

## ORDINANCE 25-02

### AN ORDINANCE OF THE CITY OF SPRING HILL, TENNESSEE, TO AMEND TITLE 20 OF THE SPRING HILL CITY CODE BY ENACTING A NEW CHAPTER 5 THEREOF TO ADDRESS REGULATION OF SHORT-TERM RENTALS WITHIN THE CITY OF SPRING HILL

**WHEREAS**, the Board of Mayor and Aldermen recognizes the increasing existence, locally, regionally, statewide and nationally, of endeavors whereby residential dwelling units are leased, rented, utilized or occupied, in exchange for a fee and/or various forms of consideration, on a short term basis, and often advertised on or promoted pursuant to internet or digitally based platforms and/or other forms of social media; and

**WHEREAS**, the Board finds and determines that the present utilization of short-term rentals within the City, is acceptable; and

**WHEREAS**, short-term rentals should be required to comply with certain public safety and operational standards.

**NOW, THEREFORE, BE IT ORDAINED** by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee, as follows:

SECTION 1. That City of Spring Hill Code, Chapter 20, be amended by adding the following new definitions and provisions to Chapter 20, SHORT-TERM RENTALS as follows:

**Section 20-5-101.** Short-term rentals. Short-term rental is defined as follows:

- (A) “Short-Term Rental”: “Short-Term Rental” means a residential dwelling unit that is rented wholly or partially for a fee for a period of less than thirty (30) continuous days and does not include a hotel as defined in T.C.A. Section 68-14-302 or a bed and breakfast establishment or a bed and breakfast homestay as those terms are defined in T.C.A. Section 68-14-502.
- (B) As per the provisions of T.C.A. Section 13-7-601, *et seq.*, certain limited provisions of this Ordinance may not be applicable or wholly applicable to “Nonconforming Short-Term Rental”.

**Section 20-5-102.** Additional definitions.

- (A) Nonconforming: The use of a structure or land that at one time was an allowed use within a zoning district but because of subsequent amendments to the Code is no longer allowed.
- (B) Short-Term Rental Agent: A natural person designated to be responsible for daily operations by the owner of a short-term residential rental or a short-term rental Permit. Such person shall be available for and responsive to contact at all times and someone

who is customarily present at a location within Spring Hill, Tennessee, for purposes of transacting the short-term residential rental business. The short-term rental Agent must meet all other requirements set forth by state law.

- (B) Short-Term Rental Occupants: Guests, tourists, lessees, vacationers or any other person who, in exchange for compensation, occupy a short-term rental dwelling unit for lodging for a period of time not to exceed thirty consecutive days, but not in any event to be from any period of time less than overnight.

**Section 20-5-103.** Permit required.

- (A) No person or entity shall operate a Short-Term Rental, unless such use existed prior to the date of adoption of this Ordinance, unless a “Short-Term Rental Permit” or “Permit” has been first obtained from the City of Spring Hill. To obtain a Permit, an otherwise eligible applicant must submit an application in compliance with the provisions of this Chapter of the City Code on a form provided by the City. If approved, a legible copy of the Permit shall be posted within the unit and shall include all the following information:
  - (i) The name, address, telephone number and email address of the owner of the short-term rental unit and the short-term rental Agent, if applicable;
  - (ii) The Business License Number;
  - (iii) Any applicable Hotel-Motel tax certifications and or numbers as are applicable pursuant to T.C.A. §67-4-1401, *et seq.*;
  - (iv) The maximum occupancy of the unit;
  - (v) The maximum number of vehicles that may be parked at the unit; and
  - (vi) The Short-Term Rental Permit number; and
  - (v) Emergency Evacuation plan.

**Section 20-5-104.** Minimum standards for short-term rentals:

- (A) Short-Term Rental shall meet the following minimum standards:
  - (i) A short-term rental may include a primary dwelling unit and/or a secondary dwelling unit permitted for construction by the City of Spring Hill, but cannot include uninhabitable structures such as garages, barns, or sheds.
  - (ii) A short-term rental must meet all applicable laws related to zoning, housing, building, health, electrical, gas, plumbing, and life safety.

