

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AMENDING ORDINANCE NO. 9559, WHICH ESTABLISHED A COMPREHENSIVE CODE TO REGULATE ISSUANCE OF, AND CONDITIONS ASSOCIATED WITH, SHORT-TERM RESIDENTIAL RENTAL BUSINESS LICENSES; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES.**

WHEREAS, on April 10, 2023, the North Little Rock City Council adopted Ordinance No. 9559, which established a comprehensive code to regulate the issuance of, and conditions associated with, short-term residential rental business licenses in the City of North Little Rock; and

WHEREAS, in order to provide clarity and avoid confusion, the provisions in the ordinance regarding the six-month start-up period should be amended.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That Section 2, Subsection B of Ordinance No. 9559 is hereby amended as follows:

**B. Allowed Use.**

1. Transient use of residential property for remuneration is allowed as provided herein. Short-term residential rentals are intended for sleeping accommodations.
2. Each transient use must continually meet all the requirements set forth herein.
3. There shall be a six-month start-up period after the enactment of the Short-term Rental Ordinance.
  - a. Existing short-term rental operators with an active City of North Little Rock business license shall have three months to submit the required documentation to maintain a business license for a short-term rental and be considered in compliance. If the process is not started within three months, the revocation process for the existing business license will be initiated because there is not a valid business license for operation of a short-term rental. Existing short-term rental operators that submit the required documentation shall be considered to be a non-conforming use and permitted to continue operation, subject to compliance with the remaining terms of this Ordinance.
  - b. Existing short-term rental properties, including ones located in an R1 or R2 Zoning District, without a City of North Little Rock business license, shall have three months to start the process for a Special Use to allow the short-term rental. To qualify as a pre-existing short-term rental satisfactory proof of operation prior to the date of adoption of this

ordinance must be provided to city staff. Documentation shall include that the unit was utilized as a short-term rental prior to the enactment date including a copy of a back dated advertisement listing the unit and a copy of a transaction prior to the adoption date documenting the unit was utilized as a short-term rental. After the six month start-up period, all short-term rental units must request and be approved a Special Use to secure a business license to be considered in compliance. After the six-month start-up period, no Special Uses shall be granted for Short-Term Rental Type 2 rentals within R1 and R2 Zoning Districts.

4. License Required – No dwelling unit in the City shall be used as a short-term rental unless:
- a. The owner of the dwelling unit or operator of the short-term rental possesses a valid and current business license for the dwelling unit, and fully complies with all legal requirements and duties imposed herein with respect to each and every short-term rental; and
  - b. The owner has designated an agent, where said agent fully complies with all legal requirements and duties imposed herein with respect to every short-term rental. The owner may serve as their own agent; and
  - c. The owner of the dwelling unit or operator of the short-term rental provides proof of a valid and current homeowner’s insurance rider policy, which fully covers each unit when operated as short-term rental unit.

SECTION 2: That all ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict.

SECTION 4: That the provisions of this Ordinance are hereby declared to be severable, and if any section, phrase or provision shall be declared or held invalid, such invalidity shall not affect the remainder of the sections, phrases or provisions.

SECTION 5: It is hereby found and determined that amendment of the short-term rental ordinance is and the immediate importance to the proper implementation of short-term rental regulations and passage of this ordinance is necessary for the preservation of the public health, safety and welfare, THEREFORE, an emergency is hereby declared to exist and this Ordinance shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

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Mayor Terry C. Hartwick

SPONSOR:

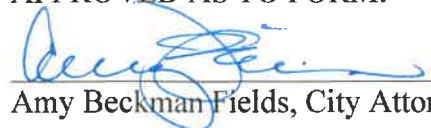
ATTEST:

  
Mayor Terry C. Hartwick

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Diane Whitbey, City Clerk

APPROVED AS TO FORM:

  
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Amy Beckman Fields, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/ABF

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| FILED  | <u>10:24</u>     | A.M. | ___ | P.M. |
| By   | <u>A. Fields</u> |      |     |      |
| DATE   | <u>8.8.23</u>    |      |     |      |
| <b>Diane Whitbey, City Clerk and Collector<br/>North Little Rock, Arkansas</b> |                  |      |     |      |
| RECEIVED BY  | <u>S. Ussey</u>  |      |     |      |