ORDINANCE NO. 022425A

AN ORDINANCE OF THE CITY OF FISHERS, INDIANA CREATING AND ADDING CHAPTER 163 OF THE FISHERS CODE OF ORDINANCES (HOME RENTAL REGISTRATION & PERMITTING PROGRAM)

WHEREAS, the City of Fishers, Indiana ("City") is a smart, vibrant, entrepreneurial community and, due to the City's intentional planning, initiatives and efforts to regulate property usage and maintenance as well as public safety, is consistently listed by third party national publications as a "Best Place to Live" and one of the "Safest Cities in the United States";

WHEREAS, the City has a significant interest in and desires: (1) to ensure public health, safety, and welfare insofar as they are affected by the continued occupancy and maintenance of homes used as rental units; (2) to facilitate enforcement of the City of Fishers Code of Ordinances Title XV; (3) to protect the character, stability and vibrancy of the City of Fishers, particularly its residential neighborhoods and its downtown; (4) to promote maintenance of homes and thereby ensure public health, safety and welfare; and (5) to encourage home ownership and the social benefits it brings, including civic engagement, community investment, and improved health;

WHEREAS, the City has thoughtfully and intentionally planned and identified locations for multi-family and other rental homes in locations across the City that are sustainable and desirable, as shown in its 2040 Comprehensive Plan;

WHEREAS, as found in the City's 2022 housing study, the City has seen an increase in single-family homes being purchased and used as rental units and so the City recognizes the need for an organized residential rental registration program for home rental units within the City to provide an efficient and timely system of communication regarding code enforcement, fire and safety, and law enforcement for the health, safety, and welfare of all residents of the City;

WHEREAS, the City desires regulations to advance legitimate public purposes designed to protect the overall public health, safety and welfare of the City by requiring registration and permitting of home rental units;

WHEREAS, Ind. Code §36-1-20-1 *et seq*. empowers the City to adopt requirements regarding registration and permitting of rental housing with only two limitations (1) no fees for such permits and (2) no permit renewal requirements until there is a change of ownership of the property;

WHEREAS, the Common Council of the City of Fishers ("Council") desires to adopt an ordinance in accordance with Ind. Code §36-1-20-1 *et seq.* and desires to implement enforcement measures and penalties to encourage compliance with the Home Rental Registration & Permitting Program; and

WHEREAS, the Council desires to create Chapter 163, Home Rental Registration & Permitting Program, attached hereto and incorporated here as <u>Exhibit A</u>, and add the Home Rental Registration & Permitting Program to the City of Fishers Code of Ordinances.

NOW, THEREFORE, BE IT ORDAINED, by the Common Council for the City of Fishers, Hamilton County, Indiana, meeting in regular session as follows:

- Section 1. Chapter 163, Home Rental Registration & Permitting Program, is hereby created as set forth in <u>Exhibit A</u>, attached hereto and incorporated herein.
- **Section 2.** If any provision of this Ordinance shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Ordinance shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.
- **Section 3.** This Ordinance shall be of full force and effect in accordance with Indiana law.

SO ORDAINED by the Common Council of the City of Fishers, Indiana on this<u>21st</u> day of April , 2025.

COMMON COUNCIL OF THE CITY OF FISHERS, HAMILTON COUNTY, INDIANA

COMMON COUNCIL OF THE CITY OF FISHERS, HAMILTON COUNTY, INDIANA

YAY		NAY	ABSTAIN
NAN-X	Pete Peterson,		
fliter	President		
()the X	John DeLucia,		
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VIA TEAMS A	Member		
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	Todd Zimmerman,		
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I hereby certify that the foregoing Ordinance/ Resolution was delivered to City of Fishers Mayor. Scott Fadness on the 21st day of April 2025 at 2025 at 2000 p.m.

ATTEST: Jennifer L. Kehl, Fishers

MAYOR'S APPROVAL Scott A. Fadness, Mayor

SEAL

022425A

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MAYOR'S VETO

Scott A. Fadness, Mayor

This instrument is prepared by: Lindsey M. Bennett, Corporation Council, City of Fishers, Hamilton County, Indiana, One Municipal Drive, Fishers, Indiana, 46038

"I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law." Lindsey M. Bennett

DATE

DATE

April 21, 2025

CHAPTER 163 HOME RENTAL REGISTRATION & PERMITTING PROGRAM § 163.01 PURPOSE AND APPLICABILITY.

