# ORDINANCE (AS AMENDED) CITY OF NEW ORLEANS

CITY HALL: June 6, 2019

**CALENDAR NO. 32,691** 

# NO. 28157 MAYOR COUNCIL SERIES

# BY: COUNCILMEMBERS GISLESON PALMER, MORENO AND BANKS

AN ORDINANCE to amend and reordain Article XI of Chapter 26 of the Code of the City of New Orleans, relative to Short-Term Rentals, to establish application procedures, permit types and fees, operating regulations, enforcement parameters, and penalties; and to provide otherwise with respect thereto.

- 1 SECTION 1. THE COUNCIL OF THE CITY OF NEW ORLEANS HEREBY
- ORDAINS, That Article XI of Chapter 26 of the Code of the City of New Orleans, be, and the
- 3 same is hereby amended and reordained to read as follows:
- <sup>4</sup> "CHAPTER 26 BUILDINGS, BUILDING REGULATIONS, AND HOUSING
- 5 STANDARDS

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- 7 ARTICLE XI STANDARDS FOR SHORT TERM RENTALS
- 8 DIVISION 1 IN GENERAL
- 9 Sec. 26-613. Purpose
- A) This Article sets forth comprehensive standards governing the short-term rental of immovable property for lodging or sleeping purposes, and establishes requirements and enforcement mechanisms intended to encompass and regulate all persons engaged in the business of short-term rentals, including without limitation, property owners, property managers, leasing agents, and platforms that facilitate Short-Term Rentals.

B) This Article is adopted pursuant to the City's police power to preserve the City's permanent housing stock, balance the economic opportunity created by short-term rentals with the need to maintain a supply of long-term rental housing stock available at a range of prices, reduce any indirect negative effects on the availability of affordable housing that results from the dedication of long term housing stock to Short-Term Rental use, create a level playing field for all parties engaged in the business of providing lodging, ensure the sufficient collection of tax revenue, mitigate the disruptive effects that unmonitored short-term rentals can have on neighborhoods, and protect the livability and quality of life of the City's residential neighborhoods.

#### Sec. 26-614. – Definitions

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- 25 Except as otherwise expressly provided in this Article, the following terms and their variant
- 26 forms shall mean the following:
- 27 "Booking Transaction" means any contractual agreement between a Guest and an Owner
- 28 relative to a Short-Term Rental.
- 29 "Department" means the Department of Safety and Permits, unless otherwise specified herein.
- 30 "Dwelling Unit" means a room, or group of rooms, providing complete, independent living
- 31 facilities, including permanent provisions for living, sleeping, eating, cooking and sanitation for
- 32 one or more persons.
- 33 "Guest" means any person who occupies a Dwelling Unit pursuant to a Short-Term Rental.
- 34 "Operator" means a natural person possessing a Short-Term Rental Operator's Permit. An
- 35 Operator who meets the legal requirements may also possess a Short-Term Rental Owner Permit.
- 36 "Owner" means a person who owns at least a 50% interest in a Dwelling Unit used for Short-
- 37 Term Rentals.

"Platform" means one or more portals, listing services, or websites under common ownership or control through which a person, other than an Owner, collects or receives a fee, directly or indirectly, for facilitating Booking Transactions. A Platform shall not include a service that merely posts advertisements for Short Term Rentals.

"Primary Residence" means the Owner's bona fide principal home, as indicated by the possession of a valid homestead exemption authorized by the Orleans Parish Assessor's Office.

"Short-Term Rental" means the use and enjoyment of a Dwelling Unit, or any portion thereof,

fruits, services, or other performances. Hotels, motels, bed and breakfasts, and other land uses explicitly defined and regulated in the CZO separately from Short-Term Rentals are not considered to be Short-Term Rentals.

by guests for a period of less than thirty consecutive days, in exchange for money, commodities,

# Sec. 26-615. - Short-Term Rental Permits Required

- A) No Dwelling Unit in Orleans Parish shall be used as a Short-Term Rental unless:
- 1) the Owner of the Dwelling Unit possesses a valid and current Short-Term Rental
  Owner Permit issued for the Dwelling Unit in accordance with Division 2 of this
  Article, and fully complies with all legal requirements and duties imposed herein
  with respect to each and every Short-Term Rental; and
  - 2) the Owner has designated an Operator possessing a valid Short-Term Rental Operators Permit, issued in accordance with Division 3 of this Article, and such Operator fully complies with all legal requirements and duties imposed herein with respect to each and every Short-Term Rental.

59 B) No Platform shall facilitate or conduct any Booking Transaction for a Short-Term Rental 60 in Orleans Parish without first obtaining and maintaining a Short-Term Rental Platform 61 Permit issued in accordance with Division 4 of this Article. C) The permits required by this Article are regulated privileges, not rights, and can be 62 revoked or suspended by the City in accordance with the provisions provided herein. 63 D) Any permit issued pursuant to this Article is non-transferable. 64 65 E) Any change in ownership requires a new Short-Term Rental Owner Permit. F) If any required contact information changes for any permit, the person possessing the 66 permit shall immediately notify the Department in writing, and the Department shall 67 68 issue a revised Permit to reflect the updated contact information. Sec 26-616. – Short-Term Rental Permit Fees 69 A) There shall be the following Short-Term Rental Owner Permit classifications, which shall 70 71 correspond to the types of Short-Term Rental uses set forth by the Comprehensive Zoning Ordinance: 72 1) Short-Term Rental Partial-Unit Residential 73 2) Short-Term Rental Small Residential 74 75 3) Short-Term Rental Large Residential 4) Short-Term Rental Commercial 76 B) The annual permit fees, and renewals thereof, shall be due upon application filing and 77 shall be as follows: 78 1) Short-Term Rental Owner Permit (per Dwelling Unit used as a Short-Term Rental): 79 a. Type R – Residential 80

