

ORDINANCE 25-01
AN ORDINANCE ESTABLISHING TITLE 6 CHAPTER SIXTEEN (16), LICENSES, OF THE
REVISED ORDINANCES OF THE CITY OF MOBRIDGE, SOUTH DAKOTA

BE IT ORDAINED by the City Council of the City of Mobridge, South Dakota, that Title 6 in Chapter 15, Licenses, of the revised ordinances of the City of Mobridge, be established to read as follows.

6-16-0 SHORT TERM RENTALS

6-16-1 DEFINITIONS

Unless an alternative definition is explicitly stated in this section, this chapter utilizes the definitions for lodging related terms which are defined by SDCL 34-18-1.

Bed and Breakfast Facility - A small lodging establishment that offers overnight accommodation and breakfast.

Department – The South Dakota Department of Health.

License Holder – The property owner of a short-term rental property that possesses a license under this article to operate the short-term rental for which the license was issued.

Property Owner - The individual, individuals or company that has proprietors' rights to the property.

Short Term Rental - Bed and Breakfast Facilities, Vacation Home Rentals, and Home-Based Rentals that are available for rental to the same guest(s) for a period not exceeding thirty consecutive days. A short-term rental does not include a Bed and Breakfast Facility, Vacation Home Rental, or Home-Based Rental that is available for rent for fourteen or fewer days in a calendar year. Any short-term rental which may be used occasionally as a Bed and Breakfast Facility and at other times be used as a Vacation Home Rental shall be reviewed as a Vacation Home Rental.

Transfer - The grant or conveyance of an ownership interest in the short-term rental property from an entity, trust, person, or combination thereof to another entity, trust, person, or combination thereof. The grant or conveyance of an ownership interest in the short-term rental property from one spouse to his or her respective spouse by lawful marriage shall not be considered a transfer.

Vacation Home Rental (VHR) - A short term rental in which a private dwelling is rented, leased, or furnished in its entirety to the public on a daily or weekly basis for a charge, and where the dwelling is not also occupied by an owner or manager during the time of rental.

Home Based Rental (HBR) – A short term rental in which a private dwelling is rented, lease, or furnished in whole or in part to the public on a daily or weekly basis for a charge, and where the dwelling is also occupied by an owner or manager during the time of rental.

6-16-2 GENERAL PROVISIONS

- (a) Occupancy of recreational vehicles (RVs), camper trailers and tents shall not be allowed as a VHR.
- (b) The minimum age allowed for the principal renter of a VHR is 21 years of age.
- (c) The use of open fires, fire pits, fireworks, charcoal burning grills, gas fired grills, or other devices (as applicable) shall not be allowed without permission from the owner, property manager or local

contact. The owner, property manager or local contact must comply with all federal, state and/or local laws, ordinances, or rules regarding open burning, burn barrels, fire pits, fireworks, fireplace, or the burning of any flammable material.

6-16-3 LICENSE REQUIRED

No short-term rental may be operated in the city without the appropriate valid and current license issued by the city pursuant to this article. A violation of this provision is subject to a penalty of \$500. Each day of the violation constitutes a separate offense.

No short-term rental may be operated in the city without the appropriate valid and current license issued by the Department pursuant to rules promulgated under SDCL 34-18. A violation of this provision is subject to a penalty of \$500. Each day of the violation constitutes a separate offense.

6-16-4 LICENSE APPLICATION

An application for a short-term rental license must be made on a form provided by the city. No other application form will be considered.

The applicant must submit the following:

- (1) Application fee as contained within the Rates and Fee Schedule, which is set and amended by resolution.
- (2) An application that will include, but is not limited to, the following:
 - a) Each property owner's name, permanent address, and phone number.
 - b) The legal description and physical address of the property is to be used as a short-term rental.
 - c) A description of the proposed use (including any outdoor use), the maximum number of rooms and occupancy available, and the anticipated dates, the short-term rental will be available for overnight accommodation.
 - d) Contact information for the property manager or local contact individual to comply with the requirements of this Section, and to be contacted in case of complaint or emergency.
 - e) Any additional information requested by the city.
- (3) A copy of the Lodging License issued by the Department.
- (4) A copy of the owner's South Dakota Sales Tax License issued by the South Dakota Department of Revenue.
- (5) A copy of the property's insurance coverage reflects the endorsement for the short-term rental.

6-16-4 ISSUANCE OF LICENSE

Once an application is filed, the application will be referred to the appropriate city departments for an investigation into the applicant's eligibility for a license. If applicant meets the requirements in 6-16-4, the City Council shall consider the application at a public hearing. Notice shall be given at least fifteen (15) days in advance of public hearing. All adjacent property owners shall be notified by first class mail. Notice of such hearing shall be published in one (1) official publication of the City at least fifteen (15) day prior to the public hearing.

- (a) The City Council may issue a license unless:
 - (1) The owner has made a false statement on the application or submits false records or documentation; or
 - (2) The property is not in compliance with the Department.
 - (3) The license is to be used for a business prohibited by state or local law, statute, rule, ordinance, or regulation; or

- (4) Any applicant or property owner has had a short-term rental license revoked by the city or a lodging license revoked by the state; or
 - (5) Any property owner of the property is overdue in payment to the city of taxes, fees, fines, or penalties assessed against or imposed upon the applicant in relation to any short-term rental property; or
 - (6) The applicant will not be operating the business for which the license would be issued.
- (b) The city will reject any application if the limit on the number of short-term rentals has been reached.
 - (c) The applicant shall pay all costs associated with the public hearing and providing notice of the public hearing.