(A) The Home Rental Registration & Permitting Program is adopted for the following purposes:

(1) To ensure public health, safety, and welfare insofar as they are affected by the continued occupancy and maintenance of homes used as rental units;

(2) To facilitate enforcement of the City of Fishers Code of Ordinances Title XV;

(3) To protect the character, stability and vibrancy of the City of Fishers, particularly its residential neighborhoods and its downtown;

(4) To promote maintenance of homes and thereby ensure public health, safety and welfare; and

(5) To encourage home ownership and the social benefits it brings, including civic engagement, community investment, and improved health, as well as recognize that homeowners not only intend to maintain property, but to improve their property.

(B) The Home Rental Registration & Permitting Program applies to all home rental units located within the corporate boundaries of the City of Fishers. It does not apply to any property regulated as a "short term rental" property under Indiana Code §36-1-24-1 et seq. Nothing in this Chapter prevents a homeowner's association from enacting more restrictive requirements in its covenants.

§ 163.02 DEFINITIONS.

For the purpose of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

BENEFICIAL OWNER. Any person, agent, or organization who, directly or indirectly (1) exercises substantial control over a home rental unit; or (2) owns or controls not less than 25% of the ownership interests of the owner or beneficial owner.

HOME RENTAL UNIT. A single-family home or townhome let for occupancy in entirety by an owner or beneficial owner. This definition does not include the following arrangements, unless the arrangements are created to avoid application of this chapter:

(1) Occupancy by the purchaser of a single-family home or townhome under a contract of sale, provided the contract for sale is properly recorded with the Hamilton County Recorder's Office;

(2) Occupancy in a rectory or parsonage by a person(s) generally assumed to occupy such a dwelling;

(3) Rental of a single-family home or townhome where the owner(s) resides in the single-family home or townhome and leases to individuals or a family while they are absent from the City of Fishers for short periods of time, not to exceed one year, and who

intends to return to their single-family home or townhome at the expiration of the lease period;

(4) Rental of a single-family home or townhome where the owner(s) who resided in the single-family home or townhome has been relocated by their employer in excess of fifty(50) miles from the location of the single-family home or townhome in the last year;

(5) Rental of a single-family home or townhome where the owner or owner(s) who resided in the single-family home or townhome are active members of the military and have been deployed;

(6) Rental of a single-family home or townhome where the owner(s) who resided in the single-family or townhome has experienced a death, divorce, transfer to assisted living or other life situation which has necessitated them to vacate the single-family home or townhome in the last year and they would experience an undue hardship if they sold the single-family home or townhome;

(7) Rental of a single-family home or townhome where the tenant is a legal dependent or parent of the owner(s) of the single-family home or townhome;

(8) Rental of a single-family home or townhome where the owner(s) who resided in the single-family home or townhome has, in the last year, listed the single-family home or townhome on the multiple listing service (MLS) for more than six (6) months and has been unable to sell the single-family home or townhome; and

(9) Rental of a single-family home or townhome that is located in a subdivision developed and built with the intention of all single-family homes or townhomes located in the subdivision being inhabited by a tenant and not an owner.

HOME RENTAL PERMIT. A permit, issued by the Director of the Department of Planning & Zoning or his or her designee under this chapter, authorizing the owner to let for occupancy a home rental unit.

LEGACY UNITS. Home rental units existing within a subdivision on or prior to the effective date of this ordinance for which the owner has submitted a complete initial registration by December 31, 2025.

LEGAL DEPENDENT. Natural born or adopted children, spouses, household members covered by conservatorship or guardianship or those other adults claimed on tax returns as legal dependents.

LET FOR OCCUPANCY. To permit, provide, or offer possession or occupancy of a single-family home or townhome by an owner or beneficial owner to a third party pursuant to a written or unwritten lease, agreement or license, or pursuant to an unrecorded contract for sale.

OWNER. Any person, agent, or organization having a legal interest in a single-family home or townhome; or recorded in the official records of the Hamilton County Recorder's Office as holding title to a single-family home or townhome; or otherwise having control of a single-

family home or townhome, including the guardian of the estate of any such person, and the executor or administrator of the estate of such person if ordered to take possession of a single-family home or townhome by a court. For the purposes of this chapter, a person with a lease hold interest or an unrecorded contract for sale shall not be considered an owner.