i. Partial-Unit - \$250.00

82	ii. Small Residential – \$500.00
83	iii. Large Residential – \$500.00
84	b. Type C – Commercial - \$1,000.00
85	2) Short-Term Rental Operator Permit
86	a. If the Owner is the Operator, no fee shall be required.
87	b. If the Operator is a natural person other than the Owner, for Type-R Residential
88	Short-Term Rental(s):
89	i. 1 Short-Term Rental – \$150.00;
90	ii. 2+ Short-Term Rentals - \$1,000.00
91	c. Type-C, Commercial Short-Term Rentals - \$1,000.00.
92	3) Short-Term Rental Platform Permit – \$10,000.00
93	C) The Owner shall remit to the City a \$5.00 fee for each night of occupancy of a
94	Dwelling Unit used as a Short-Term Rental for Type-R - Residential, and a \$12.00 fee
95	for each night for Type-C - Commercial Short Term Rentals, permitting enforcement
96	and other costs borne by the City. Fees shall be due and remitted along with tax
97	submissions.
98	DIVISION 2 – SHORT-TERM RENTAL OWNER PERMIT
99	Sec. 26-617 – Permit and Application – Eligibility
100	A) No Dwelling Unit may be used as a Short-Term Rental unit unless the Owner possesses a
101	Short-Term Rental Owner Permit in accordance with this Article.
102	1) A Short-Term Rental Owner Permit shall be valid for one year from the date of
103	issuance, and shall be reapplied for and renewed annually.

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 2) A separate Short-Term Rental Owner Permit shall be required for each Dwelling Unit
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 used as a Short-Term Rental.

- 3) A Short-Term Rental Owner Permit shall be consistent with the dwelling-unit-per-lot-of-record, Guest bedroom, Guest occupancy, and any other applicable density limitations set forth in the Comprehensive Zoning Ordinance.
- B) The application for a Short-Term Rental Owner Permit shall be on forms created by the

  Department, which shall, at a minimum, require the following information from applicants:
  - 1) The name, address, phone number, and email contact information of the Owner.
- 112 2) The municipal address of the Dwelling Unit associated with the Short-Term Rental

  Owner Permit.
  - 3) The total number of Dwelling Units located on the lot-of-record containing the Dwelling Unit associated with the Short-Term Rental Owner Permit application.
    - 4) The name, address, phone number, email contact information, and permit number of the Operator designated by the Owner to satisfy the requirements of this Article with respect to the Dwelling Unit associated with the Short-Term Rental Owner Permit. If the designated Operator has not yet received a permit number, the applicant shall provide evidence of a contemporaneous application for a Short-Term Rental Operator's Permit by the designated Operator.
  - C) The following additional documentation shall be submitted to the Department, along with the application, prior to processing:
    - 1) A list of Platforms that will be used to solicit Booking Transactions for the Dwelling
      Unit associated with the Short-Term Rental Owner Permit, and correlating print-outs
      or URL links soliciting the Short-Term Rental, if any.

127	2) A floor plan depicting all:
128	i. entrance and exit doors,
129	ii. windows,
130	iii. Guest bedrooms and bedrooms,
131	iv. bathrooms,
132	v. kitchens, and
133	vi. interior doors.
134	3) An evacuation plan indicating:
135	i. the fire exits and escape routes;
136	ii. the location of smoke detectors;
137	iii. the location of fire extinguishers; and
138	iv. the location of carbon monoxide detectors.

139	4)	A site plan	indicating the location of any required parking.
140	5)	If the appl	ication is for a Commercial Permit:
141		i.	A Noise Abatement Plan;
142		ii.	A Security and Operation Plan; and
143		iii.	A Sanitation Plan.
144	6)	An attestat	ion signed by the Owner providing that:
145		i.	the Dwelling Unit has no outstanding property taxes or City liens
146			associated with the lot-of-record, nor does the owner owe any other
147			outstanding taxes to the City, including taxes and fees owed in
148			connection with Short-Term Rentals;
149		ii.	the Dwelling Unit complies, and will comply during any Short-Term
150			Rental of the Dwelling Unit, with all standards contained in the City's
151			Minimum Property Maintenance Code and all health safety requirements
152			contained in the Building Code;
153		iii.	the Dwelling Unit has working smoke detectors inside and outside every
154			bedroom, carbon monoxide alarms outside every bedroom, and a
155			properly maintained and charged fire extinguisher on all habitable
156			floors;
157		iv.	the Dwelling Unit is not subject to any contractual restrictions
158			precluding the Dwelling Unit from being used for Short-Term Rentals,
159			including but not limited to: homeowner association agreements,
160			condominium bylaws, restrictive covenants, or building restrictions; and
161		v.	the Owner has read, understands, and agrees to comply with all legal
162			duties imposed by this Article and the Comprehensive Zoning
163			Ordinance.
164			• The Owner possesses insurance that meets the requirements of
165			Sec. 26-618 (A)(1).

