

ORDINANCE NO. 24-02-1348

AN ORDINANCE OF THE CITY OF MURPHY, TEXAS, AMENDING CHAPTER 6 “BUSINESS REGULATIONS” BY ADDING ARTICLE 6.08 “SHORT-TERM RENTALS”; PROVIDING INCORPORATION OF PREMISES; PROVIDING FOR A PENALTY PER DAY FOR EACH OFFENSE; PROVIDING A CUMULATIVE/REPEALER CLAUSE; PROVING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Murphy, Texas (the “City”), has investigated and determined that it would be advantageous, beneficial and in the best interest of the citizens of the City to amend its Code of Ordinances to establish regulations for the short-term rental (“STR”) of residential properties by amending Chapter 6 “Business Regulations” by adding Article 6.08 “Short Term Rentals”; and

WHEREAS, the City finds there are certain owners of residential STR properties within the City who do not provide adequate information on how to contact them; and

WHEREAS, the City finds some owners of residential STR properties do not have firsthand knowledge of the condition of their properties or the individuals who are renting the structure for STR; and

WHEREAS, the City desires to preserve and enhance residential neighborhoods and property values; and

WHEREAS, the City Council finds that 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 the City that were previously planned, approved, and constructed for use as single-family residences; and

WHEREAS, the City Council further finds that the unregulated use of residences by individuals for short periods of time may negatively impact the residential character of the City by reducing communication and accountability between permanent residents by partially substituting permanent residents with transient visitors; and

WHEREAS, the City Council desires to balance the health and safety of occupants of the STRs and neighboring residents and tourism in the City; and

WHEREAS, the City Council reviewed a variety of possible regulations for STRs and determined that enacting a registration program serves to balance the rights of all stakeholders through a fair regulatory framework to ensure that STRs do not become a nuisance; and

WHEREAS, the City Council supports the requirement of an annual short-term rental registration that can be revoked in the event the operator does not comply with this Ordinance, including a required fee to provide funding to defray costs associated with monitoring or compliance with city ordinances governing short-term rental license, short-term rental use, and nuisances; and

WHEREAS, the City Council finds that regulating STRs in the ways described in this Ordinance is rationally related to a legitimate and valid government objective of lessening the negative impact of STRs; and

WHEREAS, the City Council finds that regulating the short-term rental of residential property is a valid exercise of police power, necessary for the health, safety and welfare of the general public, and the protects property owners and residents of the City; and

WHEREAS, pursuant to the laws of the State of Texas, including Section 51.001 of the Texas Local Government Code, the City Council has the authority to adopt, publish, amend, or repeal an ordinance that, among other things, is for the good, government, peace, or order of the City; and,

WHEREAS, Section 92.208 of the Texas Property Code allows a municipality to adopt an ordinance that conforms to the provisions of Texas Property Code, Chapter 92, Subchapter E, related to the disclosure of ownership and management of a dwelling between landlord and tenant.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS:

Section 1. Incorporation of Premises. That all of the above recitals are found to be true and correct and are incorporated into the body of this Ordinance as if fully set forth herein.

Section 2. Amendment. Chapter 6 “Business Regulations” of the City’s Code of Ordinances is hereby amended to add Article 6.08 “Short Term Rentals” to read entirely as follows:

**Chapter 6 Business Regulations
Article 6.08 Short Term Rentals**

Sec. 6.08.001 Purpose.

This Article is adopted to promote the public health, safety, and general welfare within the city by providing neighborhood sustainability and preserving property values. Having current and reliable information about the operators of short-term rentals will allow the city to provide those operators with timely information on the condition of their properties and emergency contact information, to ensure collection of hotel and motel occupancy taxes, to protect the health and safety of guests of short-term rentals, to aid in enforcement of applicable ordinances and laws, to protect property values, and to prevent property damage within the city limits.

Sec. 6.08.002 Definitions.

Director means the city’s Director of Community Development.

Guest means a person contracting with an operator, either directly or through a short-term rental listing service, for use of a residential dwelling or premises as a short-term rental, and such person’s invitees occupying the short-term rental. Guest includes any individual person living in, sleeping in, or otherwise possessing short-term rental premises, or any portion thereof, for any portion of the time during which the rental agreement for the STR authorizes such possession. A person is not required to be paying rent, providing in-kind services, or named in any lease, contract, or other legal document to be considered a guest.

Operator means any person who operates a short-term rental, including, but not limited to, the owner, proprietor, lessee, sublessee, mortgagee in possession, licensee, manager or similar agent, or any other person otherwise operating such STR.

