

ORDINANCE NO. 20 - _____

**AN ORDINANCE ADDING CHAPTER 18 (SHORT-TERM RESIDENTIAL RENTALS)
OF TITLE 3 (BUSINESS AND LICENSE REGULATIONS)
OF THE NAPERVILLE MUNICIPAL CODE**

RECITALS

- A. WHEREAS**, the rental of residential homes within the corporate limits of the City of Naperville as a commercial enterprise has resulted in instances of significant negative impact on neighboring properties and their residents; and
- B. WHEREAS**, short-term residential rentals are often used for gatherings and parties by occupants and attendees who have no connection to the neighborhood, which gatherings and parties subject adjoining property owners and neighborhoods to a constant turn-over of occupants and visitors attending events at such properties, along with excessive noise, traffic, and spillover parking; and
- C. WHEREAS**, short-term residential rentals have also been the sites of volatile and at times violent activity in neighboring municipalities and across the country; and
- D. WHEREAS**, the City of Naperville is a home rule unit of local government and may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of the public health, safety, morals, and welfare; and
- E. WHEREAS**, the Naperville City Council has determined that it is appropriate to add a new Chapter 18 (Short-Term Residential Rentals) to Title 3 (Business and License Regulations) prohibiting the use of residential properties for short term rental purposes as set forth herein.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NAPERVILLE, DUPAGE AND WILL COUNTIES, ILLINOIS, in exercise of its home rule authority, as follows:

SECTION 1: The Recitals set forth above are incorporated herein and made part hereof as though fully set forth in this Section 1.

SECTION 2: Chapter 18 (Short-Term Residential Rentals) of Title 3 (Business and License Regulations) of the Naperville Municipal Code is hereby amended by adding the Chapter and language, as follows:

TITLE 3 (BUSINESS AND LICENSE REGULATIONS)

CHAPTER 18 – SHORT-TERM RESIDENTIAL RENTALS

SECTION:

3-18-1: - DEFINITIONS:

The following words and phrases shall, for the purposes of this Chapter, have the meanings respectively ascribed to them by this Section, as follows:

RESIDENTIAL STRUCTURE:	A residential structure located in a residential zoning district within the corporate limits of the City of Naperville, as residential districts are defined in Title 6 hereof (Zoning Regulations), as amended from time to time.
SHORT-TERM RESIDENTIAL RENTAL:	A Residential Structure, as defined herein, offered for rent for a period which does not exceed thirty (30) consecutive days. The term "Short-Term Residential Rental" or shall not include hotels, bed and breakfast establishments, or boarding facilities as those terms are defined in Title 6 hereof (Zoning Ordinance) as amended from time to time.
SHORT-TERM RESIDENTIAL RENTAL PROPERTY OWNER:	The individual or entity which has title to the property which is the subject of a Short-Term Residential Rental.

3-18-2: - PURPOSE AND APPLICABILITY:

It is the intent and purpose of this Chapter (Short-Term Residential Rentals) to preserve the character and integrity of residential neighborhoods within the City by prohibiting Residential Structures from being used for the commercial purpose of providing Short-Term Residential Rentals.

3-18-3: - SHORT-TERM RESIDENTIAL RENTALS PROHIBITED:

1. It shall be unlawful for any person or entity to operate, use, offer for rent or use, or advertise for rent or use, any property within the City of Naperville as a Short-Term Residential Rental, except as set forth in Section 3-18-3:2 below.
2. Notwithstanding the provisions set forth in Section 3-18-3:1 above, it shall not be considered a Short-Term Residential Rental when the preceding owner of a property maintains possession of a Residential Structure after closing for the sale thereof, but leases the property back from the successor owner for a period of time pursuant to a written agreement.

3-18-4: - PUBLIC NUISANCE DECLARED:

Operation of any Short-Term Residential Rental within the City of Naperville in violation of the provisions of this Chapter may be deemed a public nuisance and abated pursuant

to all available remedies, including but not limited to injunctive relief. In addition to the penalties provided for herein, the City of Naperville shall be entitled to receive from the Short-Term Residential Rental Owner reimbursement for the cost of the City's reasonable attorney fees, costs and expenses incurred by the City of Naperville to abate a Short-Term Residential Rental operating as a public nuisance.

3-18-5: - PENALTIES:

Any Short-Term Residential Rental Owner or other person or entity who violates any of the provisions set forth or referenced in this Chapter, shall be subject to the following penalties:

1. A fine of five hundred dollars (\$500.00) for a first offense within a 12-month period, and a fine of one thousand dollars (\$1,000.00) for a second or subsequent offense within a 12-month period.
2. Each day that a violation of this Chapter continues shall be considered a separate and distinct offense and a fine shall be assessed for each day a provision of this Chapter is found to have been violated. Notwithstanding the forgoing, the escalation of fines as set forth above shall not occur until a prior adjudication of a violation against the same individual or entity has been entered.
3. Continued violations of this Chapter are subject to an injunction to enforce this Chapter.

3-18-6: NOTICE OF VIOLATION:

The notice of a violation of the provisions set forth or referenced in this Chapter shall be served in any of the following manners:

1. Personal service of process by handing the notice of violation to the respondent, or their employees or agents, by any authorized City of Naperville official, police officer; or code enforcement officer.
2. Personal service of process as authorized by the Illinois Code of Civil Procedure, 735 ILCS 5/2-203.
3. Mailing the notice by certified mail, return receipt requested to the respondent's last known address, or in the case of a business, to the address for the registered agent or the address for its principal place of business.
4. Emailing the notice to the Short-Term Residential Rental Owner's last known email address when the respondent is the Short-Term Residential Rental Owner.
5. Posting the notice upon the property where the violation is found when the respondent is the Short-Term Residential Rental Owner.

SECTION 3: This Ordinance shall take effect on September 1, 2020 except as follows:

A property owner that can demonstrate to the City Attorney that a rental agreement was fully executed prior to August 19, 2020 permitting the use and occupancy of a Naperville residential property as a short-term rental for dates up to and including October 19, 2020 shall be considered a pre-existing short-term residential rental (hereinafter "Pre-Existing Short-Term Rental"). For said Pre-Existing Short-Term Rentals, the residence may continue to be used as previously agreed upon through said rental agreement, even if said use is found to be in violation of the new provisions of Chapter 18 (Short-Term Residential Rentals) of Title 3 (Business and License Regulations). Any rental agreements executed prior to August 5, 2020 that would permit occupancy of a residence as a short-term rental on or after October 20, 2020, or any rental agreement executed on or after August 5, 2020, shall be required to comply with all provisions of Chapter 18 (Short-Term Residential Rentals) of Title 3 (Business and License Regulations).

PASSED this day of _____, 2020.

AYES:

NAYS:

ABSENT:

APPROVED this day of _____, 2020.

Steve Chirico
Mayor

ATTEST:

Pam Gallahue, Ph.D.
City Clerk