166			<ul> <li>For all Residential permits, the Dwelling Unit used as a Short-</li> </ul>
167			Term Rental is located on the same lot of record as the owner's
168			primary residence, and the owner possesses a valid Homestead
169			Exemption at that property.
170		vi.	The Owner will not discriminate in guest use or rental of a Short-Term
171			Rental, and will comply with all applicable anti-discrimination laws,
172			including but not limited to: Title VII of the Civil Rights Act of 1968,
173			the Fair Housing Act (FHA), and the Americans with Disabilities Act
174			(ADA).
175	D) Every	Short-Term	Rental Owner Permit issued by the Department shall contain the following
176	inforn	nation:	
177	1)	Short-Term	n Rental Owner Permit number,
178	2)	Municipal	address of the Dwelling Unit associated with the permit;
179	3)	Owner's n	ame and contact information;
180	4)	Operator's	name and contact information;
181	5)	Permit type	e, including the Residential sub-type, if applicable;
182	6)	The permit	's effective and expiration dates; and
183	7)	The Guest	bedroom and occupancy limit of the Dwelling Unit associated with the
184		permit.	
185	E) Renew	als shall be	obtained in the same or substantially similar form and manner as the initial
186	permit	, and shall a	lso require:
187		i.	Completion and submission of a form created by the Department of
188			Finance providing the associated Short-Term Rental taxes and fees paid
189			to the City for the previous permit year. The form, which shall be
190			deemed confidential tax records for purposes of La. R.S. 47:1508, shall
191			include at a minimum:
192			a) A statement indicating if the required taxes and fees were paid by
193			the Owner, a Platform, or both, for the preceding tax year and in
194			what total amounts;
195			b) The total number of nights the dwelling unit used as a Short-
196			Term Rental was rented in the previous calendar year; and

197		c) The rates charged for each highly rentar, and
198	ii.	Updated contact information, if applicable;
199	iii.	An attestation signed by the Owner providing that, in addition to the
200		continued compliance with the items specified in subpart (C), that the
201		Short-Term Rental Owner Permit has not been revoked in the previous
202		year;
203	iv.	An updated list of Platforms that are used to solicit Books Transactions
204		for the Dwelling Unit associated with the Short-Term Rental Owner
205		Permit, and correlating print-outs of the Universal Resource Locator
206		(URL) soliciting the Short-Term Rental (for example:
207		http://www.vrbo.com/XXXXX or https://www.airbnb.com/rooms/xxxxxx)
208		; and
209	v.	If a Type C - Commercial Short-Term Rental, proof of a favorable,
210		annual City fire inspection.

#### Sec. 26-618 - Legal Duties of a Short-Term Rental Owner Permit Holders

- **A.** Legal Duties. An Owner possessing a Short-Term Rental Owner Permit shall comply at all times with the following requirements:
  - 1) **Insurance.** The Owner shall maintain in full force and effect at all times, a minimum of \$1,000,000 in "commercial general liability" insurance per occurrence, combined single limit, for bodily injury, personal injury, and property damage arising in any way from the issuance of the permit or activities conducted pursuant to the permit, for each dwelling unit used as a Short-Term Rental.
  - 2) Guest Records. The Owner shall maintain Guest registration records, which shall contain the actual dates of occupancy, total number of Guests per party, per stay, and the rate(s) charged. Such records shall be maintained for three years and shall be provided to the City upon request, in accordance with applicable law. Personally identifiable Guest information may be redacted.
  - 3) **Short-Term Rental Advertisements.** The Owner shall ensure that the following information be provided in connection with any Short-Term Rental advertisement:
    - a. the Short-Term Rental Owner Permit number;

227	b. the Short-Term Rental Operator Permit number of the
228	designated Operator;
229	c. whether the Dwelling Unit is wheelchair accessible or
230	otherwise compliant with the Americans with Disabilities
231	Act;
232	d. the number of available Guest bedrooms as indicated on the
233	Owner Permit; and
234	e. the maximum available occupancy of the Dwelling Unit as
235	indicated on the Owner Permit.
236	4) Adherence to Dwelling and Occupancy Limits. Short-Term Rentals shall be subject
237	to, and may not exceed, the dwelling-unit-per-lot-of-record, Guest bedroom, Guest
238	occupancy, and density limitations set forth in the Comprehensive Zoning Ordinance.
239	5) Required Postings at the Short-Term Rental.
240	a. The Owner shall ensure that a copy of the Owner permit is
241	displayed in a location clearly visible and legible to both
242	Guests and neighbors.
243	b. The Owner shall ensure that the following are displayed in a
244	location clearly visible and legible to Guests:
245	i. An evacuation diagram identifying fire escapes and
246	all means of egress from the Dwelling Unit and the
247	building in which the Dwelling Unit is located; and
248	ii. Trash disposal and recycling collection days.
249	6) Health and Safety. The Owner shall ensure that each Dwelling Unit governed by this
250	Article complies with the following standards:
251	a) Walls, ceilings, floors, windows, fixtures and furnishings
252	throughout the Dwelling Unit shall be maintained in a clean
253	condition at all times and shall be in good repair.