Short-Term Rental or STR means a dwelling that is (a) used or designed to be used as place where a person may temporarily reside, including a single-family dwelling, garage apartment, guest house, or a unit in a multi-unit building, including an apartment, condominium, cooperative or timeshare; and (b) rented wholly

or partly for a fee for a period of less than thirty (30) consecutive days. The term “Short-Term Rental” does not include a premises that is used for a nonresidential purpose, including an educational, health care, retail, restaurant, banquet space or event center purpose or another similar use, or a bed-and-breakfast or hotel.

Short-Term Rental Listing Service means a person or entity that participates in the short-term rental business by facilitating and/or collecting a fee for booking services through which an operator may offer short-term rentals to potential guests. Short-term rental listing services usually, though not necessarily, provide booking services through an online platform that allows an operator to advertise the premises through a website or mobile application provided by the short-term rental listing service and the short-term rental listing service conducts a transaction by which potential guests arrange their use and their payment, whether the potential guest pays rent directly to the operator or to the short-term rental listing service.

Short-Term Rental Permit means a permit issued by the City that identifies the subject property as a lawful short-term rental.

Sec. 6.08.003 Short-term rental permit required.

No short-term rental shall operate within the city without a current, valid short-term rental permit. All individual units having cooking, sleeping, and bathing facilities within common buildings, regardless of ownership, shall require a separate, individual permit for each unit intended to be used as a short-term rental. A person commits an offense if that person owns or operates a short-term rental in the city without a valid permit for such short-term rental. A short-term rental permit is non transferrable and may not be assigned to another person or premises, including, but not limited to, any successor in title to ownership of the STR premises or upon lease of the STR premises to a person for a period longer than thirty (30) days.

Sec. 6.08.004 Short-term rental permit application.

- (a) A person who desires to operate a short-term rental shall submit a written application for a short-term rental permit to the Director on a form available from the city or through the city's website. Each application for a short-term rental permit shall be accompanied by a non-refundable permit fee established by the City Council from time to time, and shall include the following information:
 - (1) A list of all owners, operators, agents (if applicable), and the local responsible party appointed, of the short-term rental including names, addresses, and current email addresses and telephone numbers of each such person, which for the local responsible party shall be a 24-hour available phone number;
 - (2) Authenticated (notarized) signature by the lawful owner of the premises intended for short-term rental authorizing the use of the premises for such purposes;
 - (3) An acknowledgement that any permit granted under this Article does not supersede any property-specific restrictions against short-term rentals that may exist under law, agreement, lease, covenant, or deed restriction;
 - (4) A depiction of the floor plan that identifies sleeping areas, proposed maximum number of guests, evacuation routes and location of all fire extinguishers, smoke detectors, and other safety devices;
 - (5) The guest safety information;
 - (6) Proof of property insurance;
 - (7) A sworn statement that the information in the application is accurate, and the operator has met and will continue to comply with all requirements of this Article including, but not limited to, obtaining annual independent inspections of required fire extinguishers in compliance with the city's current Fire Code;
 - (8) Proof of compliance and payment of the City's hotel occupancy tax; and
 - (9) Other information as may be required by the Director.

- (b) An application shall be considered complete when all documentation required by this Article has been provided and the permit fee has been paid. Incomplete applications will not be accepted.
- (c) Unless earlier revoked by the Director pursuant to this Article, a short-term rental permit expires on the last day of the calendar year in which the permit is issued. A permit holder shall apply for renewal prior to the expiration of the permit on a form provided by the Director. The permit holder shall update the information contained in the original permit application or any subsequent renewal applications if any of the information has changed. The permit holder shall sign a statement affirming that there is either no change in the information contained on the original permit application and any subsequent renewal applications, or that any information that has been updated, is accurate and complete. Complete application for renewal received after the expiration of a current permit shall be treated as an application for a new permit. The application for renewal of a permit shall be accompanied by non-refundable permit fee established by the City Council from time to time.
- (d) A short-term rental permit shall terminate on the date the premises are conveyed to another person, or the operator loses the legal right to operate the STR.
- (e) Upon receipt of a complete application for renewal of a short-term rental permit, the Director may deny the renewal of a short-term rental permit if it is determined that the permit was issued in error, on the basis of incorrect information supplied by the applicant, or if:
 - (1) The permit holder has pleaded no contest to or been convicted of a violation of any ordinance of the city or any state or federal law related to operation of a short-term rental on the premises or has permitted a violation on the premises of the short-term rental by any other person. Such violation may include, but is not limited to, parking, noise, littering, destruction of property, disorderly conduct, or failure to pay hotel occupancy taxes; or
 - (2) There are grounds for suspension, revocation, or other registration sanctions as provided for in this Article.

Sec. 6.08.005 Designation of local responsible party.

