

NOTICE

THE COMMISSIONERS OF THE CITY OF REHOBOTH BEACH ON APRIL 4, 2016,
ADOPTED ORDINANCE NO. 0416-01 WHICH READS AS FOLLOWS:

**AN ORDINANCE TO CREATE A NEW CHAPTER 210 OF THE MUNICIPAL CODE OF THE
CITY OF REHOBOTH BEACH, DELAWARE, 2001, TO BE TITLED “RESIDENTIAL
RENTALS”**

WHEREAS, the Commissioners of Rehoboth Beach are committed to the sustainability and long-term protection of the traditional residential character of the City’s residential neighborhoods;

WHEREAS, the use of single and multiple family dwelling units have long been used in the City for residential rental purposes to provide an alternative to traditional hotel/motel accommodations; however, such uses may have adverse impacts including, for example, increased traffic congestion, a diminished attention to proper refuse disposal, a loss of neighborly respect and concern for the enjoyment of one’s property and home, increased and sustained noise, a loss of the sense of neighborhood, and the diminution of the residential character of the City’s residentially zoned neighborhoods and residentially developed properties, that can best be addressed through appropriate regulation;

WHEREAS, the regulation of residential rentals is intended to preserve and protect the City’s neighborhoods by providing standards and procedures for residential rentals, as well as educate owners and prospective renters on City regulations and expected behaviors; and

WHEREAS, the purpose of this Ordinance is to establish regulations for such use of residential rental property thereby enabling the City to preserve the public health, safety, and welfare.

BE IT ORDAINED by the Mayor and Commissioners of the City of Rehoboth Beach, in session met, a quorum pertaining at all times thereto, in the manner following to-wit:

Section 1. The Municipal Code of the City of Rehoboth Beach, Delaware, 2001, as amended be and the same is hereby further amended by adding “Chapter 210: Residential Rentals” as follows:

Chapter 210: Residential Rentals.

§ 210-1 Title.

This Chapter shall be referred to as the “Residential Rental Ordinance.”

§ 210-2 Purpose.

The City Commissioners find and determine as follows:

- A. The use of single and multiple family dwelling units have long been used in the resort community for Residential Rental purposes to provide an alternative to traditional accommodations; however, such uses may have adverse impacts that can best be addressed through appropriate regulations.
- B. The regulation of Residential Rentals will preserve and protect the City's neighborhoods and provide standards and procedures for Residential Rentals, as well as educate prospective renters on City regulations and expected behaviors.
- C. The purpose of this Chapter is to establish regulations for such use of Residential Rentals thereby enabling the City to preserve the public health, safety, and welfare.
- D. This Chapter does not regulate hotels, motels, inns, tourist homes, rooming and boarding houses, Cabins, and Cottages, as defined herein and in Chapter 270.

§ 210- 3 Definitions.

For purposes of this Chapter, the following words and phrases shall have the meaning respectively ascribed to them by this Section:

BEDROOM - An area contained within a Residential Rental that is normally occupied, heated or cooled by any equipment listed or labeled for human habitation, and designated as a sleeping room or area.

CABIN - A small single-story residential dwelling without kitchen facilities used as a Residential Rental, located upon real property with a rental office or attendant. A cabin shall not be an accessory to a principal dwelling.

COTTAGE - A small single-story residential dwelling used as a Residential Rental, located on a property with a rental office or attendant. A cottage shall not be an accessory to a principal dwelling.

EFFICIENCY UNIT – A dwelling in which one room typically contains the kitchen, living, and sleeping quarters, but with a separate bathroom.

GOOD CAUSE - For the purposes of denial, suspension, revocation, imposition of conditions, renewal, and reinstatement of a Residential Rental License, Good Cause means: (1) the Owner, the Owner's representative, or the Local Contact Person has failed to comply with any of the terms, conditions, or provisions of this Chapter or any relevant provision of this Code, State law, or any rule or regulation promulgated thereunder; (2) the Owner, the Owner's representative, or the Local Contact Person has failed to comply with any special conditions or restrictions that were placed upon the Residential Rental License by the City Manager; (3) the Residential Rental has been operated in a manner that adversely affects the public health or welfare or the safety of the immediate neighborhood in which the Residential Rental is located; or (4) is delinquent with any taxes or fees owed to the City of Rehoboth Beach.