- b) All rooms shall be adequately lighted and properly ventilated by natural or artificial means or both, and shall be provided with adequate heating and air-conditioning facilities. All natural gas fired heaters shall be vented to the outside atmosphere.
- c) Each Guest shall be furnished with clean towels, washcloths, and bed linens. Sheets must be of sufficient width and length to completely cover the mattress and be turned under the mattress so as to properly secure the sheet. All towels, washcloths and bed linens shall be kept in good repair and changed between rentals.
- d) All dishes, utensils, pots, pans and other cooking utensils shall be provided to Guests in a safe and sanitary condition. The Permittee shall ensure that all perishables left by the Guests are disposed of at the conclusion of a Short-Term Rental.
- Each Dwelling Unit shall have a working fire extinguisher, smoke alarms, and carbon monoxide detectors and shall comply with all applicable fire codes;
- f) The Dwelling Unit shall have working locks, operable by Guests, at all points of ingress and egress;
- g) Every Dwelling Unit shall comply with applicable provisions of the Comprehensive Zoning Ordinance, the Minimum Property Maintenance Code as provided in Chapter 26, Article IV, and the New Orleans Building Code, as provided in Sec. 26-14 et. seq.
- 7) Short-Term Rental Guest Use Limitations. The Owner shall ensure that no Dwelling Unit used as a Short-Term Rental, is used as a reception facility, or any other commercial use defined by the Comprehensive Zoning Ordinance, during Guest use of the Short-Term Rental.
- 8) Criminal Activity. The Owner shall timely report any known or suspected criminal activity by a Guest to the New Orleans Police Department.

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287	10) Owner/Operator Availability.
288	The Owner shall:
289	a. Ensure the permitted Operator is available during all periods
290	of Guest occupancy, including nights and weekends, to
291	facilitate compliance with this Article. Availability requires
292	at a minimum, that the Operator be:
293	1. accessible by telephone; and
294	2. able to be physically present at the Short-
295	Term Rental within one hour of being
296	contacted.
297	b. Serve as the point of contact for Guests.
298	c. Receive and timely resolve complaints from neighbors
299	regarding disruptive Short-Term Rentals.
300	11) Taxes and Fees. Except for those instances in which a Platform bears the responsibility
301	for collecting and remitting taxes and fees applicable to Short-Term Rentals, as provided
302	in Sec. 26-622.1, the Owner shall timely remit all applicable local, state, and federal
303	taxes and City fees owed in connection with any Short-Term Rental. The failure of a
304	Platform to collect and remit taxes and fees pursuant to Sec. 26-622.1 shall not relieve
305	an owner of the obligation to pay taxes and fees owed pursuant to this Article.
306	12) Compliance with Other Laws. The Owner shall ensure that any Short-Term Rental
307	fully complies with this Article, the Comprehensive Zoning Ordinance, and all other
308	applicable laws.
309	B) Prohibited Acts. The following acts shall be prohibited and may be grounds for suspension
310	or revocation of a Short-Term Rental Owner Permit, or any other remedy authorized by the
311	Article.
312	1) Advertising an illegal Short-Term Rental.
313	2) Exceeding in any advertisement, the legally available dwelling-unit-per-lot-of-
314	record limitation set forth in the Comprehensive Zoning Ordinance.

9) Reasonable Inspections. The Owner shall submit to inspections authorized by Sec. 26-

315 3) Exceeding in any advertisement, the legally available Guest bedroom limitation set 316 forth in the Comprehensive Zoning Ordinance. 317 4) Exceeding in any advertisement, the legally available Guest occupancy limitations 318 set forth in the Comprehensive Zoning Ordinance. 5) Exceeding the dwelling-unit-per-lot-of-record limitation set forth in the 319 320 Comprehensive Zoning Ordinance. 321 6) Exceeding the Guest bedroom limitation set forth in the Comprehensive Zoning 322 Ordinance. 323 7) Exceeding the Guest occupancy limitations set forth in the Comprehensive Zoning 324 Ordinance. 325 8) Using a Dwelling Unit as a reception facility, or for any other commercial use 326 defined by the Comprehensive Zoning Ordinance, during a Short-Term Rental. No 327 special event permit shall be obtained for an event occurring at a Dwelling Unit 328 during any period of Guest occupancy. 329 9) Rental of the Dwelling Unit by the hour or for any period less than one night. 10) Rental of a single Dwelling Unit to more than one party of Guests at one time. 330 331 11) Short-Term Rental use that generates excessive loud sound, offensive odors, public 332 drunkenness, unlawful loitering, lewd conduct by Guests or any effect that 333 otherwise unreasonably interferes with neighbors' quiet enjoyment of their properties. For purposes of this paragraph, excessive loud sound means any noise, 334 335 generated from within the Dwelling Unit or having a nexus to the Dwelling Unit that is louder than a conversational level, or any music that is plainly audible from 336 337 the property line of the lot containing the Dwelling Unit, between the hours of 10:00 p.m. and 8:00 a.m. 338 339 12) Short-Term Rental use that places loads on structural elements or components of buildings, including, but not limited to, porches, balconies, and roof decks, in 340 excess of the minimum design loads required by the Building Code. 341

the Sanitation Plan.

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13) Violations of the submitted Noise Abatement Plan, Security and Operation Plan, or

- 344 14) Discriminating against any Guest, or potential Guest, because of race, color, sex, 345 gender identity, age, religion, disability, national origin, ancestry, sexual 346 orientation, marital status, parental status, military discharge status or source of 347 income.
  - 15) Failure to comply with any other legal duty imposed by this Article or correlating provisions in the Comprehensive Zoning Ordinance, and all other applicable laws.
  - C) Ongoing Duty. An Owner possessing a Short-Term Rental Owner Permit may delegate the performance of any duties set forth in this Section to the permitted Short-Term Rental Operator identified in the Owner's application to the Department. Notwithstanding that delegation, the Owner remains principally responsible for the performance of all duties created hereunder, and may not assert the non-performance of a Short-Term Rental Operator as a defense to any action arising from a breach of the Owner's duties under this Article.