- (iii) There shall be no more than five (5) bedrooms made available for rental.
- (iv) A short-term rental must be inspected yearly through the application and renewal process and properly maintained in good operational condition. Inspections may increase in frequency if the property is the subject of one or more substantiated complaints.
- (v) Maximum occupancy: the maximum occupancy shall be determined by the total of:
  - (1) Two (2) persons per bedroom up to 140 square feet.
  - (2) For bedrooms over 140 square feet, the occupant load will be determined by the area of the room divided by 70 square feet. For a fractional number, any fraction shall be rounded up to the nearest whole number.
- (vi) The occupancy maximum shall be conspicuously posted at the primary entrance of the interior of the short-term residential rental.
- (vii) The short-term rental owner shall not receive any compensation to allow occupancy for any agreed or contracted period of less than twenty-four (24) hours.
- (viii) The short-term rental Permit holder shall be responsible for collecting and remitting all applicable Hotel-Motel and Sales Taxes and any other taxes required by state law and/or by the City of Spring Hill.
- (ix) Short term rental units shall provide one (1) off-street parking space per bedroom . Parking shall only be permitted in a garage, carport, driveway, or parking lot. On-street parking shall not apply to the required off-street parking.
- (x) All occupants shall abide by all generally applicable codes, ordinances and regulations, including without limitation, applicable noise restrictions and all applicable waste management provisions of the City of Spring Hill.
- (xi) The name and telephone number of the owner of the short-term rental or the short-term rental.

**Section 20-5-105.** Permit application; action on Permit application; Permit approval or appeals to City Commission.

- (A) Permit applications. Applicants for a short-term rental permit shall submit a complete application to the City of Spring Hill Development Services Department. The application shall be furnished under oath on a form specified by the City of Spring Hill. This provision shall apply whether the application is for a short-term rental or a “Nonconforming Short-Term Rental”, together with documentary evidence which supports classifying to

(proposed) Short-Term Rental as a “Nonconforming Short-Term Rental”. Such application shall include:

- (i) The name, address, telephone number, email address, and consent of the owner of the short-term rental and the short-term rental Agent, if applicable;
  - (ii) Documentation that applicant is the owner or the short-term rental Agent;
  - (iii) Certification and/or registration number relating to the Hotel-Motel occupancy tax authorized by T.C.A. §67-4-1401, *et seq.*;
  - (iv) A detailed and dimensioned site plan, indicating the subject property, the building(s) on the site intended for the short-term rental(s), proposed parking, and guest access;
  - (v) A floor plan indicating the building layout, dimensioning the bedrooms intended for the short-term rental(s), and an emergency evacuation plan;
  - (vi) A narrative with the following:
    - (1) A description of the area available for short-term rental (i.e., the entire property and house, a guest cottage, a portion of the house, etc.);
    - (2) A description of the number of bedrooms proposed for rental, which shall not be more than five (5) bedrooms under any circumstances;
    - (3) The maximum number of guests to be accommodated at one time;
    - (4) The days of operation (all year, just holidays, weekend/weeknights, etc.);
    - (5) How trash will be handled, and the method of informing occupants about method of disposal of trash;
    - (6) A description of how cleaning and maintenance will be provided; and
  - (vii) Proof of insurance on the dwelling unit.
- (B) Application fee.
- (i) The permit application fee for owner-occupied short-term rental shall be \$150.00.
  - (ii) The permit application fee for all other non-owner-occupied short-term rental shall be \$300.00.
- (C) Application review.

- (i) The Development Director, or their designee, and Fire Marshal, or their designee, shall be notified to ensure compliance with state and local laws.
- (ii) If the Application meets all of the requirements set forth in this Chapter, the City of Spring Hill shall issue to the applicant a short-term rental Permit within thirty (30) days of receipt of the Complete Application.
- (iii) The decision of the City of Spring Hill as to whether to issue, deny or revoke any Permit shall be final, reviewable only by application for *Writ of Certiorari* to the Chancery Court of Maury County, Tennessee, as provided in the Tennessee Code Annotated.

**Section 20-5-106.** Permit approval, transferability, conditions, renewal and revocation.

- (A) Permit approval. The Permit Application, if approved, shall be issued for a specific site location and/or address of the proposed short-term rental or Nonconforming Short-Term Rental provided in the application as set forth in this Chapter of the City Code.

Upon receipt of a short-term rental Permit number, the applicant must display said number on any materials or platforms used to advertise the short-term rental.

- (B) Grant or denial of application. Review of an application shall be conducted in accordance with due process principles and shall be granted unless the applicant fails to meet the conditions and requirements of this Chapter, or otherwise fails to demonstrate compliance with generally applicable local ordinances, state or federal law. Any false statements or information provided in the application are grounds for revocation, suspension and/or imposition of penalties, including denial of future applications. The decision of the City of Spring Hill as to whether to issue, deny or revoke any Permit shall be final, reviewable only by application for *Writ of Certiorari* to the Chancery Court of Maury County, Tennessee, as provided in the Tennessee Code Annotated.
- (C) Transferability. The Permit is non-transferable to another site, property, location, agent, or owner. Nonconforming Short-Term Rental Permits are subject to additional transferability restrictions as provided in T.C.A. Section 13-7-603, as now enacted or hereafter amended.
- (D) Suspension of Permit. Prior to suspension of a previously issued permit, the Development Services Director, or their designee, shall issue a written warning to the property owner of record identifying the reasons for the written warning and terms or requirements for resolution. All issues listed in the written warning shall be addressed or resolved within 30 days of the issuance of the written warning. Following the issuance of at least one written warning or if the property has been deemed a public health and safety risk, the Development Services Director may suspend a previously issued permit in the event that a permittee is found to be noncompliant with any of the terms, conditions or requirements of this Ordinance, for a minimum period of 30 days and a maximum period of 90 days. Any Permit which is suspended for administrative noncompliance with permitting requirements

may be, upon payment of a two hundred fifty (\$400.00) dollar reinstatement and inspection fee, be reinstated upon the permittee demonstrating, to the satisfaction of the City, that the noncompliance issue(s) which resulted in suspension of the Permit have been resolved.

