

CHAPTER 120: LODGING BUSINESSES

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GENERAL PROVISIONS

The City Council of the City of Lanesboro ordains:

‘120.01 AUTHORIZATION, INTENT AND PURPOSE

(A) This chapter is enacted pursuant to the authority granted by the Municipal Planning Act, M.S. “462.351 et seq. The intent of this chapter is to ensure public health, safety, and general welfare in accordance with the adopted development goals, plans and policies as stated hereto. This plan for the city is to ensure that the land uses in the city and businesses providing lodging services are in the best interest of the city; to improve the quality of the physical environment of the city; to protect and maintain property values, and to preserve and develop economic base of the city.

‘120.02 TITLE.

This chapter shall be known as the Lodging Businesses Ordinance except as referred to herein, where it shall be known as this Ordinance or this chapter.

‘120.03 INTERPRETATIONS OF TERMS.

Unless specifically defined below, words or phrases used in this chapter shall be interpreted so as to give them the same meaning as they have in common usage unless such meaning is clearly contrary to the intent of this chapter and so as to give this chapter the most reasonable application. For the purposes of this chapter, the words must and shall are mandatory and may is permissive. For the purpose of this chapter, the terms in ‘120.04 have the meanings given to them.

‘120.04 DEFINITIONS.

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

ADMINISTRATOR. The City Administrator/Clerk or other person designated by the City Council to administer and enforce the provisions of this chapter.

BED AND BREAKFAST. A guest accommodation offered in a private residence where the owner or host lives on the premises; there the number of guest rooms available does not exceed 6; where breakfast but no other meal or liquor can be served by the host. Said residence must be 75 years or older, as measured as of January 1, 1996, before, it will qualify to be operated as a bed and breakfast. Also, no more than 12 licenses for a bed and breakfast establishment shall be issued and be active at any one time.

HOSTEL. A building which operates as an establishment that provides food and lodging for a specific group of people, such as students, workers, or travelers.

HOTEL, MOTEL, INN, or LODGE. A building which provides a common entrance, lobby, halls and stairway in which people are, for compensation, lodged with or without meals.

VACATION DWELLING UNIT. A dwelling unit offered for trade or sale, whether for money or exchange of goods or services, for periods of 1 to 29 nights.

‘120.05 COMPLIANCE WITH ORDINANCE.

- (A) No lodging establishment shall hereafter be used or occupied except in conformity with the regulations of this Lodging Businesses Ordinance, the Zoning Land Use Ordinance, and any other applicable chapter of the municipal ordinance code.
- (B) The provisions of this chapter shall be minimum requirements. Where the conditions imposed by any provision of this chapter differ from those required by any statute or other ordinance of the city, the regulations which are more restrictive or which impose the higher standard shall prevail.
Penalty, see ‘151.99

‘120.06 SEVERABILITY.

Every section or subdivision of this chapter is declared separable from every other section or subdivision. If any section or subdivision is held to be invalid by competent authority, no other section or subdivision shall be invalidated by such action or decision.

LICENSING REQUIREMENTS

‘120.10 CLASSIFICATION OF LICENSES

It is unlawful for any person to operate a lodging business without the appropriate license from the City and also a license from the Minnesota Department of Health as appropriate. Application to the City must be made on the appropriate form provided by the City. The license issued by the City shall expire annually on March 31. The City Council shall establish a fee for the license by ordinance. A copy of the state license shall be provided to the City as part of the application process.

‘120.11 BED AND BREAKFAST LICENSURE

- (A) *State license required.* No person shall conduct lodging business within city limits without first having obtained the appropriate license from the State as required by M.S. Ch. 157 as it may be amended from time to time.
- (B) *City license required.* No person shall conduct lodging business within city limits without first having obtained the appropriate license from the city.
- (C) *Application.* Application to operate a bed and breakfast lodging business shall be made before the applicant begins conducting business operations in the city. Application for a license shall be made on a form approved by the City Council and available from the office of the City Administrator/Clerk. All applications shall be signed by the applicant. All applications shall include the following information:

1. Applicant's full legal name.
2. Applicant's address.
3. Applicant contact information.
4. Property owner's full legal name.
5. Property owner's address.
6. Property parcel ID number.
7. Description of existing property use.
8. Proposed use of property.
9. Current zoning of property.
10. Legal description of property.
11. The number of rooms to be rented.