#### DIVISION 3 – SHORT-TERM RENTAL OPERATOR PERMIT

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## 357 Sec. 26-619 – Short-Term Rental Operator Permit & Application – Eligibility

- 358 A) Every Dwelling Unit used as a Short-Term Rental in Orleans Parish shall be operated by a natural person holding a Short-Term Rental Operator Permit.
  - 1) A natural person who holds a Short-Term Rental Owner Permit may act as the Operator, but must separately apply for and obtain a Short-Term Rental Operator Permit.
  - 2) The Short-Term Rental Operator Permit is valid for one year from the date of issuance, and shall be reapplied for and renewed annually.
  - 3) A separate Short-Term Rental Operator Permit shall be required for each Dwelling Unit used as a Short-Term Rental.
- The application for a Short-Term Rental Operator Permit shall be on forms created by the
  Department, which shall require, at a minimum, the following information:
  - 1) The name, address, phone number and email contact information of the Operator.
- The municipal addresses of all Dwelling Units for which the Operator is responsible, together with the name and contact information of the Owner of said units, if different from the Operator.

373	3) An attestation that the Operator has read, understands, and agrees to comply with all
374	legal duties imposed by this Article, and in the Comprehensive Zoning Ordinance.
375	4) Proof that the Operator is at least 18 years of age.
376	5) A Nuisance Prevention and Neighborhood Complaint Response Plan for each
377	Dwelling Unit used as a Short-Term Rental.
378	C) Renewals shall be obtained in the same or substantially similar form and manner as the
379	initial permit, and shall require:
380	i. An attestation signed by the Operator providing that, in addition to the items
381	specified in subpart (B), that a Short-Term Rental Operator Permit has not
382	been revoked in the previous year; and
383	ii. Updated contact information, if applicable.
384	Sec. 26-620 - Legal Duties of Short-Term Rental Operator Permit Holders
385	A) Legal Duties. Any person possessing a Short-Term Rental Operator Permit shall comply at
386	all times with the following requirements:
387	1) Operator Availability. The Operator shall:
388	a) Be available during all periods of Guest occupancy, including nights and
389	weekends, to facilitate compliance with this Article. Availability requires, as
390	a minimum, that the Operator:
391	1. be accessible by telephone; and
392	2. be able to be physically present at the
393	Dwelling Unit within one hour of being
394	contacted.
395	b) Serve as the point of contact for Guests.
396	c) Receive and timely resolve complaints from neighbors regarding disruptive
397	Short-Term Rentals.
398	2) Guest Records. The Operator shall be solidarily responsible with the Owner for
399	ensuring full compliance with the Guest record-keeping requirements set forth in Sec.
400	26-618(A)(2).

3) Short-Term Rental Advertisements. The Operator shall be solidarily responsible with the Owner for ensuring full compliance with the advertising requirements set forth in Sec. 26-618(A)(3).

- 4) Adherence to Dwelling and Occupancy Limits. The Operator shall be solidarily responsible with the Owner for ensuring full compliance with the dwelling-unit-perlot-of-record, Guest bedroom, Guest occupancy, and density limitations set forth in Sec. 26-618 (A)(4).
  - 5) Required Postings at the Short-Term Rental. The Operator shall be solidarily responsible with the Owner for ensuring full compliance with the posting requirements set forth in Sec. 26-618(A)(5).
  - 6) **Health and Safety.** The Operator shall be solidarily responsible with the Owner for ensuring full compliance with each of the health and safety requirements set forth in Sec. 26-618(A)(6)(a) through (g).
  - 7) Short-Term Rental Guest Use Limitations. The Operator shall be solidarily responsible with the Owner for ensuring that no Dwelling Unit associated with a Short-Term Rental Owner Permit be used as a reception facility, or any other commercial use as set forth in Sec. 26-618(A)(7).
- 8) Criminal Activity. The Operator shall be solidarily responsible with the Owner for reporting any known or suspected criminal activity by a Short-Term Rental Guest to the New Orleans Police Department as set forth in Sec. 26-618(A)(8).
- 9) Reasonable Inspections. The Operator shall be solidarily responsible with the Owner for facilitating inspections required by Sec. 26-618(A)(9).
- 10) **Compliance with Other Laws.** The Operator shall ensure that any Short-Term Rental fully complies with this Article, the Comprehensive Zoning Ordinance, and all other applicable laws.
- B) **Prohibited Acts.** The following acts shall be prohibited and may be grounds for suspension or revocation of a Short-Term Rental Operator Permit, or any other remedy authorized by the Article.
  - 1) Advertising an illegal Short-Term Rental.
  - 2) Exceeding in any advertisement, the legally available dwelling-unit-per-lot-of-record limitation set forth in the Comprehensive Zoning Ordinance.

3) Exceeding in any advertisement, the legally available Guest bedroom limitation set forth in the Comprehensive Zoning Ordinance. 4) Exceeding in any advertisement, the legally available Guest occupancy limitations set forth in the Comprehensive Zoning Ordinance. 5) Exceeding the dwelling-unit-per-lot-of-record limitation set forth in the Comprehensive Zoning Ordinance. 6) Exceeding the Guest bedroom limitation set forth in the Comprehensive Zoning Ordinance. 