- (E) Revocation. The City reserves the right to revoke and/or modify any permit if any requirements and/or conditions of a permitted short-term rental are not met. The revocation process shall be as follows:
1. The Development Services Director shall revoke a permit once the property has three (3) documented warnings, suspensions, and/or City Code and/or other violations of any generally applicable state laws or breaches of the peace within any running 12-month period and/or based upon unreasonable interference with the use and enjoyment of adjoining or other nearby properties. Such violations shall be evidenced by a finding of guilt or fault or unreasonable interference with the use and enjoyment of nearby properties.
  2. The owner or owner or agent may file an appeal of the revocation within 10 business days and considered during a public hearing of the Board of Mayor and Aldermen.
  3. A short-term rental Permit, which is revoked, shall prevent its Permit holder and/or any owner of or Agent for the specific property from applying for a new Permit for short-term rental Permit for a period of one (1) year from date of revocation.
- (F) No property shall be operated as a short-term rental with its Permit suspended and/or revoked, until a valid short-term rental Permit shall be subsequently issued by the City.

**Section 20-5-107.** Short term rental annual fee.

- (A) There shall be a short-term rental Permit renewal and inspection fee to be paid annually from the date of application approval in the amount of the application fee which, upon inspection by the City and satisfactory demonstration of compliance by the Permit holder and property of the terms, provisions and conditions of the ordinance, shall entitle the permittee to renewal of the Permit for the ensuing twelve (12) months.
- (B) Failure to pay the annual renewal fee and to cooperate with permit inspection requirements shall result in suspension of the Permit which, if not remedied within sixty (60) days after suspension, shall automatically result in revocation of the Permit for that particular location.

**Section 20-5-108.** Short-term rental Agent.

- (A) The owner of a short-term rental may designate a short-term rental Agent on its application for a Permit for a short-term rental. A property owner may serve as the short-term rental Agent. Alternatively, the owner may designate a person as his or her Agent who is over age 18 and meets all local and state regulatory requirements to fulfill the duties of a short-

term rental Agent. The owner of a short-term rental shall be the default short-term rental Agent.

- (B) The duties of the short-term rental Agent are to:
- (i) Be reasonably available to handle any problems arising from use of the short-term rental;
  - (ii) Appear on the premises of any short-term rental within four (4) hours following notification from the City of issues related to the use or occupancy of the premises. This includes, but is not limited to, notification that occupants of the short-term rental have created unreasonable noise or disturbances, engaged in disorderly conduct or committed violations of the City Code or other applicable law pertaining to noise, disorderly conduct, overcrowding, consumption of alcohol, or use of illegal drugs. Failure of the Agent to timely appear to two or more formal written complaints regarding violations, may be grounds for penalties and/or Permit revocations as set forth in this Chapter.
  - (iii) Receive and accept service of any notice of violation or notice of hearing related to the short-term rental; and
  - (iv) Monitor the short-term rental for compliance with all laws, including without limitations, compliance with the provisions of the Hotel-Motel Tax authorized by TCA 67-4-1401, *et seq.*
- (C) An owner may change his or her designation of a short-term rental Agent temporarily or permanently; however, there shall only be one such Agent for a property at any given time. To change the designated Agent, the owner shall notify the City of Spring Hill Development Services Office in writing of the new Agent's identity, together with all information regarding such person as required by the applicable provisions of this Chapter.
- (D) As per the provisions of T.C.A. Section 13-7-603(a), certain limited provisions of this subsection may not be applicable or wholly applicable to "Nonconforming Short-Term Rental".

**Section 20-5-109.** Failure to obtain Permit; penalties.

- (A) Any violation of this Article, including operating a short-term rental without first obtaining a Permit, after failing to renew a Permit, or after the revocation of a Permit, shall be punishable by a civil penalty of fifty (\$50.00) dollars per violation. Each day that the violation continues shall be a separate offense. There shall be a rebuttable presumption that a person or entity is in violation of this Chapter if they list or hold out a property as a short-term rental without first obtaining a short-term rental Permit. This rebuttable presumption also applies to those dwellings featured on websites whose primary purpose is business related to short-term rental reservations.