GOOD NEIGHBOR BROCHURE - A document prepared by the City that summarizes the general rules of conduct, consideration, and respect, including without limitation provisions of the Municipal Code of the City of Rehoboth Beach, Delaware applicable to renters and residents of the City.

LOCAL CONTACT PERSON - An individual designated by the Owner or the Owner's representative who is available twenty-four (24) hours per day, seven (7) days per week for the purpose of responding by telephone or in-person to complaints regarding the condition, operation, or conduct of occupants of the Residential Rental, and who is authorized by the Owner to take remedial action.

OWNER - The legal owner of any Property.

PROPERTY - A parcel of real property upon which Residential Rental is situated.

RENTAL TERM - The period of time an occupant and/or guest rents or leases a Residential Rental.

RESIDENTIAL RENTAL - A dwelling unit, including single-family detached, single-family attached, or multi family unit, or any portion thereof, rented for dwelling, lodging, or sleeping purposes, and which is made available by agreement for residential occupancy by a tenant in exchange for compensation.

RESIDENTIAL RENTAL LICENSE - An annual license issued by the City pursuant to this Chapter.

§ 210-4 Applicability.

This Chapter shall apply to all Residential Rentals, except for hotels, motels, inns, tourist homes, rooming and boarding houses, Cabins, and Cottages.

This Chapter shall apply to Residential Rentals of any duration, including Residential Rentals of a short term duration of 120 days or less not subject to the Delaware Residential Landlord-Tenant Code and those of a duration of more than 120 days, which are subject to the Delaware Residential Landlord-Tenant Code. Where the provisions of this Chapter are inconsistent with a provision of the Delaware Residential Landlord-Tenant Code, the provision of the provision of the Delaware Residential Landlord-Tenant Code shall be controlling.

§ 210-5 Owner Representative/Representation.

An Owner may retain an agent or a representative to comply with the requirements of this Chapter, including, without limitation, the filing of a complete Residential Rental License application, the management of any Residential Rental, and compliance with the requirements of this Chapter. Except as provided in this Chapter to the contrary, and notwithstanding any agency relationships between an Owner and an representative, the Owner of any Residential Rental shall remain responsible for compliance with the provisions of this Chapter and the failure of an Owner's representative to comply with this Chapter shall not relieve the Owner from any requirement of this Chapter.

§ 210- 6 Residential Rental License and Registration Requirements.

- A. No Owner shall rent any Residential Rental without a valid Residential Rental License.
- B. Prior to use of any property as a Residential Rental, the Owner shall apply for and obtain annually a Residential Rental License on a form provided by the City and signed by the Owner under penalty of perjury. Each application shall contain the following information:
 - (1) The name, address, email, and telephone number of the Owner of the Residential Rental for which the Residential Rental License is to be issued;
 - (2) The name, address, email and telephone number of the representative, if any, of the Owner;
 - (3) The name, address, email, and telephone number of the Local Contact Person
 - (4) The physical address of the Residential Rental for which the application is submitted;
 - (5) The number of Bedrooms contained within the Residential Rental and the maximum occupancy;
 - (6) Acknowledgement that all applicants have reviewed and understand all regulations pertaining to the Residential Rental; and
 - (7) Such other information as the City Manager deems reasonably necessary to administer this Chapter.
- C. A Residential Rental License may be denied if a license for a Residential Rental issued to the same Owner has previously been revoked for Good Cause pursuant to this Chapter. The denial of a Residential Rental License may be appealed in accordance with to the provisions of § 120-6 of the Municipal Code of the City of Rehoboth Beach, Delaware.
- D. Within 30 days of a change of property ownership, agent, or other material facts set forth in the application for any Residential Rental Licensee, a new application for a Residential Rental License and license fee shall be submitted and a new license issued before the continued operation of the Residential Rental shall be permitted.

§ 210-7 Operational Requirements and Standard Conditions.

- A. The Owner shall use reasonable business practices to ensure that the Residential Rental complies with all applicable codes concerning fire, building, health and safety, and all other relevant laws.
- B. Any new Residential Rental or previously licensed Residential Rental that has not been licensed for a period of two (2) years may be inspected by the City for compliance with the provisions of this Chapter and the building, health and safety requirements of the City and State of Delaware. Following an inspection, a notice of compliance or listing of deficiencies will be provided to the Owner or the Owner's representative.
- C. A safety certification form shall be completed by the Owner or the Owner's representative as part of the annual licensing process. Any Owner may also request a Residential Rental inspection by the City in lieu of completing the annual safety certification form.