- (a) An operator must designate the name and contact information of a local responsible party who can be contacted regarding immediate concerns and complaints from the public about a short-term rental. The local responsible party must be available to be reached in person, or by phone at all times while guests are on the premises of a short-term rental. If called, a local responsible party must be able to and shall be present at the premises within one (1) hour of a call from the Director. A local responsible party must be authorized to make decisions regarding the premises and its occupants.
- (b) The operator shall provide timely updates to the city of any changes to the name, address and 24-hour telephone number of the local responsible person who is responsible and authorized to respond to complaints concerning the short-term rental within one (1) hour or less. Should a law enforcement officer or code enforcement official respond to the premises of a short-term rental and issue a citation or notice of violation for any violation of city ordinances or other law, the local responsible person may be contacted by the officer or designee. The local responsible person shall attempt to contact the occupants within one (1) hour of any contact from the city to address the occupants about the complaints. The operator and local responsible party must take appropriate steps to assure future complaints do not occur. Failure to provide updated information to the city regarding 24-hour local responsible person shall be a violation of this section.

Sec. 6.08.006 Parking.

- (a) The number, location, and size of off-street parking for a premises used as a short-term rental shall comply with the applicable provisions of the city's Code of Ordinances, including the city's Zoning Ordinance. Public rights-of-way, public access easements, yards, and unimproved parking surfaces shall not be included for purposes of determining compliance with the required number of parking spaces to be provided in association with the use of a property as a short-term rental.
- (b) The maximum number of motor vehicles allowed to park on the premises of a short-term rental shall be limited to the number of available off-street parking spaces.
- (c) It shall be unlawful for an operator to permit, allow or advise guests to park vehicles on the premises of a short-term rental in numbers exceeding the number of available off-street parking spaces, or to allow or authorize the parking of motor vehicles on an unapproved surface.
- (d) It shall be unlawful for a guest of a short-term rental, or an operator thereof to allow a guest to park or occupy a motor home, recreational vehicle, boat, commercial vehicle, or otherwise prohibited motor vehicle on a residential street near a short-term rental.

Sec. 6.08.007 General Standards.

It shall be unlawful and an offense for the operator or any person:

- (a) To advertise on a short-term rental listing service or offer a short-term rental without first obtaining a short-term rental permit in accordance with this Article;
- (b) To operate a short-term rental in a manner that does not comply with all applicable City ordinances and state laws;
- (c) To operate a short-term rental without collecting and paying the required hotel occupancy taxes;
- (d) To rent a short-term rental to a person who is under the age of twenty-one (21);
- (e) To post or allow signs on or off the premises of a short-term rental that indicates the property is a short-term rental;
- (f) To fail to include the city permit number for the short-term rental in all advertisements, including online, for the short-term rental within the description or body for public reference;
- (g) To permit the use of a short-term rental to promote activities that are illegal or for the purpose of temporary or transition housing for registered sex offenders; operating a structured sober, recovery or other purpose living home or similar enterprise; selling illegal drugs; selling alcohol or another activity that requires a permit or license under the Texas Alcoholic Beverage Code; operating as a sexually oriented business, or other uses that are in violation of the city's zoning ordinance for the premises;
- (h) To permit the use of a short-term rental for rental periods of less than a one-night stay; or
- (i) To permit the use of tents, hammocks, recreational/camper vehicles, or other vehicles and outdoor areas that are not residential dwellings as short-term rentals.

Sec. 6.08.008 Guest safety notification and minimum requirements.

- (a) Each operator of a short-term rental shall provide to guests of a short-term rental a brochure and post in a conspicuous location of the short-term rental the following minimum information:
 - (1) The owner, operator, or designated agent's name and twenty-four (24) hour contact telephone number of the local responsible party under this Article;
 - (2) The occupancy limits established by operator;
 - (3) Pertinent neighborhood information including, but not limited to, parking restrictions, trash collection schedules and location of required off-street parking, other available parking, and prohibition of parking in the yard and on unapproved surfaces;
 - (4) Quiet hours and noise restrictions established in the city's Code of Ordinances, or other law;
 - (5) Information to assist guests in the case of an emergency posing threats to personal safety or damage to property, including emergency and non-emergency telephone numbers for police, fire and emergency medical services and instructions for obtaining severe weather, natural or manmade disaster alerts and updates; and
 - (6) Depiction of floor plan identifying evacuation routes, including the dwelling's exits, primary evacuation routes and secondary evacuation routes near the front door of the dwelling.
- (b) Each short-term rental operator shall provide in the short-term rental working smoke detectors in accordance with adopted City Codes, and at least one working Type A fire extinguisher.
- (c) The short-term rental permit shall be posted at a conspicuous location inside the front entrance(s) to the short-term rental.

