEREOF TO ADDRESS THE REGULATION OF SHORT-TERM VACATION RENTALS WITHIN THE TOWN OF SIGNAL MOUNTAIN

---

WHEREAS, the Town Council recognizes the need to regulate short-term vacation rentals operating within the Town of Signal Mountain; and,

WHEREAS, the Signal Mountain Municipal Planning Commission has reviewed the amendment and recommended approval; and,

WHEREAS, a public hearing was held prior to final reading of this ordinance;

WHEREAS, the Town Council has considered and accepted the recommendation of its Planning Commission:

NOW THEREFORE BE IT ORDAINED BY THE TOWN COUNCIL OF SIGNAL MOUNTAIN, TENNESSEE

**SECTION 1:** That the Town of Signal Mountain Municipal Code, Title 9 Businesses, Peddlers, Solicitors, Etc. is hereby amended with the addition of a Chapter 3. This Chapter shall be entitled, "Short-Term Vacation Rentals," and shall read as follows:

**CHAPTER 3 SHORT-TERM VACATION RENTALS**

**SECTION**

**9-301. Definitions.**

**9-302. Minimum Standards for Short-Term Vacation Rentals.**

**9-303. Permit Application Process.**

**9-304. Permit Renewal.**

**9-305. Permit Revocation.**

**9-306. Failure to Obtain Permit.**

**9.307. Short-Term Vacation Rentals and Private Agreements.**

**9-301. Definitions.** The following terms, wherever used or referred to in this chapter, shall have the following meaning:

(1) "Short-Term Vacation Rental" shall mean any house or structure advertised or held out to the public as a place where guest rooms are supplied for compensation and such accommodations are provided on a weekly or daily basis for no more than thirty (30) days.

This definition does not include bed and breakfast establishments, hotels, motels, or any dwelling units rented or leased for more than 30 days.

**9-302. Minimum Standards for Short-Term Vacation Rentals.** The following shall be considered the minimum standards for any dwelling used as a short-term vacation rental.

(1) The proprietor/operator of any house or structure used as a short-term vacation rental must be a full-time resident of the short-term vacation rental property and continue to reside on the property throughout all guest stays.

(2) No on or off-site signage shall be permitted at any short-term vacation rental.

(3) No more than eight (8) guests may utilize a short-term vacation rental at any given time. This count does not include the short-term vacation rental proprietor or any other permanent residents on the property being used as short-term vacation rental.

(4) No short-term vacation rental shall be permitted to be rented for a period of less than twenty-four (24) hours.

(5) No short-term vacation rental shall be permitted to be rented for a period of greater than thirty (30) days.

(6) Adequate on-site parking shall be provided, as determined by Town staff after considering proposed number of guests, frequency of operations, and availability of on-street parking. As a general rule, parking shall not be allowed on any vegetated area of the premises on which the short-term vacation rental is located.

(7) The proprietor of a short-term vacation rental shall be responsible for collecting and remitting all applicable room, occupancy, and sales taxes required by state and local law.

(8) All short-term vacation rental proprietors and guests must abide by all noise restrictions and other applicable local laws of the Town of Signal Mountain.

(9) A short-term vacation rental may include a primary dwelling unit and/or a secondary dwelling unit, but shall not include uninhabitable structures such as garages, barns or sheds.

(10) All dwelling units shall have functioning smoke detectors as determined by the Fire Marshal and other life safety equipment as required by local, state, and federal law.

(11) All dwelling units shall meet all applicable laws related to zoning, building, health or life safety.

**9-303. Permit Application Process.** No individual or entity shall operate a short-term vacation rental in the Town of Signal Mountain without first obtaining a short-term vacation rental permit.

Applications for such permits will be made available at Town Hall during normal operating hours.

(1) Business License Required. Prior to submitting a short-term vacation rental permit application, the short-term vacation rental operator must obtain a business license in accordance with Title 9, Chapter 1 of the Signal Mountain Code of Ordinances.

(2) Application Requirements. The following must be included in the application for a short-term vacation rental permit:

(a) The name, address, telephone number, and email address of the short-term vacation rental and operator.