- 7) Exceeding the Guest occupancy limitations set forth in the Comprehensive Zoning Ordinance.
- 8) No Dwelling Unit associated with a Short-Term Rental Owner Permit may be used as a reception facility, or any other commercial use defined by the Comprehensive Zoning Ordinance. No special event permit shall be obtained for an event occurring at a Dwelling Unit during any period of Guest occupancy.
- 9) Rental of the Dwelling Unit by the hour or for a period less than one night.
- 10) Rental of a single Dwelling Unit to more than one party of Guests at one time.
- 11) Short-Term Rental use that generates excessive loud noise, offensive odors, public drunkenness, unlawful loitering, lewd conduct by Guests or any effect that otherwise unreasonably interferes with neighbors' quiet enjoyment of their properties. For purposes of this paragraph, excessive loud noise means any noise, generated from within the Dwelling Unit or having a nexus to the Dwelling Unit that is louder than a conversational level, or any music that is plainly audible from the property line of the lot containing the Dwelling Unit, between the hours of 10:00 p.m. and 8:00 a.m.
- 12) Short-Term Rental use that places loads on structural elements or components of buildings, including, but not limited to, porches, balconies, and roof decks, in excess of the minimum design loads required by the Building Code.
- 13) Violations of the submitted Noise Abatement Plan, Security and Operation Plan, or the Sanitation Plan.
- 14) Discriminating against any Guest, or potential Guest, because of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status or source of income.

463 15) Failure to comply with any other legal duty imposed by this Article, correlating 464 provisions in the Comprehensive Zoning Ordinance, or any other applicable law. 465 DIVISION 4 – SHORT-TERM RENTAL PLATFORM PERMIT 466 Sec. 26-621. - Annual Short-Term Rental Platform Permit & Application 467 A) Any Platform that receives anything of value for directly or indirectly facilitating or 468 conducting a Booking Transaction for Short-Term Rentals in Orleans Parish shall possess a 469 Short-Term Rental Platform Permit. 470 B) The Short-Term Rental Platform Permit is valid for one year from the date of issuance, and 471 shall be reapplied for and renewed annually. 472 C) The Short-Term Rental Platform Permit application shall require the following information, 473 at a minimum: 474 1) The applicant's name, trade name, address, and telephone number; 2) Proof that the applicant is in good standing with the Louisiana Secretary of State and 475 476 authorized to do business within the State of Louisiana; 3) The name, address, phone number and e-mail address of the Platform's local agent 477 478 authorized for service of process; and 4) The name, address, phone number and e-mail address of the Platform's local agent 479 authorized by the applicant to address and remedy any violation of this Article. 480 481 5) The names and web addresses of any portal, listing service, or website under the applicant's ownership or control that facilitates booking transactions in Orleans Parish. 482 Sec. 26-622. - Legal Duties of Short-Term Rental Platform Permit Holders. 483 Any person possessing a Short-Term Rental Platform Permit shall comply at all times with the 484

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following requirements:

1) No Platform may conduct, facilitate, or complete any Booking Transaction for a Short-Term Rental of a Dwelling Unit in Orleans Parish that is not in compliance with this Article. A Short-Term Rental is not in compliance with this Article if (i) the Owner of the Dwelling Unit does not possess a valid Short-Term Rental Owner Permit for that Dwelling Unit; (ii) the Dwelling Unit is not operated by an Operator with a valid Short-Term Rental Operator Permit, or (iii) use of the Dwelling Unit for Short Term Rentals would contravene the Code of the City of New Orleans, the Comprehensive Zoning Ordinance, or any other municipal, state, or federal law. 2) Each Platform shall have a duty to obtain commercial general liability insurance, with limits of not less than \$1,000,000 per occurrence, for bodily injury, personal injury (if commercially 

- liability insurance, with limits of not less than \$1,000,000 per occurrence, for bodily injury, personal injury (if commercially available) and property damage arising in any way from the issuance of the Short-Term Rental Platform Permit or activities conducted pursuant to that permit. Each policy of insurance shall:

  (i) be issued by an insurer authorized to insure in the State of Louisiana; (ii) name the City of New Orleans as an additional insured on a primary, noncontributory basis for any liability arising directly or indirectly from the issuance of the permit (if commercially available); (iii) be maintained in full force and effect for the duration of the permit period; and (iv) include a provision requiring 30 calendar days' advance notice to the Department prior to cancellation or lapse of the policy.
- 3) A Platform shall ensure that any portal, listing service, or website under its ownership or control that facilitates booking transactions in Orleans parish complies with the terms and requirements of this Article.
- B) The provisions of Division 4 shall be interpreted in accordance with other applicable State and Federal law(s).

## Sec. 26-622.1 – Collection of Payments of Taxes/Fees for Booking Transactions

- A) With respect to any Booking Transaction facilitated by or through a Platform, the
  Platform shall be responsible for collecting and remitting all applicable sales and use
  taxes owed by the Owner in accordance with the provisions of that Chapter.
  - B) With respect to any Booking Transaction facilitated by or through a Platform, the Platform shall collect from the Owner and remit to the City the occupancy fee imposed by Sec. 26-616(C) of this Chapter. The foregoing shall be collected and remitted contemporaneously with, and in the manner prescribed for, applicable sales and use taxes.
  - C) When collecting and remitting taxes and fees on behalf of an Owner, each Platform shall comply with all applicable federal, state and local laws and regulations regarding collection and payment of taxes.
  - D) Every Platform remitting taxes pursuant to this section shall maintain its records in such a manner and in such detail that will permit the Director of Finance or his duly authorized agents to readily verify the correctness of any tax or fee due pursuant to this Article. In furtherance of this requirement and in accordance with applicable law, the Director may perform an audit and examine the books, records, papers, vouchers, accounts and documents of a Platform to ensure full compliance with this Section.

