ORDINANCE NO. 2025-xx

AN ORDINANCE AMENDING SECTION 510 OF APPENDIX D OF THE OCEAN SPRINGS CODE OF ORDINANCES REGARDING PERMITS FOR SHORT-TERM RENTALS IN RESIDENTIAL AREAS

WHEREAS, Ordinance 2015-11 was passed July 7, 2015 and was codified in Section 510 of Appendix D of the Ocean Springs Code of Ordinances; and

WHEREAS, Ordinance 2018-02 was passed February 20, 2018 and was codified in Section 510 of Appendix D of the Ocean Springs Code of Ordinances; and

WHEREAS, Ordinance 2019-19 was passed December 19, 2019 and was codified in Section 510 of Appendix D of the Ocean Springs Code of Ordinances; and

WHEREAS, Ordinance 2021-25 was passed December 7, 2021 and was codified in Section 510 of Appendix D of the Ocean Springs Code of Ordinances; and

WHEREAS, Ordinance 2023-07 was passed May 16, 2023 and was codified in Section 510 of Appendix D of the Ocean Springs Code of Ordinances; and

WHEREAS, Ordinance 2024-05 was passed July 2, 2024 and was codified in Section 510 of Appendix D of the Ocean Springs Code of Ordinances; and

WHEREAS, the City of Ocean Springs desires to modify the requirements related to special use permits for the short-term rental of residential property so that the City of Ocean Springs will be better able to balance the interests of property owners to make such use of their property with the interests of surrounding property owners, as well as to improve the process and enforcement of short-term rental activity; and

WHEREAS, after due consideration, the Mayor and Board of Aldermen now find and determine that it would be in the best interest of the City of Ocean Springs that the below recommended amendments be adopted;

NOW, THEREFORE BE IT ORDAINED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF OCEAN SPRINGS, MISSISSIPPI, AS FOLLOWS:

SECTION 1: The findings, conclusions, and statements of fact contained in the foregoing preamble are hereby adopted, ratified, and incorporated herein.

Bold, underlined text is to be added. Struck through text is to be removed. Portions not edited reflect the ordinance as it is currently adopted and will remain the same.

SECTION 2: The propos	ed amendments to Section 510 of	Appendix D of the Ocean
Springs Code of Ordinances was	introduced by Alderman	, duly seconded by
Alderman	, in the same form as follows:	

Sec. 510 – Short-Term Rentals – Residential.

(a) *Definition*. The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section:

Local property manager: The person or business specifically named on the application and permit who is responsible for the day-to-day operation of the short-term rental unit, and who may be contacted and available twenty-four (24) hours a day if there is a problem with the unit.

The local property manager may be the owner or agent of the owner. Individuals shall reside and business entities shall be physically located within two (2) miles of the Ocean Springs city limits. If a business entity is designated as the local property manager, the business entity must designate an employee as the point of contact for that property.

The local property manager and owner shall be responsible for the management and upkeep of the rental unit in compliance with the provisions set forth herein. The name, address and telephone number of the owner and the local property manager shall be submitted at the time that the application is filed and said information shall be made available to the public. The owner shall be responsible for providing written notice of any change with respect to the name, address and telephone number of the local property manager to the city within five (5) days of any such change.

Short-term rental: Any dwelling or condominium or portion there of that is available for use or is used for accommodations or lodging of guests, paying a fee or the compensation for a period of less than thirty (30) consecutive days. For the purpose of House Bill No. 1836 (1998) regarding a tax levy on lodging rentals, short-term rental "means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests and which are known in the trade as such." The term "short-

term rental" does not include any hospital, convalescent or nursing home, shell houses, group homes, or sanitarium or any facility associated with a hospital providing rooms for medical patients and their families. The term "short-term rental" shall also not include mobile homes, manufactured homes, group homes, travel trailers, tents, recreational vehicles, campers or other similar vehicles or structures nor does the term include a bed and breakfast permitted by city ordinances.

STR Density Zone: STR Density Zone: The defined area located in the western portion of the City Limits bounded by the CSX Railroad line on the north; Porter Avenue on the west; Front Beach Drive on the south, Harbor Drive, Inner Harbor, and Pine Drive on the east – excluding the existing Downtown Overlay District as identified in Section 3.9.5 of the Unified Development Code and the Porter Avenue Overlay District as identified in Section 3.9.4 of the Unified Development Code. A map illustrating both the DENSITY ZONE and the, the DOWNTOWN OVERLAY District, and the PORTER AVENUE OVERLAY District is included as Exhibit A.