(b) The business license number.

(c) Documentation that the applicant is the owner of the property proposed to be used as a short-term vacation rental.

(d) A short narrative describing the area and number of rooms to be rented, the maximum number of allowed guests, guest parking location, and the proposed days of operation (all year, only weekends, etc.).

(e) Proof of insurance on the house or structure to be used as a short-term vacation rental.

(f) Proof the short-term vacation rental proprietor is up to date on all applicable tax payments. If the permit is being renewed, such proof shall include proof of payment of state occupancy taxes.

(g) Proof of written notice of the short-term vacation rental permit application via certified mail to all property owners within a one hundred (100) foot radius of the subject property boundary line.

(h) Proof of owner residency at the subject property for owner-occupied short-term vacation rental properties.

(i) Proof of non-conforming status per TCA 13-7-602 for existing short-term vacation rental properties operating before the effective date of this ordinance.

(3) Application Review. Upon receiving an application for a short-term vacation rental permit, town staff shall review the application and provide comment. If deemed necessary, town staff is permitted to inspect the premises to ensure compliance with state and local laws.

If the application and site meet all the requirements set out in this Chapter and the Signal Mountain Zoning Ordinance, town staff may issue a short-term vacation rental permit.

**9-304. Permit Renewal.** All short-term vacation rental permits must be renewed annually. An application for a permit renewal shall contain the same items outlined in Section 9-303 with the exception of items (d) , (g) and (i).

The short-term vacation rental permit is non-transferable to another property or owner.

**9-305. Permit Revocation and Suspension.** The Town Manager or a designee reserves the right to revoke any short-term vacation rental permit at any time when there is a risk from existing conditions to public health and safety or if there is any violation or failure to comply with the provisions of this Chapter after a permit has been properly issued.

The Town Manager or a designee reserves the right to temporarily suspend any short-term vacation rental permit in the case of any local code violations that pose an immediate threat to public health and safety.

Notice that a short-term rental unit permit has been revoked shall be submitted to the short-term vacation rental operator in writing and shall include the right of the operator to appeal the revocation to Town Council within sixty (60) days of the permit's revocation.

A short-term vacation rental permit that has been revoked shall prevent the permit holder and the specific property from applying for a new short-term vacation rental permit for a period of one (1) year from the date of revocation. This provision shall not apply if the permit revocation is successfully appealed to Town Council.

**9-306. Failure to Obtain Permit or Operating Under Suspended Permit.** Use of any property as a short-term vacation rental prior to obtaining a short-term vacation rental permit or during a period of permit suspension shall be punishable by a fine of up to \$500.00 per violation. Each day the violation continues shall be considered a separate offense. This section does not apply to short-term vacation rentals operating in accordance with Tennessee Code Annotated Section 13-7-601 through 13-7-606.

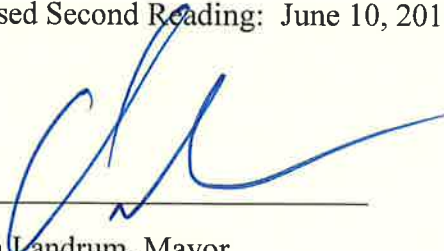
**9-307. Short-Term Vacation Rentals and Private Agreements.** Nothing in this Chapter prohibits a homeowner's association, condominium, or similar entity from prohibiting or restricting property owners from using their property as a short-term vacation rental.

In addition, nothing in this Chapter prohibits any property owner from placing a restrictive covenant or easement on their property prohibiting or restricting its use as a short-term vacation rental.

**SECTION 2:** BE IT FURTHER ORDAINED that this amendment to the Town of Signal Mountain, Tennessee Municipal Code shall become effective immediately from and after its passage as provided by law.

Passed First Reading: May 13, 2019

Passed Second Reading: June 10, 2019



\_\_\_\_\_  
Dan Landrum, Mayor

5-10-19

\_\_\_\_\_  
Date



\_\_\_\_\_  
Recorder

6-10-19

\_\_\_\_\_  
Date