#### Sec. 26-623. – Platform Safe Harbor

Platforms shall be deemed in compliance with the legal duties set forth in Sec. 26-622 (A)(1) if:

- A) The Platform requires any person who lists a Dwelling Unit located in Orleans Parish for a Short-Term Rental to provide the Short-Term Rental Owner Permit number and the Short-Term Rental Operator Permit number associated with the Dwelling Unit at the time of the listing;
- B) The Platform does not permit the listing of a Dwelling Unit located in Orleans Parish for a Short-Term Rental if the required Owner and Operator permit information is omitted or appears blank, ensuring that the City may assess whether the Dwelling Unit possesses the appropriate permits and is otherwise operating in accordance with law; and
- C) The Platform removes any improper listings within seven days of the Department providing written notification of an unpermitted or unauthorized Short-Term Rental.

A permitted Platform that avails itself of this safe harbor does not warrant the accuracy of user-submitted permit data, and shall not be legally responsible for any incorrect information submitted by an Owner or Operator. DIVISION 5- DEPARTMENT OF SAFETY AND PERMIT'S SHORT-TERM RENTAL RESPONSIBILITIES AND POWERS Sec. 26-624. - Departmental authority. A) Receive Short-Term Rental applications. The Department shall receive and process all Short-Term Rental permit applications and determine applicant eligibility.

eligible applicants, as determined by the Department.

# C) Inspections.

1) The Director of the Department or a duly authorized representative shall have the power to inspect any Short-Term Rental to determine compliance with this Article.

B) Issue Eligible Short-Term Rental permits. The Department shall issue permits only to

- 2) Inspection may occur at any reasonable time, upon the production of proper identification by a representative of the Department, whenever the Director of the Department has a reasonable belief that a Dwelling Unit or a Short-Term Rental is in violation of any of the provisions of this Article, the Comprehensive Zoning Ordinance, or the Building Code as provided in City Code Sec. 26-14 et. seq.
- 3) Prior to any inspection of an occupied Dwelling Unit, the Department shall present credentials to the Owner, Operator, or Guest and request entry. If the Short-Term Rental is unoccupied, the Department shall attempt to locate the Owner or Operator and request entry. If the Department does not obtain timely consent to enter a Dwelling Unit, it may attempt to secure entry as provided in subpart (4), below.

4) Warrant for inspection. If the Owner or Operator of the Short-Term Rental refuses within 72 hours of Department's request, admittance to the Director of the Department or his/her duly authorized representative for the purpose of making an inspection or examination of the premises, the Director or his representative may present an affidavit to any judge of the municipal court stating that he has cause to believe that an inspection of the designated premises will reveal designated violations of this article.

- a) The affidavit alleging probable cause shall identify the factual basis for the belief that the Short-Term Rental is not in compliance with this Article, or correlating provisions in the Comprehensive Zoning Ordinance.
- b) Upon receiving the affidavit, the judge may issue a warrant authorizing the Director or his representative to search the premises.

  The scope of the search authorized by the warrant shall be limited to a search for those designated, alleged violations.
- 5) An Owner may avoid an inspection authorized by Subpart C of this Section by voluntarily forfeiting his or her Short-Term Rental Owner's Permit, in which case the permit shall be deemed revoked. Nothing herein shall limit the authority of a law enforcement body to secure a search warrant in connection with criminal activity at a Dwelling Unit unrelated to compliance with this Article or the authority of the Department to conduct lawful inspections of a Dwelling Unit unrelated to compliance with this Article.
- D) Rescission of permits issued in error. The Department is authorized to cancel a permit issued under this Article whenever a permit so issued is in error, or in contravention of this Article or the Comprehensive Zoning Ordinance.
- E) **Enforcement.** The Department shall not be responsible for the enforcement of correlating taxation provisions dictated by Chapter 150 of the Code of the City of New Orleans.
- F) **Records.** The Department shall maintain a registry of all permit types and correlating permit numbers issued to Owners, Operators, and Platforms pursuant to this Article.

## Sec. 26-625 – Permit Issuance and Renewal – Departmental Determination

- A) The Department shall have discretion to determine whether an applicant for a permit is eligible, and if the Dwelling Unit identified in the application meets the criteria established by law, and whether a permit should be issued. The department may decline to issue or renew a permit when it has good cause to do so. In determining whether "good cause" exists, the Department may consider prior violations of this Chapter, as well as prior suspensions and revocations. If a permit is not ultimately issued or renewed by the Department, an applicant may appeal as provided in Sec.26-625(B).
- B) If a permit is denied, the Department shall provide written reasons to the applicant upon request. The written reasons shall be sent to the e-mail provided in the application. The applicant can appeal the Department's determination, within 30 days of the transmission, by requesting in writing a hearing with the Department.
  - If the denial is due to any conflict with the Comprehensive Zoning Ordinance, the appeal shall directed to and heard by the Board of Zoning Adjustments.
  - 2) If the denial is for any reason other than a conflict with the Comprehensive Zoning Ordinance, the appeal shall be docketed by the Department for a hearing before an Administrative Hearing Officer in accordance with the procedures provided in Chapter 6, Article II of the Code of the City of New Orleans.
- C) The issuance or renewal of a permit under this Article shall not be deemed to warrant, on behalf of the City, that the Owner, Operator, or Platform is in compliance with law or that a Dwelling Unit is fit for occupancy. This Article shall not create any right of action against the City by a Guest or any third-party.

#### **DIVISION 6 - ENFORCEMENT**

#### Sec. 26-626. – Violations – Notice and Hearing

- A) Any violation of this Article is prohibited, and shall subject the Owner, Operator, or Platform to penalties as provided in Sec. 26-629.
- B) Notice and hearing requirements for determining violation(s) shall be in accordance with the administrative procedures provided in Chapter 6, Article II of the Code of the City of New Orleans.

