

COUNCIL PENDING ORDINANCE 2022-121  
ORDINANCE NO. \_\_\_\_\_  
AS AMENDED \_\_\_\_\_  
CERTIFICATION DATE \_\_\_\_\_  
CERTIFIED BY \_\_\_\_\_  
FAVORABLY \_\_\_\_\_  
UNFAVORABLY \_\_\_\_\_

**AN ORDINANCE TO ESTABLISH REGULATIONS PERTAINING TO  
SHORT-TERM RENTAL UNITS**

**WHEREAS**, with the rise of the sharing economy, the City of Gary and cities across the country have seen growth in the popularity of short-term rentals, which are rentals of residential units or dwellings for up to thirty consecutive days; and,

**WHEREAS**, in the absence of a regulatory framework, the City of Gary cannot monitor these short-term rental listings and cannot ensure public safety; and,

**WHEREAS**, the Gary City Council finds the best approach to the regulation of short-term rentals is a permit scheme that balances the protection of neighborhoods with the interests of individuals who want to rent their property on a short-term basis; and,

**WHEREAS**, the Gary City Council finds that any short-term rental permitting regulatory scheme should impose minimum safety requirements to protect renters and neighboring properties, and should provide for the collection of applicable fees; and,

**WHEREAS**, the Gary City Council finds it to be in the best interest of the City and its residents, to include public health and safety, to regulate the operation of short-term rentals within the City of Gary.

**NOW, THEREFORE, BE IT ORDAINED** by the Common Council of the City of Gary, Indiana as follows:

**SECTION 1.** The City of Gary Code of Ordinances, Chapter 10 (Businesses) is hereby amended by adding new Article X (Short-Term Rentals) as set forth below:

**Division 1. – Generally**

**Section 10-386. Purpose.** The City Council finds that the following regulations of Short-Term Rental Units are necessary to protect the health, safety, and welfare of the public.

**Section 10-387. Definitions.**

The following words, terms and phrases, when used in this Chapter, shall have the meanings ascribed to them in this Chapter. The word "shall" is always mandatory and not merely advisory.

- (a) *Owner.* As used in this article, "owner" means a person that has an interest in title or a present possessory interest in property that is offered to the public as a short term rental.
- (b) *Owner Occupied Short Term Rental Property* means property that is the owner's primary residence and is offered to the public as a short term rental.
- (c) *Permit* means a short term rental permit issued by the zoning department.
- (d) *Permitted property* means a property that is subject to a valid, unexpired, unrevoked permit under this chapter. A permitted property may contain one (1) or more dwelling units offered as short term rentals.
- (e) *Short term rental* means the rental of
  - (1) a single family home;
  - (2) a dwelling unit in a single family home;
  - (3) a dwelling unit in a two-family or multifamily dwelling; or
  - (4) a dwelling unit in a condominium, cooperative, or time share;

for a term of less than thirty (30) days at a time through a short term rental platform. The term includes a detached accessory structure, including a guest house, or other living quarters that are intended for human habitation, if the entire property is designated for single family residential use. The term does not include property that is used for any nonresidential use.

- (f) *Short term rental platform* means an entity that:
  - (1) provides a platform through which unaffiliated parties offer to rent a short term rental to an occupant; and
  - (2) collects consideration for the rental from the occupant.

**Division 2. – Permit and Registration**

**Section 10-388. Zoning regulations.**

- (a) A short term rental of owner occupied short term rental property is a permitted residential use under any applicable zoning ordinances and is allowed in a district zoned for residential use.
- (b) A special use or zoning variance is required for non-owner occupied short term rental property that is in a district zoned residential. The zoning department may not interpret and enforce the zoning regulations for a special use or zoning variance in a manner that is intended or has the effect of prohibiting or unreasonably restricting short term rentals of property to which this section applies. Denial of a special use or zoning variance for the short term rental property may be appealed in accordance with IC 36-7-4.