SINGLE-FAMILY HOME. A detached residential dwelling unit.

SUBDIVISION. A neighborhood or other similar residential development of ten (10) single-family homes or more, or ten (10) townhomes or more, that has been approved by the City of Fishers as a plat bearing the same name with different phases or as a Planned Unit Development, as shown on the Hamilton County, Indiana parcel card/property report under "Subdivision" or "Subdivision Name".

TENANCY AGREEMENT. All agreements, written, oral or implied, and valid rules and regulations embodying the terms and conditions concerning the use and occupancy of a home rental unit.

TENANT. Any person entitled to occupy a home rental unit under a tenancy agreement to the exclusion of others.

TOWNHOME. Any residential unit, including platted condominiums, designed for one family that shares one or more common walls with another similar residential unit and is located on its own lot, tract or parcel of real estate.

§ 163.03 REQUIREMENTS

No owner shall let for occupancy a home rental unit without first, in accordance with §163.04 and §163.05:

(A) Registering the home rental unit with the Department of Planning & Zoning; and

(B) Obtaining a home rental permit from the Department of Planning & Zoning.

§ 163.04 REGISTRATION OF HOME RENTAL UNITS

(A) An owner of a home rental unit shall register all home rental units. Registration of a home rental unit shall be effected by furnishing the Department of Planning & Zoning upon a form supplied by the Department of Planning & Zoning, the following information:

- (1) Name(s) of all owner(s);
- (2) Name(s) of all beneficial owner(s);
- (3) Street address of owner(s);
- (4) Phone number of owner(s);
- (5) Email address of owner(s);

(6) Name, street address, phone number and email address of agent, if any, authorized to act on behalf of the owner(s) in regard to the home rental unit, including service of process;

(7) Verification that a Homestead Property Tax Deduction is not being claimed on the property while in use as a rental unit; and

(8) Whether the owner or single-family home or townhome:

(a) has been cited for violation of any requirement imposed by Title XV of the Fishers Municipal Code, including this chapter;
(b) is current on all City of Fishers utility invoices (sanitary sewer, trash, and stormwater); and
(c) has been the subject of more than seven (7) public safety calls for service, as defined by §100.02 of the Fishers Municipal Code.

(9) Certification that, if the applicant receives a home rental unit permit, the singlefamily home or townhome will be in compliance with applicable Homeowners Association restrictive covenants regarding limitation on homes within the subdivision being let for occupancy, if any.

(B) By listing a street address of the owner(s) in the home rental unit registration, the owner(s) thereby consents to service of process at that address.

(C) Any owner(s) who does not reside in or have their principal place of business in Indiana shall designate and list an in-state agent under subsection (a)(6).

(D) The home rental unit registration form shall be signed by the owner(s) and not the owner's agent.

(E) Whenever an owner(s) or agent changes his contact information (mailing address, phone number or email address) it shall be his responsibility to provide the Department of Planning & Zoning with an updated home rental unit registration form. All updated registration forms shall be signed by the owner and not the owner's agent.

(F) Whenever ownership of the home rental unit changes and the new owner intends to let the unit for occupancy, the new owner shall re-register the unit with the Department of Planning & Zoning within thirty (30) days of obtaining title to the home rental unit. Each parcel of property on which a home rental unit is located requires a separate registration.

(G) All current owners shall submit an initial registration application for any and all existing home rental units by December 31, 2025. Thereafter, any owner shall have thirty days (30) days from obtaining ownership in a home rental unit, to register that home rental unit.

§ 163.05 HOME RENTAL UNIT PERMITS

(A) The Department of Planning & Zoning shall treat a home rental unit registration form as an application for a home rental unit permit.

(B) The Department of Planning & Zoning shall issue a home unit rental permit to the home rental unit's owner(s) if and only if all of the following criteria are satisfied:

(1) The home rental unit registration form contains all of the information required by \$163.04.

(2) The owner or single-family home or townhome:

(a) has not been cited for violation of any requirement imposed by Title XV of the Fishers Municipal Code, including this chapter;

(b) is current on all City utility invoices (sanitary sewer, trash, and stormwater); and

(c) has not been the subject of more than seven (7) public safety calls for service, as defined by §100.02 of the Fishers Municipal Code.

If the owner or property has been found in violation of (B)(2)(a)-(c), the Director of Department of Planning & Zoning may determine in his or her discretion that the public interest nevertheless supports issuing a home rental unit permit.