Sec. 6.08.009 Right to Inspect Short-Term Rental Premises

To ensure compliance with the requirements of this Article, a short-term rental may be inspected in the following methods:

- (a) Initial inspection. As part of the issuance of a new short-term rental permit, and any renewals thereof, the City may conduct an inspection to verify compliance with this Article.
- (b) Fire extinguishers. The operator is responsible for obtaining annual independent inspections of the fire extinguishers in compliance with the city's current Fire Code.
- (c) Inspections upon report or suspicion of a violation. The city may perform inspections when a violation of this Article or other law is reported or suspected.

Sec. 6.08.010 Revocation of permit; appeal; administrative process.

- (a) Revocation of permit. After providing an opportunity for a hearing, the Director is entitled to suspend or revoke a permit required by this Article for serious or repeated violations of any of the requirements of this Article, for violations of other applicable law relating to public health, safety, or welfare and/or for interference with law enforcement officers in the performance of their duties. Prior to suspension or revocation, the Director shall notify the permit holder in writing of the reason for which the permit is subject to suspension or revocation and that the permit shall be suspended or revoked at the end of the tenth (10th) calendar day following service of such notice unless a written request for a hearing is submitted to the Director by the permit holder within such ten (10) calendar day period referred to in the notice. If a written request for a hearing is received by the Director within the required time-period, (1) the suspension or

revocation shall not take effect unless and until the Director determines to do so in the ruling at the conclusion of the hearing; and (2) the Director shall hold a hearing and either enact or reject the suspension or revocation. At least three (3) business days before the hearing occurs, the Director shall provide the permit holder with notice of the time and place of the hearing. The permit holder shall be permitted to attend and be heard at the hearing. If no request for a hearing is filed within the ten (10) calendar day period referred to in the notice, the suspension or revocation of the permit becomes final.

- (b) Appeals. An administrative decision issued in connection with the requirements of this Article, including denial of issuance or renewal or revocation or suspension of a permit required by this Article, is final unless the permit holder submits a written request for an appeal to the City Manager. The appeal shall be filed in writing within ten (10) calendar days after the date of notice of the administrative decision. At least three (3) business days before the appeal hearing occurs, the city shall provide the permit holder with notice of the time and place of the hearing. The permit holder shall be permitted to attend and be heard at the hearing. The City Manager shall hear and rule on the appeal within thirty (30) calendar days after notice of the appeal. The City Manager shall have the power to reverse a decision of the Director on the basis that such decision was not meritorious and that such a reversal will not adversely affect the public health, safety, or welfare. The decision of the City Manager is final. The City Manager's failure to take action on any such appeal shall constitute approval of the decision by the Director.
- (c) Administrative process. A notice required by this section is properly served when it is delivered to the permit holder via hand-delivery, or when it is sent by registered or certified mail, return receipt requested, or when it is sent via courier service that provides a return receipt showing the date of actual delivery to the last known address of the permit holder.
- (d) One- Year Waiting Period. In the event an operator's short-term rental registration is revoked, no additional registration shall be issued for a short-term rental on the premises for one (1) year from the date such registration was revoked.

Sec. 6.08.011 Penalty.

A person who violates any provision of this Ordinance by performing an act prohibited by this Ordinance, or failing to perform an act required by this Ordinance, is guilty of a misdemeanor. Each day a violation exists or continues to exist shall be a separate offense. An offense under this Article shall be punishable in accordance with the general penalty described by Sections 1.01.009 and 1.01.010 of the city's Code of Ordinances.

Section 5. Cumulative/Repealer Clause. This Ordinance shall be cumulative of all provisions of state or federal law and all ordinances of the City of Murphy, Texas, except where the provisions of this Ordinance are in direct conflict with the provisions of such other ordinances, in which event the conflicting provisions of such ordinances are hereby repealed to the extent of such conflict.

Section 6. Severability Clause. If any word, section, article, phrase, paragraph, sentence, clause or portion of this Ordinance is held to be invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect for any reason, the validity of the remaining portions of this Ordinance, which shall remain in full force and effect.

Section 8. Effective Date. This Ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law and City Charter in such cases provide.

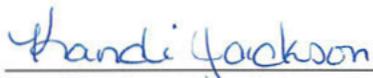
PASSED, APPROVED AND ADOPTED by the City Council of the City of Murphy, Texas, on this 20th day of February 2024.





Scott Bradley, Mayor
City of Murphy

ATTEST:



Kandi Jackson, City Secretary
City of Murphy

APPROVED AS TO FORM:



for Wm. Andrew Messer, City Attorney