

**A LOCAL LAW AMENDING CHAPTER 325 OF THE CODE  
OF THE CITY OF HUDSON**

**Section 1. Title.**

This local law shall be known as the Short-Term Rental Law, Local Law No. \_\_\_ for the year 2020.

**Section 2. Legislative Findings, Intent and Purpose.**

The Common Council hereby finds the following:

1. It is in the best interests of the residents of the City of Hudson to further regulate the use of dwellings for certain short-term lodging and vacation rentals. Limiting the incidence of certain short-term rentals (as defined below) will assist in preserving the supply of dwellings available for longer term rentals or home ownership in the City of Hudson and maintaining the traditional character of its neighborhoods.
2. Short-term rentals do have a positive economic impact on the City, including increased tourism activity, and are therefore permitted in certain circumstances.
3. Unlike hotels (including traditional bed and breakfasts), the revenues derived from the operation of short-term rentals are typically not subject to the payment of a New York State sales tax. (See Publication 848 by the New York State Department of Taxation and Finance.)
4. The City Zoning Law erroneously defines “dwelling Unit” to exclude studio apartments, which was not the intention of the Common Council, and the Code does not define the words “dwelling” and “hotel,” which can lead to ambiguity as to the meaning of some provisions of the Code.

**Section 3. Statement of Authority.**

This local law is authorized by the Municipal Home Rule Law (chapter 36-a of the Consolidated Laws of the State of New York) and the General City Law (chapter 21 of the Consolidated Laws of the State of New York).

## Section 4. Amendments.

I. Hudson City Code, Chapter 325, is hereby *AMENDED* by *ADDING* the following:

### §325-28.3 Short-Term Rentals

- A. Short-term rentals are permitted to operate within the City of Hudson only in any of the following circumstances:
1. A resident of the City of Hudson, either as an individual, or through an entity in which such individual holds a majority equity and voting interest, may operate up to three (3) short-term rental units, all three short-term rental units to be located on the same parcel on which the resident resides.
  2. Any person who owns a dwelling unit in the City of Hudson, and resides in it at least fifty (50) days a year, may operate it as a short-term rental unit for up to a maximum of sixty (60) days per calendar year; or
  3. A building or portion thereof that is not entitled to be operated as a short term rental pursuant to this law, but was entitled to operate as a short-term rental prior to the adoption of this law, and was operated as a short term rental prior to March 6, 2020, and paid a lodging tax attributable to the period ending on May 31, 2020, may continue to so operate for a period of one(1) year from the date that this law goes into effect, at which time such right shall terminate.
  4. Upon application and after a public hearing pursuant to §325-38 of the City Code, the Zoning Board of Appeals may grant the owner of a short-term rental subject to termination of operations under subparagraph (3) of this section a variance to continue operations for up to three (3) years provided that:
    - (a) the applicant demonstrates through competent dollars-and-cents proof that prior to March 6, 2020 they made substantial investments to improve the property necessary to use it as a short-term rental; and
    - (b) the applicant provides documentation of their total receipts from the short-term rental and expected revenue through the date of termination of the use; and
    - (c) the applicant demonstrates that it cannot obtain a reasonable return on their investment if the property is used for any other purpose permitted within the zoning district and that the lack of a reasonable return is due solely to the prohibition of short-term rentals and not other market forces; and
    - (d) the Zoning Board of Appeals grants the minimum extension period necessary to mitigate the demonstrated loss of a reasonable return.
    - (e) Any person aggrieved by a decision of the Zoning Board of Appeals under this subsection may seek judicial review pursuant to §81-c of the General City Law.

- B. In order to assist in the administration of this law, the application form prescribed by the City Treasurer pursuant to section §275-27 of the City Code for registering short term lodging facilities shall include a question as to whether compensation received from the operation of a the dwelling unit being registered is subject to the payment of a sales tax under New York state law, and if so, the date when such sales taxes began to be paid.
- C. No short-term rental unit shall be located above the second floor of any building unless such floor has a fire sprinkler system or has been otherwise constructed in accordance with the requirements of applicable New York State code requirements for residential occupancy of such floors. Each sleeping room within a short term rental shall have affixed to the occupied side of the entrance door to the sleeping room a written notice stating the means of egress from the room in case of fire or other emergency, the location of means for transmitting fire alarms, if any, and the evacuation procedures to be followed in the event of a fire or smoke condition, or upon activation of a fire or smoke-detecting or other alarm device.
- D. The right to operate a short-term rental on any parcel shall terminate for a period of two (2) years from the date the operator of a short term rental is found guilty by a court of law with respect to such the use of such parcel of violating Chapter 157 (Garbage, Rubbish or Refuse), Chapter 210 (Noise) or Section 300-27 (Unlawful Abandonment of Dangerous Vehicles), of the Hudson Code for the parcel on which the short-term rental is located.
- E. Any violation of the provisions of this section §325-28.3 shall constitute a violation punishable by the fines set forth in §325-33 of the Hudson Code. Each day of continued violation shall constitute a separate and additional offense.
- F. Definitions. Unless provided otherwise herein, all terms shall have the meaning as defined in Sec. 325-42 of this chapter. As used in this section, the following terms shall have and include, unless the context clearly requires otherwise:

**SHORT- TERM RENTAL** – A room that is made available as short-term lodging (both as defined in Sec. 275-22 of Article VIII of the Hudson City Code) that is subject to the payment of a lodging tax by the City of Hudson and is not in a hotel that either (i) has a manager on the parcel on which the room is located at least eight (8) hours a day on such days as it has rooms that are rented or available for rent, or (ii) paid a sales tax attributable to its operation for a period ending on or before May 31, 2020.

**SHORT-TERM RENTAL UNIT** - A short-term rental with its own access and egress that is separately offered to the public for rental.

**II. Hudson City Code, Chapter 325-42 is hereby AMENDED by ADDING the following definition:**

DWELLING – A building or portion thereof that is legally entitled to be used or is used for habitation by a natural person.

HOTEL – A dwelling (including a bed and breakfast) offered for rent the gross receipts derived from its operation of which are subject to the payment of a sales tax by the State of New York.

**III. Hudson City Code, Chapter 325-42 is hereby AMENDED by AMENDING and DELETING the following definitions:**

DWELLING UNIT – A building or entirely self-contained portion ~~other than a studio apartment~~, which contains complete housekeeping facilities for one family (including any domestic servants employed on the premises) and having no enclosed space (other than for vestibules, entrance, or other hallways or porches) or cooking or sanitary facilities in common with any dwelling unit. A boardinghouse, or convalescent home, dormitory, fraternity or sorority house, hotel inn, lodging or rooming house, nursing or similar home or other similar structure shall not be deemed to constitute a dwelling unit.

~~STUDIO APARTMENT – An apartment unit which consists solely of a single room plus bathroom. The single room shall contain a kitchen, living room and bedroom.~~

**Section 5. Severability.**

If any clause, sentence, paragraph, section or part of this Local Law shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined to its operation in said clause, sentence, paragraph, section or part of this Local Law.

**Section 6. Effective Date.**

This Local Law shall take effect immediately upon filing with the Secretary of State.

Introduced \_\_\_\_\_

Seconded \_\_\_\_\_

Approved \_\_\_\_\_

Kamal Johnson, Mayor

