

Proposed Revision to Rental License Process

Current practice

1. Application forms are sent in March or April to all property owners except those who have notified the Town that they do not intend to rent. The application and payment is due by June 1st.
2. A friendly reminder notice is sent if we know a property was rented and we have not issued a license. These would typically be done in November, often triggered by the realtor paying rental tax when the owner failed to get a proper license. This is the first delinquency notice and the matter is referred to Code Enforcement if no payment is received within 30 days of this reminder.
3. Code Enforcement sends letter with a copy of the relevant section of the Town Code informing the property owner that the fine for renting without a license is as much as \$500 and giving 15 days to submit the application with payment. This is the second delinquency notice.
4. Code Enforcement issues a citation or a summons to appear in court if the property owner does not comply. The property owner can schedule to appear in court to discuss the ticket with the judge if they wish.

The Town issues approximately 800 rental licenses each year. In an average year, 35 property owners (4%) need to be sent the friendly reminder letter. Some owners have a history of not paying until after they receive this second notice.

The most common and time consuming problem with rental licenses is failure to return the Safety Certification with the required, notarized signature.

Possible revision

Add to the Schedule of Fees:

"Administrative fee for failure to obtain a rental license by June 1. \$50"

"Rental License will not be issued without notarized safety certificate"

Add to the application form:

"An additional administrative fee of \$50 will be charged if this license is not obtained prior to June 1st. The properly notarized safety certification must be received before the rental license will be issued."

Proposed Revision to Business License Process

Current practice

1. Application forms are sent in March or April to who currently hold a business license or are known to be opening a new business. The application and payment are due by June 1st.
2. A friendly reminder letter is sent in mid-June. If it is unknown if the business is in operation then Code Enforcement is asked to check at this time.
3. Code Enforcement is notified by August 15th of any business known to be operating that has not applied for the current year's business license.

Each year a few in-town businesses require the reminder notice of step #2, but these are not the same businesses each year. It is extremely rare for an in-town business to advance to the point of code enforcement action.

Possible revision

Add to the Schedule of Fees:

"Administrative fee for failure to obtain a business license prior to conducting business within town limits. \$100"

Add to the application form:

"An additional administrative fee of \$100 will be charged if this license is not obtained or renewed prior to conducting business within town limits."

**Town of Bethany Beach
Fiscal Year 2012 Schedule of Fees**

Fence, permanent subdivision sign, driveway and sidewalk	50.00
Private swimming pool permit	30.00
Public swimming pool permit	60.00
Bulkheads, docks, and ramps, installation of new or removal of existing to replace with new	50.00
GCL Heath Exchange Well System	50.00
Signs	0.50/sq foot
Minimum Permit Fee	30.00

MERCANTILE LICENSE FEES:

Business License (may purchase up to 3 years for \$180 per year)	180.00
Administrative fee for failure to obtain a business license prior to conducting business within town limits	100.00 **
Rental License, Commercial or Residential. Rental License will not be issued without notarized safety certificate	50.00
Administrative fee for failure to obtain a rental license by June 1	50.00 **
Rental tax on gross rental receipts on Commercial and Residential rentals	6%
Rental tax on gross rental receipts on rentals subject to State Accommodations Tax	3%

OTHER FEES:

Shuttle Bus Permit (shuttle with seating capacity of 11 or more)	6,000.00
Shuttle Bus Permit (shuttle with seating capacity of 10 or less)	3,000.00
Shuttle Rider Fee	0.25
Special Events Permit	25.00
Backhoe and Operator (minimum charge per hour)	80.00
Permit for Portable on Demand Storage Unit (POD) or similar temporary storage, personal use	25.00 **
Permit or permit renewal for Portable on Demand Storage Unit (POD) or similar temporary storage, construction	50.00 **

POLICE DEPARTMENT:

Document Fee	18.50
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PARKING DEPARTMENT:

Parking meter rate per hour	1.50
Booting of vehicle for non-payment of parking fines	45.00

PARKING PERMITS:

RESIDENTIAL PROPERTY OWNERS

1st Permit	N/C
2nd Permit (No more than 2 permits will be issued per property)	25.00
Replacement Permits	50.00

C-1 BUSINESS LICENSE HOLDER

Each Permit	25.00
Parking Meter Permits - Gold - In Town business owners only, excludes 2 hour meters. (Limit 2)	350.00
Parking Meter Permits - Platinum - In Town business owners only, any meter. (Limit 1)	1,000.00

VISITOR PERMITS

1-day	20.00 *
3-day	59.00 *
7-day	137.00 *

PROPERTY MAINTENANCE:

Administrative fee -Violation of Town Code @ Property Maintenance (Per Lot)	First Offense	200.00 *
Administrative fee -Violation of Town Code @ Property Maintenance (Per Lot)	Second Offense	400.00 *
Administrative fee -Violation of Town Code @ Property Maintenance (Per Lot)	Additional Offenses	600.00 *