- D. The overnight occupancy of a Residential Rental shall not exceed the sum of two (2) persons per bedroom plus an additional two (2) persons. Children under the age of six (6) years shall not be counted towards the overall number of occupants.
- E. An exception to the overnight occupancy limit under this Section may be authorized by the City Manager when an Owner requests a greater occupancy limitation than would otherwise be permitted, and demonstrates that the Residential Rental has been occupied by at least the number of individuals requested for at least twenty (20) consecutive or nonconsecutive days between January 1, 2015 and April 4, 2016. An occupancy exception shall be granted if the Building Inspector determines that the Residential Rental has adequate accommodations and life-safety features to exceed the occupancy limitations of this Section, and the City Manager determines that the additional occupancy will not be a detriment to public health, safety, or welfare. The Building Inspector may require an inspection to determine if there are adequate accommodations and life-safety features. Any request for an occupancy exception must be received by the City Manager on or before April 4, 2017. An exception granted under this this Section shall be effective until December 31, 2018, and may be reauthorized thereafter by the City Manager upon request.
- F. The Owner shall use reasonable business practices to ensure that the occupants and guests of the Residential Rental do not create unreasonable noise disturbances, engage in disorderly conduct, or violate provisions of this Code or any applicable law of the State of Delaware.
- G. During the Rental Term, the Local Contact Person shall be available twenty-four (24) hours per day, seven (7) days per week for the purpose of: (1) receiving telephone calls or other communications from the City Police Department or other City Official relative to complaints about the Residential Rental; and (2) responding to the complaint by telephone or in-person when directed by the City Police Department or other City Official.
- H. When a complaint warrants the notification of the Local Contact Person, the Local Contact Person shall be promptly notified of the complaint and requested to assist with the resolution of the same.
- I. Failure of the Local Contact Person to cooperate with City Police or City Officials in responding to a notification of a complaint concerning the condition, operation, or conduct of occupants or guests of the Residential Rental in a timely and appropriate manner shall be grounds for imposition of penalties as set forth in this Chapter. The Local Contact Person shall not be required to act as a peace officer or place himself or herself in an at-risk situation in responding to any notice provided pursuant to this Chapter.
- J. The Owner shall post a copy of the Residential Rental License and a copy of the conditions set forth in this Section in a conspicuous place within the Residential Rental.
- K. The Owner shall provide each occupant of a Residential Rental with the following information prior to occupancy of the unit and post such information in a conspicuous place within the Residential Rental:
 - 1) The name, email and a telephone number of the Local Contact Person;

- 2) The collection days for refuse, yard waste and recyclables and applicable rules and regulations pertaining to storing waste materials on the exterior of the Property;
 - 3) Notification that the City may pursue legal remedies for creating a disturbance or for violating other provisions of this Chapter;
 - 4) The requirements of the City's Noise Ordinance;
 - 5) Notification that failure to conform to the occupancy requirements of the Residential Rental is a violation of this Chapter; and
 - 6) The Good Neighbor Brochure.
- L. The City Manager shall have the authority to impose additional conditions applicable to all Residential Rentals as necessary to achieve the purpose and objectives of this Chapter. A list of all such additional conditions shall be maintained and on file in the office of the City Clerk and such offices as the City Manager may designate.
- M. The standard conditions may be modified by the City Manager upon request of the Owner based on Property-specific circumstances and for the purpose of allowing reasonable accommodation of a Residential Rental. All requests must be in writing and shall demonstrate that the standard conditions create an unreasonable hardship such that, if the requirement is not modified, reasonable use of the Property for a Residential Rental would be effectively prohibited. Any hardships identified must relate to physical constraints of the Property and shall not be self-induced or economic.

§ 210-8 Residential Rental Assessment.

