



## VILLAGE OF CORRALES

### ORDINANCE NO. 19-006

**AN ORDINANCE AMENDING SECTION 18-29 TO ADD NEW DEFINITIONS, SECTION 18-45 TO PROVIDE FOR THE ISSUANCE OF SHORT-TERM RENTAL PERMITS IN THE A-1, A-2 AND HISTORIC ZONES; AND AMENDING SECTION 32-2, 32-2 AND 32-6 TO REFLECT CHANGES WITH REGARD TO SHORT TERM RENTAL PERMITS AND STATE LAW.**

WHEREAS, in the 2019 Legislative Session, and effective January 1, 2020, the New Mexico Legislature through Senate Bill 106 amended state statute to eliminate the lodgers' tax exemption on short-term rentals with fewer than three guest rooms; and

WHEREAS, Short-term rentals will provide a community benefit through increased tax revenue, encouraging tourism in the Village of Corrales and by expanding the number and type of lodging facilities available within the Village; and

WHEREAS, an estimated 100 short-term rentals are active within the Village at present and there is currently no ordinance with which to regulate them; and

WHEREAS, Short-term Rentals in A-1, A-2 and Historic Zones will not be commercial, but strictly a residential use of the property; and

WHEREAS, the provisions of this section will be necessary to prevent a burden on Village services and impacts upon residential neighborhoods created by short-term rentals;

**NOW, THEREFORE, BE IT ORDAINED** by the Village Council, the governing body of the Village of Corrales, that:

#### **Section 1. Amendment to Definitions.**

Section 18-29 of the Village Code, entitled "Definitions" is hereby amended by amending the definition of *Bed and breakfast* to read as follows:

*Bed and breakfast* means a type of short term rental establishment with at least one permanent resident and a subordinate use of guest rooms which may be rented for overnight lodging with breakfast served to overnight guests only; some or all guest rooms may be in accessory living quarters.

#### **Section 2. New Definition.**

Section 18-29 of the Village Code, entitled "Definitions" is hereby amended by adding a new definition of *local contact* to be placed in appropriate alphabetical order to read as follows:

Local contact means an owner, representative of the owner, operator or local property manager who lives within the Village of Corrales or within proximity of Village limits such that he/she is available to respond within one hour or less to emergencies, tenant and neighborhood complaints or concerns and is authorized to respond to any violation of this section and take remedial action.

### **Section 3. New Definition.**

Section 18-29 of the Village Code, entitled “Definitions” is hereby amended by adding a new definition of *operator* to be placed in appropriate alphabetical order to read as follows:

Operator means the person who is proprietor of a residential short-term rental. Any operator who is not the owner of the property must obtain written permission from the owner to conduct the short-term rental business.

### **Section 4. Changes to Section 18-45 (f) (2) to include Short Term Rental Permit.**

Section 18-45 is hereby amended by amending paragraph (2) of subsection (f) to read as follows:

(f) Public Notification.

...

(2) Home Occupation or Short-Term Rental permit. The hearing at which a request for home occupation or short-term rental permit will be heard requires public notice. In addition to public notice, the applicant shall obtain from the Village a notification sign, which contains information that is pertinent to the home occupation or short-term rental permit application. This sign must be displayed by the applicant in a location visible and prominent to the general public on the property for which the home occupation or short-term rental permit is requested for at least 15 days prior to the date of the hearing.

### **Section 5. Amending Village of Corrales Code, Section 18-45 to require Short Term Rental Permits.**

Section 18-45 of the Village Code is amended by adding a new subsection (g) to read as follows:

Subsection (g) Short-term rentals, approval and permit required.

- (1) Except as otherwise provided in this Subsection 18-45 (g), no person(s) or entity shall engage in short-term rentals in the A-1, A-2 or Historic zones without a valid short-term residential permit issued by the Village of Corrales for the particular real property. Short-term residential permits are issued to the owner(s) of the property and are not assignable or transferable.
- (2) Application and Fee. Anyone wishing to engage in short-term rentals must submit a completed application. The application shall be returned to the Administrator accompanied by the appropriate application fee and must show, at a minimum:

- (a) The maximum number of occupants and vehicles that the dwelling unit and any accessory structures can accommodate. There can be no more than six guest rooms on a residential short-term rental property.
  - (b) A Google map or similar map showing the entire property, all roads which abut the property and at least 25 feet of adjacent properties, showing on-site parking and areas subject to the short-term rental business.
  - (c) Floorplan showing all bedrooms within the dwelling unit and any accessory structure(s) on the property.
  - (d) Off-street parking as required by Section 18-39 (3) Short term rental lodging establishments.
  - (e) A valid septic permit for the property, showing the number of bedrooms permitted by the State to the septic system on the property.
  - (f) The name, mailing address, email address, and contact phone numbers (including 24-hour emergency contact numbers) of the owner of the property for which the permit will be issued.
  - (g) The name, mailing address, email address, and contact phone numbers (including 24-hour emergency contact numbers) of the operator and the local contact person for the owner of the residential rental.
  - (h) A valid New Mexico gross receipts tax number for the operator.
  - (i) Short-term rental permit application fee.
- (3) Review Process. The Administrator shall schedule a hearing on the application before the Planning and Zoning Commission no later than sixty (60) days following the submittal of a completed application.
- (4) Commission approval. The Planning and Zoning Commission may approve a short-term rental permit if the Commission finds that the applicant has met the requirements of Section 18-45 (g)(2)(a) through (i). The Commission may add such additional conditions or limitations upon the permit which may be appropriate to minimize any potential adverse impacts upon surrounding properties.
- (5) Conditions of issuance of short term rental permit.
- (a) Events not permitted. Short term rental permits only allow overnight accommodations, with or without the service of breakfast, to registered overnight guests only. No property for which a short term rental permit has been issued shall be used as an event center for parties, weddings or other gatherings where additional persons other than registered overnight guests are present. This is a condition of the issuance of a short rental permit which the permit holder accepts upon issuance of the permit by the Village. In addition to other penalties under the Village Code, a violation of this condition may result in the revocation of the short term rental permit.
  - (b) Upon approval by the Commission, a business license is required for anyone conducting business within the Village of Corrales.
  - (c) Upon approval by the Commission, a fire inspection will be required and the property must be compliant with the Fire Code.
  - (d) A lodger's tax registration number for the property.