REAL PROPERTY TRANSFER TAX:

1.5% of Gross Sales Price



**TOWN OF BETHANY BEACH
APPLICATION FOR TOWN BUSINESS LICENSE**

RENEWALS can be done online at townofbethanybeach.com --click "E-Services"

NAME OF BUSINESS: _____

MAILING ADDRESS: _____

PHYSICAL ADDRESS: _____

PHONE NUMBER: _____ CELL NUMBER (OPT.): _____

E-MAIL: _____ FAX (OPT.): _____

WEBSITE ADDRESS: _____

Pursuant to Chapter 102 of the Code of the Town of Bethany Beach, I hereby make application to the Town Manager of the Town of Bethany Beach, Delaware, for a license to engage in business or service as follows:

(State nature of business) _____

You can now apply for a Town license for up to the next three years. Please check one of the following:

- 1 year ending 5/31/2012 Fee = \$180.00 _____
- 2 year ending 5/31/2013 Fee = \$360.00 _____
- 3 year ending 5/31/2014 Fee = \$540.00 _____

Application and fees, including payment of the ambulance fee if applicable, are due by June 1st.

An additional administrative fee of \$100 will be charged if this license is not obtained or renewed prior to conducting business within town limits.

If a partnership, firm or association, give names and permanent home addresses of each member.

Signature: _____
 Print Name: _____
 Address: _____

 Title: _____

If a corporation, give names and permanent home addresses of the principal officers in the State of Incorporation _____

Signature: _____
 Print Name: _____
 Address: _____

 Title: _____

MAKE CHECK PAYABLE TO:

**Town of Bethany Beach
 214 Garfield Parkway
 PO Box 109
 Bethany Beach DE 19930**

Signature: _____
 Print Name: _____
 Address: _____

 Title: _____

PLEASE BE SURE TO **SIGN THIS APPLICATION!**
 Construction Working Hours: 8:00 A.M. to 5:30 P.M. Monday thru Friday, year round.
 From Oct 1 thru May 31 - 8:00 A.M. to Noon on Saturdays
No Sundays or Town Celebrated Holidays

APPLICATION
RESIDENTIAL AND COMMERCIAL RENTAL LICENSE
TOWN OF BETHANY BEACH
PO BOX 109
BETHANY BEACH DE 19930

Anyone who operates any kind of business in Bethany Beach, Delaware, must have a license. This includes the rental of rooms, cottages, apartments, motels, townhomes, condominiums, or other forms of domestic occupancy, and the rental of commercial property. **No residential rental license will be issued without the Safety Certification completed and notarized.**

PROPERTY: _____

Type of Rental Property (please check only one):

- | | |
|---|---|
| <input type="checkbox"/> Apartment Building
of apartments rented _____ | <input type="checkbox"/> Rooming or Boarding House
of sleeping rooms _____ |
| <input type="checkbox"/> Cottage or Home (single family dwelling)
of sleeping rooms _____ | <input type="checkbox"/> Motel |
| <input type="checkbox"/> Townhouse or Condominium | <input type="checkbox"/> Commercial Property
of units rented _____ |
| <input type="checkbox"/> Duplex (Do you rent both units: yes <input type="checkbox"/> no <input type="checkbox"/>) | # of apartment units _____ |

II. During which of the following periods do you plan to rent?

- May 2011 to September 2011
 -----October 2011 to April 2012

III. Real Estate Agency that handles your rentals _____
(Even if your property is handled by a Realtor, you still must apply for a license.)
If you handle your own rentals at least part of the time, check here

IV. Other Information

- All persons who own property in Bethany Beach, if such property is used to provide houses, apartments, townhouses, duplex units, or condos to tenants, must, in addition to obtaining a rental license each year, pay a 6% tax on the gross rental income of each establishment; those who provide commercial space to tenants must pay a 6% rental tax; and those providing motel rooms or boarding houses who are subject to the State of Delaware Accommodations Tax, must pay a 3% tax. Payment of the tax shall be the responsibility of the owner except where the rental is handled by a Realtor, in which case the latter shall collect and pay the tax.
- A separate license is required for each rental unit.
- A fee of \$50.00 is required for each license. Please make checks payable to TOWN OF BETHANY BEACH.
- Applications and fees and safety certification for rental licenses are due by JUNE 1, 2011.
- An additional administrative fee of \$50 will be charged if this license is not obtained prior to June 1st. The properly notarized safety certification must be received before the rental license will be issued.**

PLEASE **SIGN** AND RETURN THE APPLICATION, NOTARIZED SAFETY CERTIFICATION AND ASSOCIATED FEES TO:

Town of Bethany Beach
PO Box 109
Bethany Beach DE 19930

(Incomplete and/or unsigned applications
cannot be processed)

Signature of Applicant

Mailing Address