- a. At the request of the City Manager, an Owner shall provide reasonable access to a Residential Rental and provide any records related to the use and occupancy of the Residential Rental for the purpose of inspection or assessment to determine that the objectives and conditions of this Chapter are being fulfilled and to investigate any reported health, safety and welfare concerns.
- b. An assessment and inspection may be deemed necessary for any of the following reasons:
 - 1) Documented violations of the Municipal Code of the City of Rehoboth Beach;
 - 2) Complaints from an occupant of the Residential Rental that a code violation exists;
 - 3) Records maintained by the Enforcement Official which were established during previous inspections and which reflect prior violations of the Municipal Code of the City of Rehoboth Beach and/or the absence of correction of such violations;
 - 4) Direct referrals for inspection from other City Officials with code enforcement responsibility or from officials of a federal, state or local agency, or from officials with a public or private utility; or
 - 5) Reports that the exterior condition of the Residential Rental reflects the existence of violations of Municipal Code of the City of Rehoboth Beach.
- c. Owners shall provide access to all required areas of a Residential Rental unit for inspection within twenty-one calendar days of an inspection request from the Building Inspector or the Building Inspector's designee. This time period may be extended upon the approval of the Chief Building Inspector. If the Residential Rental unit is legally

occupied by a tenant or other occupant, the Owner or the Owner's representative shall notify the tenant or occupant and request that the tenant or occupant allow the inspection. The Owner shall not be in violation of this section if the tenant or occupant refuses to allow the inspection.

- d. If an inspection is scheduled and entry is thereafter refused or cannot be obtained, the inspector shall have recourse to every remedy provided by law to secure lawful entry and inspect the premises, including, but not limited to, securing an inspection warrant from the Alderman Court or any other court of competent jurisdiction. The inspector shall provide notice that a warrant has been issued to both the Owner or the Owner's representative and the tenant or occupant at least twenty-four hours before the warrant is executed, unless the judge finds that immediate execution is reasonably necessary under the circumstances shown.
- e. Notwithstanding the foregoing, if the inspector has reasonable cause to believe that the Residential Rental unit is so hazardous, unsafe, or dangerous as to require immediate inspection to safeguard the public health or safety, the inspector shall have the right to immediately enter and inspect the premises and may use any reasonable means required to effect the entry and make an inspection.

§ 210-9 Violations.

- a) Any violation of this Chapter shall be a civil offense pursuant to Chapter 126 of the Municipal Code of the City of Rehoboth Beach. Any person who violates this Chapter shall pay a civil assessment of \$250.00. Each day the violation remains shall be deemed a separate civil offense.
- b) Notwithstanding the provisions of Chapter 126, any citation issued for violations of this Chapter may provide for a reasonable compliance date or time of less than fifteen (15) calendar days from the date the citation is given if, due to the nature of the violation, a shorter compliance period is necessary or appropriate, as determined in the reasonable judgment of the City Official issuing the citation.
- c) Upon the third distinct violation, in any twelve (12) month rental license period, of this Chapter or violations relating to noise or disorderly conduct, the City Manager shall call for a meeting with the Owner or the Owner's representative to determine the causes of such violation, complaints or behavior, and solutions to resolve the situation.
- d) Should there be no adequate resolution after three or more distinct violations, in any twelve (12) month rental license period, of this Chapter or violations relating to noise or disorderly conduct, the City Manager shall not issue a Residential Rental License for the Residential Rental for the next occurring rental period. Owners may appeal a decision of the City Manager to the City Commissioners within ten (10) days of the City Manager's decision.
- e) Any person who fails to timely obtain a Residential Rental License or pay any fee or charge provided in this Chapter within the time required shall pay a penalty in the amounts established by the City Commissioners by resolution. Such penalty may also include interest from the date on which the fee or charge became due and payable to the City until the date of payment.

- f) The remedies provided for in this Section are in addition to, and not in lieu of, all other legal remedies, criminal or civil, which may be pursued by the City to address any violation of this Chapter.

§ 210-10 Requirements Not Exclusive.

The requirements of this Chapter shall be in addition to any license, permit, or fee required under any other provision of this Code. The issuance of any permit pursuant to this Chapter shall not relieve any person of the obligation to comply with all other provisions of this Code pertaining to the use and occupancy of a Residential Rental and the Property on which it is located.

Section 2. If any provision of this Ordinance shall be deemed or held to be invalid or unenforceable for any reason whatsoever, then such invalidity or unenforceability shall not affect any other provision of this Ordinance which may be given effect without such invalid or unenforceable provision, and to this end, the provisions of this Ordinance are hereby declared to be severable.

Section 3. This Ordinance shall be effective immediately upon its adoption by the Commissioners of the City of Rehoboth Beach, except that the Residential Rental occupancy limitations established in Section 210-7(D) shall be effective as of January 1, 2017.

SYNOPSIS: This Ordinance establishes regulations for residential rental properties within the City.