(3) At the time the home rental unit permit would be issued, less than ten percent (10%) of the single-family homes or townhomes in the subdivision are registered and permitted as home rental units.

(1) Section (B)(3) shall not apply to Legacy Units as defined in this chapter but shall apply to any home rental unit registered after December 31, 2025.

(2) If a Legacy Unit is registered by December 31, 2025, and the registration satisfies the requirements of \$163.04, the Legacy Unit shall be issued a home rental unit permit even if it results in the subdivision having more than ten percent (10%) home rental units. However, beginning January 1, 2026, no additional home rental unit permits shall be issued for a single-family home or townhome within the subdivision until the subdivision is in compliance with Section (B)(3) (has less than ten percent (10%) home rental units, home rental unit permits shall become available up to the ten percent (10%) threshold set forth in Section (B)(3).

(C) A rental unit permit shall not expire until the ownership of a home rental unit changes. If the ownership of the home rental unit changes, the new owner may apply for a new home rental unit permit.

(D) Home rental unit permits may not be sold, transferred, or otherwise alienated.

(E) The Department of Planning & Zoning shall not charge a fee to obtain a home rental unit permit.

(F) A denial of home rental unit permit may be appealed under §163.99.

§ 163.06 REVOCATION OF HOME RENTAL UNIT PERMIT

A home rental unit permit may be revoked under the following circumstances:

- A. Failure to correct violations within the time specified in a Notice of Violation issued pursuant to this chapter;
- B. Any other violation of Title XV of the Fishers Municipal Code;
- C. Continued delinquency of City utility bills; or
- D. Any specific provisions of the city ordinances that place undue burden on public safety resources (i.e. more than seven (7) calls for service to public safety).
- E. The home rental unit is not in compliance with the subdivision Homeowner Association restrictive covenants' as required by §163.04(A)(9).

The Director of Planning & Zoning may send evidence of §163.06 to the City's Law Department and the City Law Department may bring an action in the name of the City of Fishers in Fishers City Court or in Superior or Circuit Court of Hamilton County to revoke a home rental unit permit.

§ 163.99 PENALTIES AND REMEDIES

(A) Beginning January 1, 2026, any owner who fails to register a home rental unit or provides false or incomplete information on the home rental unit registration form in violation of §163.04 commits a civil violation and shall pay to the City a civil monetary fine in the amount of \$250.

(B) Any owner who lets for occupancy a home rental unit in violation of §163.05 commits a civil violation and shall submit their tenancy agreement to the City and pay to the City a civil monetary fine in the amounts as follows:

(1) First violation - \$1,000.

(2) Second and subsequent violation – not less than \$5,000 nor more than \$7,500.

(C) A violation continues to exist until corrected and verified by the Director of the Department of Planning & Zoning. Correction includes, but is not limited to any or a combination of:

- (1) Cessation of an unlawful practice;
- (2) Remediation of a violation;
- (3) Payment of fees or fines;
- (4) Vacancy of a home rental unit; and
- (5) Other remedy acceptable to the city.

(D) The Director of the Department of Planning & Zoning may issue a Notice of Violation to any owner who commits a civil violation under this Chapter. The Notice of Violation may be served by personal service, by certified mail or by placement in a conspicuous place on the home

rental unit. If personal service is made, said official will, in a conspicuous manner, wear on his or her person identification of his or her employment with the City.

(E) The Notice of Violation shall serve as notice to the owner that the owner has committed a civil violation and shall include:

(1) The date of issuance;

(2) The name of the owner charged and the address of the home rental unit with respect to which the violation occurred;

(3) The civil monetary fine the City will impose for the violation and where the fine may be paid;

(4) The remedy or combination of remedies pursuant to subsection (C) and the date on which the owner shall complete the remedial action;

(5) Contact information for the Department of Planning & Zoning; and

(6) How to appeal the Notice of Violation.

(F) A Notice of Violation or a denial of a home rental unit permit may be appealed to the City of Fishers City Court within ten (10) days of receipt of the Notice of Violation or denial of home rental unit permit.

(G) If the owner does not timely file an appeal, complete corrective action, or pay the fine by the date set forth in the Notice of Violation, the Director of Planning & Zoning shall send the Notice of Violation and all supporting documentation to the head of the City of Fishers Law Department. The head of the City of Fishers Law Department shall in the name of the City of Fishers bring an enforcement action in the Fishers City Court or in the Circuit or Superior Courts of Hamilton County, for civil monetary fines and penalties and/or mandatory and injunctive relief in the enforcement of and to secure compliance with this chapter. Any such action may be joined with an action to enforce any other ordinance.