- (D) *Fee.* All applications for licensure under this chapter shall be accompanied by the fee established in the Ordinance Establishing Fees and Charges, adopted pursuant to '30.11, as it may be amended from time to time.
- (E) *Procedure.* Upon receipt of the application and payment of the license fee, the City Administrator/Clerk must determine if the application is complete. An application is determined to be complete only if all required information is provided. If the City Administrator/Clerk determines the application is incomplete, the City Administrator/Clerk must inform the applicant of the required necessary information that is missing. If the application is complete, the City Administrator/Clerk will verify the information provided on the application and recommend approval or denial of the application to the City Council. If the City Council denies the application, the applicant will be notified in writing of the decision, the reason for denial, and of the applicant's

right to appeal the denial by requesting, within 20 days of receiving notice of rejection, a public hearing before the City Council. The City Council shall hear the appeal within 20 days of the date of the request for a public hearing.

- (F) *Duration.* An annual license granted from the City under this chapter shall be valid annually from April 1 through March 31 of the following year.

‘120.12 HOTEL AND MOTEL LICENSURE

- (A) *State license required.* No person shall conduct lodging business within city limits without first having obtained the appropriate license from the State as required by M.S. Ch. 157 as it may be amended from time to time.
- (B) *City license required.* No person shall conduct lodging business within city limits without first having obtained the appropriate license from the city.
- (C) *Application.* Application to operate a hotel or motel lodging business shall be made before the applicant begins conducting business operations in the city. Application for a license shall be made on a form approved by the City Council and available from the office of the City Administrator/Clerk. All applications shall be signed by the applicant. All applications shall include the following information:
1. Applicant’s full legal name.
 2. Applicant’s address.
 3. Applicant’s contact information.
 4. Property owner’s full legal name.
 5. Property owner’s address.
 6. Current zoning of property.
 7. Legal description of property.
 8. The number of rooms to be rented.
- (D) *Fee.* All applications for licensure under this chapter shall be accompanied by the fee established in the Ordinance Establishing Fees and Charges, adopted pursuant to ‘30.11, as it may be amended from time to time.
- (E) *Procedure.* Upon receipt of the application and payment of the license fee, the City Administrator/Clerk must determine if the application is complete. An application is determined to be complete only if all required information is provided. If the City Administrator/Clerk determines the application is incomplete, the City Administrator/Clerk must inform the applicant of the required necessary information that is missing. If the application is complete, the City Administrator/Clerk will verify the information provided on the application and recommend approval or denial of the application to the City Council. If the City Council denies the application, the applicant will be notified in writing of the decision, the reason for denial, and of the applicant’s right to appeal the denial by requesting, within 20 days of receiving notice of rejection, a public hearing before the City Council. The City Council shall hear the appeal within 20 days of the date of the request for a public hearing.
- (F) *Duration.* An annual license granted from the City under this chapter shall be valid annually from April 1 through March 31 of the following year.

‘120.13 VACATION DWELLING UNIT LICENSURE

- (A) *State license required.* No person shall conduct lodging business within city limits without first having obtained the appropriate license from the State as required by M.S. Ch. 157 as it may be amended from time to time.
- (B) *City license required.* No person shall conduct lodging business within city limits without first having obtained the appropriate license from the city.
- (C) *Application.* Application to operate a vacation dwelling unit business, including, but not limited to, Vacation Rental by Owner (VRBO) and Airbnb, shall be made before the applicant begins conducting business operations in the city. Application for a license shall be made on a form approved by the City Council and available from the office of the City Administrator/Clerk. All applications shall be signed by the applicant. All applications shall include the following information:

1. Applicant's full legal name.
2. Applicant's address.
3. Applicant contact information.
4. Property owner's full legal name.
5. Property owner's address.
6. Property parcel ID number.
7. Property manager's full name.
8. Property manager's address.
9. Property manager's contact information.
10. Current zoning of property.
11. Legal description of property.
12. The number of rooms to be rented.

- (D) *Procedure.* Upon receipt of the application and payment of the license fee, the City Administrator/Clerk must determine if the application is complete. An application is determined to be complete only if all required information is provided. If the City Administrator/Clerk determines the application is incomplete, the City Administrator/Clerk must inform the applicant of the required necessary information that is missing. If the application is complete, the City Administrator/Clerk will verify the information provided on the application and recommend approval or denial of the application to the City Council. If the City Council denies the application, the applicant will be notified in writing of the decision, the reason for denial, and of the applicant's right to appeal the denial by requesting, within 20 days of receiving notice of rejection, a public hearing before the City Council. The City Council shall hear the appeal within 20 days of the date of the request for a public hearing.
- (E) *Duration.* An annual license granted from the City under this chapter shall be valid annually from April 1 through March 31 of the following year.