EXHIBIT A

[MAP HERE]

- (b) *Permit required*. It is unlawful to conduct or operate a short-term rental without having obtained a permit therefor.
 - (1) A short-term lodging, special use permit, local privilege license, and state tax registration are required for each short-term lodging rental unit.
 - (2) Applications may be made for a short-term rental special use permit in all residential zones subject to specific restrictions by zoning district.
 - (3) The permit process requires an application completed in accordance with the following which may be obtained at the city planning department.
 - a. Application shall contain such information as the Planning Department Director shall from time to time require, including, but not limited to, the location/address of the short-term rental, number of sleeping areas therein contained, the maximum number of persons the short-term rental proposes to accommodate, the name of the property owner(s), the name, address and telephone number of the local property manager, copy of the rental agreement, proposed parking plan, house rental rules, a plan for trash management related to curbside pick-up, a copy of the proposed rental agreement information as the planning department, and signatures of all owners of record of the subject property.
 - b. It shall be the duty of the applicant to notify the City Planning Department of any covenants or existing homeowners association which may have jurisdiction over the applicant's property. It shall be the further duty of the applicant to notify the affected homeowner's association of the application

process, as well as to provide the city planning department with a copy of the covenants or a written statement of support from the homeowner's association which approves the request of the applicant for use of the owner's property as a short-term rental as applicable. Failure to notify the city planning department of the existence of a homeowner's association may result in the suspension or revocation of the permit.

- c. It shall be the duty of the applicant to ensure that the homeowner's liability insurance coverage does not exclude short-term rentals from coverage.
- d. It shall be the duty of the applicant to produce proof of any mortgage or deed of trust which may encumber the property and submit proof that the mortgage or deed of trust does not prohibit the use of the property as a short-term rental.
- e. The applicant shall execute a written statement acknowledging that a violation of the ordinances of the City of Ocean Springs related to rentals of less than thirty (30) days may result in the suspension or revocation of the permit.
- f. A non-refundable application fee as indicated in the most currently adopted Fee Schedule as approved by the board of aldermen, plus mailing costs, by the board of alderman shall be paid by the applicant at the time of filing the application with said application fee concerning the costs of inspection, mailing, and labor affiliated with the processing of the application.
- g. Not less than seven (7) days prior to the scheduled public hearing, the city shall send notification to all landowners within five hundred (500) feet of the applicant's land boundaries of the applicant's intent to obtain a permit to conduct or operate a short-term rental on the property owned by the applicant. Notification by the city shall be made by standard mail and shall be addressed to the landowner identified for each parcel in the ad valorem tax rolls for the city. Costs for the mailing will be provided by the applicant. The notification shall provide the following information to the landowners within five hundred (500) feet of the applicant's land boundaries:
 - 1. Name, address and telephone number of the applicant;
 - 2. The date, time and place of a hearing before the planning commission.
- h. Notice will also be posted on the bulletin board at city hall and a sign will be posted in the applicant's yard until such time as the permit is granted or denied. Notice shall be published in a local newspaper of general

circulation within the city at least fifteen (15) days prior to the hearing. Each landowner within five hundred (500) feet of the applicant's boundary line who appears in the public hearing shall be afforded an opportunity to be heard in accordance with the regulations set by the planning commission.

- i. At the conclusion of the public hearing, the planning commission shall recommend to approve or disapprove the application and send its decision, along with the reason for its decision, to the board of aldermen. The matter shall be set on the agenda of the next city meeting after the time for appeal has lapsed. In its discretion, the planning commission may motion to table an application to a later meeting, and the matter will be sent to the Board of Aldermen at a later date accordingly.
- j. Any applicant aggrieved by the decision of planning commission may appeal the decision to the board of aldermen not less than twenty-four (24) hours prior to the next scheduled board of aldermen meeting. The applicant shall file a notice of appeal with the city clerk and the item will be removed from the agenda. The public hearing for the appeal will be placed on the next available board of aldermen agenda following a fifteen-day notification period. The city shall send notification to all landowners within five hundred (500) feet of the applicant's land boundaries. Cost for the mailing will be provided by the applicant.
- k. In the event no appeal is filed, the decision of the planning commission shall be finally accepted by the city planning department and the permit shall be issued or denied based upon such after approval based on the final decision by the mayor and board of aldermen. If an appeal is filed, the board of aldermen shall consider the appeal and render its decision with respect to the issuance or denial of the permit, setting forth its reasons for such.
- If there is no active homeowner's association, it shall be the duty of the applicant to obtain and submit documentation which shows that greater than fifty (50) percent of property owners within a two hundred fifty (250) feet buffer from the boundaries of the subject property do not object to the approval of the Applicant's short-term rental application. Said documentation must include the written signature of the nonobjecting property owners within the two hundred fifty (250) feet buffer. Property owners will not include public agencies. One signature per property will be counted. The requirements under this subsection apply at both the initial submission of a short-term rental application as well as annual renewal. The requirements under this subsection do not limit the ability of landowners within five hundred (500) feet of the Applicant's boundary line from being afforded the opportunity to appear at the public hearing and be

