

INTRODUCED: 7/8/2024

REFERRED TO: Metropolitan and Economic Development Committee

SPONSOR: Councilor Jones

DIGEST: amends the Code to add Chapter 852, Indianapolis Short-Term Rental Permit Program

SOURCE:

Initiated by: Department of Business and Neighborhood Services

Drafted by: Office of Corporation Counsel

LEGAL REQUIREMENTS FOR ADOPTION:

Subject to approval or veto by Mayor

PROPOSED EFFECTIVE DATE:

Adoption and approvals

GENERAL COUNSEL APPROVAL: _____

Date: July 3, 2024

CITY-COUNTY GENERAL ORDINANCE NO. _____, 2024

PROPOSAL FOR A GENERAL ORDINANCE to amend the Revised Code to add Chapter 852 Indianapolis Short-Term Rental Permit Program.

BE IT ORDAINED BY THE CITY-COUNTY COUNCIL OF THE
CITY OF INDIANAPOLIS AND MARION COUNTY INDIANA

SECTION 1. A new section of the "Revised Code of the Consolidated City and County," regarding Short-Term Rentals, is added the underlined provisions to read as follows:

Chapter 852- INDIANAPOLIS SHORT-TERM RENTAL PERMIT PROGRAM

Sec. 852-101.- Program established.

The Indianapolis Short-Term Rental Permitting is hereby established.

Sec. 852-102.- Authority.

I.C. 36-1-24 et seq. Allows a political subdivision to establish and enforce permitting programs and inspection programs for short-term rentals within a political subdivision, subject to certain conditions and limitations.

Sec. 852-103.- Definitions

For the purpose of this chapter the following definitions apply:

- (1) "Owner" has the meaning set forth in IC 36-1-24-2.
- (2) "Short term rental" has the meaning set forth in IC 36-1-24-6.
- (3) "Permit" has the meaning set forth in IC 36-1-24-4

Sec. 852-104.- Short-Term Rental Intent

The purpose of the short-term rental standards is to ensure compliance with the provisions of IC 36-1-24 as well as:

(1) Set an appropriate balance between the interests of the City's residents, business owners, visitors to the community, and property owners wishing to engage in short-term rental of dwellings;

(2) Ensure issues related to fire safety and life safety codes are met; and

(3) Allow homeowners to benefit from added income.

Sec. 852-105.- Short-Term Rental Standards

(1) Permitted Structure Types- Short-term rental units shall be in legally built dwelling units that meet all applicable building code requirements. A short-term rental may be within a primary building as defined in Section 740-202 or within an accessory building that conforms with Section 743-306 (GG): Secondary Dwelling Unit.

(2) Prohibited Structure Types- A recreational vehicle, mobile home dwelling units, travel trailer, automobile, shipping container, or similar structure. A motor vehicle, part of a motor vehicle, or any structure not intended for permanent human occupancy.

(3) Parking shall comply with Section 744, articles 4, 5 and 7 as well as Chapter 931 of the Revised Code (commercial areas).

(4) Signs shall comply with Section 744, article 9: signs of the Revised Code (commercial areas).

Sec. 852-106.- Short-Term Rental Permit Program

(1) Development Plan. Short-term rentals are not required to obtain development plan approval.

(2) Annual Permit.

(a) Each short-term rental unit shall be permitted individually on an annual basis with the Department of Business & Neighborhood Services. A permit expires one (1) year after the date the permit is issued and must be renewed annually.

(b) Applications for a permit must include the following:

(i) The owner's name, street address, mailing address, electronic mail address (if applicable), and telephone number. If the owner is a corporation or partnership, the application must require the owner's state of incorporation or organization and names, residence addresses, and telephone numbers of the owner's principal officers or partners.

(ii) If a property manager is used, the property manager's name, street address, mailing address, electronic mail address (if applicable), and telephone number.

(iii) A short description of how each of the owner's short-term rentals on the property are marketed or advertised, including the following:

(A) The advertised occupancy limits of each short-term rental.

(B) Whether the short-term rental is a single-family home; a dwelling unit in a single family home; a dwelling unit in a two-family or multifamily dwelling; or a dwelling unit in a condominium.

(iv) A permit application must be made by an owner. If the owner is a corporation, partnership, or other legal entity, the permit application must be made by an officer or agent of the owner.

(c) The Department of Business & Neighborhood Services shall collect a permit fee in the amount of one hundred fifty dollars (\$150) for each of the following:

(i) An initial permit issued to an owner for the permitted property.

(ii) The issuance of a subsequent permit to an owner for the permitted property after the owner's previous permit has been revoked.

(d) As part of the annual registration, an inspection may be required to ensure the structure/unit meets all the applicable building codes and is safe and habitable.

Sec. 852-107.- Short-Term Rental Permit Fund

There is hereby created a special fund, to be designated as the "Short-Term Permit Fund." This fund shall be a continuing, non-reverting fund, with all balances remaining therein at the end of the year, and such balances shall not revert to the city or county general funds. The controller shall deposit in this fund all fees assessed and collected pertaining exclusively to a short-term rental. This fund shall be dedicated solely to reimbursing the costs actually incurred relating to the Indianapolis Short-Term Rental Permit Program.

Sec. 852-107 Penalties and Enforcement

Short-term rental owners who do not comply with the regulations may be subject to enforcement actions including inspection, citations, and/or revocation of registration pursuant to the provisions of IC 36-1-24."

SECTION 2. Should any provision (section, paragraph, sentence, clause, or any other portion) of this ordinance be declared by a court of competent jurisdiction to be invalid for any reason, the remaining provision or provisions shall not be affected, if and only if such remaining provisions can, without the invalid provision or provisions, be given the effect intended by the Council in adopting this ordinance. To this end the provisions of this ordinance are severable.

SECTION 3. This ordinance shall be in effect from and after its passage by the Council and compliance with Ind. Code § 36-3-4-14.

The foregoing was passed by the City-County Council this ____ day of _____, 2024, at ____ p.m.

ATTEST:

Vop Osili
President, City-County Council

Yulonda Winfield
Clerk, City-County Council

Presented by me to the Mayor this ____ day of _____, 2024.

Yulonda Winfield
Clerk, City-County Council

Approved and signed by me this ____ day of _____, 2024.

Joseph H. Hogsett, Mayor