

CITY OF NEWPORT SUMMARY OF RENTAL REGULATIONS

This document provides a brief summary of the City and certain state (where applicable) zoning, building, fire, registration and tax regulations governing guest houses, including those using hosting platforms.

DEFINITIONS:

1. Guest House is a building in which five or less rooms are rented to no more than ten persons on a daily, weekly, or monthly basis, with or without the furnishing of meals and with the owner or manager thereof residing on the guest house premises, except that the owner or manager need not reside on the premises where guest houses are permitted by right.
2. Hotel, as defined in Rhode Island state law 42-63.1-2, means any facility offering a minimum of one (1) room for which the public may, for a consideration, obtain transient lodging accommodations. The term includes, hotels, motels, tourist homes, tourist camps, lodging houses and inns. The term “hotel” also includes houses, condominiums, or other residential dwelling units, regardless of the number of rooms, which are used and/or advertised for rent for occupancy.
3. Traditional Hotels are the brick-and-mortar hotels that collect and remit hotel tax for their own hotel room rentals.
4. Room resellers are companies that buy hotel rooms from traditional hotels and resell them at a higher price. Examples include Expedia and Travelocity.
5. Hosting Platform means any electronic or operating system in which a person or entity provides a means through which an owner may offer a residential unit for “tourist or transient” use. This service is usually, although not necessarily, provided through an online or web-based system which generally allows an owner to advertise the residential unit through a hosted website and provides a means for a person or entity to arrange tourist or transient use in exchange for payment. Examples include AirBnb and Home Away.
6. Owner means any person who owns real property and is the owner of record. Owner shall also include a lessee where the lessee is offering a residential unit for tourist or transient use.

ZONING AND INSPECTIONS:

What is commonly referred to as “short-term rentals”, including “AirBnb”, “bed and breakfast”, etc. are defined as a “guest house use” or a “transient guest facility” and are allowed in certain zones in the City of Newport, by right or by special use permit and prohibited in the rest. This differs from the “Rental-Dwellings” registration requirement under Section 15.16.040

“Guest House uses” are permitted by right and do not require the owner to reside on the premises in the limited business LB, waterfront business WB, general business GB and commercial industrial CI zones.

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“Guest House uses” in the R-3, R-10, R-20, R-40 and R-40A are allowed only with a special use permit from the Zoning Board. The owner or a resident manager will be required to reside on the premises. Special use permit applications are available on the City’s website.

“Guest House uses” in the R-10A, R-60, R-120, R-160, REC and OS zones are prohibited.

Properties being converted must meet an off street parking requirement of one space per bedroom.

You can locate your property’s zoning classification by finding the maps on the City’s website at www.cityofnewport.com/departments/planning-development/maps-plans.

Zoning use regulations can be found in City Ordinances Chapter 17.70.

BUILDING CODE:

The Rhode Island State Building Code in RISBC-1 2013 Section 903 states that any property that rents a dwelling unit or sleeping unit for less than 30 days is considered an R-1 use group. R-1 use groups must have fire sprinkler systems. Bed and breakfast applications within a resident occupied single family home do not fall into this category.

Note that this is different than the RI fire code regulations, as set forth below.

REGISTRATION REQUIREMENTS:

All guest houses, transient guest facilities and hotels in the City of Newport must be registered *annually* with the Newport City Clerk’s Office on or before June 1st.

The annual registration fee shall be fifty dollars (\$50.00) per location.

Certificates of registration must be signed by the City Clerk and shall identify the number of rooms, and shall not be transferable, and shall be kept posted in plain view by the registrant in the lobby or entrance area of the place registered.

For a guest house use of 1-2 rooms in a residence, the fee shall be \$50 annually.

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CITY OF NEWPORT FIRE REGULATIONS:

The Rhode Island Fire Code identifies residential occupancies as indicated below. The fire protection requirements listed in each category are guidelines. Additional requirements may exist depending on the specific layout, use, or fire separation from other occupancies on site:

1. ONE AND TWO FAMILY DWELLINGS

The application of the Rhode Island Fire Code to one and two family dwellings is strictly limited to the installation of smoke and carbon monoxide smoke detection.

Number of people: The “Family Unit” *plus 1 to 3 outsiders* (The family unit can be a single person or related members of a family). If more than three outsiders are renting rooms within a single dwelling unit, the occupancy is classified as Lodging and Rooming. (See #3 below).

Fire Protection Requirements: Smoke and carbon monoxide detection requirements are based on the age of the dwelling. The Fire Code also requires that One and Two Family Dwellings:

- Comply with State Building and Minimum Housing Codes.
- All One and Two Family Dwellings shall remain subject to, and comply with, the State Building Code adopted pursuant to RIGL 23-27.3 et seq.
- All One and Two Family Dwellings shall further remain subject to, and comply with the Minimum Housing Standards outlined in RIGL 45-24.2-1 et seq.