afforded the opportunity to be heard in accordance with the hearing rules.

- (4) The short-term rental must be in accordance with the currently adopted list of required improvements for enhanced life safety for occupant egress, which will be proposed by the building official to the planning commission for recommendation to the board of aldermen for adoption.
- (5) Each short-term rental permit shall expire one year from the date of issuance of the permit.
- (6) Permit renewal may be obtained through the city planning department through submittal of the appropriate application and fee as reflected in the currently adopted Fee Schedule. Permit renewal process will include staff review of city records and other documentation pertaining to complaints, if any, that have been received related to the specific short-term rental unit under consideration. Filed complaints that are in violation of the zoning codes, building codes, property maintenance, codes and/or applicable laws or regulations will be considered as part of the renewal process. Violation of applicable local, state and federal laws or regulations may be a basis for denying a permit renewal. If permit renewal is denied, the city planning department shall provide notice as to the reason for denial and the landowner shall be allowed ten (10) days to correct any deficiencies itemized. At the expiration of ten (10) days, a landowner may appeal the denial of permit renewal to the board of aldermen. The appeal must be in writing and must be filed within ten (10) days following the expiration of the ten-day period within which to file correct deficiencies.

Renewal applicants for short-term rental permits must submit their renewal applications no later than 10 days prior to the expiration of their previous one-year permit. Once notified by the Planning Department that the renewed permit is ready, applicants must pick up their permit within 10 days of receiving the notification. Failure to renew a permit within the specified timeframe or to pick up the permit within the designated period may serve as grounds for denial of the permit renewal. It is the responsibility of the permit holder to ensure timely compliance with these requirements.

- (7) Approval of short-term lodging permit does not legalize any non-permitted use or structure. Short-term rental units are not to be used to distribute retail products of personal services to invitees for marketing or similar purposes. The outdoor display of goods and merchandise for sale is prohibited.
- (8) Short-term lodging rental permits are not transferable. Upon sale or any type of transfer of the property, any permit issued pursuant to the terms set forth herein, shall automatically expire. Any new owner(s) or transferee(s) shall be required to apply for a new permit in accordance with this article.

- (9) Any structure or unit that is deed restricted for affordable housing shall not be used as a short-term lodging rental.
- (10) The total number of permits issued for residential short-term rental units shall be based on the following:
 - a. Properties located in the STR DENSITY ZONE as defined in Section 510(a) will not exceed 55 (fifty-five) short-term rental permits at any given time.
 - b. Properties located in the existing PORTER AVENUE CORRIDOR OVERLAY District as defined in the Unified Development Code, Section 3.9.4 will be excluded from any cap restrictions and any public hearing requirements.
 - c. Properties located in the existing DOWNTOWN OVERLAY District as defined in the Unified Development Code, Section 3.9.5 will be excluded from any cap restrictions and any public hearing requirements.
 - d. For properties within the DOWNTOWN OVERLAY DISTRICT and the PORTER AVENUE CORRIDOR OVERLAY DISTRICT, a notice will be mailed to property owners within 500 feet of the subject property that will include information on short-term rentals and contact information. The notices will be mailed at the applicant's expense.
 - e. Properties located within the city limits but not included in the above referenced STR DENSITY ZONE, the DOWNTOWN OVERLAY District, or the PORTER AVENUE CORRIDOR OVERLAY District will not exceed sixty (60) short-term rentals at any given time.
 - restrictions. Properties within the annexed area will be excluded from any cap restrictions. Properties within the annexed area that were operating as short-term rentals prior to the effective date of this ordinance amendment (Ordinance 2025-xx) must apply for and obtain a short-term rental permit from the City within ninety (90) days of the effective date of Ordinance 2025-xx. Such applications shall be processed administratively and will not require a public hearing. Proof of prior operation, such as tax receipts or other documentation, may be required as part of the application process. Properties within the annexed area that have not commenced operation as short-term rentals prior to the effective date of Ordinance 2025-xx must comply with the application and public hearing requirements as set forth under this Section 510.
- (11) Residential short-term rentals are permitted only within the principal structure on a lot or parcel. The use of accessory structures for short-term rental purposes is strictly prohibited.

