

BOROUGH OF AVALON
CAPE MAY COUNTY
NEW JERSEY

ORDINANCE No. 850-2022

AN ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 22 OF THE AVALON BOROUGH CODE (HOUSING AND RENTALS) TO REQUIRE RENTAL LICENSES FOR ALL CONDOMINIUM UNITS WHICH WERE PREVIOUSLY MOTEL UNITS

WHEREAS, Chapter 22 commonly known as the rental license ordinance of the Borough was last amended in 2014 by ORD 713. As currently written all hotels, motels, and condominium motels are exempt from the provisions of the licensing Ordinance; and

WHEREAS, the term “condominium motel”, while not defined in Chapter 22, is commonly understood to mean a structure which was initially constructed and operated as a motel, has been subsequently converted from a single owner (motel owner and operator) to individual unit owners; and

WHEREAS, the Borough has concluded that all condominiums that are leased for short-term rentals or seasonal rentals must be treated uniformly and made subject to the licensing and inspection requirements of Chapter 22; and

WHEREAS, to further demonstrate that such units lose their character as a motel unit, under the revisions to the flood ordinance (ORD 849-2022) such units are now subject to inspection upon transfer. As such they are treated, in all respects, as individual residential units. As such, they should be subject to the rental license provisions to the same extent as all other property owners in the Borough and there is no justifiable basis for treating them differently.

NOW, THEREFORE, BE IT ORDAINED BY THE BOROUGH COUNCIL, the Governing Body of the Borough of Avalon, in the County of Cape May and State of New Jersey as follows:

SECTION 1. Chapter 22 of the Code of the Borough of Avalon, Section 22-1.5, subsection (a) is hereby amended and shall hereafter read as follows:

Section 22-1.5 (a) is amended to delete the term “condominium motels” and, as amended shall hereafter read as follows:

a. All Rental Properties located within the Borough shall be required to be inspected and licensed annually by the Borough. In addition, all such Rental Properties shall also be registered with either the Borough Clerk (or designee) or the State of New Jersey as required in subparagraph 22-1.3.1. No Rental Property or Rental Unit shall be leased or occupied unless a Rental License has been issued for the Property or Rental Unit as provided in this chapter. This provision does not apply to hotels, **and** motels. (ORD 850-2022)

Section 22-1.5 (a) is further amended by adding new sections as follows:

Add New subsection:

- (1) Effective January 1, 2023, any property that was originally constructed and operated as a hotel or motel and which has subsequently converted to condominium ownership, sometimes referred to a condominium motel, is subject to the registration, licensing, inspection, and all other provisions of this Chapter. For purposes of this Chapter such building or structure shall be deemed a condominium for all purposes and shall cease to be classified as a hotel or motel. (ORD 850-2022)

Add New subsection

- (2) Any condominium unit owner(s) who elect(s) to rent the unit, on or after the January 1, 2023 effective date, and regardless of whether such rental is made through a central office such as a hotel or motel office or 'front desk', or through a licensed real estate broker or salesperson, or through the use of an online rental service, or through a central rental location, or by any other means or method, shall comply with the provisions of this Chapter. (ORD 850-2022)

Add New subsection

- (3) Any such unit owner who has paid or tendered the required license fee for 2022, prior to the effective date of this subsection, shall have such fee applied to the 2023 license fee. (ORD 850-2022)

Add New subsection

- (4) Any hotel or motel owner or operator who retains ownership of one or more units in a building or structure that has been converted to a condominium, and who chooses to rent any or all of such units, shall be subject to all of the provisions of this Chapter (ORD 850-2022)

SECTION 2. REPEALER. All Ordinances or parts of Ordinances, including those specified in Section 3 hereof, which are in conflict or inconsistent herewith are hereby repealed to the extent of such inconsistency or conflict only.

SECTION 3. SEVERABILITY. If any section, paragraph, subdivision, subsection, clause or provision of this Ordinance shall be adjudged invalid, such adjudication shall apply only to the section, paragraph, subdivision, subsection, clause, or provision declared invalid and the remainder of this Ordinance shall remain in full force and effect and shall be enforceable.

SECTION 4. EFFECTIVE DATE. This Ordinance shall take effect January 1, 2023 following final adoption and publication as required by law.

NOTICE OF PENDING ORDINANCE

The Ordinance published herewith was introduced and passed on first reading of the Municipal Council of the Borough of Avalon on July 27, 2022. It will be further considered for second reading, public hearing and final adoption at a meeting of said Council to be held on the 10th day of August, 2022 in the Meeting Room of the Municipal Building, Avalon, New Jersey at 4:15 p.m. and during the week prior to and up to and including the date of such meeting, copies of said Ordinance will be made available at the Clerk's Office in said Municipal Building to the members of the general public who shall request the same.

C. DANIELLE NOLLETT
Borough Clerk