- (B) The owner and/or Agent of or with respect to a “Nonconforming Short-Term Rental”, which may be otherwise exempt from compliance with some of the regulations, conditions and requirements of this Ordinance, shall nevertheless be required to apply for a Permit within the ninety (90) days following the effective date of this Ordinance. If the owner or Agent shall fail to apply within said ninety (90) day period or shall otherwise fail to meet the requirements of generally applicable laws, rules and ordinances as to said Nonconforming Short-Term Rental, shall, upon notice from the City, cease operations as a short-term rental and shall not resume such operations or advertisement as a short-term rental until such time as the owner and/or Agent shall make a proper application for a Permit and demonstrate compliance with all requirements of this Ordinance and generally applicable law. As provided in T.C.A. Section 13-7-603, a “Nonconforming Short-Term Rental” may lose nonconforming status by failure to adhere to and/or violation of all or any of the qualifying conditions and/or requirements of T.C.A. Section 13-7-603, including but not limited to
- (i) The property used as a Nonconforming Short-Term Rental is sold or otherwise transferred by or from the owner(s) of the property when first qualified or established as a Nonconforming Short-Term Rental;
  - (ii) The property ceases to be used as a short-term rental for any period of twelve (12) continuous months; or
  - (iii) The property has been found to be in violation of a generally applicable local ordinance or state law on three (3) or more separate occasions and with no appeal opportunities remaining.

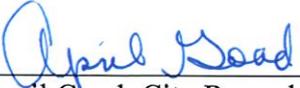
**Section 20-5-110.** Invalidity of part; private agreements and covenants.

- (A) Should any court of competent jurisdiction declare any section, clause or provision unconstitutional, such decision shall affect only such section, clause, or provision so declared unconstitutional, and shall not affect any other section, clause or provision of this Article. Additionally, this Chapter shall in no way be used to supersede any privately created agreements or covenants by any homeowner associations or developers restricting certain uses.
- (B) Every section, clause, and provision of this Ordinance is separable and severable. Should any section, sentence, clause, or provision be declared unconstitutional or invalid by a court of competent jurisdiction, said unconstitutionality or invalidity shall not affect or impair any other section, sentence, clause, or phrase.
- (C) This Ordinance shall take effect from and after the date of its final passage, the health, safety and welfare of the citizens of the City of Spring Hill requiring it.

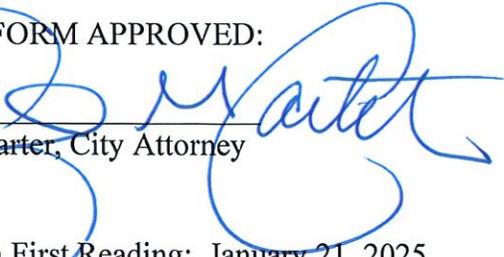
Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on the 3<sup>rd</sup> day of February, 2025.

  
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Jim Hagaman, Mayor

ATTEST:

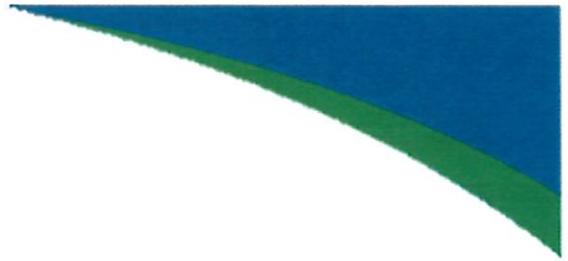
  
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April Goad, City Recorder

LEGAL FORM APPROVED:

  
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Patrick Carter, City Attorney

Passed on First Reading: January 21, 2025

Passed on Second Reading: February 3, 2025



## STAFF MEMORANDUM

TO: Board of Mayor and Alderman  
FROM: Tony Tolstedt, Assistant City Administrator  
DATE: February 3, 2025  
RE: Ordinance 25-02 Short-Term Rentals

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### PURPOSE:

The proposed ordinance establishes a regulatory framework for short-term rentals within Spring Hill, TN, by amending Title 20 of the city code to add a new chapter dedicated to STR oversight.

### DESCRIPTIONS

Short-term rentals (STRs) refer to residential properties rented out for temporary lodging, typically for a period of fewer than 30 days. These properties are frequently listed on online platforms and provide an alternative to traditional hotels, allowing travelers to stay in a home-like environment. STRs have become increasingly popular nationwide, and as their numbers grow, municipalities often seek to regulate these properties to ensure safety, neighborhood compatibility, and proper tax collection.

### BACKGROUND:

The matter was considered during the work session portion of the 9/16/2024 BOMA meeting. The matter was previously reviewed by MTAS legal staff and the City Attorney.

### FINANCIAL IMPACT:

Approval of the proposed ordinance is not expected to have a significant financial impact.



### OFFICE OF THE CITY ADMINISTRATOR

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