6-16-6 NUMBER OF LICENSES

The number of licenses available shall be limited as set by resolution of the City Council.

Vacation home rentals and Bed and Breakfast Facilities already existing on Airbnb or a similar site at the time of the passage of this ordinance may apply for licensure within sixty days of passage of this ordinance and, if approved, shall be considered Pre-existing Facilities. Licenses issued to Pre-existing Facilities shall count towards the overall license limit, however, no Pre-existing Facility shall be denied a license on the basis that the license limit has been reached, including at time of license renewal for any Pre-existing Facility.

Home Based Rentals shall not be counted towards the license limit, and the license limit shall not apply to Home Based Rentals.

6-16-7 EXPIRATION OF LICENSE AND RENEWAL

- (a) Each license shall be for a calendar year. A license holder must renew the license on an annual basis in order to continue the short-term rental operation. Renewal applications shall include the following:
 - (1) The annual application fee as contained within the Rates and Fee Schedule, which is set and amended by resolution.
 - (2) A copy of the current Lodging License issued by the Department.
 - (3) A copy of the property's insurance coverage reflecting the endorsement for the short-term rental.
 - (4) Contact information for the property manager or local contact individual to comply with the requirements of this Section, and to be contacted in case of complaint or emergency.
- (b) It may be renewed within thirty (30) days of its expiration, but if a license holder fails to renew the permit within thirty (30) days of expiration, he or she must submit a new license application. The license holder must continue to meet the license requirements to be eligible for a renewal.
- (c) Failure to renew a license in accordance with this section may result in additional fees. Upon expiration of the license, the city may order closure of the short-term rental.
- (d) If a Pre-existing Facility, as defined in 6-16-6 above, fails to renew its license, it shall lose its status as a Pre-existing Facility and any new license application for the facility will be subject to the license limit contained in 6-16-6.

- (e) If a license holder has not operated a short-term rental for which it holds a license in the preceding twelve (12) months, the license will not be renewed.

6-16-8 SUSPENSION OR REVOCATION OF LICENSE

The City may suspend or revoke any short-term rental license, or refuse to issue a license, for any of the following grounds:

- (a) Failure to adhere to applicable regulations or laws.
- (b) Concerns expressed to the City about the operation of the short-term rental, including nuisance issues, noise complaints, safety concerns, calls for service to the Police department, or similar complaints.
- (c) Commission of fraud or willful misrepresentation in the application for or in obtaining a license.
- (d) Commission, or permitting, aiding, or abetting in the commission of any unlawful act in the short-term rental.
- (e) Conduct or practices detrimental to the public health, safety, or welfare.
- (f) Any property owner is delinquent in payment to the city, county, or state for any taxes or fees related to the short-term rental.
- (g) The Department issued registration is suspended, revoked, or not renewed or the registration certificate is expired.

6-16-9 SUSPENSION AND REVOCATION PROCESS

- (a) The license holder will be issued a notice of intent to suspend or revoke a short-term rental license and the reasons for the suspension or revocation by first class mail to the license holder's address on record.
- (b) If the license holder disputes the suspension or revocation, the license holder has ten (10) days from the postmark date on the notice to request a hearing before a hearing panel, which will consist of the Mayor, Council Zoning Committee Representatives, and City Administrator.
- (c) A suspension will be for thirty (30) days and begins ten (10) days after the postmark date on the notice or the date the notice is hand delivered unless the license holder exercises its rights to process and appeal, in which case the suspension takes effect upon the final determination of suspension.
- (d) A revocation will be for one (1) year and begins ten (10) days after the postmark date on the notice or the date the notice is hand delivered unless the owner appeals the revocation, in which case the revocation takes effect upon the final determination of revocation.
- (e) Any property owner who has had a license revoked may not be issued a short-term rental license for one year from the date the revocation became effective.

6-16-10 APPEAL

A property owner who has been denied a license or renewal of a license or who has had a license suspended or revoked under this article may appeal to the City Council by submitting a written appeal within ten (10) days of the postmark on the notice of denial, nonrenewal, suspension, or revocation. The written appeal must be submitted to City Administrator's Office. The appeal will be considered by the City Council at a regularly scheduled meeting within one month of the receipt of the appeal.

6-16-11 LICENSES NOT TRANSFERABLE

A short-term rental license may not be transferred to a different location or to a different property

owner.

6-16-12 PENALTIES

Any person who operates or causes to be operated a short-term rental without a valid license or in violation of this article is subject to a suit for injunction as well as prosecution for ordinance violations. Such violations are punishable by a maximum fine of five hundred dollars (\$500.00). Each day a short-term rental so operates is a separate offense or violation.

Severability. The provisions of this ordinance are severable. If any provision of this ordinance or the application thereof to any person or circumstance is held to be invalid, such invalidity shall not affect other provisions or applications of this ordinance which can be given effect without the invalid provision or application.

Dated this 9th day of April 2025.


Gene Cox, Mayor

ATTEST:


Heather Beck, Finance Officer

First Reading:
March 12, 2025
Second Reading:
April 9, 2025
Published:
April 16, 2025
Effective:
May 6, 2025