‘120.14 LICENSE INELIGIBILITY

- (A) The failure of the applicant to obtain and show proof of having obtained any required state license.
- (B) The failure of the applicant to truthfully provide any of the information requested by the

- city as a part of the application, or the failure to sign the application, or the failure to pay the required fee at the time of application.
- (C) The conviction of the applicant within the past five years from the date of application for any violation of any federal or state statute or regulation, or of any local ordinance, which adversely reflects on the person's ability to conduct the business for which the license is being sought in a professional, honest, and legal manner. Those violations shall include but not be limited to burglary, theft, larceny, swindling, fraud, unlawful business practices, and any form of actual or threatened physical harm against another person.
 - (D) The revocation within the past five years of any license issued to the applicant for the purpose of lodging.
 - (E) The applicant is found to have a bad business reputation. Evidence of a bad business reputation shall include, but not be limited to, the existence of more than three complaints against the applicant with the Better Business Bureau, the Office of the Minnesota Attorney General, or other state attorney general=s office, or other similar business or consumer rights office or agency, within the preceding 12 months, or three complaints filed against the applicant within the preceding five years.

‘120.15 LICENSE SUSPENSION AND REVOCATION

- (A) *Generally.* Any license issued under this section may be suspended or revoked at the discretion of the City Council for violation of any of the following:
 - 1. Subsequent knowledge by the city of fraud, misrepresentation or incorrect statements provided by the applicant on the application form.
 - 2. Fraud, misrepresentation or false statements made during the course of the licensed activity.
 - 3. Subsequent conviction of any offense for which granting of a license could have been denied under ‘120.14.
 - 4. Violations of any other provisions under this chapter.
- (B) *Multiple persons under one license.* The suspension or revocation of any license issued for the purpose of authorizing multiple persons to conduct lodging business on behalf of the licensee shall serve as a suspension or revocation of each authorized person’s authority to conduct business on behalf of the licensee whose license is suspended or revoked.
- (C) *Notice.* Prior to revoking or suspending any license issued under this chapter, the city shall provide the license holder with written notice of the alleged violations and inform the licensee of his or her right to a hearing on the alleged violation. Notice shall be delivered in person or by mail to the permanent residential address listed on the license application, or if no residential address is listed, to the business address provided on the license application.
- (D) *Public hearing.* Upon receiving the notice provided in subdivision (C) of this section, the licensee shall have the right to request a public hearing. If no request for a hearing is received by the City Administrator/Clerk within ten regular business days following the service of the notice, the city may proceed with the suspension or revocation. For the purpose of mailed notices, service shall be considered complete as

of the date the notice is placed in the mail. If a public hearing is requested within the stated time frame, a hearing shall be scheduled within 20 days from the date of the request. Within three regular business days of the hearing, the City Council shall notify the licensee of its decision.

(E) *Emergency.* If, in the discretion of the City Council, imminent harm to the health or safety of the public may occur because of the actions of a lodging business licensed under this chapter, the City Council may immediately suspend the person's license and provide notice of the right to hold a subsequent public hearing as prescribed in subdivision (C) of this section.

(F) *Appeals.* Any person whose license is suspended or revoked under this section shall have the right to appeal that decision in district court.

Penalty, see '120.20

'120.16 LICENSE TRANSFERABILITY

No license issued under this chapter shall be transferred to any person other than the person to whom the license was issued.

ADMINISTRATION AND ENFORCEMENT

120.20 ENFORCEMENT

(A) The City Council may direct the Administrator/Clerk or other person appointed by the City Council to administer this chapter to send a notice of any violation. When so directed, a notice of a violation shall be mailed by the Administrator/Clerk or other person appointed by the City Council to administer this chapter to any person who, in the opinion of the Administrator/Clerk or other person appointed by the City Council to administer this chapter, is in violation of the provisions of the zoning code. The notice shall state the nature of the violation and the penalty for the violation. A person who is issued a notice of violation may appeal the issuance to the City Council.

(B) If the person to whom the notice of violation is directed fails to comply with the applicable provisions of this code, that person shall be deemed to have violated provisions of M.S. 157.16 Subd. 2 and shall be subject to enforcement action as provided in the Health Enforcement Consolidation Act. In addition, a penalty of \$120 shall be added to the total of the license fee for any hotel, motel, or lodging establishment operating without a license for a period of up to 30 days. A late fee of \$360 shall be added to the license fee for establishments operating more than 30 days without a license.

Effective Date. This Ordinance shall become effective upon publication.

Passed by the City of Lanesboro City Council this 3rd day of September, 2024.

Jason Resseman
Its: Mayor

ATTEST:

Mitchell Walbridge
Its: City Administrator/Clerk