- (12) No person or entity shall advertise or cause to be advertised any property as a short-term rental without first obtaining a valid short-term rental permit issued by the City. For the purposes of this provision, "advertising" includes, but is not limited to, online listings, print materials, signage, or any other medium used to promote the property for short-term rental purposes. Violation of this section may result in penalty, code enforcement, and may also serve as grounds for denial of a short-term rental permit.
- (c) *Occupancy*. The maximum occupancy of each short-term rental shall be as determined by the building official and/or fire marshal based on the inspection of the premises and applicable laws, regulations and codes. Each permit shall specify the maximum number of occupants, which may be limited due to building or parking constraints.
- (d) *Number of vehicles*. The maximum number of vehicles will be determined upon site inspection by the building department and should be compatible with the zoning and applicable parking ordinance. This number will be based on off-street parking availability and on-street conditions. It will be preferred that the applicant/owner provide off-street parking. In certain circumstances where no off-street parking exists and on-street constraints exist, the planning department may require that an off-street parking space to be constructed or secured.
- (e) *Registry of guests*. Each person granted a short-term rental permit shall kept or cause to be kept a registry of guests. Such registry or list shall be available for inspection upon ten (10) days' written notice by the planning department.
- (f) *Noise*. Property owners and local property managers shall insure that the occupants of the short-term lodging rental are aware of city noise ordinances and state laws regarding disturbing the peace.
- (g) *Premises and garbage management*. It shall be the duty of every local property manager and/or owner to keep all of the rooms in connection with the short-term rental provided for the use of guests, in clean and sanitary condition; and to provide each guest with affective protection against flies, mosquitoes and other vermin. Garbage shall be disposed of in covered containers and placed in the scheduled pick-up location in accordance with section 20-3 of the Municipal Code.
- (h) *Posting of rules*. Short-term lodging rental unit rules shall be posted inside the rental unit in a location readily visible to all tenants. The rules shall include: occupancy; parking limits; noise, rules and garbage management. Reference to the most current short-term rental ordinance shall be posted within the unit and displayed at all times.
- (i) Local contact person. All short-term lodging rentals shall designate a local property manager who will respond to the questions or concerns twenty-four (24) hours a day. The name, address and telephone number of the local contact person shall be included on the permit application and must meet the requirements as described in Section 510(a) Definitions. The contact information for the local contact person shall be posted permanently inside the short-term rental unit. The local contact person, property manager and/or property owner shall be considered the responsible person for violations of the short-term rental ordinance.

- (j) Complaints and dispute resolution. Complaints regarding violation of this section that cannot be resolved through contact with the local property manager and/or property owner, then the concerned party should contact the planning department. If the issue relates to public safety and/or noise violations, the Ocean Springs Police Department should be contacted as with any similar residential complaint. The OSPD shall have an updated list provided by the planning department of all local contact persons for short-term rentals. Verified complaints concerning noncompliance with the terms of this section may be considered in determining whether or not a permit should be revoked.
- (k) *Denial or revocation of a license*. Conditions for denial of permit or revocation of permit to operate a short-term rental unit shall include, but in no way limited to, the following:
 - (1) Property within a subdivision with an active homeowner's association that does not approve of the applicant's short term rental application with adopted covenants that do not allow short term rentals will not be considered for a permit. A letter of acknowledgment and support will be required from the homeowner's association in order to continue in the pursuit of a permit. Failure of the applicant to notify the city that his/her property is a part of a homeowner's association shall result in denial of a permit or revocation of a permit. Where there is no active homeowner's association, an applicant's failure to obtain and submit documentation which shows that greater than fifty (50) percent of property owners within a two hundred fifty (250) feet buffer from the boundaries of the subject property do not object to approval of the Applicant's short term rental application shall result in denial of a permit or revocation of a permit.
 - (2) The applicant failed to conform to the conditions set forth herein over the previous twelve-month period.
 - (3) Guests and/or users of the property were issued noise ordinance and/or disturbing the peace citations during the previous or current year.
 - (4) Visits to the property of any kind from law enforcement, regardless of whether citations were issued, may be considered as a basis for denial or revocation of a permit.
 - (4) (5) Any other reasonable factor or combination of factors including, but not limited to, inadequate lot size, inadequate street parking, lack of response from local property manager or contact person, filed complaints of violation of the applicable zoning and building codes, property maintenance code and/or applicable laws or regulations (may be a basis for denying or revoking permit).
 - (5) (6) The planning department head is authorized to revoke permits. A permitted owner shall be provided with written notice of the reason(s) the permit is subject to revocation. The applicant shall be allowed ten (10) days from the date written notice is issued to correct defective conditions. If the condition is not corrected within ten (10) days to the satisfaction of the planning department, permit will be revoked by issuing a stop order,