**Section 10-389. Regulations, prohibitions and limits on short term rentals.**

Short term rental properties are subject to the same enforcement that applies to similar properties that are not short term rentals related to:

(a) Protection of the public's health and safety related to:

- (1) Fire and building safety;
- (2) Sanitation;
- (3) Transportation;
- (4) Traffic control; and
- (5) Pollution control.

(b) Residential use and zoning related to:

- (1) Noise;
- (2) Protection of welfare;
- (3) Property maintenance; and
- (4) Nuisance issues

(c) The following list of uses for short term rentals are prohibited:

- (1) To house sex offenders.
- (2) To operate a structured sober living home.
- (3) To manufacture, exhibit, distribute, or sell illegal drugs, liquor, pornography, or obscenity.

- (4) To operate an adult entertainment establishment (as defined in IC 12-7-2-1-8)
- (5) To operate in the boundaries of a conservancy district as established under IC 14-33

**Section 10-390. Permit**

(a) An owner shall obtain a permit for each property offered as a short term rental. Only one (1) permit is required for each single family home, two-family or multifamily dwelling, condominium, cooperative or time share that an owner rents in whole or in part under this article. A permit covers all:

- (1) Dwelling units; and
- (2) Detached accessory structures;

located on the permitted property that the owner offers to the public as a short term rental.

(b) An owner must submit a permit application for each property for which a permit is sought. The permit application will provide the following information for each property:

(1) the owner's name, street address, mailing address, electronic mail address (if applicable), and telephone number. If the owner is a corporation, partnership or organization, the application requires:

- i. the owner's or member's state of incorporation or organization; and
- ii. names, residence addresses, and telephone numbers of the owner's principal officers or partners.

(2) if a property manager is used, the property manager's name, street address, mailing address, electronic mail address (if applicable), and telephone number.

(3) A short description of how each of the owner's short term rentals on the property are marketed or advertised, including the following:

- a. The advertised occupancy limits of each short term rental.
- b. Whether the short term rental is:
  - i. A single family home;
  - ii. A dwelling unit in a single family home;
  - iii. A dwelling unit in a two-family or multifamily dwelling; or

- iv. A dwelling unit in a condominium, cooperative, or time share.
- c. The permit application must be made by an owner. If the owner is a corporation, partnership, or other legal entity, the permit application must be made by an officer or agent of the owner.
- d. Subject to other provisions of this ordinance, if an owner submits a permit application under this article that meets the requirements set forth in this article, the permit shall be issued to the owner within thirty (30) days of receipt of the application.

(4) Emergency contact information

If any information provided by an owner in the permit application changes, the owner shall provide updated information to the zoning department in writing within thirty (30) business days.

If an owner sells all or part of a permitted property, the permit may not be transferred to the new owner. The new owner must submit an application for a new permit.

**Section 10-391. Permit Issuance and Fees**

- (a) The initial issuance of permit fee shall be \$150.00 and expires one (1) year after the date the permit is issued.
- (b) The issuance of a subsequent permit to an owner for the permitted property after the owner's previous permit has been revoked shall be subject to a fee of \$150.00
- (c) There shall be no charge for the renewing of a permit, including renewal of a permit that has expired.

**Section 10-392. Revocation**

A permit is subject to revocation if three (3) or more citations for ordinance violations are issued to an owner for a permitted property within a calendar year. If the permit is revoked, such revocation shall last no more than one (1) year after the date the permit is revoked.

**Section 10-393. Revocation Hearing**

(a) If the director of zoning determines that facts exist for the revocation of a permit under this article, the city shall notify the applicant or permit holder in writing of intent to revoke the permit, including the grounds thereof, by personal delivery or by certified mail. The notification shall be sent to the most current address provided on the permit application on file with the city for the

license holder. Within ten working days of receipt of such notice, the license holder may provide to the city director of zoning a written response that shall include a statement of reasons why the permit holder believes the permit should not be revoked.