2. THREE FAMILY APARTMENT BUILDINGS

All Three Family Apartment Buildings constructed or converted for residential occupancy, including modular homes, shall be provided with smoke and carbon monoxide detectors, installed in accordance with NFPA 72, and NFPA 720, at the direction and to the satisfaction of the AHJ.

Number of people: The Fire Code does not address the number of people per apartment.

Fire protection requirements: Smoke and carbon monoxide detection, and;

- Compliance with State Building and Minimum Housing Codes.
- All Three Family Apartment Buildings shall remain subject to, and comply with, the State Building Code adopted pursuant to RIGL 23-27.3 et seq.
- All Three Family Apartment Buildings shall further remain subject to, and comply with the Minimum Housing Standards outlined in RIGL 45-24.2-1 et seq.

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3. LODGING AND ROOMING HOUSES

An owner and/or innkeeper occupied building that provides sleeping accommodations for up to sixteen (16) guests. Every “Bed and Breakfast Home” must further have originated as a private home and must have at least 300 square feet of common space (i.e., dining room, living room, etc.) for guest use, and must further provide breakfast. Finally, the owner and/or innkeeper must occupy the building twenty-four hours a day, seven days a week, while guests are utilizing the facility. The owner and/or innkeeper of the Bed and Breakfast Home shall have a plan of action, approved by the local official, to assure the safety of the guests in the event the owner or innkeeper is required to temporarily leave the facility unsupervised for limited periods during the day.

Number of People: (4 to 6 Guests) or (7 to 16 Guests).

Fire protection requirements: New and existing occupancies have different fire protection requirements. General requirements include smoke and carbon monoxide detectors, exit signage, emergency lighting, and fire extinguishers. Additionally, where the specific requirements of a “Bed and Breakfast Home” are not met, the building may also require a commercial fire alarm system, a fire sprinkler system, and/or emergency forces notification.

4. HOTEL

A building or groups of buildings under the same management in which there are sleeping accommodations for more than 16 persons and primarily used by transients for lodging with or without meals.

Number of People: 17 or more.

Fire protection requirements: New and existing occupancies differ. All require smoke and carbon monoxide detectors, a commercial fire alarm system, exit signage, emergency lighting, fire extinguishers, and emergency forces notification. Depending on the year built, or converted, a fire sprinkler system may also be required.

5. DORMITORY

A building or a space in a building in which group sleeping accommodations are provided for more than 16 persons who are not members of the same family in one room, or a series of closely associated rooms, under joint occupancy and single management, with or without meals, but without individual cooking facilities.

Number of People: 17 or more.

Fire Protection Requirements: New and existing occupancies differ. All require smoke and carbon monoxide detectors, a commercial fire alarm system, exit signage, emergency lighting, fire extinguishers, and emergency forces notification. Depending on the year built, or converted, a fire sprinkler system may also be required.

6. APARTMENTS

A building or portion thereof containing four or more dwelling units with independent cooking and bathroom facilities.

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Number of People: The Fire Code does not address the number of people per apartment.

Fire Protection Requirements: New and existing occupancies differ. All require smoke and carbon monoxide detectors, a commercial fire alarm system, exit signage, emergency lighting, and fire extinguishers. Apartment buildings with more than 11 units also require emergency forces notification. Depending on the year built, or converted, a fire sprinkler system may also be required.

SALES AND HOTEL TAXES:

Chapter 44 of Rhode Island state laws govern regulations and requirements for sales and hotel taxes.

Sales and hotel tax requirements vary by type of rental. The owner or manager of the property is required to register for a sales permit with the Rhode Island Division of Taxation on the Form BAR, "Business Application and Registration". (Form can be found online). The fee is \$10.00. Sales tax must be collected and remitted to the Rhode Island Division of Taxation on a monthly basis. Hotel tax must be collected and remitted to the City of Newport, 43 Broadway on a monthly basis. Form can be found online.

Traditional hotels and rooms resellers are required to collect 7% sales tax to be remitted to the State and 6% hotel tax to be remitted to the City of Newport.

For short-term rentals (less than 30 days) of an entire house, entire condominium, entire apartment or other such residential dwelling, the sales tax is 7%. The hotel tax is 1%.

If you rent out a room in an apartment, condo, house, or other such residential accommodation for 30 days or less, the sales tax is 7% and the hotel tax is 6%.

If you rent out a property or room through a hosting platform, then the hosting platform is required to register with the Rhode Island Division of Taxation and collect and remit the sales tax and hotel tax as required for the type of rental.

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