which shall be posted on the premise and mailed to the property manager and owner. Upon receipt of such order by the owner or local property manager, the unit shall cease operation as a short-term rental. The owner may appeal the order revoking the permit. The owner's appeal must be in writing and received by the planning department within ten (10) days of entry of the order. The revocation shall remain in full force and effect during the pendency of the appeal. The appeal should be presented to the mayor and board of aldermen at the next scheduled meeting following the filing of the appeal. The owner should be afforded notice and the opportunity to be heard. The city may appoint a hearing officer to preside over any such appeal.

(1) *Violations*. Any persons or users who allow such use of a residential property in violation of this section shall be guilty of a misdemeanor.

For purposes of prosecution of violations of this chapter, each day that any violation occurs (rental without a permit) is deemed to constitute a separate violation. Those found guilty of such violation shall, upon conviction, be fined for each violation not exceeding two hundred fifty dollars (\$250.00) for the first offense, not exceeding five hundred dollars (\$500.00) for the second offense within a calendar year and not exceeding more than one thousand dollars (\$1,000.00) for other offenses within a calendar year, plus all court costs.

- (m) Severability. Should any portion, provision or section of this section be held void, unconstitutional or invalid, the remaining portion of the ordinance shall remain in full force and effect.
- (n) *Conflicts*. It is hereby provided that the provisions of these laws or regulations shall not be construed as being in conflict with the provisions of any of the laws or regulations of Ocean Springs, Mississippi. In any case where the provisions in these laws or regulations and the provisions of other regulations both apply, the provisions of this section shall govern for the purpose of short-term rentals of residential dwellings or condominiums.
- (o) *Review*. The city shall review the ordinance from which this section was derived annually to evaluate the benefits recognized by the use of short-term rentals, as well as, any adverse impact the use of short-term rentals may have.

SECTION 3: Any and all ordinances or parts thereof in conflict or inconsistent with any of the terms and provisions of this Ordinance are hereby repealed to such extent as they are so in conflict or inconsistent.

SECTION 4: It is hereby declared to be the intention of the Board of Aldermen that the actions, paragraphs, clauses and phrases of this ordinance, when adopted, are severable, and if any sections, paragraphs, clauses, sentences or provisions of this Ordinance as adopted shall be

declared unconstitutional or otherwise invalid, same shall not affect any of the remaining sections, paragraphs, clauses and phrases of this ordinance.

SECTION 5: This Ordinance shall take effect one month after the passage of said ordinance pursuant to Miss. Code Ann. § 21-13-11.

SECTION 6: The provisions of this Ordinance may be included and incorporated in the Code of Ordinances of the City of Ocean Springs, Mississippi, as an addition or amendment thereto, and appropriately renumbered to conform with the unified numbering system of the Code.

SECTION 7: A summary of this ordinance shall be published one time in a local newspaper.

The above Ordinance, having been first reduced to writing, the vote was as follows:

Alderman Co	OX _	<u> </u>	
Alderman Bu	ırgess _	_	
Alderman Au	uthement _	_	
Alderman W	ade _	_	
Alderman Pa	pania _	_	
Alderman Bl	ackman _	_	
Alderman Im	npey _	_	
Springs, Mississippi, on this		7 EDLINIVE	N of the City of Ocean
MAYOR			
Attest:			

CITY CLERK