(H) An owner found to be in violation may be enjoined from letting the home rental unit for occupancy and is further liable for all civil monetary fines, court costs, and fees. No costs may be assessed against the City in any such action.

(I) Seeking civil penalties as authorized in this section does not preclude the City from seeking alternative relief from the Court in the same action or any other remedy in a separate action. The remedies provided for in this title shall be cumulative, and not exclusive, and shall be in addition to any other remedies available in law or equity.

(J) If an owner fails to pay the civil monetary penalty or violates the terms of any other order imposed by the court, the failure shall be punishable as contempt of court.



Council Action Form

MEETING DATE	April 21, 2025			
TITLE	Request to Create and Add Chapter 163, Home Rental Registration & Permitting Program, to the Fishers Code of Ordinances			
SUBMITTED BY	Name & Title: Jordin Alexander, Chief of Staff Department:			
MEETING TYPE	Work Session	Regular	Special	Retreat
	Executive			
AGENDA CLASSIFICATION	Consent	Ordinance	Resolution	Regular
ORDINANCE/RESOLUTION	∑1 st Reading	2 nd Reading	Public Hearing	X 3 rd Reading
(New ordinances or resolutions are assigned a new number)	Ordinance #: 022425A		Resolution #:	
CONTRACTS (Contracts include other similar documents such as agreements and memorandum of understandings. <u>Check all</u> <u>applicable boxes pertaining to</u> <u>contracts</u>)	Contract required for this item		Signed copy of contract attached	
	Seeking award or other scenario & will provide contract at a later date		No contract for this item	
	Contract over \$50,000		Services	
	Please mark the box in the other column that pertains to this contract.		Capital Outlay	
			Debt Services	
HAMILTON COUNTY (Some documents need recorded by the City Clerk)	 Document must be recorded with the County Recorder's Office Wait 31 days prior to filing with the County Recorders' Office 		Document does with the County Re	

APPROVALS/REVIEWS	Assistant/Deputy Department Head	Controller's Office	
	Deputy Mayor	Technical Advisory Committee	
	Mayor	Other:	
	Legal Counsel –		
	Name of Reviewer:		
	Lindsey Bennett		
BACKGROUND (Includes description, background, and justification)	For Council's review and approval is an addition to the Code of Ordinances, Chapter 163, Home Rental Registration & Permitting Program. This Ordinance requires owners of single-family homes and townhomes (as defined herein) that are let for occupancy as a rental unit to register the rental unit with the City and obtain a permit for the operation of the rental unit. This ordinance does not apply to short-term rentals and does not prohibit HOAs from adopting more restrictive requirements in their covenants. Several exemptions from this ordinance exist under the definition of Home Rental Unit and the ordinance would not apply in those circumstances. Beginning January 1, 2026, all single-family homes and townhomes that are let for occupancy within the City shall be registered and permitted. The registration shall serve as the application for permit and the permit will be granted as long as the owner has fully completed the registration and the owner or the property (1) is in compliance with all City ordinances, (2) is current on all City utilities, (3) has not been subject to more than 7 public safety calls for service, and (4) less than 10% of the homes in the subdivision where the home is located are registered and permitted as home rental units. Single-family homes and townhomes that are currently being leased have until December 31, 2025, to register their property and those rental units would not be subject to the 10% cap until those homes are sold in the future. Failure to register by December 31, 2025, will result in a \$250 fine. Operating a home rental unit without a permit will result in a \$1,000 fine for the first violation and \$5,000 - \$7,500 for the second and subsequent violations.		
	Budgeted \$:		
BUDGETING AND	Expenditure \$:		
FINANCIAL IMPACT	Source of Funds:		
(Includes project costs and funding sources)	Additional		
	Appropriation #: Narrative:		
	1. Hold 1 st Reading		
OPTIONS	2. Provide an alternative direction		
(Include <i>Deny Approval</i> Option)	3.		
	4.		
PROJECT TIMELINE	_ * _		
STAFF RECOMMENDATION	Hold 1 st Reading		

(Board reserves the right to accept or deny recommendations)	
SUPPLEMENTAL INFORMATION (List all attached documents)	