### Sec. 26-627. – Immediate Suspension Procedures – Owner Permit

- A) If the Department has good cause to believe that the use of a Dwelling Unit as a Short-Term Rental presents an imminent threat to public health, safety, or welfare, the Director of the Department, by issuance of a written order stating the reasons for such belief, may immediately suspend the Short-Term Rental Owner Permit with respect to the unit without a hearing. The Department shall transmit notice of the Director's written order within twenty-four hours of the determination, and shall send said order to the Owner's contact information provided to the Department in the Owner Permit application.
- B) No Dwelling Unit subject to an order of suspension may be used as a Short-Term Rental.
- C) Within 14 days of the written order of suspension, a Short-Term Rental Owner may request a hearing in writing, directed to the Director of the Department. The hearing shall take place within 7 business days of the written request for a hearing. If the Owner fails to timely request a hearing, the Short-Term Rental Owner's Permit shall be deemed revoked.

# Sec. 26-628. – General Suspension and Revocation Procedures

- A) A permit issued pursuant to this Article may be suspended for a term or revoked in its entirety for violations of this Article or any other law incorporated herein.
- B) If a permit is revoked, the Permittee may not reapply for a permit for a period of one year from the date of revocation.
- C) The decision to suspend or revoke a permit shall be at the discretion of the hearing officer based on the severity of the violation and any other mitigating or aggravating circumstances surrounding the violation.
- D) Without limiting the situations in which the hearing officer might deem revocation appropriate, revocation shall be mandatory in the following circumstances:
  - 1) A Short Term Rental Owner Permit shall be revoked if the hearing officer determines by a preponderance of the evidence that:
    - i. The Owner violated Sec. 26-618(A)(4).
    - ii. The Owner violated Sec. 26-618(A)(6).
    - iii. The Owner violated Sec. 26-618(B)(8).
- iv. The Owner violated Sec. 26-618(B)(10).

665 Dwelling Unit during a three-month period. 666 vi. The Owner violated Sec. 26-618(B)(14). 667 vii. The Owner made false, misleading or fraudulent statement(s) in the 668 permit application, or misrepresented material facts in the permit 669 application, or used any scheme or subterfuge for the purpose of 670 evading any requirement of this Article. 671 2) A Short Term Rental Operator Permit shall be revoked if the hearing officer 672 determines by a preponderance of the evidence that: 673 i. The Operator violated Sec. 26-620(A)(4). 674 ii. The Operator violated Sec. 26-620(A)(6). 675 iii. The Operator violated Sec. 26-620(B)(8). 676 iv. The Operator violated Sec. 26-620(B)(10). 677 v. Three separate violations of Sec. 26-618(B)(11) have occurred at the 678 Dwelling Unit during a three-month period. 679 vi. The Operator violated Sec. 26-620(B)(14). vii. The Operator made false, misleading or fraudulent statement(s) in the 680 permit application, or misrepresented material facts in the permit 681 application, or used any scheme or subterfuge for the purpose of 682 evading any requirement of this Article. 683 684 Sec. 26-629. – Penalties A) Any person who violates this Article or the Comprehensive Zoning Ordinance shall be 685 subject to a fine of not less than \$500.00 for each offense. Each day that such violation 686 exists shall constitute a separate and distinct offense. Multiple violations can occur 687 during a single Guest stay, and may be noticed and heard in a single administrative 688 689 hearing. B) In addition to any fine or penalty imposed by this Article, the City may seek all available 690 691 relief in a court of competent jurisdiction to enjoin any violation. C) The City may seek any remedy to compel compliance with the requirements of this 692 Article or any correlating provision in the Comprehensive Zoning Ordinance, including 693 the discontinuance of electrical service and the filing of property liens. 694

v. Three separate violations of Sec. 26-618(B)(11) have occurred at the

- D) The City may revoke or suspend any and all permits required by this Article, as provided herein. If a permit issued pursuant to this Article is revoked, such revocation shall remain in effect for a period of one year from the date of revocation. The duration of suspensions shall be as dictated by the hearing officer's order.
- 699 **SECTION 2.** The effective date of this ordinance shall be December 1, 2019.
- SECTION 3. Should any section, paragraph, sentence, clause, phrase or word of this Chapter be declared invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any of the remaining sections, paragraphs, sentences, clauses, phrases or words of this Chapter.

# ADOPTED BY THE COUNCIL OF THE CITY OF NEW ORLEANS AUGUST 8, 2019

# HELENA MORENO PRESIDENT OF THE COUNCIL

# DELIVERED TO THE MAYOR ON AUGUST 9, 2019

APPROVED:

**DISAPPROVED:** AUGUST 16, 2019

# LATOYA CANTRELL MAYOR

# RETURNED BY THE MAYOR ON <u>AUGUST 16, 2019</u> AT <u>3:55 P.M.</u>

# LORA W. JOHNSON CLERK OF COUNCIL

**ROLL CALL VOTE:** 

YEAS:

Banks, Brossett, Giarrusso, Gisleson Palmer, Moreno, Nguyen, Williams - 7

NAYS:

ABSENT:

0

RECUSED: 0

j:\docs\angela\as amended-as corrected 2019\32691 ordinance as amended.docx

THE FOREGOING IS CERTIFIED
TO BE A TRUE AND CORRECT COPY

OF CLERK OF COLUMNIA