(b) Within five days of the receipt of the license holder's written response, the director of zoning shall notify respondent in writing of the hearing date on the permit holder's revocation proceeding. Within ten working days of the receipt of the license holder's written response, the hearing officer shall conduct a hearing at which the license holder shall have the opportunity to present all of his/her/their arguments and to be represented by counsel, present evidence and witnesses on his/her/their behalf, and cross examine any of the city's witnesses. The hearing officer shall issue a written opinion within five days after the hearing. If a court action challenging the city's decision is initiated, the city shall prepare and transmit to the court a transcript of the hearing within ten days after the issuance of the hearing officer's written opinion. If a response is not received by the city controller in the time stated or, if after the hearing the hearing officer finds that grounds as specified in this article exist for revocation, then such revocation shall become final five days after the hearing officer sends, by certified mail, written notice to the permit holder that the permit has been revoked. Such notice shall include a statement advising the permit holder of the right to appeal such decision to a court of competent jurisdiction. If the hearing officer finds that no grounds exist for revocation of a permit, then within five days after the hearing, the hearing officer shall order the director of zoning to immediately withdraw the intent to revoke the permit and to notify the license holder in writing by certified mail of such action.

(c) When a decision to revoke a permit becomes final, the permit holder whose permit has been revoked shall have a right to appeal such action to a court of competent jurisdiction. Upon the filing of any court action to appeal, challenge, restrain, or otherwise enjoin the city's enforcement of the revocation, the city shall immediately cease enforcement of the revocation to allow the permit holder to continue the short term rental of their property. Such permit will be revoked if and when the court enters a judgment on the permit holders appeal or other action to restrain or otherwise enjoin the city's enforcement.

(d) An owner may apply for a permit for a short term rental for which a previous permit of the owner was revoked by the unit. However, a permit may not be issued until any outstanding fines are paid for the ordinance violation citations issued to the owner with regard to use of the short term rental.

**SECTION 2.** That the Clerk of the Gary Common Council is hereby authorized and directed, upon enactment and Approval of this Ordinance, to cause a

change to be made to the City of Gary Code of Ordinances by adding same and to record the date of this Ordinance;

**SECTION 3.** This Ordinance shall be in full force and effect after the date of passage according to law.

PASSED BY THE COMMON COUNCIL of the CITY OF GARY, INDIANA this \_\_\_\_\_ of \_\_\_\_\_, 2022.

\_\_\_\_\_  
PRESIDING OFFICER

ATTEST:  
\_\_\_\_\_  
CITY CLERK

Presented by me to the MAYOR for his signature this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
CITY CLERK

APPROVED and SIGNED by me his \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
MAYOR JEROME A. PRINCE, CITY OF GARY, INDIANA

SPONSORED BY: Jerome A. Prince, Mayor  
William G. Godwin, President Gary Common Council

PREPARED BY: Angela Lockett, Corporation Counsel

ASSIGNMENT \_\_\_\_\_ REPORTED-OUT DATE \_\_\_\_/\_\_\_\_/\_\_\_\_

1<sup>ST</sup> READING DATE \_\_\_\_/\_\_\_\_/\_\_\_\_ COMMITTEE HEARING DATE  
\_\_\_\_/\_\_\_\_/\_\_\_\_

2<sup>ND</sup> READING DATE \_\_\_\_/\_\_\_\_/\_\_\_\_ PUBLIC HEARING DATE  
\_\_\_\_/\_\_\_\_/\_\_\_\_

3<sup>RD</sup> READING DATE \_\_\_\_/\_\_\_\_/\_\_\_\_ FINAL HEARING DATE  
\_\_\_\_/\_\_\_\_/\_\_\_\_

PASSED DATE \_\_\_\_/\_\_\_\_/\_\_\_\_ DEFEATED DATE \_\_\_\_/\_\_\_\_/\_\_\_\_

TABLED DATE \_\_\_\_/\_\_\_\_/\_\_\_\_ OVERDUE DATE \_\_\_\_/\_\_\_\_/\_\_\_\_

ADOPTED DATE \_\_\_\_/\_\_\_\_/\_\_\_\_