(6) Appeal Process.

An applicant who is aggrieved by the decision of the Planning and Zoning Commission may appeal the decision to the Governing Body by written notice to the Village Clerk of such appeal, to be made within ten (10) days of the date of the decision by the Planning and Zoning Commission. The matter shall be referred to the Governing Body for hearing at a regular or special meeting in the usual course of business. The decision of the Governing Body made thereof shall be expressed in writing; and the action of the Governing Body shall be deemed final.

(7) Penalties for violation of requirements of subsection (g) of Section 18-45.

- (a) Any person who violates any provision of subsection (g) of Section 18-45 shall, upon a first conviction, be subject to a fine of not less than \$250 nor more than \$500, or imprisonment of not more than 90 days, or both such fine and imprisonment.
- (b) Any person who violates any provision of subsection (g) of Section 18-45 shall, upon a second or subsequent conviction, be subject to a fine of \$500 or imprisonment of not more than 90 days, or both such fine and imprisonment.
- (c) Each day that a violation occurs constitutes a separate violation of Village of Corrales Municipal Code as provided for in this subsection.
- (d) The Village Code Enforcement Officer or other designated Village employee shall take action to correct the violation as provided for in the Code.

**Section 6. Changes to Article 1, Section 32-2. Purpose.**

Section 32-2 of the Village Code is hereby amended to read as follows:

Section 32-2. Purpose. The purpose of this article is to impose a tax which will be borne by persons using commercial or residential lodging accommodations which tax will provide revenues for the purpose of advertising, publicizing and promoting tourist-related attractions, facilities and events, and acquiring, establishing and operating tourist-related facilities, attractions or transportation systems as authorized in Section 32-17 of this article.

**Section 7. Changes to Section 32-2: definition of lodging.**

Section 32-2 is hereby amended by amending the definition of *lodging* to read as follows:

*Lodging* means the transaction of furnishing rooms or other accommodations by a vendor to a vendee who for rent uses, possesses, or has the right to use or possess any room or rooms or other units of accommodations in or at a taxable premises, including short term rentals and bed and breakfast establishments as defined in Section 18-29 of the Village Code.

**Section 8. Changes to Section 32-6 of the Village Code to reflect amendments to state law.**

Section 32-6 of the Village Code is hereby amended by deleting subsection (f) thereof in its entirety:

~~(f) If the taxable premises does not have at least three rooms or three other units of accommodation for lodging.~~

SEVERABILITY CLAUSE: Should any section, paragraph, clause or provision of this Ordinance be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance. The Governing Body of the Village of Corrales hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, word or phrase thereof irrespective of any one or more sections, subsections, sentences, clauses, words or phrases being declared unconstitutional or otherwise invalid.

COMPILING CLAUSE: This Ordinance shall be incorporated in and compiled as a part of the Code of Ordinances of the Village of Corrales, as provided herein.

EFFECTIVE DATE AND PUBLICATION: This Ordinance shall become effective and be in full force and effect from and after its passage, publication and posting, according to law.

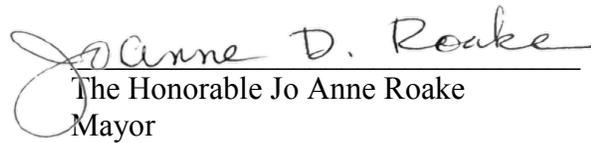
**PASSED, APPROVED AND ADOPTED** by the Governing Body of the Village of Corrales, New Mexico, this **10<sup>th</sup> day of December, 2019**.

PROPOSED CHANGES ARE SHOWN AS FOLLOWS:

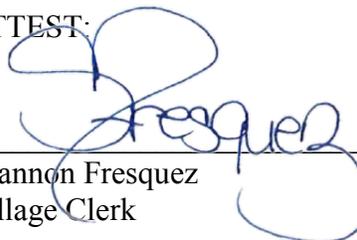
New language indicated by underscoring.

Existing language to be deleted indicated by ~~strikethrough~~.

APPROVED:

  
The Honorable Jo Anne Roake  
Mayor

ATTEST:

  
Shannon Fresquez  
Village Clerk